

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

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Assets					
Current assets					
Cash and cash equivalents		3,767	2,138	471	362
Trade and other receivables	4, 5	317,099	338,957	162,116	253,248
Short-term loans to related parties	4	-	-	711,326	636,283
Inventories	6	137,428	140,301	137,428	141,591
Other current assets		38,732	45,655	1,169	7,145
Total current assets		497,026	527,051	1,012,510	1,038,629
Non-current assets					
Restricted bank deposits		101	100	-	-
Investments in subsidiaries	4, 7	-	-	274,992	274,992
Non-current trade receivables		3,854	5,564	3,854	5,564
Investment property		52,798	52,900	47,807	47,807
Property, plant and equipment	4, 8	1,931,279	2,091,346	572,944	517,658
Intangible assets		10,271	10,271	10,271	10,271
Other non-current assets	9	165,288	120,924	19,323	17,878
Total non-current assets		2,163,591	2,281,105	929,191	874,170
Total assets		2,660,617	2,808,156	1,941,701	1,912,799

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 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	135,541	99,143	106,236	84,187
Trade and other payables	4, 11	451,665	441,730	305,553	309,111
Default debts	12, 21	279,121	69,483	279,121	69,483
Current portion of debts	13	258,321	264,970	4,762	5,681
Short-term loans from related parties	4	30,380	54,000	66,430	90,050
Other short-term loans	14	-	179,692	-	179,692
Current income tax payable		20	134	-	-
Other current liabilities	4	61,599	36,582	15,191	17,998
Total current liabilities		1,216,647	1,145,734	777,293	756,202
Non-current liabilities					
Long-term loans from financial institutions	15	880	3,812	880	3,812
Long-term liabilities under finance leases	16	312,216	495,625	826	1,245
Deferred tax liabilities		65,121	60,774	28,971	31,590
Employee benefit obligations		18,124	17,002	6,243	7,994
Other non-current liabilities	4	13,869	14,041	2,263	2,239
Total non-current liabilities		410,210	591,254	39,183	46,880
Total liabilities		1,626,857	1,736,988	816,476	803,082

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Shareholders' equity					
Share capital					
Authorized share capital					
		1,044,637	1,044,637	1,044,637	1,044,637
Issued and paid-up share capital					
		757,058	757,058	757,058	757,058
Premium on shares		269,475	269,475	269,475	269,475
Surplus arising from business combination					
		39,196	39,196	-	-
Retained earnings (deficit)					
Appropriated - legal reserve	17	33,299	32,849	33,299	32,849
Unappropriated	17	(65,268)	(27,410)	65,393	50,335
Total shareholders' equity		1,033,760	1,071,168	1,125,225	1,109,717
Total liabilities and shareholders' equity		2,660,617	2,808,156	1,941,701	1,912,799

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenue from sales and services	301,272	208,649	55,281	53,506
Cost of sales and services	(239,027)	(208,918)	(50,756)	(58,287)
Gross profit (loss)	62,245	(269)	4,525	(4,781)
Other income	7,922	12,077	24,859	26,280
Distribution costs	(5,311)	(4,943)	(1,019)	(2,936)
Administrative expenses	(26,139)	(30,944)	(21,679)	(28,506)
Finance costs	(20,965)	(19,040)	(14,355)	(7,572)
Profit (loss) before income tax	17,752	(43,119)	(7,669)	(17,515)
Tax income (expense)	(4,855)	6,009	707	911
Profit (loss) for the period	12,897	(37,110)	(6,962)	(16,604)
Other comprehensive income (loss)	-	-	-	-
Total comprehensive income (loss) for the period	12,897	(37,110)	(6,962)	(16,604)
Basic earnings (loss) per share				
Earnings (loss) attributable to equity holders of the Company (Baht)	0.0170	(0.0490)	(0.0092)	(0.0219)
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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2019

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018	2019	2018
	4				
Revenue from sales and services	19	890,610	675,544	268,356	264,872
Cost of sales and services		(803,322)	(679,907)	(238,354)	(250,028)
Gross profit (loss)		87,288	(4,363)	30,002	14,844
Other income		36,179	53,213	92,755	97,372
Distribution costs		(16,580)	(20,923)	(5,315)	(10,652)
Administrative expenses		(87,240)	(101,487)	(74,960)	(81,855)
Finance costs		(56,380)	(50,861)	(32,694)	(21,404)
Profit (loss) before income tax		(36,733)	(124,421)	9,788	(1,695)
Tax income (expense)	18	(3,633)	13,709	3,239	2,238
Profit (loss) for the period		(40,366)	(110,712)	13,027	543
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		(37,408)	(110,712)	15,508	543
Basic earnings (loss) per share					
Earnings (loss) attributable to equity holders of the Company (Baht)		(0.0533)	(0.1462)	0.0172	0.0007
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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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		-	-	-	-	(40,366)	(40,366)
Other comprehensive income for the period		-	-	-	-	2,958	2,958
Legal reserve	17	-	-	-	450	(450)	-
Ending balance as at 30 September 2019		757,058	269,475	39,196	33,299	(65,268)	1,033,760
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		-	-	-	-	(110,712)	(110,712)
Ending balance as at 30 September 2018		757,058	269,475	39,196	32,849	25,183	1,123,761

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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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	-	-	-	13,027	13,027
Other comprehensive income for the period	-	-	-	2,481	2,481
Legal reserve	17	-	450	(450)	-
Ending balance as at 30 September 2019	757,058	269,475	33,299	65,393	1,125,225
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	-	-	-	543	543
Ending balance as at 30 September 2018	757,058	269,475	32,849	41,878	1,101,260

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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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	(36,733)	(124,421)	9,788	(1,695)
Adjustments to reconcile profit (loss) before income tax to net cash provided by (used in) operating activities				
Depreciation and amortization	212,884	238,732	29,821	28,304
Doubtful accounts (reversal)	(842)	(6,340)	24,079	18,541
Loss on obsolete stock	4,135	4,371	4,135	4,371
Loss on impairment of assets	316	188	164	188
Gain on sales of assets	(748)	(32,034)	(743)	(31,930)
Unrealized gain on exchange rate	(10,946)	(3,097)	(10,946)	(3,097)
Interest income	(1,411)	(1,305)	(43,339)	(36,700)
Finance costs	56,380	50,861	32,694	21,404
Employee benefit obligations	6,333	1,906	1,995	699
Profit from operating activities before change in operating assets and liabilities	229,368	128,861	47,648	85
Change in operating assets (increase) decrease				
Trade and other receivables	15,348	(73,890)	92,578	(13,804)
Inventories	(10,300)	14,140	(86,290)	(47,471)
Other current assets	6,771	24,691	5,976	(367)
Restricted bank deposits	(1)	(100)	-	-
Other non-current assets	(17,987)	(726)	(141)	2,471
Change in operating liabilities increase (decrease)				
Trade and other payables	30,866	(8,985)	14,818	(20,758)
Other current liabilities	25,017	70	(2,807)	2,421
Employee benefit obligations paid	(1,513)	(1,967)	(645)	(1,191)
Other non-current liabilities	55	(670)	24	(6)
Cash generated (paid) from operations	277,624	81,424	71,161	(78,620)

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

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Interest received	10,474	1,272	45,848	19,478
Proceeds from income tax refund	-	49	-	-
Income tax paid	(26,519)	(18,543)	(1,305)	(2,338)
Net cash provided by (used in) operating activities	261,579	64,202	115,704	(61,480)
Cash flows from investing activities				
(Increase) decrease in short-term loans to related parties	-	-	(101,367)	29,200
Purchases of equipment	(39,971)	(59,344)	(288)	(1,711)
Disposal of property, plant and equipment	2,100	63,229	2,079	60,935
Purchases of intangible assets	-	(3,600)	-	(3,600)
Net cash provided by (used in) investing activities	(37,871)	285	(99,576)	84,824
Cash flows from financing activities				
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	46,398	(17,847)	32,049	(24,122)
Proceeds from short-term loans from related parties	2,000	59,000	2,000	61,500
Repayment for short-term loans from related parties	(25,620)	(14,000)	(25,620)	(14,400)
Repayment for long-term loans from financial institutions	(3,636)	(31,015)	(3,636)	(29,265)
Proceeds from sale and leaseback agreement	-	99,980	-	-
Repayment for liabilities under finance leases	(191,964)	(135,217)	(634)	(3,910)
Finance costs	(49,257)	(43,528)	(20,178)	(17,309)
Net cash used in financing activities	(222,079)	(82,627)	(16,019)	(27,506)
Net increase (decrease) in cash and cash equivalents	1,629	(18,140)	109	(4,162)
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	3,767	3,260	471	1,199

CHU KAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED 30 SEPTEMBER 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 September		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 and revised TFRS not yet effective

The Federation of Accounting Professions has issued Notification, mandating the use of revised TFRS (revised 2019) and new TFRS which are effective for the financial statements for the period beginning on or after 1 January 2020. 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. However, the new TFRS involve changes to key principles which are summarized bellows:

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 nine-month periods ended 30 September 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 nine-month periods ended 30 September 2019 and 2018 were as follows:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Subsidiaries				
Revenue from sales and services	-	-	42,238	24,037
Interest income	-	-	42,018	35,973
Other income	-	-	22,318	21,948
Purchases of goods	-	-	67,280	77,460
Cost of sales and services	-	-	3,191	3,223
Distribution costs	-	-	462	806
Administrative expenses	-	-	189	596
Interest expenses	-	-	337	331
Related companies				
Revenue from sales and services	4,420	182	96	81
Other income	-	225	-	-
Cost of sales and services	2,241	109	-	28
Land and building rental expenses	2,800	-	2,800	-
Related persons (director / shareholders)				
Land and building rental expenses	2,400	10,800	800	3,600
Interest expenses	1,821	1,107	1,821	1,107

Key management personnel compensation

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term benefits	26,914	35,417	26,853	35,338
Post-employment benefits (reversal)	(2,302)	1,134	(2,302)	1,134
Total	24,612	36,551	24,551	36,472

The significant balances with related parties as at 30 September 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	-	-	4,958	2,257
Deposit	-	-	96	96
The Crane Rayong Co., Ltd.				
Accrued interest income	-	-	4,132	5,616
The Crane Heavy Lift Co., Ltd.				
Accrued interest expenses	-	-	254	150
The Crane Service Co., Ltd.				
Accrued interest income	-	-	8,505	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	-	-
Accrued interest expenses	217	1,868	217	1,868

Trade receivables - related parties

Trade receivables - related parties as at 30 September 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.	-	-	4,510	3,794
The Crane Rayong Co., Ltd.	-	-	47,592	31,501
The Crane Heavy Lift Co., Ltd.	-	-	321	-
The Crane Service Co., Ltd.	-	-	44,451	149,356
Crane Daeng Co., Ltd.	1,763	23	15	-
20 Auction Co., Ltd.	5	-	-	-
The Farm Valley Co., Ltd.	79	-	79	-
Total	1,847	23	96,968	184,651

Trade payables - related parties

Trade payables - related parties as at 30 September 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.	-	-	2,900	900
The Crane Service Co., Ltd.	-	-	13,210	6,193
Crane Daeng Co., Ltd.	746	788	-	-
Total	746	788	16,663	7,239

Short-term loans to related parties

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

	Thousands Baht	
	Separate financial statements	
	2019	2018
The Crane Laem Chabang Co., Ltd.	105,373	101,821
The Crane Rayong Co., Ltd.	260,970	252,057
The Crane Service Co., Ltd.	428,202	339,300
Total	794,545	693,178
Less: Allowance for doubtful accounts	(83,219)	(56,895)
Short-term loans to related parties - net	711,326	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 nine-month periods ended 30 September 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	331,260	192,600
Less: Repayment	(229,893)	(221,800)
Ending balance as at 30 September	794,545	646,500
Doubtful accounts	26,324	18,515

Short-term loans from related parties

Short-term loans from related parties as at 30 September 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	30,380	54,000	30,380	54,000
Total	30,380	54,000	66,430	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 nine-month periods ended 30 September 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	59,000	2,000	61,500
Less: Repayment	(25,620)	(14,000)	(25,620)	(14,400)
Ending balance as at 30 September	30,380	59,000	66,430	95,050

Co-guarantee for liabilities with related parties

As at 30 September 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 240.92 million.

The Company had co-guarantee for liabilities under finance leases of subsidiaries at carrying values in the amount of Baht 558.93 million.

Related company

The Farm Valley Co., Ltd. mortgaged land including existing construction and to be constructed against short-term credit facilities of subsidiary (see Note 10).

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 person had co-guarantee for short-term credit facilities of subsidiary (see Note 10).

Related persons had co-guarantee for liabilities under finance leases of subsidiaries at carrying values in the amount of Baht 32.88 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 September 2019 and 31 December 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade receivables	227,949	231,571	144,263	240,281
Less: Allowance for doubtful accounts	(50,966)	(51,869)	(5,225)	(7,452)
Trade receivables - net	176,983	179,702	139,038	232,829
Other receivables				
Accrued income	133,920	149,500	17,620	12,433
Advance payments	869	554	447	293
Others	6,670	10,483	5,724	8,424
Total	141,459	160,537	23,791	21,150
Less: Allowance for doubtful accounts	(1,343)	(1,282)	(713)	(731)
Other receivables - net	140,116	159,255	23,078	20,419
Trade and other receivables - net	317,099	338,957	162,116	253,248

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
For the nine-month period ended 30 September 2019		
Reversal of doubtful accounts	(842)	(2,245)

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	71,417	50,048	5,381	11,897
Overdue				
Not over 3 months	63,933	60,084	13,935	6,751
Over 3 months up to 6 months	29,962	27,532	18,204	3,177
Over 6 months up to 12 months	9,210	30,003	2,506	24,238
Over 12 months	51,580	63,881	7,269	9,567
Total	226,102	231,548	47,295	55,630
Trade receivables - related parties				
Current	5	-	12,797	6,475
Overdue				
Not over 3 months	1,347	23	21,406	78,044
Over 3 months up to 6 months	490	-	22,301	90,572
Over 6 months up to 12 months	5	-	36,858	9,129
Over 12 months	-	-	3,606	431
Total	1,847	23	96,968	184,651

6. INVENTORIES

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cranes	47,809	57,635	47,809	58,825
Forklifts	21,080	21,080	21,080	21,080
Excavator	67,124	57,532	67,124	57,532
Spare parts and component	16,796	16,633	16,796	16,733
Work in process and goods in transit	3,314	1,981	3,314	1,981
Total	156,123	154,861	156,123	156,151
Less: Allowance for devaluation of inventories	(18,695)	(14,560)	(18,695)	(14,560)
Inventories - net	137,428	140,301	137,428	141,591

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
For the nine-month period ended 30 September 2019		
Loss on obsolete stock	4,135	4,135

7. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at 30 September 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 nine-month period ended 30 September 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	139,944	95,041
Disposals / transfer out - net book value	(87,065)	(9,770)
Depreciation	(212,782)	(29,821)
Loss on impairment	(164)	(164)
Net book value as at 30 September 2019	1,931,279	572,944

In period 2019, the Group changed the estimated useful lives of the machineries to comply with current use. Therefore, the Group changed the estimated useful lives of the machinery and equipment for rent from 7 years and 10 years to 15 years, and the machinery and equipment from 5 years and 7 years to 10 years. The effect of such change in estimated useful lives to decrease in depreciation for the nine-month period ended 30 September 2019 in the amount of Baht 35.35 million in the consolidated financial statements and in the amount of Baht 1.44 million in the separate financial statements.

9. OTHER NON-CURRENT ASSETS

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Withholding tax	118,554	92,175	18,419	17,114
Retention	45,577	25,422	-	-
Others	3,907	6,077	3,654	3,514
Total	168,038	123,674	22,073	20,628
Less: Allowance for impairment	(2,750)	(2,750)	(2,750)	(2,750)
Other non-current assets - net	165,288	120,924	19,323	17,878

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

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Bank overdrafts	51,431	34,406	22,126	19,449
Promissory notes	15,000	15,000	15,000	15,000
Trust receipt	69,110	49,737	69,110	49,738
Total	135,541	99,143	106,236	84,187

In period 2019, the Subsidiary entered into the short-term credit facilities from financial institutions in the overdraft facility in the amount of Baht 10 million and the letter of guarantee credit facilities in the amount of Baht 80 million. The Farm Valley Co., Ltd. (related company) mortgaged land including existing construction and to be constructed against short-term credit facilities. Moreover, the Company and the related person had co-guarantee for the short-term credit facilities (see Note 4).

11. TRADE AND OTHER PAYABLES

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Trade payables	421,562	381,183	296,022	290,998
Accrued expenses	27,304	52,061	6,708	17,015
Other payables	2,799	8,486	2,823	1,098
Total	451,665	441,730	305,553	309,111

12. DEFAULT DEBTS

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

	Thousands Baht	
	Consolidated and separate financial statements	
	2019	2018
1st lender		
Principal	75,954	65,911
Accrued interest	11,479	3,572
Total	87,433	69,483
2nd lender		
Principal	180,000	-
Accrued interest	11,688	-
Total	191,688	-
Grand total	279,121	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). On 21 August 2019, the bills of exchange payables filed a lawsuit with the Civil Court to order the Company to make debt repayments (see Note 21).

13. CURRENT PORTION OF DEBTS

Current portion of debts as at 30 September 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	4,144	4,848	4,144	4,848
Liabilities under finance leases	16	254,177	260,122	618	833
Total		258,321	264,970	4,762	5,681

14. OTHER SHORT-TERM LOANS

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

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Loans from financial institutions	5,024	8,660	5,024	8,660
Less: Current portion of debts	(4,144)	(4,848)	(4,144)	(4,848)
Long-term loans from financial institutions	880	3,812	880	3,812

Movements of loans from financial institutions for the nine-month periods ended 30 September 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	(3,636)	(31,015)	(3,636)	(29,265)
Ending balance as at 30 September	5,024	75,783	5,024	75,783

16. LIABILITIES UNDER FINANCE LEASES

Liabilities under finance leases as at 30 September 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	218,644	15,982	234,626	618	81	699	224,558	22,192	246,750	833	115	948
2 - 5	256,443	7,744	264,187	826	51	877	423,733	19,014	442,747	1,245	108	1,353
	475,087	23,726	498,813	1,444	132	1,576	648,291	41,206	689,497	2,078	223	2,301
Sale and leaseback agreement												
1	35,533	4,136	39,669	-	-	-	35,564	5,083	40,647	-	-	-
2 - 5	55,773	2,677	58,450	-	-	-	71,892	5,059	76,951	-	-	-
	91,306	6,813	98,119	-	-	-	107,456	10,142	117,598	-	-	-
Total												
1	254,177	20,118	274,295	618	81	699	260,122	27,275	287,397	833	115	948
2 - 5	312,216	10,421	322,637	826	51	877	495,625	24,073	519,698	1,245	108	1,353
	566,393	30,539	596,932	1,444	132	1,576	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 tax income (expense) for the nine-month periods ended 30 September 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 (expense) recognized in profit or loss for the nine-month periods ended 30 September 2019 and 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Current tax				
Current period	(26)	(102)	-	-
Deferred tax				
Movement in temporary difference	(3,607)	13,811	3,239	2,238
Tax income (expense)	(3,633)	13,709	3,239	2,238

Income tax recognized in other comprehensive income for the nine-month period ended 30 September 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 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 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 nine-month periods ended 30 September 2019 and 2018 consisted of:

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Revenue from sales	250,625	220,729	217,619	221,192
Revenue from services	639,985	454,815	50,737	43,680
Total	890,610	675,544	268,356	264,872

Information about major customers

For the nine-month period ended 30 September 2019, the Group has revenue from 1 major customer in the amount of Baht 209.25 million (period 2018: 1 major customer in the amount of Baht 91.94 million) in consolidated financial statements from services segment.

20. COMMITMENTS AND CONTINGENT LIABILITIES

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

The Company

20.1 Commitments for payment under agreements as follows:

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

20.1.2 The land and building lease agreements in the amount of Baht 0.44 million per month.

20.1.3 Construction office building, factory and other service in the amount of Baht 3.72 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 agreements as follows:

20.3.1 The service agreements in the amount of Baht 0.54 million per month.

20.3.2 The land and building lease agreements in the amount of Baht 1.31 million per month.

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

20.4 The letter of guarantee issued by the bank in the amount of Baht 110.72 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 83.07 million, with interest at the rate of 15 percent per annum of principal in the amount of Baht 75.95 million since litigation date until complete repayment. At present, the case is under consideration by the Civil Court (see Note 12).

On 21 August 2019, the Company was litigation from default under bills of exchange in the amount of Baht 188.73 million, with interest at the rate of 15 percent per annum of principal in the amount of Baht 180 million since litigation date until complete repayment. At present, the case is under consideration by the Civil Court (see Note 12).

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. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on 7 November 2019.