Alla Public Company Limited and its subsidiary
Report and consolidated financial statements
31 December 2018

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Independent Auditor's Report

To the Shareholders of Alla Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Alla Public Company Limited and its subsidiary (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of 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 Alla 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 Alla Public Company Limited and its subsidiary and of Alla Public Company Limited as at 31 December 2018, 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.

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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 respond for each matter are described below.

Revenue recognition

Sales of goods and services are significant accounting transactions as the amounts recorded are material and directly affect profit or loss of the Group. In addition, the revenues of the Group are derived from various sources, such as sales of goods, sales with installation service, and provision of after-sale services and other services, and lead time for goods or service delivery under each agreement can be different. Accordingly, the timing of the Group's revenue recognition varies. I therefore focused my audit on the revenue recognition of the Group.

I examined the Group's revenue recognition by assessing and testing the Group's internal controls with respect to the revenue cycle by making enquiries of responsible executives, gaining on understanding of the controls and selecting representative samples to test the operation of the designed controls. In addition, I applied a sampling method to select sale and service transactions occurring during the year and near the end of the reporting period to check against the supporting documents and reviewed credit notes that the Group issued after the period-end date. I also performed analytical procedures on disaggregated data to detect possible irregularities in sale and service transactions throughout the period, particularly for accounting entries made through journal vouchers.

Inventory - work in process

Estimating the net realisable value of work in process, as disclosed in Note 10 to the financial statements, is an area of significant management judgement, particularly with regard to the estimation of provision for diminution in the value of work in process. This requires details of the estimated cost to complete the production, including necessary selling expenses. There is therefore a risk of that the recognised amount of provision for diminution in the value of inventory is not adequate, which will result in the Group's inventory being overstated. Thus, I focused my audit on this matter.

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I assessed the appropriateness and tested the effectiveness of the Group's internal controls relevant to the determination of provision for diminution in the value of inventory, performed substantive testing on supporting evidence of the cost included in the work in process. In addition, I assessed the appropriateness of the assumptions applied by management in determining such provision by gaining an understanding of the basis applied in determining the provision for diminution in value of inventory and reviewing the consistency of the application of that basis as well as the rationale for the recognition of specific provisions, comparing net proceeds from sales transactions per sales agreements with the actual cost occurring when completed after the date of the financial statements, and comparing expected proceeds from sales transactions per sales agreements with the actual cost of work in process as at the period-end date plus the estimated cost to complete the unfinished work.

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. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

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.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

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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.

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- 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.

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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 auditor's report.

Wichart Lokatekrawee
Certified Public Accountant (Thailand) No. 4451

EY Office Limited
Bangkok: 20 February 2019

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Alla Public Company Limited and its subsidiary

Statement of financial position

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
Assets					
Current assets					
Cash and cash equivalents	7	118,216,211	270,472,091	54,932,167	201,323,507
Current investments	8	203,511,382	112,212,969	203,511,382	112,212,969
Trade and other receivables	6, 9	246,041,177	161,188,376	186,898,221	117,005,745
Inventories	10	200,265,994	154,393,765	165,935,384	100,352,589
Other current assets		13,162,235	8,390,382	11,723,150	5,464,727
Total current assets		781,196,999	706,657,583	623,000,304	536,359,537
Non-current assets					
Restricted bank deposits	11	25,000,000	25,300,000	25,000,000	25,000,000
Investment in subsidiary	12	-	-	251,999,560	251,999,560
Other long-term investments	13	10,082,904	82,904	10,082,904	82,904
Property, plant and equipment	14	218,783,651	206,929,061	47,319,751	51,895,243
Intangible assets	15	3,429,990	4,604,933	3,396,025	4,457,572
Deferred tax assets	22	9,793,249	9,415,270	7,776,394	6,684,561
Deposits and guarantees		32,500	36,100	30,400	31,600
Total non-current assets		267,122,294	246,368,268	345,605,034	340,151,440
Total assets		1,048,319,293	953,025,851	968,605,338	876,510,977

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

Alla Public Company Limited and its subsidiary

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	*6, 16*	92,966,845	65,523,273	85,183,039	39,731,327
Current portion of liabilities under financial lease agreements	*17*	2,753,073	4,138,683	2,296,097	3,214,584
Income tax payable		9,321,878	3,210,183	6,937,664	2,908,244
Deposit received in advance		55,887,790	25,529,315	48,198,941	19,211,174
Accrued expenses		24,807,539	21,048,555	18,661,424	16,622,481
Warranty reserve		2,093,110	5,477,623	1,106,943	2,908,873
Other current liabilities		6,182,341	7,002,224	2,037,956	3,782,902
Total current liabilities		194,012,576	131,929,856	164,422,064	88,379,585
Non-current liabilities					
Liabilities under financial lease agreements, net of current portion	*17*	2,441,577	5,194,651	2,344,944	4,641,041
Provision for long-term employee benefits	*18*	41,303,964	39,264,287	33,580,798	27,929,966
Total non-current liabilities		43,745,541	44,458,938	35,925,742	32,571,007
Total liabilities		237,758,117	176,388,794	200,347,806	120,950,592

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

Alla Public Company Limited and its subsidiary

Statement of financial position (continued)

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 December 2018	31 December 2017	31 December 2018	31 December 2017
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
600,000,000 ordinary shares of Baht 0.50 each		300,000,000	300,000,000	300,000,000	300,000,000
Issued and fully paid up					
600,000,000 ordinary shares of Baht 0.50 each		300,000,000	300,000,000	300,000,000	300,000,000
Share premium		348,486,525	348,486,525	348,486,525	348,486,525
Surplus from restructuring under common control		46,314	46,314	-	-
Retained earnings					
Appropriated - statutory reserve	20	30,000,000	30,000,000	30,000,000	30,000,000
Unappropriated		132,027,871	98,103,785	89,771,007	77,073,860
Equity attributable to owners of the Company		810,560,710	776,636,624	768,257,532	755,560,385
Non-controlling interest of the subsidiary		466	433	-	-
Total shareholders' equity		810,561,176	776,637,057	768,257,532	755,560,385
Total liabilities and shareholders' equity		1,048,319,293	953,025,851	968,605,338	876,510,977

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

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Directors

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Alla Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales and service income	*24*	668,753,245	613,834,866	496,687,080	448,122,148
Dividend income	*6, 12*	2,694	2,518	2,694	10,002,502
Other income		8,683,543	7,122,824	10,971,105	10,795,799
Total revenues		677,439,482	620,960,208	507,660,879	468,920,449
Expenses					
Cost of sales and services		456,392,272	430,198,847	337,626,532	305,684,262
Selling expenses		32,816,123	27,024,832	23,440,165	17,954,061
Administrative expenses		95,468,021	90,174,821	76,619,479	70,317,748
Total expenses		584,676,416	547,398,500	437,686,176	393,956,071
Profit before finance cost and income tax		92,763,066	73,561,708	69,974,703	74,964,378
Finance cost		(383,302)	(751,087)	(335,809)	(624,829)
Profit before income tax expenses		92,379,764	72,810,621	69,638,894	74,339,549
Income tax expenses	*22*	(18,578,701)	(15,262,182)	(14,250,748)	(13,431,183)
Profit for the year		73,801,063	57,548,439	55,388,146	60,908,366
Other comprehensive income:					
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss)	*18*	2,653,820	3,430,283	(863,749)	4,093,642
Less: Income tax effect	*22*	(530,764)	(686,056)	172,750	(818,728)
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		2,123,056	2,744,227	(690,999)	3,274,914
Other comprehensive income for the year		2,123,056	2,744,227	(690,999)	3,274,914
Total comprehensive income for the year		75,924,119	60,292,666	54,697,147	64,183,280

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

Alla Public Company Limited and its subsidiary

Statement of comprehensive income (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Net profit attributable to:					
Equity holders of the Company		73,801,035	57,548,429	55,388,146	60,908,366
Non-controlling interests of the subsidiary		28	10	-	-
		73,801,063	57,548,439	55,388,146	60,908,366
Total comprehensive income attributable to:					
Equity holders of the Company		75,924,086	60,292,657	54,697,147	64,183,280
Non-controlling interests of the subsidiary		33	9	-	-
		75,924,119	60,292,666	54,697,147	64,183,280
Earnings per share	23				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.12	0.10	0.09	0.10
Weighted average number of ordinary shares		600,000,000	600,000,000	600,000,000	600,000,000

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

Alla Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements							
	Equity attributable to owners of the Company						Equity attributable to non-controlling interest of the subsidiary	Total shareholders' equity
	Issued and paid-up share capital	Share premium	Surplus from restructuring under common control	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Total equity attributable to owners of the Company		
Balance as at 1 January 2017	300,000,000	348,486,525	46,314	30,000,000	49,811,128	728,343,967	440	728,344,407
Profit for the year	-	-	-	-	57,548,429	57,548,429	10	57,548,439
Other comprehensive income for the year	-	-	-	-	2,744,228	2,744,228	(1)	2,744,227
Total comprehensive income for the year	-	-	-	-	60,292,657	60,292,657	9	60,292,666
Dividend paid (Note 19)	-	-	-	-	(12,000,000)	(12,000,000)	-	(12,000,000)
Decrease in non-controlling interests of the subsidiary from dividend payment of subsidiary	-	-	-	-	-	-	(16)	(16)
Balance as at 31 December 2017	300,000,000	348,486,525	46,314	30,000,000	98,103,785	776,636,624	433	776,637,057
Balance as at 1 January 2018	300,000,000	348,486,525	46,314	30,000,000	98,103,785	776,636,624	433	776,637,057
Profit for the year	-	-	-	-	73,801,035	73,801,035	28	73,801,063
Other comprehensive income for the year	-	-	-	-	2,123,051	2,123,051	5	2,123,056
Total comprehensive income for the year	-	-	-	-	75,924,086	75,924,086	33	75,924,119
Dividend paid (Note 19)	-	-	-	-	(42,000,000)	(42,000,000)	-	(42,000,000)
Balance as at 31 December 2018	300,000,000	348,486,525	46,314	30,000,000	132,027,871	810,560,710	466	810,561,176

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

Alla Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Separate financial statements				
	Issued and paid-up share capital	Share premium	Retained earnings: Appropriated - statutory reserve	Retained earnings: Unappropriated	Total shareholders' equity
Balance as at 1 January 2017	300,000,000	348,486,525	30,000,000	24,890,580	703,377,105
Profit for the year	-	-	-	60,908,366	60,908,366
Other comprehensive income for the year	-	-	-	3,274,914	3,274,914
Total comprehensive income for the year	-	-	-	64,183,280	64,183,280
Dividend paid (Note 19)	-	-	-	(12,000,000)	(12,000,000)
Balance as at 31 December 2017	300,000,000	348,486,525	30,000,000	77,073,860	755,560,385
Balance as at 1 January 2018	300,000,000	348,486,525	30,000,000	77,073,860	755,560,385
Profit for the year	-	-	-	55,388,146	55,388,146
Other comprehensive income for the year	-	-	-	(690,999)	(690,999)
Total comprehensive income for the year	-	-	-	54,697,147	54,697,147
Dividend paid (Note 19)	-	-	-	(42,000,000)	(42,000,000)
Balance Balance as at 31 December 2018	300,000,000	348,486,525	30,000,000	89,771,007	768,257,532

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

Alla Public Company Limited and its subsidiary

Statement of cash flows

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	92,379,764	72,810,621	69,638,894	74,339,549
Adjustments to reconcile profit before tax to net				
cash provided by (paid from) operating activities:				
Depreciation and amortisation	17,627,319	19,359,926	11,071,981	12,258,633
Amortisation of deferred trade rights	-	237,548	-	-
Bad debts and doubtful debts	2,440	-	-	-
Reduction of inventory value to net realisable value	4,252,324	408,133	2,658,254	545,815
Gain on disposal of property, plant and equipment	(1,167,286)	(1,116,827)	(372,231)	(1,166,475)
Gain on sales of current investments in trading securities	(250,423)	-	(250,423)	-
Dividend income	(2,694)	(2,518)	(2,694)	(10,002,502)
Reversal of warranty reserve	(2,878,652)	(1,475,999)	(1,624,985)	(2,163,438)
Provision for long-term employee benefits	9,638,017	7,385,256	7,651,533	4,899,919
Unrealised gain on changes in value of current investmetns				
in trading securities	(1,047,990)	(2,135,121)	(1,047,990)	(2,135,121)
Unrealised (gain) loss on exchange	(787,924)	920,196	(716,686)	609,641
Interest income	(2,914,289)	(3,193,032)	(2,371,634)	(3,146,846)
Interest expenses	383,302	751,087	335,809	624,829
Profit from operating activities before changes				
in operating assets and liabilities	115,233,908	93,949,270	84,969,828	74,664,004
Operating assets (increase) decrease				
Trade and other receivables	(84,755,103)	(18,801,863)	(69,791,971)	(12,428,794)
Inventories	(50,124,553)	(5,809,287)	(68,241,049)	(4,340,465)
Other current assets	(4,754,235)	285,106	(6,269,395)	2,163,558
Deposits and guarantees	3,600	6,200	1,200	8,000
Operating liabilities increase (decrease)				
Trade and other payables	37,673,879	31,040,631	47,693,114	20,296,967
Deposit received in advance	30,361,012	6,750,208	28,990,304	4,151,616
Other current liabilities	(819,883)	(1,888,303)	(1,744,946)	(2,346,859)
Cash paid for long-term employee benefits	(4,944,520)	(644,034)	(2,864,450)	(644,034)
Cash flows from operating activities	37,874,105	104,887,928	12,742,635	81,523,993
Cash received from withholding tax refundable	-	1,817,239	-	-
Cash paid for income tax	(13,393,367)	(13,250,008)	(11,129,439)	(10,520,691)
Net cash flows from operating activities	24,480,738	93,455,159	1,613,196	71,003,302

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

Alla Public Company Limited and its subsidiary

Statement of cash flows (continued)

For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
(Increase) decrease in current investments	(90,000,000)	100,000,000	(90,000,000)	100,000,000
Increase in investment in debt security held to maturity	(10,000,000)	-	(10,000,000)	-
Decrease in restricted bank deposits	300,000	157,456	-	157,456
Purchase of property, plant and equipments	(34,582,691)	(47,752,488)	(5,105,348)	(3,978,045)
Purchase of intangible assets	(127,410)	(249,414)	(127,410)	(195,398)
Dividend received	2,694	2,518	2,694	10,002,502
Cash received from sales of property, plant and equipments	1,365,607	1,355,841	491,775	1,302,803
Interest income	2,814,151	3,480,712	2,271,129	3,438,614
Cash paid for additional investment in subsidiary	-	-	-	(100,000,000)
Net cash flows from (used in) investing activities	(130,227,649)	56,994,625	(102,467,160)	10,727,932
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	-	(37,033,674)	-	(25,543,044)
Repayment of long-term loans	-	(3,000,000)	-	-
Cash paid for liabilities under financial lease agreements	(4,138,684)	(5,319,219)	(3,214,584)	(4,541,157)
Cash paid for interest expenses	(383,302)	(755,515)	(335,809)	(627,993)
Dividend paid	(41,986,983)	(11,998,988)	(41,986,983)	(11,998,972)
Net cash flows used in financing activities	(46,508,969)	(58,107,396)	(45,537,376)	(42,711,166)
Net increase (decrease) in cash and cash equivalents	(152,255,880)	92,342,388	(146,391,340)	39,020,068
Cash and cash equivalents at beginning of the year	270,472,091	178,129,703	201,323,507	162,303,439
Cash and cash equivalents at end of the year	118,216,211	270,472,091	54,932,167	201,323,507
Supplement cash flows information				
Non-cash items:				
Assets acquired under financial lease agreements	-	773,832	-	-
Net increase (decrease) in other accounts payable for purchase of property, plant and equipment	(6,204,814)	8,230,713	321,728	453,362

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

Alla Public Company Limited and its subsidiary
Notes to consolidated financial statements
For the year ended 31 December 2018

1. General information

1.1 Corporate information

Alla Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in imports and distributes cranes and electric hoists, industrial doors, loading docks, electronic lifts, automated shelving and racking system including relevant parts and other equipment. The Company also provides related installation and after sales-service. It registered address is No. 933 935 937 939 Soi Onnut 46, Onnut Road, Onnut sub-district, Suan Luang district, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with 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 Alla Public Company Limited ("the Company") and its subsidiary ("the Subsidiary") as detailed below.

Subsidiary	Nature of business	Percentage of shareholding	
		2018	2017
		Percent	Percent
Onvalla Company Limited	Import, distribution of cranes and electronic hoists, industrial doors and loading docks, electronic lift, PVC strip curtains, including relevant parts and other, equipment. Providing installation and after sales - service.	100	100

b) The Company is deemed to have control over an investee or subsidiary 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) Subsidiary is 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 subsidiary is prepared using the same significant accounting policies as the Company.

e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.

2.3 The separate financial statements present investments in subsidiary under the cost method.

3. New financial reporting standards

Below is a summary of financial reporting standards that became effective in the current accounting year and those that will become effective in the future.

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

During the year, the Company and its subsidiary 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 subsidiary's 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 subsidiary 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.

TFRS 15 Revenue from Contracts with Customers

TFRS 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 subsidiary is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

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

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

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation

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 subsidiary is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods including installment services

A sale of goods including installment is recognised when the Company and its subsidiary have transferred to the buyer the significant risks and rewards of ownership, generally when the customer has accepted testing run goods result after installment.

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.

Other income

Other income is recognised on an accruals basis.

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 experience and analysis of debt aging.

4.4 Inventories

Work in process are valued at the lower of cost (under the specific method) and net realisable value, the cost of work in process is measured using the actual cost method and includes cost of raw materials, labour and factory overheads.

Raw materials, spare parts and factory supplies are valued at the lower of cost (under first-in, first-out method) and net realisable value and are charged to production costs whenever consumed.

The net realisable value of inventory is estimated form the estimated selling price in the ordinary course of business, less the estimated cost of completion and estimated expenses necessary to make the sale.

Reduce cost of inventories for obsolete inventories are set up for obsolete, slow-moving and deteriorated inventories which based on the past experience and current information.

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 debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount

c) Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

d) Investments in the subsidiary are accounted for in the separate financial statements using the cost method.

The fair value of unit trusts is determined from their net asset value.

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

In the event the Company and its subsidiary reclassify investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components in shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognized in profit or loss.

4.6 Property, plant and equipment and depreciation

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

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Buildings and building improvements	5 - 52	years
Machinery, tools and equipment	2 - 30	years
Furniture, fixtures and office equipment	3 - 10	years
Motor vehicles	5 - 10	years

Depreciation is included in determining income.

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

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits 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 period 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

Intangible assets are stated at cost less any accumulated amortisation and any 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.

A summary of the intangible assets with finite useful lives is as follows:

Computer software	3 - 10	years

4.9 Deferred trade rights

Deferred trade rights are stated at cost less any accumulated amortisation and allowance for impairment loss (if any).

Amortization is charged to the income statement on a straight-line basis over the estimated economic useful life of 10 years.

4.10 Warranty reserve

Warranty reserve is estimated by reference to actual warranty expenses incurred and calculated at a percentage of related sales and quantities of products under warranty.

4.11 Related party transactions

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

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

4.12 Long-term leases

Leases of assets 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 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 assets 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.

4.13 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company and its subsidiary's functional currency. Items included in the consolidated financial statements of each entity are measured using that 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.

Gains and losses on exchange are included in determining income.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiary 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 an 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.

4.15 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 and other long-term employee benefits

Defined contribution plans

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

Defined benefit plans and other long-term employee benefits

The Company and its subsidiary have obligations in respect of the severance payments, it must make to employees upon retirement under labor law and other employee benefit plans. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan. In addition, the Company and its subsidiary provide other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary 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.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit and loss.

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

4.16 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 subsidiary 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 subsidiary 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 subsidiary record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Provisions

Provisions are recognised when the Company and its subsidiary 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.

4.18 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 subsidiary 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 subsidiary 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 observable active market for such assets or liabilities

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

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

At the end of each reporting period, the Company and its subsidiary 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:

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.

Reduce cost of inventory to net realisable value

The determination of reduce cost of inventory value, requires management to make judgements and estimates. The reduce cost to net realisable value is estimated based on the selling price expected in the ordinary course of business less the estimated cost of completion and estimated expenses necessary to make the sale; and reduce cost for obsolete, slow-moving and deteriorated inventories, that is estimated based on the approximate useful life of each type of inventory and the results of inspections conducted by the quality control department.

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 and its subsidiary's 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 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.

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 and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans 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.

Warranty reserve

According to the term of 6 months to 6 years after-sales warranty after delivering of crane and door sale and installation, the Company and its subsidiary are required to estimate the provision for after-sales service which might occur in the future as a result of crane and door sale and installation during the year throughout the warranty term. Management is required to use judgment and past-experience for set up such provision.

6. Related party transactions

During the years, the Company and its subsidiary had significant business transactions with related party. Such transactions, which are summarised below, were concluded on commercial terms and bases agreed upon between the Company and related party.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	2018	2017	2018	2017	
Transactions with subsidiary (eliminated from the consolidated financial statements)					
Sales and service income	-	-	1,183	2,767	Cost plus margin
Dividend income	-	-	-	10,000	As declared rate
Rental and software maintenance income	-	-	4,137	3,656	Mutually agreed price as stipulated in the contract
Freight income	-	-	73	149	Cost plus margin
Cost of sales and services	-	-	6,799	5,269	Cost plus margin
Rental expense	-	-	1,649	2,226	Mutually agreed price as stipulated in the contract

As at 31 December 2018 and 2017, the balances of the accounts between the Company and related party are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade and other receivables - related party (Note 9)				
Subsidiary company	-	-	1,482	2,394
Trade and other receivables - related party	-	-	1,482	2,394
Trade and other payables - related party (Note 16)				
Subsidiary company	-	-	452	1,060
Total trade and other payables - related party	-	-	452	1,060

Directors and management's remuneration

During the years ended 31 December 2018 and 2017, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	26,740	26,103	20,462	18,396
Post-employment benefits	2,474	2,326	1,663	1,649
Other long-term benefits	10	51	50	37
Total	29,224	28,480	22,175	20,082

7. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	215	225	135	145
Bank deposits	118,001	270,247	54,797	201,179
Total	118,216	270,472	54,932	201,324

As at 31 December 2018, bank deposits carried interests between 0.37 and 1.25 percent per annum (2017: 0.37 and 1.40 percent per annum).

8. Current investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Fixed deposit	100,000	-
Securities held for trading - Debt securities	103,511	112,213
Total	203,511	112,213

Fixed deposits had an interest rates of 1.50% and mature in January 2019.

During the years 2018 and 2017, movements of trading securities are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Balance as at 1 January	112,213	110,078
Disposal - net book value	(10,000)	-
Gain from sales of current investments in trading securities	250	-
Unrealised gain from change in value of investments	1,048	2,135
Balance as at 31 December	103,511	112,213

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts receivable - related party				
Aged on the basis of due dates				
Not yet due	-	-	29	1,544
Overdue				
Less than 3 months	-	-	244	69
Total trade accounts receivable - related party	-	-	273	1,613
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	34,460	57,431	27,164	38,131
Overdue				
Less than 3 months	25,190	21,673	13,060	14,288
More than 3 months, not over 6 months	3,291	1,415	1,227	1,175
More than 6 months, not over 12 months	12	734	12	720
More than 12 months	129	170	129	168
Total trade accounts receivable - unrelated parties	63,082	81,423	41,592	54,482
Total trade accounts receivable	63,082	81,423	41,865	56,095
Accrued income - sale of goods and service				
Aging				
Less than 3 months	118,451	58,338	81,949	42,274
More than 3 months, not over 6 months	17,435	13,634	16,820	13,113
More than 6 months, not over 12 months	24,463	3,307	23,262	2,610
More than 12 months	2,742	1,413	2,742	1,409
Total accrued income - sale of goods and service	163,091	76,692	124,773	59,406
Less: Allowance for doubtful debts	(53)	(53)	(53)	(53)
Accrued income - sale of goods and service - net	163,038	76,639	124,720	59,353
Other receivables				
Other receivables - related party	-	-	1,209	781
Other receivables - unrelated parties	19,921	3,126	19,104	777
Total other receivables	19,921	3,126	20,313	1,558
Total trade and other receivables - net	246,041	161,188	186,898	117,006

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2018	2017	2018	2017	2018	2017
Work in process	52,798	41,040	(3,992)	(441)	48,806	40,599
Raw materials and others	120,566	109,044	(5,683)	(4,982)	114,883	104,062
Goods in transit	36,577	9,733	-	-	36,577	9,733
Total	209,941	159,817	(9,675)	(5,423)	200,266	154,394

(Unit: Thousand Baht)

	Separate financial statements					
	Cost		Reduce cost to net realisable value		Inventories-net	
	2018	2017	2018	2017	2018	2017
Work in process	43,588	30,787	(3,193)	(384)	40,395	30,403
Raw materials and others	93,630	71,094	(4,209)	(4,359)	89,421	66,735
Goods in transit	36,119	3,215	-	-	36,119	3,215
Total	173,337	105,096	(7,402)	(4,743)	165,935	100,353

During the current year, the Company and its subsidiary reduced cost of inventories by Baht 4.25 million (2017: Baht 0.41 million) and the Company only by Baht 2.66 million (2017: Baht 0.55 million) to reflect the net realisable value, which was included in cost of sales and services.

11. Restricted bank deposits

These represent fixed deposits pledged with the banks to secure credit facilities.

12. Investment in subsidiary

As at 31 December 2018 and 2017, details of investment in subsidiary company in the separate financial statements are summarised below.

(Unit: Thousand Baht)

	Separate financial statements							
Company's name	Paid-up capital		Shareholding percentage		Cost		Dividend received during the years	
	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)				
Onvalla Co., Ltd.	250,000	250,000	100	100	252,000	252,000	-	10,000
Total					252,000	252,000	-	10,000

On 15 August 2017, the Extraordinary shareholders' Meeting of Onvalla Company Limited, a subsidiary company, passed a resolution to increase of its registered share capital from Baht 150 million (1.5 million ordinary shares of Baht 100 each) to Baht 250 million (2.5 million ordinary shares of Baht 100 each) by issuing 1 million new ordinary shares with a par value of Baht 100 per share. The Company paid for the incremental of share capital totaling Baht 100 million on 23 August 2017. The subsidiary company registered the increase of its share capital with the Ministry of Commerce on 29 August 2017.

13. Other long-term investments

(Unit: Thousand Baht)

	Interest rate	Consolidated and separate financial statements	
	(Percent per annum)	2018	2017
Investment in debt security held to maturity			
Corporate bonds due A.D. 2022	5.00	10,000	-
Total investment in debt security held to maturity		10,000	-
Other investment			
Preferred stock	-	83	83
Total other investment		83	83
Total other long-term investment		10,083	83

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Furniture, fixture and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:							
1 January 2017	47,252	108,682	41,491	23,162	57,965	7,737	286,289
Additions	-	-	2,038	2,956	2,404	49,359	56,757
Transferred in/(out)	-	106	10	33	-	(149)	-
Disposals/write-off	-	-	(831)	(602)	(4,615)	-	(6,048)
31 December 2017	47,252	108,788	42,708	25,549	55,754	56,947	336,998
Additions	-	12	1,559	1,277	1,032	24,498	28,378
Transferred in/(out)	-	67,281	7,093	813	-	(75,187)	-
Disposals/write-off	-	-	(398)	(1,206)	(1,471)	-	(3,075)
31 December 2018	47,252	176,081	50,962	26,433	55,315	6,258	362,301
Accumulated depreciation:							
1 January 2017	-	45,945	24,601	16,817	31,244	-	118,607
Depreciation for the year	-	2,106	4,433	2,770	7,977	-	17,286
Depreciation on disposals/ write-off	-	-	(678)	(531)	(4,615)	-	(5,824)
31 December 2017	-	48,051	28,356	19,056	34,606	-	130,069
Depreciation for the year	-	2,383	4,209	2,640	7,093		16,325
Depreciation on disposals/ write-off	-	-	(331)	(1,076)	(1,470)	-	(2,877)
31 December 2018	-	50,434	32,234	20,620	40,229	-	143,517
Net book value:							
31 December 2017	47,252	60,737	14,352	6,493	21,148	56,947	206,929
31 December 2018	47,252	125,647	18,728	5,813	15,086	6,258	218,784

Depreciation for the year

2017 (Baht 12 million included in cost of sales and services, and the balance in selling and administrative expenses)	17,286
2018 (Baht 11 million included in cost of sales and services, and the balance in selling and administrative expenses)	16,325

(Unit: Thousand Baht)

	Separate financial statements						
	Land and land improvement	Building and building improvement	Machinery, tools and equipment	Furniture, fixture and office equipment	Motor vehicles	Assets under construction and installation	Total
Cost:							
1 January 2017	5,941	50,752	19,483	14,570	45,826	202	136,774
Additions	-	-	886	2,134	1,365	47	4,432
Transferred in/(out)	-	-	10	33	-	(43)	-
Disposals/write-off	-	-	(378)	(355)	(4,615)	-	(5,348)
31 December 2017	5,941	50,752	20,001	16,382	42,576	206	135,858
Additions	-	12	1,119	865	1,032	2,399	5,427
Transferred in/(out)	-	-	171	-	-	(171)	-
Disposals/write-off	-	-	(252)	(717)	(1,471)	-	(2,440)
31 December 2018	5,941	50,764	21,039	16,530	42,137	2,434	138,845
Accumulated depreciation:							
1 January 2017	-	31,194	13,373	10,028	24,107	-	78,702
Depreciation for the year	-	1,007	1,767	1,899	5,799	-	10,472
Depreciation on disposals/ write-off	-	-	(295)	(302)	(4,614)	-	(5,211)
31 December 2017	-	32,201	14,845	11,625	25,292	-	83,963
Depreciation for the year	-	1,003	1,621	1,877	5,382	-	9,883
Depreciation on disposals/ write-off	-	-	(213)	(638)	(1,470)	-	(2,321)
31 December 2018	-	33,204	16,253	12,864	29,204	-	91,525
Net book value:							
31 December 2017	5,941	18,551	5,156	4,757	17,284	206	51,895
31 December 2018	5,941	17,560	4,786	3,666	12,933	2,434	47,320

Depreciation for the year

2017 (Baht 7 million included in cost of sales and services, and the balance in selling and administrative expenses)	10,472
2018 (Baht 6 million included in cost of sales and services, and the balance in selling and administrative expenses)	9,883

As at 31 December 2018, the Company and its subsidiary had motor vehicles with net book value of Baht 8.59 million (2017: Baht 14.22 million) and the Company only amounting to Baht 7.07 million (2017: Baht 11.86 million) which were acquired under finance lease agreements.

As at 31 December 2018, certain plant and equipment items of the Company and its subsidiary have been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounting to Baht 63.82 million (2017: Baht 51.40 million) and the Company only amounting to Baht 45.74 million (2017: Baht 39.99 million).

As at 31 December 2018, the subsidiary pledged its land and buildings thereon, of which net book value amounting to Baht 143.37 million (2017: Baht 77.47 million), with financial institutions as collateral to secure credit facilities of the Group.

15. Intangible assets

The net book value of intangible assets as at 31 December 2018 and 2017 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
31 December 2018:		
Cost	11,475	10,603
Less: Accumulated amortisation	(8,045)	(7,207)
Net book value	3,430	3,396
31 December 2017:		
Cost	11,348	10,476
Less: Accumulated amortisation	(6,743)	(6,018)
Net book value	4,605	4,458

A reconciliation of the net book value of intangible assets for the years 2018 and 2017 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net book value at beginning of year	4,605	6,445	4,458	6,049
Additions	127	249	127	195
Write-off - net book value	-	(15)	-	-
Amortisation for the year	(1,302)	(2,074)	(1,189)	(1,786)
Net book value at end of year	3,430	4,605	3,396	4,458

16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts payable - related party	-	-	426	964
Trade accounts payable - unrelated parties	80,745	47,992	76,675	31,320
Other payables - related party	-	-	26	96
Other payables - unrelated parties	12,222	17,531	8,056	7,351
Total trade and other payables	92,967	65,523	85,183	39,731

17. Liabilities under financial lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Liabilities under financial lease agreements	5,551	10,073	4,984	8,534
Less: Deferred interest expenses	(356)	(739)	(343)	(678)
Total	5,195	9,334	4,641	7,856
Less: Portion due within one year	(2,753)	(4,139)	(2,296)	(3,215)
Liabilities under financial lease agreements, net of current portion	2,442	5,195	2,345	4,641

The Company and its subsidiary have entered into the finance lease agreements for rental of motor vehicles for use in their operation, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally between 2 and 5 years. Liabilities under financial lease agreements were partial guaranteed by their directors.

Future minimum lease payments required under the finance lease agreements are as follows:

(Unit: Thousand Baht)

	As at 31 December 2018					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	2,979	2,572	5,551	2,510	2,474	4,984
Deferred interest expenses	(226)	(130)	(356)	(214)	(129)	(343)
Present value of future minimum lease payments	2,753	2,442	5,195	2,296	2,345	4,641

(Unit: Thousand Baht)

	As at 31 December 2017					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1 - 5 years	Total	Less than 1 year	1 - 5 years	Total
Future minimum lease payments	4,522	5,551	10,073	3,550	4,984	8,534
Deferred interest expenses	(383)	(356)	(739)	(335)	(343)	(678)
Present value of future minimum lease payments	4,139	5,195	9,334	3,215	4,641	7,856

18. Provision for long-term employee benefits

Provision for long-term employee benefits as at 31 December 2018 and 2017, which represents compensation payable to employees after they retire and other employee benefits, are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Provision for long-term employee benefits at beginning of year	39,264	35,953	27,930	27,768
Included in profit or loss:				
Current service cost	8,922	6,129	7,165	3,977
Interest cost	716	1,256	487	923
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(1,382)	-	(841)
Financial assumptions changes	(246)	(4,516)	(213)	(2,986)
Experience adjustments	(2,408)	2,468	1,076	(267)
Benefits paid during the year	(4,944)	(644)	(2,864)	(644)
Provision for long-term employee benefits at end of year	41,304	39,264	33,581	27,930
Provision for employee benefits				
Current	4,050	3,329	3,585	2,864
Non-current	37,254	35,935	29,996	25,066
	41,304	39,264	33,581	27,930

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit is 13.49 to 14.48 years (2017: 23 to 24 years) The Company only: 14.48 years (2017: 24 years).

Significant actuarial assumptions are summarised below:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	2.05 - 2.38	1.86 - 2.11	2.08	1.86
Salary increase rate	4.50 - 7.00	5.00	7.00	5.00
Employee turnover rate (depending on age)	0 - 19.00	0 - 24.00	0 - 19.00	0 - 24.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 and 2017 are summarised below.

(Unit: Thousand Baht)

	As at 31 December 2018			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(1,236)	1,318	(985)	1,051
Salary increase rate	849	(802)	687	(648)
	Increase 10%	Decrease 10%	Increase 10%	Decrease 10%
Turnover rate	(1,529)	1,742	(1,192)	1,360

(Unit: Thousand Baht)

	As at 31 December 2017			
	Consolidated financial statements		Separate financial statements	
	Increase 0.5%	Decrease 0.5%	Increase 0.5%	Decrease 0.5%
Discount rate	(1,040)	1,099	(661)	695
Salary increase rate	751	(719)	486	(468)
	Increase 1%	Decrease 1%	Increase 1%	Decrease 1%
Turnover rate	(2,226)	1,198	(1,426)	678

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation at a rate of not less than that of the last 400 days. This change is considered a post-employment benefits plan amendment and the Company and its subsidiaries have additional liabilities for long-term employee benefits of Baht 7.51 million (The Company only: Baht 6.87 million). The Company and its subsidiary will reflect the effect of the change by recognising past services costs as expenses in profit or loss of the period in which the law is effective.

19. Dividend paid

19.1 On 25 April 2017, the Annual General Meeting of the Company's shareholders passed a resolution to approve dividend payments of Baht 66 million to the Company's shareholders. The dividends of Baht 36 million and Baht 30 million were paid from operating results for the years 2015 and 2016, respectively. The details are as follows:

1) Interim dividend payments from the operating result for the year 2015 and for the first-half year 2016 (January to June) of Baht 36 million and Baht 18 million, respectively, totaling Baht 54 million or Baht 0.12 per share. The Company paid dividends to its shareholders on 13 September 2016.

2) Final dividend payment from the operating result for the second-half year 2016 (July to December) of Baht 12 million or Baht 0.02 per share. The Company paid dividends to its shareholders on 19 May 2017.

19.2 On 24 April 2018, the Annual General Meeting of the Company's shareholders passed a resolution to approve the dividend payment for the operating results of the year 2017 to the Company's shareholders at the rate of Baht 0.07 per share, totaling Baht 42 million. The Company paid dividends to its shareholders on 18 May 2018.

20. Statutory reserve

Pursuant to the section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to 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.

21. Expenses by nature

Significant expenses classified by nature are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Raw materials used	325,748	278,839	232,420	200,970
Changes in inventories of work in process	(18,832)	(2,184)	(12,801)	(3,658)
Salaries, wages and other employee benefits	197,604	184,147	145,781	132,407
Depreciation and amortisation expenses	17,627	19,360	11,072	12,259
Subcontractor expenses	7,700	7,630	6,008	6,341
Freight and import expense	12,311	10,869	9,887	8,674
Transportation expenses	10,151	8,343	7,952	5,993
Utilities expenses	5,441	5,234	3,663	3,657
Commission expenses	8,006	7,204	5,900	5,114
Reduce cost of inventory value	4,252	408	2,658	545
Warranty reserve (reversal)	(2,879)	(1,476)	(1,624)	(2,163)
Repair and maintenance expenses	3,629	2,866	2,582	1,932
Professional fee	5,666	3,863	4,582	2,709
Rental expenses	711	713	2,154	2,736

22. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Current income tax charge for the year	19,487	15,647	15,170	13,356
Adjustment in respect of current income tax of previous year	-	168	-	5
Deferred tax:				
Relating to origination and reversal of temporary differences	(908)	(553)	(919)	70
Income tax expenses reported in the statements of comprehensive income	18,579	15,262	14,251	13,431

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax relating to actuarial (gain) loss	(531)	(686)	173	(819)

The reconciliation between accounting profit and income tax expenses is shown below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit before tax	92,380	72,811	69,639	74,340
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	18,476	14,562	13,928	14,868
Adjustment in respect of current income tax of previous year	-	168	-	5
Effects of:				
Non-deductible expenses	615	671	401	625
Additional expense deductions allowed	(370)	(2,108)	(78)	(2,082)
Other	-	15	-	15
Related transactions	(142)	1,954	-	-
Total	103	532	323	(1,442)
Income tax expenses reported in the statements of comprehensive income	18,579	15,262	14,251	13,431

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax assets				
Allowance for doubtful accounts	11	11	11	11
Allowance for diminution in value of inventories	1,935	1,085	1,480	948
Provision for long-term employee benefits	8,261	7,852	6,716	5,586
Warranty reserve	418	1,095	221	582
Total	10,625	10,043	8,428	7,127
Deferred tax liabilities				
Unrealised gain on held for trade investments	652	442	652	442
Accumulated depreciation - building	180	186	-	-
Total	832	628	652	442
Deferred tax assets - net	9,793	9,415	7,776	6,685

23. 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.

The following table sets forth the computation of basic earnings per share:

	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2018 (Thousand Baht)	2017 (Thousand Baht)	2018 (Thousand shares)	2017 (Thousand shares)	2018 (Baht)	2017 (Baht)
Consolidated financial statements						
Basic earnings per share						
Profit attributable to equity holders of the Company	73,801	57,548	600,000	600,000	0.12	0.10
Separate financial statements						
Basic earnings per share						
Profit attributable to equity holders of the Company	55,388	60,908	600,000	600,000	0.09	0.10

24. 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 Chief Executive Officer.

For management purposes, the Company and its subsidiary are organised into business units based on their products and services with production facilities in Thailand and operates in both local and overseas markets, and have two reportable segments as follows:

1. Sales and relevant service.
2. Service.

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

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 in the financial statements.

Transfer prices between operating segments are concluded on commercial terms and based agreed upon between the operating segments as described in Note 6 to the financial statements.

Inter-segment revenues are eliminated on consolidation.

The following table presents revenue and profit and total assets information regarding the Company and its subsidiary's operating segments as at and for the years ended 31 December 2018 and 2017:

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the years ended 31 December									
	Sale and relevant service income		Service income		Total segments		Eliminated transactions		Consolidated	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Sales and service income										
Related party	8,501	7,636	707	398	9,208	8,034	(9,208)	(8,034)	-	-
External customers	528,212	483,048	140,541	130,787	668,753	613,835	-	-	668,753	613,835
	536,713	490,684	141,248	131,185	677,961	621,869	(9,208)	(8,034)	668,753	613,835
Gross profit margin					212,914	183,533	(553)	103	212,361	183,636
Other income					13,424	23,110	(4,738)	(15,985)	8,686	7,125
Selling expenses					(32,816)	(27,025)	-	-	(32,816)	(27,025)
Administrative expenses					(101,469)	(96,287)	6,001	6,112	(95,468)	(90,175)
Finance cost					(383)	(751)	-	-	(383)	(751)
Income tax expenses					(18,579)	(15,262)	-	-	(18,579)	(15,262)
Profit for the year					73,091	67,318	710	(9,770)	73,801	57,548
Segment total assets									1,048,319	953,026
Additions to non-current assets other than deferred tax assets									20,376	37,006

Geographic information

The Company and its subsidiary operate in Thailand only. As a result, all the revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segment.

Major customers

In 2018, the Company and its subsidiary had revenue from 1 major customer in amount of Baht 106.53 million and the Company only of Baht 106.53 million.

In 2017, the Company and its subsidiary had no major customer with revenue of 10 percent or more than of its consolidated revenue.

25. Provident fund

The Company and its subsidiary and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The employees contribute to the fund monthly at the rate of 3 - 15 percent of basic salary, the Company and its subsidiary contribute to the fund monthly at the same rate as its employees but not more than 5 percent of basic salary. The fund, which is managed by BBL Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2018 by the Company and its subsidiary amounting to Baht 3.24 million (2017: Baht 2.87 million) and the Company only amounting to Baht 2.71 million (2017: Baht 2.27 million) were recognised as expenses.

26. Commitments and contingent liabilities

As at 31 December 2018, the Company and its subsidiary had commitments and contingent liabilities as follows:

26.1 Capital commitments

As at 31 December 2018, the Company and its subsidiary had capital commitments of Baht 1.57 million (2017: Baht 6.77 million), the Company only amounting to Baht 0.19 million (2017: Nil), relating to office and factory renovation of the Company and warehouse construction of its subsidiary.

26.2 Operating lease and service commitments

The Company and its subsidiary have entered into several lease and service agreements in respect of the lease of space, computer software maintenance, security service, consultant fee and other services. The terms of the agreements are generally between 1 and 4 years.

Future minimum payments required under these operating leases and service agreements are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Payable within:				
Less than 1 year	2.26	1.15	0.93	1.00
1 to 4 years	0.56	0.37	0.22	0.26

26.3 Guarantees

As at 31 December 2018, there were outstanding bank guarantees of Baht 52.21 million (2017: Baht 42.29 million), the Company only of Baht 41.32 million (2017: Baht 26.28 million), issued by banks on behalf of the Company and its subsidiary to guarantee contractors work.

26.4 Credit facilities

The Company and its subsidiary have unused credit facilities of bank overdraft and other credits of approximately Baht 571 million which are guaranteed by land and building thereon of its subsidiary and pledge by bank deposits of the Company.

27. Fair value hierarchy

As at 31 December 2018 and 2017, the Company and its subsidiary had the assets and liabilities that were measured or disclosed at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	As at 31 December 2018			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Held for trade investments				
Debt instruments	-	103,511	-	103,511
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contract	-	140	-	140

(Unit: Thousand Baht)

	As at 31 December 2017			
	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Held for trade investments				
Debt instruments	-	112,213	-	112,213
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contract	-	107	-	107

(Unit: Thousand Baht)

	As at 31 December 2018			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Held for trade investments				
Debt instruments	-	103,511	-	103,511
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contract	-	63	-	63

(Unit: Thousand Baht)

	As at 31 December 2017			
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Asset measured at fair value				
Held for trade investments				
Debt instruments	-	112,213	-	112,213
Liabilities for which fair value are disclosed				
Derivatives				
Foreign currency forward contract	-	43	-	43

28. Financial instruments

28.1 Financial risk management

The Company and its subsidiary's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, investments, trade and other payables and liabilities under finance lease agreements. The financial risks associated with these financial instruments and how they are managed in described below.

Credit risk

The Company and its subsidiary are exposed to credit risk primarily with respect to trade and other receivables. They manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, they 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 trade and other receivables as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary exposure to interest rate risk relates primarily to their deposits with banks, bank overdrafts and loan from banks. However, since most of their financial assets and liabilities have short-term maturity and bear floating interest rates or fixed interest rates which are close to the market rate. For long-term loans bear floating interest rates.

Significant financial assets and liabilities as at 31 December 2018 and 2017 classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	As at 31 December 2018											
	Consolidated financial statements						Separate financial statements					
	Fixed interest rates						Fixed interest rates					
	Within 1 year	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	Within 1 year	1 - 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial Assets												
Cash and cash equivalents	30.4	-	37.5	50.3	118.2	0.37 - 1.25	30.1	-	22.7	2.2	55.0	0.37 - 1.25
Current investments	100.0	-	-	103.5	203.5	1.50	100.0	-	-	103.5	203.5	1.50
Trade and other receivables	-	-	-	246.0	246.0	-	-	-	-	186.9	186.9	-
Other long-term investments	-	10.0	-	0.1	10.1	5.00	-	10.0	-	0.1	10.1	5.00
	130.4	10.0	37.5	399.9	577.8		130.1	10.0	22.7	292.7	455.5	
Financial liabilities												
Trade and other payables	-	-	-	93.0	93.0	-	-	-	-	85.2	85.2	-
Liabilities under financial lease agreement	4.7	-	-	0.5	5.2	4.55 - 7.69	4.2	-	-	0.5	4.7	4.55 - 7.69
	4.7	-	-	93.5	98.2		4.2	-	-	85.7	89.9	

(Unit : Million Baht)

	As at 31 December 2017									
	Consolidated financial statements					Separate financial statements				
	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)	Fixed interest rates within 1 year	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial Assets										
Cash and cash equivalents	68.0	139.8	62.7	270.5	0.37 - 1.40	68.0	131.1	2.2	201.3	0.37 - 1.40
Current investments	-	-	112.2	112.2	-	-	-	112.2	112.2	-
Trade and other receivables	-	-	161.2	161.2	-	-	-	117.0	117.0	-
	68.0	139.8	336.1	543.9		68.0	131.1	231.4	430.5	
Financial liabilities										
Trade and other payables	-	-	65.5	65.5	-	-	-	39.7	39.7	-
Liabilities under financial lease agreement	8.2	-	1.1	9.3	4.55 - 7.69	6.8	-	1.1	7.9	4.55 - 7.69
	8.2	-	66.6	74.8		6.8	-	40.8	47.6	

Foreign currency risk

The Company and its subsidiary's exposure to foreign currency risk arises mainly from selling and purchasing transactions that are denominated in foreign currencies. The Company and its subsidiary seek to reduce this risk by entering into forward exchange contracts when they consider appropriate. Generally, the forward contracts mature within one year.

Below is the summary of Company and its subsidiary's significant foreign currency dominated assets/liabilities.

	As at 31 December 2018				
	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 December 2018
Currency	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per one foreign currency unit)
EUR	12	1,635	11	1,598	37.1252
USD	41	53	41	51	32.4498
SGD	-	6	-	3	23.6943
CNY	-	75	-	75	4.7237

	As at 31 December 2017				
	Consolidated financial statements		Separate financial statements		Average exchange rate as at 31 December 2017
Currency	Assets	Liabilities	Assets	Liabilities	
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per one foreign currency unit)
EUR	9	621	8	401	39.0273
USD	424	74	424	72	32.6809

As at 31 December 2018 and 2017, the Company and its subsidiary had outstanding forward exchange contract with maturities less than one year as follows:

	As at 31 December 2018			
	Consolidated financial statements			
Foreign currency	Bought amount	Amount paid by Baht per contract	Contractual maturity date	Contractual exchange rate of bought amount
	(Thousand)	(Thousand Baht)		(Baht per one foreign currency unit)
Euro	529	19,943	2 April - 2 July 2019	37.69 - 38.31

	As at 31 December 2017			
	Consolidated financial statements			
Foreign currency	Bought amount (Thousand)	Amount paid by Baht per contract (Thousand Baht)	Contractual maturity date	Contractual exchange rate of bought amount (Baht per one foreign currency unit)
Euro	537	21,190	5 April - 28 June 2018	39.01 - 39.75

	As at 31 December 2018			
	Separate financial statements			
Foreign currency	Bought amount (Thousand)	Amount paid by Baht per contract (Thousand Baht)	Contractual maturity date	Contractual exchange rate of bought amount (Baht per one foreign currency unit)
Euro	278	10,470	14 June - 2 July 2019	37.69 - 37.74

	As at 31 December 2017			
	Separate financial statements			
Foreign currency	Bought amount (Thousand)	Amount paid by Baht per contract (Thousand Baht)	Contractual maturity date	Contractual exchange rate of bought amount (Baht per one foreign currency unit)
Euro	348	13,681	20 April - 28 June 2018	39.29 - 39.50

The net fair value of the outstanding derivatives as at 31 December 2018 and 2017 are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Loss	Loss	Loss	Loss
Derivatives				
Forward exchange contracts	(140)	(107)	(63)	(43)

28.2 Fair values of financial instruments

The methods and assumptions used by the Company and its subsidiary in estimating the fair value of financial instruments are as follows:

a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, fixed deposit which mature within one year, trade and other receivables, trade and other payables and liabilities under finance lease agreements, their carrying amounts in the statement of financial position approximate their fair value.

b) Current investments in securities held for trading debt securities are stated at market fair value.

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

29. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

As at 31 December 2018, the Company and its subsidiary's debt-to-equity ratio was 0.29:1 (2017: 0.23:1) and the Company only was 0.26:1 (2017: 0.16:1).

30. Event after the reporting period

On 20 February 2019, the Board of Directors' Meeting of the Company passed a resolution to approve the dividend payment for the operating results of the year 2018 at the rate of Baht 0.08 per share, totaling Baht 48 million. The schedule of dividend payment is in May 2019. However, such dividend payment is subject to the approval of the Annual General Meeting of the Shareholders, which to be held on 23 April 2019.

31. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 20 February 2019.