

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE SECOND QUARTER ENDED 30 JUNE 2019

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Assets					
Current assets					
Cash and cash equivalents		15,244	2,138	11,965	362
Trade and other receivables	4, 5	302,100	338,957	139,297	253,248
Short-term loans to related parties	4	-	-	749,005	636,283
Inventories	6	125,160	140,301	125,160	141,591
Other current assets		43,991	45,655	1,317	7,145
Total current assets		486,495	527,051	1,026,744	1,038,629
Non-current assets					
Restricted bank deposits		100	100	-	-
Investments in subsidiaries	4, 7	-	-	274,992	274,992
Non-current trade receivables		3,766	5,564	3,766	5,564
Investment property		52,833	52,900	47,807	47,807
Property, plant and equipment	4, 8	1,978,472	2,091,346	570,256	517,658
Intangible assets		10,271	10,271	10,271	10,271
Other non-current assets	9	143,719	120,924	18,739	17,878
Total non-current assets		2,189,161	2,281,105	925,831	874,170
Total assets		2,675,656	2,808,156	1,952,575	1,912,799

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	10	87,171	99,143	68,367	84,187
Trade and other payables	4, 11	476,883	441,730	352,622	309,111
Default debts	12	266,989	69,483	266,989	69,483
Current portion of debts	13	254,259	264,970	5,086	5,681
Short-term loans from related parties	4	34,500	54,000	70,550	90,050
Other short-term loans	14	-	179,692	-	179,692
Current income tax payable	2	134	-	-	-
Other current liabilities	4	65,531	36,582	15,962	17,998
Total current liabilities		1,185,335	1,145,734	779,576	756,202
Non-current liabilities					
Long-term loans from financial institutions	15	1,840	3,812	1,840	3,812
Long-term liabilities under finance leases	16	375,744	495,625	950	1,245
Deferred tax liabilities		60,286	60,774	29,678	31,590
Employee benefit obligations		17,405	17,002	6,085	7,994
Other non-current liabilities	4	14,183	14,041	2,259	2,239
Total non-current liabilities		469,458	591,254	40,812	46,880
Total liabilities		1,654,793	1,736,988	820,388	803,082

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 June 2019	31 December 2018	30 June 2019	31 December 2018
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Shareholders' equity					
Share capital					
Authorized share capital					
	1,044,637,027 ordinary shares, Baht 1 par value	1,044,637	1,044,637	1,044,637	1,044,637
Issued and paid-up share capital					
	757,057,874 ordinary shares, fully paid-up	757,058	757,058	757,058	757,058
	Premium on shares	269,475	269,475	269,475	269,475
Surplus arising from business combination					
	under common control	39,196	39,196	-	-
Retained earnings (deficit)					
	Appropriated - legal reserve	17 33,299	32,849	33,299	32,849
	Unappropriated	17 (78,165)	(27,410)	72,355	50,335
	Total shareholders' equity	1,020,863	1,071,168	1,132,187	1,109,717
	Total liabilities and shareholders' equity	2,675,656	2,808,156	1,952,575	1,912,799

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenue from sales and services	333,042	267,382	103,161	146,394
Cost of sales and services	(294,360)	(265,573)	(85,437)	(131,924)
Gross profit	38,682	1,809	17,724	14,470
Other income	15,414	25,518	35,975	41,579
Distribution costs	(5,625)	(8,545)	(1,435)	(3,474)
Administrative expenses	(28,935)	(34,797)	(25,753)	(21,867)
Finance costs	(17,713)	(16,036)	(9,059)	(7,022)
Profit (loss) before income tax	1,823	(32,051)	17,452	23,686
Tax income	1,275	5,434	1,316	1,424
Profit (loss) for the period	3,098	(26,617)	18,768	25,110
Other comprehensive income:				
Components of other comprehensive income that will not be reclassified to profit or loss				
Defined benefit plan actuarial gains	3,698	-	3,101	-
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss	(740)	-	(620)	-
Other comprehensive income for the period - net of tax	2,958	-	2,481	-
Total comprehensive income (loss) for the period	6,056	(26,617)	21,249	25,110
Basic earnings (loss) per share				
Earnings (loss) attributable to equity holders of the Company (Baht)	0.0041	(0.0352)	0.0248	0.0332
Weighted average number of ordinary shares (Shares)	757,057,874	757,057,874	757,057,874	757,057,874

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
	4				
Revenue from sales and services	19	589,338	466,895	213,075	211,366
Cost of sales and services		(564,295)	(470,989)	(187,598)	(191,741)
Gross profit (loss)		25,043	(4,094)	25,477	19,625
Other income		28,257	41,136	67,896	71,092
Distribution costs		(11,269)	(15,980)	(4,296)	(7,716)
Administrative expenses		(61,101)	(70,543)	(53,281)	(53,349)
Finance costs		(35,415)	(31,821)	(18,339)	(13,832)
Profit (loss) before income tax		(54,485)	(81,302)	17,457	15,820
Tax income	18	1,222	7,700	2,532	1,327
Profit (loss) for the period		(53,263)	(73,602)	19,989	17,147
Other comprehensive income:					
Components of other comprehensive income that will not be reclassified to profit or loss					
Defined benefit plan actuarial gains		3,698	-	3,101	-
Income tax relating to components of other comprehensive income					
that will not be reclassified to profit or loss	18	(740)	-	(620)	-
Other comprehensive income for the period - net of tax		2,958	-	2,481	-
Total comprehensive income (loss) for the period		(50,305)	(73,602)	22,470	17,147
Basic earnings (loss) per share					
Earnings (loss) attributable to equity holders of the Company (Baht)		(0.0704)	(0.0972)	0.0264	0.0226
Weighted average number of ordinary shares (Shares)		757,057,874	757,057,874	757,057,874	757,057,874

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"
"Reviewed"

Thousands Baht							
Consolidated financial statements							
	Note	Issued and paid-up		Surplus arising from business combination under common control	Retained earnings (deficit)		Total
		share capital	Premium on shares		Appropriated	Unappropriated	
Beginning balance as at 1 January 2019		757,058	269,475	39,196	32,849	(27,410)	1,071,168
Changes in shareholders' equity							
Loss for the period		-	-	-	-	(53,263)	(53,263)
Other comprehensive income for the period		-	-	-	-	2,958	2,958
Legal reserve	17	-	-	-	450	(450)	-
Ending balance as at 30 June 2019		757,058	269,475	39,196	33,299	(78,165)	1,020,863
Beginning balance as at 1 January 2018		757,058	269,475	39,196	32,849	135,895	1,234,473
Changes in shareholders' equity							
Loss for the period		-	-	-	-	(73,602)	(73,602)
Ending balance as at 30 June 2018		757,058	269,475	39,196	32,849	62,293	1,160,871

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

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"
"Reviewed"

Thousands Baht					
Separate financial statements					
Note	Issued and paid-up		Retained earnings (deficit)		Total
	share capital	Premium on shares	Appropriated	Unappropriated	
Beginning balance as at 1 January 2019	757,058	269,475	32,849	50,335	1,109,717
Changes in shareholders' equity					
Profit for the period	-	-	-	19,989	19,989
Other comprehensive income for the period	-	-	-	2,481	2,481
Legal reserve	17	-	450	(450)	-
Ending balance as at 30 June 2019	757,058	269,475	33,299	72,355	1,132,187
Beginning balance as at 1 January 2018	757,058	269,475	32,849	41,335	1,100,717
Changes in shareholders' equity					
Profit for the period	-	-	-	17,147	17,147
Ending balance as at 30 June 2018	757,058	269,475	32,849	58,482	1,117,864

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

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit (loss) before income tax	(54,485)	(81,302)	17,457	15,820
Adjustments to reconcile profit (loss) before income tax to net cash provided by (used in) operating activities				
Depreciation and amortization	161,412	158,995	19,824	18,368
Doubtful accounts (reversal)	(243)	(4,261)	17,768	10,381
Loss on obsolete stock	2,588	2,996	2,588	2,996
Loss on impairment of assets	261	5,371	109	131
Gain on sales of assets	(749)	(31,899)	(743)	(31,930)
Unrealized (gain) loss on exchange rate	(12,615)	3,393	(12,615)	3,393
Interest income	(1,052)	(637)	(28,330)	(24,410)
Finance costs	35,415	31,821	18,339	13,832
Employee benefit obligations	4,308	1,313	1,192	491
Profit from operating activities before change in operating assets and liabilities	134,840	85,790	35,589	9,072
Change in operating assets (increase) decrease				
Trade and other receivables	29,811	(45,127)	115,160	1,799
Inventories	4,370	61,266	(59,763)	4,801
Other current assets	1,511	20,661	5,828	(6,006)
Other non-current assets	(6,286)	(5,256)	22	2,567
Change in operating liabilities increase (decrease)				
Trade and other payables	57,718	(54,369)	63,576	(57,823)
Other current liabilities	28,949	(10,955)	(2,037)	(5,973)
Employee benefit obligations paid	(207)	(828)	-	(513)
Other non-current liabilities	15	(365)	20	(8)
Cash generated (paid) from operations	250,721	50,817	158,395	(52,083)

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Interest received	10,140	637	29,543	15,191
Proceeds from income tax refund	-	49	-	-
Income tax paid	(16,647)	(11,373)	(884)	(2,055)
Net cash provided by (used in) operating activities	244,214	40,130	187,054	(38,947)
Cash flows from investing activities				
(Increase) decrease in short-term loans to related parties	-	-	(131,113)	42,200
Purchases of equipment	(36,526)	(30,639)	(260)	(1,042)
Disposal of property, plant and equipment	2,100	63,042	2,079	60,935
Purchases of intangible assets	-	(3,600)	-	(3,600)
Net cash provided by (used in) investing activities	(34,426)	28,803	(129,294)	98,493
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans				
from financial institutions	(1,972)	(37,523)	(5,820)	(40,300)
Proceeds from short-term loans from related parties	2,000	30,000	2,000	32,500
Repayment for short-term loans from related parties	(21,500)	(14,000)	(21,500)	(14,400)
Proceeds from sale and leaseback agreement	-	99,980	-	-
Repayment for liabilities under finance leases	(132,750)	(106,867)	(438)	(3,204)
Repayment for long-term loans from financial institutions	(2,424)	(28,944)	(2,424)	(27,444)
Finance costs	(40,036)	(24,337)	(17,975)	(6,803)
Net cash used in financing activities	(196,682)	(81,691)	(46,157)	(59,651)
Net increase (decrease) in cash and cash equivalents	13,106	(12,758)	11,603	(105)
Cash and cash equivalents at the beginning of the period	2,138	21,400	362	5,361
Cash and cash equivalents at the end of the period	15,244	8,642	11,965	5,255

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED 30 JUNE 2019 (UNAUDITED) (REVIEWED)

1. GENERAL INFORMATION

Chu Kai Public Company Limited “the Company” was incorporated in Thailand under the Civil and Commercial Code on 26 May 1997 and became a public company limited on 8 June 2005. The Company’s principal activities are to trade, repair and provide maintenance services, rental services for cranes, forklifts, trailers, excavator and trucks.

On 29 January 2008, the Company was listed on the Stock Exchange of Thailand in Market for Alternative Investment. On 7 August 2014, the Company’s listed securities were moved to trade on the Stock Exchange of Thailand.

On 6 August 2018, the Company registered the change in the location of its office from 42/62, Moo 14, Bangkaew, Bangplee, Samutprakarn to 44/88, Moo 1, Sisa Chorakhe Yai, Bangsaothong, Samutprakarn.

2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements are prepared in accordance with Thai Accounting Standard (“TAS”) No. 34, Interim Financial Reporting (revised 2018) to provide information additional to that included in the financial statements for the year ended 31 December 2018. They 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 for the year ended 31 December 2018.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

The preparation of the interim financial statements in accordance with Thai Financial Reporting Standards (“TFRS”) requires management to make judgements, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018.

BASIS OF PREPARATION OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The consolidated interim financial statements are prepared using the same basis as were used for the consolidated financial statements for the year ended 31 December 2018 and consisted of the interim financial statements of Chu Kai Public Company Limited, and subsidiaries (together referred to as “the Group”) as follows:

Subsidiaries	Located in	Business type	Percentage of holding		
			30 June		31 December
			2019	2018	2018
The Crane Laem Chabang Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Rayong Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Heavy Lift Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Service Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%

All significant intercompany transactions and accounts are eliminated in preparing the consolidated interim financial statements.

The preparations of the consolidated interim financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

Changes in application of new and revised TFRS

New and revised TFRS that became effective in the current period

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

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following TAS together with related Thai Interpretations (TSIC) and Thai Financial Reporting Interpretations (TFRIC):

TAS/TSIC/TFRIC	Topic
TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

The Group is 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 the Group 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.

This TFRS does not have any material impact on the Group's financial statements.

New TFRS not yet effective

The Federation of Accounting Professions has issued Notification, mandating the use of new TFRS which are effective for the financial statements for the period beginning on or after 1 January 2020. Key principles of these standards are summarized below.

TFRS related to financial instruments

The set of TFRS related to financial instruments consists of five TAS, TFRS and interpretations as follows:

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

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

The management of the Group is assessing the impacts of these TFRS on the financial statements for the period in which they are initially applied.

TFRS 16 Leases

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

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

The management of the Group is assessing the impacts of this TFRS on the financial statements for the period in which it is initially applied.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIE

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 2018, except for the change in the accounting policies due to the adoption of TFRS 15, Revenue from Contracts with Customers (see Note 2).

Diluted earnings (loss) per share

Diluted earnings (loss) per share is calculated by dividing profit (loss) of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the periods plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary shares into ordinary shares when the exercise price is lower than the average market price during the periods of ordinary shares.

The Company did not calculate the diluted earnings (loss) per share for the three-month and six-month periods ended 30 June 2019, because the average market price during the periods of ordinary shares is lower than the exercise price.

4. RELATED PARTY TRANSACTIONS

Related parties comprise individuals or enterprises that control, or are controlled by, the Group, whether directly or indirectly, or which are under common control with the Group.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Group that gives them significant influence over the Group, key management personnel, directors, and officers with authority in the planning and direction of the Group's operations.

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

Significant transactions with related parties for six-month periods ended 30 June 2019 and 2018 were as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
Revenue from sales and services	-	-	26,484	13,266
Interest income	-	-	24,336	24,006
Other income	-	-	14,745	14,274
Purchases of goods	-	-	52,500	70,920
Cost of sales and services	-	-	2,012	1,889
Distribution costs	-	-	415	423
Administrative expenses	-	-	131	379
Interest expenses	-	-	223	217
Related companies				
Revenue from sales and services	4,352	114	8	67
Other income	-	190	-	-
Distribution costs	1,812	67	-	-
Land and building rental expenses	1,600	-	1,600	-
Related persons (director / shareholders)				
Land and building rental expenses	2,400	7,200	800	2,400
Interest expenses	1,335	378	1,335	378

Key management personnel compensation

Key management personnel compensation for the six-month periods ended 30 June 2019 and 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term benefits	19,183	24,730	19,142	24,674
Post-employment benefits (reversal)	(2,523)	748	(2,523)	748
Total	16,660	25,478	16,619	25,422

The significant balances with related parties as at 30 June 2019 and 31 December 2018 were as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
The Crane Laem Chabang Co., Ltd.				
Accrued interest income	-	-	3,141	2,257
Deposit	-	-	96	96
The Crane Rayong Co., Ltd.				
Accrued interest income	-	-	5,816	5,616
The Crane Heavy Lift Co., Ltd.				
Accrued interest expenses	-	-	214	150
The Crane Service Co., Ltd.				
Accrued interest income	-	-	9,960	4,560
Other payable	-	-	2,310	-
Deposit	-	-	1,075	1,075
Investments in subsidiaries (see Note 7)	-	-	274,992	274,992
Related company				
20 Auction Co., Ltd.				
Accrued expenses	400	-	400	-
Related persons (director / shareholders)				
Accrued expenses	1,152	1,152	-	-
Accrued interest expenses	190	1,868	190	1,868

Trade receivables - related parties

Trade receivables - related parties as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
The Crane Laem Chabang Co., Ltd.	-	-	4,154	3,794
The Crane Rayong Co., Ltd.	-	-	44,168	31,501
The Crane Heavy Lift Co., Ltd.	-	-	221	-
The Crane Service Co., Ltd.	-	-	30,526	149,356
Crane Daeng Co., Ltd.	4,341	23	4	-
20 Auction Co., Ltd.	5	-	-	-
Total	4,346	23	79,073	184,651

Trade payables - related parties

Trade payables - related parties as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
The Crane Laem Chabang Co., Ltd.	-	-	553	146
The Crane Rayong Co., Ltd.	-	-	2,240	900
The Crane Service Co., Ltd.	-	-	20,887	6,193
Crane Daeng Co., Ltd.	2,157	788	-	-
Total	2,157	788	23,680	7,239

Short-term loans to related parties

Short-term loans to related parties as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht	
	Separate financial statements	
	2019	2018
The Crane Laem Chabang Co., Ltd.	101,296	101,821
The Crane Rayong Co., Ltd.	274,543	252,057
The Crane Service Co., Ltd.	448,452	339,300
Total	824,291	693,178
Less: Allowance for doubtful accounts	(75,286)	(56,895)
Short-term loans to related parties - net	749,005	636,283

The Company had short-term loans to The Crane Laem Chabang Co., Ltd., The Crane Rayong Co., Ltd. and The Crane Service Co., Ltd. by issuing promissory notes, the term not more than 1 year with interest charged at the rate referred to minimum overdraft rate (MOR) and unsecured.

Movements of short-term loans to related parties for the six-month periods ended 30 June 2019 and 2018 were as follows:

	Thousands Baht	
	Separate financial statements	
	2019	2018
Beginning balance as at 1 January	693,178	675,700
Add: Additional borrowings	258,240	126,800
Less: Repayment	(127,127)	(169,000)
Ending balance as at 30 June	824,291	633,500
Doubtful accounts	18,391	9,895

Short-term loans from related parties

Short-term loans from related parties as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
The Crane Heavy Lift Co., Ltd.	-	-	36,050	36,050
Related person	34,500	54,000	34,500	54,000
Total	34,500	54,000	70,550	90,050

The Company had short-term loans from The Crane Heavy Lift Co., Ltd. by issuing promissory notes, the term not more than 1 year with interest charged at the rate referred to fixed deposit of commercial bank and unsecured.

The Company had short-term loans from related person by issuing short-term promissory notes, due at call with interest charged at the rate referred to minimum loan rate (MLR) and unsecured.

Movements of short-term loans from related parties for six-month periods ended 30 June 2019 and 2018 were as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance as at 1 January	54,000	14,000	90,050	47,950
Add: Additional borrowings	2,000	30,000	2,000	32,500
Less: Repayment	(21,500)	(14,000)	(21,500)	(14,400)
Ending balance as at 30 June	34,500	30,000	70,550	66,050

Co-guarantee for liabilities with related parties

As at 30 June 2019, the Group had co-guarantee liabilities with related parties as follows:

The Company

The Company had co-guarantee for short-term credit facilities of subsidiaries in the amount of Baht 150.92 million.

The Company had co-guarantee for liabilities under finance leases of subsidiaries at carrying values in the amount of Baht 617.22 million.

Related company

The Farmland 2 Co., Ltd. mortgaged land including existing construction and to be constructed against other short-term loans (see Note 14).

Related persons (director / shareholders)

Related persons had co-guarantee for liabilities under finance leases of subsidiaries at carrying values in the amount of Baht 36.74 million.

Nature of relationship

Name	Country/Nationality	Type of relation
The Crane Laem Chabang Co., Ltd.	Thailand	Subsidiary
The Crane Rayong Co., Ltd.	Thailand	Subsidiary
The Crane Heavy Lift Co., Ltd.	Thailand	Subsidiary
The Crane Service Co., Ltd.	Thailand	Subsidiary
Crane Daeng Co., Ltd.	Thailand	Management and/or shareholders of the same family
20 Auction Co., Ltd.	Thailand	Management and/or shareholders of the same family
The Farm Valley Co., Ltd.	Thailand	Management and/or shareholders of the same family
The Farmland 2 Co., Ltd.	Thailand	The same shareholders
Related persons	Thai	Management and/or shareholders

Bases of measurement for intercompany revenues and expenses

	Pricing policies
Purchases - sales of machinery and equipment and goods	As agreed upon basis
Revenues and cost of services	As agreed upon basis
Services and administrative expenses	As agreed upon basis
Land and building rental expenses	Stipulate in the agreement
Interest income and expenses	Referred to the bank's interest rate
Co-guarantee for liabilities with related parties	No guarantee charge

5. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables	250,355	231,571	125,125	240,281
Less: Allowance for doubtful accounts	(51,565)	(51,869)	(6,847)	(7,452)
Trade receivables - net	198,790	179,702	118,278	232,829
Other receivables				
Accrued income	99,345	149,500	18,916	12,433
Advance payments	624	554	369	293
Others	4,684	10,483	2,447	8,424
Total	104,653	160,537	21,732	21,150
Less: Allowance for doubtful accounts	(1,343)	(1,282)	(713)	(731)
Other receivables - net	103,310	159,255	21,019	20,419
Trade and other receivables - net	302,100	338,957	139,297	253,248

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
For the six-month period ended 30 June 2019		
Reversal of doubtful accounts	(243)	(623)

As at 30 June 2019 and 31 December 2018, the Group had outstanding balances of trade receivables aged by number of months as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables - other parties				
Current	83,071	50,048	10,567	11,897
Overdue				
Not over 3 months	78,511	60,084	20,540	6,751
Over 3 months up to 6 months	12,327	27,532	3,235	3,177
Over 6 months up to 12 months	10,453	30,003	2,053	24,238
Over 12 months	61,647	63,881	9,657	9,567
Total	246,009	231,548	46,052	55,630
Trade receivables - related parties				
Current	1,282	-	14,982	6,475
Overdue				
Not over 3 months	3,059	23	16,957	78,044
Over 3 months up to 6 months	5	-	15,354	90,572
Over 6 months up to 12 months	-	-	30,341	9,129
Over 12 months	-	-	1,439	431
Total	4,346	23	79,073	184,651

6. INVENTORIES

Inventories as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cranes	51,843	57,635	51,843	58,825
Forklifts	21,080	21,080	21,080	21,080
Excavator	23,895	57,532	23,895	57,532
Spare parts and component	16,318	16,633	16,318	16,733
Work in process and goods in transit	29,172	1,981	29,172	1,981
Total	142,308	154,861	142,308	156,151
Less: Allowance for devaluation of inventories	(17,148)	(14,560)	(17,148)	(14,560)
Inventories - net	125,160	140,301	125,160	141,591

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
For the six-month period ended 30 June 2019		
Loss on obsolete stock	2,588	2,588

7. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at 30 June 2019 and 31 December 2018 consisted of:

Subsidiaries	Thousands Baht									
	Holding (%)		Paid-up share capital		Cost		Allowance for impairment		Net	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
The Crane Laem Chabang Co., Ltd.	100%	100%	25,000	25,000	24,999	24,999	(24,999)	(24,999)	-	-
The Crane Rayong Co., Ltd.	100%	100%	150,000	150,000	149,999	149,999	-	-	149,999	149,999
The Crane Heavy Lift Co., Ltd.	100%	100%	25,000	25,000	25,000	25,000	-	-	25,000	25,000
The Crane Service Co., Ltd.	100%	100%	100,000	100,000	99,993	99,993	-	-	99,993	99,993
Total					299,991	299,991	(24,999)	(24,999)	274,992	274,992

The Company provided an allowance for impairment of investments in subsidiaries based on the net book value in the financial statements of such subsidiary.

8. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment during the six-month period ended 30 June 2019 were summarized belows.

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	2,091,346	517,658
Purchases / transfer in	123,787	82,300
Disposals / transfer out - net book value	(75,208)	(9,769)
Depreciation	(161,344)	(19,824)
Loss on impairment	(109)	(109)
Net book value as at 30 June 2019	1,978,472	570,256

9. OTHER NON-CURRENT ASSETS

Other non-current assets as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Withholding tax	108,684	92,175	17,998	17,114
Retention	34,041	25,422	-	-
Others	3,744	6,077	3,491	3,514
Total	146,469	123,674	21,489	20,628
Less: Allowance for impairment	(2,750)	(2,750)	(2,750)	(2,750)
Other non-current assets - net	143,719	120,924	18,739	17,878

10. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bank overdrafts	18,804	34,406	-	19,449
Promissory notes	15,000	15,000	15,000	15,000
Trust receipt	53,367	49,737	53,367	49,738
Total	87,171	99,143	68,367	84,187

11. TRADE AND OTHER PAYABLES

Trade and other payables as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables	429,139	381,183	342,329	290,998
Other payables				
Accrued expenses	45,096	52,061	7,468	17,015
Payables from purchases of assets	2,190	7,470	467	467
Others	458	1,016	2,358	631
Total	47,744	60,547	10,293	18,113
Grand total	476,883	441,730	352,622	309,111

12. DEFAULT DEBTS

Default debts as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht	
	Consolidated and separate financial statements	
	2019	2018
1st lender		
Principal	75,911	65,911
Accrued interest	8,600	3,572
Total	84,511	69,483
2nd lender		
Principal	180,000	-
Accrued interest	2,478	-
Total	182,478	-
Grand total	266,989	69,483

1st lender

In year 2018, the Company defaulted on the repayment according agreements with the bank. On 31 May 2019, the bank filed a lawsuit with the Civil Court to order the Company to make debt repayments (see Note 21).

2nd lender

In period 2019, the Company defaulted on the repayment of bills of exchange with the securities company in the amount of Baht 180 million, with interest at the rate of 7.5 percent per annum. The bills of exchange due on 25 April 2019 (see Note 14).

13. CURRENT PORTION OF DEBTS

Current portion of debts as at 30 June 2019 and 31 December 2018 consisted of:

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
Loans from financial institutions	15	4,396	4,848	4,396	4,848
Liabilities under finance leases	16	249,863	260,122	690	833
Total		254,259	264,970	5,086	5,681

14. OTHER SHORT-TERM LOANS

Other short-term loans as at 30 June 2019 and 31 December 2018 consisted of:

		Thousands Baht	
		Consolidated and separate financial statements	
		2019	2018
Principal		-	180,000
Less: Deferred interest and fee		-	(308)
Net		-	179,692

The Company had short-term loans by issuing bills of exchange to securities company, the existing bills of exchange in the amount of Baht 180 million with the interest rate of 7.5 percent per annum and fee in the amount of Baht 1.11 million, due on 25 April 2019. At present, the Company defaults on the repayment of bills of exchange. Therefore, the Company has reclassified the principal and accrued interest as defaulted debts (see Note 12).

The Farmland 2 Co., Ltd. (related company) mortgaged land including existing construction and to be constructed against other short-term loans (see Note 4).

15. LOANS FROM FINANCIAL INSTITUTIONS

Loans from financial institutions as at 30 June 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Loans from financial institutions	6,236	8,660	6,236	8,660
Less: Current portion of debts	(4,396)	(4,848)	(4,396)	(4,848)
Long-term loans from financial institutions	1,840	3,812	1,840	3,812

Movements of loans from financial institutions for the six-month periods ended 30 June 2019 and 2018 were as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Beginning balance as at 1 January	8,660	106,798	8,660	105,048
Less: Repayment	(2,424)	(28,944)	(2,424)	(27,444)
Ending balance as at 30 June	6,236	77,854	6,236	77,604

16. LIABILITIES UNDER FINANCE LEASES

Liabilities under finance leases as at 30 June 2019 and 31 December 2018 consisted of:

Thousands Baht												
2019							2018					
Year	Consolidated financial statements			Separate financial statements			Consolidated financial statements			Separate financial statements		
	Present value	Deferred interest	Minimum lease payment	Present value	Deferred interest	Minimum lease payment	Present value	Deferred interest	Minimum lease payment	Present value	Deferred interest	Minimum lease payment
Finance leases												
1	214,927	18,404	233,331	690	92	782	224,558	22,192	246,750	833	115	948
2 - 5	311,118	10,853	321,971	950	68	1,018	423,733	19,014	442,747	1,245	108	1,353
	526,045	29,257	555,302	1,640	160	1,800	648,291	41,206	689,497	2,078	223	2,301
Sale and leaseback agreement												
1	34,936	4,607	39,543	-	-	-	35,564	5,083	40,647	-	-	-
2 - 5	64,626	3,532	68,158	-	-	-	71,892	5,059	76,951	-	-	-
	99,562	8,139	107,701	-	-	-	107,456	10,142	117,598	-	-	-
Total												
1	249,863	23,011	272,874	690	92	782	260,122	27,275	287,397	833	115	948
2 - 5	375,744	14,385	390,129	950	68	1,018	495,625	24,073	519,698	1,245	108	1,353
	625,607	37,396	663,003	1,640	160	1,800	755,747	51,348	807,095	2,078	223	2,301

17. LEGAL RESERVE

At the Ordinary General Meeting of Shareholders held on 25 April 2019, resolutions were passed authorizing the appropriation of net profit for the year 2018 as legal reserve in the amount of Baht 0.45 million.

18. INCOME TAX

The Group recognized income tax expense for the six-month periods ended 30 June 2019 and 2018 based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Tax income recognized in profit or loss for the six-month periods ended 30 June 2019 and 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current tax				
Current period	(5)	(80)	-	-
Deferred tax				
Movement in temporary difference	1,227	7,780	2,532	1,327
Tax income	1,222	7,700	2,532	1,327

Income tax recognized in other comprehensive income for the six-month period ended 30 June 2019 as follows:

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Provisions	(740)	(620)

19. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent manner 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 the directors of the Company.

The Group operates the business related to trade, repair and provide maintenance services, rental services for cranes, forklifts, trailers, excavator and trucks. Therefore, Management considers that the Group operates in a single line of business and operates in a single geographic area, namely in Thailand.

Revenue from sales and services for the six-month periods ended 30 June 2019 and 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenue from sales	213,889	185,380	180,626	185,507
Revenue from services	375,449	281,515	32,449	25,859
Total	589,338	466,895	213,075	211,366

Information about major customers

For the six-month period ended 30 June 2019, the Group has revenue from 2 major customers in the amount of Baht 210.82 million in consolidated financial statements from sales and services segment (period 2018: 1 major customer in the amount of Baht 79 million from services segment).

20. COMMITMENTS AND CONTINGENT LIABILITIES

As at 30 June 2019, the Group had commitments and contingent liabilities as follows:

The Company

20.1 Commitments for payment under agreement as follows:

20.1.1 The service agreements in the amount of Baht 0.43 million per month.

20.1.2 The land lease agreement in the amount of Baht 0.40 million per month.

20.1.3 Construction office building, factory and other service in the amount of Baht 4.03 million.

20.1.4 The purchase machinery and equipment agreements in the amount of USD 3.08 million.

20.2 Contingent liabilities on co-guarantee for liabilities under finance leases of subsidiaries and co-guarantee for bank guarantees, bank overdrafts and loans from financial institutions of subsidiaries (see Note 4).

Subsidiaries

20.3 Commitments for payment under agreement as follows:

20.3.1 The service agreements in the amount of Baht 0.57 million per month.

20.3.2 The land lease agreements in the amount of Baht 0.91 million per month.

20.3.3 The other service agreements in the amount of Baht 2.20 million.

20.4 The letter of guarantee issued by the bank in the amount of Baht 101.31 million.

20.5 The Crane Heavy Lift Co., Ltd. was informed by the official receiver to pay rent in the amount of Baht 13.60 million.

21. LITIGATION

On 31 May 2019, the Company was litigation from default under overdraft agreements, loan agreements and mortgage agreements in the amount of Baht 83.08 million, with interest at the rate of 15 percent per annum of principal in the amount of Baht 75.96 million since litigation date until complete repayment. At present, the case is under consideration by the Civil Court (see Note 12). However, the Company is in the process of negotiating to pay the principal and accrued interest with the bank. On 8 August 2019, the bank informed the debt obligation that must be repaid in the amount of Baht 78.50 million.

22. RECLASSIFICATION

The Company reclassified certain accounts in the statement of financial position as at 31 December 2018, to conform with the presentation of the financial statements of this period consisted of:

	Thousands Baht		
	Consolidated financial statements		
	As previously reported	Reclassification	As reclassified
Trade and other receivables	344,521	(5,564)	338,957
Non-current trade receivables	-	5,564	5,564

	Thousands Baht		
	Separate financial statements		
	As previously reported	Reclassification	As reclassified
Trade and other receivables	258,812	(5,564)	253,248
Non-current trade receivables	-	5,564	5,564

23. EVENTS AFTER THE REPORTING PERIOD

At the Board of Directors' held on 8 August 2019, resolutions were passed authorizing as follows:

- Approved The Crane Service Co., Ltd. (subsidiary) enter into credit agreement with the financial institution in the amount of Baht 90 million, which comprise the bank overdraft in the amount of Baht 10 million and the letter of guarantee in the amount of Baht 80 million. The Farm Valley Co., Ltd. (related company) mortgage land against credit.
- Approved the Group to change the estimated useful life of crane, forklift and excavator since 1 July 2019, to comply with current use.

24. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

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