

Asia Aviation Public Company Limited
and its subsidiary
Review report and interim consolidated financial statements
For the three-month and nine-month periods ended
30 September 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Asia Aviation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Asia Aviation Public Company Limited and its subsidiary as at 30 September 2018, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Asia Aviation Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 Interim Financial Reporting. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

Other matter

The consolidated statement of financial position of Asia Aviation Public Company Limited and its subsidiary, and the separate statement of financial position of Asia Aviation Public Company Limited as at 31 December 2017 were audited by another auditor who expressed an unqualified opinion on those statements under his report dated 21 February 2018. The consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2017, and the consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended of Asia Aviation Public Company Limited and its subsidiary, and the separate financial information of Asia Aviation Public Company Limited for the same periods, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 9 November 2017, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 Interim Financial Reporting.



Termphong Opanaphan

Certified Public Accountant (Thailand) No. 4501

EY Office Limited

Bangkok: 9 November 2018

Asia Aviation Public Company Limited and its subsidiary

Statement of financial position

As at 30 September 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)
Assets					
Current assets					
Cash and cash equivalents	3	4,217,581,663	5,337,959,662	731,408,117	127,336,885
Current investments		500,000,000	1,489,009,499	-	-
Trade and other receivables	4	530,611,843	455,766,761	-	1,350,000
Amounts due from related parties	2	785,180,862	944,932,121	13,375,000	119,558
Inventories		142,452,921	148,800,537	-	-
Prepaid expenses		363,449,201	370,337,031	1,302,747	857,959
Other current assets		316,183,242	302,163,135	3,207,210	3,110,216
Total current assets		6,855,459,732	9,048,968,746	749,293,074	132,774,618
Non-current assets					
Long-term investment		12,593,900	11,883,900	-	-
Investment in subsidiary	5	-	-	3,067,114,370	3,067,114,370
Aircraft maintenance reserves	2, 6	4,320,751,206	3,652,264,201	-	-
Aircraft, leasehold improvement and equipment	7	26,545,179,056	25,472,747,919	5,585	8,801
Intangible assets	8	14,886,310,365	14,889,077,519	1	1
Goodwill		8,824,825,803	8,824,825,803	-	-
Deferred tax assets		-	-	-	470,578
Other non-current assets	2	930,441,987	873,796,859	-	-
Total non-current assets		55,520,102,317	53,724,596,201	3,067,119,956	3,067,593,750
Total assets		62,375,562,049	62,773,564,947	3,816,413,030	3,200,368,368

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

Asia Aviation Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 September 2018

(Unit: Baht)

Note	Consolidated financial statements		Separate financial statements		
	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	30 September 2018 (Unaudited but reviewed)	31 December 2017 (Audited)	
Liabilities and shareholders' equity					
Current liabilities					
	Trade payables	308,803,305	310,666,172	-	-
	Other payables	323,870,300	478,322,743	200,870	581,512
2	Amounts due to related parties	585,212,952	170,092,214	-	-
9	Current portion of long-term borrowings from financial institutions	863,572,250	1,348,080,475	-	-
11	Current portion of liabilities under finance lease agreements	1,308,420,800	1,299,335,216	-	-
	Unearned income	4,416,471,633	4,820,988,435	-	-
	Accrued expenses	2,218,074,511	2,376,044,919	500,000	3,035,000
	Accrued dividend	654,729,644	-	654,729,644	-
	Income tax payable	35,284	-	35,284	-
	Other current liabilities	64,878,473	106,606,078	1,041,073	54,298,865
	Total current liabilities	10,744,069,152	10,910,136,252	656,506,871	57,915,377
Non-current liabilities					
9	Long-term borrowings from financial institutions - net of current portion	2,677,744,172	1,984,335,988	-	-
10	Debentures	4,094,724,304	1,598,005,612	-	-
11	Liabilities under finance lease agreements - net of current portion	12,213,427,956	13,231,620,700	-	-
	Provision for long-term employee benefits	410,788,332	346,675,403	-	-
	Deferred tax liabilities	3,132,078,235	3,249,688,989	-	-
	Total non-current liabilities	22,528,762,999	20,410,326,692	-	-
	Total liabilities	33,272,832,151	31,320,462,944	656,506,871	57,915,377

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

Asia Aviation Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 September 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
4,850,000,000 ordinary shares of Baht 0.1 each	485,000,000	485,000,000	485,000,000	485,000,000
Issued and fully paid up				
4,850,000,000 ordinary shares of Baht 0.1 each	485,000,000	485,000,000	485,000,000	485,000,000
Premium on ordinary shares	2,599,808,274	2,599,808,274	2,599,808,274	2,599,808,274
Retained earnings				
Appropriated - statutory reserve	48,500,000	48,500,000	48,500,000	48,500,000
Unappropriated	17,587,726,100	18,872,576,491	26,597,885	9,144,717
Equity attributable to owners of the Company	20,721,034,374	22,005,884,765	3,159,906,159	3,142,452,991
Non-controlling interests of the a subsidiary	8,381,695,524	9,447,217,238	-	-
Total shareholders' equity	29,102,729,898	31,453,102,003	3,159,906,159	3,142,452,991
Total liabilities and shareholders' equity	62,375,562,049	62,773,564,947	3,816,413,030	3,200,368,368
	-	-	-	-

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

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 Directors

(Unaudited but reviewed)

Asia Aviation Public Company Limited and its subsidiary
Statement of comprehensive income
For the three-month period ended 30 September 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenues from sales and services		8,944,848,783	8,754,547,441	6,250,000	6,250,000
Gain on exchange rate		104,297,208	72,338,406	-	-
Dividend income	5	-	-	656,382,152	-
Other income		257,837,997	238,549,021	-	-
Total revenues		9,306,983,988	9,065,434,868	662,632,152	6,250,000
Expenses					
Cost of sales and services		9,137,768,170	7,750,910,011	-	-
Selling expenses		338,158,605	362,758,398	-	-
Administrative expenses		362,477,828	337,661,924	3,120,847	4,651,980
Total expenses		9,838,404,603	8,451,330,333	3,120,847	4,651,980
Profit (loss) before finance cost and income tax		(531,420,615)	614,104,535	659,511,305	1,598,020
Finance cost		(187,895,167)	(148,711,827)	-	-
Profit (loss) before income tax		(719,315,782)	465,392,708	659,511,305	1,598,020
Income tax revenue (expense)	12	66,104,900	7,978,989	(625,831)	(330,423)
Profit (loss) for the period		(653,210,882)	473,371,697	658,885,474	1,267,597
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(653,210,882)	473,371,697	658,885,474	1,267,597
Profit (loss) attributable to:					
Equity holders of the Company		(358,139,490)	260,924,852	658,885,474	1,267,597
Non-controlling interests of the subsidiary		(295,071,392)	212,446,845		
		(653,210,882)	473,371,697		
Total comprehensive income attributable to:					
Equity holders of the Company		(358,139,490)	260,924,852	658,885,474	1,267,597
Non-controlling interests of the subsidiary		(295,071,392)	212,446,845		
		(653,210,882)	473,371,697		
Earnings (loss) per share					
14					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company (Baht)		(0.0738)	0.0538	0.1359	0.0003
Number of ordinary shares (share)		4,850,000,000	4,850,000,000	4,850,000,000	4,850,000,000

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

Asia Aviation Public Company Limited and its subsidiary
Statement of comprehensive income
For the nine-month period ended 30 September 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenues from sales and services		29,249,750,179	26,266,485,934	25,000,000	18,750,000
Gain on exchange rate		132,624,892	246,066,557	-	-
Dividend income	5	-	-	1,638,559,825	-
Other income		820,844,735	687,604,509	58,044	722,735
Total revenues		30,203,219,806	27,200,157,000	1,663,617,869	19,472,735
Expenses					
Cost of sales and services		26,896,865,558	22,812,632,314	-	-
Selling expenses		1,170,098,092	1,119,272,181	-	-
Administrative expenses		1,102,409,822	998,773,811	20,537,760	13,589,578
Loss on exchange rate		-	-	10,575	-
Total expenses		29,169,373,472	24,930,678,306	20,548,335	13,589,578
Profit before finance cost and income tax		1,033,846,334	2,269,478,694	1,643,069,534	5,883,157
Finance cost		(536,042,927)	(478,954,232)	-	-
Profit before income tax		497,803,407	1,790,524,462	1,643,069,534	5,883,157
Income tax revenue (expense)	12	117,179,390	27,266,298	(901,942)	(1,187,450)
Profit for the period		614,982,797	1,817,790,760	1,642,167,592	4,695,707
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		614,982,797	1,817,790,760	1,642,167,592	4,695,707
Profit attributable to:					
Equity holders of the Company		339,864,033	1,001,897,986	1,642,167,592	4,695,707
Non-controlling interests of the subsidiary		275,118,764	815,892,774		
		614,982,797	1,817,790,760		
Total comprehensive income attributable to:					
Equity holders of the Company		339,864,033	1,001,897,986	1,642,167,592	4,695,707
Non-controlling interests of the subsidiary		275,118,764	815,892,774		
		614,982,797	1,817,790,760		
Earnings per share					
14					
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)		0.0701	0.2066	0.3386	0.0010
Number of ordinary shares (share)		4,850,000,000	4,850,000,000	4,850,000,000	4,850,000,000

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

(Unaudited but reviewed)

Asia Aviation Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2018

(Unit: Baht)

Consolidated financial statements

	Equity attributable to owners of the Company				Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiary	Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings				
			Appropriated	Unappropriated			
Balance as at 1 January 2017	485,000,000	2,599,808,274	48,500,000	18,137,211,185	21,270,519,459	8,849,725,783	30,120,245,242
Profit for the period	-	-	-	1,001,897,986	1,001,897,986	815,892,774	1,817,790,760
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,001,897,986	1,001,897,986	815,892,774	1,817,790,760
Balance as at 30 September 2017	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>48,500,000</u>	<u>19,139,109,171</u>	<u>22,272,417,445</u>	<u>9,665,618,557</u>	<u>31,938,036,002</u>
Balance as at 1 January 2018	485,000,000	2,599,808,274	48,500,000	18,872,576,491	22,005,884,765	9,447,217,238	31,453,102,003
Profit for the period	-	-	-	339,864,033	339,864,033	275,118,764	614,982,797
Other comprehensive income for the period	-	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	339,864,033	339,864,033	275,118,764	614,982,797
Dividend paid (Note 16)	-	-	-	(1,624,714,424)	(1,624,714,424)	-	(1,624,714,424)
Subsidiary paid dividend to its non-controlling interests	-	-	-	-	-	(1,340,640,478)	(1,340,640,478)
Balance as at 30 September 2018	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>48,500,000</u>	<u>17,587,726,100</u>	<u>20,721,034,374</u>	<u>8,381,695,524</u>	<u>29,102,729,898</u>

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

(Unaudited but reviewed)

Asia Aviation Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)
For the nine-month period ended 30 September 2018

(Unit: Baht)

Separate financial statements

	Issued and	Premium on	Retained earnings		Total
	paid-up		ordinary shares	Appropriated	
	share capital				shareholders'
					equity
Balance as at 1 January 2017	485,000,000	2,599,808,274	48,500,000	4,047,083	3,137,355,357
Profit for the period	-	-	-	4,695,707	4,695,707
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	4,695,707	4,695,707
Balance as at 30 September 2017	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>48,500,000</u>	<u>8,742,790</u>	<u>3,142,051,064</u>
Balance as at 1 January 2018	485,000,000	2,599,808,274	48,500,000	9,144,717	3,142,452,991
Profit for the period	-	-	-	1,642,167,592	1,642,167,592
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	1,642,167,592	1,642,167,592
Dividend paid (Note 16)	-	-	-	(1,624,714,424)	(1,624,714,424)
Balance as at 30 September 2018	<u>485,000,000</u>	<u>2,599,808,274</u>	<u>48,500,000</u>	<u>26,597,885</u>	<u>3,159,906,159</u>

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

(Unaudited but reviewed)

Asia Aviation Public Company Limited and its subsidiary**Cash flow statement****For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	497,803,407	1,790,524,462	1,643,069,534	5,883,157
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Write-off of bad debts	-	346,144	-	-
Depreciation and amortisation	1,233,946,609	1,066,997,202	3,216	3,216
Gain on sales of leasehold improvements and equipment	(399,599)	(179,838)	-	-
Provision for long-term employee benefits	64,112,929	48,648,191	-	-
Unrealised (gain) loss on exchange	11,772,153	(321,152,917)	-	-
Interest income	(43,493,263)	(38,760,530)	(58,044)	-
Dividend income	-	-	(1,638,559,825)	-
Finance cost	536,042,927	478,954,232	-	-
Profit from operating activities before changes in operating assets and liabilities	2,299,785,163	3,025,376,946	4,454,881	5,886,373
Operating assets (increase) decrease				
Trade and other receivables	(75,469,385)	(81,922,097)	1,350,000	589,643
Amounts due from related parties	160,662,057	(90,056,264)	(13,255,442)	864,442
Inventories	6,347,616	(2,025,919)	-	-
Prepaid expenses	6,887,830	12,439,021	(444,788)	(415,510)
Other current assets	(8,138,509)	115,300,531	(96,994)	(255,697)
Other non-current assets	(56,645,128)	60,300,373	-	-
Operating liabilities increase (decrease)				
Trade payables	(1,862,867)	(236,791,020)	-	-
Other payables	(154,452,443)	60,078,255	(380,642)	(530,872)
Amounts due to related parties	415,120,738	(47,610,723)	-	-
Unearned income	(404,516,802)	466,748,343	-	-
Accrued expenses	(198,017,895)	(48,080,050)	(2,535,000)	(1,657,130)
Other current liabilities	(41,727,605)	(38,777,552)	(53,257,792)	(50,049,144)
Payment of provision for long-term employee benefits	-	(6,425,000)	-	-
Cash flows from (used in) operating activities	1,947,972,770	3,188,554,844	(64,165,777)	(45,567,895)
Cash paid for income tax	(6,277,680)	(6,806,476)	(396,080)	(580,429)
Net cash flows from (used in) operating activities	1,941,695,090	3,181,748,368	(64,561,857)	(46,148,324)

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

(Unaudited but reviewed)

Asia Aviation Public Company Limited and its subsidiary**Cash flow statement (continued)****For the nine-month period ended 30 September 2018**

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Decrease in restricted deposits at financial institutions	-	1,636,140	-	-
Decrease in current investments	997,287,762	486,342,968	-	-
Increase in long-term investment	(710,000)	(35,400)	-	-
Payment for aircraft maintenance reserves	(668,487,005)	(752,923,538)	-	-
Acquisitions of aircrafts, leasehold improvements and equipment	(2,290,969,695)	(747,633,367)	-	-
Acquisitions of intangible assets	(4,834,243)	(25,230,194)	-	-
Interest income	42,835,151	36,849,051	58,044	-
Dividend income	-	-	1,638,559,825	-
Proceeds from sales of equipment	666,153	96,605,196	-	-
Net cash flows from (used in) investing activities	(1,924,211,877)	(904,389,144)	1,638,617,869	-
Cash flows from financing activities				
Proceeds from long-term borrowings from financial institutions	1,876,187,000	360,000,000	-	-
Repayment of long-term borrowings	(1,668,134,541)	(1,294,482,466)	-	-
Proceed from issuance of debentures	2,500,000,000	1,600,000,000	-	-
Payment for front end fee of debentures	(4,000,717)	(2,369,874)	-	-
Payments for early termination of finance lease agreements	-	(724,306,457)	-	-
Cash paid for liabilities under finance lease agreements	(962,606,532)	(851,080,747)	-	-
Interest paid	(482,871,373)	(443,188,173)	-	-
Dividend paid	(2,310,625,258)	-	(969,984,780)	-
Net cash flows used in financing activities	(1,052,051,421)	(1,355,427,717)	(969,984,780)	-
Net increase (decrease) in cash and cash equivalents	(1,034,568,208)	921,931,507	604,071,232	(46,148,324)
Cash and cash equivalents at beginning of the period	5,337,959,662	4,661,352,232	127,336,885	112,126,184
Unrealised exchange loss on cash and cash equivalents	(85,809,791)	(43,200,874)	-	-
Cash and cash equivalents at end of the period (Note 3)	4,217,581,663	5,540,082,865	731,408,117	65,977,860
	-	-	-	-
Non-cash items:				
Increase in other payables from acquisitions of equipment	8,073,207	31,062,325	-	-
Acquisitions of aircraft under finance lease agreements	-	2,745,319,305	-	-
Increase in accrued dividend	654,729,644	-	654,729,644	-

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

Asia Aviation Public Company Limited and its subsidiary
Notes to interim consolidated financial statements
For the three-month and nine-month periods ended 30 September 2018

1. General information

1.1 The Company's general information

Asia Aviation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in investing in low-fare airline business company. Its registered address is at 222, Don Mueang International Airport, 3rd floor, Central Office Building, Room no. 3200, Vibhavadee Rangsit Road, Sanam Bin Sub-District, Don Mueang District, Bangkok.

1.2 Basis for preparation of interim financial statements

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

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

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

1.3 Basis of consolidation

These interim consolidated financial statements include the financial statements of Asia Aviation Public Company Limited and its subsidiary and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2017. There have been no changes in the composition of the subsidiary during the periods.

1.4 New financial reporting standards

a. Financial reporting standards that became effective in the current year

During the periods, the Company and its subsidiary have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiary's financial statements.

b. Financial reporting standards that will become effective in the future

During the periods, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019 and a set of 5 standards related to financial instruments, which are effective for fiscal years beginning on or after 1 January 2020. Key principles of these standards are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiary is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

Thai Financial Reporting Standards related to financial instruments

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

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

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

1.5 Significant accounting policies

The interim consolidated financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

2. Related party transactions

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

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the three-month		For the three-month		
	periods ended		periods ended		
	30 September		30 September		
	2018	2017	2018	2017	
Transactions with a subsidiary					
(eliminated from the consolidated financial statements)					
Management income	-	-	6	6	Contract price
Dividend income	-	-	656	-	As declared
Transactions with related companies					
Passenger income	-	2	-	-	Contract price
Advertising income	-	13	-	-	Contract price
Interest income	-	2	-	-	6 percent per annum
Other administrative income	14	8	-	-	Contract price
Commission from sales of duty free goods	-	4	-	-	Contract price
Share of gain from fuel price swap agreements	35	88	-	-	Allocated based on usage
Allocated staff cost for accounting and other service expenses	17	17	-	-	Contract price
Aircraft and aircraft engines rental	771	1,074	-	-	Contract price
Aircraft repair and maintenance	541	526	-	-	Market price
Purchases of merchandises and equipment	14	9	-	-	Market price
Management expenses	4	4	-	-	Contract price
Booking fee expenses	27	43	-	-	Contract price
Pilot training expenses	-	57	-	-	Contract price
Brand license fee expenses	133	135	-	-	1.5 percent of airline operating income
Sponsorship fee paid to Thailand Polo Association	-	1	-	-	Contract price
Ground handling service expenses	-	9	-	-	Contract price
Security expenses	4	2	-	-	Contract price
Dividend paid	537	-	-	-	As declared

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated		Separate		Pricing policy
	financial statements		financial statements		
	For the nine-month		For the nine-month		
	periods ended		periods ended		
	30 September		30 September		
	2018	2017	2018	2017	
Transactions with a subsidiary					
(eliminated from the consolidated financial statements)					
Management income	-	-	25	19	Contract price
Dividend income	-	-	1,639	-	As declared
Transactions with related companies					
Passenger income	-	12	-	-	Contract price
Advertising income	-	37	-	-	Contract price
Interest income	1	5	-	-	6 percent per annum
Other administrative income	33	21	-	-	Contract price
Commission from sales of duty free goods	-	12	-	-	Contract price
Share of gain from fuel price swap agreements	247	300	-	-	Allocated based on usage
Allocated staff cost for accounting and other service expenses	53	55	-	-	Contract price
Aircraft and aircraft engines rental	2,747	3,299	-	-	Contract price
Aircraft repair and maintenance	1,609	1,581	-	-	Market price
Purchases of merchandises and equipment	38	18	-	-	Market price
Management expenses	12	12	-	-	Contract price
Booking fee expenses	120	132	-	-	Contract price
Pilot training expenses	-	106	-	-	Contract price
Brand license fee expenses	448	399	-	-	1.5 percent of airline operating income
Sponsorship fee paid to Leicester City Football Club	-	50	-	-	Contract price
Donation paid to King Power Foundation	-	5	-	-	Contract price
Sponsorship fee paid to Thailand Polo Association	-	2	-	-	Contract price
Ground handling service expenses	-	16	-	-	Contract price
Security expenses	9	10	-	-	Contract price
Conference room and other service expenses	1	-	-	-	Contract price
Dividend paid	1,341	-	-	-	As declared

As at 30 September 2018 and 31 December 2017, the outstanding balances between the Company, the subsidiary and those related parties are as follows.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Receivables - related parties				
Subsidiary	-	-	13,375,000	-
Related companies (common shareholders and/or directors)	785,180,862	944,932,121	-	119,558
Total	785,180,862	944,932,121	13,375,000	119,558
Aircraft maintenance reserves - related party (Note 6)				
Related company (common shareholders and directors)	4,320,751,206	3,652,264,201	-	-
Total	4,320,751,206	3,652,264,201	-	-
Other non-current assets - related parties				
<i>Deposits for lease of aircraft and aircraft engines</i>				
Related company (common shareholders and directors)	405,856,276	657,120,066	-	-
<i>Deposits for fuel price swap agreements</i>				
Related company (common shareholders and directors)	16,118,200	16,257,300	-	-
<i>Other deposits</i>				
Related company (common directors)	20,000,000	-	-	-
Total	441,974,476	673,377,366	-	-
Payables- related parties				
Related companies (common shareholders and/or directors)	585,212,952	170,092,214	-	-
Total	585,212,952	170,092,214	-	-

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2018 and 2017, the Company and its subsidiary had employee benefit expenses payable to their directors and management as below.

	(Unit: Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2018	2017	2018	2017
Short-term employee benefits	35,136,296	28,670,378	1,900,000	2,180,000
Post-employment benefits	1,797,536	1,405,711	-	-
Total	36,933,832	30,076,089	1,900,000	2,180,000

(Unaudited but reviewed)

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Short-term employee benefits	121,317,387	110,251,019	6,100,000	5,840,000
Post-employment benefits	5,392,609	4,217,137	-	-
Total	<u>126,709,996</u>	<u>114,468,156</u>	<u>6,100,000</u>	<u>5,840,000</u>

3. Cash and cash equivalents

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Cash	12,097,976	8,567,450	-	-
Bank deposits	4,205,483,687	5,329,392,212	731,408,117	127,336,885
Total	<u>4,217,581,663</u>	<u>5,337,959,662</u>	<u>731,408,117</u>	<u>127,336,885</u>

4. Trade and other receivables

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<u>Trade receivables</u>				
Aged on the basis of due dates				
Not yet due	433,800,441	333,443,037	-	-
Past due				
Up to 3 months	28,144,798	42,465,551	-	-
3 - 6 months	106,147	3,936,934	-	-
6 - 12 months	132,249	108,784	-	-
Over 12 months	1,836,869	1,786,035	-	-
Total trade receivables	<u>464,020,504</u>	<u>381,740,341</u>	<u>-</u>	<u>-</u>
<u>Other receivables</u>				
Accrued airport fee and incentive income	13,684,048	16,886,607	-	-
Accrued income	11,294,947	14,578,906	-	1,350,000
Others	41,612,344	42,560,907	-	-
Total other receivables	<u>66,591,339</u>	<u>74,026,420</u>	<u>-</u>	<u>1,350,000</u>
Total trade and other receivables	<u>530,611,843</u>	<u>455,766,761</u>	<u>-</u>	<u>1,350,000</u>

5. Investment in subsidiary

Details of investment in subsidiary as presented in separate financial statements is as follows.

Company's name	Paid-up capital		Shareholding percentage		Cost	
	30 September	31 December	30 September	31 December	30 September	31 December
	2018	2017	2018	2017	2018	2017
			(%)	(%)		
Thai AirAsia Company Limited	435,555,600	435,555,600	55	55	<u>3,067,114,370</u>	<u>3,067,114,370</u>

During the periods, the Company received dividend from a subsidiary in the separate financial statements as follow.

Company's name	Separate financial statements			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Thai AirAsia Company Limited	<u>656,382,152</u>	<u>-</u>	<u>1,638,559,825</u>	<u>-</u>

6. Aircraft maintenance reserves

Movements of the aircraft maintenance reserves account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Baht)
	Consolidated financial statements
Net book value as at 1 January 2018	3,652,264,201
Additions	668,487,005
Net book value as at 30 September 2018	<u>4,320,751,206</u>

7. Aircraft, leasehold improvement and equipment

Movements of the aircraft, leasehold improvement and equipment account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	25,472,747,919	8,801
Acquisitions - at cost	2,299,042,902	-
Disposals - net book value at disposed date	(266,554)	-
Depreciation	<u>(1,226,345,211)</u>	<u>(3,216)</u>
Net book value as at 30 September 2018	<u>26,545,179,056</u>	<u>5,585</u>

As at 30 September 2018, the subsidiary had aircraft with net book value of Baht 17,730 million (31 December 2017: Baht 18,515 million) which were acquired under finance lease agreements.

The subsidiary has pledged its aircraft amounting to approximately Baht 2,844 million (31 December 2017: Baht 2,476 million) as collateral against credit facilities received from financial institutions.

8. Intangible assets

Movements of intangible assets during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2018	14,889,077,519	1
Acquisitions - at cost	4,834,243	-
Amortisation	(7,601,397)	-
Net book value as at 30 September 2018	<u>14,886,310,365</u>	<u>1</u>

9. Long-term borrowings from financial institutions

	(Unit: Baht)	
	Consolidated financial statements	
	30 September 2018	31 December 2017
Current portion of long-term borrowings from financial institutions	864,682,250	1,349,210,475
Less: Front end fee	(1,110,000)	(1,130,000)
Total current borrowings	<u>863,572,250</u>	<u>1,348,080,475</u>
Long-term borrowings from financial institutions - net of current portion	2,678,951,591	1,986,370,907
Less: Front end fee	(1,207,419)	(2,034,919)
Total non-current borrowings	<u>2,677,744,172</u>	<u>1,984,335,988</u>
Total long-term borrowings from financial institutions	<u><u>3,541,316,422</u></u>	<u><u>3,332,416,463</u></u>

Movements of long-term borrowings from financial institutions account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Baht)
	Consolidated
	financial statements
Balance as at 1 January 2018	3,332,416,463
Borrowing during the period	1,876,187,000
Amortisation of front end fee	847,500
Repayment of long-term borrowings from financial institutions	<u>(1,668,134,541)</u>
Balance as at 30 September 2018	<u><u>3,541,316,422</u></u>

The long-term borrowings are secured by the pledge of the subsidiary's aircraft as described in Note 7.

Long-term loan agreement during the period

On 13 July 2018, the subsidiary entered into a fixed interest rate long-term loan agreement with a local bank amounting to Baht 1,226 million in order to fund the acquisition of a new aircraft that was received on 30 July 2018. The loan has a term of 12 years and is secured by the pledge of the newly acquired aircraft. The loan agreement contains certain financial covenants relating to matters such as the maintenance of a certain net interest bearing debt to equity ratio.

10. Debentures

	(Unit: Baht)	
	Consolidated financial statements	
	30 September 2018	31 December 2017
Debentures	4,100,000,000	1,600,000,000
Less: Front end fee	(5,275,696)	(1,994,388)
Debentures - net	<u>4,094,724,304</u>	<u>1,598,005,612</u>

Debentures are unsubordinated and unsecured in Baht currency with fixed interest rates. Their fair value as at 30 September 2018 amounted to Baht 4,118 million (31 December 2017: Baht 1,625 million).

Movements of debentures account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Baht)
	Consolidated financial statements
Balance as at 1 January 2018	1,598,005,612
Issuance during the period	2,500,000,000
Payment for front end fee	(4,000,717)
Amortisation of front end fee	719,409
Balance as at 30 September 2018	<u>4,094,724,304</u>

On 26 June 2018, the subsidiary issued two tranches of debentures no. 1/2018, which are named-registered, unsubordinated and unsecured in Baht currency, as the following details.

- a) The first tranches of the debenture is value at Baht 1,500 million. Debentures bear a fixed interest rate at 2.56% per annum in which interest is payable semi-annually. Term of debentures is three years from the issuance date.
- b) The second tranches of the debenture is value at Baht 1,000 million. Debentures bear a fixed interest rate at 2.95% per annum in which interest is payable semi-annually. Term of debentures is five years from the issuance date.

The subsidiary intended to use the proceeds from the issuance for general investment purpose and/or for loan repayment and/or for working capital.

11. Liabilities under finance lease agreements

(Unit: Baht)

	Consolidated financial statements	
	30 September 2018	31 December 2017
Liabilities under finance lease agreements	16,190,624,465	17,421,346,538
Less: Deferred interest expenses	(2,668,775,709)	(2,890,390,622)
Total	13,521,848,756	14,530,955,916
Less: Portion due within one year	(1,308,420,800)	(1,299,335,216)
Liabilities under finance lease agreements - net of current portion	<u>12,213,427,956</u>	<u>13,231,620,700</u>

The subsidiary has entered into the finance lease agreements for rental of aircraft for use in its operation, whereby it is committed to pay rental on monthly and quarterly basis. The terms of the agreements are generally between 11 and 12 years.

Future minimum lease payments required under the finance lease agreements were as follows.

(Unit: Baht)

	Consolidated financial statements			
	30 September 2018			
	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	1,819,692,189	7,278,768,748	7,092,163,528	16,190,624,465
Deferred interest expenses	(511,271,389)	(1,512,583,814)	(644,920,506)	(2,668,775,709)
Present value of future minimum lease payments	<u>1,308,420,800</u>	<u>5,766,184,934</u>	<u>6,447,243,022</u>	<u>13,521,848,756</u>

(Unit: Baht)

	Consolidated financial statements			
	31 December 2017			
	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	1,812,725,383	7,250,901,531	8,357,719,624	17,421,346,538
Deferred interest expenses	(513,390,167)	(1,569,571,181)	(807,429,274)	(2,890,390,622)
Present value of future minimum lease payments	<u>1,299,335,216</u>	<u>5,681,330,350</u>	<u>7,550,290,350</u>	<u>14,530,955,916</u>

12. Income tax

Interim corporate income tax was calculated on profit (loss) before income tax for the periods, using the estimated effective tax rate for the year.

Income tax (revenue) expense for the three-month and nine-month periods ended 30 September 2018 and 2017 are made up as follows.

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month periods ended 30 September		For the three-month periods ended 30 September	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	431,364	-	431,364	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(66,536,264)	(7,978,989)	194,467	330,423
Income tax (revenue) expense reported in the statement of comprehensive income	(66,104,900)	(7,978,989)	625,831	330,423

(Unit: Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	For the nine-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	431,364	-	431,364	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(117,610,754)	(27,266,298)	470,578	1,187,450
Income tax (revenue) expense reported in the statement of comprehensive income	(117,179,390)	(27,266,298)	901,942	1,187,450

13. Promotional privileges

During the current periods, the subsidiary received promotional tax privileges from the Board of Investment for air transport operations for 4 aircraft. Subject to certain imposed conditions, the privileges include an exemption from corporate income tax for a period of 5 years from the date the promoted operation begins generating revenues.

14. Earnings (loss) per share

Basic earnings (loss) per share is calculated by dividing profit (loss) for the periods attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the periods.

15. Segment information

The Company and its subsidiary are organised into business units. During the current periods, the Company and its subsidiary have not changed the organisation of the reportable segments.

Revenues and profit (loss) information regarding the Company's and its subsidiary's operating segments for the three-month and nine-month periods ended 30 September 2018 and 2017 are as follows.

	(Unit: Baht)					
	Scheduled flight operations	Charter flight operations	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the three-month period ended 30 September 2018						
Revenues						
Revenues from external customers	8,664,427,355	280,421,428	-	8,944,848,783	-	8,944,848,783
Intersegment revenues	-	-	662,632,152	662,632,152	(662,632,152)	-
Total revenues	8,664,427,355	280,421,428	662,632,152	9,607,480,935	(662,632,152)	8,944,848,783
Operating result						
Segment profit (loss)	(970,493,684)	73,808,711	659,511,305	(237,773,668)	(656,382,152)	(893,555,820)
Gain on exchange rate						104,297,208
Other income						257,837,997
Finance cost						(187,895,167)
Loss before income tax						(719,315,782)
Income tax revenue						66,104,900
Loss for the period						(653,210,882)

(Unaudited but reviewed)

(Unit: Baht)

	Scheduled flight operations	Charter flight operations	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the three-month period 30 September 2017						
Revenues						
Revenues from external customers	8,332,230,897	422,316,544	-	8,754,547,441	-	8,754,547,441
Intersegment revenues	-	-	6,250,000	6,250,000	(6,250,000)	-
Total revenues	<u>8,332,230,897</u>	<u>422,316,544</u>	<u>6,250,000</u>	<u>8,760,797,441</u>	<u>(6,250,000)</u>	<u>8,754,547,441</u>
Operating result						
Segment profit	217,206,707	84,412,381	1,598,020	303,217,108	-	303,217,108
Gain on exchange rate						72,338,406
Other income						238,549,021
Finance cost						(148,711,827)
Profit before income tax						<u>465,392,708</u>
Income tax revenue						<u>7,978,989</u>
Profit for the period						<u><u>473,371,697</u></u>

(Unaudited but reviewed)

(Unit: Baht)

	Scheduled flight operations	Charter flight operations	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the nine-month period ended 30 September 2018						
Revenues						
Revenues from external customers	28,354,225,313	895,524,866	-	29,249,750,179	-	29,249,750,179
Intersegment revenues	-	-	1,663,559,825	1,663,559,825	(1,663,559,825)	-
Total revenues	<u>28,354,225,313</u>	<u>895,524,866</u>	<u>1,663,559,825</u>	<u>30,913,310,004</u>	<u>(1,663,559,825)</u>	<u>29,249,750,179</u>
Operating result						
Segment profit	(171,036,303)	246,950,770	1,643,022,065	1,718,936,532	(1,663,559,825)	80,376,707
Gain on exchange rate						132,624,892
Other income						820,844,735
Finance cost						<u>(536,042,927)</u>
Profit before income tax						497,803,407
Income tax revenue						<u>117,179,390</u>
Profit for the period						<u>614,982,797</u>

(Unaudited but reviewed)

(Unit: Baht)

	Scheduled flight operations	Charter flight operations	Other segments	Total segments	Adjustments and eliminations	Consolidated
For the nine-month period 30 September 2017						
Revenues						
Revenues from external customers	25,070,240,048	1,196,245,886	-	26,266,485,934	-	26,266,485,934
Intersegment revenues	-	-	18,750,000	18,750,000	(18,750,000)	-
Total revenues	<u>25,070,240,048</u>	<u>1,196,245,886</u>	<u>18,750,000</u>	<u>26,285,235,934</u>	<u>(18,750,000)</u>	<u>26,266,485,934</u>
Operating result						
Segment profit	1,065,785,905	271,009,376	5,160,422	1,341,955,703	-	1,341,955,703
Unallocated costs						(6,148,075)
Gain on exchange rate						246,066,557
Other income						687,604,509
Finance cost						(478,954,232)
Profit before income tax						<u>1,790,524,462</u>
Income tax revenue						<u>27,266,298</u>
Profit for the period						<u><u>1,817,790,760</u></u>

16. Dividend paid

(Unit: Baht)			
Dividend	Approved by	Dividend paid	Dividend per share
Interim dividends for 2018	Board of Directors' Meeting on 11 May 2018	969,984,780	0.200
	Board of Directors Meeting on 12 September 2018	654,729,644	0.135
Total dividends for 2018		<u>1,624,714,424</u>	<u>0.335</u>

17. Commitments and contingent liabilities**17.1 Operating aircraft lease commitments**

The subsidiary had the future aggregate minimum lease payment in respect of operating aircraft lease agreements made with AirAsia (Mauritius) Limited, a related company, and other lessors, and insurance agreements of aircraft and aircraft engines, in respect of non-cancellable, as below.

(Unit: USD)

	Consolidated financial statements			
	30 September 2018		31 December 2017	
	Lease agreements	Insurance agreements	Lease agreements	Insurance agreements
Payable:				
In up to 1 year	158,632,265	2,202,668	146,254,409	1,731,785
In over 1 and up to 5 years	434,878,651	-	450,960,870	-
In over 5 years	189,457,908	-	154,582,432	-
Total	<u>782,968,824</u>	<u>2,202,668</u>	<u>751,797,711</u>	<u>1,731,785</u>
Total equivalent to Thai Baht	<u>25,506,540,489</u>	<u>71,755,655</u>	<u>24,694,449,773</u>	<u>56,884,288</u>

17.2 Aircraft maintenance service commitments

The subsidiary has commitments under aircraft maintenance service agreements made with AirAsia Berhad and AirAsia (Mauritius) Limited, which are related companies, and other aircraft lessors. The subsidiary agrees to pay aircraft maintenance service fees at the rates in USD currency stipulated in the agreements, which vary for each aircraft depending on flight hours and the age of the aircraft.

17.3 Operating lease commitments

The subsidiary had the future minimum lease payments in respect of non-cancellable space, office, office equipment and ground support equipment leases as follows.

(Unit: Baht)

	Consolidated financial statements	
	30 September 2018	31 December 2017
Payable:		
In up to 1 year	140,818,438	143,864,226
In over 1 and up to 5 years	216,011,717	6,483,665
Total	<u>356,830,155</u>	<u>150,347,891</u>

17.4 Guarantees

- 1) As at 30 September 2018, the subsidiary had guarantee obligations for pilot trainees' education loans from a bank for commercial pilot license courses amounting to Baht 105 million (31 December 2017: Baht 86 million) with the term of guarantees of 18 months from the start date of each loan agreement.
- 2) The subsidiary had commitments from letters of guarantee in respect of ground handling, technical support and other flight operating activities including maintenance reserve fund in the ordinary course of business as follows.

(Unit: Million)

	Consolidated financial statement									
	30 September 2018					31 December 2017				
	Baht	USD	MYR	SGD	INR	Baht	USD	MYR	SGD	INR
Guarantees relating to flight operating activities	7.90	0.60	1.00	1.81	81.82	7.90	0.60	1.00	1.81	83.36
Guarantees relating to maintenance reserve fund	-	45.09	-	-	-	-	42.23	-	-	-
Total	7.90	45.69	1.00	1.81	81.82	7.90	42.83	1.00	1.81	83.36
Total equivalent to Thai Baht	7.90	1,488.26	7.94	43.50	39.10	7.90	1,406.85	8.17	44.76	45.45

18. Fair value hierarchy

As at 30 September 2018 and 31 December 2017, the subsidiary had assets and liabilities in USD and Baht currencies disclosed at fair value which the hierarchy is level 2 as follows.

(Unit: Baht)

	Consolidated financial statements				
	30 September 2018		31 December 2017		
	Contract currency		Contract currency		
	USD	Baht	USD	Baht	
Assets disclosed at fair value					
Derivatives					
Fuel price swap agreements		86,955,296	-	164,574,209	-
Interest rate swap agreements		179,651,891	-	95,847,815	-
Foreign exchange forward contracts		14,326,625	-	-	-
Liabilities disclosed at fair value					
Derivatives					
Interest rate swap agreements		-	34,976,777	-	65,881,468
Foreign exchange forward contracts		280,652,309	-	233,934,268	-
Cross currency swap agreement		70,710,534	-	79,991,180	-
Debentures		-	4,118,091,016	-	1,624,836,995

During the current periods, there were no transfers within the fair value hierarchy.

19. Reclassifications

The subsidiary reclassified certain amounts in the comprehensive income statements for the three-month and nine-month periods ended 30 September 2017 to conform to the current periods' classifications, as follows.

(Unit: Baht)

	Consolidated financial statements	
	For the three-month period ended 30 September 2017	
	As reclassified	As previously reported
Revenues from sales and services	8,754,547,441	8,734,499,785
Other income	238,549,021	258,596,677
Cost of sales and services	7,750,910,011	7,737,506,204
Selling expenses	362,758,398	362,076,787
Administrative expenses	337,661,924	351,747,342

(Unit: Baht)

	Consolidated financial statements	
	For the nine-month period ended 30 September 2017	
	As reclassified	As previously reported
Revenues from sales and services	26,266,485,934	26,220,373,160
Other income	687,604,509	733,717,283
Cost of sales and services	22,812,632,314	22,772,420,859
Selling expenses	1,119,272,181	1,117,227,355
Administrative expenses	998,773,811	1,041,030,092

The reclassifications had no effect to previously reported profit or shareholders' equity.

20. Approval of interim financial statements

These interim consolidated financial statements were authorised for issue by the Company's Board of Directors on 9 November 2018.