

Enclosure 2

After You Public Company Limited and its subsidiary
Report and financial statements
31 December 2017

Independent Auditor's Report

To the Shareholders of After You Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of After You Public Company Limited and its subsidiary ("the Group"), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of After You Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of After You Public Company Limited and its subsidiary and of After You Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for are described below.

Revenue recognition

The Company operates business of food and beverage outlets in many branches. Its main revenues are generated from cash sales of foods and beverages (represents approximately 99% of total revenues from sales). Thus, revenues from sales are significant to the financial statements. In addition, the Company has launched a customer loyalty program for registered members, under which customers earn points when making purchases of foods and beverages in specified amounts and can redeem these for gifts in accordance with the conditions set by the Company. The fair value of accumulated points determined based on the estimated customer redemption is presented as a deduction against revenues from sales and recognised as revenues when the customers redeem the points for gifts. The estimation of the fair value of such accumulated points requires the exercise of judgement. There is therefore a risk with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Company by

- Assessing and testing the Company's internal controls with respect to the revenue and cash receipt cycles by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- Observing the operations of the internal controls at selected branches.
- On a sampling basis, examining supporting documents for actual sale and cash receipt transactions occurring during the year and near the end of the accounting period.
- Performing analytical procedures on disaggregated data to detect possible irregularities in sale transactions throughout the period, particularly for accounting entries made through journal vouchers.
- Assessing the fair value of accumulated points, estimated based on customer redemption, and testing the calculation.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.



Sumalee Reewarabandith

Certified Public Accountant (Thailand) No. 3970

EY Office Limited

Bangkok: 27 February 2018

After You Public Company Limited and its subsidiary

Statement of financial position

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents	7	48,635,122	628,398,173	44,413,134	625,022,920
Current investments	8	463,346,053	-	463,346,053	-
Trade and other receivables	6, 9	11,100,917	7,268,327	15,166,154	11,292,512
Inventories	10	24,486,225	21,575,684	25,066,049	22,184,369
Other current assets	11	5,164,638	7,742,044	5,162,916	7,740,368
Total current assets		552,732,955	664,984,228	553,154,306	666,240,169
Non-current assets					
Restricted bank deposits	12	400,000	200,000	400,000	200,000
Investment in a subsidiary	13	-	-	999,700	999,700
Property, plant and equipment	14	436,796,921	282,993,912	436,761,649	282,948,262
Intangible assets	15	12,555,752	3,306,128	12,555,752	3,306,128
Advance for acquisition of assets		-	5,514,000	-	5,514,000
Rental deposits		28,379,649	22,065,023	28,379,649	22,065,023
Deferred tax assets	25	2,947,198	2,170,319	2,947,198	2,170,319
Other non-current assets		-	699,412	-	699,412
Total non-current assets		481,079,520	316,948,794	482,043,948	317,902,844
Total assets		1,033,812,475	981,933,022	1,035,198,254	984,143,013

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

After You Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	6, 16	59,381,285	63,789,842	61,807,965	67,560,460
Current portion of liabilities under finance lease agreements	17	232,704	394,418	232,704	394,418
Current portion of long-term loans from bank	18	-	12,506,038	-	12,506,038
Income tax payable		15,143,298	10,275,717	14,696,772	9,536,730
Other current liabilities	19	8,613,119	16,588,008	8,491,342	16,516,295
Total current liabilities		83,370,406	103,554,023	85,228,783	106,513,941
Non-current liabilities					
Liabilities under finance lease agreements	17	154,968	387,652	154,968	387,652
Long-term loans from bank	18	-	53,806,060	-	53,806,060
Provision for decommissioning	20	9,119,457	6,770,930	9,119,457	6,770,930
Provision for long-term employee benefits	21	6,346,910	4,662,131	6,346,910	4,662,131
Other non-current liabilities		2,522,737	3,918,501	2,522,437	3,918,201
Total non-current liabilities		18,144,072	69,545,274	18,143,772	69,544,974
Total liabilities		101,514,478	173,099,297	103,372,555	176,058,915

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

After You Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Shareholders' equity					
Share capital	22				
Registered					
815,625,000 ordinary shares of Baht 0.10 each (2016: 725,000,000 ordinary shares of Baht 0.10 each)		<u>81,562,500</u>	<u>72,500,000</u>	<u>81,562,500</u>	<u>72,500,000</u>
Issued and paid-up					
815,623,561 ordinary shares of Baht 0.10 each (2016: 725,000,000 ordinary shares of Baht 0.10 each)		81,562,356	72,500,000	81,562,356	72,500,000
Premium on ordinary shares	22	709,575,820	709,575,820	709,575,820	709,575,820
Retained earnings					
Appropriated					
Statutory reserve - the Company	23	8,156,250	7,250,000	8,156,250	7,250,000
Statutory reserve - subsidiary	23	100,000	100,000	-	-
Unappropriated		<u>132,903,571</u>	<u>19,407,905</u>	<u>132,531,273</u>	<u>18,758,278</u>
Total shareholders' equity		<u>932,297,997</u>	<u>808,833,725</u>	<u>931,825,699</u>	<u>808,084,098</u>
Total liabilities and shareholders' equity		<u>1,033,812,475</u>	<u>981,933,022</u>	<u>1,035,198,254</u>	<u>984,143,013</u>
		-	-	-	-

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

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Directors
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After You Public Company Limited and its subsidiary

Statement of comprehensive income

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Profit or loss:					
Revenues					
Sales		723,963,348	606,377,892	723,963,348	606,377,892
Dividend income		-	-	3,998,800	4,000,000
Other income		11,417,049	2,009,658	11,495,801	2,087,094
Total revenues		735,380,397	608,387,550	739,457,949	612,464,986
Expenses					
Cost of sales		244,334,351	217,781,441	249,294,491	222,644,856
Selling expenses		227,519,463	178,530,426	227,519,463	178,530,426
Administrative expenses		106,091,531	84,169,991	105,879,341	83,984,668
Total expenses		577,945,345	480,481,858	582,693,295	485,159,950
Profit before finance cost and income tax expenses		157,435,052	127,905,692	156,764,654	127,305,036
Finance cost		(635,986)	(6,798,117)	(635,986)	(6,797,087)
Profit before income tax expenses		156,799,066	121,107,575	156,128,668	120,507,949
Income tax expenses	25	(27,896,004)	(22,338,410)	(26,949,477)	(21,413,210)
Profit for the year		128,903,062	98,769,165	129,179,191	99,094,739
Other comprehensive income:					
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial losses, net of income tax		-	(147,500)	-	(147,500)
Total comprehensive income for the year		128,903,062	98,621,665	129,179,191	98,947,239
			(Restated)		(Restated)
Earnings per share					
26					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.16	0.16	0.16	0.16
					(Unit: Share)
Weighted average number of ordinary shares		815,623,561	629,523,566	815,623,561	629,523,566

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

After You Public Company Limited and its subsidiary

Cash flow statement

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from operating activities				
Profit before tax	156,799,066	121,107,575	156,128,668	120,507,949
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	38,583,156	27,875,955	38,572,778	27,869,710
Allowance for diminution in value of inventories	579,973	119,554	579,973	119,554
Write-off obsolete inventories	213,501	-	213,501	-
Unrealised gain on changes in value of investments in securities held for trading	(2,062,483)	-	(2,062,483)	-
Gain on sales of investments in securities held for trading	(1,268,570)	-	(1,268,570)	-
Loss on sale of equipment	91,678	302,074	91,678	302,074
Write-off equipment	701,842	-	701,842	-
Allowance for impairment loss on computer software	780,391	-	780,391	-
Write-off rental deposits	252,000	-	252,000	-
Provision for long-term employee benefits	2,200,600	2,456,146	2,200,600	2,456,146
Expenses in relation to share-based payments	-	7,681,188	-	7,681,188
Dividend income	-	-	(3,998,800)	(4,000,000)
Interest income	(3,841,398)	(358,761)	(3,826,651)	(348,696)
Finance costs	241,396	7,457,563	241,396	7,456,533
Profit from operating activities before changes in operating assets and liabilities	193,271,152	166,641,294	188,606,323	162,044,458
Operating assets (increase) decrease				
Trade and other receivables	(3,282,235)	(5,673,835)	(3,324,488)	(5,643,927)
Inventories	(3,704,015)	(6,955,557)	(3,675,154)	(7,222,675)
Other current assets	2,453,506	(3,665,179)	2,453,506	(3,664,129)
Rental deposits	(6,566,626)	(2,836,053)	(6,566,626)	(2,836,053)
Other non-current assets	699,412	2,372,361	699,412	2,372,361
Operating liabilities increase (decrease)				
Trade and other payables	(4,112,579)	5,450,374	(5,455,317)	6,993,961
Other current liabilities	(7,974,889)	10,278,668	(8,024,953)	10,270,600
Other non-current liabilities	(1,395,764)	794,476	(1,395,764)	794,476
Cash flows from operating activities	169,387,962	166,406,549	163,316,939	163,109,072
Interest received	3,291,043	358,761	3,276,297	348,696
Interest paid	(253,044)	(8,866,525)	(253,044)	(8,865,495)
Cash paid for decommissioning of assets	(52,051)	-	(52,051)	-
Cash paid for long-term employee benefits	(515,821)	-	(515,821)	-
Cash paid for income tax	(23,833,902)	(21,430,722)	(22,594,868)	(21,042,860)
Net cash flows from operating activities	148,024,187	136,468,063	143,177,452	133,549,413

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

After You Public Company Limited and its subsidiary

Cash flow statement (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Cash flows from investing activities				
Acquisition of investments in securities held for trading and held-to-maturity investments	(670,015,000)	-	(670,015,000)	-
Proceed from sales of investments in securities held for trading	210,000,000	-	210,000,000	-
Increase in restricted bank deposit	(200,000)	(200,000)	(200,000)	(200,000)
Acquisition of land, buildings and equipment	(151,759,629)	(77,050,807)	(151,759,629)	(76,998,913)
Acquisition of computer software	(4,437,180)	(2,436,620)	(4,437,180)	(2,436,620)
Advance paid for acquisition of assets	(39,336,684)	(5,514,000)	(39,336,684)	(5,514,000)
Proceed from sale of equipment	134,327	55,210	134,327	55,210
Dividend received	-	-	4,000,000	-
Net cash flows used in investing activities	(655,614,166)	(85,146,217)	(651,614,166)	(85,094,323)
Cash flows from financing activities				
Decrease in liabilities under finance lease agreements	(425,821)	(690,965)	(425,821)	(690,965)
Cash receipt from long-term loans from bank	-	33,000,000	-	33,000,000
Repayment of long-term loans from unrelated parties	-	(100,000,000)	-	(100,000,000)
Repayment of long-term loans from banks	(66,312,098)	(12,213,158)	(66,312,098)	(12,213,158)
Proceeds from increase in share capital	-	736,818,813	-	736,818,813
Cash paid for direct costs related to the share offering	-	(1,900,000)	-	(1,900,000)
Dividend paid	(5,435,153)	(160,210,000)	(5,435,153)	(160,210,000)
Net cash flows from (used in) financing activities	(72,173,072)	494,804,690	(72,173,072)	494,804,690
Net increase (decrease) in cash and cash equivalents	(579,763,051)	546,126,536	(580,609,786)	543,259,780
Cash and cash equivalents at beginning of year	628,398,173	82,271,637	625,022,920	81,763,140
Cash and cash equivalents at end of year	48,635,122	628,398,173	44,413,134	625,022,920
	-	-	-	-

Supplemental cash flows information

Non-cash items

Transfer other current assets to advance for acquisition of assets account	(152,500)	-	(152,500)	-
Transfer advance for acquisition of assets to buildings and equipment accounts	38,205,934	-	38,205,934	-
Transfer advance for acquisition of assets to to computer software account	6,797,250	-	6,797,250	-
Decrease in payables for construction and purchase of equipment	(108,122)	(3,727,265)	(108,122)	(3,727,265)
Increase in payables for direct costs related to the share offering	-	14,524,181	-	14,524,181
Actuarial losses	-	(184,375)	-	(184,375)
Dividend receivable from a subsidiary	-	-	3,998,800	4,000,000
Dividend payable	3,637	-	2,437	-

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

After You Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

		Consolidated financial statements					
		Issued and	Retained earnings				
		paid-up	Premium on	Appropriated - statutory reserve			
Note	share capital	ordinary shares	The Company	Subsidiary	Unappropriated	Total	
	Balance as at 1 January 2016	54,000,000	-	5,400,000	-	57,566,240	116,966,240
	Profit for the year	-	-	-	-	98,769,165	98,769,165
	Other comprehensive income for the year	-	-	-	-	(147,500)	(147,500)
	Total comprehensive income for the year	-	-	-	-	98,621,665	98,621,665
	Increase in share capital	18,500,000	709,575,820	-	-	-	728,075,820
	Dividend paid	-	-	-	-	(134,830,000)	(134,830,000)
	Transferred unappropriated retained earnings to statutory reserve	-	-	1,850,000	100,000	(1,950,000)	-
	Balance as at 31 December 2016	72,500,000	709,575,820	7,250,000	100,000	19,407,905	808,833,725
	Balance as at 1 January 2017	72,500,000	709,575,820	7,250,000	100,000	19,407,905	808,833,725
	Profit for the year	-	-	-	-	128,903,062	128,903,062
	Total comprehensive income for the year	-	-	-	-	128,903,062	128,903,062
	Stock dividend	9,062,356	-	-	-	-	9,062,356
	Dividend paid	-	-	-	-	(14,501,146)	(14,501,146)
	Transferred unappropriated retained earnings to statutory reserve	-	-	906,250	-	(906,250)	-
	Balance as at 31 December 2017	81,562,356	709,575,820	8,156,250	100,000	132,903,571	932,297,997
		-	-	-	-	-	-
		-	-	-	-	-	-

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

After You Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

Separate financial statements						
	Note	Issued and	Premium on	Retained earnings		Total
		paid-up share capital		ordinary shares	Appropriated - statutory reserve	
Balance as at 1 January 2016		54,000,000	-	5,400,000	56,491,039	115,891,039
Profit for the year		-	-	-	99,094,739	99,094,739
Other comprehensive income for the year		-	-	-	(147,500)	(147,500)
Total comprehensive income for the year		-	-	-	98,947,239	98,947,239
Increase in share capital	22	18,500,000	709,575,820	-	-	728,075,820
Dividend paid	29	-	-	-	(134,830,000)	(134,830,000)
Transferred unappropriated retained earnings to statutory reserve	23	-	-	1,850,000	(1,850,000)	-
Balance as at 31 December 2016		72,500,000	709,575,820	7,250,000	18,758,278	808,084,098
Balance as at 1 January 2017		72,500,000	709,575,820	7,250,000	18,758,278	808,084,098
Profit for the year		-	-	-	129,179,191	129,179,191
Total comprehensive income for the year		-	-	-	129,179,191	129,179,191
Stock dividend	22, 29	9,062,356	-	-	-	9,062,356
Dividend paid	29	-	-	-	(14,499,946)	(14,499,946)
Transferred unappropriated retained earnings to statutory reserve	23	-	-	906,250	(906,250)	-
Balance as at 31 December 2017		81,562,356	709,575,820	8,156,250	132,531,273	931,825,699
		-	-	-	-	-
		-	-	-	-	-

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

After You Public Company Limited and its subsidiary
Notes to financial statements
For the year ended 31 December 2017

1. General information

After You Public Company Limited (“the Company”) is a public limited company incorporated and domiciled in Thailand. The Company is principally engaged in operation of food and beverage outlets. The registered address of the Company, which is its head office, is at 1319/9 Pattanakarn, Suanluang, Suanluang, Bangkok. Its factory is located at 30/106 Moo1, Tumbon Kokkham, Amphur Muang Samut Sakorn, Samut Sakorn.

As at 31 December 2017, the Company has 27 branches (2016: 20 branches) in Bangkok, Samutprakan, Pathumthani, Nonthaburi and Nakhon Ratchasima.

2. Basis of financial statement preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of After You Public Company Limited and its subsidiary (hereinafter called “the Group”) as the following.

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding	
			2017 (%)	2016 (%)
Aurum and Aurum Company Limited	Distribution of bakery products and equipment	Thailand	100	100

- b) The Company is deemed to have control over an investee or a subsidiary if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
 - c) A subsidiary is fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
 - d) The financial statements of the subsidiary are prepared using the same significant accounting policies as the Company.
 - e) Material balances and transactions between the Company and its subsidiary have been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investment in a subsidiary under the cost method.

3. New financial reporting standards

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

During the year, the Group has adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

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

During the current year, the Federation of Accounting Professions issued a number of 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 management of the Group believes that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

Sales of goods

This mainly represents revenues from sales of foods and beverages through the dessert cafe which are recognised upon goods being delivered. Sales are the invoiced value, excluding value added tax, of goods supplied after deducting discounts and allowances.

Customer loyalty program

The Company has launched a customer loyalty program for registered members, under which the customers earn points when making purchases of foods and beverages at the specified amount. The points can be redeemed for gifts in accordance with the conditions set by the Company.

The fair value of accumulated points is determined based on the cost of redeemed gifts. The Company records such fair value based on the estimated customer redemption as a deduction against revenues from sales of foods and beverages and as unearned revenues. Revenues are recognised when the customers redeem the points for gifts.

The fair value of unredeemed accumulated points is recognised as revenues when the redemption period expires.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.3 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.4 Inventories

Finished goods and work in process are valued at the lower of cost and net realisable value. The cost of inventories is measured using the standard cost method, which approximates actual cost.

Products purchased for sales, raw materials and supplies are valued at the lower of cost (first-in, first-out method) and net realisable value, and are charged to production costs whenever consumed.

4.5 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in debt securities expected to be held to maturity are recorded at amortised cost. The premium/discount on debt securities is presented as interest income.
- c) Investment in subsidiary, presented in the separate financial statements, is stated at cost less allowance for loss on impairment (if any).

The fair value of unit trusts is determined from their net asset value. The fair value of debt instruments is determined based on yield rates quoted by the issuer of debt instruments.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.6 Property, plant and equipment and depreciation

Land is stated at cost. Building and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any). The costs comprise any costs directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating and decommissioning costs obligation associated with a consequence of having used the assets.

Depreciation of building and equipment is calculated by reference to their costs on the straight-line basis over the estimated useful lives as follows.

Buildings and building improvement	5, 10 and 30 years
Utility systems	5 and 10 years
Kitchenware and appliances	5 and 10 years
Furniture and office equipment	5 years
Motor vehicles	5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under construction and installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.7 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.8 Intangible assets

Intangible assets are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end.

The estimated useful lives of computer software are 5 years.

The amortisation expense is calculated on the straight-line basis over the estimated useful lives and charged to profit or loss. No amortisation is provided on computer software under installation.

4.9 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.

4.10 Long-term leases

Leases of building or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of building or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight-line basis over the lease term.

4.11 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange rate are included in determining income.

4.12 Impairment of assets

At the end of each reporting period, the Group performs impairment reviews in respect of the property, plant and equipment and intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Group estimates the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.13 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits and other long-term employee benefits

Defined benefit plans and other long-term employee benefits

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law and other employee benefit plans. The Group treats these severance payment obligations as a defined benefit plan. In addition, the Group provides other long-term employee benefit plan, namely long service awards.

The obligation under the defined benefit plan and other long-term employee benefit plans is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

Actuarial gains and losses arising from other long-term benefits are recognised immediately in profit or loss.

Past service costs are recognised in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

4.14 Provisions

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.15 Equity-settled share-based payment transactions

The Company recognises share-based payment transactions when it receives services provided by employees, based on the fair value of the share options on the grant date. The excess of the fair value at subscription date over the subscription price was recorded as expense in profit or loss, and as premium on ordinary shares in the shareholders' equity.

4.16 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.17 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categories of input to be used in fair value measurement as follows.

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Provision for decommissioning

The Group is obligated to remove decoration and fixtures and restore the rental spaces before returning them to the lessors at the end of the rental agreements. The Group records a provision for decommissioning whenever it is highly probable that an obligation will arise as a result of a past event and the amount of the obligation can be reliably estimated. In estimating of decommissioning costs, the management exercises judgement in predicting future decommissioning costs, discount rate and economic useful lives of the assets.

Post-employment benefits under defined benefit plans and other long-term employee benefits

The obligation under the defined benefit plan and other long-term employee benefit plans is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

During the years, the Group 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 Group and those related parties.

(Unit: Thousand Baht)

	Consolidated		Separate		Transfer pricing policy
	financial statements		financial statements		
	2017	2016	2017	2016	
Transactions with a subsidiary					
(Eliminated from the consolidated financial statements)					
Purchase of raw materials	-	-	41,079	40,929	Cost plus margin
Service income	-	-	94	88	Rate stipulated in agreement
Dividend income	-	-	3,999	4,000	As declared
Transactions with related parties					
Purchase of raw materials	1,590	363	1,590	363	Cost plus margin
Service expense	-	120	-	120	Agreed upon basis
Other income	30	40	30	40	Agreed upon basis
Transactions with related persons					
Rental expense	1,695	1,695	1,575	1,575	Rate stipulated in agreement

As at 31 December 2017 and 2016, the balances of the accounts between the Group and those related parties are as follows.

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade and other receivables (Note 9)				
<u>Other receivables - related parties</u>				
Advance to a subsidiary	-	-	66	24
Other receivable - a subsidiary	-	-	3,999	4,000
Total	-	-	4,065	4,024
Trade and other payables (Note 16)				
<u>Trade payables - related parties</u>				
A subsidiary	-	-	5,951	6,040
A related company	27	43	27	43
Total	27	43	5,978	6,083

Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Group had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2017	2016
Short-term employee benefits	13,504	13,453
Post-employment benefits	341	257
Other long-term benefits	53	165
Share-based payment benefits (Note 22)	-	6,056
Total	13,898	19,931

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cash	3,971	3,470	3,971	3,470
Bank deposits	44,644	624,928	40,442	621,553
Total	48,635	628,398	44,413	625,023

As at 31 December 2017, bank deposits in savings accounts carried interest at rates between 0.10% and 0.40% per annum (2016: between 0.10% and 0.87% per annum).

8. Current investments

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2017	2016
Investments in securities held for trading		
Unit trusts - fixed income fund	261,284	-
Add: Change in fair value	2,062	-
Total investments in securities held for trading	263,346	-
Investments in debt securities expected to be held to maturity		
Short-term derivative debentures	200,000	-
Total investments in debt securities expected to be held to maturity	200,000	-
Total	463,346	-

9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Past due				
Up to 3 months	9,417	4,014	9,417	4,014
Total trade receivables - unrelated parties	9,417	4,014	9,417	4,014
<u>Other receivables</u>				
Advances to a subsidiary	-	-	66	24
Other receivable - a subsidiary	-	-	3,999	4,000
Other receivables - unrelated parties	1,684	3,254	1,684	3,254
Total other receivables	1,684	3,254	5,749	7,278
Total	11,101	7,268	15,166	11,292

10. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements					
	Cost		Reduce cost to net realisable value		Inventories - net	
	2017	2016	2017	2016	2017	2016
Finished goods	5,997	5,139	-	-	5,997	5,139
Work in process	314	286	-	-	314	286
Raw materials	14,011	11,778	(33)	-	13,978	11,778
Supplies	4,863	4,493	(666)	(120)	4,197	4,373
Total	25,185	21,696	(699)	(120)	24,486	21,576

(Unit: Thousand Baht)

Separate financial statements

	Cost		Reduce cost to net realisable value		Inventories - net	
	2017	2016	2017	2016	2017	2016
	Finished goods	5,997	5,139	-	-	5,997
Work in process	314	286	-	-	314	286
Raw materials	14,591	12,386	(33)	-	14,558	12,386
Supplies	4,863	4,493	(666)	(120)	4,197	4,373
Total	25,765	22,304	(699)	(120)	25,066	22,184

During the year 2017, the Group reduced cost of inventories by Baht 1.0 million (2016: Baht 0.1 million) (The Company only: Baht 1.0 million and 2016: Baht 0.1 million), to reflect the net realisable value. This was included in cost of sales. In addition, the Group reversed the write-down of cost of inventories by Baht 0.4 million (2016: Nil) (the Company only: Baht 0.4 million and 2016: Nil), and reduced the amount of inventories recognised as expenses during the year.

11. Other current assets

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Prepaid expenses	3,769	4,467	3,769	4,467
Others	1,396	3,275	1,394	3,273
Total	5,165	7,742	5,163	7,740

12. Restricted bank deposit

This represents fixed deposit pledged with a bank as collateral to secure credit facilities.

13. Investment in a subsidiary

Details of investment in a subsidiary as presented in the separate financial statements are as follows.

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage (%)		Cost		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016
	Aurum and Aurum Company Limited	1,000	1,000	100	100	1,000	1,000	3,999

14. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements							Total
	Land	Building and building improvement	Utility systems	Kitchenware and appliances	Furniture and office equipment	Motor vehicles	Assets under construction and installation	
Cost								
1 January 2016	72,949	89,388	19,363	26,032	64,272	6,726	2,549	281,279
Additions	2,650	426	911	7,305	7,709	3,299	51,023	73,323
Cost of assets decommissioning	-	-	-	-	1,216	-	-	1,216
Capitalised interest	-	-	-	-	-	-	264	264
Disposals	-	-	-	(568)	(522)	-	-	(1,090)
Transfer in (out)	-	2,318	6,698	1,303	11,120	-	(21,439)	-
31 December 2016	75,599	92,132	26,972	34,072	83,795	10,025	32,397	354,992
Additions	27,144	4,000	1,247	15,344	18,375	3,899	119,849	189,858
Cost of assets decommissioning	-	-	-	-	2,252	-	-	2,252
Disposals / write-off	-	-	(29)	(1,087)	(2,967)	-	-	(4,083)
Transfer in (out)	-	83,880	22,046	13,820	29,914	-	(149,660)	-
31 December 2017	102,743	180,012	50,236	62,149	131,369	13,924	2,586	543,019
Accumulated depreciation								
1 January 2016	-	206	6,528	10,595	26,162	1,949	-	45,440
Depreciation for the year	-	3,609	3,601	5,676	13,298	1,107	-	27,291
Depreciation on disposals	-	-	-	(406)	(327)	-	-	(733)
31 December 2016	-	3,815	10,129	15,865	39,133	3,056	-	71,998
Depreciation for the year	-	5,678	5,152	7,555	17,486	1,508	-	37,379
Depreciation on disposals / write-off	-	-	(6)	(951)	(2,198)	-	-	(3,155)
Transfer in (out)	-	-	-	(3)	3	-	-	-
31 December 2017	-	9,493	15,275	22,466	54,424	4,564	-	106,222
Net book value								
31 December 2016	75,599	88,317	16,843	18,207	44,662	6,969	32,397	282,994
31 December 2017	102,743	170,519	34,961	39,683	76,945	9,360	2,586	436,797
Depreciation for the years								
2016 (Baht 8.7 million included in manufacturing cost, and the balance in selling and administrative expenses)								27,291
2017 (Baht 11.0 million included in manufacturing cost, and the balance in selling and administrative expenses)								37,379

(Unit: Thousand Baht)

	Separate financial statements							Total
	Land	Building and building improvement	Utility systems	Kitchenware and appliances	Furniture and office equipment	Motor vehicles	Assets under construction and installation	
Cost								
1 January 2016	72,949	89,388	19,363	26,032	64,272	6,726	2,549	281,279
Additions	2,650	426	911	7,253	7,709	3,299	51,023	73,271
Cost of assets decommissioning	-	-	-	-	1,216	-	-	1,216
Capitalised interest	-	-	-	-	-	-	264	264
Disposals	-	-	-	(568)	(522)	-	-	(1,090)
Transfer in (out)	-	2,318	6,698	1,303	11,120	-	(21,439)	-
31 December 2016	75,599	92,132	26,972	34,020	83,795	10,025	32,397	354,940
Additions	27,144	4,000	1,247	15,344	18,375	3,899	119,849	189,858
Cost of assets decommissioning	-	-	-	-	2,252	-	-	2,252
Disposals / write-off	-	-	(29)	(1,087)	(2,967)	-	-	(4,083)
Transfer in (out)	-	83,880	22,046	13,820	29,914	-	(149,660)	-
31 December 2017	102,743	180,012	50,236	62,097	131,369	13,924	2,586	542,967
Accumulated depreciation								
1 January 2016	-	206	6,528	10,595	26,162	1,949	-	45,440
Depreciation for the year	-	3,609	3,601	5,670	13,298	1,107	-	27,285
Depreciation on disposals	-	-	-	(406)	(327)	-	-	(733)
31 December 2016	-	3,815	10,129	15,859	39,133	3,056	-	71,992
Depreciation for the year	-	5,678	5,152	7,544	17,486	1,508	-	37,368
Depreciation on disposals / write-off	-	-	(6)	(951)	(2,198)	-	-	(3,155)
Transfer in (out)	-	-	-	(3)	3	-	-	-
31 December 2017	-	9,493	15,275	22,449	54,424	4,564	-	106,205
Net book value								
31 December 2016	75,599	88,317	16,843	18,161	44,662	6,969	32,397	282,948
31 December 2017	102,743	170,519	34,961	39,648	76,945	9,360	2,586	436,762
Depreciation for the years								
2016 (Baht 8.7 million included in manufacturing cost, and the balance in selling and administrative expenses)								27,285
2017 (Baht 11.0 million included in manufacturing cost, and the balance in selling and administrative expenses)								37,368

During the year 2016, the Company had financed the construction of office building and distribution center with long-term loans from bank and long-term loans from two unrelated parties. Borrowing costs amounting to Baht 0.3 million were capitalised as cost of assets. The weighted average rate of 4.45% has been used to determine the amount of borrowing costs eligible for capitalisation (2017: Nil).

As at 31 December 2017, the Company had equipment with net book value of Baht 1.0 million (2016: Baht 1.5 million) which were acquired under finance lease agreements.

As at 31 December 2017, certain items of equipment were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounting to Baht 34.7 million (2016: Baht 16.9 million).

The Company had pledged some of its land and factory building with net book value as at 31 December 2016 of Baht 122.0 million as collateral to secure long-term loans from bank. During the current year, the Company made full repayment of long-term loans ahead of the schedules to the bank and redeemed the pledged assets.

15. Intangible assets

The net book value of intangible assets as at 31 December 2017 and 2016 is presented below.

	(Unit: Thousand Baht)		
	Consolidated/Separate financial statements		
	Computer software	Computer software under installation	Total
As at 31 December 2017			
Cost	9,083	6,797	15,880
Less: Accumulated amortisation	(2,544)	-	(2,544)
Less: Allowance for impairment loss	(780)	-	(780)
Net book value	<u>5,759</u>	<u>6,797</u>	<u>12,556</u>
As at 31 December 2016			
Cost	4,646	-	4,646
Less: Accumulated amortisation	(1,340)	-	(1,340)
Net book value	<u>3,306</u>	<u>-</u>	<u>3,306</u>

A reconciliation of the net book value of intangible assets for the years 2017 and 2016 is presented below.

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2017	2016
Net book value at beginning of year	3,306	1,454
Acquisition	11,234	2,437
Amortisation	(1,204)	(585)
Allowance for impairment loss	(780)	-
Net book value at end of year	<u>12,556</u>	<u>3,306</u>

16. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separated	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade payables - related parties	27	43	5,978	6,083
Trade payables - unrelated parties	23,566	19,433	20,201	17,366
Other payables - unrelated parties	11,959	21,497	11,959	21,497
Other payables for construction and purchase of equipment	7,205	7,313	7,205	7,313
Accrued expenses	16,624	15,504	16,465	15,301
Total	<u>59,381</u>	<u>63,790</u>	<u>61,808</u>	<u>67,560</u>

17. Liabilities under finance lease agreements

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2017	2016
Liabilities under finance lease agreements	406	831
Less: Deferred interest expense	(18)	(49)
Total	<u>388</u>	<u>782</u>
Less: Portion due within one year	(233)	(394)
Portion due more than one year	<u>155</u>	<u>388</u>

The Company has entered into the finance lease agreements with leasing companies for rental of motor vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 3 years and 4 years.

Future minimum lease payments required under the finance lease agreements were as follows.

	(Unit: Thousand Baht)		
	Consolidated/Separate financial statements		
	As at 31 December 2017		
	Less than		
	1 year	1 - 4 years	Total
Future minimum lease payments	247	159	406
Deferred interest expense	(14)	(4)	(18)
Present value of future minimum lease payments	<u>233</u>	<u>155</u>	<u>388</u>

	(Unit: Thousand Baht)		
	Consolidated/Separate financial statements		
	As at 31 December 2016		
	Less than		
	1 year	1 - 4 years	Total
Future minimum lease payments	426	405	831
Deferred interest expense	(32)	(17)	(49)
Present value of future minimum lease payments	<u>394</u>	<u>388</u>	<u>782</u>

18. Long-term loans from bank

			(Unit: Thousand Baht)	
			Consolidated/Separate financial statements	
Loan	Interest rate (%)	Repayment schedule	2017	2016
1	MLR and MLR-1	Monthly installments for 84 periods, ending October 2020	-	11,047
2	MLR-1	Monthly installments for 90 periods, ending December 2022	-	47,178
3	MLR-1	Monthly installments for 84 periods, ending July 2022	-	8,087
Total			-	66,312
Less: Portion due within one year			-	(12,506)
Portion due more than one year			<u>-</u>	<u>53,806</u>

As at 31 December 2016, the long-term loans were secured by the mortgage of the Company's land and factory building (2017: Nil).

In January 2017, the Company made full repayments of long-term loans and interest ahead of the schedules to the bank for all three facilities. The Company recorded loan prepayment fee in profit or loss of 2017.

19. Other current liabilities

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Unearned revenue - Customer				
loyalty program	3,000	1,800	3,000	1,800
Unearned revenue - Cash voucher	1,082	926	1,082	926
Withholding income tax payable	1,021	11,182	1,009	11,182
Value added tax payable	2,142	1,781	2,033	1,711
Social security fund payable	1,056	840	1,055	838
Others	312	59	312	59
Total	8,613	16,588	8,491	16,516

20. Provision for decommissioning

	(Unit: Thousand Baht)	
	Consolidated/Separate	
	financial statements	
	2017	2016
Balance at beginning of the year	6,771	5,434
Increase during the year	2,252	1,216
Finance cost	148	121
Decrease from actual payment	(52)	-
Balance at end of the year	9,119	6,771

21. Provision for long-term employee benefits

Provision for long-term employee benefits was as follows.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements		
	Provision for	Provision for other	Total
	post-employment benefits	long-term employee benefits	
Provision for long-term employee benefits as at 1 January 2016	233	1,789	2,022
Included in profit or loss:			
Current service cost	109	870	979
Interest cost	7	49	56
Past service costs from benefit changes	-	154	154
Actuarial loss (gain) arising from			
Financial assumptions changes	-	(46)	(46)
Experience adjustments	-	1,313	1,313
Included in other comprehensive income:			
Actuarial loss (gain) arising from			
Financial assumptions changes	(28)	-	(28)
Experience adjustments	212	-	212
Provision for long-term employee benefits as at 31 December 2016	533	4,129	4,662
Included in profit or loss:			
Current service cost	332	1,771	2,103
Interest cost	16	82	98
Benefit paid during the year	-	(516)	(516)
Provision for long-term employee benefits as at 31 December 2017	881	5,466	6,347

Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows.

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	2017	2016
Cost of goods sold	419	370
Selling and administrative expenses	1,782	2,086
Total expenses recognised in profit or loss	2,201	2,456

The Company expects to pay Baht 0.9 million (2016: Baht 1.4 million) of long-term employee benefits during the next year.

As at 31 December 2017, the weighted average duration of the liabilities for long-term employee benefits is 10 years (2016: 10 years).

Significant actuarial assumptions are summarised below.

	(Unit: % per annum)	
	Consolidated/Separate financial statements	
	2017	2016
Discount rate	3.01	3.01
Salary increase rate	4.00 - 10.00	4.00 - 10.00
Employee turnover rate	0.00 - 50.00	0.00 - 50.00

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at 31 December 2017 and 2016 are summarised below.

	(Unit: Thousand Baht)	
	As at 31 December 2017	
	Consolidated/Separate financial statements	
	Increase 1%	Decrease 1%
Discount rate	(295)	342
Salary increase rate	181	(149)
	Increase 20%	Decrease 20%
Employee turnover rate	(1,647)	2,614

	(Unit: Thousand Baht)	
	As at 31 December 2016	
	Consolidated/Separate financial statements	
	Increase 1%	Decrease 1%
Discount rate	(205)	239
Salary increase rate	115	(95)
	Increase 20%	Decrease 20%
Employee turnover rate	(1,094)	1,665

22. Share capital

Reconciliations of number of registered ordinary shares and issued and paid-up ordinary shares for the years 2017 and 2016 are as follows.

	(Unit: Share)	
	Registered ordinary shares	Issued and paid-up ordinary shares
Ordinary shares as at 1 January 2016	540,000	540,000
Increased from change in par value	539,460,000	539,460,000
Increase in share capital	260,000,000	260,000,000
Decrease in share capital	(240,000,000)	(240,000,000)
Issued ordinary shares for the Company's employee stock option plan (ESOP)	2,000,000	2,000,000
Issued ordinary shares for the Company's directors	1,500,000	1,500,000
Issued ordinary shares for initial public offering (IPO)	161,500,000	161,500,000
Ordinary shares as at 31 December 2016	725,000,000	725,000,000
Increase share capital for stock dividend (Note 29)	90,625,000	90,623,561
Ordinary shares as at 31 December 2017	<u>815,625,000</u>	<u>815,623,561</u>

a) On 28 March 2016, the Company registered the conversion of the Company, the change in the par value of ordinary shares, and the increase in its registered capital with the Ministry of Commerce following the resolutions of the 2016 Annual General Meeting of the Company's shareholders held on 23 March 2016 as detailed below.

- 1) The conversion of the Company to a public limited company and the change of the Company's name to "After You Public Company Limited".
- 2) The listing of the Company's shares on the Market for Alternative Investment.
- 3) The change in the par value of the Company's ordinary shares from Baht 100.00 per share (0.54 million ordinary shares of Baht 54.00 million) to Baht 0.10 per share (540.0 million ordinary shares of Baht 54.00 million).
- 4) The increase in the Company's registered capital, from Baht 54.00 million to Baht 80.00 million, through the issuance of 260.0 million additional ordinary shares with a par value of Baht 0.10 each. The allocations of the new shares are as follows.
 - Allocation of 20.0 million ordinary shares to be offered to the existing shareholders in proportion to the shareholding of each shareholder at a price of Baht 0.10 per share.

- Allocation of 236.5 million ordinary shares to an initial public offering (IPO).
 - Allocation of 1.5 million ordinary shares to be offered to the Company's directors at a price equal to the IPO price.
 - Allocation of 2.0 million ordinary shares to be offered to the Company's management and/or employees according to the Company's employee stock option plan (ESOP) at a price of Baht 0.10 per share and a price equal to 50% of the IPO price.
- b) In April 2016, the Company received share subscription from the existing shareholders amounting to Baht 2.00 million. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 25 April 2016.
- c) The Company registered the decrease and the increase in its registered share capital with the Ministry of Commerce on 6 October 2016 and 7 October 2016, respectively, following the resolutions of the Extraordinary Meeting of the Company's shareholders held on 6 October 2016 as detailed below.
- 1) Approval of a decrease in the Company's registered share capital from Baht 80.00 million to Baht 56.00 million, through the cancellation of 240.0 million ordinary shares with a par value of Baht 0.10 each.
 - 2) Approval of an increase in the Company's registered share capital from Baht 56.00 million to Baht 72.50 million, through the issuance of 165.0 million new ordinary shares with a par value of Baht 0.10 each. The allocations of the new shares are as follows.
 - Allocation of 1.5 million ordinary shares to be offered to the Company's directors at a price equal to the initial public offering price (IPO price).
 - Allocation of 2.0 million ordinary shares to be offered to the Company's management and/or employees according to the Company's employee stock option plan (ESOP) at a price of Baht 0.10 per share and a price equal to 50% of the IPO price.
 - Allocation of 161.5 million ordinary shares to the initial public offering. This allocation includes the allocation of new shares to the two unrelated parties.

- d) During 14 - 16 December 2016, the Company offered 165.0 million of additional ordinary shares at a price of Baht 4.50 per share to the initial public offering and the Company's directors and prices of Baht 0.10 per share and Baht 2.25 per share to the Company's management and/or employees. The Company received full settlement of the additional share capital on 19 December 2016. The Company recorded the difference between the selling price (Baht 0.10 and Baht 2.25 per share) and the fair value (Baht 4.50 per share) of the 1,911,250 ordinary shares subscribed by the Company's management and/or employees, amounting to Baht 7.68 million, as expense in profit or loss and as premium on ordinary shares in the statement of financial position. Moreover, direct costs attributable to the share offering net of income tax, amounting to Baht 16.42 million, are presented as a deduction from the premium on ordinary shares.

The Company registered the increase in its paid-up capital with the Ministry of Commerce on 20 December 2016.

The Market of Alternative Investment (mai) has approved the listing of the ordinary shares of the Company as securities on the mai, to be traded from 23 December 2016.

- e) On 27 April 2017, the Annual General Meeting of the Company's shareholders for the year 2017 passed a resolution to increase the Company's registered share capital by Baht 9,062,500.00, from the existing registered share capital of Baht 72,500,000.00 to Baht 81,562,500.00, by issuing up to 90,625,000.00 new ordinary shares with a par value of Baht 0.10, to accommodate the stock dividend payment for the year 2016.

The Company registered the increase in its registered capital with the Ministry of Commerce on 11 May 2017.

Subsequently, the Company paid the stock dividend of 90,623,561 new ordinary shares, as mentioned in Note 29 to the financial statements, increasing the Company's issued and paid-up share capital to Baht 81,562,356.10. The Company registered the increase in its paid-up capital with the Ministry of Commerce on 25 May 2017.

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5% of its net profit for the year after deducting accumulated deficit brought forward (if any), until the reserve reaches 10% of the registered share capital. The statutory reserve is not available for dividend distribution. During the year 2017, the Company set aside Baht 0.91 million (2016: Baht 1.85 million) to the statutory reserve. As at 31 December 2017, the statutory reserve has fully been set aside.

Pursuant to Section 1202 of the Thai Civil and Commercial Code, the subsidiary is required to set aside a statutory reserve at least 5% of its profit each time the subsidiary pays out a dividend, until the reserve reaches 10% of its registered share capital. The statutory reserve is not available for dividend distribution. During the year 2016, the subsidiary set aside Baht 0.10 million (2017: Nil) to the statutory reserve. As at 31 December 2017, the subsidiary's statutory reserve has fully been set aside.

24. Expenses by nature

Significant expenses classified by nature are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2017	2016	2017	2016
Salaries, wages and other employee benefits	203,821	169,772	203,596	169,522
Depreciation	37,379	27,291	37,368	27,285
Amortisation	1,204	585	1,204	585
Rental expenses from operating lease agreements	68,480	54,141	68,360	54,021
Raw materials and consumables used	206,237	189,199	211,030	195,403

25. Income tax

Income tax expenses for the years ended 31 December 2017 and 2016 are made up as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current income tax:				
Income tax charge for the year	28,673	22,952	27,726	22,027
Deferred tax:				
Relating to origination and reversal of temporary differences	(777)	(614)	(777)	(614)
Income tax expenses reported in the statement of comprehensive income	27,896	22,338	26,949	21,413

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2017 and 2016 are as follows.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax on actuarial losses	-	(37)	-	(37)

The reconciliation between accounting profit and income tax expenses is shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accounting profit before tax	156,799	121,108	156,129	120,508
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	31,360	24,221	31,226	24,101
Effects of elimination	794	786	-	-
Effects of:				
Non-deductible expenses	625	240	606	221
Additional expense deductions allowed	(4,083)	(2,109)	(4,083)	(2,109)
Exempt revenue	(800)	(800)	(800)	(800)
Income tax expenses reported in the statement of comprehensive income	27,896	22,338	26,949	21,413

The components of deferred tax assets and deferred tax liability as at 31 December 2017 and 2016 are as follows.

	(Unit: Thousand Baht)	
	Consolidated/Separate financial statements	
	2017	2016
Deferred tax assets		
Provision for decommissioning	986	722
Provision for long-term employee benefits	1,269	932
Unearned revenue - Customer loyalty program	600	360
Adjustment of accrued rental expenses under straight-line method	105	132
Allowance for diminution in value of inventories	140	24
Allowance for impairment of computer software	156	-
Others	103	-
Total	3,359	2,170
Deferred tax liability		
Unrealised gain on changes in value of investments in securities held for trading	(412)	-
Total	(412)	-
Deferred tax assets - net	2,947	2,170

26. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year, after adjusting the number of ordinary shares used to calculate earnings per share for the years ended 31 December 2017 and 2016 in proportion to the change in the number of ordinary shares as a result of the distribution of the stock dividend of 90,623,561 shares on 11 May 2017 as if the stock dividend had been issued at the beginning of the earliest period reported.

27. 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 Group is principally engaged in operation of food and beverage outlets. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

For the years 2017 and 2016, the Group has no major customer with revenue of 10% or more of the entity's revenues.

28. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Company contribute to the fund monthly at the rate of 5% of basic salary. The fund, which is managed by Tisco Master Pooled Fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2017 amounting to Baht 1.3 million (2016: Baht 0.8 million) were recognised as expenses.

29. Dividends

On 23 March 2016, the Annual General Meeting of the Company's shareholders for the year 2016 approved the dividend payment of Baht 104.50 per shares from the retained earnings as at 31 December 2015, or a total of Baht 56.4 million.

On 27 April 2017, the Annual General Meeting of the Company's shareholders for the year 2017 approved the dividend payment from the results of the Company's business operation for the fiscal year ended 31 December 2016 in the amount of not exceeding Baht 92.9 million. The final dividend payment after deducting the interim dividend payment of Baht 78.4 million paid on 27 December 2016 was in the amount of not exceeding Baht 14.5 million, or at the rate of Baht 0.02 per share. The dividends were paid in stock dividends and cash dividends in May 2017 as follows.

- The Company paid the stock dividends by issuing 90,623,561 newly issued ordinary shares, with a par value of Baht 0.10 per share, to the Company's shareholders, at the ratio of every 8 existing shares for 1 stock dividend, in the total amount of Baht 9,062,356.10, or equivalent to the dividend payment at the rate of Baht 0.0125 per share. Any fractional shares therefrom received cash at the rate of Baht 0.0125 per share in lieu of the stock dividends.
- The Company paid cash dividends at the rate of Baht 0.0075 per share or in the total amount of Baht 5,437,479.75.

30. Commitments and contingent liabilities

30.1 Capital commitments

As at 31 December 2017, the Group had capital commitments of Baht 9.0 million relating to implementation of computer software, acquisition of equipment and improvement of new branch outlets (2016: Baht 46.7 million, relating to the construction of its new office and distribution center, acquisition of equipment and improvement of new branch outlets).

30.2 Lease and service agreement commitments

The Group has entered into several operating lease and service agreements relating to the leases of building spaces. The terms of the agreements are generally between 1 to 3 years.

As at 31 December 2017 and 2016, future minimum payments required under the above contracts are as follows.

Payable	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
In up to 1 year	62.7	38.4	62.7	38.2
In over 1 year and up to 3 years	60.6	29.1	60.6	29.1

30.3 Commitment under purchase of raw material agreements

The Company entered into memorandum and agreements to purchase raw materials from several unrelated companies, at prices and per conditions as stipulated in the memorandum and agreements. The terms of the memorandum and agreements are between 1 to 3 years.

31. Fair value hierarchy

As of 31 December 2017, the Group had the assets those were measured at fair value or disclosed fair value using different levels of inputs as follows.

	(Unit: Thousand Baht)			
	Consolidated/separate financial statements			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Investments in securities held for trading				
Unit trusts - fixed income fund	-	263,346	-	263,346
Assets for which fair value are disclosed				
Investments in debt securities expected to be held to maturity				
Short-term derivative debentures	-	200,742	-	200,742

During the current period, there were no transfers within the fair value hierarchy.

32. Financial instruments

32.1 Financial risk management

The Group's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, trade and other payables and long-term loans. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Group is exposed to credit risk with respect to trade and other receivables in low level because sales are mostly cash sales. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, investments in debt securities and long-term interest-bearing loans. Most of the financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	As at 31 December 2017					
	Fixed interest rates					
	Within 1 year	More than 1 - 5 years	Floating interest rate	Non-interest bearing	Total	Effective interest rate (% per annum)
Financial assets						
Cash and cash equivalents	-	-	44.4	4.2	48.6	0.10 - 0.40
Current investments	200.0	-	-	263.3	463.3	1.40
Trade and other receivables	0.4	-	-	10.7	11.1	0.50
Restricted bank deposit	-	-	0.4	-	0.4	1.05
	<u>200.4</u>	<u>-</u>	<u>44.8</u>	<u>278.2</u>	<u>523.4</u>	
Financial liabilities						
Trade and other payables	-	-	-	59.4	59.4	-
Liabilities under finance lease agreements	0.2	0.2	-	-	0.4	5.30 - 5.70
	<u>0.2</u>	<u>0.2</u>	<u>-</u>	<u>59.4</u>	<u>59.8</u>	

(Unit: Million Baht)

Consolidated financial statements

As at 31 December 2016

	Fixed interest rates				Total	Effective interest rate (% per annum)
	Within 1 year	More than 1 - 5 years	Floating interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	624.7	3.7	628.4	0.10 - 0.87
Trade and other receivables	1.2	-	-	6.1	7.3	0.50
Restricted bank deposit	-	-	0.2	-	0.2	1.15
	<u>1.2</u>	<u>-</u>	<u>624.9</u>	<u>9.8</u>	<u>635.9</u>	
Financial liabilities						
Trade and other payables	-	-	-	63.8	63.8	-
Liabilities under finance lease agreements	0.4	0.4	-	-	0.8	5.30 - 5.70
Long-term loans from bank	-	-	66.3	-	66.3	MLR and MLR - 1.00
	<u>0.4</u>	<u>0.4</u>	<u>66.3</u>	<u>63.8</u>	<u>130.9</u>	

(Unit: Million Baht)

Separate financial statements

As at 31 December 2017

	Fixed interest rates				Total	Effective interest rate (% per annum)
	Within 1 year	More than 1 - 5 years	Floating interest rate	Non-interest bearing		
Financial assets						
Cash and cash equivalents	-	-	40.2	4.2	44.4	0.10 - 0.40
Current investments	200.0	-	-	263.3	463.3	1.40
Trade and other receivables	0.4	-	-	14.8	15.2	0.50
Restricted bank deposit	-	-	0.4	-	0.4	1.05
	<u>200.4</u>	<u>-</u>	<u>40.6</u>	<u>282.3</u>	<u>523.3</u>	
Financial liabilities						
Trade and other payables	-	-	-	61.8	61.8	-
Liabilities under finance lease agreements	0.2	0.2	-	-	0.4	5.30 - 5.70
	<u>0.2</u>	<u>0.2</u>	<u>-</u>	<u>61.8</u>	<u>62.2</u>	

(Unit: Million Baht)

Separate financial statements						
As at 31 December 2016						
Fixed interest rates						
	More than					
	Within	1 - 5	Floating	Non-interest	Total	Effective
	1 year	years	interest rate	bearing		interest rate
						(% per annum)
Financial assets						
Cash and cash equivalents	-	-	621.3	3.7	625.0	0.10 - 0.87
Trade and other receivables	1.2	-	-	10.1	11.3	0.50
Restricted bank deposit	-	-	0.2	-	0.2	1.15
	1.2	-	621.5	13.8	636.5	
Financial liabilities						
Trade and other payables	-	-	-	67.6	67.6	-
Liabilities under finance lease agreements	0.4	0.4	-	-	0.8	5.30 - 5.70
Long-term loans from bank	-	-	66.3	-	66.3	MLR and MLR - 1.00
	0.4	0.4	66.3	67.6	134.7	

32.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

33. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 0.1:1 (2016: 0.2:1) and the Company's was 0.1:1 (2016: 0.2:1).

34. Events after the reporting period

On 27 February 2018, a meeting of the Company's Board of Directors passed a resolution approving to propose that the Annual General Meeting of Shareholders to be held in April 2018 adopt a resolution to pay a dividend of Baht 0.15 per share, or a total of Baht 122.3 million, to the shareholders in respect of the 2017 profit. The dividend will be paid and recorded after it is approved by the Annual General Meeting of the Company's shareholders.

35. Approval of financial statements

These financial statements were authorised for issue by the Company's authorised directors on 27 February 2018.