

T.A.C. Consumer Public Company Limited  
Review report and interim 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 T.A.C. Consumer Public Company Limited

I have reviewed the accompanying statement of financial position, in which the equity method is applied, of T.A.C. Consumer Public Company Limited as at 30 September 2018, the related statements of comprehensive income, in which the equity method is applied, for the three-month and nine-month periods then ended, the related statements of changes in shareholders' equity and cash flows, in which the equity method is applied, for the nine-month period then ended, as well as the condensed notes to the financial statements. I have also reviewed the separate financial information of T.A.C. Consumer Public Company Limited for the same periods. 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.



Kamontip Lertwitworatop

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 8 November 2018

T.A.C. Consumer Public Company Limited  
Statement of financial position  
As at 30 September 2018

(Unit: Thousand Baht)

	Note	Financial statements in which the equity method is applied		Separate financial statements	
		30 September 2018 (Unaudited but reviewed)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	81,940	81,940	88,665	
Current investments	4	374,092	374,092	299,043	
Trade and other receivables	5	277,847	277,847	361,114	
Inventories	6	47,771	47,771	54,521	
Other current assets		3,445	3,445	2,991	
<b>Total current assets</b>		<b>785,095</b>	<b>785,095</b>	<b>806,334</b>	
<b>Non-current assets</b>					
Restricted bank deposits	3	-	-	27,000	
Investment in joint venture	7	5,072	6,375	-	
Property, plant and equipment	8	94,171	94,171	103,673	
Intangible assets		1,192	1,192	2,293	
Deferred tax assets	12	3,312	3,312	2,716	
Other non-current assets		9,057	9,057	5,696	
<b>Total non-current assets</b>		<b>112,804</b>	<b>114,107</b>	<b>141,378</b>	
<b>Total assets</b>		<b>897,899</b>	<b>899,202</b>	<b>947,712</b>	

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

**T.A.C. Consumer**  
**Public Company Limited**  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



.....Director

Mr. Chatchawe Vatanasuk



.....Director

Mr. Chanit Suwanparin

T.A.C. Consumer Public Company Limited  
Statement of financial position (continued)  
As at 30 September 2018

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied	Separate financial statements	
		30 September 2018	31 December 2017
Note	30 September 2018 (Unaudited but reviewed)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
<b>Liabilities and shareholders' equity</b>			
<b>Current liabilities</b>			
Trade and other payables	10	221,938	243,149
Current portion of liabilities under financial lease agreements		2,330	2,140
Income tax payable		3,826	14,951
Other current liabilities		6,285	4,397
<b>Total current liabilities</b>		<b>234,379</b>	<b>264,637</b>
<b>Non-current liabilities</b>			
Liabilities under financial lease agreements - net of current portion		3,235	3,977
Provision for long-term employee benefits		12,597	13,917
<b>Total non-current liabilities</b>		<b>15,832</b>	<b>17,894</b>
<b>Total liabilities</b>		<b>250,211</b>	<b>282,531</b>
<b>Shareholders' equity</b>			
Share capital	11		
Registered			
608,000,000 ordinary shares of Baht 0.25 each		152,000	152,000
Issued and fully paid up			
608,000,000 ordinary shares of Baht 0.25 each		152,000	152,000
Share premium		426,989	426,989
Retained earnings			
Appropriated - statutory reserve		15,200	15,200
Unappropriated		53,499	70,992
<b>Total shareholders' equity</b>		<b>647,688</b>	<b>665,181</b>
<b>Total liabilities and shareholders' equity</b>		<b>897,899</b>	<b>947,712</b>

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T.A.C. Consumer  
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



.....Director

Mr. Chatchawe Vatanasuk



.....Director

Mr. Chanit Suwanparin

(Unaudited but reviewed)


T.A.C. Consumer Public Company Limited  
Statement of comprehensive income  
For the three-month period ended 30 September 2018


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

	Financial statements		
	in which the equity method is applied	Separate financial statements	
Note	2018	2018	2017
<b>Revenues</b>			
Sales and service income	312,526	312,526	308,284
Other income	733	733	1,181
<b>Total revenues</b>	<b>313,259</b>	<b>313,259</b>	<b>309,465</b>
<b>Expenses</b>			
Cost of sales and services	216,734	216,734	216,308
Selling expenses	50,370	50,370	46,983
Administrative expenses	17,221	17,221	18,368
<b>Total expenses</b>	<b>284,325</b>	<b>284,325</b>	<b>281,659</b>
<b>Profit before share of loss from investment in joint venture, finance cost and income tax expenses</b>			
	28,934	28,934	27,806
Share of loss from investment in joint venture	7 (1,085)	-	-
<b>Profit before finance cost and income tax expenses</b>	<b>27,849</b>	<b>28,934</b>	<b>27,806</b>
Finance cost	(113)	(113)	(79)
<b>Profit before income tax expenses</b>	<b>27,736</b>	<b>28,821</b>	<b>27,727</b>
Income tax expenses	12 (5,745)	(5,745)	(5,617)
<b>Profit for the period</b>	<b>21,991</b>	<b>23,076</b>	<b>22,110</b>
<b>Other comprehensive income</b>			
<b>Other comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income for the period</b>	<b>21,991</b>	<b>23,076</b>	<b>22,110</b>
<b>Basic earnings per share</b>			
13 Profit for the period (Baht)	0.04	0.04	0.04
Weighted average number of ordinary shares (Thousand shares)	608,000	608,000	608,000

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T.A.C. Consumer  
Public Company Limited  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
..... Director

  
..... Director

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied					
	Note	Issued and paid up share capital	Share premium	Retained earnings		Total
Appropriated - statutory reserve				Unappropriated		
Balance as at 1 January 2018		152,000	426,989	15,200	70,992	665,181
Profit for the period		-	-	-	58,945	58,945
Other comprehensive income for the period		-	-	-	2,602	2,602
Total comprehensive income for the period		-	-	-	61,547	61,547
Dividend paid	15	-	-	-	(79,040)	(79,040)
Balance as at 30 September 2018		152,000	426,989	15,200	53,499	647,688

T.A.C. Consumer  
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



.....Director

Mr. Chatchawe Vatanasuk



.....Director

Mr. Chanit Suwanparin

(Unaudited but reviewed)

## T.A.C. Consumer Public Company Limited

## Statement of comprehensive income (continued)

For the nine-month period ended 30 September 2018

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

	Note	Financial statements		
		in which the equity method is applied		Separate financial statements
		2018	2018	2017
<b>Revenues</b>				
Sales and service income		919,101	919,101	921,370
Other income		6,033	6,033	6,683
<b>Total revenues</b>		<u>925,134</u>	<u>925,134</u>	<u>928,053</u>
<b>Expenses</b>				
Cost of sales and services		655,717	655,717	633,919
Selling expenses		144,155	144,155	145,792
Administrative expenses		49,899	49,899	49,115
<b>Total expenses</b>		<u>849,771</u>	<u>849,771</u>	<u>828,826</u>
<b>Profit before share of loss from investment in joint venture, finance cost and income tax expenses</b>				
Share of loss from investment in joint venture	7	(1,303)	-	-
<b>Profit before finance cost and income tax expenses</b>		<u>74,060</u>	<u>75,363</u>	<u>99,227</u>
Finance cost		(376)	(376)	(224)
<b>Profit before income tax expenses</b>		<u>73,684</u>	<u>74,987</u>	<u>99,003</u>
Income tax expenses	12	(14,739)	(14,739)	(19,923)
<b>Profit for the period</b>		<u>58,945</u>	<u>60,248</u>	<u>79,080</u>
<b>Other comprehensive income</b>				
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain		3,253	3,253	-
Less: Income tax effect	12	(651)	(651)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		<u>2,602</u>	<u>2,602</u>	<u>-</u>
<b>Other comprehensive income for the period</b>		<u>2,602</u>	<u>2,602</u>	<u>-</u>
<b>Total comprehensive income for the period</b>		<u>61,547</u>	<u>62,850</u>	<u>79,080</u>
<b>Basic earnings per share</b>				
Profit for the period (Baht)	13	<u>0.10</u>	<u>0.10</u>	<u>0.13</u>
Weighted average number of ordinary shares (Thousand shares)		<u>608,000</u>	<u>608,000</u>	<u>608,000</u>

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

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Note	Separate financial statements				Total
		Issued and paid up share capital	Share premium	Retained earnings		
				Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2017</b>		152,000	426,989	13,437	63,642	656,068
Profit for the period		-	-	-	79,080	79,080
Other comprehensive income for the period		-	-	-	-	-
Total comprehensive income for the period		-	-	-	79,080	79,080
Dividend paid	15	-	-	-	(103,360)	(103,360)
<b>Balance as at 30 September 2017</b>		<u>152,000</u>	<u>426,989</u>	<u>13,437</u>	<u>39,362</u>	<u>631,788</u>
<b>Balance as at 1 January 2018</b>		152,000	426,989	15,200	70,992	665,181
Profit for the period		-	-	-	60,248	60,248
Other comprehensive income for the period		-	-	-	2,602	2,602
Total comprehensive income for the period		-	-	-	62,850	62,850
Dividend paid	15	-	-	-	(79,040)	(79,040)
<b>Balance as at 30 September 2018</b>		<u>152,000</u>	<u>426,989</u>	<u>15,200</u>	<u>54,802</u>	<u>648,991</u>

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**T.A.C. Consumer**  
**Public Company Limited**  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
.....Director

Mr. Chatchawe Vatanasuk

  
.....Director

Mr. Chanit Suwanparin



(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited

Cash flow statement

For the nine-month period ended 30 September 2018


(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2018	2018	2017	
<b>Cash flows from operating activities</b>				
Profit before tax	73,684	74,987	99,003	
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	14,274	14,274	12,873	
Allowance for doubtful accounts	3,859	3,859	-	
Share of loss from investment in joint venture	1,303	-	-	
Reduction of inventories to net realisable value	363	363	-	
Gain on sales and change in value of investments in trading securities	(2,301)	(2,301)	(2,943)	
Loss (gain) from disposals of equipment	39	39	(17)	
Provision for long-term employee benefits	1,933	1,933	2,351	
Unrealised loss on exchange	827	827	-	
Interest income	(1,756)	(1,756)	(1,699)	
Interest expenses	376	376	224	
Profit from operating activities before changes in operating assets and liabilities	92,601	92,601	109,792	
Operating assets decrease (increase):				
Trade and other receivables	79,319	79,319	(77,292)	
Inventories	6,387	6,387	(13,278)	
Other current assets	(454)	(454)	(5,577)	
Other non-current assets	(3,361)	(3,361)	145	
Operating liabilities increase (decrease):				
Trade and other payables	(14,263)	(14,263)	(4,800)	
Other current liabilities	1,888	1,888	4,883	
Cash from operating activities	162,117	162,117	13,873	
Cash received from interest income	1,856	1,856	1,511	
Cash paid for income tax	(27,111)	(27,111)	(27,961)	
<b>Net cash from (used in) operating activities</b>	<b>136,862</b>	<b>136,862</b>	<b>(12,577)</b>	

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


T.A.C. Consumer  
Public Company Limited

บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



Director

Mr. Chatchawe Vatanasuk



Director

Mr. Chanit Suwanparin

(Unaudited but reviewed)

T.A.C. Consumer Public Company Limited  
Cash flow statement (continued)  
For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Financial statements in which the equity method is applied		Separate financial statements	
	2018	2018	2017	
<b>Cash flows from investing activities</b>				
Decrease in restricted bank deposits	27,000	27,000	-	
Decrease (increase) in current investments	(73,586)	(73,586)	35,421	
Increase in investment in joint venture	(6,375)	(6,375)	-	
Acquisitions of plant and equipment	(9,253)	(9,253)	(33,839)	
Cash received from disposals of equipment	33	33	27	
Increase in intangible assets	(183)	(183)	(610)	
<b>Net cash from (used in) investing activities</b>	<b>(62,364)</b>	<b>(62,364)</b>	<b>999</b>	
<b>Cash flows from financing activities</b>				
Repayments of liabilities under finance lease agreements	(2,183)	(2,183)	(1,489)	
Dividend paid	(79,040)	(79,040)	(103,360)	
<b>Net cash used in financing activities</b>	<b>(81,223)</b>	<b>(81,223)</b>	<b>(104,849)</b>	
<b>Net decrease in cash and cash equivalents</b>	<b>(6,725)</b>	<b>(6,725)</b>	<b>(116,427)</b>	
Cash and cash equivalents at beginning of period	88,665	88,665	153,446	
<b>Cash and cash equivalents at end of period (Note 3)</b>	<b>81,940</b>	<b>81,940</b>	<b>37,019</b>	
<b>Supplemental cash flows information</b>				
Non-cash transactions				
Assets acquired under financial lease agreements	1,255	1,255	1,148	
Payables for acquisitions of equipment	-	-	218	

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T.A.C. Consumer  
Public Company Limited  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)



Director

Mr. Chatchawe Vatanasuk



Director

Mr. Chanit Suwanparin

**T.A.C. Consumer Public Company Limited**

**Notes to interim financial statements**

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

**1. General information**

**1.1 Company information**

T.A.C. Consumer Public Company Limited (“the Company”) was incorporated as a limited company under Thai laws and registered the change of its status to a public limited company under the Public Limited Companies Act on 26 August 2015. The Company operates in Thailand and its principal activity is the manufacture and distribution of beverages, with the registered office address at 9/231-233, 23rd Floor, UM Tower, Ramkhamhaeng Road, Suanluang, Bangkok, and its factory address is at 99/112 Moo 1, Nongmaidaeng, Banbueng, Chonburi.

**1.2 Basis for the preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 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.

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 financial statements.

**T.A.C. Consumer  
Public Company Limited**  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
.....Director  
Mr.Chatchawe Vatanasuk

  
.....Director  
Mr.Chanit Suwanparin

### 1.3 New financial reporting standards

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

During the period, the Company has 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's 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 judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

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

**T.A.C. Consumer**  
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บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
.....Director  
Mr.Chatchawe Vatanasuk

  
.....Director  
Mr.Chanit Suwanparin

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


#### 1.4 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, except the accounting policy for investment in joint venture that the Company has adopted in the current period as below.


##### Investment in joint venture

- a) Investment in joint venture is accounted for in the financial statements in which the equity method is applied using the equity method.
- b) Investment in joint venture is accounted for in the separate financial statements using the cost method.

**T.A.C. Consumer**  
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.....  
Mr.Chatchawe Vatanasuk

Director

  
.....  
Mr.Chanit Suwanparin

Director

**2. Related party transactions**Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2018 and 2017, the Company had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Short-term employee benefits	10,902	10,539	29,455	28,505
Post employee benefits	919	993	2,801	2,937
Total	<u>11,821</u>	<u>11,532</u>	<u>32,256</u>	<u>31,442</u>

**3. Cash and cash equivalents**

(Unit: Thousand Baht)

	30 September 2018	31 December 2017
Cash	20	20
Bank deposits	81,680	115,645
Cash in private fund	240	-
Total	81,940	115,665
Less: Restricted bank deposits	-	(27,000)
Total cash and cash equivalents	<u>81,940</u>	<u>88,665</u>


As at 30 September 2018, bank deposits in savings accounts and fixed deposits carried interests between 0.13 and 1.00 percent per annum (31 December 2017: between 0.13 and 1.00 percent per annum).

Restricted bank deposits are deposits pledged with the bank to secure bank overdrafts and credit facilities. In September 2018, the Company had closed part of its bank overdrafts and credit facilities and released the pledge of its bank deposits.

**T.A.C. Consumer**  
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บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
.....Director  
Mr.Chatchawe Vatanasuk

  
.....Director  
Mr.Chanit Suwanparin

(Unaudited but reviewed)

#### 4. Current investments

As at 30 September 2018 and 31 December 2017, current investments consisted of the following:

	(Unit: Thousand Baht)	
	30 September 2018	31 December 2017
Fixed deposits	131,495	102,579
Investments in trading securities - fair value (Note 4.1)	182,818	196,464
Current investments in private fund (Note 4.2)	59,779	-
Total current investments	374,092	299,043

As at 30 September 2018, the Company had current investments in 6-month and 12-month fixed deposits totaling Baht 131.5 million, carrying interests between 0.65 and 1.38 percent per annum and due for redemption during December 2018 to August 2019 (31 December 2017: Baht 102.6 million, carrying interests between 1.00 and 1.38 percent per annum).


- 4.1 Movements in the investments in trading securities during the nine-month period ended 30 September 2018 are summarised below.


	(Unit: Thousand Baht)
<b>Balance as at 31 December 2017</b>	196,464
Cash paid for investments in trading securities during the period - at cost	952,000
Sales during the period - at cost	
Proceeds from sales	(967,000)
Gain on sales	1,075
Total	(965,925)
Gain on change in value	279
<b>Balance as at 30 September 2018</b>	182,818

- 4.2 Movements in the current investments in private fund during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Thousand Baht)
<b>Balance as at 31 December 2017</b>	-
Cash paid for current investments in private fund during the period - at cost	59,670
Gain on change in value of investments	947
Unrealised loss on exchange	(838)
<b>Balance as at 30 September 2018</b>	59,779

T.A.C. Consumer  
Public Company Limited  
บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
..... Director  
Mr.Chatchawe Vatanasuk

  
..... Director  
Mr.Chanit Suwanparin

(Unaudited but reviewed)

The Company had set up a private fund for its investments which is managed by an asset management company. The investments include convertible bonds and trust securities of foreign companies or corporates. These investments are classified as trading securities.

As at 30 September 2018, the Company had assessed the fair value of such investments by referring to the value quoted by the asset management company in which the fair value had increased by Baht 0.9 million. The change in the fair value of such securities is included in profit or loss in the statement of comprehensive income.

## 5. Trade and other receivables

	(Unit: Thousand Baht)	
	30 September 2018	31 December 2017
<b><u>Trade accounts receivable - unrelated parties</u></b>		
Aged on the basis of due dates		
Not yet due	222,710	277,246
Past due		
Up to 3 months	12,366	24,047
3 - 6 months	11,272	53,420
6 - 12 months	16,669	1,765
Over 12 months	2,524	102
Total	265,541	356,580
Less: Allowance for doubtful accounts	(4,289)	(416)
Total trade accounts receivable - unrelated parties - net	261,252	356,164
<b><u>Other receivables</u></b>		
Other receivables - unrelated parties	1,704	1,334
Less: Allowance for doubtful accounts	(219)	(233)
Other receivables - unrelated parties - net	1,485	1,101
Prepaid expenses	14,593	3,232
Interest receivable	517	617
Total other receivables - net	16,595	4,950
Total trade and other receivables - net	277,847	361,114

## 6. Inventories

Movements in the reduction of inventories to net realisable value account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Thousand Baht)
Balance as at 31 December 2017	123
Reduction of inventory value during the period	363
Balance as at 30 September 2018	486

  
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..... Director  
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## 7. Investment in joint venture

### 7.1 Detail of investment in joint venture


Investment in joint venture represents investment in entity which is jointly controlled by the Company and other company. Details of this investment are as follows:


(Unit: Thousand Baht)

Joint venture	Nature of business	Shareholding percentage		Investment			
				Financial statements in which the equity method is applied		Separate financial statements in which the cost method is applied	
		30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017
		(%)	(%)				
Siam Gateway Company Limited	Distribution and packing services through export channels	51	-	5,072	-	6,375	-
Total				5,072	-	6,375	-

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On 26 April 2018, the Meeting of the Board of Directors of the Company No. 3/2561 passed a resolution to approve in principle for the Company to have a joint venture with NPPG (Thailand) Public Company Limited to establish a limited company "Siam Gateway Company Limited" in Thailand to engage in packing and distribution of beverages, with an initial registered share capital of Baht 50 million. On 30 May 2018, Siam Gateway Company Limited registered its establishment with the Ministry of Commerce and called up share capital at 25 percent of the registered share capital or equivalent to Baht 12.5 million. The Company paid for its investment of Baht 6.4 million or equivalent to 51 percent of the paid-up share capital.

On 7 August 2018, the Meeting of the Board of Directors of Siam Gateway Company Limited passed a resolution to change the shareholding structure, in which the Company reduced its shareholding from 51 percent to 49 percent of the registered share capital, and NPPG (Thailand) Public Company Limited holds 49 percent, with 2 percent being held by an individual. On 18 October 2018, Siam Gateway Company Limited registered with the Ministry of Commerce for the change of its shareholding structure.

## 7.2 Share of loss from investment in joint venture

During the three-month and nine-month periods ended 30 September 2018 and 2017, the Company recognised its share of loss from investment in joint venture in the financial statements in which the equity method is applied as follows:


Joint venture	(Unit: Thousand Baht)			
	Financial statements in which the equity method is applied			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Siam Gateway Company Limited	(1,085)	-	(1,303)	-
Total	(1,085)	-	(1,303)	-

## 8. Property, plant and equipment

Movements in the property, plant and equipment account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Thousand Baht)
<b>Net book value as at 31 December 2017</b>	103,673
Acquisitions during the period - at cost	3,560
Disposals and write-off during the period - net book value on disposal/write-off date	(72)
Depreciation for the period	(12,990)
<b>Net book value as at 30 September 2018</b>	<u>94,171</u>

The Company has mortgaged its land with structures thereon with the net book value as at 30 September 2018 of approximately Baht 17.2 million (31 December 2017: Baht 17.4 million) as collateral for bank overdrafts and credit facilities granted by a commercial bank as discussed in Note 9. บริษัท ที.เอ.ซี. คอนซูเมอร์ จำกัด (มหาชน)

  
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..... Director  
Mr. Chanit Suwanparin

**9. Bank overdrafts**

The bank overdrafts are secured by the mortgage of land with structures thereon.

As at 30 September 2018, the Company had bank overdrafts which had not yet been drawn down amounting to Baht 119.8 million (31 December 2017: Baht 134.8 million).

**10. Trade and other payables**

	(Unit: Thousand Baht)	
	30 September 2018	31 December 2017
Trade payables - unrelated parties	151,766	182,417
Other payables - unrelated parties	41,909	36,043
Accrued expenses	28,263	24,689
Total trade and other payables	<u>221,938</u>	<u>243,149</u>

**11. Share capital**

On 15 March 2018, the Meeting of the Board of Directors of the Company No. 2/2561 passed a resolution to approve the share repurchase project (Treasury Stock) with the maximum amount of Baht 15.2 million for 3 million shares repurchased at par value of Baht 0.25 per share, representing 0.49 percent of the total issued share capital. The repurchase period is from 2 April 2018 to 1 October 2018.

As at 30 September 2018, no shares were repurchased by the Company.

**12. Income tax**

Interim corporate income tax was 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 nine-month periods ended 30 September 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
<b>Current income tax</b>				
Interim corporate income tax charge	6,040	5,765	15,986	20,417
<b>Deferred tax:</b>				
Relating to origination of temporary differences	(295)	(148)	(1,247)	(494)
<b>Income tax expenses reported in the statements of comprehensive income</b>	<u>5,745</u>	<u>5,617</u>	<u>14,739</u>	<u>19,923</u>

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The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2018 and 2017 are as follows:

(Unit: Thousand Baht)

	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Deferred tax relating to actuarial gain	-	-	651	-
Income tax charged directly to other comprehensive income	-	-	651	-

### 13. Earnings per share

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

### 14. Segment information

The Company is organised into business units based on its products and services. During the current period, the Company expanded its business to the sales of license of cartoon characters. At present, the Company is engaged in two operating segments, which are the manufacture and distribution of beverages and the sales of license of cartoon characters. Its operations are carried on only in geographical area of Thailand. However, at present the operation of the sales of license of cartoon characters is insignificant. The Company's distribution channel includes both domestic and overseas markets. During the three-month and nine-month periods ended 30 September 2018, domestic sales represented 99 percent and 99 percent of total sales, respectively (2017: 94 percent and 90 percent of total sales, respectively).

Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss and assets in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain to the aforementioned reportable operating segments and geographical area.

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## 15. Dividend

Dividend	Approved by	Total dividend (Million Baht)	Dividend per share (Baht)
<u>2017</u>			
Dividends for 2016	Annual General Meeting on 19 April 2017	48.64	0.08
Interim dividends for 2017	Board of Directors' meeting on 10 August 2017	54.72	0.09
Total dividend for 2017		<u>103.36</u>	
<u>2018</u>			
Dividends for 2017	Annual General Meeting on 19 April 2018	54.72	0.09
Interim dividends for 2018	Board of Directors' meeting on 9 August 2018	24.32	0.04
Total dividend for 2018		<u>79.04</u>	

## 16. Commitments

### 16.1 Operating lease commitments

The Company has entered into several operating lease agreements in respect of the lease of office building space and equipment and other related service contracts. The terms of the agreements are generally between 1 and 4 years.

Future minimum payments required under these non-cancellable operating lease and service contracts were as follows:

	(Unit: Thousand Baht)	
	30 September 2018	31 December 2017
Payable		
In up to 1 year	6.6	6.9
In over 1 year and up to 4 years	5.8	10.4

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Mr.Chatchawe Vatanasuk

Director



Mr.Chanit Suwanparin

Director

## 16.2 Merchandise sub-license commitments

On 19 October 2017, the Company entered into a merchandise sub-license agreement with an overseas company. Under the terms of the agreement, the Company is granted the privilege to sell licenses of the characters. The Company agrees to pay royalty fee at the percentage of gross license fee receipts as specified in the agreement. The agreement is for a period of 5 years, from 1 January 2018 to 31 December 2022.

## 17. Fair value hierarchy

As of 30 September 2018, the Company had the following assets that were measured at fair value.

(Unit: Thousand Baht)

Financial statements in  
which the equity method is  
applied and Separate  
financial statements

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Level 2

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<b>Financial assets measured at fair value</b>	
Investments in trading securities - Debt instruments	182,818
Current investments in private fund	59,779

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

## 18. Approval of interim financial statements

These interim financial statements were authorised for issue by the board of directors of the Company on 8 November 2018.

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