

**Birla Carbon (Thailand)
Public Company Limited (formerly “Thai
Carbon Black Public Company Limited”)
and its Subsidiary**

Interim financial statements
for the three-month and six-month periods ended
30 September 2018

and

Independent auditor’s report on
review of interim financial information

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of Birla Carbon (Thailand) Public Company Limited (formerly “Thai Carbon Black Public Company Limited”)

I have reviewed the accompanying consolidated and separate statements of financial position of Birla Carbon (Thailand) Public Company Limited and its subsidiary, and of Birla Carbon (Thailand) Public Company Limited, respectively, as at 30 September 2018; the consolidated and separate statements of income and comprehensive income for the three-month and six-month periods ended 30 September 2018, the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 September 2018; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

(Orawan Chunhakitpaisan)
Certified Public Accountant
Registration No. 6105

KPMG Phoomchai Audit Ltd.
Bangkok
12 November 2018

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of financial position

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Assets		30 September	31 March	30 September	31 March
		2018	2018	2018	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		2,219,914	381,348	2,219,845	381,185
Short-term deposits at financial institution	4	644,728	645,700	644,728	645,700
Trade accounts receivable	3, 5	1,126,342	1,168,633	1,126,342	1,168,633
Other receivables	3	122,977	61,039	122,814	60,909
Inventories	6	1,783,245	1,102,321	1,783,245	1,102,321
Total current assets		5,897,206	3,359,041	5,896,974	3,358,748
<i>Non-current assets</i>					
Investments in associates	7	4,756,996	4,599,195	770,364	770,364
Investments in subsidiary	8	-	-	-	-
Other long-term investments	9	239,081	1,596,481	239,081	1,596,481
Long-term loan to related party	3	5,574,995	5,371,081	5,574,995	5,371,081
Long-term interest receivables	3	1,983,710	1,701,256	1,983,710	1,701,256
Property, plant and equipment	10	1,256,100	1,318,808	1,256,100	1,318,808
Intangible assets		13,377	15,809	13,377	15,809
Deferred tax assets		88,494	83,503	91,065	86,074
Advance for purchase of machinery and equipment		56,246	-	56,246	-
Other non-current assets		2,454	2,473	2,454	2,473
Total non-current assets		13,971,453	14,688,606	9,987,392	10,862,346
Total assets		19,868,659	18,047,647	15,884,366	14,221,094

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 March	30 September	31 March
Liabilities and equity	<i>Note</i>	2018	2018	2018	2018
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Trade accounts payable	3	1,747,981	1,175,161	1,747,981	1,175,161
Other payables	3	338,868	362,228	338,611	362,106
Current tax payable		261,098	73,215	261,098	73,215
Derivatives liabilities	14	20,166	273	20,166	273
Total current liabilities		2,368,113	1,610,877	2,367,856	1,610,755
<i>Non-current liabilities</i>					
Non-current provisions for employee benefits		102,885	98,515	102,885	98,515
Total non-current liabilities		102,885	98,515	102,885	98,515
Total liabilities		2,470,998	1,709,392	2,470,741	1,709,270
<i>Equity</i>					
Share capital:					
Authorised share capital		300,000	300,000	300,000	300,000
Issued and paid-up share capital		300,000	300,000	300,000	300,000
Share premium:					
Share premium on ordinary shares		930,000	930,000	930,000	930,000
Retained earnings					
Appropriated					
Legal reserve		30,000	30,000	30,000	30,000
Unappropriated		17,670,660	16,427,715	12,153,625	11,251,824
Other components of equity		(1,532,999)	(1,349,460)	-	-
Total equity		17,397,661	16,338,255	13,413,625	12,511,824
Total liabilities and equity		19,868,659	18,047,647	15,884,366	14,221,094

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of income (Unaudited)

		Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended		Three-month period ended	
		30 September		30 September	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Revenues					
Revenues from sales		2,096,449	1,768,724	2,096,449	1,768,724
Dividend income	3	-	48,577	-	48,577
Interest income	3	125,911	95,151	125,911	95,151
Other income		1,398	1,049	1,398	1,049
Total revenues		2,223,758	1,913,501	2,223,758	1,913,501
Expenses					
Cost of sales of goods	3	1,592,400	1,187,455	1,592,400	1,187,455
Distribution costs	3	33,555	36,624	33,555	36,624
Administrative expenses	3	93,696	95,438	93,631	95,432
Net foreign exchange loss		225,211	63,839	225,211	63,839
Finance costs	7	34,343	34,343	34,343	34,343
Total expenses		1,944,869	1,417,699	1,944,804	1,417,693
Share of profit of associates					
Associates		128,906	268,138	-	-
Total		128,906	268,138	-	-
Profit before income tax expense		407,795	763,940	278,954	495,808
Tax expense		41,123	77,412	41,123	77,412
Profit for the period		366,672	686,528	237,831	418,396
Basic earnings per share (in Baht)		1.22	2.29	0.79	1.39

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended		Three-month period ended	
	30 September		30 September	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Profit for the period	366,672	686,528	237,831	418,396
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	(48,415)	(49,334)	-	-
Total items that will be reclassified subsequently to profit or loss	(48,415)	(49,334)	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Share of other comprehensive income of associates, net of tax	308	-	-	-
Loss on remeasurements of defined benefit plans	-	(6,274)	-	-
Income tax relating to items that will not be reclassified to profit or loss	-	1,255	-	-
Total items that will not be reclassified subsequently to profit or loss	308	(5,019)	-	-
Other comprehensive income (expense) for the period, net of tax	(48,107)	(54,353)	-	-
Total comprehensive income for the period	318,565	632,175	237,831	418,396

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
Revenues					
Revenues from sales		4,111,673	3,588,042	4,111,673	3,588,042
Dividend income	3, 7	47,292	48,577	72,783	74,068
Interest income	3	246,779	192,130	246,779	192,130
Net foreign exchange gain		343,168	-	343,168	-
Other income		2,450	1,943	2,450	1,943
Total revenues		4,751,362	3,830,692	4,776,853	3,856,183
Expenses					
Cost of sales of goods	3, 6	3,055,917	2,413,284	3,055,917	2,413,284
Distribution costs	3	71,539	73,553	71,539	73,553
Administrative expenses	3	191,657	191,481	191,469	191,244
Net foreign exchange loss		-	96,437	-	96,437
Finance costs		20	71,141	20	71,141
Total expenses		3,319,133	2,845,896	3,318,945	2,845,659
Share of profit of associates					
Associates	3, 7	365,374	542,350	-	-
Total		365,374	542,350	-	-
Profit before income tax expense		1,797,603	1,527,146	1,457,908	1,010,524
Tax expense	12	256,107	160,385	256,107	160,385
Profit for the period		1,541,496	1,366,761	1,201,801	850,139
Basic earnings per share (in Baht)		5.14	4.56	4.01	2.83

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 September		30 September	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Profit for the period	1,541,496	1,366,761	1,201,801	850,139
Other comprehensive income				
<i>Items that will be reclassified subsequently to profit or loss</i>				
Exchange differences on translating foreign operations	(183,539)	(13,170)	-	-
Share of other comprehensive income of associates, net of tax	-	(497)	-	-
Total items that will be reclassified subsequently to profit or loss	(183,539)	(13,667)	-	-
<i>Items that will not be reclassified subsequently to profit or loss</i>				
Share of other comprehensive income of associates, net of tax	1,449	-	-	-
Loss on remeasurements of defined benefit plans	-	(11,099)	-	(4,825)
Income tax relating to items that will not be reclassified to profit or loss	-	2,220	-	965
Total items that will not be reclassified subsequently to profit or loss	1,449	(8,879)	-	(3,860)
Other comprehensive income (expense) for the period, net of tax	(182,090)	(22,546)	-	(3,860)
Total comprehensive income for the period	1,359,406	1,344,215	1,201,801	846,279

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of changes in equity (Unaudited)

		Consolidated financial statements							
		Retained earnings			Other components of equity				
		Issued and paid share capital	Share premium	Legal reserve	Unappropriated operations	Translating foreign operations	Share of other comprehensive income of associates	Total other components of equity	Total equity
<i>Note</i>									
<i>(in thousand Baht)</i>									
Six-month period ended 30 September 2017									
Balance at 1 April 2017		300,000	930,000	30,000	14,392,257	(1,299,549)	497	(1,299,052)	14,353,205
Transactions with owners, recorded directly in equity									
Dividend to owners of the Company		-	-	-	(240,000)	-	-	-	(240,000)
Total transactions with owners, recorded directly in equity		-	-	-	(240,000)	-	-	-	(240,000)
Comprehensive income for the period									
Profit		-	-	-	1,366,761	-	-	-	1,366,761
Other comprehensive income		-	-	-	(8,879)	(13,170)	(497)	(13,667)	(22,546)
Total comprehensive income for the period		-	-	-	1,357,882	(13,170)	(497)	(13,667)	1,344,215
Balance at 30 September 2017		300,000	930,000	30,000	15,510,139	(1,312,719)	-	(1,312,719)	15,457,420

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of changes in equity (Unaudited)

		Consolidated financial statements						
		Retained earnings			Other components of equity			
Note	Issued and paid share capital	Share premium	Legal reserve	Unappropriated	Translating foreign operations	Share of other comprehensive income of associates	Total other components of equity	Total equity
<i>(in thousand Baht)</i>								
	300,000	930,000	30,000	16,427,715	(1,351,682)	2,222	(1,349,460)	16,338,255
Six-month period ended 30 September 2018								
Balance at 1 April 2018								
Transactions with owners, recorded directly in equity								
	-	-	-	(300,000)	-	-	-	(300,000)
Dividend to owners of the Company								
Total transactions with owners, recorded directly in equity								
	-	-	-	(300,000)	-	-	-	(300,000)
Comprehensive income for the period								
	-	-	-	1,541,496	-	-	-	1,541,496
	-	-	-	1,449	(183,539)	-	(183,539)	(182,090)
Total comprehensive income for the period								
	-	-	-	1,542,945	(183,539)	-	(183,539)	1,359,406
Balance at 30 September 2018								
	300,000	930,000	30,000	17,670,660	(1,535,221)	2,222	(1,532,999)	17,397,661

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of changes in equity (Unaudited)

	Note	Issued and paid share capital	Share premium	Retained earnings			Total equity
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Six-month period ended 30 September 2017							
Balance at 1 April 2017		300,000	930,000	30,000	10,223,984		11,483,984
Transactions with owners, recorded directly in equity							
Dividend to owners of the Company	13	-	-	-	(240,000)		(240,000)
Total transactions with owners, recorded directly in equity		-	-	-	(240,000)		(240,000)
Comprehensive income for the period							
Profit		-	-	-	850,139		850,139
Other comprehensive income		-	-	-	(3,860)		(3,860)
Total comprehensive income for the period		-	-	-	846,279		846,279
Balance at 30 September 2017		300,000	930,000	30,000	10,830,263		12,090,263

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of changes in equity (Unaudited)

	Separate financial statements					Total equity
	Issued and paid	Share premium	Legal reserve	Unappropriated	Retained earnings	
	<i>(in thousand Baht)</i>					
Six-month period ended 30 September 2018						
Balance at 1 April 2018	300,000	930,000	30,000	11,251,824	12,511,824	
Transactions with owners, recorded directly in equity						
Dividend to owners of the Company	-	-	-	(300,000)	(300,000)	
Total transactions with owners, recorded directly in equity	-	-	-	(300,000)	(300,000)	
Comprehensive income for the period						
Profit	-	-	-	1,201,801	1,201,801	
Total comprehensive income for the period	-	-	-	1,201,801	1,201,801	
Balance at 30 September 2018	300,000	930,000	30,000	12,153,625 ⁽¹⁾	13,413,625	

(1) To comply with the requirements of Foreign Business Act license, an amount of Baht 510 million is required to be maintained as a minimum amount of unappropriated retained earnings

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of cash flows (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended		Six-month period ended	
		30 September		30 September	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<i>Cash flows from operating activities</i>					
Profit for the period		1,541,496	1,366,761	1,201,801	850,139
<i>Adjustments to reconcile profit to cash receipts</i>					
Depreciation and amortisation		107,922	93,020	107,922	93,020
Losses on (reversal of) inventories devaluation	6	1,767	(2,340)	1,767	(2,340)
Dividend income	3, 7	(47,292)	(48,577)	(72,783)	(74,068)
Interest income		(246,779)	(192,130)	(246,779)	(192,130)
Finance costs		20	56,278	20	56,278
Amortisation of deferred transaction cost		-	14,863	-	14,863
Unrealised (gain) loss on exchange rate		(293,691)	116,829	(293,682)	116,829
Unrealised loss (gain) on derivatives		19,893	(78,405)	19,893	(78,405)
Gain on disposal of property, plant and equipment		-	(584)	-	(584)
Share of profit of associates, net of tax	3, 7	(365,374)	(542,350)	-	-
Provision for employee benefits		5,022	5,305	5,022	5,305
Tax expense		256,107	160,385	256,107	160,385
		<u>979,091</u>	<u>949,055</u>	<u>979,288</u>	<u>949,292</u>
<i>Changes in operating assets and liabilities</i>					
Trade accounts receivable		38,723	(312,466)	38,723	(312,466)
Other receivables		(46,018)	66,108	(45,986)	66,147
Inventories		(682,691)	(614,236)	(682,691)	(614,236)
Other non-current assets		18	500	18	500
Trade accounts payable		580,784	213,110	580,784	213,110
Other payables		(16,476)	87,730	(16,611)	87,306
Net cash generated from operating		<u>853,431</u>	<u>389,801</u>	<u>853,525</u>	<u>389,653</u>
Employee benefit paid		(652)	(508)	(652)	(508)
Tax paid		(73,891)	(112,789)	(73,891)	(112,789)
Net cash from operating activities		<u>778,888</u>	<u>276,504</u>	<u>778,982</u>	<u>276,356</u>

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

Birla Carbon (Thailand) Public Company Limited
(formerly "Thai Carbon Black Public Company Limited") and its Subsidiary
Statement of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Six-month period ended		Six-month period ended	
	30 September		30 September	
<i>Note</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Decrease in short-term deposits at financial institutions	-	2,283,000	-	2,283,000
Proceeds from redemption of other long-term investments	1,357,400	-	1,357,400	-
Interest received	12,810	27,902	12,810	27,902
Dividends received	72,783	74,068	72,783	74,068
Purchase of property, plant and equipment	(49,675)	(22,922)	(49,675)	(22,922)
Advance for purchase of machinery and equipment	(56,246)	-	(56,246)	-
Proceeds from sale of property, plant and equipment	10	666	10	666
Net cash from investing activities	<u>1,337,082</u>	<u>2,362,714</u>	<u>1,337,082</u>	<u>2,362,714</u>
<i>Cash flows from financing activities</i>				
Interest paid	(20)	(56,794)	(20)	(56,794)
Dividend paid	13 (300,000)	(240,000)	(300,000)	(240,000)
Repayment of borrowing	-	(93,935)	-	(93,935)
Net cash used in financing activities	<u>(300,020)</u>	<u>(390,729)</u>	<u>(300,020)</u>	<u>(390,729)</u>
Net increase in cash and cash equivalents, before effect of exchange rates	1,815,950	2,248,489	1,816,044	2,248,341
Effect of exchange rate changes on cash and cash equivalents	22,616	-	22,616	-
Net increase in cash and cash equivalents	<u>1,838,566</u>	<u>2,248,489</u>	<u>1,838,660</u>	<u>2,248,341</u>
Cash and cash equivalents at 1 April	381,348	495,381	381,185	495,348
Cash and cash equivalents at 30 September	<u>2,219,914</u>	<u>2,743,870</u>	<u>2,219,845</u>	<u>2,743,689</u>
<i>Non-cash transactions</i>				
Payables for purchases of machinery and equipment	49,830	46,458	49,830	46,458
Accrued dividend	6,420	5,356	6,420	5,356

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

Birla Carbon (Thailand) Public Company Limited
(formerly “Thai Carbon Black Public Company Limited”) and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2018 (Unaudited)

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**Birla Carbon (Thailand) Public Company Limited
(formerly “Thai Carbon Black Company Limited”) and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2018 (Unaudited)**

These notes form an integral part of the financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Company’s authorised Directors on 12 November 2018.

1 General information

Birla Carbon (Thailand) Public Company Limited (formerly “Thai Carbon Black Public Company Limited”), “the Company”, is incorporated in Thailand and has its registered office and factory as follow:

Head office : 888/122 and 128, Mahatun Plaza Building, 16th Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok, 10330.

Factory : 44 Moo 1, Ayuthaya-Angthong Highway, Posa, Muang, Angthong, 14000.

At the annual general meeting of the shareholders of the Company held on 24 July 2018, the shareholders approved the change of the Company’s name, Company’s seal and Company’s symbol from “Thai Carbon Black Public Company Limited” to “Birla Carbon (Thailand) Public Company Limited”. The change of the Company’s name was registered with Ministry of Commerce on 31 July 2018 and Stock Exchange of Thailand on 6 August 2018.

The Company was listed on the Stock Exchange of Thailand in 1990.

The major shareholders of the Company during the financial period were SKI Carbon Black (Mauritius) Limited (32.24%), Thai Rayon Public Company Limited (24.98%), and Asian Opps I Limited (15.99%).

The principal activities of the Group are the manufacture and sale of carbon black. Details of the Company’s subsidiary and associates as at 30 September 2018 and 31 March 2018 are given in notes 7 and 8.

**Birla Carbon (Thailand) Public Company Limited
(formerly “Thai Carbon Black Company Limited”) and its Subsidiary
Notes to the interim financial statements
For the three-month and six-month periods ended 30 September 2018 (Unaudited)**

2 Basis of preparation of the financial statements

(a) Statement of compliance

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP); and applicable rules and regulations of the Thai Securities and Exchange Commission.

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

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 March 2018 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018.

In addition to the above revised TFRS, the FAP has issued a number of other new TFRS which become effective for annual financial reporting periods beginning on or after 1 January of the following years.

TFRS	Topic	Effective
TFRS 7*	Financial Instruments: Disclosures	2020
TFRS 9*	Financial Instruments	2020
TFRS 15	Revenue from Contracts with Customers	2019
TAS 32*	Financial Instruments: Presentation	2020
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation	2020
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments	2020

* TFRS - Financial instruments standards

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TFRS 15 Revenue from Contracts with Customers

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

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

TFRS - Financial instruments standards

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

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

(b) Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Company’s functional currency.

(c) Use of judgments and estimates

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

In preparing these interim financial statements, the significant judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 March 2018.

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Measurement of fair values

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

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

Significant valuation issues are reported to the Group’s Audit Committee.

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

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

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

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in note 14 - *financial instruments*.

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3 Related parties

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

Relationships with subsidiary and associates are described in note 7 and 8. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation / nationality	Nature of relationships
SKI Carbon Black (Mauritius) Limited	Mauritius	Major shareholder of the Company, 10% or more shareholding.
Thai Rayon Public Company Limited	Thailand	Major shareholder of the Company, 10% or more shareholding.
Asian Opps I Limited	Hong Kong	Major shareholder of the Company, 10% or more shareholding.
Thai Acrylic Fiber Co., Ltd.	Thailand	The Company has 10% or more shareholding, common directors.
Alexandria Fiber Co., S.A.E.	Egypt	The Company has 10% or more shareholding, common directors.
Birla Carbon India Private Limited	India	Same ultimate parent company
Birla Carbon U.S.A., Inc.	U.S.A	Same ultimate parent company
Birla Carbon Egypt S.A.E.	Egypt	Same ultimate parent company
Aditya Birla Sciences Co., Ltd.	India	Same ultimate parent company
Birla Carbon Europe GmbH	German	Same ultimate parent company
Birla Carbon Korea Co., Ltd.	South Korea	Same ultimate parent company
Birla Carbon Brasil Ltda.	Brazil	Same ultimate parent company

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Name of entities	Country of incorporation / nationality	Nature of relationships
Columbian International Chemicals Corporation	Georgia	Same ultimate parent company
Birla Carbon Italy S.R.L.	Italy	Same ultimate parent company
Swiss Singapore Overseas Enterprises Pte. Ltd.	Singapore	Same ultimate parent company
Aditya Birla Management Corporation Pvt. Ltd.	India	Same ultimate parent company
Birla Carbon Spain, S.L.U.	Spain	Same ultimate parent company
Birla Carbon China (Jining) Co., Ltd.	China	Same ultimate parent company
Key management personnel	Indian/Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

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

Transactions	Pricing policies
Purchase of goods	With reference to market price
Interest income	LIBOR+3.5% per annum
Dividend	According to the declaration
Cost reduction from sales of electricity and steam generated from manufacturing process	With reference to market price
Expenses charged to/by related parties	Actual price
Royalty expense	4.5% of net sale less actual cost of feedstock and selling expenses
Rental expenses	By mutual agreement

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

	Consolidated		Separate	
	financial statements		financial statements	
<i>Three-month period ended 30 September</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associates				
Interest income	112,505	86,331	112,505	86,331
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	<u>7,609</u>	<u>9,637</u>	<u>7,609</u>	<u>9,637</u>
Total key management personnel compensation	<u>7,609</u>	<u>9,637</u>	<u>7,609</u>	<u>9,637</u>
Directors’ remuneration	<u>848</u>	<u>808</u>	<u>848</u>	<u>808</u>
Other related parties				
Dividend income	-	11,387	-	11,387
Cost reduction from sales of electricity and steam generated from manufacturing process				
	78,404	84,115	78,404	84,115
Expenses charged to related parties	16,128	32,446	16,128	32,446
Purchase of goods	1,072,119	320,397	1,072,119	320,397
Expenses charged by related parties	2,599	12,734	2,599	12,734
Royalty expense	26,381	16,900	26,381	16,900
Rental expenses	810	810	810	810

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	Consolidated		Separate	
	financial statements		financial statements	
<i>Six-month period ended 30 September</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associates				
Interest income	218,727	173,235	218,727	173,235
Dividend income	-	-	25,491	25,491
Key management personnel				
Key management personnel compensation				
Short-term employee benefit	<u>15,656</u>	<u>19,126</u>	<u>15,656</u>	<u>19,126</u>
Total key management personnel compensation	<u>15,656</u>	<u>19,126</u>	<u>15,656</u>	<u>19,126</u>
Directors’ remuneration	<u>1,731</u>	<u>1,666</u>	<u>1,731</u>	<u>1,666</u>
Other related parties				
Dividend income	-	11,387	-	11,387
Cost reduction from sales of electricity and steam generated from manufacturing process	157,237	160,032	157,237	160,032
Expenses charged to related parties	47,958	46,562	47,958	46,562
Purchase of goods	1,239,231	550,539	1,239,231	550,539
Expenses charged by related parties	15,902	23,530	15,902	23,530
Royalty expense	51,585	35,705	51,585	35,705
Rental expenses	1,620	1,620	1,620	1,620

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Significant agreements with related parties

As at 30 September 2018, the Group had the following significant agreements with related parties.

Intercompany services agreement

In April 2016, the Company entered into an intercompany services agreement with a related party, in which such related party agreed to provide certain management services including but not limited to executive support, finance, operation, human resources, sales and marketing, general administrative and project services support. Service fees will be mutually agreed.

Royalty agreement

In April 2018, the Company entered into a royalty agreement with a related party, in which such related party agreed to support the Company with research and development program for new carbon black grades and improved carbon black production process by allowing the Company to use technical information and patent rights. The Company has agreed to pay royalty fee at the rate of 4.5% (31 March 2018: 3%) of net sale less actual cost of feedstock and selling expenses. The term of this agreement is for 3 years being effective on the agreement date.

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

<i>Trade accounts receivable - related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2018	31 March 2018	30 September 2018	31 March 2018
	<i>(in thousand Baht)</i>			
Other related party	<u>54,824</u>	<u>56,783</u>	<u>54,824</u>	<u>56,783</u>
Total	<u>54,824</u>	<u>56,783</u>	<u>54,824</u>	<u>56,783</u>

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<i>Other receivables - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2018	2018	2018	2018
	<i>(in thousand Baht)</i>			
Other related parties	1,929	2,092	1,929	2,092
Total	1,929	2,092	1,929	2,092

<i>Interest receivables - related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2018	2018	2018	2018
	<i>(in thousand Baht)</i>			
Associate	1,983,710	1,701,256	1,983,710	1,701,256
Total	1,983,710	1,701,256	1,983,710	1,701,256

<i>Long-term loan to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2018	2018	2018	2018
	<i>(in thousand Baht)</i>			
Associate	5,574,995	5,371,081	5,574,995	5,371,081
Total	5,574,995	5,371,081	5,574,995	5,371,081

Movements during the six-month periods ended 30 September of long-term loan to related party were as follows:

<i>Long-term loan to related party</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<i>Associate</i>				
At 1 April	5,371,081	5,911,495	5,371,081	5,928,832
Unrealised gain (loss) on exchange	203,914	(186,533)	203,914	(186,533)
Share of net profit of an associate	-	17,337	-	-
At 30 September	5,574,995	5,742,299	5,574,995	5,742,299

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Loan agreement

In 2011, the Company entered into a loan agreement with an associate in which the Company has lent a loan for an amount of USD 173 million, with an interest rate at LIBOR+3.5% per annum. This loan was scheduled to be repaid in July 2016. On 5 July 2016, the Company entered into an amendment agreement to extend the repayment date to July 2021 without changing any other conditions. The interest shall be compounded at the end of the respective interest period and payable along with the final repayment of the loan.

<i>Trade accounts payable - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2018	2018	2018	2018
	<i>(in thousand Baht)</i>			
Other related parties	<u>1,047,535</u>	<u>834,947</u>	<u>1,047,535</u>	<u>834,947</u>
Total	<u>1,047,535</u>	<u>834,947</u>	<u>1,047,535</u>	<u>834,947</u>

<i>Other payables - related parties</i>	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 March	30 September	31 March
	2018	2018	2018	2018
	<i>(in thousand Baht)</i>			
Other related parties	<u>135,722</u>	<u>144,718</u>	<u>135,722</u>	<u>144,718</u>
Total	<u>135,722</u>	<u>144,718</u>	<u>135,722</u>	<u>144,718</u>

4 Short-term deposits at financial institution

As at 30 September 2018, the Company had short-term deposits at an oversea financial institution, amounting to Baht 645 million (*31 March 2018: Baht 646 million*), which was bearing interest at the rate of 2.41% per annum (*31 March 2018: 2.41% per annum*) and matured in December 2018.

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5 Trade accounts receivable

	Consolidated and separate financial statements	
	30 September	31 March
	2018	2018
	<i>(in thousand Baht)</i>	
Related party	3 54,824	56,783
Other parties	<u>1,071,518</u>	<u>1,111,850</u>
Total	1,126,342	1,168,633
<i>Less allowance for doubtful accounts</i>	<u>-</u>	<u>-</u>
Net	<u>1,126,342</u>	<u>1,168,633</u>
	2018	2017
	<i>(in thousand Baht)</i>	
Bad and doubtful debts expense for the six-month period ended 30 September	<u>-</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated and separate financial statements	
	30 September	31 March
	2018	2018
	<i>(in thousand Baht)</i>	
Related party		
Within credit terms	<u>54,824</u>	<u>56,783</u>
	54,824	56,783
<i>Less allowance for doubtful accounts</i>	<u>-</u>	<u>-</u>
	<u>54,824</u>	<u>56,783</u>

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	Consolidated and separate financial statements	
	30 September 2018	31 March 2018
Other parties		
Within credit terms	1,060,120	1,056,886
Overdue:		
Less than 3 months	<u>11,398</u>	<u>54,964</u>
	1,071,518	1,111,850
<i>Less</i> allowance for doubtful accounts	<u>-</u>	<u>-</u>
	1,071,518	1,111,850
Net	<u>1,126,342</u>	<u>1,168,633</u>

The normal credit term granted by the Group ranges from 15 days to 120 days.

6 Inventories

	Consolidated and separate financial statements	
	30 September 2018	31 March 2018
	<i>(in thousand Baht)</i>	
Finished goods	396,267	413,934
Raw materials	1,160,105	539,064
Factory supplies and spare parts	115,091	142,148
Goods in transit	<u>155,717</u>	<u>49,343</u>
	1,827,180	1,144,489
<i>Less</i> allowance for inventories deterioration	<u>(43,935)</u>	<u>(42,168)</u>
Net	<u>1,783,245</u>	<u>1,102,321</u>

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<i>Six-month period ended 30 September</i>	Consolidated and separate	
	financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
Inventories recognised as an expense in ‘cost of sales of goods’:		
- Cost	3,054,150	2,415,624
- Write-down to net realisable value (reversal of)	<u>1,767</u>	<u>(2,340)</u>
Total	<u>3,055,917</u>	<u>2,413,284</u>

7 Investments in associates

<i>Six-month period ended 30 September</i>	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Associates				
At 1 April	4,599,195	3,669,641	770,364	770,364
Share of net profits of associates	365,374	525,013	-	-
Share of other comprehensive income, net of tax	619	(5,019)	-	-
Dividend income	(25,491)	(25,491)	-	-
Currency translation differences	<u>(182,701)</u>	<u>(13,670)</u>	<u>-</u>	<u>-</u>
At 30 September	<u>4,756,996</u>	<u>4,150,474</u>	<u>770,364</u>	<u>770,364</u>

During the six-month period ended 30 September 2018, there were no acquisitions and disposals of investments in associates.

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Investments in associates as at 30 September 2018 and 31 March 2018, and dividend income from those investments for the six-month periods ended 30 September were as follows:

		Consolidated financial statements						Dividend income for the six-month period ended	
		Ownership interest		Paid-up capital		Cost		Equity	
Country of incorporation		30 September 2018	31 March 2018	30 September 2018	31 March 2018	30 September 2018	31 March 2018	30 September 2018	30 September 2017
Type of business		(in thousand Baht)							
		(%)							
Associates									
P.T. Indo Liberty	Textiles	40.00	40.00	515,664	515,664	196,948	196,948	326,753	300,763
Textiles	manufacturing								-
Aditya Birla Chemicals	Chemical								
(Thailand) Limited	manufacturing	29.99	29.99	1,700,000	1,700,000	509,820	509,820	3,891,035	3,737,457
Indigo Carbon	Investment								25,491
(Mauritius) Limited	holding	20.59	20.59	308,870	308,870	63,596	63,596	539,208	560,975
Total				770,364	770,364	4,756,996	4,756,996	25,491	25,491

None of the Group’s associates are publicly listed and consequently do not have published price quotations.

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As at 30 September 2018, investment in Indigold Carbon (Mauritius) Limited (“Indigold”) includes a long-term loan for a notional amount of USD 173 million, equivalent to Baht 5,575 million (31 March 2018: USD 173 million, equivalent to Baht 5,371 million), and interest receivables of USD 62 million, equivalent to Baht 1,984 million (31 March 2018: USD 55 million, equivalent to Baht 1,701 million).

For the six-month period ended 30 September 2018, the Group’s share in total comprehensive income of Indigold amounted to a loss of Baht 22 million (30 September 2017: a gain of Baht 299 million). Starting from the quarter that ended 30 September 2014, the Group’s share in accumulated total comprehensive loss of Indigold exceeded the carrying amount of the investment in shares. Since that quarter, the excess loss is adjusted to the loan investment in Indigold. Future reversals of losses are firstly be applied to the loan investment to the extent that such loss is previously applied against this loan investment and subsequently recognised in the investment in shares. In the separate financial statements of the Company, the investment in Indigold, in equity interest and loan receivable, is carried at cost.

During the year ended 31 March 2018, the excess loss previously adjusted to the loan investment in Indigold was fully reversed due to gain position in share of total cumulative comprehensive income. Therefore, the share of profits had been recognised in the investment in shares of Indigold.

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	Separate financial statements						Dividend income for the six-month period ended					
	Ownership interest		Paid-up capital		Cost			Impairment		At cost - net		
	30 September 2018	31 March 2018	30 September 2018	31 March 2018	30 September 2018	31 March 2018		30 September 2018	31 March 2018	30 September 2018	31 March 2018	
	(in thousand Baht)											
Associates												
P.T. Indo Liberty Textiles	40.00	40.00	515,664	515,664	196,948	196,948	-	-	196,948	196,948	-	-
Aditya Birla Chemicals (Thailand) Limited	29.99	29.99	1,700,000	1,700,000	509,820	509,820	-	-	509,820	509,820	25,491	25,491
Indigold Carbon (Mauritius) Limited	20.59	20.59	308,870	308,870	63,596	63,596	-	-	63,596	63,596	-	-
Total			770,364	770,364	770,364	770,364	-	-	770,364	770,364	25,491	25,491

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8 Investments in subsidiary

Investments in subsidiary as at 30 September 2018 and 31 March 2018 and dividend income from the subsidiary for the six-month period ended 30 September were as follows:

Name of subsidiary	Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for the six-month period ended
		September 2018	31 March 2018	September 2018	30 September 2018	September 2018	30 September 2018	September 2018	31 March 2018	September 2018	30 September 2018	
		(%)										
<i>(in thousand Baht)</i>												
Direct subsidiary												
Birla Carbon Mexico, Carbon												
S.A. DE C.V. Manufacturing		98	98	12,854	12,854	12,854	12,854	(12,854)	(12,854)	-	-	-
Total				12,854	12,854	12,854	12,854	(12,854)	(12,854)	-	-	-

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9 Other long-term investments

	Consolidated and separate	
	financial statements	
	30 September	31 March
	2018	2018
	<i>(in thousand Baht)</i>	
Long-term deposits at a financial institution	15,877	15,877
Other non-marketable equity securities	223,204	1,580,604
Total	239,081	1,596,481

Long-term deposits at a financial institution

As at 30 September 2018, the Company had long-term deposits at a local financial institution, amounting to Baht 16 million (31 March 2018: Baht 16 million), which was bearing interest at the rate of 1.25% per annum (31 March 2018: 1.25% per annum) and matured in March 2020.

<i>Other non-marketable</i>	Consolidated		Separate	
	financial statements		financial statements	
<i>equity securities</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Cost of investments at 1 April	1,744,358	1,744,358	1,846,560	1,846,560
Redemption during the period	(1,357,400)	-	(1,357,400)	-
Allowance for impairment loss	(163,754)	(163,754)	(265,956)	(265,956)
Carrying amount of investments				
at 30 September	223,204	1,580,604	223,204	1,580,604

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Preference shares of Blue Bucks Investment Pte. Ltd. (25,000,000 shares of USD one each) and preference shares of Big Banyan Investment Pte. Ltd. (20,000,000 shares of USD one each) are non-cumulative, redeemable, non-participative and non-voting preference shares, entitling the Company to receive dividend at a rate of 2.5% per annum, in years in which dividend is declared.

During the six-month period ended 30 September 2018, the Company had redeemed preference shares of Blue Bucks Investment Pte. Ltd., amounting to Baht 758.0 million and Big Banyan Investment Pte. Ltd., amounting to Baht 599.4 million.

10 Property, plant and equipment

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

<i>Six-month period ended 30 September</i>	Consolidated and separate financial statements			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
	<i>(in thousand Baht)</i>			
Machinery and equipment	70,736	(10)	18,024	-
Vehicles	-	-	2,694	(83)
Furniture and fixtures	82	-	-	-
Assets under construction and installation	34,947	(62,973)	17,737	(14,679)
Total	105,765	(62,983)	38,455	(14,762)

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11 Segment information

Management considers that the Group operates in a single line of business, namely carbon black, and has, therefore, only one reportable segment.

12 Income tax expense

Tax expense is recognised based on management’s best estimate of the weighted average annual income tax rate expected for the full financial year applied to the pre-tax income of the interim period. The Group’s consolidated effective tax rate for the six-month periods ended 30 September 2018 and 2017 in the consolidated financial statements were 14.2% and 10.5%, respectively (*separate financial statements for the six-month periods ended 30 September 2018 and 2017: 17.6% and 15.9%, respectively*). The difference between effective tax rate and corporate income tax rate was caused mainly by the following factors:

- (a) portion of the Group’s profit was derived from promoted activities which are not subject to tax.
- (b) of the different treatment for accounting and taxation purposes of certain items of income/expense, in particular, dividend income and unrealised loss on derivatives.

13 Dividends

At the annual general meeting of the shareholders of the Company held on 24 July 2018, the shareholders approved the appropriation of dividends of Baht 1.00 per share, amounting to Baht 300 million. The dividend was paid to shareholders in August 2018.

At the annual general meeting of the shareholders of the Company held on 19 July 2017, the shareholders approved the appropriation of dividends of Baht 0.80 per share, amounting to Baht 240 million. The dividend was paid to shareholders in August 2017.

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14 Financial instruments

Carrying amounts and fair values

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

	Consolidated and separate financial statements	
	Carrying amount	Fair value Level 2
	<i>(in thousand Baht)</i>	
30 September 2018		
Financial liabilities measured at fair value		
Derivatives liabilities	20,166	20,166
31 March 2018		
Financial liabilities measured at fair value		
Derivatives liabilities	273	273

Measurement of fair values

The fair values for simple over-the-counter derivative financial instruments are based on broker quotes. Fair values reflect the credit risk of the instrument and include adjustments to take account of the credit risk of the Group entity and counterparty when appropriate.

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15 Commitments and contingent liabilities with non-related parties

	Consolidated and separate	
	financial statements	
	30 September	31 March
	2018	2018
	<i>(in thousand Baht)</i>	
<i>Capital commitments</i>		
Machinery and equipment	18,541	8,972
Total	18,541	8,972
<i>Non-cancellable operating lease commitments</i>		
Within one year	2,442	2,517
After one year but within five years	2,835	4,253
Total	5,277	6,770
<i>Other commitments</i>		
Bank guarantees for electricity use <i>(for own performance)</i>	13,548	12,598
Total	13,548	12,598

Operating lease agreements

The Group has various operating lease agreements for office, office equipment and vehicle rental. The period of agreements is variable from 1 - 4 years.

Bank guarantee

As at 30 September 2018, the Company had outstanding bank guarantees issued by the bank for electricity use amounting to Baht 14 million *(31 March 2018: Baht 13 million)*.

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16 Reclassification of accounts

Certain accounts in the 31 March 2018 financial statements have been reclassified to conform to the presentation in the three-month and six-month period ended 30 September 2018 financial statements as follows:

	Before reclassification	31 March 2018 Reclassification <i>(in thousand Baht)</i>	After reclassification
<i>Consolidated statements of financial position</i>			
Other receivables	13,538	47,501	61,039
Other current assets	47,501	<u>(47,501)</u>	-
		<u>-</u>	
<i>Separate statements of financial position</i>			
Other receivables	13,538	47,371	60,909
Other current assets	47,371	<u>(47,371)</u>	-
		<u>-</u>	

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