

Thai Agro Energy Public Company Limited
Report and interim financial statements
For the three-month period ended 31 March 2019

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Thai Agro Energy Public Company Limited

I have reviewed the accompanying statement of financial position of Thai Agro Energy Public Company Limited as at 31 March 2019, the related statements of comprehensive income for the three-month period ended 31 March 2019, the related statements of changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the financial statements. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

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

Conclusion

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

Kamontip Lertwitworatep

Certified Public Accountant (Thailand) No. 4377

EY Office Limited

Bangkok: 10 May 2019

Thai Agro Energy Public Company Limited**Statement of financial position****As at 31 March 2019**

		(Unit: Thousand Baht)	
	<u>Note</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents		31,802	32,191
Current investment - open fund		1,043	1,037
Trade and other receivables	4	290,786	275,888
Inventories		262,512	141,608
Advance payments for purchase of goods		271,424	545,128
Current tax assets		9,559	9,559
Other current assets		<u>3,065</u>	<u>4,333</u>
Total current assets		<u>870,191</u>	<u>1,009,744</u>
Non-current assets			
Property, plant and equipment	5	2,767,972	2,756,064
Intangible assets		2,453	2,662
Deferred tax assets		2,730	3,033
Other non-current assets		<u>819</u>	<u>769</u>
Total non-current assets		<u>2,773,974</u>	<u>2,762,528</u>
Total assets		<u><u>3,644,165</u></u>	<u><u>3,772,272</u></u>

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

Thai Agro Energy Public Company Limited
Statement of financial position (continued)
As at 31 March 2019

		(Unit: Thousand Baht)	
	<u>Note</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
		(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity			
Current liabilities			
Short-term loans from financial institutions	6	795,157	1,174,712
Trade and other payables	7	172,436	145,537
Current portion of liabilities under finance lease agreements		1,337	2,095
Current portion of long-term loan	8	101,834	102,000
Income tax payable		39,923	22,286
Provision for short-term employee benefits		980	2,291
Other current liabilities		10,174	21,237
Total current liabilities		<u>1,121,841</u>	<u>1,470,158</u>
Non-current liabilities			
Liabilities under finance lease agreements - net of current portion		765	710
Long-term loans - net of current portion	8	564,527	525,968
Provision for long-term employee benefits		3,367	3,234
Total non-current liabilities		<u>568,659</u>	<u>529,912</u>
Total liabilities		<u>1,690,500</u>	<u>2,000,070</u>
Shareholders' equity			
Share capital			
Registered			
1,000,000,000 ordinary shares of Baht 1 each		<u>1,000,000</u>	<u>1,000,000</u>
Issued and fully paid up			
1,000,000,000 ordinary shares of Baht 1 each		1,000,000	1,000,000
Share premium		188,796	188,796
Capital reserve for share-based payment transactions		556	556
Retained earnings			
Appropriated - statutory reserve		100,000	100,000
Appropriated - general reserve		192,000	192,000
Unappropriated		472,313	290,850
Total shareholders' equity		<u>1,953,665</u>	<u>1,772,202</u>
Total liabilities and shareholders' equity		<u>3,644,165</u>	<u>3,772,272</u>
		-	-

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

.....
Directors
.....

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of comprehensive income

For the three-month period ended 31 March 2019

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

	<u>Note</u>	<u>2019</u>	<u>2018</u>
Profit or loss:			
Revenues			
Sales		753,408	606,281
Other income		690	502
Total revenues		<u>754,098</u>	<u>606,783</u>
Expenses			
Cost of sales		528,532	509,114
Selling and distribution expenses		6,326	4,264
Administrative expenses		10,287	17,189
Flood damage expenses	9	-	2,251
Total expenses		<u>545,145</u>	<u>532,818</u>
Profit before finance cost and income tax expenses		208,953	73,965
Finance cost		(9,550)	(8,484)
Profit before income tax expenses		199,403	65,481
Income tax expenses	10	(17,940)	(998)
Profit for the period		<u>181,463</u>	<u>64,483</u>
Other comprehensive income			
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u><u>181,463</u></u>	<u><u>64,483</u></u>
Earnings per share	11		
Basic earnings per share			
Profit (Baht)		<u>0.18</u>	<u>0.06</u>
Weighted average number of ordinary shares (Thousand shares)		<u>1,000,000</u>	<u>1,000,000</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of changes in shareholders' equity

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	Issued and fully paid up		Capital reserve for share-based payment transactions	Retained earnings			Total
				Appropriated		Unappropriated	
				Statutory reserve	General reserve		
share capital	Share premium		reserve	reserve			
Balance as at 1 January 2018	1,000,000	188,796	556	100,000	192,000	146,558	1,627,910
Profit for the period	-	-	-	-	-	64,483	64,483
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	64,483	64,483
Balance as at 31 March 2018	<u>1,000,000</u>	<u>188,796</u>	<u>556</u>	<u>100,000</u>	<u>192,000</u>	<u>211,041</u>	<u>1,692,393</u>
Balance as at 1 January 2019	1,000,000	188,796	556	100,000	192,000	290,850	1,772,202
Profit for the period	-	-	-	-	-	181,463	181,463
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	-	181,463	181,463
Balance as at 31 March 2019	<u>1,000,000</u>	<u>188,796</u>	<u>556</u>	<u>100,000</u>	<u>192,000</u>	<u>472,313</u>	<u>1,953,665</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of cash flows

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	<u>2019</u>	<u>2018</u>
Cash flows from operating activities		
Profit before tax	199,403	65,481
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:		
Depreciation and amortisation	40,323	38,615
Reversal of reduction of inventory to net realisable value	-	(555)
Unrealised gain on change in value of current investments - open fund	(6)	(3)
Provision for long-term employee benefits	133	561
Interest income	(37)	(43)
Interest expenses	<u>9,580</u>	<u>8,476</u>
Profit from operating activities before changes in operating assets and liabilities	249,396	112,532
Operating assets (increase) decrease		
Trade and other receivables	(14,861)	12,080
Inventories	(120,904)	(308,471)
Advance payments for purchase of goods	273,704	(125,044)
Other current assets	1,268	(27,458)
Other non-current assets	(50)	1,268
Operating liabilities decrease		
Trade and other payables	35,376	(7,534)
Other current liabilities	(10,527)	(6,677)
Provision for long-term employee benefits	<u>(1,311)</u>	<u>(3,110)</u>
Cash from (used in) operating activities	412,091	(352,414)
Cash paid for interest expenses	<u>(10,032)</u>	<u>(8,183)</u>
Net cash from (used in) operating activities	<u>402,059</u>	<u>(360,597)</u>

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

(Unaudited but reviewed)

Thai Agro Energy Public Company Limited

Statement of cash flows (continued)

For the three-month period ended 31 March 2019

(Unit: Thousand Baht)

	<u>2019</u>	<u>2018</u>
Cash flows from investing activities		
Acquisitions of property, plant and equipment	(60,361)	(105,985)
Acquisitions of intangible assets	(138)	(35)
Net cash used in investing activities	<u>(60,499)</u>	<u>(106,020)</u>
Cash flows from financing activities		
Net increase (decrease) in short-term loans from financial institutions	(379,555)	466,641
Long-term loans from financial institutions	38,352	-
Cash paid for liabilities under finance lease agreements	(746)	(853)
Net cash from (used in) financing activities	<u>(341,949)</u>	<u>465,788</u>
Net decrease in cash and cash equivalents	(389)	(829)
Cash and cash equivalents at beginning of period	<u>32,191</u>	<u>35,313</u>
Cash and cash equivalents at end of period	<u><u>31,802</u></u>	<u><u>34,484</u></u>
 Supplementary cash flows information		
Non-cash related transactions from investing activities		
Payables from purchases of plant and equipment and intangible assets	51,593	43,261

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

Thai Agro Energy Public Company Limited
Notes to interim financial statements
For the three-month period ended 31 March 2019

1. General information

1.1 Corporate information

Thai Agro Energy Public Company Limited (“the Company”) was incorporated as a limited company and domiciled in Thailand and was transformed to be a public limited company under Thai laws on 18 October 2007. Its parent company is Lanna Resources Public Co., Ltd., which is a public limited company incorporated in Thailand. The Company operates in Thailand and is principally engaged in production and distribution of ethanol for fuel. The registered office of the Company is at 888/114, Ploenchit Road, Lumpini, Pathumwan, Bangkok.

1.2 Basis of preparation of interim financial statements

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

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

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

1.3 New financial reporting standards

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

During the period, the Company have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards 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 financial reporting standards does not have any significant impact on the Company’s financial statements. However, the new standard involves changes to key principles, which are summarised below:

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

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

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

This standard does not have any significant impact on the Company's financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Accounting standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs 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 instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

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 Company is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2018, except for the change in the accounting policies due to the adoption of TFRS 15, Revenue from Contracts with Customers, as follow:

Revenue recognition

Sale of goods

Revenue from sale of goods is recognised at the point in time when control of the asset is transferred to the customer, generally on delivery of the goods. Revenue is measured at the amount of the consideration received or receivable, excluding value added tax, of goods supplied after deducting discounts to customers.

3. Related party transactions

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

Directors and management's benefits

During the three-month periods ended 31 March 2019 and 2018, the Company had employee benefit expenses payable to its directors and management as below.

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	<u>2019</u>	<u>2018</u>
Short-term employee benefits	5,951	6,334
Post-employment benefits	83	485
Total	<u>6,034</u>	<u>6,819</u>

(Unaudited but reviewed)

4. Trade and other receivables

	(Unit: Thousand Baht)	
	31 March	31 December
	2019	2018
Trade receivables	276,404	238,528
Other receivables	7,894	6,368
Value added tax refundable	6,448	30,989
Interest receivable	40	3
Total trade and other receivables	<u>290,786</u>	<u>275,888</u>

The outstanding balances of trade receivables as at 31 March 2019 amounting to Baht 276.4 million (31 December 2018: Baht 238.5 million) are undue trade receivables.

5. Property, plant and equipment

Movements in the property, plant and equipment account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 31 December 2018	2,756,064
Acquisitions during the period - at cost	52,015
Depreciation for the period	<u>(40,107)</u>
Net book value as at 31 March 2019	<u>2,767,972</u>

As at 31 March 2019, the Company had motor vehicles and office equipment under finance lease agreements with net book values amounting to Baht 4.2 million (31 December 2018: Baht 4.8 million).

As at 31 March 2019, the Company had an outstanding balance of the construction of Wastewater Evaporation Plant amounting to Baht 386.1 million (2018: Baht 350.9 million). The construction has been financed with a loan from a financial institution. Borrowing costs amounting to Baht 2.9 million were capitalised during the three-month period ended 31 March 2019 (31 December 2018: Baht 4.4 million). The weighted average rate of 2.9 - 3.8 percent per annum has been used to determine the amount of borrowing costs eligible for capitalisation (2018: 2.9 - 3.7 percent per annum).

The Company has mortgaged part of its land and construction thereon and machinery with net book value as at 31 March 2019 amounting to approximately Baht 1,589.0 million (31 December 2018: Baht 1,613.6 million) as collateral for short-term and long-term loans and credit facilities granted by a commercial bank as discussed in Note 6 and 8.

(Unaudited but reviewed)

6. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Interest rate		31 March 2019	31 December 2018
	(percent per annum)			
	31 March 2019	31 December 2018		
Promissory notes	2.85 - 2.95	2.75 - 2.95	693,356	882,905
Trust receipts	2.95	2.75	101,801	291,807
Total			<u>795,157</u>	<u>1,174,712</u>

Movements in short-term loans from financial institutions during the three-month period ended 31 March 2019 are summarised below.

(Unit: Thousand Baht)

Balance as at 31 December 2018	1,174,712
Add: Increase during the period	313,652
Less: Repayment during the period	<u>(693,207)</u>
Balance as at 31 March 2019	<u>795,157</u>

Credit facilities from a financial institution are secured by the mortgage of part of the Company's land and construction thereon and machinery as discussed in Note 5.

7. Trade and other payables

(Unit: Thousand Baht)

	31 March 2019	31 December 2018
Trade payables	111,059	62,997
Other payables	60,130	81,322
Dividend payables	1,247	1,218
Total trade and other payables	<u>172,436</u>	<u>145,537</u>

(Unaudited but reviewed)

8. Long-term loans

	(Unit: Thousand Baht)	
	31 March 2019	31 December 2018
Long-term loans	666,361	627,968
Less: Current portion	(101,834)	(102,000)
Long-term loans - net of current portion	<u>564,527</u>	<u>525,968</u>

Movements in the long-term loans account during the three-month period ended 31 March 2019 are summarised below.

	(Unit: Thousand Baht)
Balance as at 31 December 2018	627,968
Add: Additional loan withdrew during the period	38,352
Amortisation of transaction costs during the period	<u>41</u>
Balance as at 31 March 2019	<u>666,361</u>

On 15 May 2018, the Company entered into long-term loan agreement with a local bank, obtaining loan facilities of Baht 418 million. The loan carries interest at 3M THBFIX reference rate plus 1.95 percent per annum and is repayable the first installment in the last day of the eighteenth month since the Company withdrew the loan (8 June 2018). The loan is repayable within 6 years in 10 semi-annually installments of Baht 42 million during the first to ninth year, and remaining balance is repayable in the tenth year. The loan is secured by the mortgage of a part of the Company's land and construction thereon and machinery as discussed in Note 5.

Subsequently, on 8 November 2018, the Company entered into another long-term loan agreement with the same bank, obtaining loan facilities of Baht 300 million. The loan carries interest at 3M THBFIX reference rate plus 1.95 percent per annum and is repayable the first installment in the last day of the sixth month since the Company withdrew the loan (15 November 2018). The loan is repayable within 5 years in 10 semi-annually installments of Baht 30 million each. The loan is secured by the mortgage of a part of the Company's land and construction thereon and machinery as discussed in Note 5.

The loan agreement contains covenants that, among other things, require the Company to maintain certain financial ratios according to the agreement such as debt to equity and debt service coverage ratios at the rate prescribed in the agreement.

As at 31 March 2019, the Company could maintain certain financial ratios as specified in the long-term loan agreement.

9. Loss from flood event

In October 2017, it was inundated by flood, which caused the collapse of a part of the vinasse reservoirs at the Company's ethanol plant, resulting in overflows of treated vinasse into a village and some related agricultural areas. The Company therefore had to pay compensation and the Ministry of Industry ordered to shut down its ethanol plant temporarily in order to repair the damaged reservoirs to a safe level. The Company investigated the damages and recorded losses from flood event of Baht 73.3 million in profit or loss for the year 2017 and Baht 2.3 million in profit or loss for the three-month period ended 31 March 2018.

However, the Company has insurance covering the damages on which it is in the process of claiming compensation from the insurance company.

10. Income tax

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

Income tax expenses for the three-month periods ended 31 March 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	<u>2019</u>	<u>2018</u>
Current income tax:		
Interim corporate income tax charge	17,637	304
Deferred tax:		
Relating to origination and reversal of temporary differences	<u>303</u>	<u>694</u>
Income tax expenses reported in the statements of comprehensive income	<u><u>17,940</u></u>	<u><u>998</u></u>

11. Earnings per share

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

12. 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 one main reportable operating segment of the Company is production and distribution of ethanol-for-fuel, which revenue from sale of goods is recognised at the point in time and the single geographical area of their operations is 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 to the aforementioned reportable operating segment and geographical area.

13. Commitments and contingent liabilities**13.1 Capital commitments**

As at 31 March 2019, the Company had capital commitments of approximately Baht 59.2 million relating to the construction of Vinasse Evaporation Plant and other projects (31 December 2018: Baht 88.4 million).

13.2 Operating lease and service commitments

The Company has entered into several lease agreements in respect of the lease of office building space and other services. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease and other service payments under these operating lease and service contracts were as follows:

	(Unit: Million Baht)	
	31 March 2019	31 December 2018
Payable:		
In up to 1 year	7.0	4.7
In over 1 year and up to 5 years	3.2	4.0

13.3 Long-term service and purchase commitments

- a) The Company entered into a power supply agreement with the Provincial Electricity Authority for a period of one year, commencing 21 December 2010 to 20 December 2011, and being automatically renewed for every one-year period. The Company shall pay power supply at the rate as stipulated in the agreement.
- b) The Company had commitments under the purchase of molasses agreement with 15-years duration under which the price is to be determined every 5 years commencing the first year in 2005. The price for the first three years is that stipulated in the agreement and for the fourth and fifth year, using the average actual market price of the first three years for comparison and the quantity to purchase of molasses are those stipulated in the agreement. For the sixth year onwards, the price is to be determined in each year. In addition, the Company had additional two commitments under the purchase of molasses agreements with 5-year duration under which the price is to be determined before shipment in the next period and the quantity to purchase of molasses are those stipulated in the agreement.

13.4 Guarantees

As at 31 March 2019, there were outstanding bank guarantees of approximately Baht 5.0 million issued by the bank on behalf of the Company to guarantee contracted performance under the agreement for using of electric to the Provincial Electricity Authority (31 December 2018: Baht 5.0 million).

14. Litigation

In September 2011, a company sued the Company for its alleged non-compliance with the cassava chip purchase agreement dated 21 January 2011 and memorandum dated 29 April 2011, claiming a compensation for damage of Baht 186.9 million. On 8 November 2011, the Company submitted the testimony and countersued that company, claiming a compensation for damage of Baht 82.4 million. Subsequently, on 9 October 2014, the Civil Court dismissed the lawsuit filed by that company and ordered it to make payments for purchases of cassava chip that the Company paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2014 (the countersue date) until completion of payment. In addition, that company shall pay for charges and partial lawyer fee for the Company. However, on 3 December 2014, the Company lodged an appeal with the Court of Appeal. On 9 February 2016, the Appeal Court affirmed the judgment of the Civil Court.

(Unaudited but reviewed)

Subsequently on 7 April 2016, the Company lodged an appeal with the Supreme Court and on 17 April 2019, the Supreme Court affirmed the judgment of the Civil Court and the Appeal Court. The Court ordered that company to make payments for purchases of cassava chip that the Company paid in advance of Baht 6.9 million which together with interest expense of 7.5 percent per annum, calculated from 8 November 2014 (the countersue date) until completion of payment. As at 31 March 2019, the Company has not received such payment. However, the Company recorded allowance for impairment for the full amount of the advance paid to that company.

On 18 May 2018, the Company sued that company for bankruptcy case which currently is under consideration of the Court.

15. Fair value hierarchy

As at 31 March 2019 and 31 December 2018, the Company had the assets that were measured at fair value based on levels of inputs as follows:

	(Unit: Thousand Baht)			
	As at 31 March 2019		As at 31 December 2018	
	Level 2	Total	Level 2	Total
Assets measured at fair value				
Current investment - open fund	1,043	1,043	1,037	1,037

16. Events after the reporting period

16.1 Amendments to the law relating to the legal severance pay rates

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 0.6 million as a result. The Company will reflect the effect of the change by recognising past service costs as expenses in the profit or loss of the period in which the law is effective, which is the second quarter of 2019.

16.2 Dividend

On 25 April 2019, the Annual General Meeting of the Company's shareholders passed a resolution to approve the payment of dividend from retained earnings from BOI promoted operation to the Company's shareholders for 1,000 million shares of Baht 0.25 per share, or a total of Baht 250 million. The interim dividends were paid on 14 September 2018 of Baht 0.10 per share, amounting to Baht 100 million and there is remaining dividend of Baht 0.15 per share amounting to Baht 150 million. The Company will pay such dividend on 24 May 2019.

17. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's authorised directors on 10 May 2019.