

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of the interim financial statements
3	Related parties
4	Cash and cash equivalents
5	Investments
6	Trade and other accountsreceivable
7	Property, plant and equipment
8	Trade and other accountspayable
9	Segment information
10	Income tax expense
11	Earnings per share
12	Dividends
13	Financial instruments
14	Commitments with non-related parties
15	Event after the reporting period
16	Reclassification of accounts

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

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 financial statements, and were approved and authorised for issue by the Board of Directors on 6 November 2018.

1 General information

Crown Seal Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 5 Soi Rangsit- Nakhon Nayok 46, Tambon Prachatipat, Amphur Thanyaburi, Pathum Thani.

The Company was listed on the Stock Exchange of Thailand in December 1977.

The Company’s major shareholders during the financial period were Nippon Closures Co., Ltd. (36.68% shareholding) and Toyo Seikan Co., Ltd. (10.15% shareholding). Both companies were incorporated in Japan.

The principal activities of the Company are engaged in the manufacture and sale of caps for bottles and the hire of printing sheets for can.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); 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 2017. 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 for the year ended 31 December 2017.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017 except that the Company has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Company.

In addition to the above new and revised TFRS, the FAP has issued a number of new and revised TFRS which are not yet effective for current periods. The Company has not early adopted these standards in preparing these interim financial statements.

A number of new and revised TFRS which are relevant to the Company’s operations are expected to have significant impact on the financial statements on the date of initial application. Those new and revised TFRS become effective for annual financial reporting periods beginning on or after 1 January of the following years:

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

	TFRS	Topic	Effective
TFRS 7*		Financial Instruments: Disclosures	2020
TFRS9*		Financial Instruments	2020
TFRS15		Revenue from Contracts with Customers	2019
TAS32*		Financial Instruments: Presentation	2020

* TFRS - Financial Instruments standards

TFRS15 Revenue from Contracts with Customers

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the financial statements.

TFRS - Financial instruments standards

These TFRS establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial Instruments standards on the financial statements.

(b) Functional and presentation currency

The interim financial statements are presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand unless otherwise stated.

(c) Use of judgements and estimates

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

In preparing these interim financial statements, the significant judgements made by management in applying the 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 December 2017.

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Measurement of fair values

The Company has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the chief financial officer.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that these valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which the valuations should be classified.

Significant valuation issues are reported to the Company's Audit Committee.

When measuring the fair value of an asset or a liability, the Company 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.

Further information about the assumptions made in measuring fair value is included in note 13 financial instruments.

3 Related parties

For the purposes of these financial statements, parties are considered to be related to the Company if the Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Key management personnel	Thai and Japanese	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 Company.
Nippon Closures Co., Ltd.	Japan	Major shareholder and common directors
Toyo Seikan Co., Ltd.	Japan	Major shareholder and common directors
Boonrawd Brewery Group	Thailand	Shareholder

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
Serm Suk Public Company Limited	Thailand	Shareholder and common directors
Thai Namthip Limited	Thailand	Shareholder and common directors
Bangkok Can Manufacturing Co., Ltd.	Thailand	Common directors
PT Indonesia Caps and Closures	Indonesia	Common directors
Toyo Seikan (Thailand) Co., Ltd.	Thailand	Common shareholder
Next Can Innovation Co., Ltd.	Thailand	Common shareholder and directors
Saiwai Shoji Co., Ltd.	Thailand	Common shareholder
Toyo Filling International Co., Ltd.	Thailand	Common shareholder
Kanagata (Thailand) Co., Ltd.	Thailand	Common shareholder

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Sale of goods	Cost plus margin and market price
Rendering of services	Cost plus margin and contractually agreed price
Rental income	Contractually agreed price
Management income	Contractually agreed price
Sales of raw materials and spare parts	Market price
Dividend income	As declared
Purchase of raw materials and spare parts	Cost plus margin
Purchase of equipment	Cost plus margin
Royalty expense	A percentage of net sales of each product
Claim payment for damaged goods	At cost
Dividend paid	As declared and approved by the shareholders

Significant transactions for the three-month and nine-month periods ended 30 September 2018 and 2017 with related parties were as follows:

	Financial statements in which the equity method is applied		
	2017	Separate financial statements	
Three-month period ended 30 September		2018	2017
	<i>(in thousand Baht)</i>		
Key management personnel			
Key management personnel compensation			
Short-term employee benefits	5,936	5,901	5,936
Post-employment benefits	71	41	71
Total key management personnel compensation	<u>6,007</u>	<u>5,942</u>	<u>6,007</u>
Other related parties			
Sales of goods	148,847	166,513	148,847
Rendering of services	43,442	40,057	43,442
Rental income	570	562	570
Management income	2,272	2,395	2,272
Sales of raw materials and spare parts	240	12	240
Purchase of raw materials and spare parts	2,484	7,452	2,484
Purchase of equipment	754	7,901	754
Royalty expense	4,324	3,653	4,324

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

	425	6,185	425
	Financial statements in which the equity method is applied	Separate financial statements	
<i>Nine-month period ended 30 September</i>	2017	2018	2017
	<i>(in thousand Baht)</i>		
Key management personnel			
Key management personnel compensation			
Short-term employee benefits	16,114	15,914	16,114
Post-employment benefits	214	122	214
Total key management personnel compensation	16,328	16,036	16,328
Other related parties			
Sales of goods	479,923	492,106	479,923
Rendering of services	127,425	118,099	127,425
Rental income	2,350	1,699	2,350
Management income	8,241	8,649	8,241
Sales of raw materials and spare parts	1,013	154	1,013
Dividend income	-	523	-
Purchase of raw materials and spare parts	5,978	14,603	5,978
Purchase of equipment	18,714	17,807	18,714
Royalty expense	14,099	11,923	14,099
Claim payment for damaged goods	712	6,873	712
Dividend paid	85,868	51,984	85,868

Balances as at 30 September 2018 and 31 December 2017 with related parties were as follows:

	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
Trade accounts receivable - related parties		
Other related parties	91,423	84,480
Other receivables - related parties		
Other related parties	5,397	6,282
Other payables - related parties		
Other related parties	18,991	14,110
Deferred rental income- related party		
Other related party: Bangkok Can Manufacturing Co., Ltd.		
- current	993	993
- non-current	11,663	12,408
Total	12,656	13,401

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Significant agreements with related parties

Land lease agreement

On 29 June 2001, the Company entered into two land lease agreements with a related party, Bangkok Can Manufacturing Co., Ltd. The Company received rental income in advance of Baht 29.78 million which recorded as deferred income in the statement of financial position and recognised as income by a straight-line basis over 30 years according to the term of the agreement. The agreement was effective on 2 July 2001.

Service rental agreement

On 15 May 2016, the Company entered into the service rental agreements with related parties, Bangkok Can Manufacturing Co., Ltd., Next Can Innovation Co., Ltd., Toyo Filling International Co., Ltd. and Toyo Seikan (Thailand) Co., Ltd. in which the Company provided the rental of server and storage machine including service related to the server such as monitoring, managing and backing up for a period of 4 years. The agreement was effective on 15 May 2016.

Service agreement

On 15 December 2017, the Company entered into the service agreements with related parties, Bangkok Can Manufacturing Co., Ltd., Next Can Innovation Co., Ltd., Toyo Filling International Co., Ltd. and Toyo Seikan (Thailand) Co., Ltd. in which the Company provided the services for software and hardware computer and personnel system for 1 year. The agreement was effective on 1 January 2018.

Sale of assets and service of generating the electricity agreement

On 28 December 1996, the Company entered into the sale of assets and service of generating the electricity agreement with a related party, Bangkok Can Manufacturing Co., Ltd. in which the Company provided the asset management, electricity and by-product. The agreement was effective on 28 December 1996.

Technical license agreement

On 1 January 2018, the Company entered into the technical license agreement with a major shareholder, Nippon Closures Co., Ltd., whereby the Company received the technical support for the manufacture of caps. Under the term of agreement, the Company is committed to pay royalty fee and others fee at the amount calculated as specified in the agreement. The agreement was effective on 1 January 2018 and will be for a period of 5 years from the commencement date.

4 Cash and cash equivalents

As at 30 September 2018, the Company had unutilised bank overdrafts and credit facilities totaling Baht 175 million (31 December 2017: Baht 175 million). Aforesaid credit facilities are unsecured.

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

5 Investments

	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
<i>Current investments</i>		
Short-term deposits at financial institutions	591,583	430,241
<i>Other long-term investments</i>		
Equity securities available for sale	273	273
Other non-marketable equity securities	47,404	47,404
	<u>47,677</u>	<u>47,677</u>
Total	<u>639,260</u>	<u>477,918</u>

Movements during the nine-month periods ended 30 September of marketable equity securities were as follows:

	2018	2017
	<i>(in thousand Baht)</i>	
<i>Other long-term investments</i>		
Available-for-sale securities		
At 1 January	<u>273</u>	<u>273</u>
At 30 September	<u>273</u>	<u>273</u>

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Other non-marketable equity securities as at 30 September 2018 and 31 December 2017 and dividend income for the nine-month periods ended 30 September 2018 and 2017 were as follows:

Companies	Nature of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost-net		Dividend income for the nine-month period ended	
		30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	31 December 2017	30 September 2018	30 September 2017
		(%)						(in thousand Baht)					
PT Indonesia Cap and Closures	Produce and distribute packaging caps for beverages	12.08	12.08	IDR 135,148	IDR 135,148	46,342	46,342	(8,961)	(8,961)	37,381	37,381	-	-
Bangkok Can Co., Ltd.	Manufacturing and selling of can	1.61	1.61	THB 1,800,000	THB 1,800,000	9,493	9,493	-	-	9,493	9,493	523	-
Muang-Ake Golf Co., Ltd.	Service	0.08	0.08	THB 120,000	THB 120,000	180	180	-	-	180	180	-	-
Muang-Ake Vista Golf Course Co., Ltd.	Service	0.06	0.06	THB 80,000	THB 80,000	350	350	-	-	350	350	-	-
Total						56,365	56,365	(8,961)	(8,961)	47,404	47,404	523	-

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

On 26 September 2017, PT Indonesia Caps and Closures registered additional ordinary shares of 61,500 shares, with a par value of IDR 1,135,700 per share, totalling IDR 69,845.55 million. The Company waived its right to purchase these ordinary shares because the operating results of the associated company had not met expectations; therefore, the Company's shareholding in such company decreased from 25.00% to 12.08%. In addition, the Company did not involve in or has any influence with regard to set up policy of this entity. Therefore, the status of investment was changed from investment in associate to other investment and the Company recognised the change in fair value of investment of Baht 6.50 million in the statement of income in which equity method is applied for the nine-month period ended 30 September 2017 as increase in fair value of investment. The Company has also adjusted the exchange differences on translating foreign operations of this associated company amounting to Baht 4.59 million in other comprehensive income for the nine-month period ended 30 September 2017.

The investment value under cost method decreased by Baht 8.96 million and the fair value of retained interest of investment of Baht 37.38 million has been regarded as initial recognition of this long-term investment.

6 Trade and other accounts receivable

	<i>Note</i>	30 September 2018 <i>(in thousand Baht)</i>	31 December 2017
Trade accounts receivable			
Related parties	3	91,423	84,480
Other parties		339,712	294,320
Total		431,135	378,800
Less allowance for doubtful accounts		-	-
Net		431,135	378,800
Other receivables			
Related parties	3	5,397	6,282
Other parties		7,049	7,329
Total		12,446	13,611
Less allowance for doubtful accounts		-	-
Net		12,446	13,611
Total trade and other accounts receivable		443,581	392,411
		2018	2017
		<i>(in thousand Baht)</i>	
Bad and doubtful debts expense for the:			
- Three-month period ended 30 September		-	-
- Nine-month period ended 30 September		-	-

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

Aging analyses for trade accounts receivable were as follows:

	30 September 2018	31 December 2017
	<i>(in thousand Baht)</i>	
Related parties		
Within credit terms	62,115	57,695
Overdue:		
Less than 3 months	29,308	26,785
	91,423	84,480
<i>Less allowance for doubtful accounts</i>	-	-
	91,423	84,480
Other parties		
Within credit terms	257,215	224,359
Overdue:		
Less than 3 months	82,200	69,961
3-6 months	297	-
	339,712	294,320
<i>Less allowance for doubtful accounts</i>	-	-
	339,712	294,320
Net	431,135	378,800

The normal credit terms granted by the Company ranges from 15 days to 120 days.

7 Property, plant and equipment

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

<i>Nine-month period ended 30 September</i>	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Buildings and other construction	1,788	-	889	-
Machinery and equipment	230,927	(5,502)	60,959	(6,064)
Furniture, fixtures and office equipment	6,935	(80)	4,377	(55)
Assets under construction and installation	134,604	(213,243)	189,755	(42,981)
Total	374,254	(218,825)	255,980	(49,100)

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

8 Trade and other accounts payable

	<i>Note</i>	30 September 2018	31 December 2017
<i>(in thousand Baht)</i>			
Trade accounts payable			
Other parties		333,071	266,151
Total		333,071	266,151
Other payables			
Related parties	3	18,991	14,110
Other parties		121,622	74,401
Total		140,613	88,511
Total trade and other accounts payable		473,684	354,662

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

9 Segment information

Information about reportable segments

	Financial statements in which the equity method is applied		
	Manufacture and sale of caps 2017	Hire of printing sheetsfor can 2017 <i>(in thousand Baht)</i>	Total 2017
<i>Three-month period ended 30 September</i>			
External revenue	610,099	44,206	654,305
Total segment revenue	610,099	44,206	654,305
Segment profit before income tax	87,971	9,360	97,331
Unallocated amounts:			
Interest income			3,618
Gain on fair value adjustment			6,504
Other income			6,100
Administrative expense			(44,404)
Share of losses of associate			(3,000)
Profit before income tax			66,149
Tax expense			(10,745)
Profit for the period			55,404

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

	Financial statements in which the equity method is applied		
	Manufacture and sale of caps 2017	Hire of printing sheets for can 2017 <i>(in thousand Baht)</i>	Total 2017
<i>Nine-month period ended 30 September</i>			
External revenue	1,913,380	129,517	2,042,897
Total segment revenue	1,913,380	129,517	2,042,897
Segment profit before income tax	339,982	26,541	366,523
Unallocated amounts:			
Interest income			10,700
Gain on fair value adjustment			6,504
Other income			31,344
Administrative expense			(139,565)
Share of losses of associate			(6,166)
Profit before income tax			269,340
Tax expense			(52,739)
Profit for the period			216,601

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

<i>Three-month period ended 30 September</i>	Manufacture and sale of caps		Separate financial statements Hire of printing sheets for can		Total	
	2018	2017	2018	2017	2018	2017
			<i>(in thousand Baht)</i>			
External revenue	664,217	610,099	40,628	44,206	704,845	654,305
Total segment revenue	664,217	610,099	40,628	44,206	704,845	654,305
Segment profit before income tax	74,293	87,971	7,422	9,360	81,715	97,331
Unallocated amounts:						
Interest income					3,127	3,618
Other income					5,883	14,279
Administrative expense					(42,118)	(44,404)
Profit before income tax					48,607	70,824
Tax expense					(8,487)	(10,745)
Profit for the period					40,120	60,079

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

<i>Nine-month period ended 30 September</i>	Manufacture and sale of caps		Separate financial statements Hire of printing sheets for can		Total	
	2018	2017	2018	2017	2018	2017
			<i>(in thousand Baht)</i>			
External revenue	1,993,855	1,913,380	120,248	129,517	2,114,103	2,042,897
Total segment revenue	<u>1,993,855</u>	<u>1,913,380</u>	<u>120,248</u>	<u>129,517</u>	<u>2,114,103</u>	<u>2,042,897</u>
Segment profit before income tax	<u>293,032</u>	<u>339,982</u>	<u>25,641</u>	<u>26,541</u>	318,673	366,523
Unallocated amounts:						
Interest income					9,233	10,700
Other income					19,579	31,344
Administrative expense					(129,892)	(139,565)
Impairment loss on investment in associated company					-	(8,961)
Profit before income tax					<u>217,593</u>	<u>260,041</u>
Tax expense					(43,717)	(52,739)
Profit for the period					<u>173,876</u>	<u>207,302</u>

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

10 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 Company's effective tax rate in respect of continuing operations for the nine-month ended 30 September 2018 was 20.09%(2017: 19.58% for financial statements in which the equity method is applied and 20.28% for separate financial statements). This change in effective tax rate was caused mainly by the different treatment for accounting and taxation purposes of certain items.

11 Earnings per share

Basic earnings per share

The calculations of basic earnings per share for the three-month and nine-month periods ended 30 September 2018 and 2017 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month period ended 30 September</i>	Financial statements in which the equity method is applied			Separate financial statements	
	2017	2018	2017	2018	2017
	<i>(in thousand Baht / thousand shares)</i>				
Profit attributable to ordinary shareholders of the Company (basic)	55,404	40,120	60,079		
Number of ordinary shares outstanding	52,000	52,000	52,000		
Earnings per share (basic) (in Baht)	1.07	0.77	1.16		
	Financial statements in which the equity method is applied				
	Separate financial statements				
	<i>(in thousand Baht / thousand shares)</i>				
<i>Nine-month period ended 30 September</i>	2017	2018	2017	2018	2017
Profit attributable to ordinary shareholders of the Company (basic)	216,601	173,876	207,302		
Number of ordinary shares outstanding	52,000	52,000	52,000		
Earnings per share (basic) (in Baht)	4.17	3.34	3.99		

Diluted earnings per share

The calculations of diluted earnings per share for the three-month and nine-month periods ended 30 September 2018 and 2017 were based on the profit for the periods attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods after adjusting for the effects of all dilutive potential ordinary shares as follows:

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

<i>Three-month period ended 30September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2017	2018	2017	2017
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	55,404	40,120	60,079	
Profit attributable to ordinary shareholders of the Company (diluted)	55,404	40,120	60,079	
Number of ordinaryshares outstanding (basic)	52,000	52,000	52,000	
Effect of conversion of preferred shares	800	800	800	
Number of ordinaryshares outstanding (diluted)	52,800	52,800	52,800	
Earnings per share (diluted) (in Baht)	1.05	0.76	1.14	

<i>Nine-month period ended 30September</i>	Financial statements in which the equity method is applied		Separate financial statements	
	2017	2018	2017	2017
	<i>(in thousand Baht / thousand shares)</i>			
Profit attributable to ordinary shareholders of the Company (basic)	216,601	173,876	207,302	
Profit attributable to ordinary shareholders of the Company (diluted)	216,601	173,876	207,302	
Number of ordinaryshares outstanding (basic)	52,000	52,000	52,000	
Effect of conversion of preferred shares	800	800	800	
Number of ordinaryshares outstanding (diluted)	52,800	52,800	52,800	
Earnings per share (diluted) (in Baht)	4.10	3.29	3.93	

12 Dividends

At the annual general meeting of the shareholders of the Company held on 25 April 2018, the shareholders approved the appropriation of dividend for ordinary shareholder of Baht 1.50 per share and preferred shareholder of Baht 3.00 per share, amounting to Baht 78 million and Baht 2.4 million, respectively. The dividend was paid to the shareholders on 11 May 2018.

At the annual general meeting of the shareholders of the Company held on 18 April 2017, the shareholders approved the appropriation of dividend for ordinary shareholder of Baht 2.50 per share and preferred shareholder of Baht 4.00 per share, amounting to Baht 130 million and Baht 3.2 million, respectively. The dividend was paid to the shareholders on 15 May 2017.

Crown Seal Public Company Limited
Notes to the interim financial statements
For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

13 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Fair value			Total
		Level 1	Level 2	Level 3	
<i>(in thousand Baht)</i>					
30 September 2018					
<i>Financial assets and financial liabilities not measured at fair value</i>					
Derivatives (foreign currency forward contracts)	(954)	-	(493)	-	(493)
31 December 2017					
<i>Financial assets and financial liabilities not measured at fair value</i>					
Derivatives (foreign currency forward contracts)	(126)	-	(328)	-	(328)

14 Commitments with non-related parties

	30 September 2018	31 December 2017
<i>(in thousand Baht)</i>		
<i>Capital commitments</i>		
<i>Contracted but not provided for:</i>		
Buildings and other constructions	900	-
Machinery and equipment	61,771	82,061
Total	62,671	82,061
<i>Future minimum lease payments under non-cancellable operating leases</i>		
Within one year	2,905	4,560
After one year but within five years	6,314	6,796
Total	9,219	11,356
<i>Other commitments</i>		
Unused letters of credit to guarantee payments due to creditors	-	6,180
Bank guarantees for electricity used and others	10,451	9,882
Total	10,451	16,062

Crown Seal Public Company Limited

Notes to the interim financial statements

For the three-month and nine-month periods ended 30 September 2018 (Unaudited)

15 Event after the reporting period

On 31 October 2018, 730 preferred shares were exercised and converted to 730 ordinary shares. At the date of auditor's report, the Company has not registered the aforesaid conversion shares with the Ministry of Commerce.

16 Reclassification of accounts

Certain accounts in the statement of financial position as at 31 December 2017 which are included in the 2018 interim financial statements for comparative purposes, have been reclassified to conform to the presentation in the 2018 interim financial statements.

		2017	
	Before reclassification	Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Statement of financial position as at 31 December</i>			
Property, plant and equipment	1,207,497	17,227	1,224,724
Other non-current assets	22,035	<u>(17,227)</u>	4,808
		<u>-</u>	

The reclassifications have been made because, in the opinion of management, the new classification is more appropriate to the Company's business.