

Srithai Superware Public Company Limited and its subsidiaries
Report and interim consolidated financial statements
For the three-month and nine-month periods ended
30 September 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Srithai Superware Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Srithai Superware Public Company Limited and its subsidiaries as at 30 September 2018, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Srithai Superware Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai 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*.

Other matter

The consolidated statement of financial position of Srithai Superware Public Company Limited and its subsidiaries, and the separate statement of financial position of Srithai Superware Public Company Limited as at 31 December 2017, presented herein as comparative information, were audited by another auditor who expressed an unqualified opinion on those statements, under his report dated 28 February 2018. The consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2017, the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended of Srithai Superware Public Company Limited and its subsidiaries, and the separate financial statements of Srithai Superware Public Company Limited, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 10 November 2017, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*.

Preecha Arunnara

Certified Public Accountant (Thailand) No. 5800

EY Office Limited

Bangkok: 9 November 2018

Srithai Superware Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2018

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2018	31 December 2017	30 September 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		263,075	290,401	102,690	135,536
Short-term investments - fixed deposit		5,012	-	-	-
Trade receivables	4	1,987,993	2,205,300	1,340,991	1,663,033
Other receivables - unrelated parties		86,499	46,870	27,853	22,251
Other receivables - related parties	3.2	932	6,390	54,622	30,744
Inventories		1,877,807	1,672,512	1,236,311	1,243,720
Other current assets		111,584	100,246	5,479	4,086
Total current assets		4,332,902	4,321,719	2,767,946	3,099,370
Non-current assets					
Restricted bank deposits	5	6,489	5,671	-	-
Available-for-sale investments		62,400	65,400	62,400	65,400
Investments in subsidiaries	6.1	-	-	1,937,220	1,925,122
Investments in associates	6.1	223,822	218,516	184,113	184,113
Investment in joint venture	6.1	-	15,177	-	5,000
Other long-term investments		113,016	113,016	47,170	47,170
Investment properties		131,330	129,588	496,728	494,986
Property, plant and equipment	7	5,014,196	5,489,409	3,081,092	3,392,452
Intangible assets	7	34,509	41,597	15,666	18,712
Goodwill	6.2	5,131	-	-	-
Deferred tax assets		168,205	155,017	121,932	108,725
Leasehold rights		136,247	145,103	-	-
Other non-current assets		23,051	25,793	12,667	14,060
Total non-current assets		5,918,396	6,404,287	5,958,988	6,255,740
Total assets		10,251,298	10,726,006	8,726,934	9,355,110

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

Srithai Superware Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2018

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 September 2018	31 December 2017	30 September 2018	31 December 2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans	8.1	2,046,391	1,951,614	1,395,000	1,445,000
Trade payables - unrelated parties		927,361	922,922	453,153	580,411
Trade payables - related parties	3.2	72,710	86,761	75,045	122,698
Other payables - unrelated parties		415,413	248,822	206,339	165,902
Other payables - related parties	3.2	557	534	1,117	6,574
Current portion of long-term loans	8.2	745,837	771,532	574,980	554,980
Other current liabilities		24,101	40,890	13,045	24,515
Total current liabilities		4,232,370	4,023,075	2,718,679	2,900,080
Non-current liabilities					
Long-term loans, net of current portion	8.2	1,232,128	1,770,491	927,900	1,342,225
Finance lease liabilities		474	918	-	-
Provision for long-term employee benefits		407,271	383,821	323,000	306,958
Total non-current liabilities		1,639,873	2,155,230	1,250,900	1,649,183
Total liabilities		5,872,243	6,178,305	3,969,579	4,549,263
Shareholders' equity					
Share capital					
Registered					
2,709,904,800 ordinary shares at par value of Baht 1 each		2,709,905	2,709,905	2,709,905	2,709,905
Issued and fully paid					
2,709,904,800 ordinary shares at par value of Baht 1 each		2,709,905	2,709,905	2,709,905	2,709,905
Premium on treasury shares		19,928	19,928	19,928	19,928
Retained earnings					
Appropriated - statutory reserve		257,000	257,000	257,000	257,000
Unappropriated		1,423,165	1,514,943	1,752,586	1,798,678
Other components of shareholders' equity		(280,791)	(211,745)	17,936	20,336
Equity attributable to equity holders of the Company		4,129,207	4,290,031	4,757,355	4,805,847
Non-controlling interests		249,848	257,670	-	-
Total shareholders' equity		4,379,055	4,547,701	4,757,355	4,805,847
Total liabilities and shareholders' equity		10,251,298	10,726,006	8,726,934	9,355,110

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

Director

Director

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries**Statement of comprehensive income****For the three-month period ended 30 September 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:				
Sales	2,336,900	2,276,183	1,383,011	1,411,712
Cost of sales	(2,046,893)	(1,967,054)	(1,236,431)	(1,229,097)
Gross profit	290,007	309,129	146,580	182,615
Dividend income	-	-	30,000	39,000
Other income	24,170	31,349	25,610	18,792
Selling expenses	(164,256)	(174,189)	(125,675)	(134,401)
Administrative expenses	(136,672)	(126,076)	(82,471)	(87,370)
Loss on impairment of fixed assets	-	(27,675)	-	(27,675)
Other expenses - loss on disposal of fixed assets	-	(8,640)	-	(9,276)
Profit (loss) before share of profit from investments in associates and joint venture, finance cost and income tax	13,249	3,898	(5,956)	(18,315)
Share of profit from investments in associates and joint venture	9,467	9,262	-	-
Profit (loss) before finance cost and income tax	22,716	13,160	(5,956)	(18,315)
Finance cost	(37,004)	(45,411)	(21,408)	(25,767)
Loss before income tax	(14,288)	(32,251)	(27,364)	(44,082)
Income tax benefit	8,453	11,734	11,270	16,793
Loss for the period	(5,835)	(20,517)	(16,094)	(27,289)
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Loss on change in value of available-for-sale investments	(7,800)	(1,800)	(7,800)	(1,800)
Exchange differences on translation of financial statements in foreign currency	43,342	(19,809)	-	-
Income tax effect	1,560	360	1,560	360
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	37,102	(21,249)	(6,240)	(1,440)
Other comprehensive income for the period	37,102	(21,249)	(6,240)	(1,440)
Total comprehensive income for the period	31,267	(41,766)	(22,334)	(28,729)

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2018

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

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit or loss attributable to:				
Equity holders of the Company	(5,826)	(30,247)	<u>(16,094)</u>	<u>(27,289)</u>
Non-controlling interests	<u>(9)</u>	<u>9,730</u>		
	<u>(5,835)</u>	<u>(20,517)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	30,254	(51,388)	<u>(22,334)</u>	<u>(28,729)</u>
Non-controlling interests	<u>1,013</u>	<u>9,622</u>		
	<u>31,267</u>	<u>(41,766)</u>		
Earnings per share				
	10			
Basic loss per share				
Loss attributable to equity holders of the Company	<u>(0.002)</u>	<u>(0.011)</u>	<u>(0.006)</u>	<u>(0.010)</u>

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries**Statement of comprehensive income****For the nine-month period ended 30 September 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:				
Sales	7,058,600	6,979,050	4,397,349	4,505,155
Cost of sales	(6,138,211)	(5,911,803)	(3,862,317)	(3,850,762)
Gross profit	920,389	1,067,247	535,032	654,393
Dividend income	5,812	5,811	140,376	188,729
Other income	57,429	56,416	79,201	57,263
Selling expenses	(492,766)	(561,908)	(374,811)	(442,171)
Administrative expenses	(373,982)	(357,351)	(237,690)	(249,057)
Loss on impairment of fixed assets	-	(27,675)	-	(27,675)
Other expenses - loss on disposal of fixed assets	-	(7,960)	-	(5,609)
Profit before share of profit from investments in associates and joint venture, finance cost and income tax	116,882	174,580	142,108	175,873
Share of profit from investments in associates and joint venture	29,441	27,470	-	-
Profit before finance cost and income tax	146,323	202,050	142,108	175,873
Finance cost	(109,355)	(138,115)	(65,312)	(77,321)
Profit before income tax	36,968	63,935	76,796	98,552
Income tax benefit	9,160	2,836	12,607	16,831
Profit for the period	46,128	66,771	89,403	115,383
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Gain (loss) on change in value of available-for-sale investments	(3,000)	4,200	(3,000)	4,200
Exchange differences on translation of financial statements in foreign currency	(65,116)	(96,611)	-	-
Income tax effect	600	(840)	600	(840)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(67,516)	(93,251)	(2,400)	3,360
Other comprehensive income for the period	(67,516)	(93,251)	(2,400)	3,360
Total comprehensive income for the period	(21,388)	(26,480)	87,003	118,743

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the nine-month period ended 30 September 2018

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

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit attributable to:				
Equity holders of the Company	43,717	33,778	<u>89,403</u>	<u>115,383</u>
Non-controlling interests	<u>2,411</u>	<u>32,993</u>		
	<u>46,128</u>	<u>66,771</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	(25,329)	(59,436)	<u>87,003</u>	<u>118,743</u>
Non-controlling interests	<u>3,941</u>	<u>32,956</u>		
	<u>(21,388)</u>	<u>(26,480)</u>		
Earnings per share				
	10			
Basic earnings per share				
Profit attributable to equity holders of the Company	<u>0.016</u>	<u>0.012</u>	<u>0.033</u>	<u>0.043</u>

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Consolidated financial statements									
	Equity attributable to owners of the Company									
					Other components of equity					
					Other comprehensive income					
	Issued and	Premium	Retained earnings		Exchange differences on	Surplus (deficit) on	Total	Total equity	Equity attributable to	Total
	fully paid	on treasury			translation of	changes in value of		attributable to	non-controlling	shareholders'
	share capital	shares	Appropriated	Unappropriated	financial statements in	available-for-sale	other components of	equity holders of	interests	shareholders'
					foreign currency	investments	shareholders' equity	the Company		equity
Balance as at 1 January 2017	2,709,905	19,928	250,000	1,755,336	(58,135)	17,456	(40,679)	4,694,490	238,734	4,933,224
Profit for the period	-	-	-	33,778	-	-	-	33,778	32,993	66,771
Other comprehensive income for the period	-	-	-	-	(96,574)	3,360	(93,214)	(93,214)	(37)	(93,251)
Total comprehensive income for the period	-	-	-	33,778	(96,574)	3,360	(93,214)	(59,436)	32,956	(26,480)
Dividend	-	-	-	(270,990)	-	-	-	(270,990)	(11,760)	(282,750)
Balance as at 30 September 2017	2,709,905	19,928	250,000	1,518,124	(154,709)	20,816	(133,893)	4,364,064	259,930	4,623,994
Balance as at 1 January 2018	2,709,905	19,928	257,000	1,514,943	(232,081)	20,336	(211,745)	4,290,031	257,670	4,547,701
Profit for the period	-	-	-	43,717	-	-	-	43,717	2,411	46,128
Other comprehensive income for the period	-	-	-	-	(66,646)	(2,400)	(69,046)	(69,046)	1,530	(67,516)
Total comprehensive income for the period	-	-	-	43,717	(66,646)	(2,400)	(69,046)	(25,329)	3,941	(21,388)
Change in non-controlling interests of the subsidiary										
as a result of change in status of investment (Note 6.2)	-	-	-	-	-	-	-	-	5,877	5,877
Dividend (Note 6.2 and 11)	-	-	-	(135,495)	-	-	-	(135,495)	(17,640)	(153,135)
Balance as at 30 September 2018	2,709,905	19,928	257,000	1,423,165	(298,727)	17,936	(280,791)	4,129,207	249,848	4,379,055

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Separate financial statements						
	Issued and fully paid share capital	Premium on treasury shares	Retained earnings		Other components of equity		
					Other comprehensive income		
					Surplus (deficit) on		
					changes in value of available-for-sale investments	Total other components of shareholders' equity	Total shareholders' equity
			Appropriated	Unappropriated			
Balance as at 1 January 2017	2,709,905	19,928	250,000	1,955,544	17,456	17,456	4,952,833
Profit for the period	-	-	-	115,383	-	-	115,383
Other comprehensive income for the period	-	-	-	-	3,360	3,360	3,360
Total comprehensive income for the period	-	-	-	115,383	3,360	3,360	118,743
Dividend (Note 11)	-	-	-	(270,990)	-	-	(270,990)
Balance as at 30 September 2017	<u>2,709,905</u>	<u>19,928</u>	<u>250,000</u>	<u>1,799,937</u>	<u>20,816</u>	<u>20,816</u>	<u>4,800,586</u>
Balance as at 1 January 2018	2,709,905	19,928	257,000	1,798,678	20,336	20,336	4,805,847
Profit for the period	-	-	-	89,403	-	-	89,403
Other comprehensive income for the period	-	-	-	-	(2,400)	(2,400)	(2,400)
Total comprehensive income for the period	-	-	-	89,403	(2,400)	(2,400)	87,003
Dividend (Note 11)	-	-	-	(135,495)	-	-	(135,495)
Balance as at 30 September 2018	<u>2,709,905</u>	<u>19,928</u>	<u>257,000</u>	<u>1,752,586</u>	<u>17,936</u>	<u>17,936</u>	<u>4,757,355</u>

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries**Cash flow statement****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from operating activities				
Profit before income tax	36,968	63,935	76,796	98,552
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	596,031	596,932	376,624	385,694
Amortisation of intangible assets	8,147	10,982	3,691	5,452
Amortisation of leasehold rights	2,290	2,555	-	-
Assets written off	6,225	16,091	4,189	16,058
Allowance for doubtful accounts	3,149	-	8,000	-
Allowance for inventory obsolescence and for inventories cost in excess of net realisable value	4,728	2,242	1,300	-
Loss on impairment of fixed assets	-	27,675	-	27,675
(Gain) loss on disposal of fixed assets	(2,617)	7,960	(3,923)	5,609
Provision for long-term employee benefits	22,094	17,111	16,101	11,690
Unrealised loss on exchanges	5,763	7,368	3,960	8,057
Realised gain on exchanges	(158)	(144)	(158)	(144)
Share of profit from investments in associates and joint venture	(29,441)	(27,470)	-	-
Gain from change in status of investment	(4,096)	-	-	-
Gain arising from subsidiary's liquidation	-	-	(1,281)	-
Dividend income from investments in subsidiaries, associates and joint venture	-	-	(134,564)	(182,918)
Dividend income from other investments	(5,812)	(5,811)	(5,812)	(5,811)
Interest income	(2,274)	(5,615)	(1,660)	(2,300)
Finance cost	109,355	138,115	65,312	77,321
Profit from operating activities before changes in operating assets and liabilities	750,352	851,926	408,575	444,935
Operating assets (increase) decrease				
Trade receivables	245,796	(49,073)	307,609	138,831
Other receivables	(32,471)	12,229	(5,548)	4,998
Inventories	(219,233)	33,650	5,777	9,095
Other current assets	7,388	5,132	621	254
Other non-current assets	1,662	(1,384)	1,393	1,612
Operating liabilities increase (decrease)				
Trade payables	(28,749)	(27,085)	(176,230)	(111,978)
Other payables	116,300	62,969	47,169	41,664
Other current liabilities	(4,381)	(2,864)	(11,470)	(6,566)
Employee benefits paid	(59)	(2,026)	(59)	(126)
Cash flows from operating activities	836,605	883,474	577,837	522,719
Cash paid for interest expenses	(110,817)	(138,148)	(67,142)	(77,167)
Cash paid for income tax	(26,929)	(32,345)	(2,014)	(10,085)
Income tax refunds	-	13,090	-	-
Net cash flows from operating activities	698,859	726,071	508,681	435,467

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from investing activities				
Decrease (Increase) in short-term investments	(5,012)	31,826	-	-
Acquisition of property, plant and equipment	(167,293)	(472,713)	(91,361)	(322,231)
Acquisition of intangible assets	(1,365)	(14,711)	(651)	(12,297)
Advance paid for leasehold	-	(7,700)	-	-
Proceeds from acquisition of a subsidiary	14,974	-	-	-
Proceeds from liquidation of a subsidiary	-	-	1,281	-
Proceeds from disposals of property, plant and equipment	14,741	7,451	12,447	27,806
Interest receipts	2,901	4,760	1,607	2,205
Dividend receipts from investments in subsidiaries, associates and joint venture	31,162	71,427	109,162	176,822
Dividend receipts from other investments	5,812	5,811	5,812	5,811
Net cash flows from (used in) investing activities	<u>(104,080)</u>	<u>(373,849)</u>	<u>38,297</u>	<u>(121,884)</u>
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans	94,777	297,425	(50,000)	120,000
Receipt from long-term loans	-	273,190	-	250,000
Repayment of long-term loans	(562,185)	(573,273)	(394,325)	(406,342)
Repayment of finance lease liabilities	(1,232)	(6,330)	-	-
Dividend payment	(135,495)	(270,990)	(135,495)	(270,990)
Dividends paid to non-controlling interest in subsidiaries	(1,800)	(1,200)	-	-
Net cash flows used in financing activities	<u>(605,935)</u>	<u>(281,178)</u>	<u>(579,820)</u>	<u>(307,332)</u>
Decrease in translation adjustments	<u>(16,166)</u>	<u>(57,636)</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents before effect from currency translation	(27,322)	13,408	(32,842)	6,251
Effect from currency translation of cash and cash equivalents	(4)	(34)	(4)	(34)
Net increase (decrease) in cash and cash equivalents	(27,326)	13,374	(32,846)	6,217
Cash and cash equivalents at beginning of period	<u>290,401</u>	<u>271,532</u>	<u>135,536</u>	<u>118,425</u>
Cash and cash equivalents at end of period	<u>263,075</u>	<u>284,906</u>	<u>102,690</u>	<u>124,642</u>

Supplementary cash flows information comprises the following:**Property, plant and equipment**

Additions (Note 7)	163,253	435,825	82,196	286,668
Decrease in other payables from purchases of property, plant and equipment	3,925	37,355	4,897	37,202
Decrease (increase) in other payables - related parties from purchases of property, plant and equipment	-	-	4,153	(1,172)
Unrealised (gain) loss on exchanges	115	(467)	115	(467)
Payment for purchases of property, plant and equipment	<u>167,293</u>	<u>472,713</u>	<u>91,361</u>	<u>322,231</u>

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

(Unaudited but reviewed)

Srithai Superware Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Property, plant and equipment (continued)				
Disposals (Note 7)	12,521	24,369	11,338	42,961
Gain (loss) on disposal of fixed assets	2,617	(7,960)	3,923	(5,609)
Increase in other receivables from disposals of property, plant and equipment	(397)	(8,958)	(396)	(8,958)
Increase in other receivables - related parties from disposal of property, plant and equipment	-	-	(2,418)	(588)
Proceeds from disposals of property, plant and equipment	<u>14,741</u>	<u>7,451</u>	<u>12,447</u>	<u>27,806</u>
Dividend income				
Dividends of investments in subsidiaries, associates and joint venture	-	-	134,564	182,918
Dividends of investments in associates and joint venture presented as net of such investments in the consolidated financial statements	26,204	26,283	-	-
Decrease (increase) in dividend receivable	4,800	45,000	(25,560)	(6,240)
Realised gain on exchanges rate	<u>158</u>	<u>144</u>	<u>158</u>	<u>144</u>
Dividends received from investments in subsidiaries, associates and joint venture	<u>31,162</u>	<u>71,427</u>	<u>109,162</u>	<u>176,822</u>
Non-cash related transactions				
Transfer fixed assets to investment properties	<u>6,473</u>	<u>-</u>	<u>6,473</u>	<u>-</u>
Acquisition of investment in joint venture by settling against outstanding receivables	<u>7,098</u>	<u>-</u>	<u>7,098</u>	<u>-</u>
Transfer to change in the status of investment in joint venture to investment in subsidiary	<u>22,760</u>	<u>-</u>	<u>12,098</u>	<u>-</u>

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

Srithai Superware Public Company Limited and its subsidiaries

Notes to the interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2018

1. General information

1.1 Corporate information

Srithai Superware Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The registered office of the Company is at 15 Suksawat Road Soi 36, Bangkok, Rasburana, Bangkok 10140.

The Company is listed on the Stock Exchange of Thailand. For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged in the manufacture and distribution of plastics such as plastic business line comprising household products and industrial products, and network and moulds business line.

1.2 Basis for the preparation of interim financial statements

These interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company adopting 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 those used for the annual financial statements.

The 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 Srithai Superware Public Company Limited (“the Company”) and its subsidiaries (hereinafter called as “the Subsidiaries”) and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017. However, there is a structural change of the Group during the current quarter. This is as a result of the change in the status of an investment in Srithai-Otto (Thailand) Company Limited from a joint venture to a subsidiary as explained in Note 6.2 (c) to the interim financial statements.

1.4 New financial reporting standards

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

During the period, the Group adopted the revised financial reporting standards and interpretations (revised 2017) which were effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards are 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 Group’ financial statements.

(b) Financial reporting standards 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 and a set of 5 standards related to financial instruments, which are effective for fiscal years beginning on or after 1 January 2020. Key principles of these standards are summarised 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 recognised 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 judgment, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Group is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

Thai Financial Reporting Standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
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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 Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

2. 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.

3. Related party transactions

3.1 Transactions occurred during the periods

During the periods, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, the subsidiaries and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	37	30	Cost plus margin
Rental and service income	-	-	11	8	Contract price / Mutually agreed price
Management service income	-	-	1	-	Contract price
Purchase of goods	-	-	70	76	Cost plus margin
Service expenses	-	-	2	2	Mutually agreed price
Dividend income	-	-	30	39	As declared
Sales of fixed assets	-	-	-	1	Cost plus margin
Purchase of fixed assets	-	-	2	7	Cost plus margin
<u>Transactions with associates</u>					
Sales of goods	112	87	112	87	Cost plus margin
Rental and service income	2	2	2	2	Contract price / Mutually agreed price
Purchase of goods	105	89	52	56	Market price / Cost plus margin
<u>Transactions with joint venture</u>					
Sales of goods	12	13	12	13	Cost plus margin
Rental and service income	1	1	1	1	Contract price / Mutually agreed price
<u>Transactions with related companies</u>					
(shares held by executive of the Company and relatives of some executives; some of them serve as directors)					
Sales of goods	73	78	55	51	Cost plus margin
Purchase of goods	10	18	4	12	Cost plus margin
Promotion expenses	-	2	-	2	Mutually agreed price

	For the nine-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Sales of goods	-	-	101	102	Cost plus margin
Rental and service income	-	-	27	23	Contract price / Mutually agreed price
Management service income	-	-	3	2	Contract price
Purchase of goods	-	-	232	221	Cost plus margin
Service expenses	-	-	4	4	Mutually agreed price
Dividend income	-	-	108	157	As declared
Sales of fixed assets	-	-	6	23	Cost plus margin
Purchase of fixed assets	-	-	7	8	Cost plus margin
<u>Transactions with associates</u>					
Sales of goods	294	215	294	215	Cost plus margin
Rental and service income	6	5	6	5	Contract price / Mutually agreed price
Purchase of goods	346	354	198	209	Market price / Cost plus margin
Service expenses	1	1	1	1	Mutually agreed price
Dividend income	-	-	21	26	As declared
<u>Transactions with joint venture</u>					
Sales of goods	46	45	46	45	Cost plus margin
Rental and service income	1	1	1	1	Contract price / Mutually agreed price
Management service income	1	1	1	1	Contract price
Dividend income	-	-	5	-	As declared
<u>Transactions with related companies</u>					
(shares held by executive of the Company and relatives of some executives; some of them serve as directors)					
Sales of goods	291	328	217	241	Cost plus margin
Rental and service income	1	1	1	1	Contract price / Mutually agreed price
Purchase of goods	26	29	11	19	Cost plus margin
Promotion expenses	4	6	4	6	Mutually agreed price

3.2 Outstanding balances as at the period ended date

The balances of the accounts between the Group and those related parties were as follows:

(Unit: Million Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Subsidiaries	-	-	133	107
Associates	176	109	176	109
Joint venture	-	37	-	37
Other related parties - shares held by executives of the Company and relatives of some executives; some of them serve as directors	162	201	117	149
Total	338	347	426	402
Less: Allowance for doubtful debts	-	-	(55)	(50)
Total trade receivables - related parties, net (Note 4)	338	347	371	352
<u>Other receivables - related parties</u>				
Subsidiaries - dividend receivables	-	-	48	18
Subsidiaries - other receivables	-	-	6	7
Associates - dividend receivables	-	5	-	5
Associates - other receivables	1	1	1	1
Total other receivables - related parties	1	6	55	31
<u>Trade payables - related parties</u>				
Subsidiaries	-	-	39	67
Associates	68	74	34	48
Other related parties - shares held by executives of the Company and relatives of some executives; some of them serve as directors	5	13	2	8
Total trade payables - related parties	73	87	75	123
<u>Other payables - related parties</u>				
Subsidiaries	-	-	1	6
Other related parties - shares held by executives of the Company and relatives of some executives; some of them serve as directors	1	1	-	-
Total other payables - related parties	1	1	1	6

3.3 Key directors and management's benefits

The Group had benefit expenses for their key directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Directors' remuneration	0.6	0.5	0.6	0.5
Managements' remuneration				
Short-term employee benefits	26.9	26.2	14.7	13.7
Post-employment benefits	0.7	0.9	0.5	0.7
Total	<u>28.2</u>	<u>27.6</u>	<u>15.8</u>	<u>14.9</u>

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Directors' remuneration	1.4	1.4	1.4	1.4
Managements' remuneration				
Short-term employee benefits	78.9	83.3	44.0	46.8
Post-employment benefits	2.0	2.8	1.4	2.1
Total	<u>82.3</u>	<u>87.5</u>	<u>46.8</u>	<u>50.3</u>

4. Trade receivables

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
<u>Trade receivables - related parties</u> (Note 3.2)				
Aged on the basis of due dates				
Not yet due	279	233	268	229
Past due				
Up to 3 months	59	106	74	79
3 - 6 months	-	8	2	9
6 - 12 months	-	-	2	2
Over 12 months	-	-	80	83
Total	338	347	426	402
Less: Allowance for doubtful debts	-	-	(55)	(50)
Total trade receivables - related parties, net	338	347	371	352
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates	1,265	1,259	688	813
Not yet due				
Past due				
Up to 3 months	314	510	230	419
3 - 6 months	33	53	21	50
6 - 12 months	24	28	20	23
Over 12 months	33	24	21	13
Total	1,669	1,874	980	1,318
Less: Allowance for doubtful debts	(19)	(16)	(10)	(7)
Total trade receivables - unrelated parties, net	1,650	1,858	970	1,311
Trade receivables - net	1,988	2,205	1,341	1,663

The Group has a policy to provide a credit term of 15 to 90 days and 30 to 180 days to trade receivables - unrelated parties and trade receivables - related parties, respectively.

5. Restricted bank deposits

As at 30 September 2018, the outstanding balance of restricted bank deposits is the fixed deposits of subsidiaries amounting to Baht 6 million (31 December 2017: Baht 6 million) which are pledged as guarantee for tax and electricity usage.

6. Investments in subsidiaries, associates and joint venture

6.1 Details of investments in subsidiaries, associates and joint venture are presented as the following:

(Unit: Million Baht)

			Separate financial statements						
			Percentage of shareholding		Cost method				
					30 September 2018			31 December 2017	
Nature of business	Country of incorporation		30 September	31 December	Allowance for		Net book value	Allowance for	
			2018	2017	Cost	impairment		Cost	impairment
			(percentage)	(percentage)				(Audited)	(Audited)
								(Audited)	(Audited)
<u>Subsidiaries</u>									
<u>Local</u>									
Korat Thai Tech Co.,Ltd.	Manufacture of melamine products	Thailand	100.0	100.0	30	-	30	30	-
Srithai Nanoplast Co.,Ltd.	Manufacture of melamine products	Thailand	100.0	100.0	41	-	41	41	-
Srithai-Otto (Thailand) Co.,Ltd.*	Trading of plastic products	Thailand	75.0	-	12	-	12	-	-
Srithai Moulds Co.,Ltd.	Manufacture of moulds and plastic products	Thailand	71.0	71.0	82	-	82	82	-
Srithai Miyagawa Co.,Ltd.	Manufacture of moulds and plastic products	Thailand	51.0	51.0	61	-	61	61	-
P.E.T. Blow Co., Ltd.	Liquidated (Note 6.2 a)	Thailand	-	100.0	-	-	-	20	(20)
					226	-	226	234	(20)
<u>Foreign</u>									
Srithai (Vietnam) Co., Ltd.	Manufacture of plastic and melamine products	Vietnam	100.0	100.0	1,229	-	1,229	1,229	-
Srithai Superware Manufacturing Pvt. Ltd.	Manufacture of melamine products	India	100.0	100.0	482	-	482	482	-
Srithai Superware India Ltd.	Trading of melamine products	India	82.4	82.4	25	(25)	-	25	(25)
					1,736	(25)	1,711	1,736	(25)
					1,962	(25)	1,937	1,970	(45)
Total investments in subsidiaries									

* Change in the status of the investment from the investment in joint venture to the investment in subsidiary since 23 August 2018.

(Unaudited but reviewed)

(Unit : Million Vietnamese Dong)

Nature of business	Country of incorporation	Percentage of shareholding		Cost method		
		30 September	31 December	30 September 2018	31 December 2017	
		2018	2017			
		(percentage)	(percentage)		(Audited)	
<u>Indirect subsidiary</u>						
Subsidiary of Srithai (Vietnam) Co.,Ltd.						
Srithai (Hanoi) Co., Ltd.	Manufacture of plastic products	Vietnam	100.0	100.0	424,920	424,920
				(equivalent to	(equivalent to	
				Baht 663 million)	Baht 663 million)	

(Unit: Million Baht)

			Consolidated financial statements				Separate financial statements					
			Percentage of shareholding		Equity method		Cost method					
							30 September 2018			31 December 2017		
			Nature of business	Country of incorporation	30 September 2018	31 December 2017	30 September 2018	31 December 2017	Cost	Allowance for impairment	Net book value	Cost
			(percentage)	(percentage)	(Audited)					(Audited)	(Audited)	(Audited)
<u>Associates</u>												
<u>Local</u>												
Srithai Sanko Co., Ltd.	Trading of plastic products	Thailand	48.0	48.0	16	20	10	-	10	10	-	10
Thai MFC Co., Ltd.	Manufacture of melamine powder	Thailand	45.0	45.0	115	107	90	-	90	90	-	90
Sheewamala Co., Ltd.	Manufacture of plastic and melamine products	Thailand	40.0	40.0	43	40	20	-	20	20	-	20
Srithai Packaging Co., Ltd.	Manufacture of packaging	Thailand	39.2	39.2	39	39	27	-	27	27	-	27
S.K.I. Ceramics Co., Ltd.	Liquidated (Note 6.2 b)	Thailand	-	42.0	-	-	-	-	-	53	(53)	-
Soko Srithai Co., Ltd.	Registered for dissolution and have been under the process of liquidation	Thailand	24.0	24.0	-	-	48	(48)	-	48	(48)	-
					213	206	195	(48)	147	248	(101)	147

(Unaudited but reviewed)

(Unit: Million Baht)

				Consolidated financial statements		Separate financial statements						
		Percentage of shareholding		Equity method		Cost method						
						30 September 2018			31 December 2017			
Nature of business	Country of incorporation	30 September	31 December	30 September	31 December	Allowance for			Allowance for			
		2018	2017	2018	2017	Cost	impairment	Net book value	Cost	impairment	Net book value	
		(percentage)	(percentage)		(Audited)				(Audited)	(Audited)	(Audited)	
<u>Foreign</u>												
PT. Srithai Maspion Indonesia	Manufacture of melamine products	Indonesia	32.5	32.5	11	13	37	-	37	37	-	37
					11	13	37	-	37	37	-	37
Total investments in associates					224	219	232	(48)	184	285	(101)	184
<u>Joint venture</u>												
<u>Local</u>												
Srithai-Otto (Thailand) Co.,Ltd.*	Trading of plastic	Thailand	-	50.0	-	15	-	-	-	5	-	5
Total investments in joint venture					-	15	-	-	-	5	-	5

* Change in the status of the investment from the investment in joint venture to the investment in subsidiary since 23 August 2018.

6.2 Significant events during the nine-month period ended 30 September 2018

a) Subsidiary's liquidation

P.E.T. Blow Company Limited

P.E.T. Blow Company Limited registered its dissolution with the Ministry of Commerce on 2 December 2016. The subsidiary completed its liquidation on 8 March 2018. The Company had the investment amounting to Baht 20 million with full provision of impairment. The Company received cash return from the subsidiary's liquidation amounting to Baht 1 million.

b) Associate's liquidation

S.K.I. Ceramics Company Limited

S.K.I. Ceramics Company Limited registered its dissolution with the Ministry of Commerce on 16 February 2010. During its liquidation, it was found that the associate's assets did not cover its liabilities. The Court ordered the associate to be a bankruptcy and dismissed the case on 21 February 2018. The Company, therefore, disposed the investment in the associate with full provision of impairment.

c) Additional investment in joint venture and change in the status of the investment from the investment in joint venture to the investment in subsidiary

Srithai-Otto (Thailand) Company Limited

On 11 May 2018, the Board of Directors of the Company approved an additional investment in Srithai-Otto (Thailand) Company Limited whereby shares of that company amounting to Baht 7 million were transferred from an existing shareholder. The Company made payment for the shares by settling it against outstanding debts of that shareholder's affiliate to the Company and registered shares and change of shareholders with the Ministry of Commerce on 23 August 2018. After the acquisition, the Company's shareholding in Srithai-Otto (Thailand) Company Limited increases from 50% to 75%, resulting in a change in the status of the Company's investment from a joint venture to a subsidiary.

The values of the identifiable assets acquired, the liabilities assumed and non-controlling interests in Srithai-Otto (Thailand) Company Limited at the acquisition date were summarised below.

	(Unit: Thousand Baht)
	<u>Fair value</u>
Cash and cash equivalents	14,974
Trade and other receivables	23,468
Inventories	6,241
Other current assets	7
Restricted bank deposits	1,161
Plant and equipment	18,989
Trade and other payables	(39,879)
Other current liabilities	(40)
Provision for long-term employee benefits	(1,415)
Net assets of the subsidiary	<u>23,506</u>
Less: Non-controlling interests' proportionate share of identifiable net assets of the acquiree	<u>(5,877)</u>
The Company's proportionate share of identifiable net assets of the acquiree	<u>17,629</u>
Costs of the acquisition of investment in a subsidiary *	22,760
Less: The Company's proportionate share of identifiable net assets of the acquiree	<u>(17,629)</u>
Goodwill	<u>5,131</u>
* Carrying amount based on equity method of the Company's previous holding before business combination	11,566
Gain on change in status of investment	4,096
Carrying amount of investment acquired by settling against outstanding receivables	<u>7,098</u>
Costs of the acquisition of investment in a subsidiary	<u>22,760</u>
Cash and cash equivalents of a subsidiary	14,974
Less: Cash paid for purchase of investment in a subsidiary	<u>-</u>
Net cash receipt from purchase of investment in a subsidiary	<u>14,974</u>

d) Dividend payment of subsidiaries**Korat Thai Tech Company Limited**

At the Annual General Meeting of shareholders of Korat Thai Tech Company Limited on 30 March 2018, the meeting approved a dividend at Baht 10 per share, totalling Baht 30 million. The Company received a dividend of Baht 30 million according to its 100% shareholding.

At the Board of Directors Meeting of Korat Thai Tech Company Limited on 29 June 2018, the meeting has approved an interim dividend on the operations result of the interim period ended 31 May 2018 at Baht 10 per share, totalling Baht 30 million. The Company received a dividend of Baht 30 million according to its 100% shareholding.

At the Board of Directors Meeting of Korat Thai Tech Company Limited on 28 September 2018, the meeting has approved an interim dividend on the operations result of the interim period ended 31 August 2018 at Baht 10 per share, totalling Baht 30 million. The Company will receive a dividend of Baht 30 million according to its 100% shareholding.

Srithai Miyagawa Company Limited

At the Annual General Meeting of shareholders of Srithai Miyagawa Company Limited on 25 April 2018, the meeting approved a dividend at Baht 30 per share, totalling Baht 36 million. The Company will receive a dividend of Baht 18 million according to its 51% shareholding.

e) Dividend payment of associates and joint venture

Company	Percentage of shareholding (Percentage)	Dividend income (Million Baht)
<u>Dividends from associates</u>		
Srithai Sanko Co., Ltd.	48.0	9.6
Thai MFC Co., Ltd.	45.0	4.5
Srithai Packaging Co., Ltd.	39.2	3.5
PT. Srithai Maspion Indonesia	32.5	3.6
<u>Dividends from joint venture</u>		
Srithai-Otto (Thailand) Co., Ltd.*	50.0	5.0

* Change in the status of the investment from the investment in joint venture to the investment in subsidiary since 23 August 2018.

7. Property, plant and equipment and Intangible assets

The movements in property, plant and equipment and intangible assets for the nine-month period ended 30 September 2018 comprise the following:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Property, plant and equipment	Intangible assets	Property, plant and equipment	Intangible assets
Net book value as at 1 January 2018	5,489	42	3,392	19
Acquisition during period - at cost	163	1	82	1
Assets addition from change in the status of the investment				
- net book value at change in status date	19	-	-	-
Disposal during period - net book value at disposal date	(13)	-	(11)	-
Written-off during period - net book value				
at written-off date	(4)	-	(4)	-
Reclassification - net book value at reclassification date	(6)	-	(6)	-
Depreciation / amortization for the period	(592)	(8)	(372)	(4)
Translation adjustment	(42)	-	-	-
Net book value as at 30 September 2018	5,014	35	3,081	16

The subsidiaries have mortgaged parts of land, building and machines to banks as collateral for overdrafts, long-term loans and working capital facilities from banks amounting to Baht 234 million (31 December 2017: Baht 234 million).

8. Bank overdrafts and loans**8.1 Bank overdrafts and short-term loans**

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Bank overdrafts	2	-	-	-
Short-term loans from banks:				
Baht	1,484	1,533	1,395	1,445
Vietnamese Dong 359,625 million				
(31 December 2017: Vietnamese Dong 299,010 million)	501	419	-	-
US dollar 1.81 million				
(31 December 2017: Nil)	59	-	-	-
Total short-term loans	2,046	1,952	1,395	1,445

As at 30 September 2018, short-term loans in Thai Baht from local banks represent promissory notes due at call and maturity within 3 months, bearing fixed interest rate over loan period (31 December 2017: fixed interest rate over loan period).

As at 30 September 2018, short-term loans in Vietnamese Dong and US dollar of an overseas subsidiary represent short-term loans contracts with maturity within 6 months, bearing interest at Cost of Fund plus margin of a bank in Vietnam and at LIBOR plus margin (31 December 2017: Vietnamese Dong bearing interest at Cost of Fund plus margin of a bank in Vietnam).

Guarantees, collaterals and other conditions in loan agreements have not been changed from those disclosed in the annual financial statements for the year ended 31 December 2017.

8.2 Long-term loans

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Long-term loans:				
Baht	1,560	2,017	1,503	1,897
Vietnamese Dong 299,378 million				
(31 December 2017: Vietnamese Dong 374,678 million)	418	525	-	-
Total long-term loans	1,978	2,542	1,503	1,897

Long-term loans are due for repayments as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
		(Audited)		(Audited)
Current portion of long-term loans	746	772	575	555
Due over 1 year and not over 3 years	836	1,185	664	946
Due over 3 years and not over 5 years	365	485	233	333
Due over 5 years	31	100	31	63
Total long-term loans due over 1 year	1,232	1,770	928	1,342
Total long-term loans	1,978	2,542	1,503	1,897

As at 30 September 2018, local long-term loans of the Group bear various interest rates at fixed rates, floating rates at MLR less discount, at THBFIX plus margin, at FDR plus margin, and at BIBOR plus margin. Long-term loans of an overseas subsidiary bear interest at Cost of Fund plus margin.

Guarantees, collaterals, repayment terms and other conditions in loan agreements have not been changed from those disclosed in the annual financial statements for the year ended 31 December 2017.

(Unaudited but reviewed)

The movements of long-term loans comprise the following:

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2018	2,542	1,897
Repayment	(562)	(394)
Translation adjustment	(2)	-
Balance as at 30 September 2018	1,978	1,503

8.3 Unutilised credit facilities

Unutilised credit facilities comprise the following:

	(Unit: Million Baht)			
	Consolidated financial statements			
	30 September 2018		31 December 2017	
	Working		Working	
	capital		capital	
	facilities		facilities	
			(Audited)	(Audited)
Floating rate				
- unspecified drawdown period	185	467	187	738
Fixed rate				
- unspecified drawdown period	-	3,987	-	3,929
	<u>185</u>	<u>4,454</u>	<u>187</u>	<u>4,667</u>

	(Unit: Million Baht)			
	Separate financial statements			
	30 September 2018		31 December 2017	
	Working		Working	
	capital		capital	
	facilities		facilities	
			(Audited)	(Audited)
Floating rate				
- unspecified drawdown period	155	-	155	-
Fixed rate				
- unspecified drawdown period	-	3,926	-	3,874
	<u>155</u>	<u>3,926</u>	<u>155</u>	<u>3,874</u>

9. Income tax

Income tax expenses presented in the consolidated statement of comprehensive income and separate statement of comprehensive income are calculated based on the taxable profit at 15% to 30% and 20%, respectively (The estimated tax rates for the interim period of year 2017 were 15% to 30% and 20%, respectively) which are the rates in accordance with the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Group operates and generates taxable income.

10. Earnings per share

Basic earnings (loss) per share is calculated by dividing profit (loss) 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.

The following table sets forth the computation of basic earnings (loss) per share.

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Loss for the period attributable to equity holders of the Company (Million Baht)	(6)	(30)	(16)	(27)
Weighted average number of ordinary shares (Million shares)	2,710	2,710	2,710	2,710
Loss per share (Baht)	(0.002)	(0.011)	(0.006)	(0.010)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September			
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit for the period attributable to equity holders of the Company (Million Baht)	44	34	89	115
Weighted average number of ordinary shares (Million shares)	2,710	2,710	2,710	2,710
Earnings per share (Baht)	0.016	0.012	0.033	0.043

There are no potential dilutive ordinary shares in issue during the periods, so no diluted earnings (loss) per share is presented.

11. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2016, on the operating results of the year 2016	Annual General Meeting of the shareholder on 26 April 2017	271	0.10
Total dividends for 2017		271	0.10
Final dividends for 2017, on the operating results of the year 2017	Annual General Meeting of the shareholder on 27 April 2018	135	0.05
Total dividends for 2018		135	0.05

12. Segment information

The Group presents segment information by main business lines and separated by products from production base, comprising domestic operation base and overseas operation base. It is divided into plastic business line, consisting of household products business unit and industrial products business unit, and network and moulds business line. To consider profit (loss) from sales by segment, intercompany sales are already eliminated. Profit (loss) from sales is determined by subtracting cost of sales and services, selling expenses, administrative expenses from net sales. Other income is unallocated.

The following tables present revenue and profit (loss) information regarding the Group's operating segments.

(Unit: Million Baht)

For the three-month period ended 30 September 2018						
Plastic business line						
Household business unit		Industrial business unit		Network and moulds business line	Total	
Domestic Operations	Overseas Operations	Domestic Operations	Overseas Operations			
Sales	455	99	1,274	570	54	2,452
Revenues from subsidiaries	(72)	(4)	(34)	(1)	(4)	(115)
Total sales from external customers	383	95	1,240	569	50	2,337
Profit (loss) from sales by segment	6	2	(20)	23	(10)	1
Loss on foreign exchange rate - net						(11)
Other income						24
Finance cost						(37)
Share of profit of investments in associates and joint venture						9
Loss before income tax						(14)
Income tax benefit						8
Loss for the period						(6)

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 September 2017

	Plastic business line					
	Household business unit		Industrial business unit		Network and moulds business line	Total
	Domestic Operations	Overseas Operations	Domestic Operations	Overseas Operations		
Sales	450	96	1,374	419	59	2,398
Revenues from subsidiaries	(66)	(9)	(31)	(7)	(9)	(122)
Total sales from external customers	384	87	1,343	412	50	2,276
Profit (loss) from sales by segment	10	(4)	26	10	(28)	(14)
Loss on impairment of fixed asset	-	-	(28)	-	-	(28)
Profit (loss) from sales by segment	10	(4)	(2)	10	(28)	(14)
Loss on foreign exchange rate - net						(5)
Other income						31
Other expenses - loss on disposal of fixed assets						(9)
Finance cost						(45)
Share of profit of investments in associates and joint venture						10
Loss before income tax						(32)
Income tax benefit						12
Loss for the period						(20)

(Unit: Million Baht)

For the nine-month period ended 30 September 2018

	Plastic business line					
	Household business unit		Industrial business unit		Network and moulds business line	Total
	Domestic Operations	Overseas Operations	Domestic Operations	Overseas Operations		
Sales	1,443	279	3,995	1,562	139	7,418
Revenues from subsidiaries	(231)	(14)	(96)	(4)	(14)	(359)
Total sales from external customers	1,212	265	3,899	1,558	125	7,059
Profit (loss) from sales by segment	59	-	23	27	(39)	70
Loss on foreign exchange rate - net						(16)
Dividend income						6
Other income						57
Finance cost						(109)
Share of profit of investments in associates and joint venture						29
Profit before income tax						37
Income tax benefit						9
Profit for the period						46

(Unit: Million Baht)

For the nine-month period ended 30 September 2017						
Plastic business line						
	Household business unit		Industrial business unit		Network and moulds business line	Total
	Domestic	Overseas	Domestic	Overseas		
	Operations	Operations	Operations	Operations		
Sales	1,431	250	4,151	1,288	219	7,339
Revenues from subsidiaries	(201)	(18)	(102)	(11)	(28)	(360)
Total sales from external customers	1,230	232	4,049	1,277	191	6,979
Profit (loss) from sales by segment	85	(17)	125	28	(60)	161
Loss on impairment of fixed asset	-	-	(28)	-	-	(28)
Profit (loss) from sales by segment	85	(17)	97	28	(60)	133
Loss on foreign exchange rate - net						(14)
Dividend income						6
Other income						57
Other expenses - loss on disposal of fixed assets						(8)
Finance cost						(138)
Share of profit of investments in associates and joint venture						28
Profit before income tax						64
Income tax expense						3
Profit for the period						67

13. Promotional privileges

As at 30 September 2018, there is no additional promotional privilege received from the year ended 31 December 2017. However, Srithai Nanoplast Company Limited, a subsidiary, has terminated promotional privileges from the Board of Investment in relating to the manufacture of plastic products of BOI certificate no. 1960(2)/2555 in September 2018 due to cancellation of promoted business.

14. Commitments and contingent liabilities

14.1 Capital commitments

As at 30 September 2018, the Group has capital commitments of approximately Baht 31 million (31 December 2017: Baht 37 million), relating to the building improvement, and the acquisition of machinery and equipment (the Company only: Baht 28 million (31 December 2017: Baht 28 million)).

14.2 Litigation

In 2016, a migrant labour recruitment agency that was incorporated in Cambodia filed a lawsuit against the Company claiming that the Company defaulted on payment of recruitment service fees and seeking compensation together with interest. In May 2017, the court ordered the Company to pay Baht 4.77 million with interest at a rate of 7.5% per annum. However, the Company filed an appeal with the Court of Appeal in August 2017.

As at 30 September 2018, the lawsuit is under consideration by the Court of Appeal, which is expected to give its judgment within 2019. The Company is confident that it has additional significant evidence and information that will be of benefit in defending the case. Therefore, the Company has not set aside any provision for this claim.

14.3 Other commitments and contingent liabilities

During the current period, there was no significant change in commitments regarding bank guarantee, other guarantee, operating lease commitments, other commitments and contingent liabilities, including other contract from the year ended 31 December 2017 except explained in Note 7, Note 14.1 and Note 14.2 to the financial statements.

15. 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 Group applies a quoted market price in an active market to measure its 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 Group measures 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 categories of input to be used in fair value measurement as follows:

- Level 1 Use of quoted market prices in an 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

The Group had the certain assets and liabilities that were measured at fair value or disclosed fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements / Separate financial statements							
	30 September 2018				31 December 2017			
	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>	<u>Level 1</u>	<u>Level 2</u>	<u>Level 3</u>	<u>Total</u>
Assets								
Available-for-sale								
Equity securities	62	-	-	62	65	-	-	65
Total assets	<u>62</u>	<u>-</u>	<u>-</u>	<u>62</u>	<u>65</u>	<u>-</u>	<u>-</u>	<u>65</u>

The fair value of available-for-sale investments is based on quoted bid price at the end of each reporting period by reference to the Stock Exchange of Thailand. The fair values are within level 1 of the fair value hierarchy.

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

There was no change in valuation techniques during the period.

The valuation process

The Group's Finance Department performs the valuation of financial assets required for the financial reporting purposes and reports directly to the Financial Executives every quarter.

16. Approval of the interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 November 2018.