GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

REPORTS AND FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

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GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

DIRECTOR'S STATEMENT

For the financial year ended 31st MARCH 2017

The directors present their statement to the members together with the audited financial statements of the Company for the financial year ended 31st MARCH 2017.

In the opinion of the directors,

(a) the accompanying statement of financial position, statement of comprehensive income, statement of changes in equity and statement of cash flows together with the notes thereto as set out on pages 4 to 23 are drawn up so as to give a true and fair view of the financial position of the Company as at 31st MARCH 2017 and the financial performance, changes in equity and cash flows of the Company for the financial year then ended;

(b) at the date of this statement, there are reasonable grounds to believe that the Company will be able to pay its debts as and when they fall due; and

(c) management is responsible for the preparation of financial statements that gives a true and fair view in accordance with International Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Directors

The directors of the Company in office at the date of this statement are as follows:

DITTAKAN TIPPAWAN
SAURABH MITTAL

Directors' interests in shares or debentures

(a) According to the register of directors' shareholdings, none of the directors holding office at the end of the financial year had any interest in the shares or debentures of the Company or its related corporations, except as follows:

DIRECTOR'S STATEMENT (CONTINUED)

For the financial year ended 31st MARCH 2017

Company *(No. of ordinary shares)*	Holdings registered in name of director or nominee	
	At 31st MARCH 2017	At 1st January 2016 or date of appointment if later
Dittakan Tippawan	1,000	1,000
Immediate & Ultimate Holding Corporation		
Greenlam Holding Company., Ltd	20,000	20,000
Director having interest in holding company(no.of ordinary shares)		
Dittakan Tippawan	100	100

The above director has an interest in the Company by way of his interest in Greenlam Holding Company., Ltd, Incorporated in Thailand which is the immediate holding company of the Company.

Except as disclosed in this report, no director who held office at the end of financial year had interests in shares, debentures, warrants or share options of the Company or of related corporations either at the beginning of the financial year, or date of appointment, if later, or at the end of the financial year.

(b) The directors' interest in the ordinary shares of the Company as at **26th April 2017** were the same as those as at 31st MARCH 2017

Share Options

During the financial year, there were no shares of the Company issued by virtue of the exercise of an option to take up un-issued shares. Further at the end of financial year, there were no un-issued shares of the Company under option.

Independent Auditor

The Independent auditor, Luck CPA Company., limited , Certified Public Accountant Thailand, have expressed its willingness to accept re-appointment.

On behalf of the Board

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Dittakan Tippawan
Director

Place: Thailand
Date:

INDEPENDENT AUDITORS' REPORT
TO THE MEMBERS OF GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED
(COMPANY REGISTRATION NO.0105552126644)

Report on the Financial Statements

We have audited the accompanying financial statements of the Company, which comprise the statement of financial position as at 31st MARCH 2017 and the income statement, statement of changes in equity and cash flow statement for the financial year then ended, and a summary of significant accounting policies and other explanatory information, as set out on pages 5 to 23.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of financial statements that gives a true and fair view in accordance with International Financial Reporting Standards, and for devising and maintaining a system of internal accounting controls sufficient to provide a reasonable assurance that assets are safeguarded against loss from unauthorized use or disposition; and transactions are properly authorized and that they are recorded as necessary to permit the preparation of true and fair financial statements and to maintain accountability of assets.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with International Standards on Auditing. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation of financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements of the Company are properly drawn up in accordance with the provisions of the Act and International Financial Reporting Standards so as to give a true and fair view of the financial position of the Company as at 31 MARCH 2017, and of the financial performance, changes in equity and cash flows of the Company for the financial year ended on that date.

Report on other legal and regulatory requirements

In our opinion the accounting and other records required by the Act to be kept by the Company have been properly kept in accordance with the provisions of the Act.

Restriction of use

This auditor report and financial statement is issued in accordance with IFRS (International Financial Reporting Standard) and its use shall be restricted for group consolidation purpose only. The Main statutory Auditor Report and financial statement is issued in accordance with TFRS (Thai Financial Reporting Standard)

Piyaluck Soonthawong

(Miss Piyaluck Soonthawong)
Certified Public Accountant (Thailand)
Registration No.10794

Place: Thailand
Date:26th April,2017

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION AS AT 31ST MARCH 2017

	Note	2017 Baht	2016 Baht
CURRENT ASSETS			
Trade and Other Receivables	5	84,221,226.74	96,161,203.74
Inventory	7	-	291,350.66
Cash & Cash Equivalent	6	3,682,123.32	1,739,355.23
Other Current Assets	8	1,154,958.14	1,016,779.25
TOTAL CURRENT ASSETS		**89,058,308.20**	**99,208,688.88**
NON CURRENT ASSETS			
Investment in Subsidiary	4	500,000.00	500,000.00
Property, Plant and Equipment	10	275,290.53	308,383.50
Other Non-Current Assets		271,434.58	271,434.58
Intangible Assets	11	36,286.03	-
Long-Term Loan		1,364,000.00	-
TOTAL NON-CURRENT ASSETS		**2,447,011.14**	**1,079,818.08**
TOTAL ASSETS		**91,505,319.34**	**100,288,506.96**
CURRENT LIABILITIES			
Trade and Other payables	9	77,598,543.10	89,646,000.25
Current Income Tax Payable	13	499,521.73	
Other Current liability		398,641.50	403,081.31
TOTAL CURRENT LIABILITIES		**78,496,706.33**	**90,049,081.56**
NON-CURRENT LIABILITIES			
Term Loan – Non Current		-	-
Deferred taxation		-	-
		-	-
TOTAL LIABILITIES		**78,496,706.33**	**90,049,081.56**
NET ASSETS		**13,008,613.01**	**10,239,425.40**
CAPITAL AND RESERVES			
Share capital	3	4,000,000.00	4,000,000.00
Accumulated Profit		9,008,613.01	6,239,425.40
TOTAL EQUITY		**13,008,613.01**	**10,239,425.40**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

STATEMENT OF COMPREHENSIVE INCOME
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

	Note	2017	2016
		Baht	Baht
Revenue		386,513,251.21	442,523,948.51
Cost of Sales	12	343,161,745.23	391,978,593.78
Gross Profit		**43,351,505.98**	**50,545,354.73**
Other Income		4,254,651.69	525,635.77
Fair value gain / (loss) on investment property		-	-
Other gain & (loss)			
Total Profit/(Loss)		47,606,157.67	51,070,990.50
Administrative expenses	12	44,132,542.82	50,160,657.82
Profit/(Loss) from operations		3,473,614.85	910,332.68
Finance costs		-	-
Profit/(Loss) before taxation		3,473,614.85	910,332.68
Taxation	2.12	704,427.24	192,554.38
Deferred taxation			
		2,769,187.61	717,778.30
Profit/(Loss) from continuing operations			
Profit /(loss) from discontinued operation		-	-
Total Profit/(Loss)			
Other comprehensive income			
Total comprehensive Income/(Loss)		**2,769,187.61**	**717,778.30**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

STATEMENT OF CHANGES IN EQUITY
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

	Share Capital Baht	Accumulated Profits Baht	Total Baht
Balance as at 31st MARCH 2015	4,000,000.00	5,521,647.10	9,521,647.10
Total comprehensive Income/(loss)		717,778.30	717,778.30
Balance as at 31st MARCH 2016	4,000,000.00	6,239,425.40	10,239,425.40
Total comprehensive Income/(loss)		2,769,187.61	2,769,187.61
Balance as at 31st MARCH 2017	**4,000,000.00**	**9,008,613.01**	**13,008,631.01**

The annexed notes form an integral part of and should be read in conjunction with these financial statements.

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

STATEMENT OF CASH FLOWS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

	Note	2017 Baht	2016 Baht
Profit/(Loss) from Operating Activities Before Tax		**3,473,614.85**	**910,332.68**
Adjustments for:-			
- Depreciation		148,114.18	247,847.68
- Unrealized Exchange (Gain)/Loss		(2,538,000.89)	2,493,411.36
- Interest received		(13,388.98)	(16,709.29)
Operating profit before working capital changes		**1,070,339.16**	**3,634,882.43**
Increase/(decrease) in working capital:-			
- Trade and other receivables	5	11,939,977.00	6,840,010.62
- Inventory	7	291,350.66	(291,350.66)
- Other Current Assets		(138,178.89)	(59,758.04)
-Other Non Current Assets		-	(271,434.58)
- Trade and other payable	9	(12,047,457.15)	(8,951,575.72)
-Other Current Liability		(4,439.81)	(333,173.93)
-Unrealized Exchange Gain/Loss		2,538,000.89	(2,493,411.36)
Cash generated from operations		**3,649,591.86**	**(1,925,811.24)**
Income Tax (paid)/refund	13	(204,905.51)	(450,195.62)
Net cash inflow from operating activities		**3,444,686.35**	**(2,376,006.86)**
Cash Flows From Investing Activities			
Addition to Property, Plant and equipment		(151,307.24)	(20,000.00)
Addition to Long Term Loan		(1,364,000.00)	-
Net Cash (Outflow)/Inflow by Investing Activities		(1,515,307.24)	(20,000.00)
Cash Flows From Financing Activities			
Interest Received	12	13,388.98	16,709.29
Net cash (outflow)/Inflow from financing activities		13,388.98	16,709.29
Net increase/(decrease) in cash and cash equivalents		1,942,768.09	(2,379,297.57)
Cash and cash equivalents at beginning of financial period		1,739,355.23	4,118,652.80
Cash and cash equivalents at end of financial year	6	**3,682,123.32**	**1,739,355.23**

The annexed notes form an integral part of and should be read in conjunction with these financial statements

GREENLAM ASIA PACIIFC (THAILAND) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

1. General

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED (Registration No.0105552126644. is a Company Incorporated in Thailand with its office at No.898/14 SV City , Office Tower 2,9Th Floor ,Rama 3 Road,Bangpongpang , Yannawa , Bangkok 10120

The principal activities of the Company are those of Other Investment Holding Companies and General wholesale trade (including general Importers and Exporters laminate materials and other interior materials).

There have been no significant changes in the nature of these activities during the financial year.

2. Summary of Significant Accounting Policies

2.1 Basis of preparation

These financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") under the historical cost convention, except as disclosed in the accounting policies below.

The preparation of financial statements in conformity with IFRS requires management to exercise its judgement in the process of applying the Company's accounting policies. It also requires the use of certain critical accounting estimates and assumptions.

2.2 Revenue recognition

Revenue comprises the fair value of the consideration received or receivable for the sale of goods and rendering of services in the ordinary course of the Company's activities. Revenue is presented, net of goods and services tax, rebates and discounts. Provided it is probable that the economic benefits will flow to the Company and the revenue and costs, if applicable, can be measured reliably, revenue is recognized when goods are delivered at the customers' premises, which is taken to be the point in time when the customer has accepted the goods and the related risks and rewards of ownership.

The Company assesses its role as an agent or principal for each transaction and in an agency arrangement the amounts collected on behalf of the principal are excluded from revenue. The Company recognises revenue when the amount of revenue and related cost can be reliably measured, it is probable that the collectability of the related receivables is reasonably assured and when the specific criteria for each of the Company's activities are met.

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2.3 Government grants

Grants from the government are recognized as a receivable at their fair value when there is reasonable assurance that the grant will be received and the Company will comply with all the attached conditions.

Government grants receivable are recognized as income over the periods necessary to match them with the related costs which they are intended to compensate, on a systematic basis. Government grants relating to expenses are shown separately as other income.

Government grants relating to assets are deducted against the carrying amount of the assets.

2.4 Property, plant and equipment

(a) Measurement

(i) Plant and equipment

Plant and equipment are initially recognized at cost and subsequently carried at cost less accumulated depreciation and accumulated impairment losses.

(ii) Component of costs

The cost of an item of plant and equipment initially recognized includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management. Cost also includes borrowing costs that are directly attributable to the acquisition.

(b) Depreciation

Depreciation of plant and equipment is calculated using the straight-line method to allocate their depreciable amounts over their estimated useful lives. The residual values, estimated useful lives and depreciation method of plant and equipment are reviewed, and adjusted as appropriate, at each statement of financial position date. The effects of any revision are recognized in profit or loss when the changes arise.

(c) Subsequent expenditure

Subsequent expenditure relating to property, plant and equipment that has already been recognised is added to the carrying amount of the asset only when it is probable that future economic benefits associated with the item will flow to the entity and the cost of the item can be measured reliably. All other repair and maintenance expenses are recognised in profit or loss when incurred.

2. Summary of significant accounting policies (continued)

2.4 Property, plant and equipment (continued)

(d) Disposal

On disposal of an item of property, plant and equipment, the difference between the disposal proceeds and its carrying amount is recognized in profit or loss within "Other gains/losses – net". Any amount in revaluation reserve relating to that item is transferred to retained profits directly

2.5 Financial assets

(a) Classification

The Company classifies its financial assets in the following categories: at fair value through profit or loss, loans and receivables, held-to-maturity and available-for sale. The classification depends on the nature of the asset and the purpose for which the assets were acquired. Management determines the classification of its financial assets at initial recognition and in the case of assets classified as held-to maturity, re-evaluates this designation at each statement of financial position date.

(i) Financial assets at fair value through profit or loss

This category has two sub-categories: financial assets held for trading, and those designated at fair value through profit or loss at inception. A financial asset is classified as held for trading if it is acquired principally for the purpose of selling in the short term. Financial assets designated as at fair value through profit or loss at inception are those that are managed and their performances are evaluated on a fair value basis, in accordance with a documented Group investment strategy. Derivatives are also categorized as held for trading unless they are designated as hedges. Assets in this category are presented as current assets if they are either held for trading or are expected to be realized within 12 months after the balance sheet date.

(ii) Loans and receivables

Loans and receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market.

They are presented as current assets, except for those expected to be realized later than 12 months after the statement of financial position date which are presented as non-current assets. Loans and receivables are presented as "other receivables" (Note 5) on the statement of financial position.

2. Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

(a) Classification (continued)

(iii) Held-to-maturity financial assets

Held-to-maturity financial assets are non-derivative financial assets with fixed or determinable payments and fixed maturities that the Company's management has the positive intention and ability to hold to maturity. If the Company were to sell other than an insignificant amount of held-to-maturity financial assets, the whole category would be tainted and reclassified as available-for-sale. They are presented as non-current assets, except for those maturing within 12 months after the statement of financial position date which are presented as current assets.

(iv) Available-for-sale financial assets

Available-for-sale financial assets are non-derivatives that are either designated in this category or not classified in any of the other categories. They are presented as non-current assets unless the investment matures or management intends to dispose of the assets within 12 months after the statement of financial position date.

(b) Recognition & Derecognition

Regular way purchases and sales of financial assets are recognized on trade date – the date on which the Company commits to purchase or sell the asset.

Financial assets are derecognized when the rights to receive cash flows from the financial assets have expired or have been transferred and the Company has transferred substantially all risks and rewards of ownership. On disposal of a financial asset, the difference between the carrying amount and the sale proceeds is recognized in profit or loss. Any amount previously recognized in other comprehensive income relating to that asset is reclassified to profit or loss. Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

Trade receivables that are factored out to banks and other financial institutions with recourse to the Company are not derecognized until the recourse period has expired and the risks and rewards of the receivables have been fully transferred. The corresponding cash received from the financial institutions is recorded as borrowings.

(c) Initial measurement

Financial assets are initially recognized at fair value plus transaction costs except for financial assets at fair value through profit or loss, which are recognized at fair value. Transaction costs for financial assets at fair value through profit or loss are recognized immediately as expenses.

(d) Subsequent measurement

Available-for-sale financial assets and financial assets at fair value through profit or loss are subsequently carried at fair value. Loans and receivables and held to-maturity financial assets are subsequently carried at amortized cost using the effective interest method. Changes in the fair values of financial assets at fair value through profit or loss including the effects of currency translation, interest and dividends, are recognized in profit or loss when the changes arise. Interest and dividend income on available-for-sale financial assets are recognized separately in income.

2. Summary of significant accounting policies (continued)

2.5 Financial assets (continued)

(e) Subsequent measurement (continued)

Changes in the fair values of available-for-sale debt securities (i.e. monetary items) denominated in foreign currencies are analyzed into currency translation differences on the amortized cost of the securities and other changes; the currency translation differences are recognized in profit or loss and the other changes are recognized in other comprehensive income and accumulated in the fair value reserve. Changes in the fair values of available-for-sale equity securities (i.e. non-monetary items) are recognized in other comprehensive income and accumulated in the fair value reserve, together with the related currency translation differences.

(f) Impairment

The Company assesses at each statement of financial position date whether there is objective evidence that a financial asset or a group of financial assets is impaired and recognizes an allowance for impairment when such evidence exists

(i) Loans and receivables/Held-to-maturity financial assets

Significant financial difficulties of the debtor, probability that the debtor will enter bankruptcy and default or significant delay in payments are objective evidence that these financial assets are impaired. The carrying amount of these assets is reduced through the use of an impairment allowance account which is calculated as the difference between the carrying amount and the present value of estimated future cash flows, discounted at the original effective interest rate. When the asset becomes uncollectible, it is written off against the allowance account. Subsequent recoveries of amounts previously written off are recognized against the same line item in profit or loss.

(g) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount reported in the statement of financial position when there is a legally enforceable right to offset and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously.

2.6 Financial liabilities

Financial liabilities include trade payables, other amounts payable and interest-bearing loans. Financial liabilities are recognized on the Statement of Financial Position when, and only when, the Company becomes a party to the contractual provisions of the financial instrument. Financial liabilities are initially recognized at fair value of consideration received less directly attributable transaction costs and subsequently measured at amortized cost using the effective interest rate method. Gains and losses are recognized in the income and expenditures statement when the liabilities are derecognized as well as through the amortization process. The liabilities are derecognized when the obligation under the liability is discharges or cancelled or expired.

2.7 Financial guarantees

Financial guarantees are initially recognized at their fair values plus transaction costs in the Company's statement of financial position. Financial guarantees are subsequently amortized to profit or loss over the period of the subsidiaries' borrowings, unless it is probable that the Company will reimburse the banks for an amount higher than the unamortized amount. In this case, the financial guarantees shall be carried at the expected amount payable to the banks in the Company's statement of financial position.

2. Summary of significant accounting policies (continued)

2.8 Impairment of non- financial assets

The carrying amounts of the Company's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. An impairment loss is recognized in the income and expenditure statement if the carrying amount of an asset or its cash generating unit exceeds its revocable amount. A cash-generating unit is the smallest identifiable asset group that generates cash flows that largely are independent from other assets and groups. The recoverable amount of an asset or cash-generating unit is the higher of its fair value less costs to sell and its value in use. In assessing the value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

Impairment losses recognized in prior years are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the revocable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation, if no impairment loss has been recognized. Reversal of impairment loss is recorded in income and expenditure statement. After such a reversal, the depreciation charge is adjusted in future periods to allocate the asset's revised carrying amount, less any residual value, on a systematic basis over its remaining useful life.

2.9 Borrowings

Borrowings are presented as current liabilities unless the Company has an unconditional right to defer settlement for at least 12 months after the statement of financial position date, in which case they are presented as non-current liabilities.

(a) Borrowings

Borrowings are initially recognized at fair value (net of transaction costs) and subsequently carried at amortized cost. Any difference between the proceeds (net of transaction costs) and the redemption value is recognized in profit or loss over the period of the borrowings using the effective interest method.

(b) Redeemable preference shares

Preference shares which are mandatorily redeemable on a specific date are classified as liabilities. The dividends on these preference shares are recognized as finance expenses.

2.10 Leases

(a) When the Company is the lessee:

(i) Lessee – Finance leases

Leases where the Company assumes substantially all risks and rewards incidental to ownership of the leased assets are classified as finance leases. The leased assets and the corresponding lease liabilities (net of finance charges) under finance leases are recognized on the statement of financial position as plant and equipment and borrowings respectively, at the inception of the leases based on the lower of the fair value of the leased assets and the present value of the minimum lease payments. Each lease payment is apportioned between the finance expense and the reduction of the outstanding lease liability. The finance expense is recognized in profit or loss on a basis that reflects a constant periodic rate of interest on the finance lease liability.

2. Summary of significant accounting policies (continued)

2.11 Leases (continued)

(a) When the Company is the lessee (continued):

(ii) Lessee – Operating leases

Leases where substantially all risks and rewards incidental to ownership are retained by the lessors are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessors) are recognized in profit or loss on a straight-line basis over the period of the lease. Contingent rents are recognized as an expense in profit or loss when incurred.

(b) When the Company is the lessor:

(i) Lessor – Finance leases

Leases where the Company has transferred substantially all risks and rewards incidental to ownership of the leased assets to the lessees, are classified as finance leases. The leased asset is derecognized and the present value of the lease receivable (net of initial direct costs for negotiating and arranging the lease) is recognized on the statement of financial position and included in "trade and other receivables". The difference between the gross receivable and the present value of the lease receivable is recognized as unearned finance income.

Each lease payment received is applied against the gross investment in the finance lease receivable to reduce both the principal and the unearned finance income. The finance income is recognized in profit or loss on a basis that reflects a constant periodic rate of return on the net investment in the finance lease receivable. Initial direct costs incurred by the Company in negotiating and arranging finance leases are added to finance lease receivables and recognized as an expense in profit or loss over the lease term on the same basis as the lease income.

(ii) Lessor – Operating leases

Leases of investment properties where the Company retains substantially all risks and rewards incidental to ownership are classified as operating leases. Rental income from operating leases (net of any incentives given to the lessees) is recognized in profit or loss on a straight-line basis over the lease term. Initial direct costs incurred by the Company in negotiating and arranging operating leases are added to the carrying amount of the leased assets and recognized as an expense in profit or loss over the lease term on the same basis as the lease income. Contingent rents are recognized as income in profit or loss when earned.

2.12 Income taxes

Income tax for the year comprises current and deferred tax. Income tax is recognized in the income and expenditure statement except to the extent that it related to its items recognized directly in equity, in which case it is recognized in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the Statement of Financial Position date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognized, using the Statement of Financial Position method, providing for all temporary differences at the Statement of Financial Position date between the tax bases of assets and liabilities and their carrying amount in the financial statements. Deferred tax is not recognized for the initial recognition of assets or liabilities that affect neither accounting nor taxable profit.

2. Summary of significant accounting policies (continued)

2.12 Income taxes (continued)

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the tax rates and tax laws that have been enacted or substantively enacted by the Statement of Financial Position date. A deferred tax asset is recognized to the extent that it is probable that future taxable profit will be available against which temporary differences can be utilized. Deferred tax assets are reviewed at each Statement of Financial Position date and are reduced to the extent that it is no longer probable that the related tax benefit will be realized.

2.13 Employee Compensation

Employee benefits are recognized as an expense, unless the cost qualifies to be capitalized as an asset.

(a) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which the Company pays fixed contributions into separate entities such as the Central Provident Fund on a mandatory, contractual or voluntary basis. The Company has no further payment obligations once the contributions have been paid.

(b) Termination benefits

Termination benefits are those benefits which are payable when employment is terminated before the normal retirement date, or whenever an employee accepts voluntary redundancy in exchange for these benefits. The Company recognizes termination benefits when it is demonstrably committed to either: terminating the employment of current employees according to a detailed formal plan without possibility of withdrawal; or providing termination benefits as a result of an offer made to encourage voluntary redundancy. Benefits falling due more than 12 months after statement of financial position date are discounted to present value.

2.14 Provisions

Provisions are recognised when the Company has a present obligation as a result of a past event, which is probable of resulting in a future outflow of economic benefits that can be measured reliably.

2.15 Currency Translation

(a) Functional and presentation currency

Items included in the financial statements of each entity in the Company are measured using the currency of the primary economic environment in which the entity operates ("functional currency"). The financial statements are presented in THAI BAHT, which is the functional currency of the Company.

(b) Transactions and balances

Transactions in a currency other than the functional currency ("foreign currency") are translated into the functional currency using the exchange rates at the dates of the transactions.

Currency translation differences resulting from the settlement of such transactions and from the translation of monetary assets and liabilities denominated in foreign currencies at the closing rates at the statement of financial position date are recognized in profit or loss.

However, currency translation differences arising from borrowings in foreign currencies and other currency instruments designated and qualifying as net investment hedges and net investment in foreign operations are recognized in other comprehensive income and accumulated in the currency translation reserve.

2. Summary of significant accounting policies (continued)

2.14 Currency Translation (continued)

(b) Transactions and balances (continued)

When a foreign operation is disposed of or any loan forming part of the net investment of the foreign operation is repaid, a proportionate share of the accumulated currency translation differences is reclassified to profit or loss, as part of the gain or loss on disposal. Foreign exchange gains and losses that relate to borrowings are presented in the income statement within "finance expense". All other foreign exchange gains and losses impacting profit or loss are presented in the income statement within "other losses – net". Non-monetary items measured at fair values in foreign currencies are translated using the exchange rates at the date when the fair values are determined.

2.15 Related Parties

Parties are considered to be related if one party has the ability to control the other party or exercise significant influence over the other party in making financial and operating decisions.

2.16 Cash and cash equivalents

For the purpose of presentation in the statement of cash flows, cash and cash equivalents include cash on hand, deposits with financial institutions which are subject to an insignificant risk of change in value, net of bank overdrafts. Bank overdrafts are presented as current borrowings on the statement of financial position.

2.17 Trade and other receivables

Trade receivables and other receivables are classified and accounted for as loans and receivables under *FRS 39 Financial Instruments: Recognition and Measurement (FRS 39)*. They are recognized initially at fair value and subsequently measured at amortized cost using the effective interest method, less allowance for impairment. An allowance for impairment of trade and other receivables is established when there is evidence that the Company will not able to collect all amounts due to according to the original terms of the receivables. The amount of the allowance is recognized in the income and expenditure statement.

2.18 Trade and other payables

Trade and other payables represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. They are classified as current liabilities if payment is due within one year or less (or in the normal operating cycle of the business if longer). Otherwise, they are presented as non-current liabilities. Trade and other payables are initially recognized at fair value, and subsequently carried at amortized cost using the effective interest method.

2.19 Investment Property

Investment properties include those portions of office buildings that are held for long term rental yields and/or for capital appreciation and land under operating leases that is held for long-term capital appreciation or for a currently indeterminate use. Investment properties include properties that are being constructed or developed for future use as investment properties. Investment properties are initially recognized at cost and subsequently carried at fair value, determined annually by independent professional valuers on the highest and best use basis. Changes in fair values are recognized in profit or loss. The cost of major renovations and improvements is capitalized and the carrying amounts of the replaced components are recognized in profit or loss. The cost of maintenance, repairs and minor improvements is recognized in profit or loss when incurred. On disposal of an investment property, the difference between the disposal proceeds and the carrying amount is recognized in profit or loss.

2. Summary of significant accounting policies (continued)

2.20 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new equity instruments are taken to equity as a deduction, net of tax, from the proceeds.

3. Share Capital **Unit : BAHT**

	Issued and paid-up share capital	
	No. of ordinary shares	Amount
As at 31st MARCH 2017		
Beginning of the financial year		
Shares issued	40,000	4,000,000
End of the financial year	40,000	4,000,000
As at 31st MARCH 2016		
Beginning of the financial year		
Shares issued	40,000	4,000,000
End of the financial year	40,000	4,000,000

All issued ordinary shares are fully paid. There is no par value for these ordinary shares. Fully paid ordinary shares carry one vote per share and a right to receive dividends as and when declared by the Company. The Company is not exposed to any externally imposed capital requirements and there are no restrictions to issue shares.

4. Investment in Subsidiary

Unit : BAHT

	Holding (%)		Amount	
	31 Mar 17	31 Mar 16	31 Mar 17	31 Mar 16
Greenlam Holding Co.,Ltd.	50.00%	50.00%	500,000.00	500,000.00
Total			500,000.00	500,000.00
Less Allowance for decrease value of investments			-	-
Investment in Subsidiaries - net			500,000.00	500,000.00

5. Trade and Other Receivables

	2017	2016
	BHAT	BHAT
Trade	78,561,247.91	93,674,039.03
Prepaid Expense	2,422,372.06	1,213,917.18
Prepaid Insurance	-	277,500.67
Advance to Staff	16.60	-
Advance to Vendor	2,289,422.91	872,114.68
Other Receivables	948,167.26	123,632.15
Total	**84,221,226.74**	**96,161,203.74**

Other Receivables approximate its fair value as on the statement of financial position date and is denominated in Baht.

The credit term allowed to debtors ranges from 30 to 180 days and all the dues outstanding are within 180 days range.

6. Cash and cash equivalents

	2017 BAHT	2016 BAHT
Cash in hand	24,118.53	88,280.25
Cash at bank	3,658,004.79	1,651,074.98
Cash & cash equivalents per statement of cash flows	**3,682,123.32**	**1,739,355,23**

7. Inventory

	2017 BAHT	2016 BAHT
Consists of:		
Supplement Material	-	291,350.66

8. Other Current Assets :

	2017 BAHT	2016 BAHT
AR The Revenue Department	922,959.40	837,240.27
Undue Input VAT	59.258.50	6,789.74
Others	172,740.24	172,740.24
Total	**1,154,958.14**	**1,016,779.25**

9. Trade and Other Payables

	2017 BAHT	2016 BAHT
Trade Account Payable	72,115,013.76	84,116,893.91
Accrued Accounting fee	-	96,300.00
Accrued Expense Social Security fund	50,752.00	46,450.00
Accrued Expense Bonus	3,498,070.00	3,771,651.00
Accrued Sales Allowance	603,000.00	297,532.86
Accrued Sales Incentive	457,000.00	402,000.00
Accrued Other Expense	874,407.34	915,172.48
Total	**77,598,543.10**	**89,646,000.25**

Other payables approximate its fair value as at Statement of Financial Position date, and are denominated in Baht.

GREENLAM ASIA PACIFIC (THAILAND) COMPANY LIMITED

NOTES TO THE FINANCIAL STATEMENTS
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2017

10. Property, Plant and Equipment

		Movement		Unit : BAHT
	As at	Increase	Decrease	As at
	31 Mar 16			31 Mar 17
Cost Price				
Furniture & Fixture	705,929.98	-	-	705,929.98
Office Equipment	869,415.04		-	869,415.04
Computers & Accessories	658,114.52	112,307.24	-	770,421.76
Total Cost Price	2,213,459.54	112,307.24	-	2,345,766.78
Less: Accumulated Depreciation				
Furniture & Fixture	(652,528.20)	(37,462.60)	-	652,528.20)
Office Equipment	(787,131.75)	(29,430.05)	-	(787,131.75)
Computers & Accessories	(485,416.09)	(78,507.56)	-	(485,416.09)
Total Accumulated Depreciation	(1,925,076.04)	(145,400.21)	-	(2.070,476.25)
Property, Plant and Equipment	308,383.50			275,290.53

- Assets Depreciation for the year ended at March 31, 2017 : Baht 145,400.21
- Assets Depreciation for the year ended at March 31, 2016 : Baht 225,578.78

11. Intangible Asset

consist of :-

Unit : BAHT

	As at 31 Mar 15	Movement Increase	Movement Decrease	As at 31 Mar 16
Cost Price	380,500.00	39,000.00	-	419,500.00
deducted				
Accumulated Amortization	(380,500.00)	(2,713.97)	-	(383,213.97)
Intangible assets-net		36,286.03	-	36,286.03

- Assets Amortization for the year ended at March 31, 2017 :BHAT 2,713.97
- Assets Amortization for the year ended at March 31, 2016 : BHAT 22,268.90

12. Expenses

The income from operations is arrived at after charging following *major* expenses:

	2017 BAHT	2016 BAHT
Selling Expense		
Sales Promotion Expense	11,411,846.79	13,630,529.81
Promotion Entertainment Expenses	1,042,606.85	1,262,883.38
Sales Incentive	4,579,240.00	4,823,000.00
Administration Expenses		
Employee Expenses	31,778,213.15	34,007,555.99
Depreciation	148,114.18	247,847.68
Purchase and purchase expense	326,128,051.59	372,262,180.59
Travelling & Conveyance Expenses	3,523,121.25	4,042,595.08
Rental	1,458,000.00	1,419,000.00
Electricity Water and Telephone	1,220,386.13	1,266,806.66
Professional Fee	3.490,684.56	2,590,186.72
Management Fee	-	2.104,200.00
Other Expenses	2,514,023.55	4,482,465.69
	387,294,288.05	442,139,251.60

13. Taxation

The above tax computation is subject to approval of Thai Tax Authority.

14. Deferred Taxation

There are neither any movements nor any balance in this account as at statement of financial position date.

15. Significant Related Party Transactions

During the financial year, there were the following significant transactions with related parties: -

Immediate holding company	2017 BAHT	2016 BAHT
Greenlam Holding Company., Ltd.		
Non-trade Payables	-	-
Non-trade Receivables	1,525,942.14	123,632.14
Greenlam Asia Pacific Pte Ltd		
Trade Payable	72,115,013.70	84,116,893.66
Purchase	326,665,530.50	381,753,798.22
Key management personnel compensation	9,316,950.00	8,873,250.00

16. Contingencies & Commitments

16.1 Contingent liabilities

The Company's contingent liabilities that, of which the probability of settlement is not remote at the statement of financial position date, are none.

16.2 Capital commitments

Capital expenditures contracted for at the statement of financial position date but not recognized in the financial statements, are none.

17. Critical accounting estimates, assumptions and judgments (continued)

Critical judgments in applying the entity's accounting policies

The Company makes critical judgments concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The critical judgments that have known significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are none.

18. Immediate & Ultimate Holding company

The immediate holding is **Greenlam Holding Company Limited** and ultimate holding company is **Greenlam Industries Limited.**

19. Authorization of the financial statements

These financial statements were authorized for issue in accordance with a resolution of the Board of Directors of Greenlam Asia Pacific (Thailand) Company Limited on 26th April,2017