

**Cho Thavee Public Company Limited  
and its Subsidiaries**

Condensed interim financial statements  
for the three-month and nine-month periods ended  
30 September 2019  
and  
Independent auditor's review report

## **Independent auditor’s report on review of interim financial information**

### **To the Board of Directors of Cho Thavee Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of Cho Thavee Public Company Limited and its subsidiaries, and of Cho Thavee Public Company Limited, respectively, as at 30 September 2019; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2019, changes in equity and cash flows for the nine-month period ended 30 September 2019; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

#### *Scope of Review*

I conducted my review in accordance with Thai Standard on Review Engagements 2410, “Review of Interim Financial Information Performed by the Independent Auditor of the Entity”. A review of interim financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

#### *Conclusion*

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”.

*Other Matter*

The consolidated and separate statements of financial position of Cho Thavee Public Company Limited and its subsidiaries, and of Cho Thavee Public Company Limited as at 31 December 2018, which are included as comparative information, were audited by another auditor who expressed an unqualified opinion thereon in his report dated 25 February 2019. Furthermore, the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, changes in equity and cash flows of Cho Thavee Public Company Limited and its subsidiaries, and of Cho Thavee Public Company Limited, for the nine-month period ended 30 September 2018, which are included as comparative information, were reviewed by another auditor who expressed an unmodified conclusion thereon in his report dated 13 November 2018.

(Waiyawat Kosamarnchaiyakij)  
Certified Public Accountant  
Registration No. 6333

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 November 2019

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of financial position**

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents		11,368	3,712	11,268	3,631
Trade and other accounts receivables	3, 4	607,410	720,442	490,269	651,785
Contract assets	5	345,824	567,805	345,445	552,010
Short-term loans to subsidiary	3	-	-	181,494	82,870
Inventories	6	701,093	765,175	635,986	710,359
Other current assets		35,585	58,631	35,256	58,305
<b>Total current assets</b>		<b>1,701,280</b>	<b>2,115,765</b>	<b>1,699,718</b>	<b>2,058,960</b>
<b>Non-current assets</b>					
Restricted deposit at financial institution		37,202	41,400	34,202	38,400
Investment in associate	7	2,480	2,552	2,818	2,818
Investments in subsidiaries	9	-	-	23,600	23,600
Other long-term investment		18,750	-	18,750	-
Investment properties	10	-	81,577	-	81,577
Property, plant and equipment	11	1,084,420	1,097,864	1,027,246	1,038,440
Intangible assets		36,406	36,690	32,632	36,649
Deferred tax assets		12,006	12,653	10,860	11,824
Refundable deposits		236,594	236,318	236,594	236,318
Other non-current assets		47,176	15,981	47,172	15,876
<b>Total non-current assets</b>		<b>1,475,034</b>	<b>1,525,035</b>	<b>1,433,874</b>	<b>1,485,502</b>
<b>Total assets</b>		<b>3,176,314</b>	<b>3,640,800</b>	<b>3,133,592</b>	<b>3,544,462</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of financial position**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
<b>Liabilities and equity</b>		30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
		<i>(in thousand Baht)</i>			
<b>Current liabilities</b>					
Bank overdrafts and short-term loans from financial institutions		729,806	1,077,796	708,554	1,046,898
Trade and other accounts payables	3	186,667	444,226	177,144	419,354
Contract liabilities	5	-	1,590	-	1,436
Current portion of long-term loans from other parties		41,593	42,267	41,500	41,500
Short-term loans	3	265,248	769,767	265,248	750,867
Current portion of finance lease liabilities		11,287	10,911	11,287	10,911
Current portions of debenture	12	378,525	125,850	378,525	125,850
Current tax payable		1,684	6,226	1,272	6,226
Other current liabilities		10,276	9,434	10,142	8,453
<b>Total current liabilities</b>		<b>1,625,086</b>	<b>2,488,067</b>	<b>1,593,672</b>	<b>2,411,495</b>
<b>Non-current liabilities</b>					
Long-term loans from other parties		24,900	24,900	24,900	24,900
Finance lease liabilities		4,210	13,654	4,210	13,654
Debentures	12	542,471	198,525	542,471	198,525
Non-current provisions for employee benefits	13	33,699	26,910	31,285	25,602
<b>Total non-current liabilities</b>		<b>605,280</b>	<b>263,989</b>	<b>602,866</b>	<b>262,681</b>
<b>Total liabilities</b>		<b>2,230,366</b>	<b>2,752,056</b>	<b>2,196,538</b>	<b>2,674,176</b>
<b>Equity</b>					
Share capital	14				
Authorised share capital		588,999	460,280	588,999	460,280
Issued and paid-up share capital		327,222	327,222	327,222	327,222
Share premium					
Premium on ordinary shares		524,895	524,895	524,895	524,895
Share premium from share-based payment		29,013	29,013	27,068	27,068
Discount from increment of investments in subsidiary		(5,633)	(5,633)	-	-
Retained earnings (Deficit)					
Appropriated					
Legal reserve		6,820	6,820	6,820	6,820
Unappropriated (Deficit)		63,629	6,423	51,049	(15,719)
<b>Equity attributable to owners of the parent</b>		<b>945,946</b>	<b>888,740</b>	<b>937,054</b>	<b>870,286</b>
Non-controlling interests		2	4	-	-
<b>Total equity</b>		<b>945,948</b>	<b>888,744</b>	<b>937,054</b>	<b>870,286</b>
<b>Total liabilities and equity</b>		<b>3,176,314</b>	<b>3,640,800</b>	<b>3,133,592</b>	<b>3,544,462</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Three-month period ended 30 September		Three-month period ended 30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Revenue from contract	3	143,402	504,035	137,939	0
Revenue from sales and services	3	91,109	63,319	91,533	0
Other income	3, 4, 10	63,114	11,235	65,329	13,110
<b>Total revenues</b>		<b>297,625</b>	<b>578,589</b>	<b>294,801</b>	<b>13,110</b>
<b>Expenses</b>					
Cost of contract	3	(111,832)	(398,610)	(107,278)	(395,990)
Cost of sales and services		(80,301)	(53,475)	(80,910)	(53,634)
Distribution costs		(5,424)	(9,379)	(4,695)	(8,675)
Administrative expenses	3	(52,661)	(37,978)	(49,210)	(37,379)
Finance costs	3	(32,220)	(37,519)	(31,886)	(37,372)
<b>Total expenses</b>		<b>(282,438)</b>	<b>(536,961)</b>	<b>(273,979)</b>	<b>(533,050)</b>
<b>Share of loss of investments in associate</b>		(24)	(29)	-	-
<b>Profit before income tax expense</b>		<b>15,163</b>	<b>41,599</b>	<b>20,822</b>	-
Tax (expense) income		455	-	349	-
<b>Profit for the period</b>		<b>15,618</b>	<b>41,599</b>	<b>21,171</b>	-
<b>Total comprehensive income (expense) for the period</b>		<b>15,618</b>	<b>41,599</b>	<b>21,171</b>	-
<b>Profit attributable to:</b>					
Owners of the parent		15,619	33,800	21,171	32,104
Non-controlling interests		(1)	-	-	-
<b>Profit for the period</b>		<b>15,618</b>	<b>33,800</b>	<b>21,171</b>	<b>32,104</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		15,619	33,800	21,171	32,104
Non-controlling interests		(1)	-	-	-
<b>Total comprehensive income (expense) for the period</b>		<b>15,618</b>	<b>33,800</b>	<b>21,171</b>	<b>32,104</b>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	16	<b>0.0119</b>	<b>0.0282</b>	<b>0.0162</b>	<b>0.0268</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Nine-month period ended 30 September		Nine-month period ended 30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Revenue from contract	3	1,022,238	1,800,053	962,857	1,724,416
Revenue from sales and services	3	242,015	162,592	248,876	178,409
Other income	3, 4, 10	77,056	16,267	83,356	24,516
<b>Total revenues</b>		<b>1,341,309</b>	<b>1,978,912</b>	<b>1,295,089</b>	<b>1,927,341</b>
<b>Expenses</b>					
Cost of contract	3	(822,645)	(1,511,922)	(774,759)	(1,453,935)
Cost of sales and services		(195,724)	(125,153)	(203,017)	(138,462)
Distribution costs		(25,148)	(30,319)	(22,777)	(26,975)
Administrative expenses	3	(129,008)	(123,506)	(117,452)	(121,194)
Finance costs	3	(107,898)	(96,328)	(106,644)	(94,963)
<b>Total expenses</b>		<b>(1,280,423)</b>	<b>(1,887,228)</b>	<b>(1,224,649)</b>	<b>(1,835,529)</b>
<b>Share of loss of investments in associate</b>		<b>(72)</b>	<b>(95)</b>	<b>-</b>	<b>-</b>
<b>Profit before income tax expense</b>		<b>60,814</b>	<b>91,589</b>	<b>70,440</b>	<b>91,812</b>
Tax expense		(7,190)	(8,406)	(7,066)	(8,916)
<b>Profit for the period</b>		<b>53,624</b>	<b>83,183</b>	<b>63,374</b>	<b>82,896</b>
<b>Other comprehensive income</b>					
<i>Items that will not be reclassified subsequently to profit or loss</i>					
Gains on remeasurements of defined benefit plans		4,475	626	4,242	571
Income tax relating to items that will not be reclassified		(895)	(125)	(848)	(114)
<b>Other comprehensive income (expense) for the period, net of tax</b>		<b>3,580</b>	<b>501</b>	<b>3,394</b>	<b>457</b>
<b>Total comprehensive income for the period</b>		<b>57,204</b>	<b>83,684</b>	<b>66,768</b>	<b>83,353</b>
<b>Profit attributable to:</b>					
Owners of the parent		53,626	83,183	63,374	82,896
Non-controlling interests		(2)	-	-	-
<b>Profit for the period</b>		<b>53,624</b>	<b>83,183</b>	<b>63,374</b>	<b>82,896</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		57,206	83,684	66,768	83,353
Non-controlling interests		(2)	-	-	-
<b>Total comprehensive income (expense) for the period</b>		<b>57,204</b>	<b>83,684</b>	<b>66,768</b>	<b>83,353</b>
<b>Earnings per share</b>					
Basic earnings per share (Baht)	16	<b>0.0410</b>	<b>0.0695</b>	<b>0.0484</b>	<b>0.0693</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	<b>Consolidated financial statements</b>								
	Issued and paid-up share capital	Ordinary share premium	Share premium from share-based payment	Discount from increment of investments in subsidiary	Retained earnings (Deficit)		Equity attributable to owners of the parent	Non- controlling interests	Total equity
					Legal reserve	Unappropriated (Deficit)			
<i>(in thousand Baht)</i>									
<b>Nine-month period ended 30 September 2018</b>									
<b>Balance at 1 January 2018</b>	295,735	375,904	29,013	(5,633)	6,820	(39,547)	662,292	4	662,296
Issue of ordinary shares	3,500	17,464	-	-	-	-	20,964	-	20,964
<b>Comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	83,183	83,183	-	83,183
Other comprehensive income	-	-	-	-	-	501	501	-	501
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>83,684</u>	<u>83,684</u>	<u>-</u>	<u>83,684</u>
<b>Balance at 30 September 2018</b>	<u>299,235</u>	<u>393,368</u>	<u>29,013</u>	<u>(5,633)</u>	<u>6,820</u>	<u>44,137</u>	<u>766,940</u>	<u>4</u>	<u>766,944</u>
<b>Nine-month period ended 30 September 2019</b>									
<b>Balance at 1 January 2019</b>	327,222	524,895	29,013	-5,633	6,820	6,423	888,740	4	888,744
<b>Comprehensive income for the period</b>									
Profit for the period	-	-	-	-	-	53,626	53,626	(2)	53,624
Other comprehensive income	-	-	-	-	-	3,580	3,580	-	3,580
<b>Total comprehensive income for the period</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>57,206</u>	<u>57,206</u>	<u>(2)</u>	<u>57,204</u>
<b>Balance at 30 September 2019</b>	<u>327,222</u>	<u>524,895</u>	<u>29,013</u>	<u>(5,633)</u>	<u>6,820</u>	<u>63,629</u>	<u>945,946</u>	<u>2</u>	<u>945,948</u>

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



## Cho Thavee Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Separate financial statements					Total equity
	Issued and paid-up share capital	Share premium	Share premium from share-based premium	Retained earnings (Deficit)		
				Legal reserve	Unappropriated (Deficit)	
	<i>(in thousand Baht)</i>					
<b>Nine-month period ended 30 September 2018</b>						
<b>Balance at 1 January 2018</b>	<b>295,735</b>	<b>375,904</b>	<b>27,068</b>	<b>6,820</b>	<b>(57,878)</b>	<b>647,649</b>
Issue of ordinary shares	3,500	17,464	-	-	-	20,964
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	82,896	82,896
Other comprehensive income	-	-	-	-	457	457
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>83,353</b>	<b>83,353</b>
<b>Balance at 30 September 2018</b>	<b>299,235</b>	<b>393,368</b>	<b>27,068</b>	<b>6,820</b>	<b>25,475</b>	<b>751,966</b>
<b>Nine-month period ended 30 September 2019</b>						
<b>Balance at 1 January 2019</b>	<b>327,222</b>	<b>524,895</b>	<b>27,068</b>	<b>6,820</b>	<b>(15,719)</b>	<b>870,286</b>
<b>Comprehensive income for the period</b>						
Profit for the period	-	-	-	-	63,374	63,374
Other comprehensive income	-	-	-	-	3,394	3,394
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>66,768</b>	<b>66,768</b>
<b>Balance at 30 September 2019</b>	<b>327,222</b>	<b>524,895</b>	<b>27,068</b>	<b>6,820</b>	<b>51,049</b>	<b>937,054</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of cash flows (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Nine-month period ended 30 September		Nine-month period ended 30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>				
Profit for the period	53,624	83,183	63,374	82,896
<i>Adjustments to reconcile profit to cash receipts (payments)</i>				
Tax expense	7,190	8,406	7,066	8,916
Depreciation and amortisation	42,913	40,291	39,466	36,334
Interest income	(8,123)	(6,990)	(14,614)	(10,884)
Finance costs	107,898	96,328	106,644	94,963
Unrealised (gain) loss on exchange and others	(2,923)	5,556	(1,937)	6,063
Reversal of bad and doubtful debts expenses	(16,095)	-	(16,095)	-
Gain on disposal of investment properties	(40,689)	-	(40,689)	-
Employee benefit expenses	11,614	4,044	10,848	3,854
Share of loss from investment in associate	72	95	-	-
	<u>155,481</u>	<u>230,913</u>	<u>154,063</u>	<u>222,142</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other accounts receivables	129,127	(428,352)	177,611	(432,132)
Inventories	64,082	(231,741)	74,373	(218,485)
Contract assets	221,981	(618,659)	206,565	(617,202)
Other current assets	23,046	-	23,049	-
Other non-current assets	(30,824)	(235,405)	(30,608)	(235,405)
Trade and other accounts payables	(257,559)	537,429	(242,210)	526,220
Contract liabilities	(1,590)	(9,236)	(1,436)	(9,236)
Provisions for employee benefits	(920)	(465)	(920)	(465)
Other current liabilities	(3,700)	(51)	(3,265)	371
Net cash flows generated from (used in) operating	<u>299,124</u>	<u>(755,567)</u>	<u>357,222</u>	<u>(764,192)</u>
Taxes paid	(5,879)	(3,301)	(5,878)	(3,283)
<b>Net cash flows from (used in) operating activities</b>	<u><b>293,245</b></u>	<u><b>(758,868)</b></u>	<u><b>351,344</b></u>	<u><b>(767,475)</b></u>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Statement of cash flows (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Nine-month period ended		Nine-month period ended	
	30 September		30 September	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b><i>Cash flows from investing activities</i></b>				
Restricted deposit at financial institution	-4,198	(4,400)	-4,198	(4,400)
Payment of short-term loan to related parties	-	-	-98,624	(5,517)
Proceeds from sale of investment properties	36,000	-	36,000	-
Proceeds from sale of property, plant and equipment	5,472	-	5,472	-
Acquisition of other investments	-18,750	-	-18,750	-
Acquisition of property, plant and equipment	(29,027)	(132,998)	(29,027)	(131,478)
Acquisition of intangible asset	-	(221)	-	(221)
Interest received	3,639	244	3,639	2,109
<b>Net cash flows used in investing activities</b>	<b>(6,864)</b>	<b>(137,375)</b>	<b>(105,488)</b>	<b>(139,507)</b>
<b><i>Cash flows from financing activities</i></b>				
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(240,784)	22,003	(228,549)	30,744
Increase (decrease) in short-term loans	(505,193)	664,908	(485,619)	664,908
Interest paid	(120,301)	(67,713)	(111,604)	(66,348)
Repayment for finance lease liabilities	(9,068)	(9,709)	(9,068)	(9,709)
Repayment of long-term liabilities	-	(636)	-	-
Proceeds of long-term loan from others	-	66,400	-	66,400
Proceeds from issue of debenture	596,621	198,290	596,621	198,290
Proceeds from issue of ordinary shares	-	20,963	-	20,963
<b>Net cash flows from (use in) financing activities</b>	<b>(278,725)</b>	<b>894,506</b>	<b>(238,219)</b>	<b>905,248</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>7,656</b>	<b>(1,737)</b>	<b>7,637</b>	<b>(1,734)</b>
Cash and cash equivalents at beginning of period	3,712	2,611	3,631	2,379
<b>Cash and cash equivalents at end of period</b>	<b>11,368</b>	<b>874</b>	<b>11,268</b>	<b>645</b>

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

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

<b>Note</b>	<b>Contents</b>
1	General information
2	Basis of preparation of the interim financial statements
3	Related parties
4	Trade and other accounts receivables
5	Contract assets and liabilities
6	Inventories
7	Investment in associate
8	Joint operations
9	Investments in subsidiaries
10	Investment properties
11	Property, plant and equipment
12	Interest-bearing liabilities
13	Non-current provisions for employee benefits
14	Share capital
15	Segment information
16	Basic earnings per shares
17	Commitments with non-related parties
18	Other matters
19	Events after the reporting period
20	Thai Financial Reporting Standards (TFRS) not yet adopted
21	Reclassification of accounts

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language financial statements, and were approved and authorised for issue by the Board of Directors on 14 November 2019.

**1 General information**

Cho Thavee Public Company Limited, the “Company”, is incorporated in Thailand, and has its registered office as follows:

Head office	265 Moo 4, Klang Muang Road, Tambol Muang Khao, Amphur Muang, Khon Kaen
Branch 1	96/25 Moo 3, Vibhavadi-Rangsit Road, Talad Bang Khen District, Lak-Si, Bangkok
Branch 2	66/5 Moo 2, Tambol Pong, Amphur Banglamung, Chonburi
Branch 3	62/25 Moo 2, Tambol Lam Sai, Amphur Wang Noi, Ayutthaya
Branch 4	37/30 Moo 1, Tambol Nong Kham, Amphur Sriracha, Chonburi

The Company was listed on the Market for Alternative Investment (MAI) on 13 May 2013.

The Company’s major shareholder during the financial period was Mr. Suradech Taweesaengsakulthai.

The principal business operations of the Company and subsidiaries are engaged in manufacturing, selling and providing service of trailer assembly, vehicles and special equipments. Details of the Company’s subsidiaries as at 30 September 2019 and 31 December 2018 were as follows:

Name of the entity	Type of Business	Ownership interest (%)	
		30 September 2019	31 December 2018
<b>Direct subsidiaries</b>			
Cho Thavee Thermo Tech Co., Ltd.	Manufacturing, fabrication, assembly for panel and container	99.99	99.99
Amornrattanakosin Co., Ltd.	Public Transportation	99.97	99.97

The above direct subsidiaries were incorporated in Thailand.

**2 Basis of preparation of the interim financial statements**

**(a) Statement of compliance**

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**(b) *Functional and presentation currency***

The interim financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thousand Baht, unless otherwise stated.

**(c) *Use of judgements, estimates and accounting policies***

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group's accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 Revenue from Contracts with Customers ("TFRS 15") which the Group has initially adopted to replace TAS 18 Revenue ("TAS 18"), TAS 11 Construction Contracts ("TAS11") and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such changes in accounting policies have no material impacts on the financial statements.

In addition, the Group has not early adopted a number of new and revised TFRS which are not yet effective for current period in preparing these interim financial statement. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 20.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**3 Related parties**

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with subsidiaries, associates, joint ventures, relationships with key management and other related parties and pricing policy did not significantly change in the third quarter of 2019.

Significant transactions for the three-month and nine-month periods ended 30 September 2019 and 2018 with person or related parties were as follows:

<i>Three-month period ended September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Revenue from contract	-	-	1,449	-
Revenue from sales and services	-	-	660	371
Administrative income	-	-	425	749
Rental income	-	-	432	660
Interest income	-	-	3,001	2,077
Other income	-	-	645	9
Purchase of raw materials	-	-	3,473	3,428
<b>Person or other related parties</b>				
Revenue from contract	-	352,126	-	351,687
Revenue from sales and services	12,421	3,559	12,421	3,559
Administrative income	558	1,421	558	1,421
Rental income	126	126	126	126
Income from late payment penalty	-	6,793	-	5,030
Interest income	3,820	-	2,640	-
Purchase of raw materials	2,804	15,529	2,804	15,529
Rental expense	390	453	390	390
Administrative and other expense	1,060	1,067	1,060	1,067
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term management benefits	5,239	4,349	5,239	4,676
Long-term management benefits	326	235	326	294

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

<i>Nine-month period ended September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Revenue from contract	-	-	1,509	482
Revenue from sales and services	-	-	7,081	16,659
Administrative income	-	-	899	2,253
Rental income	-	-	1,752	1,980
Interest income	-	-	7,790	5,677
Other income	-	-	2,381	17
Purchase of raw materials	-	-	12,978	15,282
<b>Person or other related parties</b>				
Revenue from contract	341,067	567,336	326,459	566,897
Revenue from sales and services	41,675	53,474	41,675	7,879
Administrative income	2,980	4,234	2,980	4,234
Rental income	378	378	378	378
Income from late payment penalty	-	6,793	-	5,030
Interest income	8,796	41	5,376	41
Purchase of raw materials	18,391	48,717	18,391	48,717
Rental expense	1,230	1,359	1,230	1,170
Administrative and other expense	3,080	4,402	3,080	4,402
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term management benefits	15,968	13,226	15,968	13,226
Long-term management benefits	993	687	993	687

Balances as at 30 September 2019 and 31 December 2018 with person or related parties were as follows:

***Trade accounts receivable - related parties***

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	5,379	8,138
Other related parties	248,965	259,221	167,877	190,196
<b>Total</b>	<b>248,965</b>	<b>259,221</b>	<b>173,256</b>	<b>198,334</b>



**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

*Other receivables - related parties*

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	16,311	363
Other related parties	74,891	69,118	21,935	66,276
<b>Total</b>	<b>74,891</b>	<b>69,118</b>	<b>38,246</b>	<b>66,639</b>

*Short-term loans to related parties*

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	181,494	82,870

Movements during the nine-month period ended 30 September 2019 and 2018 of loans to related parties were as follows :

*Short-term loans to related parties*

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	82,870	87,922
Increase	-	-	204,784	58,826
Decrease	-	-	(106,160)	(53,309)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>181,494</b>	<b>93,439</b>

*Trade and other accounts payables - related parties*

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	2,211	-
Other related parties	10,629	4,783	8,284	4,690
<b>Total</b>	<b>10,629</b>	<b>4,783</b>	<b>10,495</b>	<b>4,690</b>

*Accrued interest expense*

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Other related parties	-	214	-	214



**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	44,280	145,682	25,531	145,986
Overdue:				
Less than 3 months	2,323	3,602	4,488	1,337
3 - 6 months	73,286	38,660	69,764	6,085
6 - 12 months	99,332	28,662	52,855	7,785
Over 12 months	29,744	42,615	20,618	37,141
	<b>248,965</b>	<b>259,221</b>	<b>173,256</b>	<b>198,334</b>
Less allowance for doubtful accounts	-	-	-	-
	<b>248,965</b>	<b>259,221</b>	<b>173,256</b>	<b>198,334</b>
<b>Other parties</b>				
Within credit terms	69,737	244,810	69,733	243,230
Overdue:				
Less than 3 months	54,466	49,234	54,224	46,696
3 - 6 months	11,861	5,144	9,207	5,144
6 - 12 months	6,153	8,997	6,153	8,997
Over 12 months	10,480	11,802	9,504	10,826
	<b>152,697</b>	<b>319,987</b>	<b>148,821</b>	<b>314,893</b>
Less allowance for doubtful accounts	(2,510)	(18,605)	(1,534)	(17,628)
	<b>150,187</b>	<b>301,382</b>	<b>147,287</b>	<b>297,265</b>
<b>Net</b>	<b>399,153</b>	<b>560,603</b>	<b>320,543</b>	<b>495,599</b>

The normal credit terms granted by the Group ranges from 30 days to 90 days.

**Other receivables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Post-date cheque from sale of investment property	84,000	-	84,000	-
Loans to director	44,954	3,999	-	-
Advance payment	32,306	15,249	39,000	18,912
Prepaid expenses	22,213	10,225	22,043	9,612
Retention receivable	972	110,069	972	110,069
Others	23,813	20,297	23,711	17,593
<b>Total</b>	<b>208,258</b>	<b>159,839</b>	<b>169,726</b>	<b>156,186</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**5 Contract assets and liabilities**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Contract assets</b>				
Work in progress and attributable profit	2,163,634	1,691,922	2,163,255	1,676,127
Progress billings	(1,817,810)	(1,124,117)	(1,817,810)	(1,124,117)
<b>Total</b>	<b>345,824</b>	<b>567,805</b>	<b>345,445</b>	<b>552,010</b>
<b>Contract liabilities</b>				
Work in progress and attributable profit	-	4,843	-	4,798
Progress billings	-	(6,433)	-	(6,234)
<b>Total</b>	<b>-</b>	<b>(1,590)</b>	<b>-</b>	<b>(1,436)</b>

TFRS15 summarises definition of contract assets and liabilities as follow

The contract assets primarily relate to the Group's and the Company's rights to consideration for work completed but not billed at the reporting date on made-to-order products or services. The contract assets are transferred to receivables when the rights become unconditional to the Group and the Company. This usually occurs when an invoice is issued to the customer.

The contract liabilities primarily relate to the advance consideration received from customers for sales of goods or services. The Group and the Company recognise such contract liabilities as revenue when transferring control of the goods or services to the customers.

**6 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Finished goods	22,140	23,341	22,048	23,249
Work in progress	369,026	89,360	358,798	78,836
Raw materials	264,595	376,802	209,170	331,884
Store supplies	13,011	16,472	12,329	15,869
Goods in transit	1,639	1,990	1,639	1,990
Advance for purchase of raw materials	41,830	268,354	41,830	268,354
<b>Total</b>	<b>712,241</b>	<b>776,319</b>	<b>645,814</b>	<b>720,182</b>
<i>Less</i> allowance for decline in value	(11,148)	(11,144)	(9,828)	(9,823)
<b>Net</b>	<b>701,093</b>	<b>765,175</b>	<b>635,986</b>	<b>710,359</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**7 Investment in associate**

<i>For the period nine-months ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
As at 1 January	2,552	2,676	2,818	2,818
Share of loss from investment in associate	(72)	(95)	-	-
<b>As at 30 September</b>	<b><u>2,480</u></b>	<b><u>2,581</u></b>	<b><u>2,818</u></b>	<b><u>2,818</u></b>
<b>As at 31 December</b>		<b><u>2,552</u></b>		<b><u>2,818</u></b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

Investment in associate as at 30 September 2019 and 31 December 2018, and dividend income for the nine-month period ended 30 September 2019 and 2018 were as follows;

	<b>Consolidated financial statements</b>										Dividend income for the nine-month period ended			
	Ownership interest		Paid-up capital		Cost		Equity		30 September 2019		30 September 2018			
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018		
	(%)		<i>(in thousand Baht)</i>											
<b>Associate</b>														
KLRT Company Limited	49	49	5,750	5,750	2,818	2,818	2,480	2,552	-	-	-	-		
	<b>Separate financial statements</b>										Dividend income for the nine-month period ended			
	Ownership interest		Paid-up capital		Cost		Impairment		Cost - net		30 September 2019		30 September 2018	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	30 September 2018	30 September 2019	30 September 2018
	(%)		<i>(in thousand Baht)</i>											
<b>Associate</b>														
KLRT Company Limited	49	49	5,750	5,750	2,818	2,818	-	-	2,818	2,818	-	-	-	-

None of the Group's associate is publicly listed and consequently do not have published price quotation.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**8 Joint operation**

In the first quarter of 2019, SCN-CHO completed its delivery of the remaining 189 NGV buses to Bangkok Mass Transit Authority. Under the agreement, SCN-CHO will continue to provide repair and maintenance services for 10 years after each bus started operating.

**9 Investments in subsidiaries**

	<b>Separate financial statements</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
<i>For the nine-month period ended 30 September</i>		
As at 1 January	23,600	22,600
As at 30 September	<u>23,600</u>	<u>22,600</u>
As at 31 December		<u>23,600</u>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

Investments in subsidiaries as at 30 September 2019 and 31 December 2018, and dividend income for the nine-month period ended 30 September 2019 and 2018 were as follows:

	<b>Separate financial statements</b>									
	Ownership interest		Paid-up capital		Cost		Dividend income			
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	30 September 2018		
	(%)		<i>(in thousand Baht)</i>							
<b><i>Subsidiaries</i></b>										
Cho Thavee Thermo Tech Co., Ltd.	99	99	20,000	20,000	22,600	22,600	-	-		
Amorrattanakosin Co., Ltd.	99	99	1,000	1,000	<u>1,000</u>	<u>1,000</u>	<u>-</u>	<u>-</u>		
					<b><u>23,600</u></b>	<b><u>23,600</u></b>	<b><u>-</u></b>	<b><u>-</u></b>		



**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**10 Investment property**

In the third quarter of 2019, the Company sold investment property which was land to a non-related party and recognised gain on sale amounting to Baht 40.7 million presented under other income in separate and consolidated financial statement. The remaining investment property amounting to Baht 2 million was considered by management to reclassify to property, plant and equipment for operation purpose.

**11 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 30 September were as follows:

<i>For the nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>			
	2019		2018	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	2,266	-	-	-
Buildings and other constructions	6,973	-	7,850	-
Machinery and equipment	6,681	(60)	10,338	(142)
Furniture, fixtures and office equipments	1,587	(96)	1,649	(43)
Vehicles	3,470	(1)	5,914	-
Assets under construction and installation	10,009	(793)	94,440	(4,040)
<b>Total</b>	<b>30,986</b>	<b>(950)</b>	<b>120,191</b>	<b>(4,225)</b>

<i>For the nine-month period ended 30 September</i>	<b>Separate financial statements</b>			
	2019		2018	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land	2,266	-	-	-
Buildings and other constructions	6,973	-	7,851	-
Machinery and equipment	6,382	(60)	10,310	(142)
Furniture, fixtures and office equipments	1,499	(111)	1,611	(43)
Vehicles	3,470	(1)	5,914	-
Assets under construction and installation	9,230	(793)	93,154	(4,040)
<b>Total</b>	<b>29,820</b>	<b>(965)</b>	<b>118,840</b>	<b>(4,225)</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**12 Interest-bearing liabilities**

The Company has debentures as below :

- 1) the unsubordinated, unsecured short-term debenture with name registered, offering to institution investors and high net worth investors at 201,100 units in par value of Baht 1,000 per unit aggregating to Baht 201.10 million (net of underwriting fee incurred for issuing the debenture in amount of Baht 2.57 million to be Baht 198.53 million). Interest was carried at the rate of 6.50% per annum, repaying quarterly. Debenture holds a lifespan of 2 years and maturity on 21 September 2020.
- 2) the unsubordinated short-term debenture with name registered, offering to specific investors on 21 June 2019 at 180,000 units in par value of Baht 1,000 per unit aggregating to Baht 180 million. Interest was carried at the rate of 7.25% per annum. Debenture holds a lifespan of 6 months and maturity in December 2019.
- 3) the unsubordinated, unsecured debenture with name registered, offering to institution investors and high net worth investors at 545,300 units in per value of Baht 1,000 per unit aggregating to Baht 545.30 million (net of underwriting fee incurred for issuing the debenture in amount of Baht 2.83 million to be Baht 542.47 million). Interest was carried at the rate of 6.75% per annum, repaying quarterly. Debenture holds a lifespan of 2 years and maturity in February 2021.

**13 Non-current provisions for employee benefits**

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the second quarter of 2019. As a result of this change, the provision for retirement benefits and past service cost recognised during the nine-month period then ended in the consolidated and separate financial statements increased by an amount of Baht 6.2 million and Baht 5.8 million, respectively.

**14 Share capital**

	Par value per share (in Baht)	2019		2018	
		Number	Baht	Number	Baht
<i>(thousand shares / thousand Baht)</i>					
<b>Authorised</b>					
At 1 January					
- ordinary shares	0.25	1,841,118	460,280	1,182,942	295,736
Reduce share capital by share cancellation	0.25	(532,231)	(133,058)	-	-
Increase share capital by new share issuance	0.25	1,047,109	261,777	658,176	164,544
<b>- ordinary shares at 30 September</b>	<b>0.25</b>	<b>2,355,996</b>	<b>588,999</b>	<b>1,841,118</b>	<b>460,280</b>
<b>- ordinary shares at 31 December</b>	<b>0.25</b>			<b>1,841,118</b>	<b>460,280</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

	Par value per share (in Baht)	2019		2018	
		Number	Baht	Number	Baht
		<i>(thousand shares / thousand Baht)</i>			
<b><i>Issued and paid-up</i></b>					
At 1 January					
- ordinary shares	0.25	1,308,887	327,222	1,182,942	295,735
Increase share capital by new share issuance	0.25	-	-	14,000	3,500
<b>- ordinary shares at 30 September</b>	<b>0.25</b>	<b><u>1,308,887</u></b>	<b><u>327,222</u></b>	<b><u>1,196,942</u></b>	<b><u>299,235</u></b>
<b>- ordinary shares at 31 December</b>	<b>0.25</b>			<b><u>1,308,887</u></b>	<b><u>327,222</u></b>

On 24 April 2019 the general meeting of shareholders approved the following;

*Decrease of share capital*

Approved to decrease the registered share capital from 1,841,118,481 ordinary shares with a par value of Baht 0.25 per share, totalling Baht 460,279,620.25, to newly registered share capital of 1,308,886,517 ordinary shares with a par value of Baht 0.25 per share, totalling Baht 327,221,629.25, by cancelling unissued shares which were left over from the ordinary share allotment of 532,231,964 ordinary shares at a par value of Baht 0.25 per share, totalling Baht 133,057,991.

The Company registered the capital reduction with Department of Business Development on 21 May 2019.

*Increase of share capital*

Approved to increase the registered share capital from 1,308,886,517 ordinary shares with a par value of Baht 0.25 per share, totalling Baht 327,221,629.25 to newly registered share capital of 2,355,995,730 ordinary shares with a par value of Baht 0.25 per share, totalling Baht 588,998,932.50, by issuing new 1,047,109,213 ordinary shares at par value of Baht 0.25 per share, totalling Baht 261,777,303.25, to support the General Mandate and exercises of the Company's Warrants for purchasing ordinary shares Series 2 (CHO-W2).

The Company registered the capital increase with Department of Business Development at 22 May 2019.

## **15 Segment information**

To assess the Group's operation, the Group considers the gross profit from the revenue transactions comprising revenues from contract work, revenues from sales and revenues from services. Intercompany sales were already eliminated. Gross profit was determined by subtracting cost of contract work, cost of sales and services and cost from joint operations.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

The Group's revenue from major customers for the three-month period ended 30 September 2019 and 2018 were Baht 47.33 million and Baht 15.80 million, respectively.

***Information about reportable segments***

<b><i>For the three-month period ended 30 September</i></b>	<b>Consolidated financial statements</b>							
	Revenue from contract		Revenue from sales		Revenue from services		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
Revenue	143,402	504,035	3,122	3,091	87,987	60,228	234,511	567,354
Gross profit (loss)	<u>31,570</u>	<u>105,424</u>	<u>674</u>	<u>(189)</u>	<u>10,134</u>	<u>10,033</u>	<u>42,378</u>	<u>115,268</u>
Unallocated selling and administrative expenses and finance costs							(89,397)	(85,171)
Unallocated gain (loss) on exchange rate							(908)	1,807
Unallocated other income							63,090	9,695
Unallocated income tax (expense) income							<u>455</u>	<u>(7,799)</u>
Total comprehensive income for the period							<u>15,618</u>	<u>33,800</u>
Less Non-controlling interest							<u>1</u>	<u>-</u>
Total comprehensive income - equity holders of the parent							<u><u>15,619</u></u>	<u><u>33,800</u></u>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

The Group's revenue from major customers for the nine-month period ended 30 September 2019 and 2018 were Baht 438.64 million and Baht 1,077.15 million, respectively.

<b>Consolidated financial statements</b>								
<i>For the nine-month period ended 30 September</i>	Revenue from contract		Revenue from sales		Revenue from services		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
Revenue	1,022,238	1,800,053	12,324	9,791	229,691	152,801	1,264,253	1,962,645
Gross profit	<u>199,593</u>	<u>288,130</u>	<u>2,718</u>	<u>5,552</u>	<u>43,573</u>	<u>31,887</u>	<u>245,884</u>	<u>325,569</u>
Unallocated selling and administrative expenses and finance costs							(260,263)	(249,917)
Unallocated gain (loss) on exchange rate							(1,791)	1,441
Unallocated other income							76,984	14,496
Unallocated income tax							(7,190)	(8,406)
Unallocated other comprehensive income							<u>3,580</u>	<u>501</u>
Total comprehensive income for the period							57,204	83,684
Less Non-controlling interest							<u>2</u>	<u>-</u>
Total comprehensive income - equity holders of the parent							<u><u>57,206</u></u>	<u><u>83,684</u></u>

The group does not allocate its assets by business segment.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

*Geographical segments*

The Group and the Company geographical segment is in domestic and overseas. All significant revenue from sale of goods and rendering of services on the basis of geography is presented in this information. Segment revenue from contract and sale of goods and rendering of services is based on the geographical location of customers below:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
Thailand	210,698	512,041
Hong Kong	17,151	31,176
Japan	3,775	17,106
Vietnam	580	-
Korea	76	774
Singapore	-	5,331
Others	2,231	926
<b>Total</b>	<b>234,511</b>	<b>567,354</b>

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
Thailand	1,176,802	1,731,321
Vietnam	28,699	-
Japan	28,069	55,008
Hong Kong	17,350	34,556
Korea	257	31,850
Singapore	-	73,087
Others	13,076	36,823
<b>Total</b>	<b>1,264,253</b>	<b>1,962,645</b>

**16 Basic earnings per share**

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2019 and 2018 were based on the profit for the period attributable to ordinary shareholders of the Company and the ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht/ thousand share)</i>			
<b>Profit for the period attributable to ordinary shareholders of the Company (basic)</b>	<b>15,619</b>	<b>33,800</b>	<b>21,171</b>	<b>32,104</b>
<b>Number of ordinary shares outstanding</b>	<b>1,308,887</b>	<b>1,196,942</b>	<b>1,308,887</b>	<b>1,196,942</b>
<b>Basic earnings per share (Baht)</b>	<b>0.0119</b>	<b>0.0282</b>	<b>0.0162</b>	<b>0.0268</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht/ thousand share)</i>			
<b>Profit for the period attributable to ordinary shareholders of the Company (basic)</b>	<b>53,626</b>	<b>83,183</b>	<b>63,374</b>	<b>82,896</b>
<b>Number of ordinary shares outstanding</b>	<b>1,308,887</b>	<b>1,196,942</b>	<b>1,308,887</b>	<b>1,196,942</b>
<b>Basic earnings per share (Baht)</b>	<b>0.0410</b>	<b>0.0695</b>	<b>0.0484</b>	<b>0.0693</b>

**17 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Capital commitments</b>				
Buildings and other constructions	20,503	-	20,503	-
Machinery and equipment	123,286	138,233	123,286	138,233
<b>Total</b>	<b>143,789</b>	<b>138,233</b>	<b>143,789</b>	<b>138,233</b>
<b>Future minimum lease payments under non-cancellable operating leases</b>				
Within one year	24,038	6,371	21,304	6,071
After one year but within five years	56,383	5,388	55,643	5,356
After five years	25,793	-	25,793	-
<b>Total</b>	<b>106,214</b>	<b>11,759</b>	<b>102,740</b>	<b>11,427</b>

**Other commitments**

	<b>Consolidated and separate financial statements</b>			
	Contract amount			
	Forward foreign currency buying contract			
	Foreign currency		Equivalent to Baht	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand)</i>		<i>(in thousand Baht)</i>	
GBP	691	-	27,650	-
EUR	57	100	2,029	3,760
USD	-	500	-	16,305
JPY	-	20,000	-	5,880
<b>Total</b>			<b>29,679</b>	<b>25,945</b>

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**Consolidated and separate financial statements**

	Contract amount			
	Forward foreign currency selling contract			
	Foreign currency		Equivalent to Baht	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand)</i>		<i>(in thousand Baht)</i>	
EUR	110	234	3,717	8,925
SGD	-	423	-	10,049
USD	-	239	-	7,858
<b>Total</b>			<b>3,717</b>	<b>26,832</b>

**Separate financial statements**

	Contract amount			
	Unused letter of credit			
	Foreign currency		Equivalent to Baht	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand)</i>		<i>(in thousand Baht)</i>	
USD	25	1,803	750	58,817
EUR	-	135	-	5,046
<b>Total</b>			<b>750</b>	<b>63,863</b>

**Consolidated financial statements**

	Contract amount			
	Unused letter of credit			
	Foreign currency		Equivalent to Baht	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand)</i>		<i>(in thousand Baht)</i>	
THB			10,000	-
USD	140	1,857	4,337	60,563
EUR	-	135	-	5,046
<b>Total</b>			<b>14,337</b>	<b>65,609</b>

**Consolidated and separate financial statements**

	30 September 2019		31 December 2018	
	<i>(in thousand Baht)</i>			
<b>Bank guarantees</b>				
Working contract guarantee	296,781		324,134	
Electricity guarantee	1,055		1,200	
	<b>297,836</b>		<b>325,334</b>	



**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

**18 Other matters**

The Company received a notice of contract termination regarding the E-Ticket project from the BMTA on 21 March 2019. The cancelled project value is Baht 1,665 million. According to the notice, claiming that the Company does not comply with the contract and was unable to deliver the work under the contract (E-Ticket system with equipment) within the period determined in the contract, therefore, the BMTA request for the right to terminate the contract.

In the past, the Company complied with the contract by installing the E-Ticket system in all 2,600 buses along with the actual system activation, and the Cash Box system has been installed in 800 buses. The BMTA notified the Company to wait for clarification to complete the installation and utilising only the E-Ticket system. In addition, the BMTA submitted a letter to the Comptroller General's Department to discuss amendments to the contract or to terminate the contract in part by cutting off the Cash Box system from the entire contract.

On 4 September 2019, the Company filed a petition against the government agent at the Central Administrative Court, undecided case no. 1998/2019 between the Company and the BMTA, claiming for damages or services or rental charges that should be paid to the Company amounting to Baht 1,556 million (price exclusive of tax) with an annual interest rate of 7.5% calculated by the date after filing a petition to the payment date. The contract security must be returned to the Company with a late return charge arising from the late return of such security.

**19 Events after the reporting period**

On 10 October 2019, the Company offered the unsubordinated, unsecured debenture to public and institution investors and High Net Worth Investors at 300,000 units in per value of Baht 1,000 per unit aggregating to Baht 300 million. Interest was carried at the rate of 7.00% per annum, repaying quarterly. Debenture holds a lifespan of 2 years and maturity in October 2021.

**20 Thai Financial Reporting Standards (TFRS) not yet adopted**

A number of new and revised TFRS which relevant to the Group's and the Company's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS become effective for annual financial reporting periods beginning on or after 1 January 2020 of the following years.

<b>TFRS</b>	<b>Topic</b>
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

*\*TFRS financial instruments standards*

**(a) TFRS - Financial instruments standards**

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

*(b) TFRS 16 Leases*

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is presently considering the potential impact of adopting and initially applying TFRSs on the financial statements.

**21 Reclassification of accounts**

Certain accounts in the statement of financial position as at 31 December 2018 and the statement of comprehensive income for the nine-month ended 30 September 2018, which are included in the 2019 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2019 interim financial statements. The significant reclassification as follows:

	<b>2018</b>		
	<b>Consolidated financial statements</b>		
	Before reclass	Reclass	After reclass
	<i>(in thousand Baht)</i>		
<i>Statement of financial position as at</i>			
<i>31 December 2018</i>			
Trade accounts receivable and other receivables	1,288,061	(567,619)	720,442
Contract assets	-	567,805	567,805
Current portion of employee receivables under finance lease agreements (net)	186	(186)	-
Financial instrument assets	236	(236)	-
Value added tax	58,395	(58,395)	-
Other current assets	-	58,631	58,631
Employee receivables under finance lease agreements (net)	155	(155)	-
Income tax receivable	15,826	(15,826)	-
Other non-current assets	-	15,981	15,981
Provision for warranty	3,995	(3,995)	-
Value added tax	1,320	(1,320)	-
Other current liabilities	4,119	5,315	9,434
		- <hr/> <hr/>	

**Cho Thavee Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month period ended 30 September 2019 (Unaudited)**

	<b>2018</b>		
	<b>Consolidated financial statements</b>		
	Before reclass	Reclass	After reclass
	<i>(in thousand Baht)</i>		
<b><i>Statement of comprehensive income</i></b>			
<b><i>nine-month period ended 30 September</i></b>			
Administrative expenses	123,269	237	123,506
Net loss on write-off fixed asset	237	(237)	-
Gain on exchange rates	1,441	(1,441)	-
Other income	14,826	1,441	16,267
		<u>-</u>	
		<u><u>-</u></u>	

	<b>2018</b>		
	<b>Separate financial statement</b>		
	Before reclass	Reclass	After reclass
	<i>(in thousand Baht)</i>		
<b><i>Statement of financial position as at</i></b>			
<b><i>31 December 2018</i></b>			
Trade accounts receivable and other receivables	1,203,610	(551,825)	651,785
Contract assets	-	552,010	552,010
Current portion of employee receivables under finance lease agreements (net)	186	(186)	-
Financial instrument assets	236	(236)	-
Value added tax	58,068	(58,068)	-
Other current assets	-	58,305	58,305
Employee receivables under finance lease agreements (net)	155	(155)	-
Income tax receivable	15,722	(15,722)	-
Other non-current assets	-	15,876	15,876
Provision for warranty	3,595	(3,595)	-
Value added tax	1,319	(1,319)	-
Other current liabilities	3,538	4,915	8,453
		<u>-</u>	
		<u><u>-</u></u>	

<b><i>Statement of comprehensive income</i></b>			
<b><i>nine-month period ended 30 September</i></b>			
Administrative expenses	120,957	237	121,194
Net loss on write-off fixed asset	237	(237)	-
Gain on exchange rates	1,633	(1,633)	-
Other income	22,883	1,633	24,516
		<u>-</u>	
		<u><u>-</u></u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Group's business.