

THAI STANLEY ELECTRIC PUBLIC COMPANY LIMITED

INTERIM FINANCIAL INFORMATION (UNAUDITED)

30 SEPTEMBER 2017

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Thai Stanley Electric Public Company Limited

I have reviewed the interim financial information of Thai Stanley Electric Public Company Limited, which comprises the statement of financial position in which the equity method is applied and the separate statement of financial position as at 30 September 2017, and the statement of income in which the equity method is applied and the separate statement of income, the statement of comprehensive income in which the equity method is applied and the separate statement of comprehensive income for the three-month and six-month periods then ended, the statement of changes in equity in which the equity method is applied and the separate statement of changes in equity, and the statement of cash flows in which the equity method is applied and the separate statement of cash flows for the six-month period then ended, and the condensed notes to the interim financial information in which the equity method is applied and the separate condensed notes to the interim financial information. 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".

PricewaterhouseCoopers ABAS Ltd.

Varaporn Vorathitikul

Certified Public Accountant (Thailand) No. 4474

Bangkok

2 November 2017

Thai Stanley Electric Public Company Limited
Statements of Financial Position
As at 30 September 2017

	Notes	Financial information in which the equity method is applied		Separate financial information	
		Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Assets					
Current assets					
Cash and cash equivalents		1,653,843,289	1,085,634,900	1,653,843,289	1,085,634,900
Short-term investments held to maturity	4	3,734,000,000	3,836,983,912	3,734,000,000	3,836,983,912
Trade and other accounts receivable, net	5, 6	2,206,328,847	2,052,024,750	2,206,328,847	2,052,024,750
Inventories, net	7	871,410,124	721,737,217	871,410,124	721,737,217
Current portion of loans to employees		31,135,220	33,874,533	31,135,220	33,874,533
Other current assets		6,649,881	7,813,081	6,649,881	7,813,081
Total current assets		8,503,367,361	7,738,068,393	8,503,367,361	7,738,068,393
Non-current assets					
Loans to employees		21,613,352	36,891,950	21,613,352	36,891,950
Corporate income tax refundable		18,644,932	35,804,368	18,644,932	35,804,368
Investments in associates	8	1,120,433,364	1,048,232,284	57,176,689	57,176,689
Long-term investments, net	9	114,361,215	114,161,215	114,361,215	114,161,215
Property, plant and equipment, net	10	5,271,654,234	5,460,123,334	5,271,654,234	5,460,123,334
Intangible assets, net	11	737,471,496	720,008,805	737,471,496	720,008,805
Deferred tax assets, net		-	-	88,329,836	86,424,176
Other non-current assets, net		29,892,508	32,541,430	29,892,508	32,541,430
Total non-current assets		7,314,071,101	7,447,763,386	6,339,144,262	6,543,131,967
Total assets		15,817,438,462	15,185,831,779	14,842,511,623	14,281,200,360

Director _____
(Mr. Koichi Nagano)

Director _____
(Mr. Apichart Leeissaranukul)

Date _____

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Income (Unaudited)
For the three-month period ended 30 September 2017

	Notes	Financial information in which the equity method is applied		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenues from sales and services	6	3,220,337,406	2,792,207,116	3,220,337,406	2,792,207,116
Costs of sales and services	6	(2,636,088,861)	(2,244,351,039)	(2,636,088,861)	(2,244,351,039)
Gross profit		584,248,545	547,856,077	584,248,545	547,856,077
Other income					
- Dividend income	6, 9	8,385,555	20,218,179	8,385,555	20,218,179
- Gain on exchange rates, net		5,725,044	3,476,260	5,725,044	3,476,260
- Interest income		16,461,508	15,866,075	16,461,508	15,866,075
- Others		20,490,083	15,114,514	20,490,083	15,114,514
Profit before expenses		635,310,735	602,531,105	635,310,735	602,531,105
Selling expenses	6	(130,343,749)	(122,706,435)	(130,343,749)	(122,706,435)
Administrative expenses	6	(96,747,329)	(79,390,971)	(96,747,329)	(79,390,971)
Total expenses		(227,091,078)	(202,097,406)	(227,091,078)	(202,097,406)
Operating profit		408,219,657	400,433,699	408,219,657	400,433,699
Share of profit from investments in associates		66,131,748	54,903,404	-	-
Profit before income tax		474,351,405	455,337,103	408,219,657	400,433,699
Income tax		(92,234,308)	(88,363,656)	(79,007,958)	(77,382,975)
Net profit for the period		382,117,097	366,973,447	329,211,699	323,050,724
Basic earnings per share	13				
Net profit for the period		4.99	4.79	4.30	4.22

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
 Statements of Comprehensive Income (Unaudited)
 For the three-month period ended 30 September 2017

	Financial information in which the equity method is applied		Separate financial information	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Net profit for the period	382,117,097	366,973,447	329,211,699	323,050,724
Other comprehensive income (expenses) for the period after tax:				
Items that will be reclassified subsequently to profit or loss				
Unrealised gain (loss) on change in fair value of available-for-sale investment	(384,000)	608,000	(384,000)	608,000
Exchange differences relating to investments in associates	(196,213)	(52,346,552)	-	-
Other comprehensive income (expenses) for the period, net of tax	<u>(580,213)</u>	<u>(51,738,552)</u>	<u>(384,000)</u>	<u>608,000</u>
Total comprehensive income for the period	<u>381,536,884</u>	<u>315,234,895</u>	<u>328,827,699</u>	<u>323,658,724</u>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Income (Unaudited)
For the six-month period ended 30 September 2017

	Notes	Financial information in which the equity method is applied		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Revenues from sales and services	6	6,188,887,740	5,423,992,999	6,188,887,740	5,423,992,999
Costs of sales and services	6	(5,154,059,591)	(4,474,125,516)	(5,154,059,591)	(4,474,125,516)
Gross profit		1,034,828,149	949,867,483	1,034,828,149	949,867,483
Other income					
- Dividend income	6, 8, 9	9,964,126	23,006,765	86,560,126	85,277,135
- Gain on exchange rates, net		10,511,195	3,543,080	10,511,195	3,543,080
- Interest income		34,254,626	32,440,832	34,254,626	32,440,832
- Others		42,169,275	33,908,621	42,169,275	33,908,621
Profit before expenses		1,131,727,371	1,042,766,781	1,208,323,371	1,105,037,151
Selling expenses	6	(255,620,215)	(237,883,209)	(255,620,215)	(237,883,209)
Administrative expenses	6	(173,199,008)	(152,729,209)	(173,199,008)	(152,729,209)
Total expenses		(428,819,223)	(390,612,418)	(428,819,223)	(390,612,418)
Operating profit		702,908,148	652,154,363	779,504,148	714,424,733
Share of profit from investments in associates	8	138,975,057	103,769,179	-	-
Profit before income tax		841,883,205	755,923,542	779,504,148	714,424,733
Income tax		(164,221,176)	(145,646,239)	(151,745,364)	(137,346,478)
Net profit for the period		677,662,029	610,277,303	627,758,784	577,078,255
Basic earnings per share	13				
Net profit for the period		<u>8.84</u>	<u>7.96</u>	<u>8.19</u>	<u>7.53</u>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
 Statements of Comprehensive Income (Unaudited)
 For the six-month period ended 30 September 2017

	Financial information in which the equity method is applied		Separate financial information	
	2017	2016	2017	2016
	Baht	Baht	Baht	Baht
Net profit for the period	677,662,029	610,277,303	627,758,784	577,078,255
Other comprehensive income (expenses) for the period after tax:				
Items that will be reclassified subsequently to profit or loss				
Unrealised gain on change in fair value of available-for-sale investment	160,000	960,000	160,000	960,000
Exchange differences relating to investments in associates	7,857,619	(55,502,590)	-	-
Other comprehensive income (expenses) for the period, net of tax	8,017,619	(54,542,590)	160,000	960,000
Total comprehensive income for the period	<u>685,679,648</u>	<u>555,734,713</u>	<u>627,918,784</u>	<u>578,038,255</u>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
 Statements of Changes in Equity (Unaudited)
 For the six-month period ended 30 September 2017

Separate financial information								
					Other components of equity			
					Other comprehensive income			
					Unrealised gain on change in fair value of available-for-sale investment	Total other components of equity	Total equity	
					Baht	Baht	Baht	
Note	Issued and paid-up share capital Baht	Premium on share capital Baht	Retained earnings		Unrealised gain on change in fair value of available-for-sale investment Baht	Total other components of equity Baht	Total equity Baht	
					Legal reserve Baht	Unappropriated retained earnings Baht		
Opening balance as at 1 April 2017	383,125,000	504,250,000	38,312,500	11,618,257,978		4,688,000	4,688,000	12,548,633,478
Total comprehensive income for the period	-	-	-	627,758,784		160,000	160,000	627,918,784
Dividends paid	-	-	-	(383,124,500)		-	-	(383,124,500)
	14							
Closing balance as at 30 September 2017	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,862,892,262</u>		<u>4,848,000</u>	<u>4,848,000</u>	<u>12,793,427,762</u>
Opening balance as at 1 April 2016	383,125,000	504,250,000	38,312,500	10,879,356,592		3,504,000	3,504,000	11,808,548,092
Total comprehensive income for the period	-	-	-	577,078,255		960,000	960,000	578,038,255
Dividends paid	-	-	-	(382,862,630)		-	-	(382,862,630)
	14							
Closing balance as at 30 September 2016	<u>383,125,000</u>	<u>504,250,000</u>	<u>38,312,500</u>	<u>11,073,572,217</u>		<u>4,464,000</u>	<u>4,464,000</u>	<u>12,003,723,717</u>

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Cash Flows (Unaudited)
For the six-month period ended 30 September 2017

	Notes	Financial information in which the equity method is applied		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from operating activities:					
Profit before income tax for the period		841,883,205	755,923,542	779,504,148	714,424,733
Adjustments to reconcile profit before income tax to net cash provided by operations:					
- Depreciation	10	534,974,886	518,559,562	534,974,886	518,559,562
- Amortisation	11	103,229,753	90,763,085	103,229,753	90,763,085
- Interest income		(34,254,626)	(32,440,832)	(34,254,626)	(32,440,832)
- Share of profit from investments in associates	8	(138,975,057)	(103,769,179)	-	-
- Dividend income					
- Investments in associates	6	-	-	(76,596,000)	(62,270,370)
- Long-term investments	6, 9	(9,964,126)	(23,006,765)	(9,964,126)	(23,006,765)
- (Gain) loss on disposal of equipment		(1,750,875)	(428,213)	(1,750,875)	(428,213)
- (Reversal of) allowance for doubtful account		(298,800)	(636,120)	(298,800)	(636,120)
- (Reversal of) allowance for slow-moving inventories and net realisable value lower than cost of inventories		2,327,382	(621,004)	2,327,382	(621,004)
- Corporate income tax refund offset against withholding tax on dividend and surcharge		17,159,436	-	17,159,436	-
- (Reversal of) provision for post-employment benefit		13,308,360	11,421,720	13,308,360	11,421,720
- Unrealised loss (gain) on exchange rates		(1,732,779)	(924,619)	(1,732,779)	(924,619)
Cash flows before changes in operating assets and liabilities		1,325,906,759	1,214,841,177	1,325,906,759	1,214,841,177
Changes in operating assets and liabilities					
- Trade and other accounts receivable		(155,366,129)	348,497,401	(155,366,129)	348,497,401
- Inventories		(152,000,289)	(6,153,271)	(152,000,289)	(6,153,271)
- Other current assets		1,163,200	2,266,139	1,163,200	2,266,139
- Other non-current assets		2,648,922	(1,653,590)	2,648,922	(1,653,590)
- Trade accounts payable - other companies		33,425,740	(87,750,641)	33,425,740	(87,750,641)
- Trade accounts payable - related parties		46,420,579	(42,500,623)	46,420,579	(42,500,623)
- Other accounts payable - other companies		32,131,856	(20,779,195)	32,131,856	(20,779,195)
- Other accounts payable - related parties		14,342,441	2,595,205	14,342,441	2,595,205
- Accrued expenses		122,946,435	34,649,156	122,946,435	34,649,156
- Payment for post-employment benefits		(1,785,455)	(1,083,400)	(1,785,455)	(1,083,400)
Cash generated from operations		1,269,834,059	1,442,928,358	1,269,834,059	1,442,928,358
Interest received		8,661,592	11,503,261	8,661,592	11,503,261
Income tax paid		(132,186,803)	(131,773,838)	(132,186,803)	(131,773,838)
Net cash received from operating activities		1,146,308,848	1,322,657,781	1,146,308,848	1,322,657,781

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

Thai Stanley Electric Public Company Limited
Statements of Cash Flows (Unaudited)
For the six-month period ended 30 September 2017

	Notes	Financial information in which the equity method is applied		Separate financial information	
		2017 Baht	2016 Baht	2017 Baht	2016 Baht
Cash flows from investing activities:					
Loans made to employees		(329,854)	(55,128,811)	(329,854)	(55,128,811)
Loans repayments from employees		18,347,765	13,130,506	18,347,765	13,130,506
Purchases of property, plant and equipment		(308,222,930)	(443,786,686)	(308,222,930)	(443,786,686)
Proceeds from disposals of equipment		1,778,321	428,331	1,778,321	428,331
Interest received on short-term investments held to maturity		26,953,866	17,694,891	26,953,866	17,694,891
Dividends received from investments					
- Investments in associates	8	76,596,000	66,083,160	76,596,000	66,083,160
- Long-term investments	9	9,964,126	23,006,765	9,964,126	23,006,765
Purchases of intangible assets		(124,779,944)	(69,391,129)	(124,779,944)	(69,391,129)
Cash receipts from short-term investments held to maturity	4	4,350,000,000	2,682,000,000	4,350,000,000	2,682,000,000
Cash payments on short-term investments held to maturity	4	(4,247,016,088)	(3,476,900,000)	(4,247,016,088)	(3,476,900,000)
Net cash received from (used in) investing activities		(196,708,738)	(1,242,862,973)	(196,708,738)	(1,242,862,973)
Cash flow from financing activity:					
Dividends paid	14	(383,124,500)	(382,862,630)	(383,124,500)	(382,862,630)
Net cash used in financing activity		(383,124,500)	(382,862,630)	(383,124,500)	(382,862,630)
Net increase (decrease) in cash and cash equivalents					
		566,475,610	(303,067,822)	566,475,610	(303,067,822)
Cash and cash equivalents at beginning of the period		1,085,634,900	1,839,887,555	1,085,634,900	1,839,887,555
Effects of exchange rate changes		1,732,779	924,619	1,732,779	924,619
Cash and cash equivalents at end of the period		<u>1,653,843,289</u>	<u>1,537,744,352</u>	<u>1,653,843,289</u>	<u>1,537,744,352</u>
Non-cash transactions:					
Outstanding liabilities arisen from purchase of plant, equipment and intangible assets		88,427,085	74,012,887	88,427,085	74,012,887

The notes to the interim financial information on page 12 to 21 are an integral part of this interim financial information.

1 General information

Thai Stanley Electric Public Company Limited (“the Company”) is a public limited company, incorporated in Thailand. The address of its registered office is 29/3 Moo 1 Bangpoon-Rungsit Road, Banklang, Amphur Muang, Pathumthanee, Thailand 12000. The Company is listed on the Stock Exchange of Thailand.

The principal business operation of the Company is the manufacture and sales of automotive bulbs, lighting equipment, molds & dies and product designs.

This interim financial information has been approved by the Company’s Board of directors on 2 November 2017.

This interim financial information has been reviewed, not audited.

2 Accounting policies

2.1 Basis of preparation

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of income, statement of comprehensive income, statement of changes in equity and statement of cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the interim financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 March 2017.

An English version of the interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 March 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017 which have significant changes and are relevant to the Company:

TAS 1 (revised 2016)	Presentation of financial statements
TAS 16 (revised 2016)	Property, plant and equipment
TAS 27 (revised 2016)	Separate financial statements
TAS 38 (revised 2016)	Intangible assets

TAS 1 (revised 2016), the amendments provide clarifications on a number of issues, including:

- Materiality - an entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
- Disaggregation and subtotals - line items specified in TAS 1 may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
- Notes - confirmation that the notes do not need to be presented in a particular order.
- OCI arising from investments accounted for under the equity method - the share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.

2 Accounting policies (Cont'd)

2.2 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2017 which have significant changes and are relevant to the Company: (Cont'd)

TAS 16 (revised 2016), key amendments are 1) The amendments clarify that depreciation of an item of property, plant and equipment based on revenue generated by using the asset is not appropriate and 2) The amendments include bearer plants in scope of TAS 16.

TAS 27 (revised 2016), the amendments allow an entity a policy choice to account for investments in subsidiaries, joint ventures and associates in its separate financial statements using the equity method as described in TAS 28. While current TAS 27 allows entities to measure their investments in subsidiaries, joint ventures and associates either at cost or at fair value (when announced). The election can be made independently for each category of investment (subsidiaries, joint ventures and associates). Entities wishing to change to the equity method must do so retrospectively.

TAS 38 (revised 2016), the amendments include a rebuttable presumption that the amortisation of intangible assets based on revenue is inappropriate. This presumption can be overcome if either the intangible asset is expressed as a measure of revenue (i.e. where a measure of revenue is the limiting factor on the value that can be derived from the asset), or it can be shown that revenue and the consumption of economic benefits generated by the asset are highly correlated.

The management has assessed and considered that the above revised standards do not have significant impact on the Company.

2.2.2 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Company. The Company has not yet adopted these revised standards.

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes
TFRS 12 (revised 2017)	Disclosure of interests in other entities

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profit.

TFRS 12 (revised 2017), the amendments clarify that the disclosure requirements of TFRS 12 apply to interests in entities that are classified as held for sale according to TFRS 5 (revised 2017), except for the summarised financial information.

The management has assessed and considered that the above revised standards will not have a significant impact on the Company.

3 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies, and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 March 2017.

Thai Stanley Electric Public Company Limited
Unaudited Condensed Notes to the Interim Financial Information
For the six-month period ended 30 September 2017

4 Short-term investments held to maturity

Short-term investments held to maturity represent bills of exchange and fixed deposits which have original maturities between 3 and 12 months.

Movement in short-term investments held to maturity is as follows:

For the six-month period ended 30 September 2017	Unaudited Baht
Opening balance	3,836,983,912
Additions during the period	4,247,016,088
Redemptions during the period	<u>(4,350,000,000)</u>
Closing balance	<u>3,734,000,000</u>

As at 30 September 2017, short-term investments held to maturity bore interest at the average rate of 1.10% - 1.60% per annum (31 March 2017 : 1.23% - 1.65% per annum).

5 Trade and other accounts receivable, net

Trade and other accounts receivable, net as at 30 September 2017 and 31 March 2017 are as follows:

	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Trade accounts receivable - other companies	1,988,004,484	1,767,680,327
<u>Less</u> Allowance for doubtful account	<u>(23,960,603)</u>	<u>(24,259,403)</u>
Trade accounts receivable - other companies, net	1,964,043,881	1,743,420,924
Trade accounts receivable - related parties (Note 6)	166,380,792	219,476,915
Prepaid expenses	26,581,267	47,525,692
Accrued income	26,705,982	25,669,254
Value added tax receivable	12,699,628	9,417,726
Other receivables	9,917,297	6,514,239
	<u>2,206,328,847</u>	<u>2,052,024,750</u>

Trade accounts receivable as at 30 September 2017 and 31 March 2017 can be analysed as follows:

	Trade accounts receivable- other companies		Trade accounts receivable- related parties	
	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Current	1,953,335,587	1,734,347,477	158,689,706	217,547,362
Overdue				
- less than 3 months	7,920,440	7,806,621	605,330	1,655,383
- 3 - 6 months	74,664	9,070	5,994,928	253,485
- 6 - 12 months	2,713,190	-	1,090,828	20,685
- more than 1 year	23,960,603	25,517,159	-	-
	<u>1,988,004,484</u>	<u>1,767,680,327</u>	<u>166,380,792</u>	<u>219,476,915</u>

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6 Related party transactions

The Company had the significant transactions with its major shareholder, Stanley Electric Company Limited, incorporated in Japan which holds 33.88% interest in the Company's share capital. The Company also had significant transactions with a group of individual shareholders who are members of the Company's management who hold 29.08% interest in the Company's share capital. Stanley Electric Group comprises Stanley Electric Company Limited and related companies.

The following significant transactions were carried out with related parties:

	Unaudited			
	For the three-month period ended 30 September		For the six-month period ended 30 September	
	2017 Baht	2016 Baht	2017 Baht	2016 Baht
Sales				
Stanley Electric Group companies	170,298,017	175,776,620	271,803,734	359,251,183
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	38,066,010	45,339,656	77,642,177	93,891,675
Associates	55,934,426	72,091,102	145,729,566	155,758,775
	<u>264,298,453</u>	<u>293,207,378</u>	<u>495,175,477</u>	<u>608,901,633</u>
Dividend income				
Stanley Electric Group companies	8,385,555	20,218,179	8,385,555	20,218,179
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	-	-	1,578,571	2,788,586
Associates	-	-	76,596,000	62,270,370
	<u>8,385,555</u>	<u>20,218,179</u>	<u>86,560,126</u>	<u>85,277,135</u>
Purchases of goods and services				
Stanley Electric Group companies	586,762,944	430,019,632	1,247,851,800	874,249,772
Companies related by way of the Company's management and directors as shareholders, or by way of common directors	101,090,011	88,843,804	200,568,146	182,290,076
Associates	84,182,546	68,906,905	154,415,877	132,169,946
	<u>772,035,501</u>	<u>587,770,341</u>	<u>1,602,835,823</u>	<u>1,188,709,794</u>
Royalty fee				
Stanley Electric Group companies	73,447,682	67,819,876	140,434,722	129,128,893
Design and development fee				
Stanley Electric Group companies	38,871,349	24,732,341	63,313,267	40,005,873
Technical fee				
Stanley Electric Group companies	2,300,086	1,756,676	4,194,764	4,293,102
Training fee				
Stanley Electric Group companies	2,599,703	5,991,615	4,867,700	7,665,653
Commission				
Stanley Electric Group companies	8,113,706	8,889,601	20,000,000	18,582,387
Directors' and managements' remuneration				
Short-term benefits	12,352,690	14,034,112	22,679,916	24,532,481

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6 Related party transactions (Cont'd)

The amounts due to/from related parties are mainly denominated in foreign currencies and relate to purchases and sales transactions. The outstanding balances as at 30 September 2017 and 31 March 2017 are as follows:

	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Trade accounts receivable - related parties		
Stanley Electric Group companies	93,099,146	88,612,128
Companies related by way of the Company's management and directors as shareholders, or by way of common directors Associates	43,124,592 30,157,054	45,641,910 85,222,877
	<u>166,380,792</u>	<u>219,476,915</u>
Trade accounts payable - related parties		
Stanley Electric Group companies	348,675,377	310,060,361
Companies related by way of the Company's management and directors as shareholders, or by way of common directors Associates	37,607,476 83,728,058	36,112,969 77,417,002
	<u>470,010,911</u>	<u>423,590,332</u>
Other accounts payable - related parties		
Stanley Electric Group companies	<u>144,002,769</u>	<u>129,660,328</u>

7 Inventories, net

	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Raw materials and packaging	298,767,870	259,443,568
Work in process	430,788,730	316,283,260
Finished goods	89,524,082	81,741,447
Goods in transit	84,474,260	94,086,378
	903,554,942	751,554,653
<u>Less</u> Allowance for net realisable value lower than cost and slow moving inventories		
- Raw materials and packaging	(20,972,958)	(19,702,705)
- Work in process	(3,725,400)	(3,169,432)
- Finished goods	(7,446,460)	(6,945,299)
Inventories, net	<u>871,410,124</u>	<u>721,737,217</u>

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8 Investments in associates

a) Movements in investments in associates are as follows:

For the six-month period ended 30 September 2017	Equity Method Unaudited Baht	Cost Method Unaudited Baht
Opening net book amount	1,048,232,284	57,176,689
Share of profit	138,975,057	-
Dividends received	(76,596,000)	-
Translation adjustments	9,822,023	-
Closing net book amount	<u>1,120,433,364</u>	<u>57,176,689</u>

b) The details of investments in associates are as follows:

Name	Business activity	Paid-up share capital	% of holding	Unaudited 30 September 2017		Equity Method Audited 31 March 2017	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	22,376,327	-	20,501,287	7,194,886
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	1,098,057,037	76,596,000	1,027,730,997	62,270,370
				<u>1,120,433,364</u>	<u>76,596,000</u>	<u>1,048,232,284</u>	<u>69,465,256</u>
Name	Business activity	Paid-up share capital	% of holding	Unaudited 30 September 2017		Cost Method Audited 31 March 2017	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Associates							
Lao Stanley Company Limited	Manufacture of automotive lighting equipment	USD 0.25 million	50	3,132,500	-	3,132,500	7,194,886
Vietnam Stanley Electric Company Limited	Manufacture of automotive lighting equipment	USD 8.30 million	20	54,044,189	76,596,000	54,044,189	62,270,370
				<u>57,176,689</u>	<u>76,596,000</u>	<u>57,176,689</u>	<u>69,465,256</u>

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9 Long-term investments, net

Long-term investments, net as at 30 September 2017 and 31 March 2017 are as follows:

As at 30 September 2017 (Unaudited)	Available- for-sale investments Baht	General investments Baht	Total Baht
Equity securities			
- Related parties	9,440,000	104,921,215	114,361,215
- Other companies	-	-	-
Long-term investments, net	<u>9,440,000</u>	<u>104,921,215</u>	<u>114,361,215</u>
As at 31 March 2017 (Audited)			
Equity securities			
- Related parties	9,240,000	104,921,215	114,161,215
- Other companies	-	-	-
Long-term investments, net	<u>9,240,000</u>	<u>104,921,215</u>	<u>114,161,215</u>

The available-for-sale investments are carried at fair value which is based on the quoted bid price by reference to Stock Exchange of Thailand (Level 1).

The details of long-term investments are as follows:

Name	Business activity	Paid-up share capital	% of holding	Unaudited 30 September 2017		Audited 31 March 2017	
				Amount Baht	Dividend Baht	Amount Baht	Dividend Baht
Related party - available for sale							
Inoue Rubber (Thailand) Public Company Limited	Manufacture of tyre	Baht 200 million	0.2	3,380,000	-	3,380,000	410,920
Change in fair value of investment				<u>6,060,000</u>	<u>-</u>	<u>5,860,000</u>	<u>-</u>
				<u>9,440,000</u>	<u>-</u>	<u>9,240,000</u>	<u>410,920</u>
Related parties - general investments (at cost)							
Asian Stanley International Company Limited	Manufacture of small bulbs, LED and electronic components	Baht 400 million	15.0	60,000,000	-	60,000,000	16,183,642
Sirivit Stanley Company Limited	Manufacture of electronic equipment and automotive lighting	Baht 21 million	15.0	3,000,000	1,578,571	3,000,000	2,788,586
Lumax Industries Limited	Manufacture of automotive lighting equipment and auto parts	RS 93.5 million	1.73	8,793,715	1,144,090	8,793,715	-
PT. Indonesia Stanley Electric	Manufacture of molds and automotive lighting	USD 7.5 million	10.0	<u>33,127,500</u>	<u>7,241,465</u>	<u>33,127,500</u>	<u>4,034,537</u>
				<u>104,921,215</u>	<u>9,964,126</u>	<u>104,921,215</u>	<u>23,006,765</u>
Other companies - general investments (at cost)							
Top Hitech (Thailand) Company Limited	Manufacture of plastic products and molds	Baht 35.9 million	13.9	5,000,000	-	5,000,000	-
<u>Less</u> Impairment of investment				<u>(5,000,000)</u>	<u>-</u>	<u>(5,000,000)</u>	<u>-</u>
				<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total long-term investments, net				<u>114,361,215</u>	<u>9,964,126</u>	<u>114,161,215</u>	<u>23,417,685</u>

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10 Property, plant and equipment, net

For the six-month period ended 30 September 2017	Unaudited Baht
Opening net book amount	5,460,123,334
Additions	346,533,232
Disposals/write - offs, net	(27,446)
<u>Less</u> Depreciation charge	<u>(534,974,886)</u>
Closing net book amount	<u>5,271,654,234</u>

The additions during the period mainly compose of machinery under installation and construction in progress.

As at 30 September 2017, the Company has capital commitments amount of Baht 210 million (31 March 2017 : Baht 79 million).

11 Intangible assets, net

For the six-month period ended 30 September 2017	Unaudited Baht
Opening net book amount	720,008,805
Additions	120,692,444
<u>Less</u> Amortisation charge	<u>(103,229,753)</u>
Closing net book amount	<u>737,471,496</u>

The additions during the period mainly compose of product designs.

12 Accrued expenses

	Unaudited 30 September 2017 Baht	Audited 31 March 2017 Baht
Accrued staff costs	216,094,544	189,255,369
Accrued electricity expense	28,232,467	26,660,971
Accrued rebate	114,889,395	12,660,000
Others	23,575,742	31,269,373
	<u>382,792,148</u>	<u>259,845,713</u>

13 Basic earnings per share

Basic earnings per share is calculated by dividing the net profit attributable to shareholders by the weighted average number of common shares in issue during the period (30 September 2017 : 76,625,000 shares and 30 September 2016 : 76,625,000 shares).

There are no dilutive ordinary shares in issue for the three-month and six-month periods ended 30 September 2017 and 2016.

14 Dividends paid

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 7 July 2017, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2017 for 76,625,000 shares of Baht 5 per share, totalling Baht 383,125,000. However, there were 100 shares that were not entitled to receive the dividends, totalling Baht 500 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company paid the dividends amounting to Baht 383,124,500 to the shareholders on 27 July 2017.

At the Annual General Shareholders' meeting of Thai Stanley Electric Public Company Limited held on 8 July 2016, the shareholders unanimously resolved to pay dividends in respect of the operating results for the year ended 31 March 2016 for 76,625,000 shares of Baht 5 per share, totalling Baht 383,125,000. There were 52,474 shares that were not entitled to receive the dividends, totalling Baht 262,370 as the depository terms were not in compliance with practices of the Thailand Security Depository Co., Ltd. The Company recorded actual dividends paid amounting to Baht 382,862,630 in the financial statements. The Company paid the dividends to the shareholders on 29 July 2016.

15 Commitments and contingent liabilities

For the six-month period ended 30 September 2017, there were no significant changes in commitments and contingent liabilities and other agreements from the year ended 31 March 2017, except the capital commitment as mentioned in Note 10 and the following item:

Forward exchange contracts

As at 30 September 2017 and 31 March 2017, the Company has the outstanding foreign currency forward contracts which the foreign currency contract amount and settlement dates on the contracts are as follows:

	Unaudited 30 September 2017	Audited 31 March 2017
Forward exchange contracts	Yen 60 million USD 1 million	Yen 50 million USD 1 million
Maturity of forward exchange contracts	1 - 2 month	1 - 2 month

16 Contingent liability

In 2015, the Company received a ruling letter from the Revenue Department stating that the Company had paid income tax for the accounting periods from 1 February 2003 to 31 January 2004, 1 April 2004 - 31 March 2005, 1 April 2005 - 31 March 2006, 1 April 2008 - 31 March 2009 and 1 April 2009 - 31 March 2010 incorrectly for the total amount of approximately Baht 18 million. The reason given was that the Company didn't average out the Company's net profit between BOI and non-BOI businesses before applying the income tax rate at 25% for the first portion of net profit of Baht 300 million, which is in accordance with the Royal Decree no. 387 B.E. 2544 and no. 475 B.E. 2551. However, the Company objected to this letter and submitted the appeal to the Central Tax Court of Thailand. The Company has asked the bank to issue a letter of guarantee for this tax amount.

In 2016, the Central Tax Court of Thailand judged to dismiss the Company's appeal. The outcome of the judgment means the Company is liable to pay the additional tax to the Revenue Department. However, the Company has requested the Revenue Department to temporarily suspend the liability for the additional tax payment until a final judgment is issued. The Company has submitted an appeal against the Court's judgment to the Court of Appeal for Specialized Cases - Tax Case Division. The case is now under the consideration of the Court of Appeal for Specialized Cases - Tax Case Division.

The Company did not record liabilities in this interim financial information.

17 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the board of directors who makes strategic decision.

Business segment

The Company manufactures and sells auto bulbs, automotive lighting equipment, mold & dies and product designs. The Company does not prepare segment information of mold & dies and product designs business because the Company's management considers that the revenues, assets and profit of mold & dies and product designs segment do not meet quantitative thresholds of reportable segment. The chief operating decision-maker review operating results in the same dimension as presented on the financial statements.