

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

**TO THE BOARD OF DIRECTORS
PADAENG INDUSTRY PUBLIC COMPANY LIMITED**

We have reviewed the consolidated statement of financial position of Padaeng Industry Public Company Limited and its subsidiaries and the separate statement of financial position of Padaeng Industry Public Company Limited as at September 30, 2018, and the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018, and the consolidated and separate statements of changes in shareholders' equity and cash flows for the nine-month period ended September 30, 2018, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

BANGKOK
November 6, 2018

Wonlop Vilaivaravit
Certified Public Accountant (Thailand)
Registration No. 6797
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION
AS AT SEPTEMBER 30, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2018	2017	2018	2017
ASSETS					
CURRENT ASSETS					
Cash and cash equivalents	4.1	658,593,157	1,035,010,463	471,178,278	786,088,399
Short-term investments	5	688,609,395	543,677,635	606,609,395	543,677,635
Trade and other current receivables	6	372,260,359	483,585,139	292,412,329	406,488,688
Current portion of long-term loan to other party	7	52,500,000	52,500,000	52,500,000	52,500,000
Inventories	8	636,058,454	567,469,757	634,406,306	565,817,609
Value added tax receivables		87,121,943	79,941,940	12,619,114	595,550
Non-current assets held for sale	9	988,017	185,559,837	988,017	185,559,837
Other current assets	10	382,419,918	325,390,700	382,037,301	324,909,702
Total current assets		<u>2,878,551,243</u>	<u>3,273,135,471</u>	<u>2,452,750,740</u>	<u>2,865,637,420</u>
NON-CURRENT ASSETS					
Deposits at financial institutions with restriction use	17	105,244,824	89,956,345	-	-
Advances to related parties	27.3	-	-	456,180	364,500
Advances to joint ventures	27.3	252,520	252,520	-	-
Investments in subsidiaries	27.1	-	-	192,796,625	192,796,625
Investments in joint ventures	27.2	48,055,469	55,893,462	15,300,000	15,300,000
Long-term investments	11	589,285,594	480,389,912	-	-
Long-term loan to other party	7	-	52,500,000	-	52,500,000
Loans to related parties	27.3	-	-	2,129,751,574	2,272,663,020
Property, plant and equipment	12	2,465,563,888	2,540,692,864	548,900,631	557,334,472
Investment property	9	185,530,653	958,833	185,530,653	958,833
Intangible asset	13	846,947,792	887,313,110	-	-
Goodwill		26,482,501	26,482,501	-	-
Other non-current assets		1,079,954	1,074,639	48,945,097	20,191,975
Total non-current assets		<u>4,268,443,195</u>	<u>4,135,514,186</u>	<u>3,121,680,760</u>	<u>3,112,109,425</u>
TOTAL ASSETS		<u><u>7,146,994,438</u></u>	<u><u>7,408,649,657</u></u>	<u><u>5,574,431,500</u></u>	<u><u>5,977,746,845</u></u>

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONTINUED)
AS AT SEPTEMBER 30, 2018

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		"Unaudited"		"Unaudited"	
		As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
LIABILITIES AND SHAREHOLDERS' EQUITY					
CURRENT LIABILITIES					
Short-term loans from financial institutions	15	107,761,056	140,702,205	-	-
Trade and other current payables	16	506,262,755	480,236,591	484,875,445	461,197,229
Accrued electricity expenses		1,471,545	1,432,295	1,471,545	1,432,295
Income tax payable		136,989	29,365,043	-	29,182,042
Current portion of long-term loans from financial institutions	17	148,610,160	103,696,560	-	-
Current portion of provisions for restoration and rehabilitation expenses	18	130,708,284	118,649,727	130,708,284	118,649,727
Other current liabilities		16,047,997	21,550,262	16,040,518	21,135,973
Total current liabilities		<u>910,998,786</u>	<u>895,632,683</u>	<u>633,095,792</u>	<u>631,597,266</u>
NON-CURRENT LIABILITIES					
Long-term loans from financial institutions	17	1,165,927,776	1,048,860,060	-	-
Provision for cadmium legal case	29	98,944,344	95,729,375	98,944,344	95,729,375
Provisions for restoration and rehabilitation expenses	18	48,800,414	35,452,481	48,800,414	35,452,481
Provisions for employee benefit		38,747,761	43,295,009	38,671,691	43,218,939
Deferred tax liabilities	14	203,822,336	205,253,476	94,860,336	96,291,476
Total non-current liabilities		<u>1,556,242,631</u>	<u>1,428,590,401</u>	<u>281,276,785</u>	<u>270,692,271</u>
TOTAL LIABILITIES		<u>2,467,241,417</u>	<u>2,324,223,084</u>	<u>914,372,577</u>	<u>902,289,537</u>
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
Ordinary shares 301,333,333 shares at par value of Baht 10 each	19	<u>3,013,333,330</u>		<u>3,013,333,330</u>	
Ordinary shares 226,000,000 shares at par value of Baht 10 each	19		<u>2,260,000,000</u>		<u>2,260,000,000</u>
Issued and paid-up share capital					
Ordinary shares 226,000,000 shares of Baht 10 each, fully paid - up		2,260,000,000	2,260,000,000	2,260,000,000	2,260,000,000
Premium on share capital		602,413,600	602,413,600	602,413,600	602,413,600
Retained earnings					
Appropriated legal reserve		226,000,000	226,000,000	226,000,000	226,000,000
Unappropriated		1,219,767,033	1,618,250,056	1,195,882,170	1,604,124,855
Revaluation surplus on assets		375,763,153	382,918,853	375,763,153	382,918,853
Cumulative currency differences on translation		(4,190,765)	(5,155,936)	-	-
TOTAL EQUITY ATTRIBUTABLE TO OWNERS OF THE PARENT COMPANY		<u>4,679,753,021</u>	<u>5,084,426,573</u>	<u>4,660,058,923</u>	<u>5,075,457,308</u>
TOTAL SHAREHOLDERS' EQUITY		<u>4,679,753,021</u>	<u>5,084,426,573</u>	<u>4,660,058,923</u>	<u>5,075,457,308</u>
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		<u>7,146,994,438</u>	<u>7,408,649,657</u>	<u>5,574,431,500</u>	<u>5,977,746,845</u>

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
 "UNAUDITED"

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
REVENUES					
Revenue from sales and services		1,102,749,488	1,411,207,301	1,096,780,337	1,407,029,190
Revenue from sales electricity		72,105,035	28,152,147	-	-
Gain from sales of fixed assets		665,496	1,072,581	665,496	1,072,581
Gain on short-term investment		14,116,820	12,282,953	14,116,820	12,282,953
Other income		11,231,109	21,460,045	25,714,336	24,607,596
Total revenues		<u>1,200,867,948</u>	<u>1,474,175,027</u>	<u>1,137,276,989</u>	<u>1,444,992,320</u>
EXPENSES					
Cost of sales and services		(1,123,896,459)	(1,148,175,961)	(1,119,447,157)	(1,145,244,101)
Cost of sales electricity		(44,381,574)	(14,817,305)	-	-
Selling expenses		(4,600,018)	(12,822,200)	(4,503,971)	(12,433,226)
Operating and administrative expenses		(58,391,087)	(146,937,281)	(55,038,755)	(142,901,884)
Loss on exchange rate		(12,337,069)	(25,111,443)	(9,292,722)	(2,405,616)
Finance costs		(19,549,194)	(3,623,357)	-	(229,635)
Total expenses		<u>(1,263,155,401)</u>	<u>(1,351,487,547)</u>	<u>(1,188,282,605)</u>	<u>(1,303,214,462)</u>
Share of loss of investment in joint ventures on equity method		(655,597)	(2,111,225)	-	-
Profit (loss) before income tax		<u>(62,943,050)</u>	<u>120,576,255</u>	<u>(51,005,616)</u>	<u>141,777,858</u>
Income tax income (expenses)		289,394	(7,045,542)	477,047	(6,934,836)
Net profit (loss) for the periods		<u>(62,653,656)</u>	<u>113,530,713</u>	<u>(50,528,569)</u>	<u>134,843,022</u>
Other comprehensive income (loss)					
Items that will be reclassified subsequently to profit or loss					
Currency differences on translation		2,749,441	5,216	-	-
Total comprehensive income (loss) for the periods		<u>(59,904,215)</u>	<u>113,535,929</u>	<u>(50,528,569)</u>	<u>134,843,022</u>
Net profit (loss) for the period attributable to:					
Owners of the Parent		(62,653,656)	113,530,713	(50,528,569)	134,843,022
Non-controlling interests		-	-	-	-
		<u>(62,653,656)</u>	<u>113,530,713</u>	<u>(50,528,569)</u>	<u>134,843,022</u>
Total comprehensive income (loss) for the period attributable to:					
Owners of the Parent		(59,904,215)	113,535,929	(50,528,569)	134,843,022
Non-controlling interests		-	-	-	-
		<u>(59,904,215)</u>	<u>113,535,929</u>	<u>(50,528,569)</u>	<u>134,843,022</u>
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	22	<u>(0.28)</u>	<u>0.50</u>	<u>(0.22)</u>	<u>0.60</u>
Diluted earnings (loss) per share (Baht)	22	<u>(0.28)</u>	<u>0.50</u>	<u>(0.22)</u>	<u>0.60</u>

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
 "UNAUDITED"

UNIT : BAHT

	Notes	CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		2018	2017	2018	2017
REVENUES					
Revenue from sales and services		3,444,346,477	4,256,948,279	3,430,096,429	4,245,232,359
Revenue from sales electricity		252,909,254	70,534,973	-	-
Gain from sales of investment in joint venture		-	40,815,199	-	-
Gain from sales of fixed assets		5,126,245	2,772,509	5,126,245	2,772,509
Gain on exchange rate		-	-	3,955,099	8,796,855
Other income		76,083,837	50,915,202	112,460,350	58,003,668
Total revenues		<u>3,778,465,813</u>	<u>4,421,986,162</u>	<u>3,551,638,123</u>	<u>4,314,805,391</u>
EXPENSES					
Cost of sales and services		(3,369,212,888)	(3,321,511,675)	(3,359,284,102)	(3,313,707,092)
Cost of sales electricity		(130,116,459)	(36,588,613)	-	-
Selling expenses		(21,119,787)	(36,836,880)	(20,740,394)	(36,447,906)
Operating and administrative expenses		(238,277,822)	(346,640,587)	(228,487,783)	(339,864,035)
Loss on short-term investment		(19,695,970)	(6,722,900)	(19,695,970)	(6,722,900)
Loss on exchange rate		(844,282)	(21,270,330)	-	-
Finance costs		(57,769,984)	(3,645,672)	-	(251,950)
Total expenses		<u>(3,837,037,192)</u>	<u>(3,773,216,657)</u>	<u>(3,628,208,249)</u>	<u>(3,696,993,883)</u>
Share of profit (loss) of investment in joint ventures on equity method	27.2	(7,837,993)	8,171,772	-	-
Profit (loss) before income tax expense		(66,409,372)	656,941,277	(76,570,126)	617,811,508
Income tax income (expenses)		1,030,048	(20,053,166)	1,431,140	(19,688,088)
Net profit (loss) for the periods		<u>(65,379,324)</u>	<u>636,888,111</u>	<u>(75,138,986)</u>	<u>598,123,420</u>
Other comprehensive income (loss)					
Items that will be reclassified subsequently to profit or loss					
Currency differences on translation		965,171	20,211	-	-
Items that will not be reclassified subsequently to profit or loss					
Actuarial loss on defined benefit plan		(1,280,939)	-	(1,280,939)	-
Difference from revaluation surplus on assets - net		-	388,109,342	-	388,109,342
		<u>(1,280,939)</u>	<u>388,109,342</u>	<u>(1,280,939)</u>	<u>388,109,342</u>
Total comprehensive income (loss) for the periods		<u>(65,695,092)</u>	<u>1,025,017,664</u>	<u>(76,419,925)</u>	<u>986,232,762</u>
Net profit (loss) for the period attributable to:					
Owners of the Parent		(65,379,324)	636,888,111	(75,138,986)	598,123,420
Non-controlling interests		-	-	-	-
		<u>(65,379,324)</u>	<u>636,888,111</u>	<u>(75,138,986)</u>	<u>598,123,420</u>
Total comprehensive income (loss) for the period attributable to:					
Owners of the Parent		(65,695,092)	1,025,017,664	(76,419,925)	986,232,762
Non-controlling interests		-	-	-	-
		<u>(65,695,092)</u>	<u>1,025,017,664</u>	<u>(76,419,925)</u>	<u>986,232,762</u>
Earnings (loss) per share					
Basic earnings (loss) per share (Baht)	22	(0.29)	2.82	(0.33)	2.65
Diluted earnings (loss) per share (Baht)	22	(0.29)	2.82	(0.33)	2.65

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
 "UNAUDITED"

UNIT : BAHT

		CONSOLIDATED FINANCIAL STATEMENTS						
		Equity Attributable to owners of the Parent					Total	
Notes	Issued and	Premium	Other component of shareholders' equity		Retained earnings		Total	Total
	paid-up	on	Cumulative	Revaluation	Appropriated	Unappropriated	owners of	shareholders'
	share capital	share capital	currency	surplus on assets	legal reserve		the Parent	equity
			Differences					
			on translation					
	2,260,000,000	602,413,600	(5,183,937)	-	226,000,000	933,778,717	4,017,008,380	4,017,008,380
Dividends paid	-	-	-	-	-	(225,993,670)	(225,993,670)	(225,993,670)
Other comprehensive income	-	-	20,211	388,109,342	-	636,888,111	1,025,017,664	1,025,017,664
Balance as at September 30, 2017	2,260,000,000	602,413,600	(5,163,726)	388,109,342	226,000,000	1,344,673,158	4,816,032,374	4,816,032,374
	2,260,000,000	602,413,600	(5,155,936)	382,918,853	226,000,000	1,618,250,056	5,084,426,573	5,084,426,573
Dividends paid	-	-	-	-	-	(338,978,460)	(338,978,460)	(338,978,460)
Transfer to retained earnings from surplus on assets	-	-	-	(7,155,700)	-	7,155,700	-	-
Other comprehensive loss	-	-	965,171	-	-	(66,660,263)	(65,695,092)	(65,695,092)
Balance as at September 30, 2018	2,260,000,000	602,413,600	(4,190,765)	375,763,153	226,000,000	1,219,767,033	4,679,753,021	4,679,753,021

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
 "UNAUDITED"

UNIT : BAHT

Notes	SEPARATE FINANCIAL STATEMENTS					Total shareholders' equity	
	Issued and paid-up share capital	Premium on share capital	Other component of shareholders' equity	Retained earnings			
				Revaluation surplus on assets	Appropriated legal reserve		Unappropriated
Balance as at January 1, 2017	2,260,000,000	602,413,600	-	226,000,000	956,989,553	4,045,403,153	
Dividends paid	20	-	-	-	(225,993,670)	(225,993,670)	
Other comprehensive income	-	-	388,109,342	-	598,123,420	986,232,762	
Balance as at September 30, 2017	<u>2,260,000,000</u>	<u>602,413,600</u>	<u>388,109,342</u>	<u>226,000,000</u>	<u>1,329,119,303</u>	<u>4,805,642,245</u>	
Balance as at January 1, 2018	2,260,000,000	602,413,600	382,918,853	226,000,000	1,604,124,855	5,075,457,308	
Dividends paid	20	-	-	-	(338,978,460)	(338,978,460)	
Transfer to retained earnings from surplus on assets	-	-	(7,155,700)	-	7,155,700	-	
Other comprehensive loss	-	-	-	-	(76,419,925)	(76,419,925)	
Balance as at September 30, 2018	<u>2,260,000,000</u>	<u>602,413,600</u>	<u>375,763,153</u>	<u>226,000,000</u>	<u>1,195,882,170</u>	<u>4,660,058,923</u>	

See condensed notes to the financial statements

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
"UNAUDITED"

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax	(66,409,372)	656,941,277	(76,570,126)	617,811,508
Adjustments for :				
Depreciation and amortization expenses	116,490,611	110,768,182	8,387,738	85,474,723
Unrealized loss (gain) on foreign currency	5,063,149	9,089,692	6,428,739	(121,715)
Unrealized loss (gain) on short-term investment	(12,632,857)	16,694,903	(12,632,858)	16,694,903
Provisions (Reversal) for restoration and rehabilitation expenses	54,555,496	(50,438,734)	54,555,496	(50,438,734)
Allowance (Reversal) of slow-moving and obsolete stocks	(1,946,861)	16,424,000	(1,946,861)	16,424,000
Allowance for diminution of inventories	-	20,556,257	-	20,556,257
Gain from sales and disposal of property, plant and equipment	(5,126,245)	(1,385,778)	(5,126,245)	(1,385,778)
Other assets impairment (reversal)	(101,164)	12,881,737	(101,164)	12,881,737
Gain from sales of investment in joint venture	-	(40,815,199)	-	-
Share of loss (profit) from investment in joint ventures	7,837,993	(8,171,771)	-	-
Employee benefits obligation	2,567,220	7,307,760	2,567,220	7,307,760
Finance costs	57,769,984	3,645,672	-	251,950
Interest income	(13,174,220)	(12,497,216)	(52,020,089)	(28,770,805)
Gain (loss) from operating activities before changes in operating assets and liabilities	144,893,734	741,000,782	(76,458,150)	696,685,806
(Increase) decrease in operating assets				
Trade and other current receivables	111,493,870	(60,932,827)	113,907,272	(52,164,604)
Inventories	(66,641,836)	491,356,504	(66,641,836)	491,356,504
Value added tax receivables	(7,180,003)	4,888,609	(12,023,564)	3,670,795
Other current assets	(57,802,478)	20,020,210	(59,164,941)	36,481,984
Deposits at financial institutions with restriction	(15,288,479)	(79,747,501)	-	-
Advance to related parties	-	-	(91,680)	-
Advance to joint ventures	-	61,420	-	61,420
Other non-current assets	(5,315)	32,688,667	1,906,596	19,502,953
Increase (decrease) in operating liabilities				
Trade and other current payables	28,714,882	459,014,851	28,261,751	460,186,669
Accrued electricity expenses	39,250	(133,308,953)	39,250	(133,308,953)
Other current liabilities	(1,874,969)	(66,075,060)	(1,790,708)	(61,109,345)
Provision for cadmium legal case	3,214,969	20,432,719	3,214,969	20,432,719
Provision for restoration and rehabilitation paid during the periods	(29,149,006)	(116,531,833)	(29,149,006)	(116,531,833)
Employee benefits obligation paid during the periods	(8,395,407)	(69,185,454)	(8,395,407)	(69,185,454)
Cash received (paid) from operating activities	102,019,212	1,243,682,134	(106,385,454)	1,296,078,661
Cash paid for interest	(50,500,925)	(3,627,867)	-	(251,950)
Cash paid for corporate tax	(33,256,442)	(144,127,041)	(32,486,790)	(143,556,118)
Net cash flows provided by (used in) operating activities	18,261,845	1,095,927,226	(138,872,244)	1,152,270,593

PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF CASH FLOWS (CONTINUED)
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018
"UNAUDITED"

UNIT : BAHT

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	2018	2017	2018	2017
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash (paid) received for purchases of short-term investments	(132,298,903)	19,375,546	(50,298,902)	3,958,629
Cash received from acquisition	-	156,064,744	-	-
Cash received from sales investments in joint venture	-	59,062,500	-	59,062,500
Cash (paid) received for purchases of long-term investment	(122,652,751)	12,497,132	-	-
Cash paid for acquisition	-	(1,112,506,346)	-	-
Cash paid for loan to related parties	-	-	(124,000,000)	(1,302,325,324)
Cash received from loan to related parties	-	-	256,000,000	-
Cash received from loan to other party	52,500,000	-	52,500,000	-
Interest received	13,947,480	11,359,606	23,397,710	18,782,470
Cash paid for invested in joint ventures	-	(18,660,000)	-	-
Cash paid for purchase of property, plant and equipment	(1,161,602)	(14,279,303)	-	(3,620,460)
Cash received from sales of property, plant and equipment	5,392,694	2,772,509	5,273,515	2,772,509
Net cash provided by (used in) investing activities	(184,273,082)	(884,313,612)	162,872,323	(1,221,369,676)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for short-term loans from financial institutions	(32,941,149)	(149,564,077)	-	(149,564,077)
Cash paid for long-term loans from financial institutions	(116,457,620)	(25,924,140)	-	-
Cash received for long-term loans from financial institutions	277,902,900	-	-	-
Cash paid for long-term loan from other party	-	(142,255,392)	-	-
Dividends paid	(338,978,460)	(225,993,670)	(338,978,460)	(225,993,670)
Net cash used in financing activities	(210,474,329)	(543,737,279)	(338,978,460)	(375,557,747)
Effects from changes in exchange rate				
for cash and cash equivalents	68,260	79,050	68,260	79,050
Net decrease in cash and cash equivalents	(376,417,306)	(332,044,615)	(314,910,121)	(444,577,780)
Cash and cash equivalents at beginning of the periods	1,035,010,463	868,028,722	786,088,399	689,515,194
Cash and cash equivalents at end of the periods	658,593,157	535,984,107	471,178,278	244,937,414

See condensed notes to the financial statements

**PADAENG INDUSTRY PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
CONDENSED NOTES TO FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018
“UNAUDITED”**

1. GENERAL INFORMATION

Padaeng Industry Public Company Limited (the “Company”) was established on April 10, 1981 and has been listed on the Stock Exchange of Thailand since July 21, 1987.

The Company’s registered office is at CTI Tower, 26th- 27th floor, 191/18-25 Rachadaphisek Road, Khlong Toei District, Bangkok. The Company had operated a zinc mine and a zinc smelter located in the Tak Province and a roaster plant for Calcine located in the Rayong Province since 1987. In early 2017, the Company completely stopped its conventional zinc operation due to depleted zinc at Mae Sod mine. The Company has turned into a metal trading business instead. It has also diversified into other business including renewable energy, recycling material and eco waste management.

The Company has extensive transactions and relationships with the related company. Accordingly, the financial statements may not necessarily be indicative of the conditions that would have existed or the results of operations that would have occurred had the Company operated without such affiliations.

2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

- 2.1 These interim consolidated and separate financial statements are prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2017) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presented the condensed notes to interim financial statements and additional information was disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The consolidated and separate statements of financial position as at December 31, 2017, presented herein for comparison, have been derived from the consolidated and separate financial statements of the Company for the year then ended which had been audited.
- 2.3 The unaudited results of operations presented in the three-month and nine-month periods ended September 30, 2018 are not necessarily an indication nor anticipation of the operating results for the full year.
- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. In addition, the interim financial statements for the three-month and nine-month periods ended September 30, 2018 should be read in conjunction with the audited financial statements for the year ended December 31, 2017.

- 2.5 Material intercompany transactions between the Company and its subsidiaries have been eliminated from this interim consolidated financial statements. The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2018 have included the subsidiaries' interim financial statements for the three-month and nine-month periods ended September 30, 2018 which were reviewed.
- 2.6 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements.

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these Thai Financial Reporting Standards does not have any significant impact on the Company's interim consolidated and separate financial statements. Except the following financial reporting standard:

Thai Accounting Standard No. 7 (Revised 2017) "Statement of Cash Flows"

This revised accounting standard requires the disclosure of changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. This accounting standard requires prospective method for such amendment.

- 2.7 Thai Financial Reporting Standards announced in the Royal Gazette but not yet effective

On March 14, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standard No.15 "Revenue from Contracts with Customers", which has been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2019 onwards.

On September 21, 2018, the Federation of Accounting Professions has issued the Notification regarding Thai Financial Reporting Standards that are relevant to financial instruments, which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follow:

Thai Accounting Standards ("TAS")

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards ("TFRS")

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations ("TFRIC")

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The Company's management will adopt such TFRSs in the preparation of the Company's interim financial statements when it becomes effective. The Company's management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

- 2.8 The preparation of interim financial statements also requires the Company's managements to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on managements' reasonable consideration of current events, actual results may differ from these estimates.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2017.

4. ADDITIONAL CASH FLOW INFORMATION

- 4.1 Cash and cash equivalents as at September 30, 2018 and December 31, 2017 consisted of:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	"Unaudited"		"Unaudited"	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
Cash on hand	473,834	1,203,616	150,000	200,000
Bank accounts and deposits	658,119,323	1,033,806,847	471,028,278	785,888,399
Total	<u>658,593,157</u>	<u>1,035,010,463</u>	<u>471,178,278</u>	<u>786,088,399</u>

As at September 30, 2018 and December 31, 2017, the average interest rates on bank accounts and deposits are in the range of 0.10% - 3.20% per annum.

4.2 Non-cash transactions consisted of:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	September 30,	September 30,	September 30,
	2018	2017	2018	2017
Transferred land, land improvement and building to non-current assets held for sale	-	185,559,896	-	185,559,896
Transferred condominium to investment property	-	983,892	-	983,892
Transferred non-current assets held for sale to investment property	184,571,820	-	184,571,820	-
Land, land improvement, condominium and buildings increased from revaluation	-	485,136,678	-	485,136,678
<u>Less</u> Deferred tax liabilities	-	(97,027,336)	-	(97,027,336)
Revaluation surplus on assets - net of income tax	-	388,109,342	-	388,109,342

5. SHORT-TERM INVESTMENTS

Short-term investments represented the deposit in a private fund which invest in trading of derivatives, unit trust and listed securities (see Note 25).

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at September 30, 2018 and December 31, 2017 consisted of:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
Trade receivables - other companies	307,743,739	419,009,591	282,546,394	396,017,726
Other receivables - other companies	6,713,321	13,920,677	1,657,709	6,168,335
Other receivables - related companies	3,323,396	939,646	4,290,141	939,646
Accrued income	22,444,998	16,940,778	-	-
Prepaid expenses	31,184,949	32,029,542	3,291,294	2,953,693
Others	849,956	744,905	626,791	409,288
Total	372,260,359	483,585,139	292,412,329	406,488,688

Outstanding trade receivables as at September 30, 2018 and December 31, 2017 separated by aging as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Up to 3 months	307,743,739	419,009,591	282,546,394	396,017,726
Total	307,743,739	419,009,591	282,546,394	396,017,726

7. LOAN TO OTHER PARTY

On September 9, 2011, the Company entered into loan agreement with Maesod Clean Energy Co., Ltd. which was Joint Venture. The Company had provided loan to Maesod Clean Energy Co., Ltd. of Baht 105 million in October 2011. The Company was eligible to convert this loan into equity of such joint venture. On February 16, 2017, the Company entered into Share Purchase Agreement with MP Energy Co., Ltd. to sell all shares of Maesod Clean Energy Co., Ltd. In addition, the Company has made the addendum to loan agreement with Maesod Clean Energy Co., Ltd. in the same day. For the outstanding loan of Baht 105 million the first payment was settled and received on February 16, 2018 of Baht 52.50 million and the second payment will be settled on February 16, 2019 of Baht 52.50 million.

8. INVENTORIES

Inventories as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Spare parts and consumables	42,817,730	44,764,589	41,165,582	43,112,441
Goods in transit	434,320,074	332,929,217	434,320,074	332,929,217
Finished goods	199,178,766	231,980,928	199,178,766	231,980,928
	676,316,570	609,674,734	674,664,422	608,022,586
<u>Less</u> Allowance for obsolete inventories	(40,258,116)	(42,204,977)	(40,258,116)	(42,204,977)
Total	636,058,454	567,469,757	634,406,306	565,817,609

9. NON-CURRENT ASSETS HELD FOR SALE

Non-current assets held for sale as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Cost	522,087,325	2,047,198,222	522,087,325	2,047,198,222
<u>Less</u> Accumulated depreciation	<u>(521,099,308)</u>	<u>(1,830,032,805)</u>	<u>(521,099,308)</u>	<u>(1,830,032,805)</u>
	988,017	217,165,417	988,017	217,165,417
<u>Less</u> Allowance for impairment	<u>-</u>	<u>(31,605,580)</u>	<u>-</u>	<u>(31,605,580)</u>
Total	<u>988,017</u>	<u>185,559,837</u>	<u>988,017</u>	<u>185,559,837</u>

On April 10, 2018, the Company entered into a contract for sell some obsoleted assets including demolishing for Rayong Plant with one contractor. Contract value is Baht 60 million.

Subsequently, on June 30, 2018, one year after recognized them as non-current assets held for sale, the Company has not been able to procure the potential buyers for land and buildings in Tak and Rayong. Therefore, the Company reclassified them as investment property in amount of Baht 184.57 million.

10. OTHER CURRENT ASSETS

Other current assets as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Deposits	377,208,406	320,873,206	377,208,406	320,873,206
Others	5,211,512	4,517,494	4,828,895	4,036,496
Total	<u>382,419,918</u>	<u>325,390,700</u>	<u>382,037,301</u>	<u>324,909,702</u>

11. LONG TERM INVESTMENTS

PDI Asia Solar Co., Ltd. (“PDI Asia Solar”), a subsidiary of PDI Energy Co., Ltd., has entered into the Tokumei Kumiai Agreement (“TK Agreement”) dated April 28, 2016 as a TK investor to provide contribution funding equal to 97% of total investment to Green Brilliant Godo Kaisha (“GBGK”) who invest into 13 Megawatts solar farms in Japan. PDI Asia Solar will receive allocated profit distribution as return. A local independent asset management company has been engaged to control assets and monitor the return of the investment.

In March 2018, PDI Asia Solar increased the investment for JPY 412.28 million or Baht 122.65 million. As at September 30, 2018 and December 31, 2017, total contributed amounts are Baht 575.07 million and Baht 465.96 million, respectively.

Whereas J-Solar Co., Ltd. (“J-Solar”), a subsidiary of PDI Energy Co., Ltd., has entered into the Equity Interest Transfer Agreement dated April 22, 2016 to invest in Century Asset Management Kabushiki Kaisha (“CKK”) in Japan. CKK has further invested in 3% GBGK shares or JPY 51 million as a non-executive member.

As at September 30, 2018 and December 31, 2017, total investment amounts are Baht 14.22 million and Baht 14.43 million, respectively. The control shares were transferred from CKK to ISH Radiant Solar to comply with the related regulations in Japan.

The profit pay to PDI Asia Solar and J-Solar distribution of this long term investment is based on the GBGK’s operation result with the defined period. The profit distribution will reflect the performance of solar power plant and return of capital investment which shown as reduction of investment value accordingly.

12. PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment as at September 30, 2018 and December 31, 2017 consisted of:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
As at January 1,	2,540,692,864	644,864,267	557,334,472	358,843,379
Addition during the period/year	1,161,603	30,089,489	-	20,053,924
Addition from acquisition	-	1,723,845,700	-	-
Revaluation surplus on assets	-	485,136,678	-	485,136,678
Transfer/Disposal during the period/year	(266,450)	(241,445,328)	(147,267)	(241,445,330)
Additional for impairment	-	(18,454,260)	-	(18,454,260)
Reversal for impairment	101,164	42,841,533	101,164	42,841,533
Depreciation during the period/year	(76,125,293)	(126,185,215)	(8,387,738)	(89,641,452)
Ending balance for the period/year	<u>2,465,563,888</u>	<u>2,540,692,864</u>	<u>548,900,631</u>	<u>557,334,472</u>

As at September 30, 2018, ATC Enviro Co., Ltd. has mortgaged land, building and power plants in the amount of Baht 1,501.02 million as collateral for long-term loans from financial institutions (see Notes 15 and 17).

As at September 30, 2018, P.P. Solar (Nong-No) Co., Ltd. has mortgaged land and factory in the amount of Baht 70.92 million as collateral for long-term loans from financial institutions (see Notes 15 and 17).

As at September 30, 2018, PDI Mae Ramat Co., Ltd. has mortgaged of land leasing right, building and power plants in the amount of Baht 287.73 million as collateral for long-term loans from financial institutions (see Notes 15 and 17).

13. INTANGIBLE ASSETS

Intangible assets as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
As at January 1,	887,313,110	226,716,811	-	-
Additions during the period/year	-	691,000,000	-	-
Amortization during the period/year	(40,365,318)	(30,403,701)	-	-
Ending balance for the period/year	<u>846,947,792</u>	<u>887,313,110</u>	<u>-</u>	<u>-</u>

As at September 30, 2018 and December 31, 2017, the significant intangible assets-net in amount of Baht 654.76 million and Baht 680.73 million respectively, represented the value of Power Purchase Agreements from the acquisition of Symbior group on September 15, 2017 and incurred from the acquisition of PDI Mae Ramat Co., Ltd. on December 2016 in amount of Baht 192.19 million and Baht 221.38 million, respectively.

14. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

As at September 30, 2018 and December 31, 2017, deferred tax liabilities presented in the consolidated statement of financial position in the amount of Baht 203.82 million and Baht 205.25 million, respectively, which is due to the fair value adjustment of subsidiaries’ assets regarding the business and the revaluation of some fixed assets land, land improvement, condominium and buildings by revaluation method.

As at September 30, 2018 and December 31, 2017, deferred tax liabilities presented in the separate statement of financial position in the amount of Baht 94.86 million and Baht 96.29 million, respectively, which is due to the revaluation of land, land improvement, condominium and buildings by revaluation method.

As at September 30, 2018 and December 31, 2017, there is no deferred tax assets presented in the consolidated statement of financial position and separate statement of financial position because there is no probable future taxable income which the temporary differences can be utilized.

15. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at September 30, 2018 and December 31, 2017 consisted of:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
Promissory Note	107,761,056	140,702,205	-	-
Total	<u>107,761,056</u>	<u>140,702,205</u>	<u>-</u>	<u>-</u>

As at September 30, 2018 and December 31, 2017, the Company’s subsidiaries had short-term financing arrangement to fund its operations with a certain financial institution. The interest rates of the promissory notes are at MLR per annum. Such short-term loans are secured by the same collateral as long term loans from financial institutions (see Notes 12 and 17).

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
Financing arrangements available				
Bank overdrafts	40,000,000	40,000,000	40,000,000	40,000,000
Short-term loans	1,307,761,056	2,440,702,205	1,200,000,000	2,300,000,000
Bank guarantees	930,116,000	734,440,427	927,076,000	731,400,427
Total	<u>2,277,877,056</u>	<u>3,215,142,632</u>	<u>2,167,076,000</u>	<u>3,071,400,427</u>

Reconciliation of liabilities arising from financing activities for the nine-month periods ended September 30, 2018 and 2017 are as follows:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the nine-month		For the nine-month	
	periods ended September 30,		periods ended September 30,	
	2018	2017	2018	2017
As at January 1,	140,702,205	205,006,310	-	205,006,310
Cash flow				
Payment	(32,941,149)	(205,006,310)	-	(205,006,310)
Total cash flow	<u>(32,941,149)</u>	<u>(205,006,310)</u>	<u>-</u>	<u>(205,006,310)</u>
Ending balance for the periods	<u>107,761,056</u>	<u>-</u>	<u>-</u>	<u>-</u>

16. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Trade accounts payables - others	438,099,111	336,144,489	436,837,897	335,464,146
Other payables - others	5,558,308	12,544,045	5,139,400	11,945,615
Other payable - related parties	87,910	86,004	97,665	98,625
Accrued expenses	22,830,176	70,679,005	9,316,688	55,460,405
Other	39,687,250	60,783,048	33,483,795	58,228,438
Total	506,262,755	480,236,591	484,875,445	461,197,229

17. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS

Long-term loans from financial institutions as at September 30, 2018 and December 31, 2017 consisted of:

	CONSOLIDATED FINANCIAL STATEMENTS				Unit : Baht
	Long-term loans from financial institutions		Interest rate % Per annum		Condition to maintain financial ratios
	“Unaudited”		“Unaudited”		
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017	
ATC Enviro Company Limited					
-repayable from June 2016 to 2029 on quarterly basis	1,056,733,000	1,130,613,100	THBFIX6M +3.25%	THBFIX6M +3.25%	Yes
P.P. Solar (Nong-No) Company Limited					
-repayable from December 2013 to 2023 on quarterly basis	13,051,200	21,943,520	THBFIX6M +3.25%	THBFIX6M +3.25%	Yes
PDI Mae Ramat Company Limited					
-repayable from March 2018 to 2027 on quarterly basis	247,024,800	-	THBFIX3M +2.5%	THBFIX3M +2.5%	Yes
Total	1,316,809,000	1,152,556,620			
<u>Less</u> Deferred financing fee	<u>(2,271,064)</u>	<u>-</u>			
	1,314,537,936	1,152,556,620			
<u>Less</u> Current portion of long-term loans	<u>(148,610,160)</u>	<u>(103,696,560)</u>			
	1,165,927,776	1,048,860,060			

Reconciliation of liabilities arising from financing activities for the nine-month periods ended September 30, 2018 and 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the nine-month		For the nine-month	
	periods ended September 30,		periods ended September 30,	
	2018	2017	2018	2017
As at January 1,	1,152,556,620	-	-	-
Cash flow				
Increases	277,902,900	1,204,404,900	-	-
Payment	(116,457,620)	(25,924,140)	-	-
Total cash flow	161,445,280	1,178,480,760	-	-
Non-cash flow				
Amortization of deferred financing fee	536,036	-	-	-
Total non-cash flow	536,036	-	-	-
Ending balance for the periods	1,314,537,936	1,178,480,760	-	-

As at September 30, 2018 and December 31, 2017, the long-term loan of ATC Enviro Co., Ltd. was guaranteed by deposits at financial institutions of Baht 80.57 million and Baht 86.64 million, respectively, the pledge of its shares held by the shareholders, mortgage of the land, building and power plants (see Note 12) as well as the power purchase agreement with the Provincial Electricity Authority and certain other contract of project under the condition of credit facilities agreement granted by the financial institutions.

As at September 30, 2018 and December 31, 2017, ATC Enviro Co., Ltd. had contract for hedging interest rate from floating rate to be fixed rate set at 75% of the remaining principal amount which the fixed rate is at 5.70% per annum.

As at September 30, 2018 and December 31, 2017, the long-term loan of P.P. Solar (Nong-No) Co., Ltd. was guaranteed by deposits at financial institutions of Baht 3.32 million and the mortgage of the land and factory (see Note 12).

As at September 30, 2018, the long-term loan of PDI Mae Ramat Co., Ltd. was guaranteed by the pledge of its shares held by the shareholders, deposits at financial institutions of Baht 21.35 million, the mortgage of land leasing right, building and power plants as well as the power purchase agreement with the Provincial Electricity Authority and certain other contract of project under the condition of credit facilities agreement granted by the financial institution. The loan agreement has been entered in May 2017 and the loan amount of Baht 280.71 million was drawdown on February 12, 2018 (see Note 12).

As at September 30, 2018, PDI Mae Ramat Co., Ltd. had contract for hedging interest rate from floating rate to be fixed rate set at 60% of the remaining principal amount which the fixed rate is at 4.55% per annum.

Certain loan agreements stipulate certain covenants such as maintenance of a net debt to equity ratio and the maintenance of debt service coverage ratio.

As at September 30, 2018 and December 31, 2017, the subsidiaries were able to maintain certain debt covenants as stipulated in the agreements.

18. PROVISIONS FOR RESTORATION AND REHABILITATION EXPENSES

Provisions for restoration and rehabilitation expenses as at September 30, 2018 and December 31, 2017 consisted of:

Unit : Baht

	CONSOLIDATED FINANCIAL STATEMENTS		SEPARATE FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
As at January 1,	154,102,208	337,898,500	154,102,208	337,898,500
Accretion expense during the period/year	54,555,496	26,621,780	54,555,496	26,621,780
Reversal of provisions	-	(81,459,327)	-	(81,459,327)
Amounts utilized	(29,149,006)	(128,958,745)	(29,149,006)	(128,958,745)
Ending balance for the period/year	179,508,698	154,102,208	179,508,698	154,102,208
<u>Less</u> Current portion of provisions restoration and rehabilitation expenses	<u>(130,708,284)</u>	<u>(118,649,727)</u>	<u>(130,708,284)</u>	<u>(118,649,727)</u>
Provisions for restoration and rehabilitation expenses	<u>48,800,414</u>	<u>35,452,481</u>	<u>48,800,414</u>	<u>35,452,481</u>

The provision for restoration and rehabilitation costs represent amounts provided for 1) the estimated costs of restoration of cadmium and residue ponds at Tak and 2) rehabilitation and environmental risk assurance of the mined area in the Mae Sod in accordance with the government regulations and the Company’s commitments. The estimated costs of decommissioning mine properties and residual ponds including removing any related assets and site restoration are included in the cost of restoration and rehabilitation assets as at the date the obligation first arises in conjunction with a related liability recognized in the same amount. This restoration asset is subsequently amortized on a unit-of-production basis. For environmental rehabilitation and environmental risk assurance assets, they are subsequently amortized on a straight-line basis. Accretion expense is recognized to reflect the change in present value of the liability.

The Company obtained the Forestry Land Permit (“Permit”) from the Royal Forestry Department (“RFD”) for mining operations since 1982. Each permission period of such Permits is valid for maximum 10 years and can renew after each expiration period. Referring to the conditions of Permit, the Company is required to reforest and maintain planted forest area equivalent to 3 times of the granted land area within the period of Permit or when notified by the provincial office or RFD. In case the Company fails to execute reforestation, the Company shall make payment to the RFD at the rate specified by the RFD. The regulations have been revised regularly since the first permitting. The Company already paid compensation of reforestation when receiving the first Permit and its renewal on the same area. The Company remains convinced that it complied with the regulations correctly.

Due to the mine closure, the Company is in the process of relinquishing the land to the RFD. However, the Company has been informed by the RFD to pay an additional compensation equivalent to 3 times of the granted area on the same permitted land. The Company is in the process to verify if these claims are legitimate. Such impact of the compensation was estimated approximately Baht 62 million in Mae Sod area. The Company recorded the provisions for restoration and rehabilitation expenses in amount of Baht 49 million.

19. SHARE CAPITAL

On April 24, 2018, the Annual General Shareholders' Meeting for the year 2017 passed resolutions to increase of the registered capital of the Company from Baht 2,260,000,000 to be Baht 3,013,333,330 by issuing newly 75,333,333 ordinary shares with the par value of Baht 10 per share for offer of warrants to purchase newly issued ordinary shares of the Company no.1 (PDI-W1) to the existing shareholders at the ratio of 3 ordinary shares to 1 unit of warrants with the offering price at zero Baht. The exercise ratio of warrant is 1 unit for 1 ordinary share with the exercise price of 33 Baht. The Company has sold warrants on June 27, 2018.

Type of Securities	Date of Issue of Warrants	Exercise Price (Baht per share)	Exercise Ratio	Number of ordinary shares reserved to accommodate for exercise of warrants (Share)	Number of Offering Warrants (Unit)	Maturity date Warrants	Exercise period
PDI-W1	May 15, 2018	33	1:1	75,333,333	75,333,333	May 15, 2021	15 th of November and 15 th of May

20. DIVIDEND

On April 24, 2018, the Annual General Meeting of Shareholders passed a resolution to pay a dividend from operations of Baht 1.50 per share, in the total amount of Baht 338.98 million. The Company paid the dividend on May 21, 2018.

On April 25, 2017, the Annual General Meeting of Shareholders passed a resolution to pay a dividend from operations of Baht 1.00 per share, in the total amount of Baht 225.99 million. The Company paid the dividend on May 18, 2017.

21. BANK GUARANTEES

As at September 30, 2018, the Company and subsidiaries have given letters of guarantee in the ordinary course of business issued by banks of Baht 264.97 million and USD 0.53 million.

As at December 31, 2017, the Company and subsidiaries have given letters of guarantee in the ordinary course of business issued by banks of Baht 274.45 million and JPY 2,408.41 million.

22. BASIC AND DILUTED EARNINGS (LOSS) PER SHARE

The calculations of basic and diluted earnings (loss) per share for the three-month and nine-month periods ended September 30, 2018 and 2017 were based on the income (loss) for the periods attributable to ordinary shareholders of the Company and the number of weighted ordinary shares which held by shareholders as follows:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the three-month periods ended September 30,		For the three-month periods ended September 30,	
	2018	2017	2018	2017
Basic earnings (loss) per share				
Profit (loss) attributable to owners of the Company (Million Baht)	(63)	114	(51)	135
Weighted average number of ordinary shares (Million shares)	226	226	226	226
Basic earnings (loss) per share (Baht)	(0.28)	0.50	(0.22)	0.60
Diluted earnings (loss) per share				
Weighted average number of ordinary shares used in calculation of basic earnings (loss) per share (Million shares)	226	226	226	226
Effect of exercised warrants to purchase ordinary shares	-	-	-	-
Weighted average number of ordinary shares used in the calculation of diluted earnings (loss) per share (Million shares)	226	226	226	226
Diluted earnings (loss) per share (Baht)	(0.28)	0.50	(0.22)	0.60
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the nine-month periods ended September 30,		For the nine-month periods ended September 30,	
	2018	2017	2018	2017
Basic earnings (loss) per share				
Profit (loss) attributable to owners of the Company (Million Baht)	(65)	637	(75)	598
Weighted average number of ordinary shares (Million shares)	226	226	226	226
Basic earnings (loss) per share (Baht)	(0.29)	2.82	(0.33)	2.65
Diluted earnings (loss) per share				
Weighted average number of ordinary shares used in calculation of basic earnings (loss) per share (Million shares)	226	226	226	226
Effect of exercised warrants to purchase ordinary shares	-	-	-	-
Weighted average number of ordinary shares used in the calculation of diluted earnings (loss) per share (Million shares)	226	226	226	226
Diluted earnings (loss) per share (Baht)	(0.29)	2.82	(0.33)	2.65

23. COMMITMENTS AND CONTINGENT LIABILITY

Minimum lease payments as at September 30, 2018 and December 31, 2017 are as follows:

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
Not later than 1 year	4,464,737	1,204,706	3,973,071	713,040
Later than 1 year but not later than 5 years	3,622,624	1,966,665	1,655,960	-
Later than 5 years	7,415,964	7,784,714	-	-
Total	<u>15,503,325</u>	<u>10,956,085</u>	<u>5,629,031</u>	<u>713,040</u>

24. FINANCIAL INSTRUMENTS

24.1 Forward exchange contracts

The Company entered into forward exchange contracts to reduce foreign exchange exposure. As at September 30, 2018 and December 31, 2017, the outstanding forward exchange contracts are summarized as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT							
“Unaudited”							
As at September 30, 2018							
Agreement	Currency	Notional amount (Million)	Deliverable Period	Deliverable amount (Million Baht)	Net fair value profit (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	USD	17.08	October - November 2018	559.69	(5.62)	2	Discounted cash flow ¹
Sell	USD	13.45	October - December 2018	440.16	5.56	2	Discounted cash flow ¹

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT							
“Unaudited”							
As at December 31, 2017							
Agreement	Currency	Notional amount (Million)	Deliverable Period	Deliverable amount (Million Baht)	Net fair value profit (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	USD	12.50	January - March 2018	409.34	(0.59)	2	Discounted cash flow ¹
Sell	USD	0.85	February - April 2018	32.98	(0.25)	2	Discounted cash flow ¹

¹ The estimated future cash flows is from foreign currency exchange rates (from observable forward exchange rates at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

24.2 Forward zinc contracts

The Company entered into forward zinc contracts with a financial institution to reduce fluctuation of zinc's index exposure relating to London Metal Exchange. As at September 30, 2018 and December 31, 2017, the outstanding forward zinc contracts are summarized as follows:

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT						
"Unaudited"						
As at September 30, 2018						
Agreement	Zinc (Metric ton)	Effective date	Currency	Net fair value Profit (loss) (Million US Dollar)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	2,625	October - November 2018	USD	0.59	2	Discounted cash flow ²
Sell	4,100	October - December 2018	USD	0.42	2	Discounted cash flow ²

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENT						
As at December 31, 2017						
Agreement	Zinc (Metric ton)	Effective date	Currency	Net fair value Profit (loss) (Million US Dollar)	Fair value hierarchy	Valuation techniques and key inputs
Purchase	2,875	January 2018	USD	0.39	2	Discounted cash flow ²
Sell	3,300	January 2018	USD	(1.06)	2	Discounted cash flow ²

² The estimated future cash flows is from zinc price (from observable price index of London Metal Exchange at the end of the reporting period) and contract forward rates, discounted at a rate that reflects the credit risk of various counterparties.

24.3 Interest rate swap contracts

The Company's subsidiaries entered into interest rate swap contracts to reduce interest rate exposure. The outstanding interest rate swap contracts as at September 30, 2018 and December 31, 2017, are summarized as follows:

CONSOLIDATED FINANCIAL STATEMENT							
"Unaudited"							
As at September 30, 2018							
Related agreement	Contract balance amount (Million Baht)	Duration of transaction	Interest rate Per Loan agreement	Interest rate per Swap agreement	Fair value Gain (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Long-term loans from financial institutions	148.21	March 8, 2018 to March 31, 2025	THBFIX3M +2.50%	4.55%	(0.12)	2	Discounted cash flow ³
Long-term loans from financial institutions	790.73	January 31, 2016 to December 31, 2021	THBFIX6M +3.25%	5.70%	(10.20)	2	Discounted cash flow ³

³ The estimated future cash flows is from interest exchange rates (from observable interest exchange rates at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the market risk of various products.

CONSOLIDATED FINANCIAL STATEMENT

As at December 31, 2017							
Related agreement	Contract balance amount (Million Baht)	Duration of transaction	Interest rate per Loan agreement	Interest rate per Swap agreement	Fair value Gain (loss) (Million Baht)	Fair value hierarchy	Valuation techniques and key inputs
Long-term loans from financial institutions	847.96	January 31, 2016 to December 31, 2021	THBFIX6M +3.25%	5.70%	(17.94)	2	Discounted cash flow ³

³ The estimated future cash flows is from interest exchange rates (from observable interest exchange rates at the end of the reporting period) and contract interest rates, discounted at a rate that reflects the market risk of various products.

25. FAIR VALUE MEASUREMENTS

Certain financial assets and liabilities of the Company are measured at fair value at the end of reporting period. The following table gives information about how the fair values of these financial assets are determined.

Unit: Million Baht

CONSOLIDATED FINANCIAL STATEMENTS

Financial assets and liabilities	Fair value		Carrying amount		Fair value hierarchy	Valuation techniques and key inputs
	“Unaudited”		“Unaudited”			
	As at	As at	As at	As at		
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017		
Financial assets						
Short-term investments						
Derivatives	189.22	209.68	189.22	209.68	2	Latest bid prices of the last working day of the reporting period as quoted on the Futures exchange of Thailand
Unit trust	23.97	70.17	23.97	70.17	2	Net asset values of the last working day of the reporting period.
Listed securities	221.47	216.80	221.47	216.80	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand.
Listed securities (Foreign)	71.95	47.02	71.95	47.02	1	Latest bid prices of the last working day of the reporting period as quoted in an active market.
Fixed deposit	182.00	-	182.00	-	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.
Financial liabilities						
Current portion of long-term loans from financial institutions	148.61	103.69	148.61	103.69	3	Fair value of long-term borrowings from financial institutions bearing fixed interest rate are determined by discounted cash flows method. Future cash flows are discounted using cost of debts of the Group. For long-term borrowings from financial institutions with floating interest rate, the fair values approximate their carrying values.
Long-term loans from financial institutions	1,165.93	1,048.86	1,165.93	1,048.86	3	

Unit : Million Baht

SEPARATE FINANCIAL STATEMENTS						
Financial assets and liabilities	Fair value		Carrying amount		Fair value hierarchy	Valuation techniques and key inputs
	“Unaudited”		“Unaudited”			
	As at	As at	As at	As at		
	September 30,	December 31,	September 30,	December 31,		
	2018	2017	2018	2017		
Financial assets						
Short-term investments						
Derivatives	189.22	209.68	189.22	209.68	2	Latest bid prices of the last working day of the reporting period as quoted on the Futures exchange of Thailand
Unit trust	23.97	70.17	23.97	70.17	2	Net asset values of the last working day of the reporting period.
Listed securities	221.47	216.80	221.47	216.80	1	Latest bid prices of the last working day of the reporting period as quoted on the Stock Exchange of Thailand.
Listed securities (Foreign)	71.95	47.02	71.95	47.02	1	Latest bid prices of the last working day of the reporting period as quoted in an active market.
Fixed deposit	100.00	-	100.00	-	3	The carrying amount is approximate their fair values due to the relatively short-term maturity.

Valuation technique for financial instruments not measured at fair value of the Group and the Company are as follows:

Cash and cash equivalents, trade and other current receivables, loan to other party, advances to related parties, advances to joint ventures, other current assets, short-term loans from financial institutions, trade and other current payables, accrued expenses, and other current liabilities stated in the statements of financial position approximate their fair values due to the relatively short-term maturity of these financial instruments.

Other long-term investments had not significantly different from the carrying values stated in the statements of financial position.

26. OPERATING SEGMENT INFORMATION

Segment information is presented in respect of the Group's business segments. The primary format in segment information report is based on the type of products. The Management analyse and review the internal management report which reported the performance of the Group as a whole in order to assess performance and allocate resources. The performance assessment of the reportable segment is based on a measure of revenue, cost of goods sold, gross margin and earnings before financial cost, income tax, depreciation and amortization. The following is financial information relating to this operating segment:

Operating segment, based on business segments, in the consolidated financial statements for the three-month and nine-month periods ended September 30, 2018 and 2017 are as follows:

Unit : Thousand Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
"Unaudited"								
For the three-month periods ended September 30,								
	Zinc Metal		Renewable Energy		Others		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from sales and services	1,096,781	1,407,029	-	-	5,969	4,178	1,102,750	1,411,207
Revenue from sales electricity	-	-	72,105	28,152	-	-	72,105	28,152
Other income	666	1,073	219	7,334	25,128	26,409	26,013	34,816
Total revenue	<u>1,097,447</u>	<u>1,408,102</u>	<u>72,324</u>	<u>35,486</u>	<u>31,097</u>	<u>30,587</u>	<u>1,200,868</u>	<u>1,474,175</u>
Total Expenses							(1,263,155)	(1,351,488)
Share of profit (loss) of investment in joint ventures on equity method							(656)	(2,111)
Profit (loss) before income tax							(62,943)	120,576
Income tax income (expense)							289	(7,045)
Net profit (loss) for the periods							<u>(62,654)</u>	<u>113,531</u>

Unit : Thousand Baht								
CONSOLIDATED FINANCIAL STATEMENTS								
"Unaudited"								
For the nine-month periods ended September 30,								
	Zinc Metal		Renewable Energy		Others		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
Revenues from sales and services	3,430,097	4,245,271	-	-	14,250	11,677	3,444,347	4,256,948
Revenue from sales electricity	-	-	252,909	70,535	-	-	252,909	70,535
Other income	5,126	43,588	658	115	75,426	50,800	81,210	94,503
Total revenue	<u>3,435,223</u>	<u>4,288,859</u>	<u>253,567</u>	<u>70,650</u>	<u>89,676</u>	<u>62,477</u>	<u>3,778,466</u>	<u>4,421,986</u>
Total Expenses							(3,837,037)	(3,773,217)
Share of profit (loss) of investment in joint ventures on equity method							(7,838)	8,172
Profit (loss) before income tax							(66,409)	656,941
Income tax income (expense)							1,030	(20,053)
Net profit (loss) for the periods							<u>(65,379)</u>	<u>636,888</u>

Operating segment, based on business segments, in the consolidated financial statements as at September 30, 2018 and December 31, 2017 are as follows:

Unit : Thousand Baht

	CONSOLIDATED FINANCIAL STATEMENTS							
	Zinc Metal		Renewable Energy		Others		Total	
	“Unaudited”		“Unaudited”		“Unaudited”		“Unaudited”	
	As at	As at	As at	As at	As at	As at	As at	As at
September 30,	December 31,	September 30,	December 31,	September 30,	December 31,	September 30,	December 31,	
2018	2017	2018	2017	2018	2017	2018	2017	
Total assets for reportable segments	3,207,139	4,884,313	3,764,824	2,456,290	174,981	68,047	7,146,944	7,408,650
Total liabilities for reportable segments	914,373	901,102	1,550,208	1,421,217	2,660	1,904	2,467,241	2,324,223

27. RELATED PARTIES TRANSACTIONS

The Company, subsidiaries and joint ventures are called “the Group”, which have detail as follows:

27.1 Investments in subsidiaries

Company’s name	% Ownership	Relationship	Principal activities	Country of incorporation
Padaeng Properties Co., Ltd.	100.00	Subsidiary	Providing property services	Thailand
PDI Materials Co., Ltd.	100.00	Indirect subsidiary	Trading of various base metals and their by-products	Thailand
PDI Eco Co., Ltd.	100.00	Subsidiary	Eco-managed business	Thailand
PDI Energy Co., Ltd.	100.00	Subsidiary	Expand and diversify into renewable energy business	Thailand
J-Solar Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
Century Asset Management KK	100.00	Indirect subsidiary	Solar energy business	Japan
PDI Asia Solar Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
PDI Mae Ramat Co., Ltd.	99.99	Indirect subsidiary	Solar energy business	Thailand
Ton Sangkasi Pte Ltd.	100.00	Subsidiary	Holding Company	Singapore
Symbior Elements Pte Ltd.	100.00	Indirect subsidiary	Holding Company	Singapore
ATC Enviro Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand
P.P. Solar (Nong-No) Co., Ltd.	100.00	Indirect subsidiary	Solar energy business	Thailand

Details of investments in subsidiaries are as follows:

Unit : Baht

	“Unaudited”							
	As at September 30, 2018				As at December 31, 2017			
	Consolidated		Separate		Consolidated		Separate	
	Financial		financial statements		financial		financial statements	
Statements		Statements		statements		statements		
	Equity	Paid-up capital	% ownership investment	Cost	Equity	Paid-up capital	% ownership investment	Cost
Padaeng Properties Co., Ltd.	-	80,000,000	100	80,000,000	-	80,000,000	100	80,000,000
PDI Eco Co., Ltd.	-	12,499,925	100	12,499,925	-	12,499,925	100	12,499,925
PDI Energy Co., Ltd.	-	100,050,000	100	100,050,000	-	100,050,000	100	100,050,000
Ton Sangkasi Pte Ltd.	-	246,700	100	246,700	-	246,700	100	246,700
Total	-			192,796,625	-			192,796,625

27.2 Investments in joint ventures

Company's name	% Ownership	Relationship	Principal activities	Country of incorporation
PDI-CRT Co., Ltd.	60.00	Joint ventures	Explore opportunity in waste management	Thailand
PDI Tak Eco Co., Ltd.	51.00	Joint ventures	Waste Management	Thailand

Details of investments in joint ventures are as follows:

Unit : Baht

	“Unaudited”							
	As at September 30, 2018				As at December 31, 2017			
	Consolidated		Separate		Consolidated		Separate	
	Financial		financial statements		financial		financial statements	
Statements		Statements		statements		statements		
	Equity	Paid-up capital	% ownership investment	Cost	Equity	Paid-up capital	% ownership investment	Cost
PDI-CRT Co., Ltd.	40,058,378	89,000,000	60	-	42,745,290	89,000,000	60	-
PDI Tak Eco Co., Ltd.	7,997,091	30,000,000	51	15,300,000	13,148,172	30,000,000	51	15,300,000
Total	48,055,469			15,300,000	55,893,462			15,300,000

	Unit : Baht			
	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at	As at	As at	As at
	September 30,	December 31,	September 30,	December 31,
	2018	2017	2018	2017
As at January 1,	55,893,462	47,126,745	15,300,000	74,362,500
Investment in joint ventures	-	21,660,000	-	-
Sales of investment in joint ventures	-	(18,247,301)	-	(236,249,800)
Share of (loss) profit from operation of joint ventures	(7,837,993)	5,354,018	-	-
Disposal of allowance				
diminution in value of investment	-	-	-	177,187,300
Ending balance for the period/year	<u>48,055,469</u>	<u>55,893,462</u>	<u>15,300,000</u>	<u>15,300,000</u>

27.3 Significant transactions and balances

Related parties are those parties linked to the Group by common shareholders or directors. Transactions with related parties are conducted at the pricing policy based on the normal course of business conditions.

The pricing policies for particular types of transactions are explained further below:

Pricing policies

Sales of goods and services	At market price which is the same rate as general client
Purchases of goods and services	At agreed price which approximates market value
Expenses	At market price

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

	Relationship	Unit : Baht			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		For the three-month	For the three-month	For the three-month	For the three-month
		periods ended September 30,	periods ended September 30,	periods ended September 30,	periods ended September 30,
		2018	2017	2018	2017
Sales of goods and management fee services					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	249,000	324,000
PDI Mae Ramat Co., Ltd.	Indirect subsidiary	-	-	600,000	-
ATC Enviro Co., Ltd.	Indirect subsidiary	-	-	1,500,000	-
P.P. Solar (Nong-No) Co., Ltd.	Indirect subsidiary	-	-	300,000	-
PDI-Asia Solar Co., Ltd.	Indirect subsidiary	-	-	1,810,500	-
Total		<u>-</u>	<u>-</u>	<u>4,459,500</u>	<u>324,000</u>
Interest income					
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	8,343,334	1,057,283
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	1,684,687	1,372,139
PDI Energy Co., Ltd.	Subsidiary	-	-	476,758	1,196,781
Country Group Securities Public Company Limited	Related by common director	1,737,667	1,713,746	1,543,790	1,287,114
Total		<u>1,737,667</u>	<u>1,713,746</u>	<u>12,048,569</u>	<u>4,913,317</u>

		Unit : Baht			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		For the three-month		For the three-month	
		periods ended September 30,		periods ended September 30,	
Relationship		2018	2017	2018	2017
Purchases of goods and services fee					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	260,594	265,651
MFC Asset Management	Related by common				
Public Company Limited	director	269,486	237,001	269,486	237,001
Total		<u>269,486</u>	<u>237,001</u>	<u>530,080</u>	<u>502,652</u>

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

		Unit : Baht			
		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		For the nine-month		For the nine-month	
		periods ended September 30,		periods ended September 30,	
Relationship		2018	2017	2018	2017
Sales of goods and services					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	747,000	522,000
PDI Material Co., Ltd.	Indirect subsidiary	-	-	-	7,859,995
PDI Mae Ramat Co., Ltd.	Indirect subsidiary	-	-	1,800,000	-
ATC Enviro Co., Ltd.	Indirect subsidiary	-	-	4,500,000	-
P.P. Solar (Nong-No) Co., Ltd.	Indirect subsidiary	-	-	900,000	-
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	1,810,500	-
PDI Tak Eco Co., Ltd.	Joint ventures	1,537,500	-	1,537,500	-
PDI-CRT Co., Ltd.	Joint ventures	4,375,500	-	4,375,500	-
Total		<u>5,913,000</u>	<u>-</u>	<u>15,670,500</u>	<u>8,381,995</u>
Interest income					
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	22,226,675	1,057,283
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	4,781,701	4,071,673
PDI Energy Co., Ltd.	Subsidiary	-	-	1,712,151	3,551,319
Country Group Securities Public	Related by common				
Company Limited	director	6,165,079	5,742,970	5,673,067	4,530,073
Total		<u>6,165,079</u>	<u>5,742,970</u>	<u>34,393,594</u>	<u>13,210,348</u>
Purchases of goods and services fee					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	647,526	748,207
MFC Asset Management	Related by common				
Public Company Limited	director	797,543	592,727	797,543	592,727
Total		<u>797,543</u>	<u>592,727</u>	<u>1,445,069</u>	<u>1,340,934</u>

Significant balances with related parties as at September 30, 2018 and December 31, 2017 are as follows:

		CONSOLIDATED		SEPARATE	
		FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
		“Unaudited”		“Unaudited”	
		As at	As at	As at	As at
		September 30,	December 31,	September 30,	December 31,
		2018	2017	2018	2017
Relationship					
Other receivables - related parties					
PDI Mae Ramat Co., Ltd.	Indirect subsidiary	-	-	214,000	-
P.P. Solar (Nong-No) Co., Ltd.	Indirect subsidiary	-	-	107,000	-
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	645,745	-
PDI Tak Eco Co., Ltd.	Joint ventures	471,311	-	471,311	-
PDI-CRT Co., Ltd.	Joint ventures	2,852,085	939,646	2,852,085	939,646
Total		<u>3,323,396</u>	<u>939,646</u>	<u>4,290,141</u>	<u>939,646</u>
Advances to related parties					
PDI Eco Co., Ltd.	Subsidiary	-	-	307,795	307,795
PDI Material Co., Ltd.	Indirect subsidiary	-	-	91,680	-
J-Solar Co., Ltd.	Indirect subsidiary	-	-	56,705	56,705
Total		<u>-</u>	<u>-</u>	<u>456,180</u>	<u>364,500</u>
Advances to joint ventures					
PDI-CRT Co., Ltd.	Joint ventures	252,520	252,520	-	-
Loans to related parties					
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	1,264,362,750	1,275,274,196
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	665,056,710	541,056,710
PDI Energy Co., Ltd.	Subsidiary	-	-	200,332,114	456,332,114
Total		<u>-</u>	<u>-</u>	<u>2,129,751,574</u>	<u>2,272,663,020</u>
Interest receivable					
Ton Sangkasi Co., Ltd.	Subsidiary	-	-	28,361,382	6,050,926
PDI Asia Solar Co., Ltd.	Indirect subsidiary	-	-	13,266,235	8,484,535
PDI Energy Co., Ltd.	Subsidiary	-	-	6,567,027	4,854,876
Country Group Securities Public Company Limited	Related by common directors	235,765	277,223	98,287	237,985
Total		<u>235,765</u>	<u>277,223</u>	<u>48,292,931</u>	<u>19,628,322</u>
Other payables - related parties					
Padaeng Properties Co., Ltd.	Subsidiary	-	-	9,755	12,621
MFC Asset Management Public Company Limited	Related by common directors	87,910	86,004	87,910	86,004
Total		<u>87,910</u>	<u>86,004</u>	<u>97,665</u>	<u>98,625</u>

Unit : Baht

Investment with Country Group Securities Public Company Limited, as a counter party. The investment term is less than 3 months (which is presented as part of cash and cash equivalents).

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	As at September 30, 2018	As at December 31, 2017	As at September 30, 2018	As at December 31, 2017
Buy-sell back of corporate debentures	199,040,634	246,894,777	102,936,579	185,871,692
Bill of exchange	20,000,000	90,000,000	20,000,000	90,000,000
Total	219,040,634	336,894,777	122,936,579	275,871,692

28. KEY MANAGEMENT COMPENSATION

Benefit expenses to management of the Group both monetary and non-monetary were presented as part of “Employee benefit expenses”.

Management benefit expenses for the three-month periods ended September 30, 2018 and 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the three-month periods ended September 30, 2018	For the three-month periods ended September 30, 2017	For the three-month periods ended September 30, 2018	For the three-month periods ended September 30, 2017
Short-term employee benefits	11,505,420	13,009,100	11,505,420	13,009,100
Post-employee benefits and termination benefits	975,800	1,073,300	975,800	1,073,300
Total	12,481,220	14,082,400	12,481,220	14,082,400

Management benefit expenses for the nine-month periods ended September 30, 2018 and 2017 consisted of:

	CONSOLIDATED		SEPARATE	
	FINANCIAL STATEMENTS		FINANCIAL STATEMENTS	
	“Unaudited”		“Unaudited”	
	For the nine-month periods ended September 30, 2018	For the nine-month periods ended September 30, 2017	For the nine-month periods ended September 30, 2018	For the nine-month periods ended September 30, 2017
Short-term employee benefits	32,985,720	39,531,500	32,985,720	39,531,500
Post-employee benefits and termination benefits	2,917,500	3,164,800	2,917,500	3,164,800
Total	35,903,220	42,696,300	35,903,220	42,696,300

29. LITIGATION

As at September 30, 2018 and December 31, 2017, the Company has 5 outstanding litigation cases which have been under the court consideration. The Company, together with another defendant had been filed by a group of villagers (“plaintiffs”) in the Mae Tao basin, Mae Sod District, Tak Province for all cases with the same accusation that cadmium contamination in the area was caused by the mining operations of both defendants. The plaintiffs initially claimed the compensation at Baht 3,949 million.

Management of the Company considered that the Company’s environmental measurement is complied with the regulations and requirements of the authorities. The Company recognized provision for such compensation which the Company expected to pay for all litigation cases included interest at the rate 7.5 percent per annum from the date of complains in the total amount of Baht 98.94 million in the statement of financial position as at September 30, 2018. Detail of litigation cases are as follow:

29.1 Case No. 63/2552

The original claim amount of this case is Baht 1,095 million. On May 27, 2015, the Bangkok South Civil Court ordered both defendants to pay compensation to the plaintiffs who hold the Cadmium patient’s card issued by the Mae Sod Hospital at the total amount of Baht 4 million which shall be shared equally by both defendants.

The Company appealed its judgment to the Appeal Court. Subsequently, on April 18, 2017, the judgment of Appeal Court also ruled the both defendants to pay compensation by increasing the amount of compensation into Baht 36.60 million. The Company is responsible for Baht 18.30 million. This case is currently under the processes of submitting dika appeal of the Company.

29.2 Case No. 64/2552

The original claim amount of this case is Baht 836 million. On September 29, 2014, the Bangkok South Civil Court ordered the both defendants to pay compensation to the plaintiffs who hold the Cadmium patient’s card issued by the Mae Sod Hospital at the total amount of Baht 8.20 million which shall be shared equally by both defendants. The Company is responsible for Baht 4.10 million.

The Company appealed its judgment to the Appeal Court. Subsequently, on November 24, 2016, the Appeal Court rendered the judgment ordering both defendants to pay compensation to plaintiffs with the same amount ruled by the judgment of First Court. This case is currently under the processes of submitting dika appeal of the Company.

29.3 Case No. 65/2552

The original claim amount of this case is Baht 1,064 million. On December 22, 2016, the Bangkok South Civil Court ruled judgment in the same manner above and ordered both defendants to pay compensation at the total amount of Baht 99 million. The Company is responsible for Baht 49.50 million. The Company appealed its judgment to the Appeal Court on May 19, 2017. This case is currently pending for the Appeal Court proceeding.

29.4 Case No. 66/2552

The original claim amount of this case is Baht 726 million. On September 20, 2013, the Bangkok South Civil Court ordered both defendants to pay compensation at the total amount of Baht 9.60 million. The Company is responsible for Baht 4.80 million.

The Company appealed its judgment to the Appeal Court. Subsequently, on March 9, 2016, the Appeal Court ruled judgment ordering both defendants to pay compensation to the plaintiffs in the total amount of Baht 22.18 million. The Company is responsible for Baht 11.09 million. The Company already submitted the dika appeal and it is currently pending at level of the Supreme Court.

29.5 Case No. 9/2553

On February 28, 2014, the Bangkok South Civil Court ruled judgment in the same manner above, which its original claim is Baht 228 million as damage compensation. The First Court ordered both defendants to pay compensation at the total amount of Baht 2.48 million. The Company is responsible for Baht 1.24 million.

Subsequently, on July 12, 2016, the Appeal Court ruled judgment both defendants pay compensation at the amount of Baht 1.09 million.

The Company appealed its judgment to the Supreme Court which the Supreme Court already accepted a dika appeal of the Company. As requested for a stay of execution the Company also placed a 1.89 million cashier cheque with court to guarantee performance of the Company upon judgment of the Appeal Court. This case is pending for the Supreme Court proceeding.

30. RECLASSIFICATIONS

Certain reclassifications have been made in the statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2017, to conform to the classification used in current period's statements of profit or loss and other comprehensive income as follows:

	CONSOLIDATED STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	For the three-month			For the three-month		
	periods ended September 30, 2017			periods ended September 30, 2017		
	Previous presentation	Reclassifications	Current presentation	Previous presentation	Reclassifications	Current presentation
Operating and administrative expenses	(134,654,328)	(12,282,953)	(146,937,281)	(130,618,931)	(12,282,953)	(142,901,884)
Gain on short-term investment	-	12,282,953	12,282,953	-	12,282,953	12,282,953

	CONSOLIDATED STATEMENTS			SEPARATE FINANCIAL STATEMENTS		
	For the nine-month			For the nine-month		
	periods ended September 30, 2017			periods ended September 30, 2017		
	Previous presentation	Reclassifications	Current presentation	Previous presentation	Reclassifications	Current presentation
Operating and administrative expenses	(353,363,487)	6,722,900	(346,640,587)	(346,586,935)	6,722,900	(339,864,035)
Loss on short-term investment	-	(6,722,900)	(6,722,900)	-	(6,722,900)	(6,722,900)

31. APPROVAL FOR INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the authorized directors of the Company on November 6, 2018.