

AAPICO Hitech Public Company Limited and its subsidiaries
Notes to interim consolidated financial statements
For the three-month period ended 31 March 2019

1. General information

1.1 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, income statement, 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 interim financial statements.

1.2 Basis of consolidation

These interim consolidated financial statements include the financial statements of AAPICO Hitech Public Company Limited (hereinafter called as "the Company") and its subsidiaries (hereinafter called as "the Group") and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2018. During the current period, there was no significant change in the structure of the Group.

1.3 New financial reporting standards

a) Financial reporting standards that became effective in the current period

During the period, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

Accounting standards

| | |
|-----------------------|------------------------|
| TAS 11 (revised 2017) | Construction contracts |
| TAS 18 (revised 2017) | Revenue |

Accounting standard interpretation

| | |
|------------------------|--|
| TSIC 31 (revised 2017) | Revenue - Barter Transactions Involving Advertising Services |
|------------------------|--|

Financial reporting standard interpretations

| | |
|-------------------------|--|
| TFRIC 13 (revised 2017) | Customer Loyalty Programmes |
| TFRIC 15 (revised 2017) | Agreements for the Construction of Real Estate |
| TFRIC 18 (revised 2017) | Transfers of Assets from Customers |

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being 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.

During the current period, the Group has adopted TFRS 15 using the modified retrospective method of adoption, whereby the comparative information was not restated. The adoption of the financial reporting standard does not have any significant impact on the Group's financial statements, except for the reclassification of items in the consolidated financial statements.

The amounts of adjustments affecting reclassification of the consolidated statement of financial position as at 1 January 2019 and the consolidated income statement for the three-month period ended 31 March 2019, with no effect to previously reported net profit or shareholders' equity, are summarised below.

(Unit: Thousand Baht)

| | Consolidated financial statements | | |
|--|-----------------------------------|------------------------|---------|
| | Previous TFRS | Increase (decrease) | TFRS 15 |
| Statement of financial position | | | |
| Other intangible assets | 93,333 | (50,504) | 42,829 |
| Assets recognised from costs to fulfill a contract with a customer | - | 50,504 | 50,504 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated financial statements | | |
|---|-----------------------------------|------------------------|-----------|
| | Previous TFRS | Increase (decrease) | TFRS 15 |
| Income statement | | | |
| Revenues from contracts with customers | 4,236,160 | (6,110) | 4,230,050 |
| Selling and distribution expenses | 68,023 | (6,110) | 61,913 |

The above mentioned adjustments are described below.

Cost to fulfill a contract with a customer - the Group has determined that product development costs, which were previously recorded as other intangible assets, consist of the costs to be incurred by the Group in satisfying those of its future performance obligations which relate directly to an existing contract or an anticipated contract, provided that the Group is able to specifically identify those costs and expects them to be recoverable. The Group therefore reclassified these items as assets recognised in respect of the costs incurred to fulfill a contract, as a separate item in the statement of financial position, and is amortising them to expenses on a systematic basis that is consistent with the pattern of revenue recognition under the contract, in accordance with the previous accounting policy.

Sales promotions to customers - the Group considers accounting for consideration payable to customers as a reduction of revenues from contracts with customers unless the payment to the customer is in exchange for a distinct goods that the customer transfers to the Group. Previously, the Group recorded sales promotions to customers as selling and distribution expenses.

b) Financial reporting standards that will be effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

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

Financial reporting standards

| | |
|--------|------------------------------------|
| TFRS 7 | Financial Instruments: Disclosures |
| TFRS 9 | Financial Instruments |

Accounting standard

| | |
|--------|-------------------------------------|
| TAS 32 | Financial Instruments: Presentation |
|--------|-------------------------------------|

Financial reporting standard interpretations

| | |
|----------|---|
| TFRIC 16 | Hedges of a Net Investment in a Foreign Operation |
| TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

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

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

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

1.4 Significant accounting policies

The interim financial statements are prepared using the same significant accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018.

(Unaudited but reviewed)

2. Related party transactions

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

(Unit: Million Baht)

| | Consolidated | | Separate | | Transfer pricing policy |
|--|--|------|----------------------|------|---|
| | financial statements | | financial statements | | |
| | For the three-month periods ended 31 March | | | | |
| | 2019 | 2018 | 2019 | 2018 | |
| Transactions with subsidiaries (eliminated from the consolidated financial statements) | | | | | |
| Sales of goods and services | - | - | 58 | 53 | Close to selling price to third party |
| Dividend income | - | - | 15 | - | As declared |
| Interest income | - | - | 36 | 41 | 3.59% and 5% p.a. (2018: 3.99% and 5% p.a.) |
| Rental income | - | - | - | 1 | Close to rental rates for other building in the vicinity |
| Management fee income | - | - | 22 | 22 | Approximate cost |
| Other income | - | - | 5 | 5 | Approximate cost |
| Purchases of goods and services | - | - | 55 | 47 | Cost plus margin, averaging around 8% (2018: 3% - 5%) |
| Other expenses | - | - | 1 | 2 | Approximate cost |
| Interest expenses | - | - | 5 | 5 | 0.90% and 3.59% p.a. (2018: 0.90% and 3.99% p.a.) |
| Transactions with associates and joint ventures | | | | | |
| Sales of goods and services | 113 | 58 | - | - | Close to selling price to third party |
| Dividend income | 83 | 171 | 83 | 171 | As declared |
| Interest income | 113 | 79 | 31 | - | 3.59%, 8%, 10% and 20% p.a. (2018: 3.99% and 20% p.a.) |
| Rental income | 1 | 2 | - | - | Close to rental rates for other building in the vicinity |
| Management fee income | 4 | 3 | 4 | 3 | Approximate cost |
| Other income | 2 | 1 | 1 | 1 | Approximate cost |
| Purchases of goods and services | 90 | 71 | 64 | 52 | Cost plus margin, averaging around 1% - 2%, 13% - 20% and 35% (2018: 17% - 28% and 47%) |

(Unaudited but reviewed)

2.2 The balances of the accounts between the Company and those related parties as at 31 March 2019 and 31 December 2018

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Trade and other receivables - related parties (Note 3) | | | | |
| Subsidiaries | - | - | 754,984 | 709,979 |
| Associates | 262,937 | 106,625 | 68,401 | 35,799 |
| Joint ventures | 364 | 736 | 314 | 675 |
| Related companies (common directors) | 784 | 750 | 9 | - |
| Total | <u>264,085</u> | <u>108,111</u> | <u>823,708</u> | <u>746,453</u> |
| Trade and other payables - related parties | | | | |
| Subsidiaries | - | - | 69,248 | 94,178 |
| Associates | 90,623 | 71,800 | 69,425 | 47,677 |
| Joint ventures | 260,778 | - | 260,778 | - |
| Total | <u>351,401</u> | <u>71,800</u> | <u>399,451</u> | <u>141,855</u> |

2.3 The balances of loans between the Company and those related parties as at 31 March 2019 and 31 December 2018

| | (Unit: Thousand Baht) | | | |
|--------------------------------------|-----------------------|---------------------|----------------------|---------------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Short-term loans to related parties | | | | |
| Subsidiaries | - | - | 363,600 | 363,600 |
| Associates | 2,181,117 | 451,987 | 443,029 | 451,987 |
| Related companies (common directors) | 5,000 | 1,000 | 1,000 | - |
| Total | <u>2,186,117</u> | <u>452,987</u> | <u>807,629</u> | <u>815,587</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|---------------------------------------|----------------------|------------------|----------------------|------------------|
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2019 | 2018 | 2019 | 2018 |
| Long-term loans to related parties | | | | |
| Subsidiaries | - | - | 3,407,336 | 3,281,042 |
| Associates | 836,767 | 2,470,304 | 836,767 | 853,405 |
| Less: Allowance for doubtful accounts | - | - | (3,000) | (3,000) |
| Total | <u>836,767</u> | <u>2,470,304</u> | <u>4,241,103</u> | <u>4,131,447</u> |
| Short-term loans from related parties | | | | |
| Subsidiaries | - | - | 845,527 | 755,587 |
| Related company (common director) | 26,787 | 24,197 | - | - |
| Total | <u>26,787</u> | <u>24,197</u> | <u>845,527</u> | <u>755,587</u> |

As at 31 March 2019 the balance of short-term loans to associates included a portion of USD 14 million, or Baht 443 million, which was due in March 2019, and this amount excludes interest receivable of USD 0.7 million, or Baht 22 million, that is recorded in trade and other receivables. The Company has yet to receive payment of the loan and interest receivable. Management of the Company is in process of negotiating with the associate. However, the loan is secured by directors of SGAH's parent company, the parent company of SGAH and the pledge of shares in SGAH and SGAH's subsidiary in the United States.

USD 50 million, or Baht 1,591 million, of loan previously recorded as long-term loan to an associate, as described in Note 5.2 to the financial statements, is due in March 2020, and so as of 31 March 2019 it has been classified as short-term loans to an associate.

- 2.4 The movements of loans between the Company and those related parties during the three-month period ended 31 March 2019

| Loans to related parties | (Unit: Thousand Baht) | |
|----------------------------------|-----------------------|----------------------|
| | Consolidated | Separate |
| | financial statements | financial statements |
| Balance as at 1 January 2019 | 2,923,291 | 4,947,034 |
| Increase during period | 150,060 | 626,349 |
| Decrease during period | - | (475,740) |
| Unrealised loss on exchange rate | (35,236) | (48,911) |
| Translation adjustments | (15,231) | - |
| Balance as at 31 March 2019 | <u>3,022,884</u> | <u>5,048,732</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Loans from related parties | Consolidated | | Separate | |
|------------------------------|----------------------|--|----------------------|--|
| | financial statements | | financial statements | |
| Balance as at 1 January 2019 | 24,197 | | 755,587 | |
| Increase during period | 2,606 | | 1,291,834 | |
| Decrease during period | - | | (1,201,894) | |
| Translation adjustments | (16) | | - | |
| Balance as at 31 March 2019 | 26,787 | | 845,527 | |

2.5 Directors and management's benefits

During the three-month period ended 31 March 2019 and 2018, the Group had employee benefit expenses payable to its directors and management as below.

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|------------------------------|--|-------|----------------------|-------|
| | financial statements | | financial statements | |
| | For the three-month periods ended 31 March | | | |
| | 2019 | 2018 | 2019 | 2018 |
| Short-term employee benefits | 8,463 | 8,338 | 8,463 | 8,338 |
| Post-employee benefits | 27 | 27 | 27 | 27 |
| Total | 8,490 | 8,365 | 8,490 | 8,365 |

2.6 Guarantee obligations with related parties

The Company has outstanding guarantee obligations for credit facilities of its related parties, as described in Note 18.5 to the financial statements.

3. Trade and other receivables

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Trade receivables - related parties | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due and past due | | | | |
| not over 3 months | 82,036 | 39,365 | 25,587 | 22,274 |
| Total trade receivables - related parties | 82,036 | 39,365 | 25,587 | 22,274 |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| | Consolidated | | Separate | |
|--|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Trade receivables - unrelated parties | | | | |
| Aged on the basis of due dates | | | | |
| Not yet due and past due not over 3 months | 2,345,115 | 2,146,828 | 654,311 | 419,077 |
| Past due 3 - 12 months | 6,410 | 3,775 | 710 | 82 |
| Past due more than 12 months | 8,677 | 15,897 | 209 | 178 |
| Total | 2,360,202 | 2,166,500 | 655,230 | 419,337 |
| Less: Allowance for doubtful accounts | (12,992) | (14,411) | (197) | (197) |
| Total trade receivables - unrelated parties, net | 2,347,210 | 2,152,089 | 655,033 | 419,140 |
| Total trade receivables - net | 2,429,246 | 2,191,454 | 680,620 | 441,414 |
| Other receivables | | | | |
| Advances - related parties | 3,822 | 2,963 | 3,237 | 2,952 |
| Advances - unrelated parties | 110,320 | 100,256 | 95,914 | 84,847 |
| Interest receivables - related parties | 170,280 | 58,468 | 769,169 | 706,060 |
| Accrued income - related parties | 350 | 421 | 2,701 | 2,772 |
| Accrued income - unrelated parties | 18,358 | 16,444 | 869 | 279 |
| Dividend receivables - related parties | - | - | 7,536 | - |
| Others - related parties | 7,597 | 6,894 | 15,478 | 12,395 |
| Others - unrelated parties | 26,152 | 38,744 | 2,106 | 304 |
| Total other receivables - net | 336,879 | 224,190 | 897,010 | 809,609 |
| Total trade and other receivables - net | 2,766,125 | 2,415,644 | 1,577,630 | 1,251,023 |

4. Inventories

Movements in the allowance for reduction of cost of inventories to net realisable value account during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

| | Consolidated | Separate |
|--|----------------------|----------------------|
| | financial statements | financial statements |
| Balance as at 1 January 2019 | 85,877 | 17,325 |
| Reduction of inventory cost to net realisable value (reversal) | 376 | (656) |
| Balance as at 31 March 2019 | 86,253 | 16,669 |

As at 31 March 2019, certain subsidiaries have pledged finished goods of Baht 195 million (31 December 2018: Baht 115 million) to secure loans from banks.

(Unaudited but reviewed)

5. Investments in associates

5.1 Details of investments in associates

(Unit: Thousand Baht)

| | | Consolidated financial statements | | | | | |
|--|--|-----------------------------------|------------------|------------------|------------------|---|------------------|
| Company | Nature of business | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
| | | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| | | (%) | (%) | | | | |
| Associates in Thailand | | | | | | | |
| Able Sanoh Industries (1996) Company Limited | Manufacture and distribution of autoparts | 45.62 | 45.62 | 30,700 | 30,700 | 796,304 | 713,022 |
| Sanoh Industries (Thailand) Company Limited | Manufacture and distribution of autoparts | 20 | 20 | 29,250 | 29,250 | 100,309 | 96,541 |
| MINTH AAPICO (Thailand) Company Limited | Manufacture and distribution of autoparts | 40 | 40 | 115,400 | 115,400 | 84,459 | 90,164 |
| Thai Takagi Seiko Company Limited | Distribution of dies | 49 | 49 | 49,587 | 49,587 | 9,703 | 10,478 |
| Hyundai Motor (Thailand) Company Limited | Distribution of vehicles and parts | 30 | 30 | 120,000 | 120,000 | 604,520 | 638,338 |
| Edscha AAPICO Automotive Company Limited | Manufacture and distribution of autoparts | 49 | 49 | 25,480 | 25,480 | 58,745 | 53,009 |
| Sumino AAPICO (Thailand) Company Limited | Manufacture and distribution of autoparts | 49 | 49 | 147,000 | 147,000 | 150,050 | 148,673 |
| Associates in overseas | | | | | | | |
| Sakthi Global Auto Holdings Limited (48.99% held by the Company and 1% held by AAPICO Investment Pte., Ltd.) | Holding company | 49.99 | 49.99 | 2,525,593 | 2,525,593 | 2,151,793 | 2,077,020 |
| Nuro Technology Incorporated | Provision of electronic information services | 20.36 | 20.36 | 50,866 | 50,866 | 49,070 | 51,695 |
| Total | | | | <u>3,093,876</u> | <u>3,093,876</u> | <u>4,004,953</u> | <u>3,878,940</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Company | Separate financial statements | | | | | | | |
|--|-------------------------------|----------|------------------|------------------|--------------------------|----------|---|------------------|
| | Shareholding percentage | | Cost | | Allowance for impairment | | Carrying amounts based on cost method - net | |
| | 31 | 31 | 31 | 31 | 31 | 31 | 31 | 31 |
| | March | December | March | December | March | December | March | December |
| 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | |
| | (%) | (%) | | | | | | |
| Associates in Thailand | | | | | | | | |
| Able Sanoh Industries (1996) Company Limited | 45.62 | 45.62 | 30,700 | 30,700 | - | - | 30,700 | 30,700 |
| Sanoh Industries (Thailand) Company Limited | 20 | 20 | 29,250 | 29,250 | - | - | 29,250 | 29,250 |
| MINTH AAPICO (Thailand) Company Limited | 40 | 40 | 115,400 | 115,400 | - | - | 115,400 | 115,400 |
| Thai Takagi Seiko Company Limited | 49 | 49 | 49,587 | 49,587 | - | - | 49,587 | 49,587 |
| Hyundai Motor (Thailand) Company Limited | 30 | 30 | 120,000 | 120,000 | - | - | 120,000 | 120,000 |
| Edscha AAPICO Automotive Company Limited | 49 | 49 | 25,480 | 25,480 | - | - | 25,480 | 25,480 |
| Sumino AAPICO (Thailand) Company Limited | 49 | 49 | 147,000 | 147,000 | - | - | 147,000 | 147,000 |
| Associates in overseas | | | | | | | | |
| Sakthi Global Auto Holdings Limited | 48.99 | 48.99 | 2,475,194 | 2,475,194 | - | - | 2,475,194 | 2,475,194 |
| Nuro Technology Incorporated | 20.36 | 20.36 | 50,866 | 50,866 | - | - | 50,866 | 50,866 |
| Total | | | <u>3,043,477</u> | <u>3,043,477</u> | <u>-</u> | <u>-</u> | <u>3,043,477</u> | <u>3,043,477</u> |

5.2 Significant conditions of investments in associates

The Company and subsidiary

In June 2017, the Group acquired 25.1% (24.1% held by the Company and 1% held by AAPICO Investment Pte., Ltd.) of the registered and paid-up share capital of Sakthi Global Auto Holdings Limited ("SGAH"), which was incorporated in the United Kingdom and is the holding company of a group companies engaged in the manufacture of automotive parts in India, Portugal and the United States with a value of USD 50 million. The structure of the investment is as follows.

- a. A USD 50 million investment in 2,510 newly issued ordinary shares of SGAH with a par value of USD 1 each, representing 25.1% of the total registered and paid-up share capital of SGAH.
- b. A USD 50 million synthetic convertible loan from the Company, carrying interest at a rate of 20% per annum, due and payable in full on 31 March 2020 and secured by directors of SGAH's parent company, the parent company of SGAH and the pledge of shares in SGAH's subsidiary in the United States.

(Unaudited but reviewed)

The objective of this investment structure is that the synthetic convertible loan will form part of the purchase price of the 25.1% interest acquired, if conditions stipulated in the relevant agreement are fully met or waived. The conversion of the loan is dependent on the value of SGAH's shares, calculated on the basis of SGAH's future financial performance. The synthetic convertible loan is to be converted to 1 ordinary share (equivalent to 0.01% of total registered and paid-up shares of SGAH) on 31 March 2020 and this share has no special rights and is merely a consideration used to void the synthetic convertible loan for SGAH if it is able to meet the profit targets under the conversion conditions in the next 3 years. After the conversion, the Company's shareholding in SGAH will be 25.11%. The reinvestment is based on the following conditions applied as applicable.

- a. If 25.1% of the equity value of SGAH exceeds or equals USD 100 million, the Company will reinvest the amount of USD 50 million in exchange for 1 ordinary share in SGAH; or
- b. If 25.1% of the equity value of SGAH is between USD 50 million and USD 100 million, the Company will reinvest the amount in excess of USD 50 million of 25.1% of SGAH's equity value in exchange for 1 ordinary share in SGAH; or
- c. If 25.1% of the equity value of SGAH is less than USD 50 million, there will be no reinvestment, and the Company will not convert the synthetic convertible loan to 1 ordinary share in SGAH.

5.3 Share of profit (loss), share of other comprehensive income and dividend income

During the periods, the Group recognised its share of profit (loss), share of other comprehensive income from investments in associates in the consolidated financial statements and the Company recognised dividend income in the separate financial statements as follows.

| Company | (Unit: Thousand Baht) | | | | | | Separate | |
|--|--|----------------|-------------------------------------|----------|-----------------|----------------|----------------------|----------------|
| | Consolidated financial statements | | | | | | financial statements | |
| | Share of profit (loss) | | Share of other comprehensive income | | Dividend income | | Dividend income | |
| | For the three-month periods ended 31 March | | | | | | | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Associates in Thailand | | | | | | | | |
| Able Sanoh Industries (1996) Company Limited | 83,282 | 65,813 | - | - | - | - | - | - |
| Sanoh Industries (Thailand) Company Limited | 3,768 | 1,598 | - | - | - | - | - | - |
| MINTH AAPICO (Thailand) Company Limited | (5,705) | 100 | - | - | - | - | - | - |
| Thai Takagi Seiko Company Limited | (775) | (2,412) | - | - | - | - | - | - |
| Hyundai Motor (Thailand) Company Limited | 49,582 | 75,446 | - | - | 83,400 | 171,000 | 83,400 | 171,000 |
| Edscha AAPICO Automotive Company Limited | 5,736 | 4,741 | - | - | - | - | - | - |
| Sumino AAPICO (Thailand) Company Limited | 1,377 | 5,194 | - | - | - | - | - | - |
| Associates in overseas | | | | | | | | |
| Sakthi Global Auto Holdings Limited | (159,668) | 8,568 | 234,441 | - | - | - | - | - |
| Nuro Technology Incorporated | (2,685) | - | 60 | - | - | - | - | - |
| Total | <u>(25,088)</u> | <u>159,048</u> | <u>234,501</u> | <u>-</u> | <u>83,400</u> | <u>171,000</u> | <u>83,400</u> | <u>171,000</u> |

(Unaudited but reviewed)

6. Investments in subsidiaries**6.1 Details of investments in subsidiaries**

Investments in subsidiaries as presented in the separate financial statements are as follows.

(Unit: Thousand Baht)

| Company | Called-up capital | | Shareholding percentage | | Cost | |
|--|-------------------|-------------------|-------------------------|-------------|-------------|-------------|
| | 31 March | 31 December | 31 March | 31 December | 31 March | 31 December |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| | | | (%) | (%) | | |
| Subsidiaries in Thailand | | | | | | |
| New Era Sales Company Limited | Baht 20 million | Baht 20 million | 100 | 100 | 20,000 | 20,000 |
| AAPICO Amata Company Limited | Baht 800 million | Baht 800 million | 100 | 100 | 1,164,139 | 1,164,139 |
| Able Motors Company Limited | Baht 20 million | Baht 20 million | 100 | 100 | 19,999 | 19,999 |
| AAPICO Engineering Company Limited | Baht 10 million | Baht 10 million | 100 | 100 | 10,000 | 10,000 |
| AAPICO Hitech Parts Company Limited | Baht 120 million | Baht 120 million | 100 | 100 | 120,000 | 120,000 |
| AAPICO Hitech Tooling Company Limited | Baht 65 million | Baht 65 million | 100 | 100 | 65,000 | 65,000 |
| AAPICO Forging Public Company Limited | Baht 500 million | Baht 500 million | 100 | 100 | 1,823,907 | 1,823,907 |
| AAPICO Structural Products Company Limited | Baht 200 million | Baht 200 million | 100 | 100 | 200,000 | 200,000 |
| AAPICO Technology Company Limited | Baht 0.25 million | Baht 0.25 million | 100 | 100 | 250 | 250 |
| AAPICO Training Center Company Limited | Baht 3 million | Baht 3 million | 100 | 100 | 3,000 | 3,000 |
| AAPICO Venture Company Limited | Baht 20 million | Baht 20 million | 100 | 100 | 20,000 | 20,000 |
| Foton Passenger Vehicles Distribution (Thailand) Company Limited | Baht 25 million | Baht 25 million | 97 | 97 | 24,250 | 24,250 |
| AERP Company Limited | Baht 1.25 million | Baht 1.25 million | 94 | 94 | 1,175 | 1,175 |
| Katsuya (Thailand) Company Limited | Baht 28.5 million | Baht 28.5 million | 76 | 76 | 15,675 | 15,675 |
| AAPICO Lemtech (Thailand) Company Limited | Baht 40 million | Baht 40 million | 60 | 60 | 24,000 | 24,000 |
| AAPICO ITS Company Limited | Baht 100 million | Baht 100 million | 60 | 60 | 62,175 | 62,175 |
| AAPICO Mitsuike (Thailand) Company Limited | Baht 8.25 million | Baht 8.25 million | 51 | 51 | 4,208 | 4,208 |
| Subsidiaries in overseas | | | | | | |
| Kunshan Chaitai-Xincheng Precision Forging Co., Ltd. | USD 8.1 million | USD 8.1 million | 100 | 100 | 277,426 | 277,426 |
| AAPICO Investment Pte., Ltd. | SGD 6.97 million | SGD 6.97 million | 100 | 100 | 167,950 | 167,950 |
| Tenaga Setia Resources Sdn. Bhd. | RM 6 million | RM 6 million | 49 | 49 | 31,393 | 31,393 |
| New Era Sales (M) Sdn. Bhd. | RM 1.5 million | RM 1.5 million | 49 | 49 | 8,263 | 8,263 |
| AAPICO Motors Sdn. Bhd. | RM 2 million | RM 2 million | 49 | 49 | 7,650 | 7,650 |
| Total | | | | | 4,070,460 | 4,070,460 |
| Less: Allowance for impairment | | | | | (1,336,608) | (1,336,608) |
| Net | | | | | 2,733,852 | 2,733,852 |

In August 2018, Katsuya (Thailand) Company Limited registered its dissolution with the Ministry of Commerce and is currently in the process of liquidation.

(Unaudited but reviewed)

6.2 Dividend income from subsidiaries

(Unit: Thousand Baht)

| Company | Separate financial statements | |
|----------------------------------|---|------|
| | For the three-month periods ended 31 March | |
| | 2019 | 2018 |
| Tenaga Setia Resources Sdn. Bhd. | 15,031 | - |
| Total | 15,031 | - |

7. Investments in joint ventures

7.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which is jointly controlled by the Group and other company. Detail of these investments is as follows.

(Unit: Thousand Baht)

| Joint venture | Nature of business | Consolidated financial statements | | | | | |
|---|---|-----------------------------------|---------------------|------------------|---------------------|--|---------------------|
| | | Shareholding percentage | | Cost | | Carrying amounts based on equity method | |
| | | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| | | (%) | (%) | | | | |
| Joint ventures in Thailand | | | | | | | |
| AAPICO Sodecia (Thailand) Company Limited | Manufacture and distribution of autoparts | 50 | 50 | 82,500 | 82,500 | 73,794 | 73,830 |
| AAPICO Electronics Company Limited | Distribution of electronics equipment inventive | 51 | 51 | 12,750 | 12,750 | 9,469 | 10,047 |
| Joint ventures in overseas | | | | | | | |
| AAPICO VinFast Auto Parts Co., Ltd. | Manufacture and distribution of autoparts | 51 | - | 325,736 | - | 332,641 | - |
| Total | | | | 420,986 | 95,250 | 415,904 | 83,877 |

(Unit: Thousand Baht)

| Joint venture | Separate financial statements | | | |
|---|-------------------------------|---------------------|--|---------------------|
| | Shareholding percentage | | Carrying amounts based on cost method | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| | (%) | (%) | | |
| Joint ventures in Thailand | | | | |
| AAPICO Sodecia (Thailand) Company Limited | 50 | 50 | 82,500 | 82,500 |
| AAPICO Electronics Company Limited | 51 | 51 | 12,750 | 12,750 |
| Joint venture in overseas | | | | |
| AAPICO VinFast Auto Parts Co., Ltd. | 51 | - | 325,736 | - |
| Total | | | 420,986 | 95,250 |

7.2 Changes in investments in joint ventures

In January 2019, the Company acquired 51% of the ordinary shares of AAPICO VinFast Auto Parts Co., Ltd., a newly established company in Vietnam, that is engaged in the manufacture and distribution of autoparts. This company has a registered share capital of VND 465,900 million, which is 100% called-up. As at 31 March 2019, the Company has paid VND 47,521 million or, Baht 65 million of the acquisition price and recorded the balance as share subscription payable under trade and other payables in the statement of financial position.

The management of the Company determined that the Company has no control over this company, even though the Company holds shares and voting rights that is more than half of shares. This is because the joint venture agreement stipulates the key matters, as defined in the agreement, must be approved by each venture. As a result, the Company determined that it has no control over this company, thus the investment is investment in joint venture, and this company is not to be included in the consolidated financial statements.

7.3 Share of profit (loss), share of other comprehensive income and dividend income

During the periods, the Group recognised its share of profit (loss), share of other comprehensive income from investments in joint ventures in the consolidated financial statements, and the Company recognised dividend income in the separate financial statements as follows.

| Joint venture | (Unit: Thousand Baht) | | | | | |
|---|--|------------|-------------------------------------|----------|-------------------------------|----------|
| | Consolidated financial statements | | | | Separate financial statements | |
| | Share of loss | | Share of other comprehensive income | | Dividend income | |
| | For the three-month periods ended 31 March | | | | | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| AAPICO Sodecia (Thailand) Company Limited | 36 | 29 | - | - | - | - |
| AAPICO Electronics Company Limited | 578 | 481 | - | - | - | - |
| AAPICO VinFast Auto Parts Co., Ltd. | 12 | - | 6,917 | - | - | - |
| Total | 626 | 510 | 6,917 | - | - | - |

(Unaudited but reviewed)

8. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2019 are summarised below.

| Movements | (Unit: Thousand Baht) | |
|--|--------------------------------------|----------------------------------|
| | Consolidated financial statements | Separate financial statements |
| Net book value as at 1 January 2019 | 5,215,095 | 978,596 |
| Acquisitions during period - at cost | 111,268 | 11,510 |
| Transfer from inventories | 9,173 | - |
| Disposals/write-off during period - net book value at disposal/write-off date | (5,046) | (104) |
| Depreciation for the period | (140,827) | (24,729) |
| Translation adjustments | (321) | - |
| Net book value as at 31 March 2019 | <u>5,189,342</u> | <u>965,273</u> |

As at 31 March 2019, the Group had machinery, motor vehicles and equipment under finance lease agreements with net book values amounting to Baht 17 million (31 December 2018: Baht 16 million), the Company only: Baht 3 million (31 December 2018: Baht 3 million).

A subsidiary has mortgaged its building with a net book value as at 31 March 2019 of Baht 66 million (31 December 2018: Baht 68 million) to secure the credit facilities granted by a bank.

9. Leasehold rights

Movements in the leasehold rights account during the three-month period ended 31 March 2019 are summarised below.

| Movements | (Unit: Thousand Baht) |
|-------------------------------------|--------------------------------------|
| | Consolidated financial statements |
| Net book value as at 1 January 2019 | 123,105 |
| Amortisation for the period | (1,298) |
| Translation adjustments | (68) |
| Net book value as at 31 March 2019 | <u>121,739</u> |

A subsidiary has pledged its land leasehold right with a net book value as at 31 March 2019 of Baht 71 million (31 December 2018: Baht 72 million) to secure the credit facilities granted by a bank.

(Unaudited but reviewed)

10. Goodwill

(Unit: Thousand Baht)

| Goodwill from purchases of subsidiaries | Consolidated financial statements | |
|---|-----------------------------------|------------------|
| | 31 March 2019 | 31 December 2018 |
| AAPICO Amata Company Limited | 229,368 | 229,368 |
| AAPICO Forging Public Company Limited | 1,152,332 | 1,152,332 |
| Other companies | 5,162 | 5,162 |
| Total | 1,386,862 | 1,386,862 |
| Less: Allowance for impairment | (1,152,332) | (1,152,332) |
| Net | 234,530 | 234,530 |

11. Other intangible assets

Movements in the other intangible assets account during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

| Movements | Consolidated | Separate |
|--|----------------------|----------------------|
| | financial statements | financial statements |
| Net book value as at 1 January 2019 | 93,333 | 17,752 |
| Reclassification to assets recognised from the costs to fulfill a contract with a customer | (50,504) | - |
| Acquisitions during period - at cost | 419 | - |
| Amortisation for the period | (5,315) | (1,421) |
| Translation adjustments | (2) | - |
| Net book value as at 31 March 2019 | 37,931 | 16,331 |

12. Assets recognised from the costs to fulfill a contract with a customer

Movements in the assets recognised from the costs to fulfill a contract with a customer during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

| Movements | Consolidated |
|---|----------------------|
| | financial statements |
| Net book value as at 1 January 2019 | - |
| Reclassification from other intangible assets | 50,504 |
| Acquisitions during period - at cost | 959 |
| Amortisation for the period | (1,945) |
| Net book value as at 31 March 2019 | 49,518 |

13. Short-term and long-term loans from banks

Movements in the long-term loans from banks account during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

| Movements | Consolidated financial statements | Separate financial statements |
|-----------------------------------|--------------------------------------|----------------------------------|
| Balance as at 1 January 2019 | 4,324,769 | 4,205,155 |
| Additions during period | 13,262 | - |
| Repayments during period | (303,837) | (297,193) |
| Unrealised gain on exchange rate | (14,286) | (14,286) |
| Translation adjustments | (67) | - |
| Balance as at 31 March 2019 | 4,019,841 | 3,893,676 |
| Less: Deferred financing fees | (2,228) | (2,228) |
| Long-term loans - net | 4,017,613 | 3,891,448 |
| Less: Portion due within one year | (1,172,737) | (1,147,204) |
| Portion due more than one year | 2,844,876 | 2,744,244 |

The Company

The Company's short-term loans from banks are clean loans, while long-term loans from banks are clean loans with a negative pledge of assets belonging to the Company and its subsidiaries.

The loan agreements contain covenants relating to various matters specified in the agreements, including restrictions on providing loans other than loans to intercompany and covenants relating to the shareholding of the major shareholders, and the maintenance of certain financial ratios.

The subsidiaries

Certain subsidiaries' bank overdrafts, short-term loans and long-term loans from banks are secured by the pledge of inventories, land leasehold right, buildings, a letter of guarantee, a letter of credit, and guarantees provided by the Company or subsidiaries, with a negative pledge of assets by the Group.

14. Long-term debentures

Movement in the long-term debentures during the three-month period ended 31 March 2019 are summarised below.

| Movements | (Unit: Thousand Baht) Consolidated/Separate financial statement |
|--|---|
| Balance as at 1 January 2019 | 1,500,000 |
| Issue during period | 500,000 |
| Balance as at 31 March 2019 | 2,000,000 |
| Less: Deferred debenture issuing costs | (1,527) |
| Long-term debentures - net | 1,998,473 |
| Less: Portion due within one year | (299,975) |
| Portion due more than one year | 1,698,498 |

The debentures contain terms of issuer relating to the transfer or disposal of assets that need to be used in or maintained for the operation of the business, negative pledges of assets and the maintenance of a certain financial ratio at the end of each quarter.

15. Treasury shares

On 26 February 2016, the Company's Board of Directors' meeting passed a resolution to approve a share repurchase programme for financial management purposes for the amount not exceeding Baht 150 million. The number of ordinary shares to be repurchased did not exceed 14.5 million shares, with a par value of Baht 1 per share, equivalent to 4.5% of paid-up capital of the Company. The Company repurchased its ordinary shares through the Stock Exchange of Thailand from 15 March 2016 to 14 September 2016 and will resell these shares through the Stock Exchange of Thailand. Treasury shares could not be counted in determining a quorum and there were no voting or dividend rights.

As of the end of the repurchase period, the Company repurchased 6,007,700 of its shares under the share repurchase programme, equivalent to 1.9% of its paid-up capital, at a total cost of Baht 76 million. At the same time, an equivalent amount was appropriated from retained earnings to treasury share reserve.

(Unaudited but reviewed)

On 28 February 2017, the Company's Board of Directors' meeting passed a resolution to approve treasury shares sales through the Stock Exchange of Thailand from 15 March 2017 to 13 September 2019. If there are remaining treasury shares after the end of sales period, the Company will register the decrease in its share capital with the Ministry of Commence equivalent to the remaining balance of treasury shares.

During the three-month periods ended 31 March 2019 and 2018, the Company did not sell any treasury shares under the programme.

16. Income tax

Tax expenses (income) for the three-month period ended 31 March 2019 and 2018

| | (Unit: Thousand Baht) | | | |
|--|--|--------------|----------------------------------|-------------|
| | Consolidated financial statements | | Separate financial statements | |
| | For the three-month periods ended 31 March | | | |
| | 2019 | 2018 | 2019 | 2018 |
| Current income tax | | | | |
| Interim corporate income tax charge | 57,042 | 11,385 | 17,807 | - |
| Deferred tax | | | | |
| Relating to origination and reversal of temporary differences | 3,702 | (2,052) | 207 | (65) |
| Tax expense (income) reported in the statement of income | <u>60,744</u> | <u>9,333</u> | <u>18,014</u> | <u>(65)</u> |

The Company was not liable to corporate income tax for the three-month period ended 31 March 2018 due to tax losses brought forward from previous years in excess of its estimated profit of the non-promoted operations after adding back certain expenses which are disallowable for tax computation purposes, and deducting expenses that are tax-deductible at a greater amount and portion of dividend income which are exempted for tax computation purpose.

(Unaudited but reviewed)

17. Earnings per share

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

(Unit: Thousand Baht/Thousand Shares)

| | Consolidated | | Separate | |
|---|----------------------|----------------|----------------------|----------------|
| | financial statements | | financial statements | |
| For the three-month period ended 31 March | | | | |
| | 2019 | 2018 | 2019 | 2018 |
| Profit attributable to shareholders of the Company | <u>216,565</u> | <u>397,064</u> | <u>188,859</u> | <u>180,333</u> |
| Number of ordinary shares issued | 322,584 | 322,584 | 322,584 | 322,584 |
| Effect of treasury shares | <u>(5,983)</u> | <u>(6,008)</u> | <u>(5,983)</u> | <u>(6,008)</u> |
| Weighted average number of ordinary shares | <u>316,601</u> | <u>316,576</u> | <u>316,601</u> | <u>316,576</u> |
| Earnings per share (Baht) | <u>0.68</u> | <u>1.25</u> | <u>0.60</u> | <u>0.57</u> |

18. Commitments and contingent liabilities

18.1 Capital commitments

As at 31 March 2019 and 31 December 2018, the Group had capital commitments relating to the construction of factory, installation of computer software and acquisition of machinery from the unrelated parties as follows.

(Unit: Million)

| Currency | Consolidated | | Separate | |
|----------|----------------------|-------------|----------------------|-------------|
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2019 | 2018 | 2019 | 2018 |
| THB | 151.2 | 162.3 | 0.8 | 3.5 |
| RMB | 16.0 | 16.9 | - | - |
| USD | 0.4 | 0.4 | - | - |

18.2 Long-term investment commitments

As at 31 March 2019 and 31 December 2018, the Group had outstanding commitments in respect of uncalled portion of investments as follows.

(Unit: Million Baht)

| Investment type | Consolidated | | Separate | |
|-----------------|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Subsidiaries | 236 | 236 | 89 | 89 |
| Associate | 25 | 25 | 25 | 25 |
| Joint venture | 68 | 68 | 68 | 68 |

18.3 Operating leases and service commitments

The Group has entered into operating lease agreements in respect of the lease of land, building, office building space and equipment and service agreements. The terms of the agreements are generally between 1 and 12 years.

As at 31 March 2019 and 31 December 2018, the Group had future minimum payments required under these agreements as follows.

(Unit: Million Baht)

| Payable | Consolidated | | Separate | |
|----------------------------|----------------------|---------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| In up to 1 year | 76 | 61 | 17 | 20 |
| In over 1 to up to 5 years | 75 | 71 | 10 | 13 |
| In over 5 years | 18 | 19 | - | - |

18.4 Long-term service commitments

Two local subsidiaries have entered into technical assistance agreements with a Japanese company and a German company, under which they have to pay fees at rates stipulated in the agreements, on sales of certain products. The first agreement is for one year and automatically renews annually for a further period of one year, while the other agreement is effective until 2027. Other two local subsidiaries have entered into memorandums with two Japanese companies, under which the subsidiaries have to pay royalty fees at certain rates on sales of particular products. These agreements are effective for as long as the products are sold.

The fees for the three-month period ended 31 March 2019 amounting to Baht 7 million (2018: Baht 7 million).

18.5 Guarantees

- a) As at 31 March 2019 and 31 December 2018, the Company has guaranteed bank credit facilities of its foreign subsidiary amounting to RMB 18 million and its local associate amounting to Baht 100 million.
- b) As at 31 March 2019 and 31 December 2018, two foreign subsidiaries have provided guarantees for bank credit facilities of another foreign subsidiary amounting to RM 10 million and RM 6 million, respectively.
- c) As at 31 March 2019 and 31 December 2018, there were outstanding bank guarantees issued by banks on behalf of the Group in respect of certain performance bonds as required in the normal course of business as follows.

| Letter of guarantee | Consolidated | | Separate | |
|----------------------------|-----------------------------------|-----------------------------------|----------------------|---------------------|
| | financial statements | | financial statements | |
| | 31 March 2019 | 31 December 2018 | 31 March 2019 | 31 December 2018 |
| Contractual performance | Baht 31 million | Baht 104 million | - | Baht 73 million |
| Electricity use and others | Baht 31 million RM 0.5 million | Baht 32 million RM 0.5 million | Baht 6 million | Baht 6 million |

- d) The Company and a subsidiary entered into agreements related to the Supplier Financing Program, as a sponsor, whereby they provide guarantees of credit lines of their suppliers used to purchase raw materials and goods, up to a limited facilities of Baht 200 million. As at 31 March 2019 and 31 December 2018, the Company and the subsidiary had no guarantee liabilities under these agreements.

18.6 Forward foreign exchange contracts

Outstanding forward foreign exchange contracts of the Group as at 31 March 2019 and 31 December 2018 are summarised below.

| 31 March 2019 | | | | | |
|------------------|---------------|-------------|------------------------------------|------|---------------------------|
| Foreign currency | Bought amount | Sold amount | Contractual exchange rate | | Contractual maturity date |
| | | | Bought | Sold | |
| | (Million) | (Million) | (Baht per 1 foreign currency unit) | | |
| US dollar | 4.0 | - | 31.5 - 31.9 | - | April 2019 |

| 31 December 2018 | | | | | |
|------------------|---------------|-------------|------------------------------------|------|---------------------------|
| Foreign currency | Bought amount | Sold amount | Contractual exchange rate | | Contractual maturity date |
| | | | Bought | Sold | |
| | (Million) | (Million) | (Baht per 1 foreign currency unit) | | |
| US dollar | - | 3.7 | - | 31.7 | January - February 2019 |

18.7 Contingent liabilities

A subsidiary in China calculates social welfare payments for its employees based on the minimum rate stipulated by the Labour and Social Security Bureau in the precinct in which it is located. However, according to central government regulations on this issue, the subsidiary should pay social welfare based on the actual salary of staff, if those salaries are between the lowest and highest salary rates stipulated. The subsidiary could therefore potentially be at risk of additional assessment by the Chinese authorities, which the subsidiary's management has assessed, as at 31 March 2019, would not exceed RMB 13.2 million (31 December 2018: not exceed RMB 12.1 million). However, the subsidiary's management believes that the practice is in line with that of other international firms situated in the same precinct, and the likelihood of such assessment is remote.

19. Fair value hierarchy

The Group had the financial asset that was measured at fair value using Level 2 of inputs as follows.

| | (Unit: Thousand Baht) | | | |
|--|-----------------------|-------------|----------------------|-------------|
| | Consolidated | | Separate | |
| | financial statements | | financial statements | |
| | 31 March | 31 December | 31 March | 31 December |
| | 2019 | 2018 | 2019 | 2018 |
| Financial asset measured at fair value | | | | |
| Held for trade investments | | | | |
| Debt instruments | 91,391 | 77,231 | 32,000 | 18,002 |

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

20. Segment information

The Group is organised into business units based on its products and services. During the current period, the Group has not changed the organisation of its reportable segments.

The following tables present revenue and profit information regarding the Group's operating segments for the three-month period ended 31 March 2019 and 2018.

(Unit: Million Baht)

| | For the three-month periods ended 31 March | | | | | | | | | | | |
|--|--|--------------|--|--------------|----------|----------|----------------|--------------|------------------------------|--------------|--------------|--------------|
| | Manufacture of automobile parts segment | | Car dealerships and after-sale service segment | | Others | | Total segments | | Adjustments and eliminations | | Consolidated | |
| | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 | 2019 | 2018 |
| Revenues from contracts with customers | | | | | | | | | | | | |
| External customers | 2,995 | 2,685 | 1,233 | 1,578 | 2 | 1 | 4,230 | 4,264 | - | - | 4,230 | 4,264 |
| Inter-segment | 326 | 320 | 6 | 5 | 3 | 3 | 335 | 328 | (335) | (328) | - | - |
| Total revenues | 3,321 | 3,005 | 1,239 | 1,583 | 5 | 4 | 4,565 | 4,592 | (335) | (328) | 4,230 | 4,264 |
| Operating results | | | | | | | | | | | | |
| Segment profit | 275 | 210 | 18 | 20 | 72 | 69 | 365 | 299 | 3 | 3 | 368 | 302 |
| Share of profit (loss) from investments in associates and joint ventures | | | | | | | | | | | (26) | 159 |
| Finance cost | | | | | | | | | | | (65) | (50) |
| Profit before income tax expenses | | | | | | | | | | | 277 | 411 |
| Income tax expenses | | | | | | | | | | | (61) | (9) |
| Profit for the period | | | | | | | | | | | 216 | 402 |

21. Events after the reporting period

- a) On 5 April 2019, The Labour Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 42.6 million (the Company only: Baht 6.6 million) as a result. The Group will reflect the effect of the change by recognising past service costs as expenses in the income statement of the period in which the law is effective, which is the second quarter of 2019.
- b) On 23 April 2019, the Annual General Meeting of the Company's shareholders passed a resolution to approve the payment of a dividend of Baht 0.60 per share, totaling Baht 189.96 million, to be paid in May 2019.

22. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 May 2019.