

TSFC Securities Public Company Limited
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of TSFC Securities Public Company Limited

I have reviewed the accompanying statement of financial position of TSFC Securities Public Company Limited as at 30 September 2018, the related statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, the statements of changes in owners' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the financial statements. 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*.



Sumana Punpongsanon
Certified Public Accountant (Thailand) No. 5872

EY Office Limited
Bangkok: 19 November 2018

TSFC Securities Public Company Limited


Statement of financial position

As at 30 September 2018


(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2018</u> (Unaudited but reviewed)	<u>31 December 2017</u> (Audited)
Assets			
Cash and cash equivalents	3	1,167	5,190
Securities purchased under resale agreements	4	-	300,091
Receivables from Clearing House		-	64,526
Securities business receivables	5	3,645,901	3,406,079
Investments	7	170,340	254,394
Loans	8	437,076	297,105
Equipment	9	6,143	4,230
Intangible assets	10	3,762	5,831
Deferred tax assets		8,627	9,661
Other assets		8,419	7,358
Total assets		<u>4,281,435</u>	<u>4,354,465</u>

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

X 

(Mrs. Araya Yommana)
Director



(Miss Malaiporn Pornlert)
Assistant Vice President of
Finance and Budget Department

TSFC Securities Public Company Limited
Statement of financial position (continued)
As at 30 September 2018

(Unit: Thousand Baht)

	<u>Note</u>	<u>30 September 2018</u> (Unaudited but reviewed)	<u>31 December 2017</u> (Audited)
Liabilities and owners' equity			
Liabilities			
Borrowings from financial institutions	11	1,904,751	1,807,877
Payables to Clearing House		52,688	56,760
Securities business payables		20,769	127,333
Current tax liabilities		5,418	9,564
Debt issued and borrowings	12	541,700	638,491
Provisions for long-term employee benefits		14,050	13,686
Other liabilities		15,194	14,764
Total liabilities		2,554,570	2,668,475
Owners' equity			
Issued and paid-up share capital			
Ordinary shares	13	1,549,126	1,549,126
Retained earnings			
Appropriated - statutory reserve		21,612	21,612
Unappropriated		156,500	115,143
Other components of owners' equity	7.3	(373)	109
Total owners' equity		1,726,865	1,685,990
Total liabilities and owners' equity		4,281,435	4,354,465

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

x



(Mrs. Araya Yommana)

Director



(Miss Malaiporn Pornlert)

Assistant Vice President of
Finance and Budget Department


(Unaudited but reviewed)

TSFC Securities Public Company Limited
Statement of comprehensive income
For the three-month period ended 30 September 2018

		(Unit: Thousand Baht)	
	Note	2018	2017
Revenues			
Fees and service income	15	21	145
Interest on margin loans		63,310	54,530
Gains and return on financial instruments	16	4,678	5,602
Other incomes		8	44
Total revenues		<u>68,017</u>	<u>60,321</u>
Expenses			
Employee benefits expenses		15,056	13,960
Fees and service expenses		402	462
Finance costs		14,057	11,076
Bad debt and doubtful accounts (reversal)		(195)	179
Other expenses		9,824	9,813
Total expenses		<u>39,144</u>	<u>35,490</u>
Profit before income tax		<u>28,873</u>	<u>24,831</u>
Income tax expenses	18	(5,778)	(4,994)
Profit for the period		<u>23,095</u>	<u>19,837</u>
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gain (loss) on remeasuring available-for-sale investments		(336)	105
Income tax relating to items that will not be reclassified subsequently to profit or loss	18	67	(21)
Items that will be reclassified subsequently to profit or loss - net of income tax		(269)	84
Other comprehensive income for the period		<u>(269)</u>	<u>84</u>
Total comprehensive income for the period		<u>22,826</u>	<u>19,921</u>
Basic earnings per share			
Profit for the period	19	<u>0.15</u>	<u>0.13</u>

(Unit: Baht)

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

X 
(Mrs. Araya Yommana)
Director


(Miss Malaiporn Pornlert)
Assistant Vice President of
Finance and Budget Department

(Unaudited but reviewed)


TSFC Securities Public Company Limited
Statement of comprehensive income
For the nine-month period ended 30 September 2018

		(Unit: Thousand Baht)	
	Note	2018	2017
Revenues			
Fees and service income	15	208	682
Interest on margin loans		193,228	166,975
Gains and return on financial instruments	16	17,026	14,223
Other incomes		67	83
Total revenues		<u>210,529</u>	<u>181,963</u>
Expenses			
Employee benefits expenses		46,752	42,019
Fees and service expenses		1,287	1,388
Finance costs		46,087	33,291
Bad debt and doubtful accounts (reversal)	6	(2,970)	10,103
Other expenses		28,974	28,006
Total expenses		<u>120,130</u>	<u>114,807</u>
Profit before income tax		90,399	67,156
Income tax expenses	18	(18,059)	(13,515)
Profit for the period		<u>72,340</u>	<u>53,641</u>
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gain (loss) on remeasuring available-for-sale investments	7.3	(603)	154
Income tax relating to items that will not be reclassified subsequently to profit or loss	18	121	(31)
Items that will be reclassified subsequently to profit or loss - net of income tax		(482)	123
Other comprehensive income for the period		<u>(482)</u>	<u>123</u>
Total comprehensive income for the period		<u>71,858</u>	<u>53,764</u>
Basic earnings per share			
Profit for the period	19	<u>0.47</u>	<u>0.35</u>

(Unit: Baht)

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

X 
(Mrs. Araya Yommana)
Director


(Miss Malaiporn Pornlert)
Assistant Vice President of
Finance and Budget Department

(Unaudited but reviewed)

TSFC Securities Public Company Limited
Statement of changes in owners' equity
For the nine-month period ended 30 September 2018

	Note	Issued and paid-up share capital	Retained earnings	Other components of owner's equity	Total
			Appropriated	Gain (loss) on remeasuring available-for-sale investments	owners' equity
			Unappropriated		
Balance as at 1 January 2017		1,549,126	17,934	(3)	1,634,247
<u>Change during the period</u>					
Profit for the period		-	53,641	-	53,641
Other comprehensive income for the period		-	-	123	123
Total comprehensive income for the period		-	53,641	123	53,764
Dividend paid	14	-	(23,237)	-	(23,237)
Balance as at 30 September 2017		1,549,126	17,934	120	1,664,774
Balance as at 1 January 2018		1,549,126	21,612	109	1,685,990
<u>Change during the period</u>					
Profit for the period		-	72,340	-	72,340
Other comprehensive income for the period		-	-	(482)	(482)
Total comprehensive income for the period		-	72,340	(482)	71,858
Dividend paid	14	-	(30,983)	-	(30,983)
Balance as at 30 September 2018		1,549,126	21,612	(373)	1,726,865

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

(Unaudited but reviewed)

TSFC Securities Public Company Limited

Statement of cash flows

For the nine-month period ended 30 September 2018

	(Unit: Thousand Baht)	
	<u>2018</u>	<u>2017</u>
Cash flows from operating activities		
Profit before income tax	90,399	67,156
Adjustments to reconcile profit before tax to net cash provided by (paid for) operating activities:		
Depreciation and amortisation	3,526	4,139
Bad debts and doubtful accounts (reversal)	(2,970)	10,103
Gain on securities	(43)	(45)
Gain on disposal equipment	-	(25)
Finance costs	46,087	33,291
Interest and dividend income	(16,983)	(14,178)
Interest on margin loans	(193,228)	(166,975)
Long-term employee benefits expenses	1,226	1,967
Loss from operating activities before changes in operating assets and liabilities	(71,986)	(64,567)
Decrease (increase) in operating assets		
Securities purchased under resale agreements	300,000	(100,000)
Receivables from Clearing House	64,526	24,268
Securities business receivables	(43,623)	(382,291)
Investments	(1,244)	(3,061)
Loans to financial institutions	(140,000)	(149,995)
Other assets	(1,521)	(2,599)
Increase (decrease) in operating liabilities		
Borrowings from financial institutions	96,874	1,064,877
Payables to Clearing House	(4,072)	(16,917)
Securities business payables	(106,564)	(90,277)
Short-term debt issued and borrowings	(96,791)	(182,126)
Cash paid for long-term employee benefits	(862)	-
Other liabilities	(2,947)	(3,701)
Net cash flows from (used in) operating activities	(8,210)	93,611
Cash received from interest income	13,337	10,317
Cash paid for interest expenses	(44,681)	(33,175)
Cash paid for corporate income tax	(21,052)	(13,397)
Net cash flows from (used in) operating activities	<u>(60,606)</u>	<u>57,356</u>

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

(Unaudited but reviewed)

TSFC Securities Public Company Limited

Statement of cash flows (continued)

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	<u>2018</u>	<u>2017</u>
Cash flows from investing activities		
Cash paid for purchase of available-for-sale investments	(364,920)	(997,217)
Cash received from disposal available-for-sale investments	449,915	964,370
Cash received from interest on investments	4,227	3,879
Cash paid for purchase of other investments	(257)	-
Cash paid for purchase of equipment	(835)	(342)
Cash received from disposal of equipment	-	25
Cash paid for purchase of intangible assets	(105)	(3,190)
Net cash flows from (used in) investing activities	<u>88,025</u>	<u>(32,475)</u>
Cash flows from financial activities		
Dividends paid	(30,983)	(23,237)
Cash paid for liabilities under finance lease agreement	(459)	(272)
Net cash flows used in financial activities	<u>(31,442)</u>	<u>(23,509)</u>
Net increase (decrease) in cash and cash equivalents	<u>(4,023)</u>	<u>1,372</u>
Cash and cash equivalents at beginning of period	<u>5,190</u>	<u>647</u>
Cash and cash equivalents at end of period (Note 3)	<u><u>1,167</u></u>	<u><u>2,019</u></u>

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

TSFC Securities Public Company Limited

Notes to interim financial statements

For the three-month and nine-month periods ended 30 September 2018

1. General information

1.1 Corporate information

TSFC Securities Public Company Limited (hereinafter referred to as “the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in securities business and has two business licenses to engage in granting credits to securities business and securities borrowing and lending business. Its registered address is located at No. 898, Ploenchit Tower, 10th Floor, Ploenchit Road, Lumpini, Patumwan, Bangkok.

1.2 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in owners' equity and cash flows in the same format as that used for the annual financial statements which has been made in compliance with the stipulations of the Notification of the Office of the Securities and Exchange Commission relating to the format of the financial statements of securities companies (No.2) No. Sor Thor. 22/2559 dated 2 June 2016.

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

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

1.4 New financial reporting standards

(a) Financial reporting standards that became effective in the current year

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

(b) 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, which is effective for fiscal years beginning on or after 1 January 2019 and a set of 5 standards related to financial instruments, which are effective for fiscal years beginning on or after 1 January 2020. Key principles of these standards are summarised below.

TFRS 15 Revenue from Contracts with Customers

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

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

Thai Financial Reporting Standards related to financial instruments

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

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

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

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

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

2. Significant accounting policies

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

3. Cash and cash equivalents

(Unit: Thousand Baht)

	30 September 2018	31 December 2017
Cash	30	30
Saving and current deposits	146,803	33,271
Less: Deposits for customers' account	(145,666)	(28,111)
Total cash and cash equivalents	<u>1,167</u>	<u>5,190</u>

Supplemental cash flows information

(Unit: Thousand Baht)

For the nine-month periods
ended 30 September

	2018	2017
Non-cash items		
Decrease in payable from purchases of intangible assets	-	3,050
Purchases of assets under finance lease agreements	2,430	-
Gain (loss) on remeasuring available-for-sale investments	(603)	154

4. Securities purchased under resale agreements

(Unit: Thousand Baht)

	30 September 2018	31 December 2017
Equity securities	-	300,000
Add: Accrued interest income	-	91
Total	-	300,091

5. Securities business receivables

(Unit: Thousand Baht)

	30 September 2018	31 December 2017
Customers' accounts - credit balance	3,645,737	3,405,950
Other receivables	188,952	205,262
Total	3,834,689	3,611,212
Add: Accrued interest income	194	129
Less: Allowance for doubtful accounts	(188,982)	(205,262)
Securities business receivables	3,645,901	3,406,079

- 5.1 As at 30 September 2018, the Company had discontinued recognising income from securities business receivables with total outstanding balances of approximately Baht 189.0 million (31 December 2017: Baht 196.6 million).

5.2 As at 30 September 2018 and 31 December 2017, the Company has classified securities business receivables according with the Notification of the Office of the Securities and Exchange Commission governing accounting for doubtful debts of securities companies. The Company classified securities business receivables as follows:

(Unit: Million Baht)

	30 September 2018			31 December 2017		
	Securities business receivables	Allowance for doubtful accounts set up by the Company	Net securities business receivables after allowance for doubtful accounts	Securities business receivables	Allowance for doubtful accounts set up by the Company	Net securities business receivables after allowance for doubtful accounts
Normal debt	3,646	-	3,646	3,415	(9)	3,406
Doubtful debt	189	(189)	-	196	(196)	-
Total	3,835	(189)	3,646	3,611	(205)	3,406

6. Allowance for doubtful accounts

Movements of allowance for doubtful accounts for loans to financial institutions and securities business receivables are summarised below.

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2018			For the year ended 31 December 2017		
	Normal debt	Doubtful debt	Total	Normal debt	Doubtful debt	Total
Balance - beginning of the period/year	11,698	308,446	320,144	3,622	347,128	350,750
Doubtful accounts	(8,698)	8,728	30	8,076	-	8,076
Bad debt recoverable	-	(3,000)	(3,000)	-	(94)	(94)
Bad debt write-off	-	(13,310)	(13,310)	-	(38,588)	(38,588)
Balance - end of the period/year	3,000	300,864*	303,864	11,698	308,446	320,144

* Allowance for doubtful accounts amounting to Baht 301 million comprised the following.

- Baht 263 million prior to the completion of the Company's capital restructuring on 24 July 2009
- Baht 29 million during 2010 - 2014
- No transaction in 2015 - 2017
- Baht 9 million during 2018 which transfer from normal debt

7. Investments

7.1 Cost and fair value

(Unit: Thousand Baht)

	30 September 2018		31 December 2017	
	Cost/ Amortised cost	Fair value	Cost/ Amortised cost	Fair value
	Available-for-sale securities			
Debt securities				
Government bonds	354,357	353,883	349,485	349,615
Add (less): Allowance for revaluation of securities	(474)	-	130	-
Less: Government securities for customers' account	(183,817)	(183,817)	(95,238)	(95,238)
Total debt securities	170,066	170,066	254,377	254,377
Unit trusts				
Equity fund	10	17	10	17
Add: Allowance for revaluation of securities	7	-	7	-
Total unit trusts	17	17	17	17
Total available-for-sale securities	170,083	170,083	254,394	254,394
Other investments				
Equity securities	257		-	
Total other investments	257		-	
Total investments	170,340		254,394	

7.2 Investments in debt securities classified by the remaining contracts

(Unit: Thousand Baht)

	30 September 2018				31 December 2017			
	Not over		Over		Not over		Over	
	1 year	1 - 5 years	5 years	Total	1 year	1 - 5 years	5 years	Total
Available-for-sale debt securities	259,553	94,330	-	353,883	349,615	-	-	349,615
Total	259,553	94,330	-	353,883	349,615	-	-	349,615

7.3 Gain (loss) on remeasuring available-for-sale investments

(Unit: Thousand Baht)

	For the nine-month period ended 30 September 2018	For the year ended 31 December 2017
Balance - beginning of the period/year (net of income tax)	109	(3)
Changes during the period/year		
- from revaluation (before net of income tax)	(603)	140
- income tax	121	(28)
Balance - end of the period/year	<u>(373)</u>	<u>109</u>

8. Loans

(Unit: Thousand Baht)

	30 September 2018	31 December 2017
At call	301,882	311,882
Not over 1 year	250,000	100,000
Total	551,882	411,882
Add: Accrued interest income	76	105
Less: Allowance for doubtful accounts	(114,882)	(114,882)
Total loans	<u>437,076</u>	<u>297,105</u>

Loans are unsecured loans.

As at 30 September 2018, the Company had discontinued recognising income from 4 debtors from loans to financial institutions of approximately Baht 112 million (31 December 2017: Baht 112 million). These comprise of transactions with problem financial institutions which were ordered to discontinue their operations by the Ministry of Finance on 8 December 1997.

9. Equipment

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

(Unit: Thousand Baht)

	<u>Equipment</u>
Cost	
31 December 2017	49,990
Additions	<u>3,265</u>
30 September 2018	<u>53,255</u>
Accumulated depreciation	
31 December 2017	45,760
Depreciation for the period	<u>1,352</u>
30 September 2018	<u>47,112</u>
Net book value	
31 December 2017	<u>4,230</u>
30 September 2018	<u>6,143</u>

10. Intangible assets

(Unit: Thousand Baht)

Net book value as at 1 January 2018	5,831
Additions	105
Amortisation for the period	<u>(2,174)</u>
Net book value as at 30 September 2018	<u>3,762</u>

11. Borrowings from financial institutions

(Unit: Thousand Baht)

	30 September 2018				31 December 2017			
	Interest rate (% per annum)	Due period			Interest rate (% per annum)	Due period		
		Not over 1 year	1 - 5 years	Total		Not over 1 year	1 - 5 years	Total
Promissory notes	1.50 - 2.45	1,835,000	-	1,835,000	1.50 - 2.45	1,748,000	-	1,748,000
Bills of exchange	2.60 - 2.65	<u>69,751</u>	-	<u>69,751</u>	2.60	<u>59,877</u>	-	<u>59,877</u>
Total borrowings from financial institutions		<u>1,904,751</u>	<u>-</u>	<u>1,904,751</u>		<u>1,807,877</u>	<u>-</u>	<u>1,807,877</u>

The borrowings from financial institutions are unsecured loans.

The loan agreements contain covenants that, among other things, require the Company to maintain net capital ratios in the agreements.

12. Debt issued and borrowings

(Unit: Thousand Baht)

	30 September 2018				31 December 2017			
	Interest rate (% per annum)	Due period			Interest rate (% per annum)	Due period		
		Not over 1 year	1 - 5 years	Total		Not over 1 year	1 - 5 years	Total
Promissory notes	2.60	300,000	-	300,000	2.40 - 2.60	415,000	-	415,000
Bills of exchange	2.25	141,700	-	141,700	2.00 - 2.25	223,491	-	223,491
Debentures	2.25 - 2.50	100,000	-	100,000	-	-	-	-
Total		541,700	-	541,700		638,491	-	638,491

13. Share capital

	30 September 2018		31 December 2017	
	Number of share (Thousand shares)	Amount (Thousand Baht)	Number of share (Thousand shares)	Amount (Thousand Baht)
Registered share capital				
(Par value at Baht 10 each)	154,913	1,549,126	154,913	1,549,126
Issued and paid-up share capital				
(Par value at Baht 10 each)	154,913	1,549,126	154,913	1,549,126

14. Dividends

Dividend	Approved by	Total dividend (Thousand Baht)	Dividend per share (Baht)
Dividend for the year 2016	Annual General Meeting of the shareholders on 20 April 2017	23,237	0.15
Total for 2017		23,237	0.15
Dividend for the year 2017	Annual General Meeting of the shareholders on 20 April 2018	30,983	0.20
Total for 2018		30,983	0.20

15. Fees and services income

(Unit: Thousand Baht)

	For the three-month periods ended		For the nine-month periods ended	
	30 September		30 September	
	2018	2017	2018	2017
Securities borrowing and lending income	-	3	-	55
Front end fee income	17	142	204	627
Other income	4	-	4	-
Total	21	145	208	682

16. Gains and return on financial instruments

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
	Gains on securities	6	45	43
Interest and dividend income	4,672	5,557	16,983	14,178
Total	4,678	5,602	17,026	14,223

17. Directors and management's benefits

During the period, the Company had salaries, bonuses, meeting allowances, post-employee benefits, gratuities of its directors and management, which were as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
	Short-term employee benefits	6,678	6,105	20,236
Post-employment benefits	731	710	2,287	2,129
Total	7,409	6,815	22,523	20,577

18. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	5,418	4,767	16,906	12,819
Deferred tax:				
Relating to origination and reversal of temporary differences	360	227	1,153	696
Income tax expenses reported in the statements of comprehensive income	<u>5,778</u>	<u>4,994</u>	<u>18,059</u>	<u>13,515</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2018 and 2017 are as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September		For the nine-month periods ended 30 September	
	2018	2017	2018	2017
Deferred tax relating to loss (gain) on changes in value of available-for-sale investments	67	(21)	121	(31)

19. Earnings per share

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

20. Operating lease commitments

The Company had entered into several lease agreements in respect of the lease of area in the building, equipment, motor vehicles and service agreements. The terms of the agreements are generally between 1 year and 4 years.

Future minimum lease payments required under operating lease agreements were as follows:

	(Unit: Million Baht)	
	30 September 2018	31 December 2017
Payable:		
In up to 1 year	2.9	11.2
In over 1 and up to 4 years	0.1	0.5

21. Fair value of financial instruments

As of 30 September 2018 and 31 December 2017, the Company had the following assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Thousand Baht)			
	As at 30 September 2018			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Debt securities*	-	353,883	-	353,883
Unit trusts	-	17	-	17

* Included government securities for customers' account amounting to Baht 184 million.

	(Unit: Thousand Baht)			
	As at 31 December 2017			
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Available-for-sale investments				
Debt securities*	-	349,615	-	349,615
Unit trusts	-	17	-	17

* Included government securities for customers' account amounting to Baht 95 million.

Valuation techniques and inputs to Level 2 valuations

- a) For debts securities, their fair values are generally derived from quoted market prices or determined by using the yield curve as announced by the Thai Bond Market Association or by other relevant bodies.
- b) The fair value of unit trusts is determined from the net assets value (NAV) published by the mutual fund management companies acting as the fund managers.

During the current period, there were no transfers within the fair value level.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 19 November 2018.