

BEAUTY COMMUNITY PUBLIC COMPANY LIMITED
NOTES TO INTERIM FINANCIAL STATEMENTS
FOR THE NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018
(UNAUDITED / REVIEWED ONLY)

1. GENERAL INFORMATION

Beauty Community Public Company Limited (“the Company”) was registered as a juristic person, classified as limited company in Thailand on October 19, 2000 and converted to be a public company limited on July 31, 2012. The Company registered as a listed company in the Stock Exchange of Thailand on December 12, 2012. The registered address is located at 10/915, Soi Nuanchan 34, Nuanchan, Bungkum, Bangkok.

The principle business of the Company is to retail of cosmetics.

Names of major shareholders as at August 28, 2018, the last closing date of share transferring suspension register are as follows:

	Percentage of shareholding (based on paid-up capital)
Mr. Suwin Kraiphubet	15.10
Thai NVDR Company Limited	7.04
Mrs. Tanyapon Kraibhubes	6.12
STATE STREET BANK EUROPE LIMITED	3.80

2. BASIS OF INTERIM FINANCIAL STATEMENTS PREPARATION

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

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2017. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and subsidiaries for the year ended December 31, 2017.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

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

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Issued and revised financial reporting standards adoption during the periods

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

3.2 Financial reporting standards that will become effective in the future

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers and a set of Financial Instruments which effective for the financial statements for the period beginning on or after January 1, 2019 and 2020. The Company are has not applied theses financial reporting standards in the preparation of interim financial statements before effective date.

- 3.2.1 TFRS 15 Revenue from Contracts with Customers establishes for the entity to use in accounting for revenue arising from contracts with customers, the core principle is that the entity should recognize revenue to depict the transfer of promised goods or services to the customers in an amount that reflects the consideration to which the entity expects to be entitled. This standard introduces a five-step model to revenue recognition and requires the exercise of judgment for taking into consideration of the principle in each step of model applying. TFRS 15 supersedes TAS 11 (Revised 2017) Construction Contracts and TAS 18 (Revised 2017) Revenue, and the related interpretations.

- 3.2.2 The set of Thai Financial Reporting Standards relating to Financial Instruments, which comprise five issues of accounting standards and interpretations as below:

Thai Financial Reporting Standards

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Accounting Standards

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards Interpretations

TFRIC 16 Hedges of a Net Investments in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

The above set of Thai Financial Reporting Standards (TFRSs) sets out the requirements for the classification and measurement of financial instrument at the fair value or amortized cost by considering from the type of instruments, contractual cash flow characteristics and the entity's business model, including the impairment methodology by using the expected credit loss, and the general hedge accounting, as well as the presentation and disclosures of financial instrument. When this set of TFRSs are effective, as a result, some currently effective accounting standards, interpretations and guidance will be cancelled.

- 3.2.3 At present, the Management of the Company is being assessed the impacts of those financial reporting standards which will be effective in the future on the financial statements.

4. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

These interim financial statements have been prepared by using the accounting policy and estimates of the financial statements for the year ended December 31, 2017.

5. CASH AND CASH EQUIVALENTS

(Unit: Baht)

	September 30, 2018	December 31, 2017
Cash	6,468,413.85	4,273,552.50
Current accounts	13,434,907.82	112,726,670.58
Savings deposit	581,180,590.63	338,001,052.88
Fixed deposits	-	50,000,000.00
Cheque for deposit	11,262,609.01	-
Unbilled credit card slip	10,836,136.21	855,336.88
Total	<u>623,182,657.52</u>	<u>505,856,612.84</u>

6. CURRENT INVESTMENTS

The Company has current investments consisted of : -

(Unit: Baht)

	<u>At interest rate per annum</u>		September 30, 2018	December 31, 2017
	September 30, 2018	December 31, 2017		
Fixed deposits	1.50	1.35 - 1.55	60,000,000.00	700,000,000.00
Domestic private				
debt security	1.30	1.70	<u>40,000,000.00</u>	<u>100,000,000.00</u>
Total			<u>100,000,000.00</u>	<u>800,000,000.00</u>

7. TRADE AND OTHER CURRENT RECEIVABLES

(Unit: Baht)

	September 30, 2018	December 31, 2017
Trade accounts receivable		
Related parties	-	1,030,398.97
Other parties		
Franchise receivable	742,103.33	904,996.87
Employees receivable	321,538.49	259,253.41
Other parties receivable	35,014,393.31	25,711,090.50
Sale with consignment agreement receivables	51,576,910.91	64,011,682.25
Total other parties receivable	<u>87,654,946.04</u>	<u>90,887,023.03</u>
Total trade accounts receivable	87,654,946.04	91,917,422.00
Less Allowance for doubtful accounts	<u>(702,807.75)</u>	<u>(574,731.49)</u>
Trade accounts receivable - net	<u>86,952,138.29</u>	<u>91,342,690.51</u>
Other current receivables		
Prepaid expenses	12,027,622.69	34,324,055.92
Accrued interest	1,289,778.91	3,001,286.84
Advance payment	678,500.00	869,918.00
Undue input tax	4,142,813.44	10,700,374.41
Prepaid value added tax	5,028,214.79	4,916,820.31
Others	1,497,503.06	495,315.69
Total other current receivables	<u>24,664,432.89</u>	<u>54,307,771.17</u>
Total trade and other current receivables	<u><u>111,616,571.18</u></u>	<u><u>145,650,461.68</u></u>

The Company has outstanding trade accounts receivable classified by aging as follows:

	<i>(Unit: Baht)</i>	
	September 30, 2018	December 31, 2017
Trade accounts receivable due in term	81,635,854.12	87,504,562.69
Overdue trade accounts receivable		
- Less than 3 months	5,398,035.70	4,040,075.82
- Over 3 months but less than 1 year	407,105.34	372,783.49
- Over than 1 year but less than 2 year	213,950.88	-
Total trade accounts receivable	<u>87,654,946.04</u>	<u>91,917,422.00</u>

8. INVENTORIES

	<i>(Unit: Baht)</i>	
	September 30, 2018	December 31, 2017
Finished goods	394,938,694.61	306,709,144.26
Packaging	68,304,355.66	61,942,466.98
Work in process	16,899,088.18	43,514,133.56
Supplies	5,323,142.27	4,471,285.74
Total	<u>485,465,280.72</u>	<u>416,637,030.54</u>
Less Allowance for devaluation of inventories	<u>(8,597,917.07)</u>	<u>(6,901,632.49)</u>
Net	<u>476,867,363.65</u>	<u>409,735,398.05</u>

9. OTHER LONG-TERM INVESTMENTS

The Company has other long-term investments in the form of fixed deposits with fourteen month maturity at a local financial institution amount of Baht 50 million at the interest rate of 1.60% per annum.

10. PROPERTY, PLANT AND EQUIPMENT

Movements for the nine-month periods ended September 30, 2018, are summarized as follows:

	<i>(Unit : Baht)</i>
Net book value as at January 1, 2018	288,565,795.71
Acquisition during the period	30,210,324.00
Disposal	(823,667.98)
Adjustment	(1,289,065.86)
Depreciation for the period	<u>(43,498,421.36)</u>
Net book value as at September 30, 2018	<u>273,164,964.51</u>

Part of buildings at net book value amount of Baht 93.97 million are constructed on land leased from director as stated in note 17.3.

Depreciation for the nine-month periods ended September 30, 2018 and 2017 amounted to Baht 43.50 million and Baht 43.40 million respectively.

As at September 30, 2018 and December 31, 2017, the Company has fixed assets at cost amount of Baht 121.91 million and Baht 104.35 million respectively which have been fully depreciated but are still in use.

11. LEASEHOLD RIGHTS

Movement for the nine-month periods ended September 30, 2018, are summarized as follows:

	<i>(Unit: Baht)</i>
Net book value as at January 1, 2018	6,113,950.07
Amortization for the period	<u>(887,218.56)</u>
Net book value as at September 30, 2018	<u>5,226,731.51</u>

Amortization of leasehold right for the nine-month periods ended September 30, 2018 and 2017 amounted to Baht 0.89 million and Baht 0.91 million respectively.

12. OTHER INTANGIBLE ASSETS

Movements for the nine-month periods ended September 30, 2018, are as follows:

	<i>(Unit: Baht)</i>
Net book value as at January 1, 2018	20,960,259.37
Acquisition during the period	3,859,216.66
Amortization for the period	(1,850,650.75)
Adjustment	<u>(1,125,000.00)</u>
Net book value as at September 30, 2018	<u>21,843,825.28</u>

Amortization of other intangible assets for the nine-month periods ended September 30, 2018 and 2017 amounted to Baht 1.85 million and Baht 1.01 million respectively.

13. DEFERRED TAX ASSETS

	<i>(Unit :Baht)</i>	
	September 30, 2018	December 31, 2017
Deferred tax assets	13,176,079.34	10,723,227.55
Deferred tax liabilities	<u>-</u>	<u>-</u>
Net	<u>13,176,079.34</u>	<u>10,723,227.55</u>

Movements of deferred tax assets and liabilities incurred during the period are as follows:

	<i>(Unit :Baht)</i>			
	As at	Credit (charged) to		As at
	January 1, 2018	Profit or loss	Other Comprehensive income	September 30, 2018
	<u> </u>	<u> </u>	<u> </u>	<u> </u>
Deferred tax assets				
Allowance for devaluation of goods	1,380,326.49	339,256.92	-	1,719,583.41
Allowance for devaluation of assets	985,026.00	-	-	985,026.00
Employee benefit obligations	1,866,574.80	435,118.60	838,955.60	3,140,649.00
Deferred income for reward points	5,281,974.21	838,670.68	-	6,120,644.89
Dismantling provisions	60,979.91	25,435.88	-	86,415.79
Accrued expenses	1,148,346.14	(24,585.89)	-	1,123,760.25
Total	<u>10,723,227.55</u>	<u>1,613,896.19</u>	<u>838,955.60</u>	<u>13,176,079.34</u>

Tax expense for the nine-month periods ended September 30, 2018 and 2017 can be summarized as follows:

	<i>(Unit :Baht)</i>	
	2018	2017
<i>Current tax:</i>		
Income tax for the periods	210,074,403.86	212,091,428.29
<i>Deferred tax :</i>		
Deferred tax (income) derived from temporary differences and reversal of temporary differences presented in statement of comprehensive income	<u>(1,613,896.19)</u>	<u>(10,294,776.31)</u>
Tax expense in statements of comprehensive income	<u>208,460,507.67</u>	<u>201,796,651.98</u>
Tax (income) related to actuarial gains directly recorded to other comprehensive income	<u>(838,955.60)</u>	<u>-</u>
Total	<u><u>(838,955.60)</u></u>	<u><u>-</u></u>

Reconciliation amount between income tax expenses and multiplication of accounting profits and tax rates used for the nine-month periods ended September 30, 2018 and 2017 are presented as follows:

	<i>(Unit :Baht)</i>	
	2018	2017
Accounting profit before income tax	1,076,212,561.82	1,022,829,740.62
Income tax rates	20%	20%
Accounting profit before income tax multiply by tax rates	215,242,512.36	204,565,948.12
<i>Taxable effects for :</i>		
Accounting base differ from tax base different from expenses (income)	<u>(6,782,004.69)</u>	<u>(2,769,296.14)</u>
Total	<u><u>(6,782,004.69)</u></u>	<u><u>(2,769,296.14)</u></u>
Tax expense presented in statements of comprehensive income	208,460,507.67	201,796,651.98
Effective income tax rate	19.37%	19.73%

14. OTHER NON-CURRENT ASSETS

	<i>(Unit: Baht)</i>	
	September 30, 2018	December 31, 2017
Rental and services deposit	98,382,766.55	95,150,108.22
Others	3,001,727.98	2,738,527.12
Total	<u>101,384,494.53</u>	<u>97,888,635.34</u>

15. TRADE AND OTHER CURRENT PAYABLES

	<i>(Unit: Baht)</i>	
	September 30, 2018	December 31, 2017
Trade accounts payable		
Related parties	-	2,060,000.00
Other parties	218,847,385.34	188,970,759.05
Total trade accounts payable	<u>218,847,385.34</u>	<u>191,030,759.05</u>
Other current payables		
Accrued expenses	95,304,627.00	165,077,136.42
Revenue Department payable	63,119,364.65	22,256,242.69
Assets payables	6,891,508.05	19,896,807.61
Amount received advance for goods	15,779,966.69	2,594,566.89
Deferred income for reward points	30,603,224.43	26,409,871.08
Others	6,739,011.60	6,651,977.33
Total other current payables	<u>218,437,702.42</u>	<u>242,886,602.02</u>
Total trade and other current payables	<u>437,285,087.76</u>	<u>433,917,361.07</u>

16. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements for the nine-month periods ended September 30, 2018 are as follows:

	<i>(Unit: Baht)</i>
Balance as at January 1, 2018	9,332,873.99
Current costs of services and interest	2,175,592.99
Actuarial loss recognized in other comprehensive income during the periods	<u>4,194,778.01</u>
Balance as at September 30, 2018	<u>15,703,244.99</u>

Long-term employee benefit expenses for the nine-month periods ended September 30, 2018 and 2017 recognized in comprehensive income are as follows :

	<i>(Unit: Baht)</i>	
	2018	2017
Distribution costs	663,876.49	94,795.11
Administrative expenses	1,511,716.50	1,073,448.36
Total	<u>2,175,592.99</u>	<u>1,168,243.47</u>

Actuarial (gains) and losses recognized in other comprehensive income arising from:

	<i>(Unit : Baht)</i>
	2018
Financial assumptions	241,092.00
Demographic assumptions	3,093,078.00
Experience adjustment	860,608.01
Total	<u>4,194,778.01</u>

17. TRANSACTION WITH RELATED PERSONS AND PARTIES

The Company had transaction with related persons and parties. These transactions are related in the normal course of business and on the basis of the Company and related persons or parties concerned.

Relationship between the Company with related persons and parties can be summarized as follows:

<u>Related parties and persons name</u>	<u>Relationship</u>	<u>Related transactions</u>
<i>1. Persons consist of:-</i>		
Mrs. Tanyapon Kraibhubes	Shareholder and director	Land with its construction rental, land rental, obligations under land lease agreement
Mr. Praty Levan	Shareholder and director (Resigned from director on November 10, 2017)	Sale of goods (franchise), purchase of goods

<u>Related parties and persons name</u>	<u>Relationship</u>	<u>Related transactions</u>
2. <i>Body of persons consist of:-</i>		
C&N International Ordinary Partnership	Shareholder and director (Mr. Praty Levan)	Sale of goods (franchise)
Bevita International Co., Ltd.	Director's relative (Mrs. Rukchanok Chiangtong is near relative of Mr. Praty Levan)	Purchase of goods

<u>Related transactions</u>	<u>Pricing policy</u>
Revenues from sales (franchise)	Market price as applicable to other franchises
Other income	As indicated in agreement
Purchase of goods	As agreed price
Land with its construction rental	As indicated in agreement
Land rental	As indicated in agreement
Land lease agreement obligations	As indicated in agreement

17.1 Transactions between the Company with related persons and parties can be summarized as follow:

(Unit: Baht)

	For the nine-month periods ended	
	September 30, 2018	September 30, 2017
Revenues from sales		
C&N International Ordinary Partnership	-	7,295,573.31
Other income		
C&N International Ordinary Partnership	-	26,378.66
Purchase of goods		
Bevita International Co., Ltd.	-	14,827,102.78
Land with its construction rental		
Mrs. Tanyapon Kraibhubes	261,000.00	261,000.00
Land rental		
Mrs. Tanyapon Kraibhubes	957,219.75	957,219.75

17.2 The balance with its related persons and parties as at September 30, 2018 and December 31, 2017 are as follow:

	<i>(Unit: Baht)</i>	
	September 30, 2018	December 31, 2017
Trade accounts receivable		
C&N International Ordinary Partnership	-	1,030,398.97
Non-current assets-rental deposit		
Mrs. Tanyapon Kraibhubes	87,000.00	87,000.00
Trade accounts payable		
Bevita International Co., Ltd.	-	2,060,000.00
Accrued rental		
Mrs. Tanyapon Kraibhubes	3,389,391.75	3,161,172.00

17.3 Lease agreement obligations

17.3.1 The Company has commitment under land lease agreement dated June 11, 2013 for a period of 20 years. The rental is determined equal to the independent appraiser and according to the minutes of shareholders' general meeting for the year 2014 held on April 25, 2014, passed the resolution to amend agreement by making memorandum attached agreement by extending the lease period for another 10 years in the amount of Baht 16.44 million to total period of 30 years in the amount of Baht 38.28 million in accordance with agreement dated July 23, 2014. The lease agreement period is commenced on January 1, 2014 - December 31, 2043 (the counterparties agreed to collect rental since the completion of buildings and others construction or since January 1, 2016 whichever is earlier until the maturity of lease period). However, the Company started to record rental since January 1, 2014 onwards. The construction structured on such lease land was not transferred the ownership to the lessor, the lessee should dismantled such construction when the Company ceased the lease.

As at September 30, 2018 the Company is liable on payment the remaining rental under land lease agreement as follows:

	<i>(Unit: Baht)</i>	
Payment within		
1 year		973,215.00
Over 1 year not exceed 5 years		4,024,080.00
Over 5 years (to 30 years)		29,136,196.00
Total		34,133,491.00

17.3.2 As at September 30, 2018, the Company is liable on payment under land with its construction lease agreement for the remaining rental amount Baht 87,000.

18. PAID-UP SHARE CAPITAL / SHARE PREMIUM

Reconciliation

	Paid-up share capital		Premium on common share	Register date with the Ministry of Commerce
	Number of share (Share)	Paid-up share (Baht)	(Baht)	
As at January 1, 2018	3,002,734,585	300,273,458.50	570,726,071.12	
Increase share capital from				
exercise of warrants 1 st time	2,106,680	210,668.00	10,559,257.35	January 26, 2018
Increase share capital from				
exercise of warrants 2 nd time	1,373,690	137,369.00	7,673,485.03	July 24, 2018
Total	3,480,370	348,037.00	18,232,742.38	
As at September 30, 2018	3,006,214,955	300,621,495.50	588,958,813.50	

During the period, there is exercise of warrants to purchase ordinary shares (ESOP Warrant-1) and resulting to the increase in premium on ordinary shares total amount of Baht 18,232,742.38 (included capital adjustment from share-based payment to premium, on ordinary shares amount of Baht 1,178,929.38).

19. WARRANTS TO PURCHASE ORDINARY SHARES

As at September 30, 2018, ESOP Warrant-1 remain equal to 16,395,045 units, the last exercise period is on July 17, 2021.

Reconciliation of warrants is as follows:

	Warrants (Unit)
As at January 1, 2018	19,875,415
Decrease from exercise	(3,480,370)
As at September 30, 2018	<u>16,395,045</u>

The Company recorded expenses of the ESOP Warrant-1 for the six-month periods ended September 30, 2018 amounting to Baht 4.03 million as employee expenses and recognized “Equity-Settled Share-Based Payment” in shareholders' equity by the same amount.

20. Treasury stock

According to the minutes of Board of directors No. 4/2018 held on July 9, 2018, passed the resolution to approved the share repurchase plan for financial management purposes and the company’s excess liquidity management as detailed following:

- a) The maximum amount for the share repurchasing is not exceeding Baht 950 million.
- b) The maximum number of share repurchasing not exceed 64 million shares at par value of Baht 0.10 each or equity to 2.13% of total paid-up share capital as at March 14, 2018.
- c) The Company shall repurchase such shares on the Stock Exchange of Thailand by determining the repurchase price taking into average market price during the last 30 days prior to the date on which the Company discloses the information of shares repurchase. The repurchase price will not exceed the average closing price of 5 working days, prior to each repurchasing date plus 15% of such average closing price.
- d) The repurchase period will be started from July 24, 2018 to January 23, 2019.
- e) Period for the resale of share after 6 months from the completion date of the share repurchase and not later than 3 years from this time. The Company shall repurchase such share on the Stock Exchange of Thailand. The Company’s Board of directors will determine the period for the offering of the repurchased shares and then inform the investors accordingly.

- f) The repurchase shares are not eligible to receive dividend.

As at September 30, 2018	Treasury stock (Unit)
Number of shares (shares)	12,675,000
Average price per share (Baht)	7.845
Amount (Million Baht)	99.43

21. DIVIDEND

Dividend

According to the Annual General Meeting of shareholders for the year 2018 held on April 25, 2018, passed the resolution to pay dividend from the 2017 results of operations to the shareholders for 3,005 million shares at Baht 0.408 each, amounting to Baht 1,226 million. The Company has already paid interim dividend in 2017 at Baht 0.15 per share amounting to Baht 451 million on September 8, 2017, the remaining dividend to be paid of Baht 0.258 per share amounting to 775 million. The Company has already paid such dividend on May 18, 2018.

Interim dividend

According to the minutes of Board of directors No. 5/2018 held on August 10, 2018, passed the resolution to pay interim dividend from the results of operation for the six-month periods ended June 30, 2018 to the shareholders whose the name listed in the register as at August 29, 2018 for shares at Baht 0.162 per share amount of Baht 485 million. The Company has already paid such dividend on September 7, 2018.

22. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing profit for the periods attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the periods (net from treasury stocks held by the Company as discussed in Note 20 and diluted earnings per share for the three-month and nine-month periods ended September 30, 2018 and 2017 are as follows:

(Unit : Baht)

	For the three-month periods					
	September 30, 2018			September 30, 2017		
	Profit (Loss)	Weighted average number of common share	Earnings per share	Profit (Loss)	Weighted average number of common share	Earnings per share
Basic earnings per share	328,986,724.71	2,997,004,848	0.11	348,196,322.12	3,002,253,883	0.12
Effects of dilutive potential						
ordinary shares	-	799,844	-	-	389,005	-
Diluted earnings per share	328,986,724.71	2,997,804,692	0.11	348,196,322.12	3,002,642,888	0.12

(Unit : Baht)

	For the nine-month periods					
	September 30, 2018			September 30, 2017		
	Profit (Loss)	Weighted average number of common share	Earnings per share	Profit (Loss)	Weighted average number of common share	Earnings per share
Basic earnings per share	867,752,054.15	2,997,872,502	0.29	821,033,088.64	3,001,314,859	0.27
Effects of dilutive potential						
ordinary shares	-	1,107,542	-	-	389,005	-
Diluted earnings per share	867,752,054.15	2,998,980,044	0.29	821,033,088.64	3,001,703,864	0.27

23. FINANCIAL INFORMATION BY SEGMENT

23.1 The core operating segment information is to distribute cosmetic by retail and non-retail channel. This operating segment information is reported corresponding with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decision about the allocation of resources to the segment and assess its performance. The chief operating decision makes of the Company has been identified as the President of executive management.

Revenues from sale separated by nature of distribution channel

For the three-month periods ended September 30, 2018 and 2017 are as follows:

	<i>(Unit : Baht)</i>	
	2018	2017
Retail	684,047,042.08	700,793,496.43
Non-retail	<u>393,868,990.63</u>	<u>358,145,871.63</u>
Total	<u><u>1,077,916,032.71</u></u>	<u><u>1,058,939,368.06</u></u>

For the nine-month periods ended September 30, 2018 and 2017 are as follows:

	<i>(Unit : Baht)</i>	
	2018	2017
Retail	1,832,809,852.79	1,814,725,156.68
Non-retail	<u>980,497,029.92</u>	<u>808,135,928.55</u>
Total	<u><u>2,813,306,882.71</u></u>	<u><u>2,622,861,085.23</u></u>

23.2 For the purpose of management, the Company restructured the organization as domestic and overseas geographical segment by separating into retail and non-retail distribution. Besides, the Company has overseas income, and selling to franchise and business centre lower than 10 % of total sale volume therefore, the Company did not present financial information by segment.

24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 The Company has obligations under lease of space and services agreements of the Company's branches for the periods from 1 year to 3 years. The Company is liable on payment rental and service under agreement as at September 30, 2018 as follows:

	<i>(Unit:Baht)</i>
Payment within	
1 year	191,852,853.00
Over 1 year but less than 3 years	<u>145,428,869.00</u>
Total	<u><u>337,281,722.00</u></u>

24.2 The Company is liable on payment under capital expenditures agreement as at September 30, 2018, amount of Baht 2.36 million.

24.3 The Company is liable on payment under lease of vehicle as at September 30, 2018, amount of Baht 4.63 million.

24.4 Obligations under lease agreement with related person

24.4.1 Obligations under lease land agreement for warehouse building construction.

(Unit:Baht)

Payment within	
1 year	973,215.00
Over 1 year not exceed 5 years	4,024,080.00
Over 5 year (to 30 years)	<u>29,136,196.00</u>
Total	<u><u>34,133,491.00</u></u>

24.4.2 Obligations under lease land and with its construction agreement to be paid within one year amount of Baht 87,000.

25. CAPITAL MANAGEMENT

The objective of capital management of the Company is to appropriate properly financial structure and to preserve the ability to continue its operation as a going concern.

As at September 30, 2018, the Company has debt to equity ratio equal to 0.44 fold.

26. INTERIM FINANCIAL STATEMENTS APPROVAL

These interim financial statements were approved and authorized for issue by the Company's Board of directors on November 12, 2018.