

**Eureka Design Public Company Limited  
and its Subsidiaries**

Condensed Interim financial statements  
for the three-month and nine-month periods ended  
30 September 2019  
and  
Independent auditor's review report





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## Independent Auditor's Report on Review of Interim Financial Information

### To the Board of Directors of Eureka Design Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Eureka Design Public Company Limited and its subsidiaries, and of Eureka Design Public Company Limited, respectively, as at 30 September 2019; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2019, the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2019; and condensed notes ("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".

*Emphasis of matter*

I draw attention to Note 2 to the condensed interim financial statements which described that the Group and the Company incurred a net loss in the consolidate and separate statements of comprehensive income for the nine-month period ended 30 September 2019 of Baht 2.1 million and Baht 34.6 million, respectively. As of that date, the Group's and the Company's deficit balances were Baht 147.5 million and Baht 163.9 million, respectively. These circumstances indicate the existence of a material uncertainty that may cast significant doubt about the Group's and the Company's ability to continue as a going concern.

I draw attention to Note 4 to the condensed interim financial statements, the Company's independent appraiser determined the fair value of assets acquired and liabilities assumed which the determination of the fair value has not been completed, hence the recognised amount including allocation are not determined as final and may be updated, depending on the final results of valuation by the independent valuer.

My conclusion is not modified in respect of this matter.



(Bongkot, Amsageam)  
Certified Public Accountant  
Registration No. 3684

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 November 2019

# Eureka Design Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
<b>Current assets</b>					
Cash and cash equivalents		6,666	26,380	977	706
Current investments		-	148	-	148
Trade accounts receivable	5,6	34,994	105,726	34,994	70,047
Unbilled contract work in progress		21,106	68,441	21,106	65,326
Other receivables	5	19,945	15,697	12,538	20,208
Short-term loans to related parties	5	-	1,200	19,000	-
Inventories		35,727	61,864	29,016	35,338
<b>Total current assets</b>		<b>118,438</b>	<b>279,456</b>	<b>117,631</b>	<b>191,773</b>
<b>Non-current assets</b>					
Investments in subsidiaries	7	-	-	42,855	64,486
Investment in joint venture	8	-	1,464	-	-
Other long-term investments		280	280	280	280
Property, plant and equipment	9	172,460	138,667	117,377	124,737
Other intangible assets		10,999	13,297	8,446	12,777
Deferred tax assets		10,586	18,702	9,873	18,153
Restricted deposits at financial institutions		4,960	2,410	3,180	2,410
Other non-current assets		15,279	21,687	12,879	10,668
<b>Total non-current assets</b>		<b>214,564</b>	<b>196,507</b>	<b>194,890</b>	<b>233,511</b>
<b>Total assets</b>		<b>333,002</b>	<b>475,963</b>	<b>312,521</b>	<b>425,284</b>

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

# Eureka Design Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in thousand Baht)</i>					
<b>Liabilities and equity</b>					
<i>Current liabilities</i>					
Bank overdrafts and short-term loans					
from financial institutions	10	53,989	59,085	53,989	58,601
Trade accounts payable	5,11	18,239	41,852	18,227	79,359
Other payables	5	5,434	17,898	3,965	6,508
Excess of progress billings over contract work in progress		2,960	36,696	2,960	5,623
Current portion of long-term loans					
from financial institutions	10	3,476	3,332	3,476	3,332
Short-term loans from related parties	5,10	6,500	67,000	4,000	4,794
Current portion of finance lease liabilities	10	-	97	-	97
Guarantee provisions		613	4,213	613	755
<b>Total current liabilities</b>		<b>91,211</b>	<b>230,173</b>	<b>87,230</b>	<b>159,069</b>
<i>Non-current liabilities</i>					
Long-term loans					
from financial institutions	10	8,367	10,993	8,367	10,993
Non-current provisions for employee benefit	12	1,003	7,055	729	3,955
Other non-current liabilities		-	667	-	667
<b>Total non-current liabilities</b>		<b>9,370</b>	<b>18,715</b>	<b>9,096</b>	<b>15,615</b>
<b>Total liabilities</b>		<b>100,581</b>	<b>248,888</b>	<b>96,326</b>	<b>174,684</b>
<i>Equity</i>					
Share capital					
Authorised share capital		163,625	163,625	163,625	163,625
Issued and paid-up share capital		158,885	158,885	158,885	158,885
Share premium					
Share premium on ordinary shares		209,891	209,891	209,891	209,891
Legal reserve		4,660	4,660	4,660	4,660
Deficit		(147,494)	(146,988)	(163,887)	(129,482)
Other components of equity		(1,180)	(220)	6,646	6,646
<b>Equity attributable to owners     of the parent</b>		<b>224,762</b>	<b>226,228</b>	<b>216,195</b>	<b>250,600</b>
Non-controlling interests		7,659	847	-	-
<b>Total equity</b>		<b>232,421</b>	<b>227,075</b>	<b>216,195</b>	<b>250,600</b>
<b>Total liabilities and equity</b>		<b>333,002</b>	<b>475,963</b>	<b>312,521</b>	<b>425,284</b>

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

**Eureka Design Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended		Three-month period ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Revenue from sale of goods and services	5,13,14	20,702	94,070	17,408	78,144
Investment income	5	45	94	306	1,064
Net foreign exchange gain		241	-	320	-
Gain on disposal of investment	7	15,897	-	-	-
Other income	5	2,667	1,035	3,215	7,870
<b>Total revenues</b>		<b>39,552</b>	<b>95,199</b>	<b>21,249</b>	<b>87,078</b>
<b>Expenses</b>					
Cost of sales and services	5	8,413	67,505	12,719	63,578
Distribution costs	5	11,380	1,713	212	1,341
Administrative expenses	5	14,867	24,618	19,423	16,503
Net foreign exchange loss		-	68	-	267
Finance costs	5	1,945	1,645	1,513	1,227
<b>Total expenses</b>		<b>36,605</b>	<b>95,549</b>	<b>33,867</b>	<b>82,916</b>
Share of loss of joint venture	8	-	(61)	-	-
<b>Profit (loss) before income tax expense</b>		<b>2,947</b>	<b>(411)</b>	<b>(12,618)</b>	<b>4,162</b>
Tax income (expense)	15	(2,747)	256	(8,004)	(64)
<b>Profit (loss) for the period</b>		<b>200</b>	<b>(155)</b>	<b>(20,622)</b>	<b>4,098</b>
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operation		41	(1,304)	-	-
<b>Other comprehensive income (expense) for the period, net of tax</b>		<b>41</b>	<b>(1,304)</b>	<b>-</b>	<b>-</b>
<b>Total comprehensive income (expense) for the period</b>		<b>241</b>	<b>(1,459)</b>	<b>(20,622)</b>	<b>4,098</b>

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

**Eureka Design Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>		
	<b>financial statements</b>		<b>financial statements</b>		
	Three-month period ended		Three-month period ended		
	30 September		30 September		
<i>Note</i>	2019	2018	2019	2018	
	<i>(in thousand Baht)</i>				
<b>Profit (loss) attributable to:</b>					
Owners of the parent	2,017	(189)	(20,622)	4,098	
Non-controlling interests	(1,817)	34	-	-	
<b>Profit (loss) for the period</b>	<b>200</b>	<b>(155)</b>	<b>(20,622)</b>	<b>4,098</b>	
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent	2,058	(1,493)	(20,622)	4,098	
Non-controlling interests	(1,817)	34	-	-	
<b>Total comprehensive income (expense) for the period</b>	<b>241</b>	<b>(1,459)</b>	<b>(20,622)</b>	<b>4,098</b>	
<b>Earnings (loss) per share <i>(in Baht)</i></b>					
Basic earnings (loss) per share	16	0.003	(0.0003)	(0.03)	0.006

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**Eureka Design Public Company Limited and its Subsidiaries**  
**Statement of comprehensive income (Unaudited)**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		Nine-month period ended 30 September		Nine-month period ended 30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Revenue from sale of goods and services	5,13,14	209,019	282,834	72,420	248,354
Investment income	5	162	368	324	1,725
Net foreign exchange gain		-	689	-	946
Gain on bargain purchase	4	11,963	-	-	-
Gain on disposal of investment	7	15,897	-	-	-
Other income	5	3,826	2,841	12,992	17,438
<b>Total revenues</b>		<b>240,867</b>	<b>286,732</b>	<b>85,736</b>	<b>268,463</b>
<b>Expenses</b>					
Cost of sales and services	5	140,683	188,857	61,084	198,055
Distribution costs	5	18,577	4,363	2,503	3,663
Administrative expenses	5	71,784	74,785	44,264	53,566
Net foreign exchange loss		763	-	410	-
Finance costs	5	6,564	4,192	3,831	3,770
<b>Total expenses</b>		<b>238,371</b>	<b>272,197</b>	<b>112,092</b>	<b>259,054</b>
Share of loss of joint venture	8	(53)	(267)	-	-
<b>Profit (loss) before income tax expense</b>		<b>2,443</b>	<b>14,268</b>	<b>(26,356)</b>	<b>9,409</b>
Tax income (expense)	15	(4,574)	382	(8,234)	55
<b>Profit (loss) for the period</b>		<b>(2,131)</b>	<b>14,650</b>	<b>(34,590)</b>	<b>9,464</b>
<b>Other comprehensive income</b>					
<i>Items that will be reclassified subsequently to profit or loss</i>					
Exchange differences on translating foreign operation		(960)	(4,731)	-	-

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



# Eureka Design Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended 30 September		Nine-month period ended 30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b>Items that will not be reclassified to profit or loss</b>					
Gains (losses) on remeasurements of defined benefit plans		(161)	3,254	231	3,005
Income tax relating to items that will not be reclassified		32	(651)	(46)	(601)
<b>Total items that will not be reclassified to profit or loss</b>		<b>(129)</b>	<b>2,603</b>	<b>185</b>	<b>2,404</b>
<b>Other comprehensive income (expense) for the period, net of tax</b>		<b>(1,089)</b>	<b>(2,128)</b>	<b>185</b>	<b>2,404</b>
<b>Total comprehensive income (expense) for the period</b>		<b>(3,220)</b>	<b>12,522</b>	<b>(34,405)</b>	<b>11,868</b>
<b>Profit (loss) attributable to:</b>					
Owners of the parent		(377)	14,737	(34,590)	9,464
Non-controlling interests		(1,754)	(87)	-	-
<b>Profit (loss) for the period</b>		<b>(2,131)</b>	<b>14,650</b>	<b>(34,590)</b>	<b>9,464</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parent		(1,466)	12,609	(34,405)	11,868
Non-controlling interests		(1,754)	(87)	-	-
<b>Total comprehensive income (expense) for the period</b>		<b>(3,220)</b>	<b>12,522</b>	<b>(34,405)</b>	<b>11,868</b>
<b>Earnings (loss) per share (in Baht)</b>					
Basic earnings (loss) per share	16	(0.001)	0.02	(0.05)	0.01

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

**Eureka Design Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	<b>Consolidated financial statements</b>										
					<u>Other components of equity</u>						
	Issued and paid-up share capital	Share premium	Legal reserve	Deficit	Translating foreign operations	Differences arising from common control transactions <i>(in thousand Baht)</i>	Revaluation of asset	Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
<b>Nine-month period ended 30 September 2018</b>											
<b>Balance at 1 January 2018</b>	158,885	209,891	4,660	(168,053)	(1,330)	(1,387)	6,646	3,929	209,312	1,593	210,905
<b>Transactions with owners, recorded directly in equity</b>											
<i>Changes in ownership interests in subsidiaries</i>											
Dividends of subsidiary to non-controlling interests	-	-	-	-	-	-	-	-	-	(648)	(648)
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	-	-	-	-	(648)	(648)
<b>Total transactions with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	(648)	(648)
<b>Comprehensive income for the period</b>											
Profit or loss	-	-	-	14,737	-	-	-	-	14,737	(87)	14,650
Other comprehensive income	-	-	-	2,603	(4,731)	-	-	(4,731)	(2,128)	-	(2,128)
<b>Total comprehensive income for the period</b>	-	-	-	17,340	(4,731)	-	-	(4,731)	12,609	(87)	12,522
<b>Balance at 30 September 2018</b>	<u>158,885</u>	<u>209,891</u>	<u>4,660</u>	<u>(150,713)</u>	<u>(6,061)</u>	<u>(1,387)</u>	<u>6,646</u>	<u>(802)</u>	<u>221,921</u>	<u>858</u>	<u>222,779</u>

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

**Eureka Design Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	Consolidated financial statements										
	Other components of equity										
	Issued and paid-up share capital	Share premium	Legal reserve	Deficit	Differences			Total other components of equity	Equity attributable to owners of the parent	Non-controlling interests	Total equity
					Translating foreign operations	arising from common control transactions	Revaluation of asset				
<i>(in thousand Baht)</i>											
<b>Nine-month period ended 30 September 2019</b>											
<b>Balance at 1 January 2019</b>	158,885	209,891	4,660	(146,988)	(5,479)	(1,387)	6,646	(220)	226,228	847	227,075
<b>Transactions with owners, recorded directly in equity</b>											
<i>Changes in ownership interests in subsidiaries</i>											
Acquisition of non-controlling interests with a change in control	-	-	-	-	-	-	-	-	-	8,566	8,566
<b>Total changes in ownership interests in subsidiaries</b>	-	-	-	-	-	-	-	-	-	8,566	8,566
<b>Total transactions with owners, recorded directly in equity</b>	-	-	-	-	-	-	-	-	-	8,566	8,566
<b>Comprehensive income for the period</b>											
Loss	-	-	-	(377)	-	-	-	-	(377)	(1,754)	(2,131)
Other comprehensive income	-	-	-	(129)	(960)	-	-	(960)	(1,089)	-	(1,089)
<b>Total comprehensive income for the period</b>	-	-	-	(506)	(960)	-	-	(960)	(1,466)	(1,754)	(3,220)
<b>Balance at 30 September 2019</b>	<b>158,885</b>	<b>209,891</b>	<b>4,660</b>	<b>(147,494)</b>	<b>(6,439)</b>	<b>(1,387)</b>	<b>6,646</b>	<b>(1,180)</b>	<b>224,762</b>	<b>7,659</b>	<b>232,421</b>

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

## Eureka Design Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Separate financial statements						
	Issued and paid-up share capital	Share premium	Legal reserve	Deficit	Other components of equity		Total equity
					Revaluation Surplus	Total other components of equity	
<i>(in thousand Baht)</i>							
<b>Nine-month period ended 30 September 2018</b>							
<b>Balance at 1 January 2018</b>	<b>158,885</b>	<b>209,891</b>	<b>4,660</b>	<b>(158,134)</b>	<b>6,646</b>	<b>6,646</b>	<b>221,948</b>
<b>Comprehensive income for the period</b>							
Profit	-	-	-	9,464	-	-	9,464
Other comprehensive income	-	-	-	2,404	-	-	2,404
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>11,868</b>	<b>-</b>	<b>-</b>	<b>11,868</b>
<b>Balance at 30 September 2018</b>	<b>158,885</b>	<b>209,891</b>	<b>4,660</b>	<b>(146,266)</b>	<b>6,646</b>	<b>6,646</b>	<b>233,816</b>

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

## Eureka Design Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Separate financial statements						
	Issued and paid-up share capital	Share premium	Legal reserve	Deficit <i>(in thousand Baht)</i>	Other components of equity		Total equity
					Revaluation Surplus	Total other components of equity	
<b>Nine-month period ended 30 September 2019</b>							
Balance at 1 January 2019	158,885	209,891	4,660	(129,482)	6,646	6,646	250,600
<b>Comprehensive income for the period</b>							
Loss	-	-	-	(34,590)	-	-	(34,590)
Other comprehensive income	-	-	-	185	-	-	185
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(34,405)</b>	<b>-</b>	<b>-</b>	<b>(34,405)</b>
<b>Balance at 30 September 2019</b>	<b>158,885</b>	<b>209,891</b>	<b>4,660</b>	<b>(163,887)</b>	<b>6,646</b>	<b>6,646</b>	<b>216,195</b>

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



# Eureka Design Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended		Nine-month period ended	
		2019	2018	2019	2018
		30 September			
		30 September			
		(in thousand Baht)			
<b>Cash flows from operating activities</b>					
Profit (loss) for the period		(2,131)	14,650	(34,590)	9,464
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Tax expense (income)		4,574	(382)	8,234	(55)
Finance costs		6,564	4,192	3,831	3,770
Depreciation		8,452	11,759	7,882	10,282
Amortisation of other intangible assets		4,245	5,399	3,739	5,369
Impairment losses in investment (reversal of)		-	-	6,466	(4,042)
Employee benefits		3,272	800	(1,884)	423
Guarantee provisions (reversal of)		3,154	4,280	(136)	238
Unrealised loss (gain) on exchange		560	123	721	(555)
Unrealised currency translation differences		(897)	(4,731)	-	-
Share of loss of investment of joint venture, net of tax	8	53	267	-	-
Bad and doubtful debts expenses (reversal of)	6	(497)	(1,305)	106	35
Losses on decline in value of inventories (reversal of)		(297)	101	466	207
(Gain) loss on disposal of and written-off of property, plant and equipment		(146)	1,135	127	(224)
(Gain) loss on disposal of other intangible assets		(204)	-	54	-
Interest income		(162)	(368)	(324)	(661)
Gain on bargain purchase	4	(11,963)	-	-	-
Gain on disposal investment	7	(15,897)	-	-	-
		(1,320)	35,920	(5,308)	24,251
<b>Changes in operating assets and liabilities</b>					
Trade accounts receivable		33,117	2,092	34,391	16,328
Unbilled contract work in progress		7,386	(13,340)	44,220	(28,876)
Other receivables		(3,980)	(7,275)	7,942	1,315
Inventories		(8,910)	(8,741)	5,856	1,408
Other non-current assets		(6,047)	1,356	(2,211)	(142)
Trade accounts payable		(10,355)	26,152	(61,131)	(18,824)
Other payables		64,836	(6,012)	(2,598)	(3,464)
Excess of progress billings over contract work in progress		(13,910)	(23,061)	(2,663)	(22,942)
Employee benefits paid		-	-	(1,110)	(665)
Guarantee provisions paid		(4,273)	(4,460)	(6)	(614)
Other non-current liabilities		(667)	(667)	(667)	(667)
Net cash from (used in) operating activities		55,877	1,964	16,715	(32,892)
Taxes paid		(140)	(712)	-	-
<b>Net cash from (used in) operating activities</b>		<b>55,737</b>	<b>1,252</b>	<b>16,715</b>	<b>(32,892)</b>

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

## Eureka Design Public Company Limited and its Subsidiaries

### Statement of cash flows (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended		Nine-month period ended	
		30 September		30 September	
		2019	2018	2019	2018
<i>(in thousand Baht)</i>					
<b><i>Cash flows from investing activities</i></b>					
Acquisition of subsidiary, net cash acquired	4	(28,197)	-	-	-
Acquisition of investment in subsidiary	7	-	-	(41,299)	-
Net cash from disposal investment from subsidiaries		30,835	-	55,000	-
Restricted deposits at financial institutions		(2,550)	(811)	(770)	(811)
Proceeds from sale of property, plant and equipment		324	545	40	926
Acquisition of property, plant and equipment		(3,858)	(8,026)	(636)	(2,131)
Proceeds from sale of other intangible assets		723	-	723	-
Acquisition of other intangible assets		(193)	(902)	(185)	(877)
Loans to related parties	5	-	(313)	(23,000)	-
Proceeds from repayment of loans to related parties	5	1,200	6,013	4,000	38,800
Interest received		162	371	53	665
Decrease (increase) in current investments		148	(3)	148	(3)
Proceeds from redemption of capital from subsidiaries		-	-	1,464	4,042
Cash received from non-controlling interests		700	-	-	-
<b>Net cash from (used in) investing activities</b>		<b>(706)</b>	<b>(3,126)</b>	<b>(4,462)</b>	<b>40,611</b>
<b><i>Cash flows from financing activities</i></b>					
Proceeds from bank overdrafts and short-term loans from financial institutions	10	(5,096)	(407)	(4,612)	(1,095)
Proceeds from (repayment of) short-term loans from related parties	5, 10	(60,500)	22,500	(955)	(744)
Repayment of long-term loans from financial institutions	10	(2,482)	(2,617)	(2,482)	(2,617)
Payment by lessee for reduction of the outstanding liability relating to finance lease	10	(97)	(874)	(97)	(336)
Interest paid		(6,566)	(4,200)	(3,832)	(3,779)
<b>Net cash from (used in) financing activities</b>		<b>(74,741)</b>	<b>14,402</b>	<b>(11,978)</b>	<b>(8,571)</b>
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		(19,710)	12,528	275	(852)
Effect of exchange rate changes on cash and cash equivalents		(4)	1	(4)	1
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(19,714)</b>	<b>12,529</b>	<b>271</b>	<b>(851)</b>
Cash and cash equivalents at beginning of period		26,380	11,382	706	1,486
<b>Cash and cash equivalents at ending of period</b>		<b>6,666</b>	<b>23,911</b>	<b>977</b>	<b>635</b>

#### Non-cash transactions

During the nine-month period ended 30 September 2019, the Group acquired property, building improvement and equipment at total cost of Baht 4.1 million (2018: Baht 8.0 million) of which Baht 3.8 million (2018: Baht 8.0 million) was made by cash payment and Baht 0.3 million was outstanding as payable for purchases of assets as at 30 September 2019 (2018: Baht -nil- million).

During the nine-month period ended 30 September 2019, the Company acquired property, building improvement and equipment at total cost of Baht 0.7 million (2018: Baht 2.1 million) of which Baht 0.6 million (2018: Baht 2.1 million) was made by cash payment and Baht 0.1 million was outstanding as payable for purchases of assets as at 30 September 2019 (2018: Baht -nil- million).

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

**Eureka Design Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2019 (Unaudited)**

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**Eureka Design Public Company Limited and its Subsidiaries**  
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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 14 November 2019

**1 General information**

Eureka Design Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 19 Moo 11, Tambon Ladsawai, Amphoe Lamlukka, Pathumthani.

The Company was listed on the Stock Exchange of Thailand in February 2013.

The Company’s major shareholder during the financial period were Mr. Narakorn Ratchapolsitte (11% shareholding) and Miss Churairat Phongsorn (10% shareholding).

The principal activities of the Group are engaged in the design and manufacture of machinery, logistic automation and sale of closed circuit television. Details of the Company’s subsidiaries as at 30 September 2019 are given in note 7.

**2 Current operations**

The Group and the Company incurred net loss in the consolidate and separate statements of comprehensive income for the nine-month period ended 30 September 2019 of Baht 2.1 million and Baht 34.6 million, respectively (*for the nine-month period ended 30 September 2018: net profit of Baht 14.7 million and Baht 9.5 million, respectively*). As of 30 September 2019 the Group’s and the Company’s deficit balances were Baht 147.5 million and Baht 163.9 million, respectively (*31 December 2018: of Baht 147.0 million and Baht 129.5 million, respectively*). These circumstances indicate the existence of a material uncertainty that may cast significant doubt on the Group’s and the Company’s ability to continue as a going concern.

The Group and the Company are in process of setting policies and procedures for management of its liquidity risk and increasing revenue and operation result. Group management believed that the Group and the Company will be able to obtain their funding source for the foreseeable future and to increase revenue by extending sales channel and expanding business to government sector, reducing costs and selling and administrative expenses. The consolidated and separate financial statements have been prepared by Group and Company management on the going concern basis. Accordingly, the consolidated and separate financial statements do not include any adjustments relating to the recoverability and classification of recorded assets amounts or to amounts and classifications of liabilities that may be necessary if the Group and the Company is unable to continue as a going concern.

**Eureka Design Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2019 (Unaudited)**

**3 Basis of preparation of the interim financial statements**

*(a) Statement of compliance*

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 Interim Financial Reporting, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

*(b) Use of judgements, estimates and accounting policies*

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 Revenue from Contracts with Customers (“TFRS 15”) which the Group has initially adopted to replace TAS 18 Revenue (“TAS 18”), TAS 11 Construction Contracts (“TAS11”) and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change changes in accounting policies have no material impacts on the financial statements.

In addition, the Group has not early adopted a number of new TFRS which are not yet effective for current period in preparing these interim financial statements. Those new TFRS that are relevant to the Group’s operations are disclosed in note 21.

**Eureka Design Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
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**4 Acquisitions of subsidiary**

On 11 June 2019, the Board of Directors' meeting approved an acquisition of 85.65% of shares in BS Myco Biotech Co., Ltd. from a company. On 12 June 2019, the Company entered into a share purchase agreement which specified preliminary share price totaling Baht 35.0 million. The Company paid deposit of Baht 15.0 million in May 2019. The Company has complied with the terms in the agreement upto 26 June 2019, which was the date of the business acquisition and obtained control in BS Myco Biotech Co., Ltd. Management believes that acquisition of BS Myco Biotech Co., Ltd. will get the opportunity to increase revenue income as a new channel to other line business.

In addition, the Company entered into a loan agreement with BS Myco Biotech Co., Ltd. of Baht 15.0 million in order that such Company would pay off debt to BS Myco Biotech Co., Ltd.'s former related party.

During the period from the acquisition date to 30 September 2019, BS Myco Biotech Co., Ltd. contributed loss of Baht 12.5 million to the Group's result. If the acquisition had occurred on 1 January 2019, management estimates that consolidated net loss for the nine-month period ended 30 September 2019 will not be significantly different from the current presentation.

The following summarises the major classes of consideration transferred, and the recognised amounts of assets acquired and liabilities assumed:

Identifiable assets acquired and liabilities assumed

	<b>Fair value</b> <i>(in thousand Baht)</i>
Cash and cash equivalents	6,802
Other receivables	6,283
Property, plant and equipment	54,402
Intangible assets	2,641
Deferred tax assets	2,411
Trade and other payables	(17,404)
Non-current provisions for employee benefit	(305)
<b>Total identifiable net assets</b>	<b>54,830</b>
Less: Non-controlling interests (14.35 %)	(7,868)
<b>Total identifiable net assets received</b>	<b>46,962</b>
Gain on bargain purchase	(11,963)
<b>Purchase consideration transferred</b>	<b>34,999</b>
Net cash acquired with the subsidiary	6,802
Cash paid	34,999
Net cash outflows	<b>28,197</b>

According to the above acquisition, the Company has engaged an independent appraiser to determine the fair values of assets acquired and liabilities assumed. As at 30 September 2019, the determination of the fair value has not been completed. However, the Company is continuing its review of these matters during the measurement period. If new information obtained within one year from the acquisition date about facts and circumstances that existed at the acquisition date identifies adjustments to the above provisional fair values, or any additional assets or liabilities that existed at the acquisition date, then the acquisition accounting will be revised.

**Eureka Design Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
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**5 Related parties**

Relationships with subsidiaries and joint ventures are described in notes 7 and 8. Other Related parties which have material changes in relationships and that the Group had significant transactions during the period with were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.
Mr. Narakorn Ratchapolsitte	Thailand	Major shareholders, 11% shareholding, and directors

Material changes in pricing policies during the nine-month period ended 30 September 2019 are as follows:

<b>Transactions</b>	<b>Pricing policies</b>
Sales of goods and rendering of services *	Cost plus margin
Service income *	Contractually agreed prices
Purchase of goods and receiving of services *	Prices are determined based on the terms and conditions in normal business comparable to those of non-related parties
Purchase of equipment	Agreed prices
Sales of equipment	Agreed prices
Service fees *	Contractually agreed prices
Interest income	Short-term loan rate of a local financial institution
Interest expense	Short-term loan rate of a local financial institution
Key management personnel compensation	As defined by the Nomination and Remuneration Committee and the Company's policy

\* These included transactions of Eureka Automation Company Limited and Eureka International PTE., LTD. upto 24 July 2019 which was the date of loss control in subsidiaries.

Significant transactions for the three-month and nine-month periods ended 30 September with related parties were as follows:

<b>Three-month period ended 30 September</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2019</b>	<b>2018</b>	<b>2019</b>	<b>2018</b>
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sales of goods and rendering of services	-	-	-	113
Service income	-	-	450	4,737
Purchases of goods and receiving of services	-	-	471	36,183
Sales of equipment	-	-	-	404
Service fees	-	-	-	548
Interest income	-	-	298	-
Interest expense	-	-	-	167

# Eureka Design Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

<i>Three-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	2,302	5,420	2,096	3,708
Post-employee benefits	36	87	35	67
<b>Total key management personnel compensation</b>	<b>2,338</b>	<b>5,507</b>	<b>2,131</b>	<b>3,775</b>
<b>Other related parties</b>				
Interest income	8	67	-	-
Interest expense	508	545	508	-
<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sales of goods and rendering of services	-	-	131	668
Service income	-	-	9,364	13,670
Purchases of goods and receiving of services	-	-	42,296	175,338
Purchase of equipment	-	-	-	607
Sales of equipment	-	-	-	404
Service fees	-	-	490	2,540
Interest income	-	-	298	658
Interest expense	-	-	172	516
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefit	15,523	16,923	9,217	12,411
Post-employee benefits	296	263	151	202
<b>Total key management personnel compensation</b>	<b>15,819</b>	<b>17,186</b>	<b>9,368</b>	<b>12,613</b>
<b>Other related parties</b>				
Interest income	52	331	-	-
Interest expense	3,164	888	715	-

Balances as at 30 September 2019 and 31 December 2018 with related parties were as follows:

<i>Trade accounts receivable - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	-	45

# Eureka Design Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

<i>Other receivables - related party</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	763	1,165

<i>Loans to related parties</i>	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<b>Short-term loans</b>						
Subsidiary	7.4	7.4	-	-	19,000	-
Joint venture	-	7.4	-	1,200	-	-
<b>Total</b>			<b>-</b>	<b>1,200</b>	<b>19,000</b>	<b>-</b>

Movements during the nine-month periods ended 30 September of loans to related parties were as follows:

<i>Loans to related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiary</b>				
At 1 January	-	-	-	38,800
Increase	-	-	23,000	-
Decrease	-	-	(4,000)	(38,800)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>19,000</b>	<b>-</b>
<b>Joint venture</b>				
At 1 January	1,200	7,200	-	-
Increase	-	313	-	-
Decrease	(1,200)	(6,013)	-	-
<b>At 30 September</b>	<b>-</b>	<b>1,500</b>	<b>-</b>	<b>-</b>
<b>Total short-term loans to related parties</b>				
At 1 January	1,200	7,200	-	38,800
Increase	-	313	23,000	-
Decrease	(1,200)	(6,013)	(4,000)	(38,800)
<b>At 30 September</b>	<b>-</b>	<b>1,500</b>	<b>19,000</b>	<b>-</b>
<b>Trade accounts payable - related parties</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	-	63,200

# Eureka Design Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

<i>Other payables - related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	-	79

<i>Loans from related parties</i>	Interest rate		Consolidated financial statements		Separate financial statements	
	2019	2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<b>Short-term loans</b>						
Subsidiaries	-	7.4	-	-	-	4,794
Key management personnel	7.4 - 15.0	7.4	6,500	67,000	4,000	-
<b>Short-term loans from related parties</b>			<b>6,500</b>	<b>67,000</b>	<b>4,000</b>	<b>4,794</b>

Movements during the nine-month periods ended 30 September of loans from related parties were as follows:

<i>Loans from related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	4,794	8,486
Increase	-	-	-	2,656
Decrease	-	-	(4,955)	(3,400)
The effect of foreign exchange rate	-	-	161	(640)
<b>At 30 September</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>7,102</b>
<b>Key management personnel</b>				
At 1 January	67,000	6,000	-	-
Increase	57,500	25,300	55,000	-
Decrease	(118,000)	(2,800)	(51,000)	-
<b>At 30 September</b>	<b>6,500</b>	<b>28,500</b>	<b>4,000</b>	<b>-</b>
<b>Total short-term loans from related parties</b>				
At 1 January	67,000	6,000	4,794	8,486
Increase	57,500	25,300	55,000	2,656
Decrease	(118,000)	(2,800)	(55,955)	(3,400)
The effect of foreign exchange rate	-	-	161	(640)
<b>At 30 September</b>	<b>6,500</b>	<b>28,500</b>	<b>4,000</b>	<b>7,102</b>

# Eureka Design Public Company Limited and its Subsidiaries

## Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

### Significant agreement with related parties

On 1 July 2019, the Company entered into accounting and operating assistance agreements with subsidiaries for a period of one year, whereby the Company agreed to provide operating assistance services to the subsidiaries. In this regard, the subsidiaries agreed to pay service fees as specified in the agreement.

The Company entered into loan agreements for loans granted to a subsidiary. These loans are due within March 2020.

## 6 Trade accounts receivable

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	5	-	-	-	45
Other parties		35,353	106,582	35,353	70,255
<b>Total</b>		<b>35,353</b>	<b>106,582</b>	<b>35,353</b>	<b>70,300</b>
Less allowance for doubtful accounts		(359)	(856)	(359)	(253)
<b>Net</b>		<b>34,994</b>	<b>105,726</b>	<b>34,994</b>	<b>70,047</b>
		2019	2018	2019	2018
		<i>(in thousand Baht)</i>			
Bad and doubtful debts expense (reversal of) for the:					
- Three-month period ended 30 September		-	(881)	-	18
- Nine-month period ended 30 September		(497)	(1,305)	106	35

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	-	-	-	45
Overdue:				
Less than 90 days	-	-	-	-
90 - 180 days	-	-	-	-
180 - 360 days	-	-	-	-
Over 360 days	-	-	-	-
	-	-	-	45
Less allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>45</b>



**Eureka Design Public Company Limited and its Subsidiaries**  
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	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Other parties</b>				
Within credit terms	13,105	62,501	13,105	48,744
Overdue:				
Less than 90 days	13,020	24,677	13,020	17,999
90 - 180 days	7,900	17,332	7,900	2,187
180 - 360 days	969	1,011	969	867
Over 360 days	359	1,061	359	458
	<u>35,353</u>	<u>106,582</u>	<u>35,353</u>	<u>70,255</u>
Less allowance for doubtful accounts	<u>(359)</u>	<u>(856)</u>	<u>(359)</u>	<u>(253)</u>
<b>Net</b>	<u><b>34,994</b></u>	<u><b>105,726</b></u>	<u><b>34,994</b></u>	<u><b>70,002</b></u>
<b>Total</b>	<u><b>34,994</b></u>	<u><b>105,726</b></u>	<u><b>34,994</b></u>	<u><b>70,047</b></u>

The normal credit term granted by the Group ranges from 30 days to 90 days.

**7 Investments in subsidiaries**

	Separate financial statements	
	2019	2018
<i>Nine-month period ended 30 September</i>	<i>(in thousand Baht)</i>	
At 1 January	64,486	64,486
Increase	41,299	-
Decrease	(96,578)	-
Redemption of capital	(1,464)	(4,042)
Reversal of allowance for impairment	35,112	4,042
<b>At 30 September</b>	<u><b>42,855</b></u>	<u><b>64,486</b></u>

Acquisition of investments

On 26 June 2019, the Company invested in 85.65% of the issued and paid-up capital of BS Myco Biotech Co., Ltd. amounting of Baht 35.0 million. The Company obtained control of BS Myco Biotech Co., Ltd., consequently, BS Myco Biotech Co., Ltd. became a subsidiary company of the Group.

On 24 June 2019, the Board of Directors' meeting approved to establish the Eureka UU Co., Ltd, (share capital is 70,000 ordinary shares with 100 par value). The Company invested in 90% of share and paid-up capital, amounting to Baht 6.3 million. Eureka UU Co., Ltd. has registered the establishment with Department of Business Development, Ministry of Commerce on 1 July 2019.

Disposal of investments

On 22 July 2019, the Board of Directors' meeting approved to sell ordinary shares of Eureka Automation Company Limited and Eureka Design International PTE. LTD, subsidiaries of the Company.

On 24 July 2019, the Group sold 100% of its interest in Eureka Automation Company Limited, a subsidiary, of Baht 29.5 million. As the result, Eureka Automation Company Limited was no longer a subsidiary. The carrying amount of Eureka Automation Company Limited's net asset in the Group's

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financial statements on the disposal date was Baht 15.4 million and gain on disposal of investment was Baht 14.1 million, which was included in statement of comprehensive income.

Moreover, the Group sold 100% of its interest in Eureka Design International PTE. LTD., a subsidiary, of Baht 25.5 million. As the result, Eureka Design International PTE. LTD. was no longer a subsidiary. In addition, Eureka Design Indonesia Company Limited and Eureka Design India Private Limited, which are indirect subsidiaries held through Eureka Design International PTE. LTD. were no longer indirect subsidiaries of the Group accordingly. The carrying amount of Eureka Design International PTE. LTD.'s net asset in the Group's financial statements on the disposal date was Baht 23.7 million and gain on disposal of investment was Baht 1.8 million, which was included in statement of comprehensive income.

**Redemption of capital**

Eureka Trading Co., Ltd. which is a direct subsidiary of the Company had registered its dissolution with Department of Business Development, Ministry of Commerce on 8 September 2017 and redemption of capital to the Company on 20 September 2019 at the rate of Baht 0.8 per share, totalling Baht 1.5 million.

Eureka Agro Machinery Co., Ltd. which is a direct subsidiary of the Company had registered its dissolution with Department of Business Development, Ministry of Commerce on 8 September 2017 and redemption of capital to the Company on 21 September 2018 at the rate of Baht 4.1 per share, totalling Baht 3.3 million. On 4 October 2018, Eureka Agro Machinery Co., Ltd. completed the liquidation with Department of Business Development, Ministry of Commerce.

Siam Partfeeder (2008) Co., Ltd. which is an indirect subsidiary of the Company had registered its dissolution with Department of Business Development, Ministry of Commerce on 8 September 2017 and redemption of capital to the Company on 21 September 2018 at the rate of Baht 3.8 per share, totalling Baht 0.8 million. On 4 October 2018, Siam Partfeeder (2008) Co., Ltd. completed the liquidation with Department of Business Development, Ministry of Commerce.

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Investments in subsidiaries as at 30 September 2019 and 31 December 2018 were as follows:

Type of business	Ownership interest	Separate financial statements									
		Paid-up capital		Cost		Impairment		At cost - net			
		30	31	30	31	30	31	30	31	30	31
		September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018
		(%)						(in thousand Baht)			
<b>Direct subsidiaries</b>											
Fujii Iron Works (Thailand) Company Limited*	Design and produce machine, jigs and parts	51	51	2,000	2,000	1,020	1,020	-	-	1,020	1,020
Eureka Design International PTE. LTD	Investing	-	100	-	46,578	-	46,578	-	(19,712)	-	26,866
Eureka Automation Company Limited	Design and produce automatic machine	-	99.99	-	50,000	-	50,000	-	(15,400)	-	34,600
Eureka Tradings Company Limited*	Retail business and sales of equipment and tools	99.99	99.99	2,000	2,000	536	2,000	-	-	536	2,000
BS Myco Biotech Company Limited	Manufacture of pesticides and agrochemical products	85.65	-	46,700	-	34,999	-	-	-	34,999	-
Eureka UU Company Limited	Manufacture and sale water, raw water	90.00	-	7,000	-	6,300	-	-	-	6,300	-
<b>Total</b>						<b>42,855</b>	<b>99,598</b>	<b>-</b>	<b>(35,112)</b>	<b>42,855</b>	<b>64,486</b>

All direct subsidiaries are incorporated in Thailand, except Eureka Design International PTE. LTD which is incorporated in Singapore.

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Details of the Company's indirect subsidiaries as at 30 September 2019 and 31 December 2018 were as follows:

	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net	
			30	31	30	31	30	31	30	31	30	31
			September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018	September 2019	December 2018
			(%)						(in thousand Baht)			
<b>Indirect subsidiaries</b>												
Eureka Design Indonesia Company Limited	Design and manufacture machine	Indonesia	-	99.55	-	20,903	-	20,807	-	(16,021)	-	4,786
Eureka Design India Private Limited	Design and manufacture machine	India	-	99.99	-	19,607	-	19,607	-	(3,692)	-	15,915
<b>Total</b>							-	40,414	-	(19,713)	-	20,701

\*Fujii Iron Works (Thailand) Company Limited, Eureka Tradings Company Limited which were direct subsidiaries of the Company had registered its dissolution with Department of Business Development, Ministry of Commerce on 8 September 2017 and were in liquidation process.

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**8 Investments in joint venture**

<i>Nine-month period ended</i> <i>30 September</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
At 1 January	1,464	1,733	-	-
Share of net loss of joint venture	(53)	(267)	-	-
Disposal	(1,411)	-	-	-
<b>At 30 September</b>	<b>-</b>	<b>1,466</b>	<b>-</b>	<b>-</b>

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Investments in joint venture as at 30 September 2019 and 31 December 2018 were as follows:

		Consolidated financial statement								
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		
		30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	
EUREKA UMI	Investigation, design, installation, maintenance and proceeding air conditioning replacement for energy conservation	Thailand	-	70	-	1,000	-	700	-	1,464

None of the Group's joint venture is publicly listed and consequently does not have published quotations.

EUREKA UMI is structured as a separated tax authority and the Group has a right to residual net assets of EUREKA UMI. Accordingly, the Group has classified its interest in EUREKA UMI as a joint venture under the EUREKA UMI Establishment Contract.

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**9 Property, plant and equipment**

Acquisitions, disposals and transfers of property, plant and equipment during the nine-month periods ended 30 September 2019 and 2018 were as follows:

<i>Nine-month period ended 30 September</i>	<b>Consolidated financial statements</b>			
	2019	Disposals and transfers out - net book value	2018	Disposals and transfers out - net book value
	Acquisitions and transfers in - at cost	Acquisitions and transfers in - at cost		
		(in thousand Baht)		
Buildings and improvement	837	106	36	2
Machinery and factory equipment	1,849	21	2,225	954
Office equipment	1,455	52	1,653	1,203
Vehicles	-	-	3,272	-
Assets under construction and installation	-	-	847	-
<b>Total</b>	<b>4,141</b>	<b>179</b>	<b>8,033</b>	<b>2,159</b>

<i>Nine-month period ended 30 September</i>	<b>Separate financial statements</b>			
	2019	Disposals and transfers out - net book value	2018	Disposals and transfers out - net book value
	Acquisitions and transfers in - at cost	Acquisitions and transfers in - at cost		
		(in thousand Baht)		
Buildings and improvement	15	106	36	-
Machinery and factory equipment	92	12	255	769
Office equipment	585	51	351	-
Vehicles	-	-	650	412
Assets under construction and installation	-	-	847	-
<b>Total</b>	<b>692</b>	<b>169</b>	<b>2,139</b>	<b>1,181</b>

**10 Changes in liabilities arising from financing activities**

	<b>Consolidated financial statements</b>				
	Bank overdrafts used for cash management purposes	Long-term loans from financial institutions	Short-term loans from related parties	Finance lease liabilities	Total
					(in thousand Baht)
Balance at 1 January 2019	59,085	14,325	67,000	97	140,507
Changes from financing cash flows	(5,096)	(2,482)	(60,500)	(97)	(68,175)
<b>Balance at 30 September 2019</b>	<b>53,989</b>	<b>11,843</b>	<b>6,500</b>	<b>-</b>	<b>72,332</b>

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	<b>Consolidated financial statements</b>					Total
	Bank overdrafts used for cash management purposes	Long-term loans from financial institutions	Short-term loans from related parties	Finance lease liabilities		
Balance at 1 January 2018	49,697	17,744	6,000	1,042		74,483
Changes from financing cash flows	(407)	(2,617)	22,500	(874)		18,602
<b>Balance at 30 September 2018</b>	<b>49,290</b>	<b>15,127</b>	<b>28,500</b>	<b>168</b>		<b>93,085</b>

	<b>Separate financial statements</b>					Total
	Bank overdrafts used for cash management purposes	Long-term loans from financial institutions	Short-term loans from related parties	Finance lease liabilities		
Balance at 1 January 2019	58,601	14,325	4,794	97		77,817
Changes from financing cash flows	(4,612)	(2,482)	(955)	(97)		(8,146)
Other changes	-	-	161	-		161
<b>Balance at 30 September 2019</b>	<b>53,989</b>	<b>11,843</b>	<b>4,000</b>	<b>-</b>		<b>69,832</b>

	<b>Separate financial statements</b>					Total
	Bank overdrafts used for cash management purposes	Long-term loans from financial institutions	Short-term loans from related parties	Finance lease liabilities		
Balance at 1 January 2018	49,697	17,744	8,486	504		76,431
Changes from financing cash flows	(1,095)	(2,617)	(744)	(336)		(4,792)
Other changes	-	-	(640)	-		(640)
<b>Balance at 30 September 2018</b>	<b>48,602</b>	<b>15,127</b>	<b>7,102</b>	<b>168</b>		<b>70,999</b>

As at 30 September 2019, the Group had unutilised credit facilities totalling Baht 11.2 million (31 December 2019: Baht 11.4 million).

The Company is committed to comply with certain conditions and restrictions prescribed in the loan agreements such as maintaining shareholding proportion, the debt to equity ratio, the debt service coverage ratio and the restrictions relating to mortgage, pledge and claim of assets, etc.

***Breach of loan covenant***

During the nine-month period ended 30 September 2019, the Company had loss from operations of which the Company could not maintain the debt service coverage ratio as prescribed in the loans agreements with a financial institution. The carrying amount of such loan amounted to Baht 11.8 million as at 30 September 2019. However, the Company had obtained the debt covenant waiver letter from financial institution regarding such breach of loan covenant.



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**11 Trade accounts payable**

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018
		<i>(in thousand Baht)</i>			
Related parties	5	-	-	-	63,200
Other parties		18,239	41,852	18,227	16,159
<b>Total</b>		<b>18,239</b>	<b>41,852</b>	<b>18,227</b>	<b>79,359</b>

**12 Non-current provisions for employee benefits**

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group has therefore amended its retirement plan in accordance with the changes in the Labor Protection Act in the first quarter of 2019. As a result of this change, the provision for retirement benefits as at 30 September 2019 as well as past service cost recognised during the nine-month period then ended in the consolidated and separate financial statements increased by Baht 0.9 million.

**13 Segment information**

The Group has three reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different products and services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

- Segment 1 Design, manufacture and installation of semi - automatic machine
- Segment 2 Design, manufacture and installation of automatic machine
- Segment 3 Others

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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*Information about reportable segments*

	<b>Consolidated financial statements</b>									
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Elimination		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Three-month period ended 30 September</b>	<i>(in thousand Baht)</i>									
External revenue	<u>9,288</u>	<u>105,850</u>	<u>1,242</u>	<u>28,673</u>	<u>10,643</u>	<u>18,816</u>	<u>(471)</u>	<u>(59,269)</u>	<u>20,702</u>	<u>94,070</u>
Segment profit (loss) before income tax	<u>(16,957)</u>	<u>7,308</u>	<u>(1,348)</u>	<u>(1,340)</u>	<u>41,605</u>	<u>(1,842)</u>	<u>(20,353)</u>	<u>(4,537)</u>	<u>2,947</u>	<u>(411)</u>
<b>Nine-month period ended 30 September</b>										
External revenue	<u>194,561</u>	<u>377,616</u>	<u>18,274</u>	<u>39,082</u>	<u>38,986</u>	<u>39,871</u>	<u>(42,802)</u>	<u>(173,735)</u>	<u>209,019</u>	<u>282,834</u>
Segment profit (loss) before income tax	<u>(20,525)</u>	<u>22,543</u>	<u>(11,697)</u>	<u>(1,824)</u>	<u>42,840</u>	<u>(2,180)</u>	<u>(8,175)</u>	<u>(4,271)</u>	<u>2,443</u>	<u>14,268</u>

	<b>Consolidated financial statements</b>									
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Elimination		Total	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>									
Segment assets	<u>380,856</u>	<u>546,855</u>	<u>35,862</u>	<u>87,617</u>	<u>173,314</u>	<u>33,860</u>	<u>(257,030)</u>	<u>(192,369)</u>	<u>333,002</u>	<u>475,963</u>
<b>Total assets</b>									<b><u>333,002</u></b>	<b><u>475,963</u></b>
Segment liabilities	<u>192,887</u>	<u>288,729</u>	<u>18,087</u>	<u>48,234</u>	<u>47,769</u>	<u>11,896</u>	<u>(158,162)</u>	<u>(99,971)</u>	<u>100,581</u>	<u>248,888</u>
<b>Total liabilities</b>									<b><u>100,581</u></b>	<b><u>248,888</u></b>

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**14 Revenue**

*Disaggregation of revenue*

In the following table, revenue is disaggregated by primary geographical and service lines and timing of revenue recognition.

	Consolidated financial statements							
	Reportable segments							
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Total	
<i>For the three-month period ended 30 September</i>	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
<b>Primary geographical markets</b>								
Thailand	12,053	48,698	1,446	36,132	5,413	1,248	18,912	86,078
India	1,790	4,814	-	-	-	3,178	1,790	7,992
<b>Total</b>	<b>13,843</b>	<b>53,512</b>	<b>1,446</b>	<b>36,132</b>	<b>5,413</b>	<b>4,426</b>	<b>20,702</b>	<b>94,070</b>
<b>Timing of revenue recognition</b>								
At a point in time	183	-	-	-	5,413	4,426	5,596	4,426
Over time	13,660	53,512	1,446	36,132	-	-	15,106	89,644
<b>Total</b>	<b>13,843</b>	<b>53,512</b>	<b>1,446</b>	<b>36,132</b>	<b>5,413</b>	<b>4,426</b>	<b>20,702</b>	<b>94,070</b>
	<b>Separate financial statements</b>							
	<b>Reportable segments</b>							
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Total	
<i>For the three-month period ended 30 September</i>	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
<b>Primary geographical markets</b>								
Thailand	11,697	55,485	540	19,854	5,171	2,805	17,408	78,144
<b>Timing of revenue recognition</b>								
At a point in time	183	-	-	-	5,171	2,805	5,354	2,805
Over time	11,514	55,485	540	19,854	-	-	12,054	75,339
<b>Total</b>	<b>11,697</b>	<b>55,485</b>	<b>540</b>	<b>19,854</b>	<b>5,171</b>	<b>2,805</b>	<b>17,408</b>	<b>78,144</b>

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	Consolidated financial statements							
	Reportable segments							
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Total	
<i>For the nine-month period ended 30 September</i>	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
<b>Primary geographical markets</b>								
Thailand	146,234	200,339	15,133	42,612	32,913	10,840	194,280	253,791
India	14,403	22,350	-	-	336	6,693	14,739	29,043
<b>Total</b>	<b>160,637</b>	<b>222,689</b>	<b>15,133</b>	<b>42,612</b>	<b>33,249</b>	<b>17,533</b>	<b>209,019</b>	<b>282,834</b>
<b>Timing of revenue recognition</b>								
At a point in time	903	8,016	-	-	19,241	9,033	20,144	17,049
Over time	159,734	214,673	15,133	42,612	14,008	8,500	188,875	265,785
<b>Total</b>	<b>160,637</b>	<b>222,689</b>	<b>15,133</b>	<b>42,612</b>	<b>33,249</b>	<b>17,533</b>	<b>209,019</b>	<b>282,834</b>

	Separate financial statements							
	Reportable segments							
	Design and manufacture of semi - automatic machine		Design and manufacture of automatic machine		Others		Total	
<i>For the nine-month period ended 30 September</i>	2019	2018	2019	2018	2019	2018	2019	2018
	<i>(in thousand Baht)</i>							
<b>Primary geographical markets</b>								
Thailand	50,910	207,126	4,886	26,334	16,624	14,894	72,420	248,354
<b>Timing of revenue recognition</b>								
At a point in time	903	4,143	-	-	15,124	6,394	16,027	10,537
Over time	50,007	202,983	4,886	26,334	1,500	8,500	56,393	237,817
<b>Total</b>	<b>50,910</b>	<b>207,126</b>	<b>4,886</b>	<b>26,334</b>	<b>16,624</b>	<b>14,894</b>	<b>72,420</b>	<b>248,354</b>

## 15 Income tax expense

Income tax expense is recognised based on management's best estimate of the weighted average annual income tax rate expected for the full financial year multiplied by the pre-tax income of the interim reporting period. The effective tax rate in respect of continuing operations for the three-month periods ended 30 September 2019 and 2018 were (93.21%) and 62.12%, respectively for the Group and (63.43%) and 1.54%, respectively for the Company and for the nine-month periods ended 30 September 2019 and 2018 were (187.23%) and (2.68%), respectively for the Group and (31.24%) and (0.59%), respectively for the Company. This change in effective tax rate was caused mainly by loss carry forward and the portion of revenue of the Company which has been granted privileges by the virtue of the provisions of the Industrial Investment Promotion Act as disclosed in note 17.

# Eureka Design Public Company Limited and its Subsidiaries

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### 16 Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the three-month and nine-month periods ended 30 September 2019 and 2018 were based on the profit (loss) for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Three-month period ended 30 September</i>				
	<i>(in thousand Baht / share)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>2,017</u>	<u>(189)</u>	<u>(20,622)</u>	<u>4,098</u>
Number of ordinary shares outstanding	<u>635,540</u>	<u>635,540</u>	<u>635,540</u>	<u>635,540</u>
Earnings (loss) per share (basic) <i>(in Baht)</i>	<u>0.003</u>	<u>(0.0003)</u>	<u>(0.03)</u>	<u>0.006</u>
<i>Nine-month period ended 30 September</i>				
	<i>(in thousand Baht / share)</i>			
Profit (loss) attributable to ordinary shareholders of the Company (basic)	<u>(377)</u>	<u>14,737</u>	<u>(34,590)</u>	<u>9,464</u>
Number of ordinary shares outstanding	<u>635,540</u>	<u>635,540</u>	<u>635,540</u>	<u>635,540</u>
Earnings (loss) per share (basic) <i>(in Baht)</i>	<u>(0.001)</u>	<u>0.02</u>	<u>(0.05)</u>	<u>0.01</u>

### 17 Promotional privileges

By virtue of the provisions of the Industrial Investment Promotion Act B.E. 2520, the Group has been granted privileges by the Board of Investment relating to the manufacture of biochemical product from fungi by biotechnology. The privileges granted include:

- (a) exemption from payment of import duty on machinery approved by Board of Investment.
- (b) exemption from payment of income tax for net profit derived from promoted businesses for a period of eight years from the date on which the income is first derived from such operations.

As promoted companies, the Group must comply with certain terms and conditions prescribed in the promotional certificate.

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**18 Financial instruments**

*Carrying amounts and fair values*

Fair values of current financial assets and liabilities approximate to the carrying values due to these financial instruments have short-term maturity.

Fair values of non-current financial liabilities approximate to the carrying values due to interest rate approximate to market rate.

Fair values of long-term loans from financial institutions approximate to the carrying values due to interest rate approximate to market rate.

Fair values of finance lease approximate to the carrying values due to interest rate approximate to market rate.

**Measurement of fair values**

When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

**19 Commitments with non-related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b><i>Future minimum lease payments under non-cancellable operating leases</i></b>				
Within one year	3,175	3,719	943	1,590
After one year but within five years	677	2,349	677	300
<b>Total</b>	<b>3,852</b>	<b>6,068</b>	<b>1,620</b>	<b>1,890</b>

*Operating lease agreements*

The Group entered into operating lease agreements for rental and other services for the periods of 1 year to 5 years up to February 2023 with the rental and service charges as stipulated in the rental agreement.

**Eureka Design Public Company Limited and its Subsidiaries**  
**Notes to the condensed interim financial statements**  
**For the three-month and nine-month periods ended 30 September 2019 (Unaudited)**

*Forward exchange contracts*

As at 30 September 2019, the Group had no outstanding forward exchange contracts (31 December 2018: outstanding balance of US Dollars 0.1 million equivalent to Baht 3.2 million).

*Letters of guarantee*

As at 30 September 2019, the Company has commitments in respect of letters of guarantee issued by financial institutions as collateral for its performance totaling Baht 2.1 million (31 December 2018: Baht 2.1 million).

**20 Events after the reporting period**

On 8 October 2019, the Board of Directors' meeting approved to establish the Eureka Energy Co., Ltd, (share capital of 50,000 ordinary shares with 100 par value) The Company invested in 55% of share and paid-up capital, amounting to Baht 2.8 million. Eureka Energy Co., Ltd, has registered the establishment with Department of Business Development, Ministry of Commerce on 10 October 2019.

**21 Thai Financial Reporting Standards (TFRS) not yet adopted**

A number of new TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

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

\* TFRS - Financial instruments standards

**a. TFRS - Financial instruments standards**

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

**b. TFRS 16 Leases**

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

Management is presently considering the potential impact of adopting and initially applying those TFRSs on the financial statements.