Alla Public Company Limited and its subsidiary
Report and consolidated interim financial statements
For the three-month period ended 31 March 2018

Building a better working world

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Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Alla Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Alla Public Company Limited and its subsidiary as at 31 March 2018, the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.

Wichart Lokatekrawee
Certified Public Accountant (Thailand) No. 4451

EY Office Limited
Bangkok: 10 May 2018

Alla Public Company Limited and its subsidiary

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Assets					
Current assets					
Cash and cash equivalents		174,896	270,472	118,980	201,323
Current investments	3	212,714	112,213	212,714	112,213
Trade and other receivables	2, 4	130,808	161,188	87,759	117,006
Inventories	5	188,239	154,394	126,470	100,352
Other current assets		8,881	8,391	6,429	5,465
Total current assets		715,538	706,658	552,352	536,359
Non-current assets					
Restricted bank deposits		25,000	25,300	25,000	25,000
Investment in subsidiary	6	-	-	252,000	252,000
Other long-term investment		83	83	83	83
Property, plant and equipment	7	213,487	206,929	51,515	51,895
Intangible assets	8	4,136	4,605	4,060	4,458
Deferred tax assets		9,104	9,415	6,321	6,684
Deposits and guarantees		36	36	32	32
Total non-current assets		251,846	246,368	339,011	340,152
Total assets		967,384	953,026	891,363	876,511

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

Alla Public Company Limited and its subsidiary

Statement of financial position (continued)

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	*2, 9*	72,703	65,523	53,830	39,731
Current portion of liabilities under financial lease agreements	*10*	3,713	4,139	2,819	3,215
Income tax payable		3,210	3,210	2,908	2,908
Deposit received in advance		37,193	25,529	22,363	19,211
Accrued expenses		20,410	21,049	16,635	16,622
Warranty reserve		5,276	5,478	2,985	2,909
Other current liabilities		4,681	7,002	1,564	3,783
Total current liabilities		147,186	131,930	103,104	88,379
Non-current liabilities					
Liabilities under financial lease agreements, net of current portion	*10*	4,390	5,195	4,054	4,641
Provision for long-term employee benefits		38,023	39,264	26,398	27,930
Total non-current liabilities		42,413	44,459	30,452	32,571
Total liabilities		189,599	176,389	133,556	120,950

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

Alla Public Company Limited and its subsidiary

Statement of financial position (continued)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	31 March 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Liabilities and shareholders' equity (continued)				
Shareholders' equity				
Share capital				
Registered				
600,000,000 ordinary shares of Baht 0.50 each	300,000	300,000	300,000	300,000
Issued and fully paid up				
600,000,000 ordinary shares of Baht 0.50 each	300,000	300,000	300,000	300,000
Share premium	348,487	348,487	348,487	348,487
Surplus from restructuring under common control	46	46	-	-
Retained earnings				
Appropriated - statutory reserve	30,000	30,000	30,000	30,000
Unappropriated	99,252	98,104	79,320	77,074
Equity attributable to owners of the Company	777,785	776,637	757,807	755,561
Non-controlling interest of the subsidiary	-	-	-	-
Total shareholders' equity	777,785	776,637	757,807	755,561
Total liabilities and shareholders' equity	967,384	953,026	891,363	876,511

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

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Directors

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(Unaudited but reviewed)

Alla Public Company Limited and its subsidiary

Statement of comprehensive income

For the three-month period ended 31 March 2018

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales and service income	13	104,034	102,509	80,545	76,649
Other income		1,339	2,881	2,114	3,394
Total revenues		105,373	105,390	82,659	80,043
Expenses					
Cost of sales and services		72,457	68,678	55,683	50,810
Selling expenses		6,832	6,362	4,674	4,159
Administrative expenses		24,110	22,911	19,279	17,670
Total expenses		103,399	97,951	79,636	72,639
Profit before finance cost and income tax expenses		1,974	7,439	3,023	7,404
Finance cost		(115)	(295)	(99)	(244)
Profit before income tax expenses		1,859	7,144	2,924	7,160
Income tax expenses	11	(711)	(1,595)	(678)	(1,651)
Profit for the period		1,148	5,549	2,246	5,509
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		1,148	5,549	2,246	5,509
Net profit attributable to:					
Equity holders of the Company		1,148	5,549	2,246	5,509
Non-controlling interests of the subsidiary		-	-	-	-
		1,148	5,549	2,246	5,509
Total comprehensive income attributable to:					
Equity holders of the Company		1,148	5,549	2,246	5,509
Non-controlling interests of the subsidiary		-	-	-	-
		1,148	5,549	2,246	5,509
Earnings per share	12				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.002	0.01	0.004	0.01
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.

(Unaudited but reviewed)

Alla Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2018

(Unit: Thousand 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	348,487	46	30,000	49,811	728,344	-	728,344
Total comprehensive income for the period	-	-	-	-	5,549	5,549	-	5,549
Balance as at 31 March 2017	300,000	348,487	46	30,000	55,360	733,893	-	733,893
Balance as at 1 January 2018	300,000	348,487	46	30,000	98,104	776,637	-	776,637
Total comprehensive income for the period	-	-	-	-	1,148	1,148	-	1,148
Balance as at 31 March 2018	300,000	348,487	46	30,000	99,252	777,785	-	777,785

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

(Unaudited but reviewed)

Alla Public Company Limited and its subsidiary

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2018

(Unit: Thousand 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	348,487	30,000	24,890	703,377
Total comprehensive income for the period	-	-	-	5,509	5,509
Balance as at 31 March 2017	300,000	348,487	30,000	30,399	708,886
Balance as at 1 January 2018	300,000	348,487	30,000	77,074	755,561
Total comprehensive income for the period	-	-	-	2,246	2,246
Balance as at 31 March 2018	300,000	348,487	30,000	79,320	757,807

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

(Unaudited but reviewed)

Alla Public Company Limited and its subsidiary

Statement of cash flows

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	1,859	7,144	2,924	7,160
Adjustments to reconcile profit before tax to net				
cash provided by (paid from) operating activities:				
Depreciation and amortisation	4,633	4,849	2,971	3,062
Amortisation of deferred trade rights	-	238	-	-
Reduction of inventory value to net realisable value	382	1,204	138	1,067
Loss on disposal of property, plant and equipment	15	46	15	33
Warranty reserve (reversal)	(110)	(197)	99	(91)
Provision for long-term employee benefits	2,088	1,301	1,332	831
Unrealised gain on changes in value of current investmetns				
in trading securities	(501)	(534)	(501)	(534)
Unrealised (gain) loss on exchange	(130)	(791)	55	(732)
Interest income	(618)	(1,064)	(517)	(1,057)
Interest expenses	115	295	99	244
Profit from operating activities before changes				
in operating assets and liabilities	7,733	12,491	6,615	9,983
Operating assets (increase) decrease				
Trade and other receivables	30,754	47,263	29,520	25,197
Inventories	(34,227)	(49,638)	(26,256)	(41,788)
Other current assets	874	827	50	648
Operating liabilities increase (decrease)				
Trade and other payables	12,231	47,116	13,751	44,287
Deposit received in advances	11,664	22,983	3,152	16,324
Other current liabilities	(2,321)	(6,637)	(2,219)	(4,632)
Cash paid for long-term employee benefits	(3,329)	-	(2,864)	-
Cash flows from operating activities	23,379	74,405	21,749	50,019
Cash paid for income tax	(1,765)	(2,147)	(1,329)	(1,721)
Net cash from operating activities	21,614	72,258	20,420	48,298

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

(Unaudited but reviewed)

Alla Public Company Limited and its subsidiary

Statement of cash flows (continued)

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Increase in current investments	(100,000)	-	(100,000)	-
Decrease in restricted bank deposits	300	-	-	-
Purchase of property, plant and equipment	(16,336)	(449)	(1,873)	(36)
Purchase of intangible assets	(52)	(7)	(52)	-
Cash received from selling assets	-	25	-	-
Interest income	244	249	244	249
Net cash from (used in) investing activities	(115,844)	(182)	(101,681)	213
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	-	(36,436)	-	(25,184)
Repayment of long-term loans	-	(1,500)	-	-
Cash paid for liabilities under financial lease agreements	(1,231)	(1,358)	(983)	(1,239)
Cash paid for interest expenses	(115)	(295)	(99)	(244)
Net cash used in financing activities	(1,346)	(39,589)	(1,082)	(26,667)
Net increase (decrease) in cash and cash equivalents	(95,576)	32,487	(82,343)	21,844
Cash and cash equivalents at beginning of the period	270,472	178,130	201,323	162,303
Cash and cash equivalents at end of the period	174,896	210,617	118,980	184,147
Supplement cash flows information				
Non-cash items:				
Assets acquired under financial lease agreements	-	774	-	-
Net increase (decrease) in other payable for purchase of property, plant and equipment	(5,651)	1,571	283	1,114

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

Alla Public Company Limited and its subsidiary
Notes to consolidated interim financial statements
For the three-month period ended 31 March 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-services. It registered address is No. 933 935 937 939 Soi Onnut 46, Onnut Road, Onnut sub-district, Suan Luang district, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.3 Basis of consolidation

These consolidated financial statements include the financial statements of Alla Public Company Limited and its subsidiary and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017 with no changes in the group structure during the current period.

1.4 New financial reporting standards

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

During the period, 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 standard that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. 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.

At present, the management of the Company and its subsidiary is evaluating the impact of this standard to the financial statements in the year when it is adopted.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

2. Related party transactions

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

(Unit: Thousand Baht)

	For the three-month periods ended 31 March				
	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	-	-	150	575	Cost plus margin
Rental and software maintenance income	-	-	871	630	Mutually agreed price as stipulated in the contract
Freight income	-	-	26	65	Cost plus margin
Cost of sales and services	-	-	346	1,294	Cost plus margin
Rental expense	-	-	336	630	Mutually agreed price as stipulated in the contract

The outstanding balances of the accounts as at 31 March 2018 and 31 December 2017 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Trade and other receivables - related party (Note 4)				
Subsidiary company	-	-	406	2,394
Trade and other receivables - related party	-	-	406	2,394
Trade and other payables - related party (Note 9)				
Subsidiary company	-	-	4,133	1,060
Total trade and other payables - related party	-	-	4,133	1,060

Directors and management's remuneration

During the three-month periods ended 31 March 2018 and 2017, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	6,811	7,096	4,862	4,414
Post-employment benefits	658	590	422	403
Other long-term benefits	15	13	7	9
Total	7,484	7,699	5,291	4,826

3. Short-term investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	31 March 2018	31 December 2017
Fixed deposit	100,000	-
Securities held for trading - Debt securities	112,714	112,213
Total	212,714	112,213

Fixed deposits had an interest rates of 1.5 % and mature in January 2019.

During the three-month period ended 31 March 2018, movements of securities held for trading are as follows:

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 January 2018	112,213
Unrealised gain from change in value of investments	501
Balance as at 31 March 2018	112,714

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Trade accounts receivable - related party				
Aged on the basis of due dates				
Not yet due	-	-	57	1,544
Overdue				
Less than 3 months	-	-	32	69
Total trade accounts receivable - related party	-	-	89	1,613
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	35,082	57,431	23,855	38,131
Overdue				
Less than 3 months	39,806	21,673	26,388	14,288
More than 3 months, not over 6 months	32	1,415	-	1,175
More than 6 months, not over 12 months	188	734	54	720
More than 12 months	163	170	161	168
Total trade accounts receivable - unrelated parties	75,271	81,423	50,458	54,482
Total trade accounts receivable	75,271	81,423	50,547	56,095
Accrued income - sale of goods and service				
Aging				
Less than 3 months	30,795	58,338	28,062	42,274
More than 3 months, not over 6 months	13,419	13,634	2,307	13,113
More than 6 months, not over 12 months	3,406	3,307	3,211	2,610
More than 12 months	136	1,413	136	1,409
Total accrued income - sale of goods and service	47,756	76,692	33,716	59,406
Less: Allowance for doubtful debts	(53)	(53)	(53)	(53)
Accrued income - sale of goods and service - net	47,703	76,639	33,663	59,353
Other receivables				
Other receivables - related party	-	-	317	781
Other receivables - unrelated parties	7,834	3,126	3,232	777
Total other receivables	7,834	3,126	3,549	1,558
Total trade and other receivables - net	130,808	161,188	87,759	117,006

5. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value account during the three-month period ended 31 March 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2018	5,423	4,743
Reduction of inventory value during the period	382	138
Balance as at 31 March 2018	5,805	4,881

6. Investment in subsidiary

As at 31 March 2018 and 31 December 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 periods	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017
			(%)	(%)				
Onvalla Co., Ltd.	250,000	250,000	100	100	252,000	252,000	-	-
Total					252,000	252,000	-	-

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 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.

7. Property, plant and equipment

Movements of the property, plant and equipment account during the three-month period ended 31 March 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	206,929	51,895
Acquisitions during period - at cost	10,685	2,156
Write-off during period - net book value	(15)	(15)
Depreciation for period	(4,112)	(2,521)
Net book value as at 31 March 2018	213,487	51,515

As at 31 March 2018, the subsidiary pledged its land and buildings thereon, of which net book value amounted to approximately Baht 77.20 million, with financial institutions as collateral to secure credit facilities (31 December 2017: Baht 77.47 million).

8. Intangible assets

Movements of the intangible assets account during the three-month period ended 31 March 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	4,605	4,458
Acquisitions during the period - at cost	52	52
Amortisation for the period	(521)	(450)
Net book value as at 31 March 2018	4,136	4,060

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Trade accounts payable - related party	-	-	4,074	964
Trade accounts payable - unrelated parties	61,690	47,992	43,184	31,320
Other payables - related party	-	-	59	96
Other payables - unrelated parties	11,013	17,531	6,513	7,351
Total trade and other payables	72,703	65,523	53,830	39,731

10. Liabilities under financial lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Liabilities under financial lease agreements	8,727	10,073	7,451	8,534
Less: Deferred interest expenses	(624)	(739)	(578)	(678)
Total	8,103	9,334	6,873	7,856
Less: Portion due within one year	(3,713)	(4,139)	(2,819)	(3,215)
Liabilities under financial lease agreements, net of current portion	4,390	5,195	4,054	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.

11. Income tax

Interim corporate income tax is calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	400	1,896	314	1,896
Deferred tax:				
Relating to origination and reversal of temporary differences	311	(301)	364	(245)
Income tax expenses reported in the statements of comprehensive income	711	1,595	678	1,651

12. Earnings per share

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

13. 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 following table presents revenue and profit information regarding the Company and its subsidiary' operating segments for the three-month periods ended 31 March 2018 and 2017, respectively.

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the three-month periods ended 31 March									
	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	3,958	1,858	39	11	3,997	1,869	(3,997)	(1,869)	-	-
External customers	73,215	75,274	30,819	27,235	104,034	102,509	-	-	104,034	102,509
	77,173	77,132	30,858	27,246	108,031	104,378	(3,997)	(1,869)	104,034	102,509
Gross profit margin					32,722	33,759	(1,145)	72	31,577	33,831
Other income					2,555	4,190	(1,216)	(1,309)	1,339	2,881
Selling expenses					(6,832)	(6,362)	-	-	(6,832)	(6,362)
Administrative expenses					(25,374)	(24,228)	1,264	1,317	(24,110)	(22,911)
Finance cost					(115)	(295)	-	-	(115)	(295)
Income tax expenses					(711)	(1,595)	-	-	(711)	(1,595)
Profit for the period					2,245	5,469	(1,097)	80	1,148	5,549

14. Commitments and contingent liabilities

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

14.1 Capital commitments

As at 31 March 2018, the Company and its subsidiary had capital commitments of approximately Baht 10.36 million (31 December 2017: Baht 6.77 million), the Company only: Baht 1.52 million (31 December 2017: Nil), relating to office and factory renovation of the Company and warehouse construction of its subsidiary.

14.2 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	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Payable within:				
Less than 1 year	2.54	1.15	2.76	1.00
1 to 4 years	0.32	0.37	0.22	0.26

14.3 Guarantees

As at 31 March 2018, there were outstanding bank guarantees of approximately Baht 61.11 million (31 December 2017: Baht 42.29 million), the Company only: Baht 48.68 million (31 December 2017: Baht 26.28 million), issued by banks on behalf of the Company and its subsidiary to guarantee contractors work.

15. Foreign currency risk

The Company and its subsidiary's exposure to foreign currency risk arises mainly from 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 are the summary of Company and its subsidiary's significant foreign currency dominated assets/liabilities.

	As at 31 March 2018				
	Consolidated financial statements		Separate financial statements		Average exchange rate as at
Currency	Assets	Liabilities	Assets	Liabilities	31 March 2018
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per one foreign currency unit)
EUR	9	870	8	520	38.4394
USD	258	200	258	200	31.2318
SGD	-	4	-	-	23.8223
GBP	-	2	-	2	43.8288

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

Forward exchange contracts

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

As at 31 March 2018					
Consolidated financial statements					
		Amount paid		Contractual exchange rate	
Foreign currency	Bought amount	by Baht per contract	Contractual maturity date	Bought amount	Sold amount
	(Thousand)	(Thousand Baht)		(Baht per one foreign currency unit)	
Euro	1,038	40,662	5 April - 20 September 2018	38.88 - 39.75	-

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

As at 31 March 2018					
Separate financial statements					
Foreign currency	Bought amount (Thousand)	Amount paid by Baht per contract (Thousand Baht)	Contractual maturity date	Contractual exchange rate	
				Bought amount	Sold amount
				(Baht per one foreign currency unit)	
Euro	525	20,523	30 April - 20 September 2018	38.88 - 39.43	-

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	
				Bought amount	Sold amount
				(Baht per one foreign currency unit)	
Euro	348	13,681	20 April - 28 June 2018	39.29 - 39.50	-

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiary endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets 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

Fair value of the outstanding derivatives as at 31 March 2018 and 31 December 2017 of the Company and its subsidiary, which shown as loss, that were presented by fair value hierarchy are as follow.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	Level 2	Level 2	Level 2	Level 2
Derivatives				
Forward exchange contracts	516	107	213	43

Valuation techniques and inputs to Level 2 valuation

Fair value of forward exchange contracts has been calculated at the rate set by the financial institutions as if the contract was terminated on the reporting date.

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

16. Event after the reporting period

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 at the rate of Baht 0.07 per share, totaling Baht 42 million to the Company's shareholders on 18 May 2018.

17. Reclassification

The Company and its subsidiary have reclassified certain accounts in the statement of comprehensive income for the period ended 31 March 2017, presented herein as comparative information, in order to comply with the reclassification of accounts for the current period. The details are as follows.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	As reclassified	As previously reported	As reclassified	As previously reported
Statement of comprehensive income				
Cost of sales and services	68,678	68,565	50,810	50,736
Selling expenses	6,362	6,334	4,159	4,144
Administrative expenses	22,911	22,738	17,670	17,528
Finance cost	295	609	244	475

The reclassifications had no effect to previously reported net profit or shareholders' equity.

18. Approval of interim financial statements

These interim financial statements were authroised for issue by the Company's Board of directors on 10 May 2018.