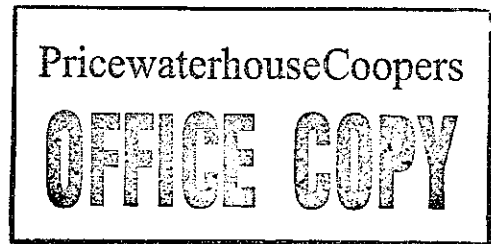


TAKUNI GROUP PUBLIC COMPANY LIMITED

INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION
(UNAUDITED)

30 SEPTEMBER 2018



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AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Takuni Group Public Company Limited

I have reviewed the interim consolidated financial information of Takuni Group Public Company Limited and its subsidiaries, and the interim separate financial information of Takuni Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2018, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the nine-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

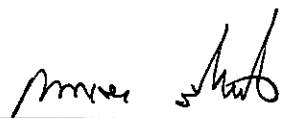
PricewaterhouseCoopers ABAS Ltd.

Nattaporn Phan-Udom
Certified Public Accountant (Thailand) No. 3430
Bangkok
12 November 2018

Takuni Group Public Company Limited
Statement of Financial Position
As at 30 September 2018

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht
Assets				
Current assets				
Cash and cash equivalents	200,526,474	347,119,350	162,250,567	246,066,025
Short-term investments	6 40,662,170	40,647,819	40,260,085	40,299,547
Trade and other receivables	7 484,029,635	349,816,921	88,933,652	104,868,989
Short-term loans to related parties	21 -	-	263,560,000	193,820,000
Inventories	8 223,912,351	31,938,225	22,680,690	22,354,089
Other current assets	8,239,922	22,082,181	639,457	60,969
Total current assets	957,370,552	791,604,496	578,324,451	607,469,619
Non-current assets				
Pledged and restricted bank deposits	27,549,750	9,686,740	2,760,000	5,686,740
Investments in subsidiaries	9 -	-	91,359,470	91,359,470
Investment properties	10 22,515,028	116,665,414	-	-
Property, plant and equipment	11 554,674,932	524,064,756	84,145,638	86,289,197
Goodwill	19,383,641	19,383,641	-	-
Intangible assets	11 12,339,270	9,443,962	604,003	97,395
Deferred income tax assets	12 4,532,816	4,152,847	1,569,637	307,161
Other non-current assets	13 94,427,990	61,121,931	2,128,384	2,066,095
Total non-current assets	735,423,427	744,519,291	182,567,132	185,806,058
Total assets	1,692,793,979	1,536,123,787	760,891,583	793,275,677

Director



นางสาวกาญจนา ริมพณิชยกิจ
กรรมการ

Director



นางสาวนิตา ศรีวิธานวัฒน์
กรรมการ

The accompanying condensed notes are integral part of these interim financial information.

Takuni Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2018

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht
Liabilities and equity					
Current liabilities					
Bank overdrafts and short-term bank borrowings	15	73,638,500	-	-	-
Trade and other payables	14	521,100,372	385,984,876	36,248,483	45,400,536
Current portion of long-term bank borrowings	15	38,640,000	40,080,000	-	-
Current portion of finance lease liabilities	15	2,681,529	2,196,932	912,237	876,522
Current income tax payable		969,906	209,029	445,359	-
Other current liabilities		19,866,942	22,864,035	839,509	707,451
Total current liabilities		656,897,249	451,334,872	38,445,588	46,984,509
Non-current liabilities					
Long-term bank borrowings	15	152,640,000	188,140,000	-	-
Finance lease liabilities	15	3,996,032	2,756,282	716,775	1,405,487
Employee benefit obligations		7,811,540	3,921,676	3,405,609	1,231,317
Deferred income tax liabilities	12	-	352,977	-	-
Other non-current liabilities	16	7,814,241	12,613,969	1,503,210	324,811
Total non-current liabilities		172,261,813	207,784,904	5,625,594	2,961,615
Total liabilities		829,159,062	659,119,776	44,071,182	49,946,124

The accompanying condensed notes are integral part of these interim financial information.

Takuni Group Public Company Limited
Statement of Financial Position (Cont'd)
As at 30 September 2018

	Consolidated financial information		Separate financial information	
	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht	Unaudited 30 September 2018 Baht	Audited 31 December 2017 Baht
Liabilities and equity (Cont'd)				
Equity				
Share Capital				
Authorised share capital 1,200,000,000 ordinary shares at par value of Baht 0.5 each	600,000,000	600,000,000	600,000,000	600,000,000
Issued and paid-up 800,000,000 ordinary shares paid-up of Baht 0.5 each	400,000,000	400,000,000	400,000,000	400,000,000
Premium on paid-up capital ordinary shares	305,527,766	305,527,766	305,527,766	305,527,766
Share surplus from business combination under common control	20,636,290	20,636,290	-	-
Retained earnings				
Appropriated - Legal reserve	7,092,000	7,092,000	7,092,000	7,092,000
Unappropriated	56,898,086	71,178,930	4,200,635	30,709,787
Other component of equity	1,070,428	-	-	-
Equity attributable to owners of the parent	791,224,570	804,434,986	716,820,401	743,329,553
Non-controlling interests	72,410,347	72,569,025	-	-
Total equity	863,634,917	877,004,011	716,820,401	743,329,553
Total liabilities and equity	1,692,793,979	1,536,123,787	760,891,583	793,275,677

The accompanying condensed notes are integral part of these interim financial information.

Takuni Group Public Company Limited
Statement of Comprehensive Income
For the three-month period ended 30 September 2018

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	2018	2017	2018	2017
Note	Baht	Baht	Baht	Baht
Revenue				
Revenue from sales	191,043,297	180,717,811	189,698,975	178,974,162
Revenue from services	372,911,119	305,070,246	-	-
Total revenues	563,954,416	485,788,057	189,698,975	178,974,162
Cost				
Cost of sales	(175,184,113)	(167,890,853)	(174,991,123)	(166,852,887)
Cost of providing services	(327,074,554)	(274,165,520)	-	-
Total costs	(502,258,667)	(442,056,373)	(174,991,123)	(166,852,887)
Gross profit	61,695,749	43,731,684	14,707,852	12,121,275
Other income	2,964,482	3,890,679	6,227,903	8,248,383
Profit before expenses	64,660,231	47,622,363	20,935,755	20,369,658
Selling expenses	(6,826,247)	(5,182,483)	(7,078,449)	(5,690,179)
Administrative expenses	(36,976,525)	(32,964,496)	(12,480,232)	(11,735,869)
Finance costs	(3,237,505)	(3,836,438)	(23,706)	(41,512)
Profit before income tax	17,619,954	5,638,946	1,353,368	2,902,098
Income tax	(3,656,774)	(1,083,034)	(473,936)	(560,494)
Profit for the period	13,963,180	4,555,912	879,432	2,341,604
Other comprehensive income:				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of post-employment benefit obligations	-	-	-	-
Total comprehensive income for the period	13,963,180	4,555,912	879,432	2,341,604
Profit attributable to:				
Owners of the parent	7,904,485	5,048,496	879,432	2,341,604
Non-controlling interests	6,058,695	(492,584)	-	-
Profit for the period	13,963,180	4,555,912	879,432	2,341,604
Total comprehensive income attributable to:				
Owners of the parent	7,904,485	5,048,496	879,432	2,341,604
Non-controlling interests	6,058,695	(492,584)	-	-
Total comprehensive income for the period	13,963,180	4,555,912	879,432	2,341,604
Earnings per share				
Basic earnings per share (Baht)	18	0.0099	0.0063	0.0011

The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited
Statement of Comprehensive Income
For the nine-month period ended 30 September 2018

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	2018	2017	2018	2017
Note	Baht	Baht	Baht	Baht
Revenue				
Revenue from sales	566,616,351	568,026,311	563,383,513	563,131,359
Revenue from services	1,131,676,310	686,267,010	-	-
Total revenues	1,698,292,661	1,254,293,321	563,383,513	563,131,359
Cost				
Cost of sales	(519,159,451)	(531,510,338)	(516,876,660)	(528,883,852)
Cost of providing services	(1,002,410,871)	(601,050,795)	-	-
Total costs	(1,521,570,322)	(1,132,561,133)	(516,876,660)	(528,883,852)
Gross profit	176,722,339	121,732,188	46,506,853	34,247,507
Other income	9,984,666	13,864,907	20,292,897	23,229,271
Profit before expenses	186,707,005	135,597,095	66,799,750	57,476,778
Selling expenses	(16,297,862)	(13,855,774)	(19,519,218)	(15,108,517)
Administrative expenses	(113,567,736)	(93,061,468)	(43,169,331)	(35,140,464)
Finance costs	(9,466,490)	(11,397,868)	(79,829)	(148,569)
Profit before income tax	47,374,917	17,281,985	4,031,372	7,079,228
Income tax	(13,025,875)	(5,786,268)	(1,282,997)	(2,843,136)
Profit for the period	34,349,042	11,495,717	2,748,375	4,236,092
Other comprehensive income:				
Items that will not be reclassified				
subsequently to profit or loss				
Remeasurements of post-employment				
benefit obligations	(1,841,587)	-	(1,258,233)	-
Total comprehensive income				
for the period	32,507,455	11,495,717	1,490,142	4,236,092
Profit attributable to:				
Owners of the parent	15,444,284	8,678,883	2,748,375	4,236,092
Non-controlling interests	18,904,758	2,816,834	-	-
Profit for the period	34,349,042	11,495,717	2,748,375	4,236,092
Total comprehensive income				
attributable to:				
Owners of the parent	13,718,450	8,678,883	1,490,142	4,236,092
Non-controlling interests	18,789,005	2,816,834	-	-
Total comprehensive income				
for the period	32,507,455	11,495,717	1,490,142	4,236,092
Earnings per share				
Basic earnings per share (Baht)	18	0.0193	0.0108	0.0034
				0.0053

The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited

Statement of Changes in Equity

For the nine-month period ended 30 September 2018

Consolidated financial information (Unaudited)																	
Attribute to owner of the parent																	
	Notes	Issued and paid-up capital				Share surplus from business combination under common control				Retained earnings				Other component of equity			
		Premium on paid-up capital		Legal reserve		Appropriated -		Unappropriated		Change in parent's ownership interests in subsidiary		Total owners of the parent		Non-controlling interests		Total equity	
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Opening balance at 1 January 2017		400,000,000	305,527,766	20,636,290	5,450,000	72,571,964	-	804,186,020	-	-	53,440,714	857,626,734					
Dividends	19	-	-	-	-	(24,998,112)	-	(24,998,112)	-	-	-	(24,998,112)					(24,998,112)
Total comprehensive income for the period		-	-	-	-	8,678,883	-	8,678,883	-	-	2,816,834	11,495,717					11,495,717
Closing balance at 30 September 2017		400,000,000	305,527,766	20,636,290	5,450,000	56,252,735	-	787,866,791	-	-	56,257,548	844,124,339					
Opening balance at 1 January 2018		400,000,000	305,527,766	20,636,290	7,092,000	71,178,930	-	804,434,986	-	-	72,569,025	877,004,011					
Change in non-controlling interests from disposal of investment in subsidiary		-	-	-	-	-	1,948	1,948	-	-	752	2,700					
Change in non-controlling interests from addition of investment in subsidiary	9	-	-	-	-	-	1,068,480	1,068,480	-	-	(1,968,480)	(900,000)					
Dividends	19	-	-	-	-	(27,999,294)	-	(27,999,294)	-	-	(16,979,955)	(44,979,249)					
Total comprehensive income for the period		-	-	-	-	13,718,450	-	13,718,450	-	-	18,789,005	32,507,455					
Closing balance at 30 September 2018		400,000,000	305,527,766	20,636,290	7,092,000	56,898,086	1,070,428	791,224,570	1,070,428	72,410,347	863,634,917						

The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited
Statement of Changes in Equity

For the nine-month period ended 30 September 2018

	Notes	Separate financial information (Unaudited)						Total equity
		Issued and paid-up capital	Premium on paid-up capital	Retained earnings		Unappropriated	Total equity	
				Appropriated- Legal reserve	Baht			
Opening balance at 1 January 2017		400,000,000	305,527,766	5,450,000	25,162,591	736,140,357		
Dividends	19	-	-	-	(24,998,112)	(24,998,112)		
Total comprehensive income for the period		-	-	-	4,236,092	4,236,092		
Closing balance at 30 September 2017		400,000,000	305,527,766	5,450,000	4,400,571	715,378,337		
Opening balance at 1 January 2018		400,000,000	305,527,766	7,092,000	30,709,787	743,329,553		
Dividends	19	-	-	-	(27,999,294)	(27,999,294)		
Total comprehensive income for the period		-	-	-	1,490,142	1,490,142		
Closing balance at 30 September 2018		400,000,000	305,527,766	7,092,000	4,200,635	716,820,401		

The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited
Statement of Cash Flows
For the nine-month period ended 30 September 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited 2018 Baht	Unaudited 2017 Baht	Unaudited 2018 Baht	Unaudited 2017 Baht
Cash flows from operating activities					
Profit before income tax		47,374,917	17,281,985	4,031,372	7,079,228
Adjustments for:					
Depreciation and amortisation charges	10, 11	35,583,542	31,810,418	4,275,348	4,147,309
(Reversal of) allowance for doubtful accounts	7	3,695,594	(955,520)	3,517,180	228,233
Reversal of impairment of investment in subsidiary		-	-	-	(174,756)
Reversal of allowance for net realisable value and obsoleted and slow moving inventories	8	(508,727)	(759,998)	-	-
(Gain) loss on disposal and write-off of property, plant and equipment		(1,074,218)	(3,188,372)	4,693	-
(Gain) loss from remeasurement of investment	6	39,462	(284,859)	39,462	(284,859)
Employee benefit obligations expense		1,833,136	636,598	601,501	140,036
Gain on sale in short-term investments		-	(257,190)	-	(257,190)
Write off withholding tax deducted at source		480,941	-	-	-
Interest income		(2,019,863)	(2,804,309)	(5,149,592)	(7,597,120)
Finance costs		9,466,490	11,397,868	79,829	148,569
		94,871,274	52,876,621	7,399,793	3,429,450
Changes in operating working capital					
- Trade and other receivables		(138,029,803)	(119,675,134)	(8,757,581)	(7,901,961)
- Inventories		(98,015,399)	(3,652,080)	(326,601)	(3,404,313)
- Other current assets		(3,213,246)	(588,726)	(578,488)	1,850
- Other non-current assets		(7,890,406)	2,924,918	(62,289)	(394,129)
- Trade and other payables		137,901,508	188,684,121	(9,175,592)	4,242,612
- Other current liabilities		(2,997,093)	13,712,478	132,058	-
- Employee benefit obligations paid		(245,256)	-	-	-
- Other non-current liabilities		(4,799,728)	(9,565,949)	1,178,399	-
Cash generated from operations		(22,418,149)	124,716,249	(10,190,301)	(4,026,491)
- Interest paid		(9,331,408)	(11,397,868)	(79,829)	(148,569)
- Income tax paid		(37,983,879)	(20,829,580)	(1,785,556)	(1,060,236)
- Income tax received		16,605,243	19,542,488	-	-
Net cash generated from (used in) operating activities		(53,128,193)	112,031,289	(12,055,686)	(5,235,296)

The accompanying condensed notes are integral part of this interim financial information.

Takuni Group Public Company Limited
Statement of Cash Flows (Cont'd)
For the nine-month period ended 30 September 2018

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited 2018 Baht	Unaudited 2017 Baht	Unaudited 2018 Baht	Unaudited 2017 Baht
Cash flows from investment activities					
Pledged and restricted bank deposits		(17,863,010)	9,257,420	2,926,740	9,257,420
Purchases of property, plant and equipment		(64,569,122)	(129,590,233)	(2,074,559)	(227,870)
Purchases of intangible assets		(3,969,814)	(4,378,322)	(544,992)	(92,258)
Proceeds from disposals of property, plant and equipment		2,196,261	3,776,970	-	-
Purchases of short-term investments	6	(53,813)	(129,026,579)	-	(128,968,183)
Proceeds from disposals of short-term investments	6	-	140,257,190	-	140,257,190
Interest received		2,019,863	1,752,625	2,325,335	6,749,696
Dividends received		-	-	23,999,995	-
Short-term loans to related parties	21.2	-	-	(79,440,000)	(246,940,000)
Loan repayment received from related parties	21.2	-	-	9,700,000	143,000,000
Proceeds from dissolution of subsidiary		-	-	-	143,021,100
Acquisition of subsidiary, net of cash acquired		-	-	-	(999,700)
Net cash generated from (used in) investing activities		(82,239,635)	(107,950,929)	(43,107,481)	65,057,395
Cash flows from financing activities					
Proceeds from short-term borrowings from banks	15	39,089,784	-	-	-
Repayments on long-term borrowings from banks	15	(36,940,000)	(35,360,000)	-	(3,500,000)
Dividends paid	19	(44,979,249)	(24,998,112)	(27,999,294)	(24,998,112)
Finance lease principal payments		(2,046,999)	(1,403,703)	(652,997)	(619,146)
Proceeds from disposal of investment in subsidiary		2,700	-	-	-
Payment for investment purchase from non-controlling interests		(900,000)	-	-	-
Net cash used in financing activities		(45,773,764)	(61,761,815)	(28,652,291)	(29,117,258)
Net increase (decrease) in cash and cash equivalents		(181,141,592)	(57,681,455)	(83,815,458)	30,704,841
Cash and cash equivalents at the beginning of the period		347,119,350	286,508,790	246,066,025	130,222,750
Cash and cash equivalents at end of the period		165,977,758	228,827,335	162,250,567	160,927,591
Cash and cash equivalents at the period ended comprise:					
Cash and cash equivalents		200,526,474	228,827,335	162,250,567	160,927,591
Bank overdrafts	15	(34,548,716)	-	-	-
Total		165,977,758	228,827,335	162,250,567	160,927,591
Significant non-cash transactions					
Purchase of property, plant and equipment (included in trade and other payables)		4,239,450	371,401	36,539	8,400
Purchase assets under finance lease		3,771,346	1,262,450	-	-
Disposal of property, plant and equipment (included in other accounts receivable)		-	121,496	-	-

The accompanying condensed notes are integral part of this interim financial information.

1 General information

Takuni Group Public Company Limited (the Company) is a public company incorporated and resident in Thailand. The address of its registered office is as follows:

140/1 Soi Nawe Charoensap, Kanchanaphisek Road, Bang Khae, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as "the Group". The detail of subsidiaries are set out in note 9.

The principal business operations of the Group are Liquid Petroleum Gas trading, hazardous substances and construction materials transportation services, gas systems installation and safety check services for vehicles, construction services and property development business.

This interim consolidated and separate financial information was authorised for issue by the Board of Directors on 12 November 2018.

This interim consolidated and separate financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders' equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant change and are relevant to the Group:

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of a revalued asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale in the scope of TFRS 5 (revised 2017), except for the summarised financial information.

The management has assessed and considered that the above revised standards do not have significant impact on the Group.

2.2.2 New financial reporting standards which have been announced but not yet effective.

2.2.2.1 TFRS 15 Revenue from contracts with customers is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard.

TFRS 15	Revenue from contracts with customers
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TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
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
TSIC 31 (revised 2017)	Revenue - barter transactions involving advertising services

The new standard is based on the principle that

- revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards.
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New financial reporting standards which have been announced but not yet effective. (Cont'd)

2.2.2.1 TFRS 15 Revenue from contracts with customers is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard. (Cont'd)

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on or after 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail and has identified the following areas that are likely to be affected:

- extended warranties, which will need to be accounted for as separate performance obligations, which will delay the recognition of a portion of the revenue
- accounting for cost incurred in fulfilling a contract - certain costs which are currently expensed may need to be recognised as an asset under TFRS 15
- rights of return - TFRS 15 requires separate presentation on the balance sheet of the right to recover the goods from the customer and the refund obligations.

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards.

The Group of financial instruments reporting standards consist of the following standards:

TAS 32	Financial Instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments
TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

The above new standards will supersede the following standards:

TAS 101	Bad and Doubtful Debts
TAS 103	Disclosures in the Financial Statements of Bank and Similar Financial Institutions
TAS 104	Accounting for Troubled Debt Restructuring
TAS 105	Accounting for Investment in Debts and Equity securities
TAS 106	Accounting for Investment Companies
TAS 107	Financial Instruments: Disclosure and Presentation

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New financial reporting standards which have been announced but not yet effective. (Cont'd)

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards. (Cont'd)

TAS 32 Financial Instruments: Presentation, provides the requirements for the presentation of financial instruments as liabilities or equity and for offsetting financial assets and financial liabilities. It applies to the classification of financial instruments, from the perspective of the issuer, into financial assets, financial liabilities and equity instruments; the classification of related interest, dividends, losses and gains; and the circumstances in which financial assets and financial liabilities should be offset.

TFRS 7 Financial Instruments: Disclosures, provides the requirements for the disclosure of financial instruments that are intended to enable users to evaluate the significance of financial instruments for an entity's financial position and performance, and to understand the nature and extent of risks arising from those financial instruments to which the entity is exposed during the period and at the end of the reporting period, and how the entity manages those risks.

TFRS 9 Financial Instruments, establishes principles for the classification, measurement and derecognition of financial assets and financial liabilities, impairment requirement and hedge accounting as follow:

Classification and measurement:

- The classification and measurement of debt instrument financial assets has three classification categories, which are amortised cost, fair value through profit or loss and fair value through other comprehensive income. Classification of debt assets will be driven by the entity's business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
- Equity instrument financial assets shall be measured at fair value through profit or loss. An entity can make an irrevocable election to recognise the fair value change in other comprehensive income without subsequent recycling to profit or loss.
- Financial liabilities are classified and measured at amortised cost. An entity can choose to measure a liability at fair value through profit or loss when the conditions are met.
- Derivatives are classified and measured at fair value through profit or loss.
- The impairment requirements relating to the accounting for an entity's expected credit losses on its financial assets measured at amortised cost, investments in debt instruments measured at fair value through other comprehensive income, lease receivables, loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognised. The entity always accounts for expected credit losses which involves a three stage approach. The stage dictates how the entity measures impairment losses and applies the effective interest rate method. Except for trade receivables and contractual assets which apply in TFRS 15 and are no significant financial components and lease receivables, they are permitted to measure by simplified approach for credit impaired consideration.
- The objective of hedge accounting is to represent, in the financial statements, the effect of an entity's risk management activities that use financial instruments to manage exposures arising from particular risks that could affect profit or loss (or other comprehensive income, in the case of investments in equity instruments for which an entity has elected to present changes in fair value in other comprehensive income). This approach aims to convey the context of hedging instruments for which hedge accounting is applied in order to allow insight into their purpose and effect.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.2 New financial reporting standards which have been announced but not yet effective. (Cont'd)

2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted those standards. (Cont'd)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation, clarifies the accounting treatment in respect of net investment hedging, provides guidance on identifying the foreign currency risks that qualify as a hedged risk. Clarifying that hedging instruments that are hedges of a net investment in a foreign operation may be held anywhere in the group not only by the parent. This includes the guidance on how an entity should determine the amount to be reclassified from equity to profit or loss for both the hedging instrument and the hedged item.

TFRIC 19 Extinguishing financial liabilities with equity instruments, provides the requirements for accounting treatment when the entity issues equity instruments to a creditor to extinguish all or part of a financial liability. The equity instruments issued shall be measured at fair value. The entity shall remove a financial liability (or part of a financial liability) from its statement of financial position when it is extinguished in accordance with TFRS 9. The difference between the carrying amount of the financial liability (or part of a financial liability) extinguished and the fair value of equity instruments issued shall be recognised in profit or loss.

The Group's management is currently assessing the impact of initial adoption of these standards.

2.3 New accounting policy

2.3.1 Land awaiting for development

Land awaiting for development are consisted of cost of land and expenses directly related shown at the lower of cost and net realisable value.

3 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

4 Segment information

The Group presents segment information in accordance with business segment in the financial report by considering based on the grouping of related products and services as the basis for segment information.

Significant business segments are as follows:

Liquid Petroleum Gas trading	: Petroleum gas trading for household cooking, industry and transportation
Gas installation equipment trading	: Industrial and car gas systems installation and equipment trading
Transportation services	: Hazardous substances and construction materials transportation services by land
Construction services	: Construction services
Non-destructive testing (NDT) and inspection service	: Industrial and car gas systems safety-checking services
Others	: Property development

The Group has two customers in construction services which each generated revenues more than 10% of total revenues in the consolidated financial information for nine-month period ended 30 September 2018 totaling Baht 895.16 million (30 September 2017: one customer totaling Baht 406.55 million).

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4 Segment information (Cont'd)

	Consolidated financial information													
	For the three-month period ended 30 September 2018													
	Sales			Services									Total	
	Petroleum gas trading		Car gas system installation and equipment trading		Transportation services		Construction service		NDT and inspection service		Other		Total	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht	2018 Baht	2017 Baht	2018 Baht	2017 Baht	2018 Baht	2017 Baht	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Revenues from operation	189,698,975	178,974,182	1,455,638	2,246,432	12,880,014	10,475,143	348,279,720	288,490,870	23,633,926	15,375,551	-	-	573,948,273	495,582,158
Revenues from inter - segment	-	-	(111,316)	(502,783)	(8,182,854)	(7,184,498)	(1,484,534)	(602,522)	(2,235,153)	(1,484,287)	-	-	(11,983,857)	(9,774,101)
Total revenue	189,698,975	178,974,182	1,344,322	1,743,649	4,717,160	3,290,644	346,795,186	287,888,348	21,398,773	13,891,254	-	-	563,954,416	485,788,057
Operating profit (loss)	1,520,189	1,172,315	20,435	1,016,374	1,139,399	421,328	16,903,564	7,782,832	1,436,210	(879,422)	(98,043)	(98,043)	20,857,459	9,475,384
Financial cost	-	-	-	-	-	-	-	-	(162,338)	-	-	-	(3,237,505)	(3,836,438)
Profit before tax	-	-	-	-	-	-	-	-	-	-	-	-	17,619,954	5,638,946
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	(3,656,774)	(1,083,034)
Net profit	-	-	-	-	-	-	-	-	-	-	-	-	13,963,180	4,555,912

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4 Segment information (Cont'd)

	Consolidated financial information															
	For the nine-month period ended 30 September 2018															
	Sales			Services									Total			
	Petroleum gas trading		Car gas system installation and equipment trading		Transportation services		Construction service		NDT and inspection service		Other		2017		2018	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	Baht	Baht	Baht
Revenues from operation	563,383,513	563,131,359	3,895,920	5,975,371	35,758,640	27,813,864	1,070,409,662	638,537,426	61,660,044	47,628,022	-	-	1,735,107,679	1,283,086,042		
Revenues from Inter - segment	(3,732)	-	(659,350)	(1,080,419)	(23,456,480)	(19,432,609)	(2,863,569)	(1,793,302)	(9,831,887)	(6,486,391)	-	-	(36,815,018)	(28,792,721)		
Total revenue	563,379,781	563,131,359	3,236,570	4,894,952	12,302,080	8,381,255	1,067,546,093	636,744,124	51,828,157	41,141,631	-	-	1,698,292,661	1,254,293,321		
Operating profit (loss)	3,580,867	2,569,435	132,477	2,082,052	2,440,098	1,803,995	53,315,823	24,546,924	(2,156,188)	(2,357,711)	(471,690)	25,158	56,841,407	28,679,853		
Financial cost													(9,466,490)	(11,397,868)		
Profit before tax													47,374,917	17,281,985		
Income tax													(13,025,675)	(5,786,268)		
Net profit													34,349,042	11,495,717		
As at 30 September 2018 and 31 December 2017																
Property, plant and equipment, net	86,510,151	89,349,772	5,260,700	5,466,888	36,193,812	40,402,085	402,776,361	370,174,334	29,933,908	18,669,707	-	-	554,674,632	524,084,756		
Goodwill	-	-	-	-	-	-	19,383,641	19,383,641	-	-	-	-	19,383,641	19,383,641		
Total consolidated assets	378,380,109	481,474,674	16,482,485	10,766,923	43,455,547	47,654,718	1,047,875,779	840,775,630	54,364,416	44,314,874	152,235,643	111,136,968	1,692,793,979	1,536,123,787		
Total consolidated liabilities													829,159,062	689,119,776		

5 Fair value

5.1 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).

Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets that are measured at fair value at 30 September 2018 and 31 December 2017. See note 10 for disclosures of the investment properties that are measured at fair value.

	Level 2			
	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Financial assets at fair value through profit or loss				
Investment in fixed income fund classified as trading investment (note 6)	40,260,085	40,299,547	40,260,085	40,299,547
Fixed deposit (note 6)	402,085	348,272	-	-
Total assets	40,662,170	40,647,819	40,260,085	40,299,547

There were no transfers between levels 1 and 2 during the period.

5.2 Valuation techniques used to derive Level 2 fair values

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

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6 Short-term investments

As of 30 September 2018 and 31 December 2017, information relating to short-term investments is as follows:

	Consolidated financial information			
	30 September 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments				
Investment in fixed income fund classified as trading investments	40,000,000	40,260,085	40,000,000	40,299,547
Fixed deposit	402,085	402,085	348,272	348,272
Gain on fair value measurement	260,085	-	299,547	-
Total short-term investments	40,662,170	40,662,170	40,647,819	40,647,819

	Separate financial information			
	30 September 2018		31 December 2017	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments				
Investment in fixed income fund classified as trading investments	40,000,000	40,260,085	40,000,000	40,299,547
Gain on fair value measurement	260,085	-	299,547	-
Total short-term investments	40,260,085	40,260,085	40,299,547	40,299,547

During the nine-month period ended 30 September 2018, the movement of short-term investments is as follows:

	Consolidated financial information			
	For three-month period		For nine-month period	
	Trading securities Baht	Fixed deposit Baht	Trading securities Baht	Fixed deposit Baht
Opening net book amount	40,126,867	348,272	40,299,547	348,272
Addition	-	53,813	-	53,813
Disposal	-	-	-	-
Gain (loss) on fair value measurement during the period	133,218	-	(39,462)	-
Closing net book amount	40,260,085	402,085	40,260,085	402,085

	Separate financial information			
	For three-month period		For nine-month period	
	Trading securities Baht	Fixed deposit Baht	Trading securities Baht	Fixed deposit Baht
Opening net book amount	40,126,867	-	40,299,547	-
Addition	-	-	-	-
Disposal	-	-	-	-
Gain (loss) on fair value measurement during the period	133,218	-	(39,462)	-
Closing net book amount	40,260,085	-	40,260,085	-

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7 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade account receivables	270,537,169	232,797,884	64,910,166	74,437,215
<u>Less</u> Allowance for doubtful accounts	(6,551,988)	(2,856,394)	(5,589,070)	(2,071,890)
Total trade account receivables - net	263,985,181	229,941,490	59,321,096	72,365,325
Receivable from related parties (note 21)	-	-	1,124,773	1,329,175
Others receivables	1,019,871	5,669,113	50,464	1,128,751
Prepayments	28,511,137	19,875,419	21,652,114	2,084,795
Accrued interest income (note 21)	-	-	6,785,205	3,960,948
Dividend receivable (note 21)	-	-	-	23,999,995
Accrued income				
- NDT and inspection service	7,525,513	7,811,894	-	-
Unbilled receivables under construction contracts	182,844,865	86,519,005	-	-
Others accrued income	143,068	-	-	-
Total trade and other receivables - net	<u>484,029,635</u>	<u>349,816,921</u>	<u>88,933,652</u>	<u>104,868,989</u>

Outstanding trade accounts receivable can be analysed as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade account receivables				
Within credit term	205,011,570	184,434,718	33,446,354	30,569,762
Overdue				
- Up to 3 months	56,690,551	39,774,960	23,791,606	37,241,523
- 3 - 6 months	1,191,119	2,432,240	921,467	1,861,812
- 6 - 12 months	3,827,764	4,591,808	3,214,452	3,582,970
- Over 12 months	3,816,165	1,564,158	3,536,287	1,181,148
Total	270,537,169	232,797,884	64,910,166	74,437,215
<u>Less</u> Allowance for doubtful accounts	(6,551,988)	(2,856,394)	(5,589,070)	(2,071,890)
Trade account receivables - net	<u>263,985,181</u>	<u>229,941,490</u>	<u>59,321,096</u>	<u>72,365,325</u>

Management believe that the allowance provided for is sufficient based on its consideration of past debt collection experiences of the Group.

Unbilled receivables are revenues under construction contracts, which will be collected from customers following the percentage of completion, and the balance will be billed in the following month.

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8 Inventories

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Finished goods				
- petroleum gas	20,812,145	22,309,260	20,954,687	22,354,089
- gas tank for installation and equipment	11,381,002	11,995,748	-	-
Work in progress - gas installations	545,554	1,359,772	-	-
Work in progress - construction contract	1,654,745	-	1,726,003	-
Raw materials	63,241,669	5,516,105	-	-
General supplies	2,627,284	2,616,115	-	-
Land awaiting for development	135,000,000	-	-	-
Total	235,262,399	43,797,000	22,680,690	22,354,089
<u>Less</u> Allowance for net realisable value of inventories	<u>(11,350,048)</u>	<u>(11,858,775)</u>	<u>-</u>	<u>-</u>
Total inventories - net	223,912,351	31,938,225	22,680,690	22,354,089

As at 30 September 2018, the Group provided an allowance for finished goods particularly those items relating to gas installation and equipment of Baht 11.35 million (31 December 2017: Baht 11.86 million), in which allowance of Baht 0.51 million was reversed as related finished goods were sold in the third quarter of 2018 (2017: allowance of Baht 0.76 million was reversed).

During the period, the Group considered to reclassify land of a subsidiary from investment properties to inventories due to its business plan to develop this land as a development project for sale. In addition, on 1 June 2018, the Company's Extraordinary General Meeting approved such subsidiary to purchase two plots of land from related parties for total amount of Baht 41.55 million as a part of the project. The ownership was transferred to the subsidiary on 7 September 2018. (note 21.4)

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9 Investment in subsidiaries

Investment in subsidiaries as at 30 September 2018 are as follows:

Name	Country of incorporation and place of business	Nature of business	Nature of Relationship	Proportion of ordinary shares directly held by parent (%)		Proportion of ordinary shares held by the group (%)		Proportion of ordinary shares held by non-controlling interests (%)		Separate financial information	
				30 September 2018	31 December 2018	30 September 2018	31 December 2018	30 September 2018	31 December 2018	30 September 2018	31 December 2018
Takuni (Thailand) Co., Ltd. (TT)	Thailand	Industrial and car gas systems installation and equipment trading, and construction services	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	53,376,790	53,376,790
Ratchaphruek Engineering Co., Ltd. (RE)	Thailand	NDT and inspection service	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	21,339,800	21,339,800
G Gas Logistics Co.,Ltd. (GG)	Thailand	Hazardous substances and construction materials transportation services by land	Direct shareholding	99.99	99.99	99.99	99.99	0.01	0.01	15,643,180	15,643,180
Takuni Land Co., Ltd. (TL)	Thailand	Property development	Direct shareholding	99.97	99.97	99.97	99.97	0.03	0.03	999,700	999,700
CAZ (Thailand) Public Company Limited (CAZ)	Thailand	Construction services	Indirect shareholding via TT	-	51.30	-	51.30	48.70	48.70	-	-
JKEC Co., Ltd. (JKEC)	Thailand	Construction services	Indirect shareholding via CAZ	-	73.17	-	51.22	26.83	48.78	-	-
										<u>91,359,470</u>	<u>91,359,470</u>

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company does not differ from the proportion of ordinary shares.

9 Investment in subsidiaries (Cont'd)

The movement of investment in subsidiaries for the nine-month period ended 30 September 2018 is as follows:

	Separate financial information Baht
Beginning net book amount	91,359,470
Acquisition	-
Reversal of impairment	-
Disposal	-
Ending net book amount	<u>91,359,470</u>

On 28 September 2018, CAZ (Thailand) Public Company Limited made additional investment in JKEC Co., Ltd. of 9,000 shares totalling Baht 900,000. The acquisition resulted in the change in shareholding percentage from 51.22% to 73.17%. The difference between consideration paid and carrying value of acquired shares of Baht 1.07 million was recognised in the owners of the parent and presented in other components of equity.

10 Investment properties

The movement of investment properties for the nine-month period ended 30 September 2018 can be summarised as follows:

	Consolidated financial information		
	Land Baht	Buildings Baht	Total Baht
Opening net book amount	93,450,000	23,215,414	116,665,414
Addition	-	-	-
Transferred out	(93,450,000)	-	(93,450,000)
Depreciation charge	-	(700,386)	(700,386)
Closing net book amount	<u>-</u>	<u>22,515,028</u>	<u>22,515,028</u>
Fair value at 30 September 2018*	<u>-</u>	<u>71,100,000</u>	<u>71,100,000</u>

Land

During the period, the Group considered to reclassify land of a subsidiary from investment properties to inventories due to its business plan to develop this land as a development project for sale.

Buildings

*Fair values of the Group's investment properties were assessed by an independent valuer. The fair values are based on income approach for building located at head office leased to the external parties according to its report dated 30 November 2017 and market approach for condominium according to its report dated 16 October 2017.

As at 30 September 2018, management believes the Group has no significant factors that may affect the fair value as previously assessed.

Buildings for rent at net book value of Baht 5.34 million has been pledged as a security for bank overdrafts, circulating loan credit, letters of credit or trust receipts and forward contracts (note 22.1)

11 Property, plant, equipment and intangible assets

The movement of property, plant, equipment and intangible assets for the nine-month period ended 30 September 2018 is summarised as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	524,064,756	9,443,962	86,289,197	97,395
Additions	65,419,374	3,969,814	2,098,098	544,992
Disposals/ Written offs	(1,000,548)	-	(4,693)	-
Depreciation/ Amortisation charges	(33,808,650)	(1,074,506)	(4,236,964)	(38,384)
Closing net book amount	<u>554,674,932</u>	<u>12,339,270</u>	<u>84,145,638</u>	<u>604,003</u>

As at 30 September 2018, the Group had pledged certain plots of land and buildings with net book value of Baht 330.93 million (31 December 2017: Baht 339.38 million) as collateral for credit facilities for bank overdrafts, letters of credits or trust receipt, letters of guarantees, forward contracts, long-term borrowings from financial institutions (note 15 and note 22.1).

12 Deferred tax assets (liabilities)

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Deferred income tax assets	4,532,816	4,152,847	1,569,637	307,161
Deferred income tax liabilities	-	(352,977)	-	-
Deferred income tax, net	<u>4,532,816</u>	<u>3,799,870</u>	<u>1,569,637</u>	<u>307,161</u>

Deferred tax assets arise from temporary differences of the allowance for doubtful accounts, allowance for inventories, reserve for employee benefit obligations, warranty provisions and provisions for sales promotion. Deferred tax liabilities arise from temporary differences of finance leases and gains and losses arising from the acquisition of assets between the Group.

13 Other non-current assets

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Deposit and guarantee	2,587,033	2,415,738	921,667	859,380
Withholding tax deducted at source	69,018,695	43,603,042	1,206,717	1,206,715
Retention	<u>22,822,262</u>	<u>15,103,151</u>	-	-
Total other non-current assets	<u>94,427,990</u>	<u>61,121,931</u>	<u>2,128,384</u>	<u>2,066,095</u>

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14 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Trade accounts payable	231,208,429	187,030,141	26,882,802	36,482,304
Trade accounts payable - related parties (note 21)	-	-	2,753,975	2,943,273
Amounts due to related parties (note 21)	-	-	293,433	50,677
Other payables	4,535,629	4,255,737	2,120,166	1,442,535
Unearned revenue	210,331,250	161,219,330	-	-
Accrued expenses	75,025,064	33,479,668	4,198,107	4,481,747
Total trade and other payables	521,100,372	385,984,876	36,248,483	45,400,536

15 Borrowings

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Current				
Bank overdrafts	34,548,716	-	-	-
Short-term bank borrowing	39,089,784	-	-	-
Current portion of long-term bank borrowings	38,640,000	40,080,000	-	-
Current portion of finance lease liabilities	2,681,529	2,196,932	912,237	876,522
Total current borrowings	114,960,029	42,276,932	912,237	876,522
Non-Current				
Bank borrowings	152,640,000	188,140,000	-	-
Finance lease liabilities	3,996,032	2,756,282	716,775	1,405,487
Total non-current borrowings	156,636,032	190,896,282	716,775	1,405,487
Total borrowings	271,596,061	233,173,214	1,629,012	2,282,009

The movement in long-term borrowings from banks is analysed as follows:

	Consolidated financial information	Separate financial information
	30 September 2018 Baht	30 September 2018 Baht
Opening amount	228,220,000	-
Additions	-	-
Repayments	(36,940,000)	-
Closing amount	191,280,000	-

15 Borrowings (Cont'd)

Subsidiaries

GG

On 13 January 2016, GG entered into the long-term loan agreement with a local bank amounting to Baht 10.00 million, which required the principle repayment of Baht 120,000 per month, totaling 84 months. This borrowing bears the interest rate at 4.00% per annum and is pledged by land of GG (note 11). However, the long-term borrowing was repaid in full amount during the period ended 30 September 2018.

CAZ

On 15 January 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 10.00 million, which required the principle repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at MLR% per annum and is pledged CAZ's director.

On 15 January 2016, CAZ entered into the borrowing agreement with a local bank amounting to Baht 10.00 million, which required the repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at 4.00% per annum and is pledged by CAZ's director.

On 10 August 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 250.00 million, which required the repayment of Baht 2.98 million per month, totaling 84 periods. This borrowing bears the interest rate at MLR - 0.75% per annum for the first anniversary of the date of drawdown and MLR - 0.50 % per annum for the period thereafter. The borrowing is pledged by the Company, land and buildings of CAZ and CAZ's director (note 11).

16 Other non-current liabilities

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Deposit and guarantee Retention	329,811	329,811	324,811	324,811
Warranty provisions	7,165,635	7,919,815	1,020,600	-
Provisions for sales promotion	160,996	4,364,343	-	-
	157,799	-	157,799	-
Total other non-current liabilities	7,814,241	12,613,969	1,503,210	324,811

17 Warrants

Warrants to purchase ordinary shares TAKUNI-W

On 29 January 2016, the Company issued warrants to offer to its existing shareholders. The detail of warrants is as follows:

Type of warrants	:	To be issued under the names of respective holders and transferable.
Term of warrants	:	5 years from the issuing and offering date
Number of warrants	:	399,999,874 units
Ratio	:	2 existing ordinary shares per 1 warrant
Offering price	:	Baht 0 per unit
Exercise ratio	:	1 warrant per 1.04 ordinary shares (31 December 2017: 1 warrant per 1.02 ordinary shares)
Exercise price	:	Baht 1.93 per share (31 December 2017: Baht 1.97 per share)
Exercise date	:	On the last business day of December of each year
Last exercise date	:	28 January 2021

At 22 March 2018, the company adjusted exercise price and exercise ratio of warrants during the term of the warrants since dividend payout is higher than dividend payout policy.

17 Warrants (Cont'd)

Warrants to purchase ordinary shares TAKUNI-W (Cont'd)

The movement of warrants to purchase ordinary shares for the nine-month period ended 30 September 2018 is as follows:

	Consolidated and separate financial information
	TAKUNI-W Warrants
Opening balance	399,999,874
Warrants issued during the period	-
Warrants exercised during the period	-
Closing balance	<u>399,999,874</u>

18 Basic earnings per share

Basic earnings per share are calculated by dividing the net profit for the period attributable to shareholders by the weighted average number of ordinary shares.

	Consolidated financial information		Separate financial information	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
For the three-month period ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	7,904,485	5,048,496	879,432	2,341,604
Weighted average number of ordinary shares in issue (Shares)	800,000,000	800,000,000	800,000,000	800,000,000
Basic earnings per share (Baht)	0.0099	0.0063	0.0011	0.0029
For the nine-month period ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	15,444,284	8,678,883	2,748,375	4,236,092
Weighted average number of ordinary shares in issue (Shares)	800,000,000	800,000,000	800,000,000	800,000,000
Basic earnings per share (Baht)	0.0193	0.0108	0.0034	0.0053

19 Dividend

Company

On 26 April 2017 the Annual General Shareholders' meeting approved the dividends payment from the operating results for the year ended 31 December 2016 at Baht 0.03125 per share for 800 million shares, totalling Baht 25.00 million. The dividends were paid to shareholders on 25 May 2017.

On 23 April 2018, the Annual General Shareholders' meeting approved the dividends payment from the operating results for the year ended 31 December 2017 at Baht 0.035 for 800 million shares, totalling Baht 28.00 million. The dividends were paid to shareholders on 21 May 2018.

19 Dividend (Cont'd)

Subsidiary

CAZ

On 10 April 2018, the Annual General Shareholders' meeting of CAZ approved the dividends payment from the the operating results for the year ended 31 December 2016 and 2017 at Baht 27.83 per share for one million shares, totaling Baht 27.83 million. The dividends were paid to shareholders on 9 May 2018.

On 11 May 2018, the Board of Director's meeting of CAZ approved the interim dividends payment from the operating result for the period ended 31 March 2018 at Baht 0.035 per share for 200 million shares, totaling Baht 7.04 million. The interim dividends were paid to shareholders on 8 June 2018.

20 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 21% per annum (30 September 2017: 21% per annum).

21 Related party transactions

As at 30 September 2018, the major shareholders of the Company are four individuals from the same family, which own 51.40% of the Company's share capital. The investment in subsidiaries is disclosed in note 9.

The following material transactions were carried out with related parties:

21.1 Outstanding balances arising from sales/purchases of goods/services

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Other receivables				
Subsidiaries	-	-	1,124,773	1,329,175
Accrued interest income				
Subsidiaries	-	-	6,785,205	3,960,948
Dividend receivable				
Subsidiaries	-	-	-	23,999,995
Prepayment				
Subsidiaries	-	-	19,521,278	-
Trade accounts payable				
Subsidiaries	-	-	2,753,975	2,943,273
Other account payables				
Subsidiaries	-	-	293,433	50,677

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21 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

21.2 Short-term loans to related parties

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Subsidiaries	-	-	263,560,000	193,820,000

The movement in short-term loans to related parties is as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Opening balance	-	-	193,820,000	107,320,000
Additions	-	-	79,440,000	284,200,000
Repayments	-	-	(9,700,000)	(197,700,000)
Ending balance	-	-	263,560,000	193,820,000

These loans are unsecured and carry interest at the rate of 3.00% per annum. The loans are due on demand.

21.3 Revenues from sales of goods/services and other income

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
For the three-month period ended 30 September				
Other income				
Subsidiaries	-	-	3,527,562	3,737,756
Interest income (include in other income)				
Subsidiaries	-	-	833,348	1,728,158

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
For the nine-month period ended 30 September				
Revenue from sales				
Subsidiaries	-	-	3,732	-
Other income				
Subsidiaries	-	-	10,996,361	9,967,908
Interest income (include in other income)				
Subsidiaries	-	-	3,219,805	4,890,575

21 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

21.4 Purchases of goods/services and other expenses

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
For the three-month period ended 30 September				
Purchase of goods and services				
Subsidiaries	-	-	-	325,521
Shareholders	41,550,000	-	-	-
	<u>41,550,000</u>	<u>-</u>	<u>-</u>	<u>325,521</u>
Office rental expenses				
Subsidiaries	-	-	267,000	126,000
Transportation expenses				
Subsidiaries	-	-	7,676,608	6,545,837
Other expenses				
Subsidiaries	-	-	154,926	25,431
For the nine-month period ended 30 September				
Purchase of goods and services				
Subsidiaries	-	-	-	484,543
Shareholders	41,550,000	-	-	-
	<u>41,550,000</u>	<u>-</u>	<u>-</u>	<u>484,543</u>
Office rental expenses				
Subsidiaries	-	-	801,000	378,000
Transportation expenses				
Subsidiaries	-	-	21,922,572	17,443,709
Other expenses				
Subsidiaries	-	-	549,043	130,390

21 Related party transactions (Cont'd)

The following material transactions were carried out with related parties: (Cont'd)

21.5 Key management compensation

Key management includes directors (executive and non-executive) and management of the Group, the compensation paid or payable to key management is shown below:

	Consolidated financial information		Separate financial information	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
For the three-month period ended 30 September				
Salaries and other short-term employee benefits	7,793,864	7,498,467	3,426,655	3,426,655
Post-employment benefits	251,972	128,094	175,817	44,590
	<u>8,045,836</u>	<u>7,626,561</u>	<u>3,602,472</u>	<u>3,471,245</u>
For the nine-month period ended 30 September				
Salaries and other short-term employee benefits	21,563,598	19,999,247	10,559,965	10,375,795
Post-employment benefits	755,916	384,281	527,452	133,769
	<u>22,319,514</u>	<u>20,383,528</u>	<u>11,087,417</u>	<u>10,509,564</u>

21.6 Sureties

A subsidiary has guaranteed a letter of guarantee made by a bank to another subsidiary in a total amount of Baht 80 million (31 December 2017: Baht 160 million).

22 Commitments and contingency

22.1 Letters of guarantee

As at 30 September 2018, the outstanding bank guarantees issued by the banks on behalf of the Group for the purchase of petroleum gas from gas sellers and government agencies for the electricity usage, and on behalf of subsidiaries for the purchase of goods and contractual performance are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Letters of guarantee	<u>836,916,721</u>	<u>514,301,817</u>	<u>58,000,000</u>	<u>60,000,000</u>

The Group has credit facilities for letter of credit or trust receipt, letter of guarantee and forward contract. These credit facilities are pledged by subsidiaries' assets, subsidiaries' bank accounts, and directors (note 10 and note 11).

22 Commitments and contingency (Cont'd)

22.2 Operating lease commitments

As at 30 September 2018, the Group and Company had the future aggregate minimum lease payments under non-cancellable operating lease in respect of operating vehicle, tools and equipment and land rental for gas storage facility in Pichit province, as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Within 1 year	6,105,785	6,837,939	1,035,757	1,917,733
Within 2 to 5 years	7,145,939	6,487,087	2,025,844	3,943,732
Over 5 years	4,773,263	5,098,712	4,773,263	5,098,712
Total	18,024,987	18,423,738	7,834,864	10,960,177

22.3 Capital commitment

Capital expenditure contracted for at the reporting date but not yet incurred is as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Property, plant and equipment	13,738,190	7,988,860	-	-
Intangible asset	1,419,303	-	1,419,303	-
Total	15,157,493	7,988,860	1,419,303	-

22.4 Commitment from purchasing construction materials

Construction materials purchase contracted for at the reporting date but not yet incurred is as follows:

	Consolidated financial information		Separate financial information	
	30 September 2018 Baht	31 December 2017 Baht	30 September 2018 Baht	31 December 2017 Baht
Construction materials	34,874,147	1,196,000	-	-

22.5 Litigation

Subsidiary

CAZ ("subsidiary") has been sued from claiming damage case by a company ("plaintiff") for breach of service contract in amount of Baht 1.52 million. The Court of First Instance reached out judgement on 27 October 2017 to dismiss the case. On 22 February 2018, the plaintiff filed an appeal with its claims to the Court of Appeal and the subsidiary received notice from the court to defend the plaintiff's appeal on 11 March 2018. The subsidiary has to file an appeal to defend the plaintiff's appeal on 10 June 2018. The subsidiary has appointed to meet up at the court on 15 November 2018. The subsidiary has not recorded provision for the contingent liabilities, which may arise from the legal proceeding since the management believes that the subsidiary will not incur any significant loss from this litigation.