Alla Public Company Limited and its subsidiary
Report and consolidated interim financial statements
For the three-month and six-month periods ended 30 June 2018

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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 30 June 2018, the related consolidated statements of comprehensive income for the three-month and six-month periods ended 30 June 2018, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period ended 30 June 2018, 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 August 2018

Alla Public Company Limited and its subsidiary

Statement of financial position

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Assets					
Current assets					
Cash and cash equivalents		118,931	270,472	60,687	201,323
Current investments	3	212,892	112,213	212,892	112,213
Trade and other receivables	2, 4	154,120	161,188	122,115	117,006
Inventories	5	207,020	154,394	135,945	100,352
Other current assets		9,089	8,391	7,083	5,465
Total current assets		702,052	706,658	538,722	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	217,904	206,929	50,470	51,895
Intangible assets	8	3,851	4,605	3,809	4,458
Deferred tax assets		9,604	9,415	6,684	6,684
Deposits and guarantees		36	36	32	32
Total non-current assets		256,478	246,368	338,078	340,152
Total assets		958,530	953,026	876,800	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	
		30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	*2, 9*	97,342	65,523	76,224	39,731
Current portion of liabilities under financial lease agreements	*10*	3,222	4,139	2,419	3,215
Income tax payable		1,659	3,210	1,659	2,908
Deposit received in advance		30,302	25,529	15,768	19,211
Accrued expenses		16,614	21,049	12,801	16,622
Warranty reserve		5,362	5,478	3,288	2,909
Other current liabilities		4,640	7,002	1,344	3,783
Total current liabilities		159,141	131,930	113,503	88,379
Non-current liabilities					
Liabilities under financial lease agreements, net of current portion	*10*	3,636	5,195	3,459	4,641
Provision for long-term employee benefits		40,112	39,264	27,731	27,930
Total non-current liabilities		43,748	44,459	31,190	32,571
Total liabilities		202,889	176,389	144,693	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	
	30 June 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 June 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	77,108	98,104	53,620	77,074
Equity attributable to owners of the Company	755,641	776,637	732,107	755,561
Non-controlling interest of the subsidiary	-	-	-	-
Total shareholders' equity	755,641	776,637	732,107	755,561
Total liabilities and shareholders' equity	958,530	953,026	876,800	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 30 June 2018

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

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Profit or loss:					
Revenues					
Sales and service income	14	174,527	149,808	137,315	110,080
Other income		1,390	1,623	2,150	2,496
Total revenues		175,917	151,431	139,465	112,576
Expenses					
Cost of sales and services		120,158	97,859	95,195	66,848
Selling expenses		7,562	5,994	5,282	3,834
Administrative expenses		23,461	23,651	18,438	18,173
Total expenses		151,181	127,504	118,915	88,855
Profit before finance cost and income tax expenses		24,736	23,927	20,550	23,721
Finance cost		(102)	(168)	(89)	(138)
Profit before income tax expenses		24,634	23,759	20,461	23,583
Income tax expenses	12	(4,778)	(4,968)	(4,161)	(4,930)
Profit for the period		19,856	18,791	16,300	18,653
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		19,856	18,791	16,300	18,653
Net profit attributable to:					
Equity holders of the Company		19,856	18,791	16,300	18,653
Non-controlling interests of the subsidiary		-	-	-	-
		19,856	18,791	16,300	18,653
Total comprehensive income attributable to:					
Equity holders of the Company		19,856	18,791	16,300	18,653
Non-controlling interests of the subsidiary		-	-	-	-
		19,856	18,791	16,300	18,653
Earnings per share	13				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.03	0.03	0.03	0.03
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 comprehensive income

For the six-month period ended 30 June 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	14	278,561	252,317	217,860	186,729
Other income		2,729	3,463	4,264	5,005
Total revenues		281,290	255,780	222,124	191,734
Expenses					
Cost of sales and services		192,615	166,537	150,878	117,658
Selling expenses		14,394	12,356	9,956	7,993
Administrative expenses		47,571	45,521	37,717	34,958
Total expenses		254,580	224,414	198,551	160,609
Profit before finance cost and income tax expenses		26,710	31,366	23,573	31,125
Finance cost		(217)	(463)	(188)	(382)
Profit before income tax expenses		26,493	30,903	23,385	30,743
Income tax expenses	12	(5,489)	(6,563)	(4,839)	(6,581)
Profit for the period		21,004	24,340	18,546	24,162
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		21,004	24,340	18,546	24,162
Net profit attributable to:					
Equity holders of the Company		21,004	24,340	18,546	24,162
Non-controlling interests of the subsidiary		-	-	-	-
		21,004	24,340	18,546	24,162
Total comprehensive income attributable to:					
Equity holders of the Company		21,004	24,340	18,546	24,162
Non-controlling interests of the subsidiary		-	-	-	-
		21,004	24,340	18,546	24,162
Earnings per share	13				
Basic earnings per share (Baht)					
Profit attributable to equity holders of the Company		0.04	0.04	0.03	0.04
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 six-month period ended 30 June 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
Dividend paid (Note 11)	-	-	-	-	(12,000)	(12,000)	-	(12,000)
Total comprehensive income for the period	-	-	-	-	24,340	24,340	-	24,340
Balance as at 30 June 2017	300,000	348,487	46	30,000	62,151	740,684	-	740,684
Balance as at 1 January 2018	300,000	348,487	46	30,000	98,104	776,637	-	776,637
Dividend paid (Note 11)	-	-	-	-	(42,000)	(42,000)	-	(42,000)
Total comprehensive income for the period	-	-	-	-	21,004	21,004	-	21,004
Balance as at 30 June 2018	300,000	348,487	46	30,000	77,108	755,641	-	755,641

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 six-month period ended 30 June 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
Dividend paid (Note 11)	-	-	-	(12,000)	(12,000)
Total comprehensive income for the period	-	-	-	24,162	24,162
Balance as at 30 June 2017	300,000	348,487	30,000	37,052	715,539
Balance as at 1 January 2018	300,000	348,487	30,000	77,074	755,561
Dividend paid (Note 11)	-	-	-	(42,000)	(42,000)
Total comprehensive income for the period	-	-	-	18,546	18,546
Balance as at 30 June 2018	300,000	348,487	30,000	53,620	732,107

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 six-month period ended 30 June 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	26,493	30,903	23,385	30,743
Adjustments to reconcile profit before tax to net				
cash provided by (paid from) operating activities:				
Depreciation and amortisation	9,037	9,736	5,816	6,158
Amortisation of deferred trade rights	-	238	-	-
Reduction of inventory value to net realisable value	879	835	498	564
(Gain) loss on disposal of property, plant and equipment	(128)	83	(138)	51
Dividend income	(3)	-	(3)	-
Provision for warranty (reversal)	157	(1,000)	468	(846)
Provision for long-term employee benefits	4,177	2,601	2,665	1,661
Unrealised gain on changes in value of current investmetns				
in trading securities	(679)	(1,006)	(679)	(1,006)
Unrealised loss on exchange	856	1,248	793	855
Interest income	(1,489)	(2,051)	(1,243)	(2,036)
Interest expenses	217	463	188	382
Profit from operating activities before changes				
in operating assets and liabilities	39,517	42,050	31,750	36,526
Operating assets (increase) decrease				
Trade and other receivables	6,982	31,108	(5,193)	15,607
Inventories	(53,505)	(42,227)	(36,091)	(42,540)
Other current assets	(486)	210	(1,629)	758
Operating liabilities increase (decrease)				
Trade and other payables	29,088	20,501	30,676	20,199
Deposit received in advances	4,775	20,399	(3,441)	14,646
Other current liabilities	(2,362)	(3,549)	(2,439)	(2,190)
Cash paid for long-term employee benefits	(3,329)	(509)	(2,864)	(509)
Cash flows from operating activities	20,680	67,983	10,769	42,497
Cash paid for income tax	(7,442)	(5,156)	(6,077)	(3,536)
Net cash from operating activities	13,238	62,827	4,692	38,961

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 six-month period ended 30 June 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	(21,996)	(2,642)	(2,524)	(1,751)
Purchase of intangible assets	(127)	(53)	(127)	(46)
Cash received from dividend	3	-	3	-
Cash received from selling assets	154	25	154	-
Interest income	1,575	1,088	1,327	1,074
Net cash used in investing activities	(120,091)	(1,582)	(101,167)	(723)
Cash flows from financing activities				
Decrease in short-term loans from financial institutions	-	(34,055)	-	(25,543)
Repayment of long-term loans	-	(3,000)	-	-
Cash paid for liabilities under financial lease agreements	(2,476)	(2,589)	(1,978)	(2,297)
Cash paid for interest expenses	(217)	(463)	(188)	(382)
Dividend paid	(41,995)	(11,999)	(41,995)	(11,999)
Net cash used in financing activities	(44,688)	(52,106)	(44,161)	(40,221)
Net increase (decrease) in cash and cash equivalents	(151,541)	9,139	(140,636)	(1,983)
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	118,931	187,269	60,687	160,320
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	(2,839)	6,619	1,107	354

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 and six-month periods ended 30 June 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 30 June				
	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	-	-	407	214	Cost plus margin
Rental and software maintenance income	-	-	971	889	Mutually agreed price as stipulated in the contract
Freight income	-	-	16	-	Cost plus margin
Cost of sales and services	-	-	3,969	1,716	Cost plus margin
Rental expense	-	-	336	630	Mutually agreed price as stipulated in the contract

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				
	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	-	-	557	789	Cost plus margin
Rental and software maintenance income	-	-	1,842	1,519	Mutually agreed price as stipulated in the contract
Freight income	-	-	42	65	Cost plus margin
Cost of sales and service	-	-	4,315	3,010	Cost plus margin
Rental expense	-	-	672	1,260	Mutually agreed price as stipulated in the contract

The outstanding balances of the accounts as at 30 June 2018 and 31 December 2017 between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trade and other receivables - related party (Note 4)				
Subsidiary company	-	-	1,158	2,394
Trade and other receivables - related party	-	-	1,158	2,394
Trade and other payables - related party (Note 9)				
Subsidiary company	-	-	501	1,060
Total trade and other payables - related party	-	-	501	1,060

Directors and management's remuneration

During the three-month and six-month periods ended 30 June 2018 and 2017, the Company and its subsidiary had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	6,817	6,132	5,055	4,695
Post-employment benefits	653	557	418	406
Other long-term benefits	15	12	7	9
Total	7,485	6,701	5,480	5,110

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term employee benefits	13,628	13,228	9,917	9,109
Post-employment benefits	1,311	1,147	840	809
Other long-term benefits	30	25	14	18
Total	14,969	14,400	10,771	9,936

3. Short-term investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	30 June 2018	31 December 2017
Fixed deposit	100,000	-
Securities held for trading - Debt securities	112,892	112,213
Total	212,892	112,213

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

During the six-month period ended 30 June 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	679
Balance as at 30 June 2018	112,892

4. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trade accounts receivable - related party				
Aged on the basis of due dates				
Not yet due	-	-	432	1,544
Overdue				
Less than 3 months	-	-	2	69
Total trade accounts receivable - related party	-	-	434	1,613
Trade accounts receivable - unrelated parties				
Aged on the basis of due dates				
Not yet due	34,403	57,431	19,369	38,131
Overdue				
Less than 3 months	26,013	21,673	15,332	14,288
More than 3 months, not over 6 months	59	1,415	59	1,175
More than 6 months, not over 12 months	101	734	-	720
More than 12 months	151	170	150	168
Total trade accounts receivable - unrelated parties	60,727	81,423	34,910	54,482
Total trade accounts receivable	60,727	81,423	35,344	56,095
Accrued income - sale of goods and service				
Aging				
Less than 3 months	71,466	58,338	67,013	42,274
More than 3 months, not over 6 months	13,278	13,634	12,604	13,113
More than 6 months, not over 12 months	2,471	3,307	2,361	2,610
More than 12 months	1,053	1,413	1,053	1,409
Total accrued income - sale of goods and service	88,268	76,692	83,031	59,406
Less: Allowance for doubtful debts	(53)	(53)	(53)	(53)
Accrued income - sale of goods and service - net	88,215	76,639	82,978	59,353
Other receivables				
Other receivables - related party	-	-	724	781
Other receivables - unrelated parties	5,178	3,126	3,069	777
Total other receivables	5,178	3,126	3,793	1,558
Total trade and other receivables - net	154,120	161,188	122,115	117,006

5. Reduction of inventory to net realisable value

Movements in the reduction of inventory to net realisable value account during the six-month period ended 30 June 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	879	498
Balance as at 30 June 2018	6,302	5,241

6. Investment in subsidiary

As at 30 June 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	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	31 December 2017	30 June 2018	30 June 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 six-month period ended 30 June 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	19,157	3,631
Disposal and write-off during period - net book value	(26)	(16)
Depreciation for period	(8,156)	(5,040)
Net book value as at 30 June 2018	217,904	50,470

As at 30 June 2018, the subsidiary pledged its land and buildings thereon, of which net book value amounted to approximately Baht 76.93 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 six-month period ended 30 June 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	127	127
Amortisation for the period	(881)	(776)
Net book value as at 30 June 2018	3,851	3,809

9. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Trade accounts payable - related party	-	-	470	964
Trade accounts payable - unrelated parties	81,896	47,992	66,539	31,320
Other payables - related party	-	-	31	96
Other payables - unrelated parties	15,446	17,531	9,184	7,351
Total trade and other payables	97,342	65,523	76,224	39,731

10. Liabilities under financial lease agreements

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Liabilities under financial lease agreements	7,381	10,073	6,369	8,534
Less: Deferred interest expenses	(523)	(739)	(491)	(678)
Total	6,858	9,334	5,878	7,856
Less: Portion due within one year	(3,222)	(4,139)	(2,419)	(3,215)
Liabilities under financial lease agreements, net of current portion	3,636	5,195	3,459	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. Dividend paid

11.1 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.

11.2 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.

12. 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 and six-month periods ended 30 June 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	5,277	4,779	4,525	4,731
Deferred tax:				
Relating to origination and reversal of temporary differences	(499)	189	(364)	199
Income tax expenses reported in the statements of comprehensive income	4,778	4,968	4,161	4,930

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	5,677	6,675	4,839	6,627
Deferred tax:				
Relating to origination and reversal of temporary differences	(188)	(112)	-	(46)
Income tax expenses reported in the statements of comprehensive income	5,489	6,563	4,839	6,581

13. 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.

14. 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 and six-month periods ended 30 June 2018 and 2017, respectively.

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the three-month periods ended 30 June									
	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	845	1,575	29	352	874	1,927	(874)	(1,927)	-	-
External customers	140,399	118,921	34,128	30,887	174,527	149,808	-	-	174,527	149,808
	141,244	120,496	34,157	31,239	175,401	151,735	(874)	(1,927)	174,527	149,808
Gross profit					53,208	51,943	1,161	6	54,369	51,949
Other income					2,704	3,144	(1,314)	(1,521)	1,390	1,623
Selling expenses					(7,562)	(5,994)	-	-	(7,562)	(5,994)
Administrative expenses					(24,825)	(25,227)	1,364	1,576	(23,461)	(23,651)
Finance cost					(102)	(168)	-	-	(102)	(482)
Income tax expenses					(4,778)	(4,968)	-	-	(4,778)	(4,968)
Profit for the period					18,645	18,730	1,211	61	19,856	18,791

(Unit: Thousand Baht)

	Consolidated financial statements									
	For the six-month periods ended 30 June									
	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	4,803	3,433	68	363	4,871	3,796	(4,871)	(3,796)	-	-
External customers	213,614	194,195	64,947	58,122	278,561	252,317	-	-	278,561	252,317
	218,417	197,628	65,015	58,485	283,432	256,113	(4,871)	(3,796)	278,561	252,317
Gross profit					85,930	85,702	16	78	85,946	85,780
Other income					5,259	6,293	(2,530)	(2,830)	2,729	3,463
Selling expenses					(14,394)	(12,356)	-	-	(14,394)	(12,356)
Administrative expenses					(50,199)	(48,414)	2,628	2,893	(47,571)	(45,521)
Finance cost					(217)	(463)	-	-	(217)	(463)
Income tax expenses					(5,489)	(6,563)	-	-	(5,489)	(6,563)
Profit for the period					20,890	24,199	114	141	21,004	24,340

15. Commitments and contingent liabilities

As at 30 June 2018, the Company and its subsidiary had commitments and contingent liabilities as follows:

15.1 Capital commitments

As at 30 June 2018, the Company and its subsidiary had capital commitments of approximately Baht 0.82 million (31 December 2017: Baht 6.77 million), the Company only: Baht 0.57 million (31 December 2017: Nil), relating to office and factory renovation of the Company and warehouse construction of its subsidiary.

15.2 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	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
Payable within:				
Less than 1 year	1.93	1.15	1.49	1.00
1 to 4 years	0.27	0.37	0.18	0.26

15.3 Guarantees

As at 30 June 2018, there were outstanding bank guarantees of approximately Baht 60.43 million (31 December 2017: Baht 42.29 million), the Company only: Baht 50.36 million (31 December 2017: Baht 26.28 million), issued by banks on behalf of the Company and its subsidiary to guarantee contractors work.

16. 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 30 June 2018				
	Consolidated financial statements		Separate financial statements		Average exchange rate as at
Currency	Assets	Liabilities	Assets	Liabilities	30 June 2018
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per one foreign currency unit)
EUR	12	1,331	11	1,181	38.4926
USD	28	211	28	168	33.1672
SGD	-	26	-	13	24.2848

	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 30 June 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 30 June 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	727	28,044	17 September 2018 - 3 January 2019	37.55 - 39.05

	As at 31 December 2017			
	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	537	21,190	5 April - 28 June 2018	39.01 - 39.75

As at 30 June 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	496	19,137	20 September 2018 - 3 January 2019	37.55 - 39.05

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

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 30 June 2018 and 31 December 2017 of the Company and its subsidiary, which shown as gain (loss), that were presented by fair value hierarchy are as follow.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	Level 2	Level 2	Level 2	Level 2
Derivatives				
Forward exchange contracts	92	(107)	95	(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.

17. Reclassification

The Company and its subsidiary have reclassified certain accounts in the statement of comprehensive income for the three-month and six-month periods ended 30 June 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				
For the three-month period ended 30 June 2017				
Cost of sales and services	97,859	97,747	66,848	66,775
Selling expenses	5,994	5,966	3,834	3,819
Administrative expenses	23,651	23,477	18,173	18,031
Finance cost	168	482	138	368
Statement of comprehensive income				
For the six-month period ended 30 June 2017				
Cost of sales and services	166,537	166,312	117,658	117,511
Selling expenses	12,356	12,300	7,993	7,963
Administrative expenses	45,521	45,174	34,958	34,674
Finance cost	463	1,091	382	843

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

18. Approval of interim financial statements

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