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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 13 May 2019.

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 2018) *Interim Financial Reporting;* guidelines promulgated by the Federation of Accounting Professions; 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 2018. 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 2018.

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 2018 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2019. The primary change is that the Group has initially adopted TFRS 15 Revenue from Contracts with Customers (“TFRS 15”), which replaced TAS 18 Revenue (“TAS 18”), TAS 11 Construction Contracts (“TAS 11”) and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impacts on the financial statements.

For a number of new TFRS which are not yet effective for current period, the Group has not early adopted these standards in preparing these interim financial statements before the effective date. Those new TFRS that are relevant to the Group’s operations are disclosed in note 12.

***(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 2018, except for revenue recognition which requires judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 which the Group has initially adopted.

*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 5. 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 |
| Tianjin Yuasa Batteries Co., Ltd. | China | Common ultimate parent company |
| Key management personnel | Thailand and 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 2019 and 2018 with related parties were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated | | |  | Separate | | |
|  | financial statements | | |  | financial statements | | |
| *Three-month periods ended 31 March* | 2019 |  | 2018 |  | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | |
| **Subsidiary** |  |  |  |  |  |  |  |
| Revenue from sale of goods | - |  | - |  | 205,912 |  | 241,051 |
| Rental and service income | - |  | - |  | 342 |  | 342 |
| Service income | - |  | - |  | 256 |  | 197 |
|  |  |  |  |  |  |  |  |
| **Other related parties** |  |  |  |  |  |  |  |
| Revenue from sale of goods | 40,433 |  | 38,653 |  | 40,433 |  | 38,653 |
| Purchase of raw materials and goods | 46,154 |  | 39,574 |  | 46,154 |  | 38,807 |
| Commission income | 302 |  | 399 |  | 302 |  | 399 |
| Purchase of machinery and equipment | 1,723 |  | - |  | 1,723 |  | - |
| Royalty fee | 8,960 |  | 10,274 |  | 8,960 |  | 10,274 |
|  |  |  |  |  |  |  |  |
| **Key management personnel** |  |  |  |  |  |  |  |
| Key management personnel compensation |  |  |  |  |  |  |  |
| Short-term employee benefits | 10,212 |  | 9,058 |  | 9,089 |  | 7,956 |
| Post-employment benefits | 351 |  | 346 |  | 191 |  | 199 |
| **Total key management personnel** |  |  |  |  |  |  |  |
| **compensation** | **10,563** |  | **9,404** |  | **9,280** |  | **8,155** |

Balances as at 31 March 2019 and 31 December 2018 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 |
|  | 2019 |  | | 2018 |  | 2019 | |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | | |
| **Subsidiary** |  |  | |  |  |  | |  |  |
| Yuasa Sales and Distribution Co., Ltd. | - |  | | - |  | 166,593 | |  | 223,676 |
| **Other related parties** |  |  | |  |  |  | |  |  |
| Yuasa Battery (Malaysia) Sdn Bhd. | 32,064 |  | | 32,223 |  | 32,064 | |  | 32,223 |
| Yuasa Battery (Shunde) Co., Ltd. | 681 |  | | 1,150 |  | 681 | |  | 1,150 |
| GS Yuasa International Ltd. | 490 |  | | 268 |  | 490 | |  | 268 |
| **Total** | **33,235** |  | | **33,641** |  | **199,828** | |  | **257,317** |
|  |  |  | |  |  |  | |  |  |
| *Other current receivables* | Consolidated | | | |  | | Separate | | |
| *- related parties* | financial statements | | | |  | | financial statements | | |
|  | 31 March |  | 31 December | |  | | 31 March |  | 31 December |
|  | 2019 |  | 2018 | |  | | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | | |
| **Subsidiary** |  |  |  | |  | |  |  |  |
| Yuasa Sales and Distribution Co., Ltd. | - |  | - | |  | | 320 |  | 490 |
| **Other related party** |  |  |  | |  | |  |  |  |
| Taiwan Yuasa Battery Co., Ltd. | 305 |  | 383 | |  | | 305 |  | 383 |
| **Total** | **305** |  | **383** | |  | | **625** |  | **873** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
| *Trade accounts payable* | Consolidated | | | |  | Separate | | |
| *- related parties* | financial statements | | | |  | financial statements | | |
|  | 31 March |  | | 31 December |  | 31 March |  | 31 December |
|  | 2019 |  | 2018 | |  | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | |
| **Other related parties** |  |  |  | |  |  |  |  |
| GS Yuasa International Ltd. | 24,973 |  | 45,983 | |  | 24,973 |  | 45,983 |
| Siam GS Sales Co., Ltd. | - |  | 34 | |  | - |  | - |
| **Total** | **24,973** |  | **46,017** | |  | **24,973** |  | **45,983** |
|  |  |  |  | |  |  |  |  |
| *Other current payables* | Consolidated | | | |  | Separate | | |
| *- related parties* | financial statements | | | |  | financial statements | | |
|  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | 2019 |  | 2018 | |  | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | |
| ***Payable for fixed assets purchased*** |  |  |  | |  |  |  |  |
| **Other related parties** |  |  |  | |  |  |  |  |
| Tianjin Yuasa Batteries Co., Ltd. | 1,485 |  | - | |  | 1,485 |  | - |
| GS Yuasa International Ltd. | 243 |  | 305 | |  | 243 |  | 305 |
|  |  |  |  | |  |  |  |  |
| ***Accrued royalty fee*** |  |  |  | |  |  |  |  |
| **Other related party** |  |  |  | |  |  |  |  |
| GS Yuasa International Ltd. | 8,960 |  | 37,604 | |  | 8,960 |  | 37,604 |
| **Total** | **10,688** |  | **37,909** | |  | **10,688** |  | **37,909** |

***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 7 December 2018, 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. **Trade accounts receivable**

|  |  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  | **Consolidated** | | | |  | Separate | | |
|  |  | financial statements | | | |  | financial statements | | |
|  |  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | *Note* | 2019 |  | | 2018 |  | 2019 |  | 2018 |
|  |  | *(in thousand Baht)* | | | | | | | |
| Related parties | *3* | 33,235 |  | | 33,641 |  | 199,828 |  | 257,317 |
| Other parties |  | 236,265 |  | | 294,576 |  | 117,199 |  | 129,116 |
| **Total** |  | **269,500** |  | | **328,217** |  | **317,027** |  | **386,433** |
| *Less* allowance for doubtful accounts |  | (1,492) |  | | (2,776) |  | - |  | (146) |
| **Net** |  | **268,008** |  | | **325,441** |  | **317,027** |  | **386,287** |
|  |  |  |  | |  |  |  |  |  |
|  | | 2019 |  | | 2018 |  | 2019 |  | 2018 |
|  | | *(in thousand Baht)* | | | | | | | |
| Reversal of bad and doubtful debts | |  |  | |  |  |  |  |  |
| expense for the three-month period |  |  |  | |  |  |  |  |  |
| ended 31 March |  | (335) |  | | (409) |  | - |  | - |

Aging analyses for trade accounts receivable were as follows:

|  | Consolidated | | | |  | Separate | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | financial statements | | | |  | financial statements | | |
|  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | 2019 |  | 2018 | |  | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | |
| **Related parties** |  | | | | | | | |
| Within credit terms | 27,987 |  | | 28,475 |  | 194,580 |  | 252,151 |
| Overdue: |  |  | |  |  |  |  |  |
| Less than 3 months | 5,248 |  | | 5,149 |  | 5,248 |  | 5,149 |
| 3 - 6 months | - |  | | 17 |  | - |  | 17 |
|  | **33,235** |  | | **33,641** |  | **199,828** |  | **257,317** |
|  |  |  | |  |  |  |  |  |
| **Other parties** |  |  | |  |  |  |  |  |
| Within credit terms | 209,666 |  | | 239,847 |  | 99,531 |  | 106,599 |
| Overdue: |  |  | |  |  |  |  |  |
| Less than 3 months | 23,543 |  | | 49,923 |  | 17,668 |  | 22,371 |
| 3 - 6 months | 627 |  | | 1,387 |  | - |  | - |
| Over 12 months | 2,429 |  | | 3,419 |  | - |  | 146 |
|  | **236,265** |  | | **294,576** |  | **117,199** |  | **129,116** |
| *Less* allowance for doubtful accounts | (1,492) |  | | (2,776) |  | - |  | (146) |
|  | **234,773** |  | | **291,800** |  | **117,199** |  | **128,970** |
| **Net** | **268,008** |  | | **325,441** |  | **317,027** |  | **386,287** |

The normal credit term granted by the Group ranges from 30 days to 100 days.

1. **Investment in subsidiary**

Investment in subsidiary as at 31 March 2019 and 31 December 2018, and dividend income from this investment for the three-month periods ended 31 March 2019 and 2018 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 | 2019 |  | 2018 |  | 2019 |  | 2018 |  | 2019 |  | 2018 |  | 2019 |  | 2018 |  | 2019 |  | 2018 |  | 2019 |  | 2018 |
|  |  | *(%)* | | |  | *(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 subsidiary 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 2019 and 2018 were as follows:

|  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- |
|  | Consolidated financial statements | | | | | | |
| ***Three-month periods ended 31 March*** | 2019 | | |  | 2018 | | |
|  |  |  | 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 | 2,763 |  | - |  | 6,247 |  | - |
| Machinery and equipment | 9,358 |  | - |  | 1,978 |  | - |
| Furniture, fixtures and office equipment | 1,093 |  | - |  | 284 |  | - |
| Assets under construction and |  |  |  |  |  |  |  |
| machinery under installation | 9,272 |  | (11,479) |  | 12,971 |  | (7,303) |
| **Total** | **22,486** |  | **(11,479)** |  | **21,480** |  | **(7,303)** |

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | Separate financial statements | | | | | | | |
| ***Three-month periods ended 31 March*** | 2019 | | | |  | 2018 | | |
|  |  |  | | 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 | 2,763 |  | - | |  | 6,247 |  | - |
| Machinery and equipment | 9,358 |  | - | |  | 1,978 |  | - |
| Furniture, fixtures and office equipment | 1,093 |  | - | |  | 284 |  | - |
| Assets under construction and |  |  |  | |  |  |  |  |
| machinery under installation | 9,272 |  | (11,479) | |  | 12,747 |  | (7,303) |
| **Total** | **22,486** |  | **(11,479)** | |  | **21,256** |  | **(7,303)** |

As at 31 March 2019, the Group’s and the Company’s land and constructions thereon with a net book value of Baht 30 million *(2018: Baht 30 million)* have been mortgaged as collateral for some facilities amounted to Baht 137.5 million *(2018: Baht 137.5 million)* obtained from a financial institution.

1. **Revenue and segment information**

The Group’s operations and main revenue streams are revenue from sales of goods. The Group’s main revenue is derived from contracts with customers.

*Disaggregation of revenue*

In the following table, revenue is disaggregated by primary geographical market, major products, customer groups and timing of revenue recognition.

|  | Consolidated | | |
| --- | --- | --- | --- |
|  | financial statements | | |
| ***Three-month periods ended 31 March*** | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | |
| External revenue | 547,416 |  | 640,742 |
| Internal revenue | 205,912 |  | 241,051 |
| **Total revenue** | **753,328** |  | **881,793** |
| Elimination of internal revenue | (205,912) |  | (241,051) |
| **Consolidated revenue** | **547,416** |  | **640,742** |
|  |  |  |  |
| **Primary geographical markets** |  |  |  |
| Thailand | 424,698 |  | 466,913 |
| Other countries | 122,718 |  | 173,829 |
| **Total** | **547,416** |  | **640,742** |
|  |  |  |  |
| **Major products** |  |  |  |
| Automobiles batteries | 191,790 |  | 258,410 |
| Motorcycles batteries | 334,538 |  | 370,304 |
| Other products | 21,088 |  | 12,028 |
| **Total** | **547,416** |  | **640,742** |
|  |  |  |  |
| **Customer groups** |  |  |  |
| Original Equipment Market (OEM) | 186,621 |  | 204,518 |
| Replacement Equipment Market (REM) | 221,815 |  | 253,991 |
| Export market | 122,718 |  | 173,829 |
| Others | 16,262 |  | 8,404 |
| **Total** | **547,416** |  | **640,742** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | **547,416** |  | **640,742** |

|  | Separate | | |
| --- | --- | --- | --- |
|  | financial statements | | |
| ***Three-month periods ended 31 March*** | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | |
| **Primary geographical markets** |  |  |  |
| Thailand | 408,795 |  | 453,972 |
| Other countries | 122,718 |  | 173,829 |
| **Total** | **531,513** |  | **627,801** |
|  |  |  |  |
| **Major products** |  |  |  |
| Automobiles batteries | 187,224 |  | 254,307 |
| Motorcycles batteries | 328,351 |  | 365,071 |
| Other products | 15,938 |  | 8,423 |
| **Total** | **531,513** |  | **627,801** |
|  |  |  |  |
| **Customer groups** |  |  |  |
| Original Equipment Market (OEM) | 186,621 |  | 204,518 |
| Replacement Equipment Market (REM) | 205,896 |  | 241,037 |
| Export market | 122,718 |  | 173,829 |
| Others | 16,278 |  | 8,417 |
| **Total** | **531,513** |  | **627,801** |
|  |  |  |  |
| **Timing of revenue recognition** |  |  |  |
| At a point in time | **531,513** |  | **627,801** |

1. **Basic earnings per share**

The calculations of basic earnings per share for the three-month periods ended 31 March 2019 and 2018 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*** | 2019 |  | 2018 |  | 2019 |  | 2018 |
|  | *(in thousand Baht / thousand shares)* | | | | | | |
| Profit attributable to ordinary shareholders of  the Company (basic) | 32,084 |  | 37,314 |  | 28,169 |  | 32,285 |
| Number of ordinary shares outstanding | 107,625 |  | 107,625 |  | 107,625 |  | 107,625 |
|  |  |  |  |  |  |  |  |
| **Earnings per share (basic) *(in Baht)*** | **0.30** |  | **0.35** |  | **0.26** |  | **0.30** |

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

|  | Consolidated | | | |  | Separate | | |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  | financial statements | | | |  | financial statements | | |
|  | 31 March |  | 31 December | |  | 31 March |  | 31 December |
|  | 2019 |  | 2018 | |  | 2019 |  | 2018 |
|  | *(in thousand Baht)* | | | | | | | |
| ***Capital commitments*** |  |  | |  |  |  |  |  |
| *Contracted but not provided for* |  |  | |  |  |  |  |  |
| Building and constructions | 7,222 |  | | 12,659 |  | 7,222 |  | 12,659 |
| Machinery and equipment | 2,542 |  | | 620 |  | 2,542 |  | 620 |
| Office equipment | - |  | | 646 |  | - |  | 646 |
| Computer software | 1,059 |  | | 98 |  | 1,059 |  | 98 |
| **Total** | **10,823** |  | | **14,023** |  | **10,823** |  | **14,023** |
|  |  |  | |  |  |  |  |  |
| ***Future minimum lease payment*** |  |  | |  |  |  |  |  |
| ***under non-cancellable*** |  |  | |  |  |  |  |  |
| ***operating lease*** |  |  | |  |  |  |  |  |
| Within one year | 3,404 |  | | 4,744 |  | 3,320 |  | 4,647 |
| After one year but within five years | 1,046 |  | | 1,337 |  | 892 |  | 1,168 |
| **Total** | **4,450** |  | | **6,081** |  | **4,212** |  | **5,815** |
|  |  |  | |  |  |  |  |  |
| ***Other commitments*** |  |  | |  |  |  |  |  |
| Bank guarantees | 7,112 |  | | 7,143 |  | 7,112 |  | 7,143 |

As at 31 March 2019, 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 2019 to 2022.

(b) letter of guarantees issued by financial institutions in favour of the Company for the use of electricity and for performance bonds guarantee which some letter of guarantees of Baht 6.3 million *(31 December 2018: Baht 6.3 million)* were secured by the Company’s land and constructions.

(c) purchase order accepted by suppliers of the Company for purchase of raw materials for a total quantity of 4,050 MT *(31 December 2018: 5,400 MT)*, at the prices as determined in purchase order that will be delivered during 2019 *(31 December 2018: during 2019)*.

1. **Contingent liabilities**

As at 31 March 2019, the Company had guaranteed unutilised bank overdrafts for subsidiary in amount of Baht 5 million *(31 December 2018: Baht 5 million)*.

1. **Events after the reporting period**

(a) On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group will therefore amend its retirement plan in accordance with the changes in the Labor Protection Act. As a result of this change, the provision for retirement benefits as well as past service cost recognised in the consolidated and separate financial statements will increase by an amount of Baht 9.4 million and Baht 7.8 million, respectively.

(b) At the annual general meeting of the shareholders of the Company held on 10 April 2019, the shareholders approved the appropriation of dividend of Baht 0.30 per share, amounting to Baht 32.3 million. The dividend was paid to shareholders on 10 May 2019.

1. **Thai Financial Reporting Standards (TFRS) not yet adopted**

A number of new TFRS which are relevant to the Group’s operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after   
1 January 2020 are as follows:

| **TFRS** | **Topic** |
| --- | --- |
| TFRS 7\* | Financial Instruments: Disclosures |
| TFRS 9\* | Financial Instruments |
| TFRS 16 | Leases |
| TAS 32\* | Financial Instruments: Presentation |
| TFRIC 16\* | Hedges of a Net Investment in a Foreign Operation |
| TFRIC 19\* | Extinguishing Financial Liabilities with Equity Instruments |

*\* TFRS - Financial instruments standards*

* 1. ***TFRS - Financial instruments standards***

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate’s financial statements.

* 1. ***TFRS 16 Leases***

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 on the consolidated and separate’s financial statements.