

Carabao Group Public Company Limited and its subsidiaries
Review report and consolidated interim financial statements
For the three-month period ended 31 March 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Carabao Group Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Carabao Group Public Company Limited and its subsidiaries as at 31 March 2018, the related consolidated statements of income and comprehensive income for the three-month period ended 31 March 2018, the related consolidated statements of changes in shareholders' equity and cash flows for the three-month period ended 31 March 2018, as well as the condensed notes to the consolidated financial statements, and have also reviewed the separate financial information of Carabao Group Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting.

Wichart Lokatekrawee

Certified Public Accountant (Thailand) No. 4451

EY Office Limited

Bangkok: 11 May 2018

Carabao Group Public Company Limited and its subsidiaries

Consolidated statement of financial position

As at 31 March 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	3	561,029	146,767	12,814	15,330
Current investments	4	-	7,130	-	7,130
Trade and other receivables	2, 5	1,099,634	959,861	40,311	59,160
Short-term loans to related parties	2	-	-	3,326,707	3,769,386
Dividend receivable from related parties	2	-	-	599,998	599,998
Inventories	6	801,706	656,266	-	-
Other current assets	7	441,933	389,174	280	67
Total current assets		2,904,302	2,159,198	3,980,110	4,451,071
Non-current assets					
Investments in subsidiaries	8	-	-	4,246,749	3,300,419
Investment properties	9	102,975	103,163	-	-
Property, plant and equipment	10	10,396,841	9,608,940	-	-
Goodwill	11	533,547	535,467	-	-
Intangible assets	12	67,340	67,007	4,420	3,640
Deferred tax assets		30,385	31,361	5,917	5,563
Other long-term receivable - related party	2	-	-	26,172	26,172
Other non-current assets		14,865	14,783	-	-
Total non-current assets		11,145,953	10,360,721	4,283,258	3,335,794
Total assets		14,050,255	12,519,919	8,263,368	7,786,865

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

Carabao Group Public Company Limited and its subsidiaries

Consolidated statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		31 March	31 December	31 March	31 December
		2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	13	1,554,000	845,000	1,204,000	735,000
Trade and other payables	2, 14	1,992,749	1,897,197	34,778	53,135
Current portion of long-term loans from financial institutions	16	400,000	300,000	400,000	300,000
Short-term loans from non-controlling interests of the subsidiary	15	-	57,128	-	-
Income tax payable		169,353	94,722	11,674	8,487
Other current liabilities		11,827	12,533	-	168
Total current liabilities		4,127,929	3,206,580	1,650,452	1,096,790
Non-current liabilities					
Long-term loans from financial institutions, net of current portion	16	2,593,090	2,190,400	600,000	700,000
Provision for long-term employee benefits	17	107,105	102,197	55,759	54,026
Deferred tax liabilities		151	152	-	-
Deposits received for rental	2	15,285	15,285	-	-
Total non-current liabilities		2,715,631	2,308,034	655,759	754,026
Total liabilities		6,843,560	5,514,614	2,306,211	1,850,816

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

Carabao Group Public Company Limited and its subsidiaries

Consolidated statement of financial position (continued)

As at 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	31 March	31 December	31 March	31 December	
	Note	2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity (continued)					
Shareholders' equity					
Share capital					
Registered					
1,000,000,000 ordinary shares of Baht 1 each		<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid up					
1,000,000,000 ordinary shares of Baht 1 each		1,000,000	1,000,000	1,000,000	1,000,000
Share premium		3,962,980	3,962,980	3,962,980	3,962,980
Surplus on business combination under common control		323,216	323,216	-	-
Surplus on changes in percentage of shareholding					
in local subsidiary		108,959	108,959	108,959	108,959
Deficit on changes in percentage of shareholding					
in overseas subsidiary	8.2.3	(368,686)	-	-	-
Retained earnings					
Appropriated - statutory reserve	18	100,000	100,000	100,000	100,000
Unappropriated		1,855,107	1,674,589	785,218	764,110
Other components of shareholders' equity		<u>(79,557)</u>	<u>(55,960)</u>	-	-
Equity attributable to owners of the Company		<u>6,902,019</u>	<u>7,113,784</u>	<u>5,957,157</u>	<u>5,936,049</u>
Non-controlling interests of the subsidiary		<u>304,676</u>	<u>(108,479)</u>	-	-
Total shareholders' equity		<u>7,206,695</u>	<u>7,005,305</u>	<u>5,957,157</u>	<u>5,936,049</u>
Total liabilities and shareholders' equity		<u>14,050,255</u>	<u>12,519,919</u>	<u>8,263,368</u>	<u>7,786,865</u>
		-	-	-	-

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

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Directors
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Carabao Group Public Company Limited and its subsidiaries

Income statement

For the three-month period ended 31 March 2018

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

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss					
Revenues					
Sales		3,349,586	2,683,396	-	-
Other income	19	53,021	35,718	96,088	91,936
Total revenues		3,402,607	2,719,114	96,088	91,936
Expenses					
Cost of sales		2,346,844	1,805,241	-	-
Selling expenses		626,780	563,249	-	-
Administrative expenses		194,946	169,759	55,317	51,938
Total expenses		3,168,570	2,538,249	55,317	51,938
Profit before finance cost and income tax expenses		234,037	180,865	40,771	39,998
Finance cost		(24,533)	(4,844)	(14,391)	(7,429)
Profit before income tax expenses		209,504	176,021	26,380	32,569
Income tax expenses	20	(79,190)	(53,004)	(5,272)	(6,508)
Profit for the period		130,314	123,017	21,108	26,061
Profit attribution to					
Equity holders of the Company		180,518	221,436	21,108	26,061
Non-controlling interest of the subsidiaries		(50,204)	(98,419)		
		130,314	123,017		
Earnings per share					
21					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.18	0.22	0.02	0.03
Weighted average number of ordinary shares (Thousand shares)		1,000,000	1,000,000	1,000,000	1,000,000

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

(Unaudited but reviewed)

Carabao Group Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Profit for the period	<u>130,314</u>	<u>123,017</u>	<u>21,108</u>	<u>26,061</u>
Other comprehensive income:				
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>				
Exchange differences on translation of financial statements in foreign currencies	<u>(18,763)</u>	<u>(19,127)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>(18,763)</u>	<u>(19,127)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u><u>111,551</u></u>	<u><u>103,890</u></u>	<u><u>21,108</u></u>	<u><u>26,061</u></u>
Total comprehensive income attribution to				
Equity holders of the Company	156,921	199,302	<u><u>21,108</u></u>	<u><u>26,061</u></u>
Non-controlling interest of the subsidiaries	<u>(45,370)</u>	<u>(95,412)</u>		
Total comprehensive income for the period	<u><u>111,551</u></u>	<u><u>103,890</u></u>		

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

(Unaudited but reviewed)

Carabao Group Public Company Limited and its subsidiaries**Statement of cash flows**

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from operating activities				
Profit before tax	209,504	176,021	26,380	32,569
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	103,206	55,820	-	-
Gain on sales of short-term investments in trading securities	(9)	(566)	(9)	(566)
Gain on changes in value of short-term investments in trading securities	-	(1,056)	-	(1,056)
Reversal of allowance for doubtful accounts	(103)	-	-	-
Reduction cost of inventory to net realisable value	1,713	238	-	-
Gain on sales of equipment	(995)	(882)	-	-
Provision for long-term employee benefits	4,908	3,289	1,733	714
Relised and unrealised loss (gain) on exchange	(18,388)	1,883	(1,943)	1,776
Interest income	(4)	(1,100)	(29,855)	(29,726)
Interest expenses	22,692	3,276	14,368	7,404
Profit from operating activities before changes in operating assets and liabilities	322,524	236,923	10,674	11,115
Operating assets (increase) decrease				
Trade and other receivables	(133,827)	(321,542)	2,519	(430)
Inventories	(147,153)	(103,132)	-	-
Other current assets	(49,682)	(43,186)	(213)	(24)
Other non-current assets	(82)	384	-	-
Operating liabilities increase (decrease)				
Trade and other payables	(92,459)	182,235	(19,539)	(16,842)
Other current liabilities	(706)	(49,671)	(168)	(16,551)
Other non-current liabilities	-	92	-	-
Cash paid for long-term employee benefits	-	(98)	-	-
Cash flows used in operating activities	(101,385)	(97,995)	(6,727)	(22,732)
Cash received from interest income	5	1,156	46,208	46,813
Interest paid	(21,665)	(2,921)	(13,966)	(7,050)
Cash paid for corporate income tax	(6,660)	(4,848)	(2,439)	(2,268)
Net cash flows from (used in) operating activities	(129,705)	(104,608)	23,076	14,763

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

(Unaudited but reviewed)

Carabao Group Public Company Limited and its subsidiaries**Statement of cash flows (continued)**

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Cash flows from investing activities				
Increase in current investments	-	(250,000)	-	(250,000)
Cash received from sale of current investments	7,139	350,000	7,139	350,000
Increase in short-term loan to related parties	-	-	(238,000)	(919,545)
Cash received from repayment of short-term loan to related parties	-	-	682,599	748,000
Increase in investments in subsidiaries	-	-	(946,330)	(364,835)
Proceeds from sales of equipment	2,596	1,322	-	-
Increase in investments properties	(823)	-	-	-
Cash paid for acquisition of property, plant and equipment	(704,288)	(346,695)	-	-
Cash paid for acquisition of intangible assets	(1,006)	(1,134)	-	(1,040)
Net cash flows used in investing activities	<u>(696,382)</u>	<u>(246,507)</u>	<u>(494,592)</u>	<u>(437,420)</u>
Cash flows from financing activities				
Increase in short-term loans from financial institutions	1,869,000	500,000	899,000	500,000
Cash paid for repayment of short-term loans from financial institutions	(1,160,000)	(250,000)	(430,000)	(250,000)
Increase in long-term loans from financial institutions	502,690	-	-	-
Cash received from additional call up for the shares of subsidiary	31,200	-	-	-
Net cash from financing activities	<u>1,242,890</u>	<u>250,000</u>	<u>469,000</u>	<u>250,000</u>
Decrease in translation adjustments	(5,368)	(5,184)	-	-
Net increase (decrease) in cash and cash equivalents	411,435	(106,299)	(2,516)	(172,657)
Cash and cash equivalents at beginning of period	146,767	745,060	15,330	428,754
Effect of change in foreign exchange rate on cash at banks	2,827	-	-	-
Cash and cash equivalents at end of period	<u>561,029</u>	<u>638,761</u>	<u>12,814</u>	<u>256,097</u>

Supplemental disclosures of cash flows information

Non-cash related transactions

Increase in non-controlling interest of subsidiary from joint investment of subsidiary	-	69,306	-	-
Decrease in short-term loans from non-controlling interests of the subsidiary and interest payable from debt conversion	(58,639)	-	-	-
Increase in payable for purchasing of plant and equipment	183,558	24,347	-	-
Increase in payable for purchasing of intangible assets	570	-	780	-
Increase in retention payable	2,645	-	-	-

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

(Unaudited but reviewed)

Carabao Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

Consolidated financial statements												
Equity attributable to owners of the Company												
	Note	Issued and fully paid-up share capital	Share premium	Surplus on business combination under common control	Surplus on changes in percentage of shareholding in local subsidiary	Deficit on changes in percentage of shareholding in overseas subsidiary	Retained earnings		Other components of equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
							Appropriated - statutory reserve	Unappropriated				
Balance as at 1 January 2017		1,000,000	3,962,980	323,216	108,959	-	100,000	1,377,500	384	6,873,039	226,504	7,099,543
Profit for the period		-	-	-	-	-	-	221,436	-	221,436	(98,419)	123,017
Other comprehensive income for the period		-	-	-	-	-	-	-	(22,134)	(22,134)	3,007	(19,127)
Total comprehensive income for the period		-	-	-	-	-	-	221,436	(22,134)	199,302	(95,412)	103,890
Increase in non-controlling interests of subsidiary from joint investment of subsidiary	8.2.1	-	-	-	-	-	-	-	-	-	69,306	69,306
Balance as at 31 March 2017		1,000,000	3,962,980	323,216	108,959	-	100,000	1,598,936	(21,750)	7,072,341	200,398	7,272,739
Balance as at 1 January 2018		1,000,000	3,962,980	323,216	108,959	-	100,000	1,674,589	(55,960)	7,113,784	(108,479)	7,005,305
Profit for the period		-	-	-	-	-	-	180,518	-	180,518	(50,204)	130,314
Other comprehensive income for the period		-	-	-	-	-	-	-	(23,597)	(23,597)	4,834	(18,763)
Total comprehensive income for the period		-	-	-	-	-	-	180,518	(23,597)	156,921	(45,370)	111,551
Effect of additional call up for the shares of subsidiary	8.2.5	-	-	-	-	-	-	-	-	-	31,200	31,200
Effect of change in percentage of shareholding in overseas subsidiary	8.2.3	-	-	-	-	(368,686)	-	-	-	(368,686)	427,325	58,639
Balance as at 31 March 2018		1,000,000	3,962,980	323,216	108,959	(368,686)	100,000	1,855,107	(79,557)	6,902,019	304,676	7,206,695

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

(Unaudited but reviewed)

Carabao Group Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the three-month period ended 31 March 2018

(Unit: Thousand Baht)

	Separate financial statements					Total
	Issued and fully paid-up share capital	Share premium	Surplus on changes in percentage of shareholding in local subsidiary	Retained earnings Appropriated - statutory reserve	Unappropriated	
Balance as at 1 January 2017	1,000,000	3,962,980	108,959	100,000	763,960	5,935,899
Profit for the period	-	-	-	-	26,061	26,061
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	26,061	26,061
Balance as at 31 March 2017	<u>1,000,000</u>	<u>3,962,980</u>	<u>108,959</u>	<u>100,000</u>	<u>790,021</u>	<u>5,961,960</u>
Balance as at 1 January 2018	1,000,000	3,962,980	108,959	100,000	764,110	5,936,049
Profit for the period	-	-	-	-	21,108	21,108
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	21,108	21,108
Balance as at 31 March 2018	<u>1,000,000</u>	<u>3,962,980</u>	<u>108,959</u>	<u>100,000</u>	<u>785,218</u>	<u>5,957,157</u>

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

Carabao Group Public Company Limited and its subsidiaries
Notes to consolidated interim financial statements
For the three-month period ended 31 March 2018

1. General information

1.1 Corporate information

Carabao Group Public Company Limited (“the Company”) is incorporated as a limited company on 28 August 2013 and domiciled in Thailand, and registered the change of its status to a public limited company under The Public Limited companies Act on 8 July 2014. The Company is principally engaged in the investment in subsidiaries. The registered office of the Company is at 393 Silom Building 393, 7 - 10 Floor, Silom Road, Silom, Bangrak, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders’ equity, and cash flows in the same format as that used for the annual financial statements.

These interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the Thai language financial statements.

1.3 Basis of consolidation

These consolidated interim financial statements include the financial statements of Carabao Group Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017. There have been change in the composition of its subsidiary from change in percentage of shareholding in a subsidiary of overseas subsidiary during the period as discussed in Note 8 to the interim financial statements.

1.4 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standard that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019. Key principles of this standard are summarized below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

At present, the management of the Company and its subsidiaries is evaluating the impact of this standard to the financial statements in the year when it is adopted.

1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

2. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 31 March				Transfer Pricing Policy
	Consolidated financial statements		Separate financial statements		
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management income	-	-	64	60	Contract price
Interest income	-	-	30	29	Contract price
Rental and service expenses	-	-	1	1	Contract price
Other income	-	-	1	-	Market price
<u>Transactions with related parties</u>					
Purchase of goods	201	51	-	-	Market price
Sales of goods	15	21	-	-	Market price
Promotion expenses	3	4	-	-	Contract price/ mutually agreed prices
Other expenses	2	1	-	-	Mutually agreed prices
Service income	2	1	-	-	Contract price
Rental income	1	1	-	-	Contract price
Other income	1	1	-	-	Market price

The balances of the accounts as at 31 March 2018 and 31 December 2017 between the Company and those related companies are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<u>Trade and other receivables - related parties</u>				
(Note 5)				
Subsidiaries	-	-	39,137	58,005
Related companies				
(related by shareholders and directors)	16,496	17,213	-	-
Total trade and other receivables - related parties	<u>16,496</u>	<u>17,213</u>	<u>39,137</u>	<u>58,005</u>
<u>Dividend receivable from related parties</u>				
Subsidiaries	-	-	599,998	599,998
Total dividend receivable from related parties	<u>-</u>	<u>-</u>	<u>599,998</u>	<u>599,998</u>
<u>Other long-term receivable - related party</u>				
Subsidiary	-	-	26,172	26,172
Total other long-term receivable - related party	<u>-</u>	<u>-</u>	<u>26,172</u>	<u>26,172</u>
<u>Trade and other payables - related parties</u>				
(Note 14)				
Related companies				
(related by shareholders and directors)	29,469	17,400	-	-
Total trade and other payables - related parties	<u>29,469</u>	<u>17,400</u>	<u>-</u>	<u>-</u>
<u>Deposits received from rental - related parties</u>				
Related companies				
(related by shareholders and directors)	2,757	2,757	-	-
Total deposits received from rental - related parties	<u>2,757</u>	<u>2,757</u>	<u>-</u>	<u>-</u>

As at 31 March 2018 and 31 December 2017, the balance of short-term loans between the Company and those related parties and the movement are as follows.

Short-term loans to related parties

(Unit: Thousand Baht)

Loans to related parties	Related by	Separate financial statements				Balance as at 31 March 2018
		Balance as at 31 December 2017	Increase during the period	Decrease during the period	Gain (loss) on exchange	
Carabao Tawandang Co., Ltd.	Subsidiary	3,435,000	120,000	(535,000)	-	3,020,000
Asia Pacific Glass Co., Ltd.	Subsidiary	179,000	118,000	-	-	297,000
Intercarabao Limited	Subsidiary	108,800	-	(111,200)	2,400	-
Carabao Trading (Hong Kong) Limited	Subsidiary	46,586	-	(36,399)	(480)	9,707
		<u>3,769,386</u>	<u>238,000</u>	<u>(682,599)</u>	<u>1,920</u>	<u>3,326,707</u>

As at 31 March 2018, short-term loans to related parties are in form of promissory notes which charged interest rate at 3.5 percent per annum (31 December 2017: 3.5 - 5.0 percent per annum).

Directors and management's benefits

During the three-month periods ended 31 March 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 31 March			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Short-term employee benefits	39	37	39	37
Post-employment benefits	1	1	1	1
Total	<u>40</u>	<u>38</u>	<u>40</u>	<u>38</u>

Guarantee obligation

As at 31 March 2018, the Company has guarantee obligations on credit facilities of the two subsidiaries, as described in Note 23.5.1 to the financial statements and guarantee obligations on loan of a subsidiary, as described in Note 23.5.2 to the financial statements.

3. Cash and cash equivalents

As at 31 March 2018 and 31 December 2017, cash and cash equivalents consist of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Cash	200	200	10	10
Bank deposits	560,829	146,567	12,804	15,320
Total cash and cash equivalents	<u>561,029</u>	<u>146,767</u>	<u>12,814</u>	<u>15,330</u>

As at 31 March 2018, bank deposits in savings account and fixed deposits carried interest between 0.01 and 0.63 percent per annum (31 December 2017: between 0.01 and 0.38 percent per annum).

4. Current investments

Movement in the current investments account, which were investments in trading securities, during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated/ separate financial statements
Net book value as at 31 December 2017	7,130
Sales during the period	
Proceeds from sales	(7,139)
Gain on sales	9
Total	<u>(7,130)</u>
Net book value as at 31 March 2018	<u>-</u>

5. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	12,282	12,475	-	-
Past due				
Not over 3 months	93	-	-	-
Total trade receivables - related parties	12,375	12,475	-	-
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	561,967	615,512	-	-
Past due				
Not over 3 months	147,320	99,845	-	-
3 - 6 months	18,288	28,958	-	-
6 - 12 months	27,998	-	-	-
Total trade receivables - unrelated parties	755,573	744,315	-	-
Less: Allowance for doubtful debts	(1,253)	(1,394)	-	-
Total trade receivables - unrelated parties - net	754,320	742,921	-	-
Total trade receivables - net	766,695	755,396	-	-
<u>Other receivables</u>				
Other receivables - related parties	3,931	4,526	238	2,776
Other receivables - unrelated parties	4,943	7,398	-	-
Accrued income - related parties	190	212	38,899	55,229
Accrued income - unrelated parties	91	128	-	1
Prepaid expenses	300,840	178,449	1,174	1,154
Advances	10,394	1,308	-	-
Excise tax receivables	11,996	12,079	-	-
Others	554	365	-	-
Total other receivables	332,939	204,465	40,311	59,160
Total trade and other receivables	1,099,634	959,861	40,311	59,160

6. Reduction of inventory to net realisable value

Movements in reduction of inventory to net realisable value account during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Balance as at 31 December 2017	1,298
Increase in reduction of inventory value during the period	1,713
Balance as at 31 March 2018	<u>3,011</u>

7. Other current assets

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2018	2017	2018	2017
VAT receivable	407,391	354,322	-	-
Undue input vat	18,786	22,323	280	67
Supplies for market promotion	9,403	9,141	-	-
Others	6,353	3,388	-	-
Total other current assets	<u>441,933</u>	<u>389,174</u>	<u>280</u>	<u>67</u>

8. Investments in subsidiaries

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

Company's name	Nature of business	Paid-up capital		Percentage of shareholding		Cost method	
		31 March	31 December	31 March	31 December	31 March	31 December
		2018	2017	2018	2017	2018	2017
		(Thousand Baht)	(Thousand Baht)	(Percent)	(Percent)	(Thousand Baht)	(Thousand Baht)
Local subsidiaries							
Carabao Tawandang Co., Ltd.	Manufacture and distribution of beverage	300,000	300,000	100	100	408,958	408,958
Asia Pacific Glass Co., Ltd.	Manufacture and distribution of glass bottles and products	1,299,998	1,299,998	100	100	1,299,998	1,299,998
Tawandang DCM Co., Ltd.	Distribution management	100,000	100,000	100	100	99,998	99,998
Asia Can Manufacturing Co., Ltd.	Manufacture and distribution of aluminum can	540,400	420,400	74	74	399,896	311,096
Overseas subsidiaries							
Carabao Holdings (Hong Kong) Limited	Investment	USD 60.5 million	USD 34 million	100	100	2,036,141	1,178,611
Carabao Trading (Hong Kong) Limited	Trading business in overseas	USD 50,000	USD 50,000	100	100	1,758	1,758
Total						<u>4,246,749</u>	<u>3,300,419</u>

8.2 Investment in subsidiary companies which the Company previously held

8.2.1 On 22 February 2017, the meeting of the Company's Board of Directors passed a resolution to approve CHHK in joining ICSG to establish a new subsidiary in Hong Kong, namely Carabao Venture Holdings (Hong Kong) Limited (CVHHK) with shareholding interest of 90 percent and 10 percent, respectively. The subsidiary is principally engaged in investment in overseas companies with a registered capital equivalent to the amount of not exceeding USD 19.7 million, comprising 19.7 million shares. On 2 March 2017, CVHHK completed the registration of its establishment. As a result, the Company has control over CVHHK via its indirect holding of 90 percent interest through CHHK.

On 6 October 2017, CVHHK has submitted for deregistration with government office of Hong Kong. Such deregistration has already completed on 15 February 2018.

8.2.2 On 5 January 2018, the meeting of the Board of Directors of Carabao Holdings (Hong Kong) Limited (CHHK) (a subsidiary) pass a resolution to increase its registered share capital from USD 34.0 million to USD 60.5 million (increase USD 26.5 million or EUR 22.0 million). The Company had already made the payment for share subscription. Such subsidiary registered the share capital increase on 5 January 2018.

8.2.3 On 8 January 2018, the meeting of the Board of Directors of Carabao Venture Holdings (Luxembourg) S.à r.l. (CVHLUX) (a subsidiary) pass a resolution to increase its registered share capital from EUR 16.9 million to EUR 62.3 million (increase EUR 45.4 million or GBP 40.3 million) in order to support the operation of Intercarabao Limited (ICUK) (another subsidiary) through the process as follows:

- 1) Issue and offer new ordinary shares to existing shareholders in proportion to their holdings in the amount not exceeding EUR 22.0 million or GBP 19.5 million. However, Intercarabao Private Limited (ICSG), another shareholder of CVHLUX, has notified of its intention not to purchase new ordinary shares of CVHLUX in proportion to its holding in full. On 8 January 2018, CHHK purchase the additional ordinary shares of CVHLUX of EUR 22.0 million or GBP 19.5 million and had already made the payment for such share subscription in full amount.
- 2) Convert debt from loans from Carabao Holdings (Hong Kong) Limited (CHHK) and Intercarabao Private Limited (ICSG) into equity in the amount of EUR 23.4 million or GBP 20.8 million.

Such subsidiary registered the share capital increase on 8 January 2018.

A result of such increase in share capital, CHHK's holding proportion in CVHLUX increased from 51 percent to 84.3 percent, whereby the effect to the consolidated statements of financial position as at 31 December 2017 are summarised below.

	(Unit: Thousand Baht)
	<u>Increase (decrease)</u>
Short-term loans from non-controlling interests of the subsidiary	(58,639)
Deficit on changes in percentage of shareholding in overseas subsidiary	(368,686)
Non-controlling interests of the subsidiary	427,325

8.2.4 On 12 January 2018, the meeting of the Board of Directors of Intercarabao Limited (ICUK) (a subsidiary) pass a resolution to increase its registered share capital from GBP 14.5 million to GBP 34.0 million (increase GBP 19.5 million or EUR 22.0 million). Such subsidiary registered the share capital increase on 12 January 2018.

On 12 January 2018, CVHLUX purchase the additional ordinary shares of ICUK of GBP 19.5 million or EUR 22.0 million and had already made the payment for such share subscription of GBP 12.5 million on 12 January 2018 and GBP 3.0 million on 25 April 2018. For the remaining of GBP 4.0 million, CVHLUX will make the payment within 31 December 2018.

8.2.5 On 12 January 2018, Asia Can Manufacturing Co., Ltd. (a subsidiary) additional call up for the ordinary shares which were not fully paid up of 6,990,000 shares, totaling Baht 120.0 million or equivalent to Baht 17.17 per share. Such subsidiary has already received the additional call up on 12 January 2018. As a result, the issued and paid up share capital of such subsidiary increased from Baht 420.4 million to Baht 540.4 million

8.3 Unestablished subsidiary company

On 11 August 2017, the meeting of the Company's Board of Directors passed a resolution to approve an establishment of a subsidiary in Thailand for engaging in the logistic business with a registered capital not exceeding Baht 100 million.

Subsequently, on 21 February 2018, the meeting of the Company's Board of Directors pass a resolution to approve the withdrawal of such establishment of a subsidiary in Thailand for engaging in the logistic business, because the Company's Board of Directors considered that it is not suitable with the group's business at present.

9. Investment properties

Movement of the investment properties account during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2017	103,163
Acquisitions during the period - at cost	823
Depreciation for the period	(1,011)
Net book value as at 31 March 2018	<u>102,975</u>

10. Property, plant and equipment

Movement in the property, plant and equipment account during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2017	9,608,940
Acquisition during the period - at cost	883,378
Capitalised interest	7,113
Disposal during the period - net book value at disposal date	(1,601)
Depreciation for the period	(100,957)
Translation adjustment	(32)
Net book value as at 31 March 2018	<u>10,396,841</u>

11. Goodwill

Movement in the goodwill account during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 31 December 2017	535,467
Less: Translation adjustment	(1,920)
Net book value as at 31 March 2018	<u>533,547</u>

12. Intangible assets

Movement of the intangible assets account during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 31 December 2017	67,007	3,640
Acquisition during the period - at cost	1,576	780
Amortisation for the period	(1,238)	-
Translation adjustment	(5)	-
Net book value as at 31 March 2018	<u>67,340</u>	<u>4,420</u>

13. Short-term loans from financial institutions

The short-term loans from financial institutions carry interest at a reference fix loan rate of commercial banks. The loans are unsecured loans and no any certain conditions of restrictions stipulated in the agreements.

14. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Trade payables - related parties	25,255	16,762	-	-
Trade payables - unrelated parties	988,754	987,902	-	-
Other payables - related parties	1,714	638	-	-
Other payables - unrelated parties	470,590	457,896	9,104	20,381
Accrued expenses - related parties	2,500	-	-	-
Accrued expenses - unrelated parties	286,626	261,445	25,674	32,754
Accrued excise tax	120,556	127,627	-	-
Advance received	96,754	44,927	-	-
Total trade and other payables	<u>1,992,749</u>	<u>1,897,197</u>	<u>34,778</u>	<u>53,135</u>

15. Short-term loans from non-controlling interests of the subsidiary

These short-term loans were loans which Carabao Venture Holdings (Luxembourg) S.à r.l. (CVHLUX) (a subsidiary) borrowed from Intercarabao Private Limited (ICSG), non-controlling interests of such subsidiary. As at 31 December 2017, the outstanding balance of these loans were GBP 1.3 million (or equivalent to Baht 57.1 million), carries interest at fix rate and is due at call.

Subsequently, on 8 January 2018, CVHLUX converted all of such loans and interest payable of GBP 1.3 million (or equivalent to Baht 58.6 million) to equity, as mentioned in Note 8.2.4 to the financial statements.

16. Long-term loans from financial institutions

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
Long-term loans	2,993,090	2,490,400	1,000,000	1,000,000
Less: Portion due within one year	(400,000)	(300,000)	(400,000)	(300,000)
Long-term loans - net of current portion	<u>2,593,090</u>	<u>2,190,400</u>	<u>600,000</u>	<u>700,000</u>

Movements in long-term loans from financial institutions during the three-month period ended 31 March 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 31 December 2017	2,490,400	1,000,000
Add: Increase during the period	<u>502,690</u>	<u>-</u>
Balance as at 31 March 2018	<u><u>2,993,090</u></u>	<u><u>1,000,000</u></u>

On 26 December 2016, the Company had entered into long-term loan agreement with a financial institution with a given credit facilities of Baht 1,000 million, fully drawn down on which interest is charged at the Minimum Loan Rate (MLR) reference rate minus fix rate per annum. The loan is repayable in 10 periods by three-month installments, with the first of these due in June 2018. This long-term loan is unsecured and no any certain conditions or restrictions stipulated in the agreements.

On 2 June 2017, a subsidiary had entered into long-term loan agreement with a financial institution with a given credit facilities of Baht 1,500 million, on which interest is charged at the Minimum Loan Rate (MLR) reference rate minus fix rate per annum. The loan is repayable in 12 periods by three-month installments, with the first of these due in June 2019. This long-term loan is secured by the Company (as mentioned in note 23.5.2). The long-term loan agreement contains conditions that require the subsidiary to comply with certain conditions and restrictions stipulated in the agreement, i.e. to maintain the consolidated financial statements' debt to equity ratio at the rate prescribed in the agreement. As at 31 March 2018, such subsidiary drawn down of Baht 1,118 million (31 December 2017: Baht 1,078 million).

On 12 July 2017, a subsidiary had entered into long-term loan agreement with a financial institution with a given credit facilities of Baht 1,455 million, on which interest is charged at the fixed rate for the first 2 years and the Minimum Loan Rate (MLR) reference rate minus fix rate per annum for the following years. The loan is repayable in one-month installments over a period of 5 years, with the first of these due in August 2019. This long-term loan is unsecured. The long-term loan agreement contains conditions that require the subsidiary to comply with certain conditions and restrictions stipulated in the agreement, i.e. to maintain the subsidiary's debt to equity ratio at the rate prescribed in the agreement. As at 31 March 2018, such subsidiary drawn down of Baht 875 million (31 December 2017: Baht 412 million).

17. Provision for long-term employee benefits

During the three-month period ended 31 March 2018, movements in the provision for long-term employee benefits, which were employee retirement benefits were summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 31 December 2017	102,197	54,026
Current service cost	4,166	1,453
Interest cost	742	280
Balance as at 31 March 2018	107,105	55,759

18. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. The statutory reserve has fully been set aside.

19. Other income

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Gain on exchange	20,679	-	1,948	578
Rental and service income	17,252	15,736	-	-
Scrap sales income	4,061	3,321	-	-
Income from sales and trade-off premium goods	2,572	5,185	-	-
Gain on sales fixed assets	995	882	-	-
Interest income	4	1,100	29,855	29,726
Management income	-	-	63,600	60,000
Others	7,458	9,494	685	1,632
Total others income	53,021	35,718	96,088	91,936

20. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	78,214	39,928	5,626	6,651
Deferred tax:				
Relating to origination and reversal of temporary differences	976	13,076	(354)	(143)
Income tax expenses reported in the income statements	79,190	53,004	5,272	6,508

21. Earnings per share

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

(Unit: Thousand Baht)

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit for the periods attributable to equity holders the Company (Thousand Baht)	180,518	221,436	21,108	26,061
Weighted average number of ordinary shares (Thousand shares)	1,000,000	1,000,000	1,000,000	1,000,000
Earnings per share (Baht/share)	0.18	0.22	0.02	0.03

22. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as executive chairman.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have changed the organisation of their reportable segments from 2017 to the following:

- (1) Manufacture and distribution of energy drinks
- (2) Manufacture and distribution of products under Carabao's trademark
- (3) Distribution of other products

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

(Unaudited but reviewed)

The following table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2018 and 2017.

(Unit: Million Baht)

Consolidated financial statements					
For the three-month period ended 31 March 2018					
	Manufacture and distribution of products under Carabao's trademark	Distribution of other products	Others	Total	
Revenue					
Revenue from external customers	2,831	237	269	13	3,350
Segment gross profit	949	22	29	3	1,003
Others income					53
Selling expenses					(627)
Administrative expenses					(195)
Finance cost					(25)
Profit before income tax expenses					209
Income tax expenses					(79)
Profit for the period					130

(Unit: Million Baht)

Consolidated financial statements					
For the three-month period ended 31 March 2017					
	Manufacture and distribution of products under Carabao's trademark	Distribution of other products	Others	Total	
Revenue					
Revenue from external customers	2,296	218	163	6	2,683
Segment gross profit	826	30	21	1	878
Others income					36
Selling expenses					(563)
Administrative expenses					(170)
Finance cost					(5)
Profit before income tax expenses					176
Income tax expenses					(53)
Profit for the period					123

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	For the three-month periods ended 31 March	
	<u>2018</u>	<u>2017</u>
Revenue from external customers		
Domestic		
Thailand	1,798	1,796
Overseas		
Cambodia	1,032	588
China	209	44
Myanmar	162	105
Vietnam	74	5
United Kingdom	43	12
Others	32	133
Total	<u>3,350</u>	<u>2,683</u>

During the three-month period ended 31 March 2018, the Company and its subsidiaries had revenue from domestic sales at 54 percent and revenue from overseas sales at 46 percent (31 March 2017: revenue from domestic sales at 67 percent and revenue from overseas sales at 33 percent).

Major customers

During the three-month period ended 31 March 2018, the Company and its subsidiaries had revenue with 1 major customer with revenue of 10 percent or more than of its consolidated revenue (31 March 2017: 1 major customer).

23. Commitments and contingent liabilities

23.1 Capital commitments

As at 31 March 2018, the subsidiaries had capital commitments, relating to the construction of factory buildings, acquisition of machinery and development of intangible assets as follows:

Foreign currencies	(Unit: Million)	
	Consolidated financial statements	Separate financial statements
Thai Baht	168.8	0.8
US dollar	13.4	-
Euro	4.5	-

23.2 Operating lease and service commitments

The Company and its subsidiaries entered into several lease agreements in respect of the lease of office space, motor vehicles, equipment and services agreements. The terms of the agreements are generally between 1 year and 5 years.

As at 31 March 2018, the Company and its subsidiaries had future minimum lease payments required under these non-cancellable operating leases and service contracts were as follows.

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Payable:		
In up to 1 year	140.6	4.3
In over 1 year and up to 5 years	172.7	5.9

23.3 Significant agreements with related parties

23.3.1 On 17 July 2012, Carabao Tawandang Co., Ltd., (a subsidiary) and Tawandang DCM Co., Ltd., (another subsidiary), entered into an agency agreement whereby the Tawandang DCM agreed to be a sole distributor of Carabao Tawandang Beverage. The agreement is effective for a period of ten years, to be expired on 14 October 2022 and renewable every five years. Under the conditions of this agreement, Carabao Tawandang Co., Ltd. is obliged to support Tawandang DCM Co., Ltd., with regard to its advertising and promotional expenses incurred according to the terms and conditions of the agreement.

23.3.2 Carabao Tawandang Co., Ltd. (a subsidiary) and Asia Pacific Glass Co., Ltd., (another subsidiary), entered into a sale and purchase agreement for 150 ml amber glass bottle and 250 ml clear glass bottle in accordance with quantity and design as depurated in the agreement. This agreement is effective since the date on the agreement unless cancelled by either party.

23.3.3 On 20 November 2013, Carabao Tawandang Co., Ltd., (a subsidiary) entered into a public relation and brand image agreement with a related company. Under the condition of this agreement, the subsidiary has obliged to pay a fee of Baht 10 million per annum. The agreement is effective for a period of three years between 1 January 2014 and 31 December 2016.

On 1 July 2014, the subsidiary entered into a supplemental agreement to modify the period of the agreement from 3 years to 5 years, whereby the rate of public relation and brand image fee remains unchanged. In addition, the subsidiary agrees to automatically extend the agreement for another 5 years after the expiration on 31 December 2018 and also agrees to pay for the fee of Baht 12 million per year. This agreement is effective on 1 July 2014 onwards.

23.3.4 On 6 January 2014, the Company entered into a technical assistance and management agreement with three subsidiaries. The agreement is effective for a period of 5 years between 1 January 2014 and 31 December 2018. Under the condition of this agreement, the Company receives a monthly service fee of Baht 10 million.

On 17 February 2016, the Company and its subsidiaries entered into an amendment to the agreement, changing the service fee from Baht 10 million per month to Baht 15 million per month. The agreement is effective on 1 January 2016 to 31 December 2018.

On 23 January 2017, the Company and its subsidiaries entered into an amendment to the agreement, changing the service fee from Baht 15 million per month to Baht 20 million per month. The agreement is effective on 1 January 2017 and 31 December 2018.

On 25 January 2018, the Company entered into a technical assistance and management agreement with another subsidiary. The agreement is effective since 1 November 2017 unless cancelled by either party. Under the condition of this agreement, the Company receives a monthly service fee of Baht 1.2 million.

23.3.5 Carabao Tawandang Co., Ltd. (a subsidiary) entered into a rental and service agreement with the Company, two subsidiaries, and two related companies. The agreement is effective for a period of 3 years. Under conditions of this agreement, Carabao Tawandang Co., Ltd. receives a monthly rental and service income of Baht 1.6 million.

- 23.3.6 On 1 February 2016, Carabao Tawandang Co., Ltd. (a subsidiary) and Tawandang DCM Co., Ltd. (another subsidiary), entered into a trademark license agreement for using trademark of Carabao Tawandang Co., Ltd. for certain product. The agreement is effective for a period of 2 years between 1 February 2016 and 31 January 2018 or unless cancelled by either party. Under the conditions of this agreement, Tawandang DCM Co., Ltd. is obliged to pay trademark license fees as specified in the agreement and Carabao Tawandang Co., Ltd. is obliged to support the marketing expenses incurred according to such trademark.
- 23.3.7 Tawandang DCM Co., Ltd. (a subsidiary) entered into an agency agreement with two related companies whereby the Tawandang DCM Co., Ltd. agreed to be a sole distributor of such three related companies' products. The agreement is effective for a period of one year, and renewable every year. Under the conditions of this agreement, such two related companies are obliged to support Tawandang DCM Co., Ltd., with regard to its advertising and promotional expenses incurred according to the terms and conditions of the agreement.
- 23.3.8 On 20 October 2016, Carabao Tawandang Co., Ltd. (a subsidiary) and Carabao Venture Holdings (Luxembourg) S.à r.l. (another subsidiary), entered into an agency agreement whereby the Carabao Venture Holdings (Luxembourg) S.à r.l. agreed to be a sole distributor of Carabao Tawandang's products in the countries as specified in the agreement. The agreement is effective for a period of 9 years, to be expired on 19 October 2025.
- 23.3.9 On 1 July 2017, Asia Can Manufacturing Co., Ltd. (a subsidiary) entered into license agreement for using the knowhow for manufacturing with an unrelated company in overseas. This agreement is effective since the date on the agreement unless cancelled by either party. Under the condition of this agreement, such subsidiary has already paid for such license fee of Baht 50 million. In addition, such subsidiary is obliged to pay a royalty fee in quarterly basis at a rate specified in the agreement.
- 23.3.10 On 1 September 2017, Asia Pacific Glass Co., Ltd. (a subsidiary) entered into a land lease agreement with Asia Pacific Can Co., Ltd. (another subsidiary). The agreement is effective for a period of 30 years, to be expired on 31 August 2047 and renewable. Under the conditions of this agreement, Asia Pacific Glass Co., Ltd. received rental in advance of Baht 50 million.

23.4 Sponsorship agreement

23.4.1 On 16 July 2015 and 1 April 2016, Carabao Tawandang Co., Ltd. (a subsidiary) entered into a sponsorship agreements with two local football clubs concerning the marketing right regarding benefits and public relations as stipulated in the agreements. The agreements are effective from the date on the agreement until 31 December 2019 and 31 December 2020. Under conditions of this agreements, the subsidiary is obliged to pay total fee of Baht 6 million per annum.

23.4.2 On 18 November 2015, Carabao Tawandang Co., Ltd. (a subsidiary) and an unrelated company in overseas entered into a sponsorship agreement with a football club registered in England concerning the marketing right to promote the brands and trademarks of the subsidiary in a football match. The agreement is effective for a period of 3 years between 1 May 2016 and 30 June 2019.

On 10 January 2017, the unrelated company has entered into an agreement to transfer its rights and obligations under the sponsorship agreement to Intercarabao Limited (another subsidiary) and Carabao Venture Holdings (Luxembourg) S.à r.l. (another subsidiary). The agreement is effective on 21 October 2016 onwards.

On 27 April 2017, such 3 subsidiaries entered into an amendment to the agreement with respect to the marketing right and sponsorship fee. The subsidiaries obtained a special condition to extend the period of the agreement from 3 years to 5 years, expiring on 30 June 2021, with additional fee totaling Pound 3 million. However, the marketing right in year 4 - 5 will be decreased from Principal Partner to be Global Sponsorship.

As at 31 March 2018, Carabao Tawandang Co., Ltd. and 2 overseas subsidiaries are obliged to pay a fee of Pound 3.6 million and Pound 8.4 million, respectively, to the football club under conditions of this agreement.

23.4.3 On 16 June 2016, Intercarabao Limited (a subsidiary) entered into a sponsorship agreement with a football club registered in England concerning the marketing right to promote the brands and trademarks of the subsidiary in a football match. The agreement is effective for a period of 3 years between 1 June 2016 and 31 May 2019. The subsidiary is obliged to pay a fee to the football club under the terms and conditions specified in this agreement.

23.4.4 On 1 November 2016, Carabao Venture Holdings (Luxembourg) S.à r.l. (a subsidiary) entered into a sponsorship agreement with The Football League Limited which is incorporated in England. Under the condition of this agreement, the subsidiary is entitled to formally use the name and trademark of Carabao Tawandang Co., Ltd. (another subsidiary) to be the title of the football match and to promote the brand and trademark over a period of 3 seasons (from 2017/2018 Season to 2019/2020 Season). The subsidiary is obliged to pay a fee to such company under the terms and conditions specified in this agreement. The agreement is effective for a period of 3 years between 1 June 2017 and 31 May 2020

On 30 March 2018, Carabao Venture Holdings (Luxembourg) S.à r.l. has entered into an amendment to the agreement to transfer its rights and obligations under the sponsorship agreement with The Football League Limited to Intercarabao Limited (another subsidiary) and Carabao Tawandang Co., Ltd. (another subsidiary). The agreement is effective on 30 March 2018 onwards.

23.5 Guarantees

23.5.1 As at 31 March 2018, the Company has guaranteed for credit facilities, in form of letter of credit and forward contract, of Carabao Tawandang Co., Ltd. (a subsidiary) and Asia Pacific Glass Co., Ltd. (another subsidiary) amounting to Baht 1,100 million.

23.5.2 As at 31 March 2018, the Company has guaranteed loan of Carabao Tawandang Co., Ltd. (a subsidiary) with a given credit facility of Baht 1,500 million.

23.5.3 As at 31 March 2018, the subsidiaries have outstanding bank guarantees of approximately Baht 57 million issued by banks on behalf of the subsidiaries to guarantee the use of electricity and natural gas, and the submission of excise tax.

24. Financial instruments

24.1 Foreign currency risk

The Company and its subsidiaries's exposure to foreign currency risk arises mainly from trading transactions and services that are denominated in foreign currencies. However, as at 31 March 2018 the Company and its subsidiary had no forward exchange contract for hedging.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 March 2018 are summarised below.

Foreign currencies	Consolidated		Separate		Average exchange rate	
	financial statements		financial statements		Bought	Sold
	Financial assets	Financial assets	Financial liabilities	Financial liabilities		
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
Pound sterling	7.1	-	-	-	43.3584	44.2991
Euro	0.9	6.7	0.3	-	38.0682	38.8106
US dollar	1.0	-	-	-	31.0573	31.4063
Japan Yen	-	6.6	-	-	0.2901	0.2978
Dollar Hong Kong	-	0.5	-	-	3.9410	4.0172
Yuan	42.4	-	-	-	4.9177	5.0388

25. Events after the reporting period

On 25 April 2018, the Annual General Meeting of the Company's shareholders passed a resolution to approve as follows:

- Approve the dividend payment in respect of 2017 earnings of Baht 0.5 per share, or a total of Baht 500 million, additional from the interim dividends amounting to Baht 350 million, which will be paid to the Company's shareholders within 11 May 2018. Such dividend will be recorded in the second quarter of 2018.
- Approve the issuance and offering of debentures in principal amount not exceeding Baht 5,000 million or in foreign currencies in equivalent value. Key terms and conditions of the debentures are as following:

Type: Any kind and form of debentures (either secured or unsecured) depending on the market conditions at the time of issuance and offering each debentures.

Currency: Thai Baht and/or foreign currencies by using the exchange rate at the time of issuance and offering each debentures.

Total value: Total value not exceed Baht 5,000 million, or in foreign currencies in equivalent value.

Maturity: Depending on the market conditions at the time of issuance and offering each debentures, and other related factors.

- Offering: To offer in one time or multiple times and/or in a project or revolving issuance to general public and/or private placement and/or local and/or international institutional investors in one time or any time in accordance with the announcement of the Security Exchange Commission and/or the Office of the Security Exchange Commission and/or other relevant regulations that are currently practiced at the time of issuance and offering the debentures.
- Pre-mature redemption: The debenture holder may or may not have the right to request the Company to pre-maturely redeem debentures and/or the Company may or may not have the right to pre-maturely redeem debentures, depending on the terms and conditions of each debentures issuance.
- Interest rate: Depending on the market condition at the time of issuance and offering each debentures, and related factors. In all, the rate shall be regulated by in accordance with the announcement of the Security Exchange Commission and/or other relevant regulations that are currently practiced at the time of issuance and offering each debentures.
- Objective: Restructure cost of financial of the company, expanding business in the future and/or preparing for working capital.

In this regard, the Company delegated the Board of Directors and/or delegated person to have authority as follows.

1. Determine specifications and conditions of the debentures, such as debenture's type, name, interest rate, maturity, redemption, debenture holder representative, as well as the details about offering, which include, but not limited to, price, offering method and period of the offering and distributing.
2. Appoint financial advisors and/or underwriters and/or any other persons in accordance with relevant legal requirements or as deemed appropriate.
3. Negotiate, agree, execute and amend any contracts and/or related documents, as well as providing information and documents to the Office of the Security Exchange Commission and/or relevant authority related to the debentures issuance and offering, and conduct any necessary actions that are required for the issuance of debentures as deemed appropriate.

26. Approval of financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 May 2018.