

Furukawa Metal (Thailand) Public Company Limited

Condensed interim financial statements
for the three-month period ended
31 March 2020
and
Independent auditor's review report



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Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Furukawa Metal (Thailand) Public Company Limited

I have reviewed the accompanying statement of financial position of Furukawa Metal (Thailand) Public Company Limited as at 31 March 2020; the statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2020; 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".

(Songchai Wongpiriyaporn)
Certified Public Accountant
Registration No. 10996

KPMG Phoomchai Audit Ltd.
Bangkok
29 April 2020

Furukawa Metal (Thailand) Public Company Limited

Statement of financial position

Assets	Note	31 March 2020 (Unaudited)	31 December 2019 (Restated)	1 January 2019 (Restated)
<i>(in thousand Baht)</i>				
<i>Current assets</i>				
Cash and cash equivalents		19,738	14,690	7,823
Trade accounts receivable	4, 7	1,858,633	1,592,598	1,631,007
Other receivables	4	54,610	31,110	65,435
Inventories		764,995	684,650	792,202
Derivative assets	7	40,836	-	-
Total current assets		<u>2,738,812</u>	<u>2,323,048</u>	<u>2,496,467</u>
<i>Non-current assets</i>				
Property, plant and equipment		389,107	385,677	429,144
Right-of-use assets	3	10,524	11,681	5,482
Intangible assets		7,207	7,532	6,593
Deferred tax assets	3	18,504	27,658	21,789
Other non-current assets		2,441	2,441	2,374
Total non-current assets		<u>427,783</u>	<u>434,989</u>	<u>465,382</u>
Total assets		<u><u>3,166,595</u></u>	<u><u>2,758,037</u></u>	<u><u>2,961,849</u></u>

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited

Statement of financial position

		31 March	31 December	1 January
Liabilities and equity	<i>Note</i>	2020	2019	2019
		(Unaudited)	(Restated)	(Restated)
		<i>(in thousand Baht)</i>		
<i>Current liabilities</i>				
Short-term borrowings from financial institution	5	100,000	100,000	-
Trade accounts payable	4, 7	514,877	437,677	649,337
Other payables	4	86,206	32,053	44,476
Current portion of lease liabilities	3	4,253	4,334	5,143
Short-term borrowings from related party	4, 5	632,365	405,778	564,405
Income tax payable		18,297	13,580	20,126
Other current liabilities		10,343	13,809	10,769
Total current liabilities		1,366,341	1,007,231	1,294,256
<i>Non-current liabilities</i>				
Lease liabilities	3	6,896	7,882	1,690
Provisions for employee benefits		132,584	137,614	107,453
Total non-current liabilities		139,480	145,496	109,143
Total liabilities		1,505,821	1,152,727	1,403,399

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited

Statement of financial position

	31 March 2020 (Unaudited)	31 December 2019 (Restated)	1 January 2019 (Restated)
Liabilities and equity			
	<i>(in thousand Baht)</i>		
Equity			
Share capital			
Authorised share capital	480,000	480,000	480,000
Issued and paid-up share capital	480,000	480,000	480,000
Share premium :			
Share premium on ordinary shares	507,500	507,500	507,500
Retained earnings			
Appropriated			
Legal reserve	48,000	48,000	48,000
Unappropriated	610,477	569,810	522,950
Other components of equity			
Gain on cash flow hedges	14,797	-	-
Total equity	1,660,774	1,605,310	1,558,450
Total liabilities and equity	3,166,595	2,758,037	2,961,849

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited

Statement of comprehensive income (Unaudited)

	Note	Three-month period ended	
		31 March	
		2020	2019 (Restated)
<i>(in thousand Baht)</i>			
Revenues			
Revenue from sale of goods	4, 6	1,536,472	1,764,849
Other income		1,735	2,405
Total revenues		1,538,207	1,767,254
Expenses			
Cost of sale of goods	3, 4	1,406,844	1,624,660
Distribution costs	3	30,747	36,322
Administrative expenses	3, 4	30,896	30,192
Net loss on foreign exchange		16,403	4,004
Loss on copper hedging and service fee	4	23,204	4,481
Total expenses		1,508,094	1,699,659
Profit from operating activities		30,113	67,595
Finance costs	3, 4	(1,614)	(2,869)
Hedging gain for hedge of group of items with off-setting risk positions		17,579	-
Profit before income tax expense		46,078	64,726
Income tax expense	3	(9,219)	(12,950)
Profit for the period		36,859	51,776
Other comprehensive income			
<i>Items that will be reclassified subsequently to profit or loss</i>			
Gain on cash flow hedges		26,253	-
Income tax relating to items that will be reclassified		(5,251)	-
Other comprehensive income for the period, net of tax		21,002	-
Total comprehensive income for the period		57,861	51,776
Basic earnings per share (in Baht)		0.77	1.08

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited

Statement of changes in equity (Unaudited)

	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity	Total equity
				Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>							
Three-month period ended 31 March 2019		480,000	507,500	48,000	524,031	-	1,559,531
Balance at 1 January 2019 - as reported		-	-	-	(1,081)	-	(1,081)
Impact of changes in accounting policies		-	-	-	-	-	-
- adoption of TFRS 16	3	480,000	507,500	48,000	522,950	-	1,558,450
Balance at 1 January 2019 - restated		-	-	-	51,776	-	51,776
Comprehensive income for the period		-	-	-	51,776	-	51,776
Profit		-	-	-	51,776	-	51,776
Total comprehensive income for the period		-	-	-	51,776	-	51,776
Balance at 31 March 2019		480,000	507,500	48,000	574,726	-	1,610,226

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited

Statement of changes in equity (Unaudited)

	Note	Issued and paid-up share capital	Share premium	Retained earnings			Gain (loss) on cash flow hedges	Total equity
				Legal reserve	Unappropriated	Other components of equity		
Three-month period ended 31 March 2020								
Balance at 31 December 2019 - as reported		480,000	507,500	48,000	570,238	-	1,605,738	
Impact of changes in accounting policies		-	-	-	(428)	-	(428)	
- adoption of TFRS 16	3	-	-	-	-	-	-	
Balance at 31 December 2019 - as restated		480,000	507,500	48,000	569,810	-	1,605,310	
Impact of changes in accounting policies		-	-	-	3,808	(6,205)	(2,397)	
- adoption of TFRS - Financial instruments standards	3	-	-	-	-	(6,205)	(6,205)	
Balance at 1 January 2020 - restated		480,000	507,500	48,000	573,618	(6,205)	1,602,913	
Comprehensive income for the period		-	-	-	36,859	-	36,859	
Profit		-	-	-	-	21,002	21,002	
Other comprehensive income		-	-	-	-	21,002	21,002	
Total comprehensive income for the period		-	-	-	36,859	21,002	57,861	
Balance at 31 March 2020		480,000	507,500	48,000	610,477	14,797	1,660,774	

The accompanying notes form an integral part of the interim financial statements.

บริษัท พูธกาวา เมท์ทอลล์ (ไทยแลนด์) จำกัด (มหาชน)
งบกระแสเงินสด (ไม่ได้ตรวจสอบ)

สำหรับงวดสามเดือนสิ้นสุดวันที่

31 มีนาคม

2563

2562

(ปรับปรุง)

(พันบาท)

กระแสเงินสดจากกิจกรรมดำเนินงาน

กำไรสำหรับงวด	36,859	51,776
ปรับรายการที่กระทบกำไรเป็นเงินสดรับ (จ่าย)		
ค่าใช้จ่ายภาษีเงินได้	9,219	12,950
ต้นทุนทางการเงิน	1,614	2,869
ค่าเสื่อมราคาและค่าตัดจำหน่าย	17,517	18,213
ประมาณการหนี้สินสำหรับผลประโยชน์พนักงาน	2,798	4,231
ขาดทุนจากอัตราแลกเปลี่ยนที่ยังไม่เกิดขึ้นจริง	10,379	2,465
กำไรจากตราสารอนุพันธ์ที่ยังไม่เกิดขึ้นจริง	(17,579)	-
กำไรจากการจำหน่ายอุปกรณ์	-	(36)
	<u>60,807</u>	<u>92,468</u>
การเปลี่ยนแปลงในสินทรัพย์และหนี้สินดำเนินงาน		
ลูกหนี้การค้า	(260,444)	(291,161)
ลูกหนี้อื่น	(23,500)	36,577
สินค้าคงเหลือ	(80,345)	143,890
สินทรัพย์ไม่หมุนเวียนอื่น	-	(2)
เจ้าหนี้การค้า	61,230	(10,407)
เจ้าหนี้อื่น	41,633	16,634
หนี้สินหมุนเวียนอื่น	(3,466)	(5,403)
	<u>(204,085)</u>	<u>(17,404)</u>
เงินสดสุทธิใช้ไปในการดำเนินงาน	(7,828)	(4,313)
	<u>(211,913)</u>	<u>(21,717)</u>

หมายเหตุประกอบงบการเงินเป็นส่วนหนึ่งของงบการเงินระหว่างกาลนี้

Furukawa Metal (Thailand) Public Company Limited

Statement of cash flows (Unaudited)

	Three-month period ended	
	31 March	
	2020	2019
		(Restated)
	<i>(in thousand Baht)</i>	
<i>Cash flows from investing activities</i>		
Cash payments to purchase of plant and equipment	(6,872)	(9,301)
Cash receipts from sale of equipment	-	36
Net cash flows used in investing activities	<u>(6,872)</u>	<u>(9,265)</u>
 <i>Cash flows from financing activities</i>		
Interest paid	(1,688)	(3,064)
Proceeds from borrowings from financial institution	1,000,000	-
Repayments of borrowings from financial institution	(1,000,000)	-
Proceeds from borrowings from related party	1,314,686	1,039,636
Repayments of borrowings from related party	(1,088,099)	(935,970)
Payment of lease liabilities	(1,066)	(1,074)
Net cash flows from financing activities	<u>223,833</u>	<u>99,528</u>
 Net increase in cash and cash equivalents	 5,048	 68,546
Cash and cash equivalents at beginning of the period	<u>14,690</u>	<u>7,823</u>
Cash and cash equivalents at ending of the period	<u><u>19,738</u></u>	<u><u>76,369</u></u>
 <i>Non-cash transaction</i>		
Payable for fixed assets purchased	15,557	6,045

The accompanying notes form an integral part of the interim financial statements.

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

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Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

These notes form an integral part of the interim 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 Board of Directors on 29 April 2020.

1 General information

The principal activity of the Company is the manufacturing and distributing of seamless copper tube, which is an important component for air-conditioner and refrigerator equipment.

The immediate and ultimate parent company during the financial period was Furukawa Electric Co., Ltd. (42.25% shareholding), a company incorporated in Japan.

On 27 September 2019, the Company has been informed that Furukawa Electric Co., Ltd., the major shareholders of the Company has entered into a Shares Sale and Purchase Agreement with CTJ Holdings2 LLC, a Japanese Company, in respect of the sale 20,280,280 shares of the Company, representing 42.25% of total issued and paid-up shares at a price of Baht 10.20 per share or totalling approximately Baht 206.86 million. This transaction is expected to be completed by June 2020.

2 Basis of preparation of the interim financial statements

(a) Statement of compliance

The condensed interim financial statements are presented in the same format as the annual financial statements and prepared its notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements 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 for the year ended 31 December 2019.

The Company has initially applied TFRS - Financial instruments standards and TFRS 16 *Leases* and disclosed impact from changes to significant accounting policies in note 3.

In addition, the Company has not early adopted a number of new and revised TFRS, which are not yet effective for the current period in preparing these financial statements. The Company has assessed the potential initial impact on the financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Company’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2019.

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

3 Changes in accounting policies

From 1 January 2020, the Company has initially applied TFRS - Financial instruments standards and TFRS 16. Impact of changes in accounting policies on shareholders' equity are as follows:

	Note	Retained earnings (in thousand Baht)	Other components of equity
At 1 January 2019 - as reported		524,031	-
<i>Increase (decrease) due to:</i>			
Adoption of TFRS 16	B	(1,351)	-
Related tax	B	270	-
At 1 January 2019 - restated		522,950	-
At 31 December 2019 - as reported		570,238	-
<i>Increase (decrease) due to:</i>			
Adoption of TFRS - Financial instruments standards			
Hedge accounting	A(2)	4,760	(7,756)
Adoption of TFRS 16	B	(535)	-
Related tax	A, B	(845)	1,551
At 1 January 2020 - restated		573,618	(6,205)

A. TFRS - Financial instruments standards

The Company has adopted TFRS - Financial instruments standards by adjusting the cumulative effects to retained earnings and other component of equity on 1 January 2020. Therefore, the Company did not adjust the information presented for 2019.

These TFRS - Financial instruments standards establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. The impact from adoption of TFRS - Financial instruments standards are as follows:

(1) Classification and measurement of financial assets and financial liabilities

TFRS 9 contains three principal classification categories for financial assets: measured at amortised cost, fair value to other comprehensive income (FVOCI) and fair value to profit or loss (FVTPL). The classification under TFRS 9 is based on the cash flow characteristics of the financial asset and the business model in which they are managed. TFRS 9 eliminates the previous classification of held-to-maturity debt securities, available-for-sale securities, trading securities and general investment as specified by TAS 105.

Under TFRS 9, derivatives are measured at FVTPL. Previously, the Company recognised the derivatives when they were exercised.

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

The following table shows measurement categories under previous standards and TFRS 9, including reconciliation of the carrying amounts of each class of the Company's financial assets and financial liabilities as at 1 January 2020.

Classification under previous standards at 31 December 2019	Classification under TFRS 9 at 1 January 2020				
	Carrying amounts	Fair value - applied hedge accounting	Fair value through profit or loss <i>(in thousand Baht)</i>	Fair value through other comprehensive income	Amortised cost - net
Other financial liabilities - derivative liabilities	-	2,996	-	-	-
Total other financial liabilities	-	2,996	-	-	-

(2) Hedge accounting

TFRS 9 introduces guidance on hedge accounting while previous TFRSs are silent. There are three hedge accounting models and the type of model applied depends on the hedged exposures consisting of a fair value exposure, a cash flow exposure or a foreign currency exposure on a net investment in a foreign operation.

The Company has elected to adopt the new general hedge accounting model in TFRS 9. This requires the Company to ensure that hedge accounting relationships are aligned with its risk management objectives and strategy and to apply a more qualitative and forward-looking approach to assessing hedge effectiveness.

Cash flow hedges

The Company uses forward foreign exchange contracts to hedge the variability in cash flows arising from changes in foreign exchange rates relating to foreign currency sales and purchases. The effective portion of changes in fair value of hedging instruments is accumulated in a cash flow hedge reserve in equity.

The amount accumulated in the hedging reserve is reclassified to profit or loss in the same period or periods during which the hedge expected future cash flow affects profit or loss.

Previously, the Company used derivatives to hedge currency exchange rate risk which was recognised when derivatives were exercised. The Company applied the hedge accounting for any transactions that meet the specific requirement of hedge accounting under TFRS 9 at the date of initial application.

Fair value hedges

Where a derivative hedges the changes in fair value of a recognised asset, liability or unrecognised firm commitment (or an identified portion of such asset, liability or firm commitment), any gain or loss on remeasuring the fair value or foreign currency component of the hedging instrument is recognised in profit or loss. The hedged item is also stated at fair value in respect of the risk being hedged, with any gain or loss being recognised in profit or loss.

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

The impact from adoption of hedge accounting on the financial statements is as follows:

Statement of financial position

(in thousand Baht)

At 1 January 2020

Increase in deferred tax assets	599
Increase in derivative liabilities	(2,996)
Increase in retained earnings	(3,808)
Decrease in other component of equity	6,205

B. TFRS 16 Leases

From 1 January 2020, the Company has initially adopted TFRS 16 on contracts previously identified as leases according to TAS 17 *Leases* and TFRIC 4 *Determining whether an arrangement contains a lease* using the retrospective approach.

Previously, the Company, as a lessee, recognised payments made under operating leases in profit or loss on a straight-line basis over the term of the lease. Under TFRS 16, the Company assesses whether a contract is, or contains, a lease. If a contract contains lease and non-lease components, the Company allocates the consideration in the contract based on stand-alone selling price (transaction price). At the commencement date, the Company recognised right-of-use assets and lease liabilities, as a result, the nature of expenses related to those leases was changed because the Company recognised depreciation of right-of-use assets and interest expense on lease liabilities.

The impact from adoption of TFRS 16 on the financial statements is as follows:

<i>Statement of financial position</i>	As previous reported	Adjustments	As restated
	<i>(in thousand Baht)</i>		
At 1 January 2019			
Right-of-use assets	-	5,482	5,482
Deferred tax assets	21,519	270	21,789
Current portion of lease liabilities	-	(5,143)	(5,143)
Lease liabilities	-	(1,690)	(1,690)
Unappropriated retained earnings	(524,031)	1,081	(522,950)
At 31 December 2019			
Right-of-use assets	-	11,681	11,681
Deferred tax assets	27,551	107	27,658
Current portion of lease liabilities	-	(4,334)	(4,334)
Lease liabilities	-	(7,882)	(7,882)
Unappropriated retained earnings	(570,238)	428	(569,810)

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

<i>Statements of comprehensive income</i>	As previous reported	Adjustments (in thousand Baht)	As restated
<i>Three-month period ended 31 March 2019</i>			
Cost of sales of goods	1,624,740	(80)	1,624,660
Distribution cost	36,287	35	36,322
Administrative expenses	30,189	3	30,192
Finance costs	2,786	83	2,869
Tax expense	12,958	(3)	12,950
Profit for the period	51,809	33	51,776
Basic earnings per share (in Baht)	1.08	-	1.08

<i>Statements of cash flows</i>	As previous reported	Adjustments (in million Baht)	As restated
<i>For the three-month period ended 31 March 2019</i>			
Cash flows used in operating activities	(23,280)	1,563	(21,717)
Cash flows used in investing activities	(9,265)	-	(9,265)
Cash flows from financing activities	101,091	(1,563)	99,528

Right-of-use assets and lease liabilities shown above were presented as part of seamless copper tube segments.

4 Related parties

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Revenue from sale of goods	Market price or contractually agreed price
Purchase of raw material	Market price or contractually agreed price
Technical assistance fee	Contractually agreed price
(Gain) loss on copper hedging and service fee	Contractually agreed price
Service fee and others	Contractually agreed price
Interest income or interest expense	Contractually agreed rate
Directors' remuneration	Approved by shareholders' meeting

Significant transactions for the three-month period ended 31 March with related parties were as follows:

<i>Three-month period ended 31 March</i>	2020 (in thousand Baht)	2019
Parent		
Technical assistance fee	4,807	5,216
Loss on copper hedging and service fee	23,204	4,481
Other related parties		
Revenue from sale of goods	456,875	498,013
Purchase of raw material	303,538	268,061
Service fee and others	2,875	1,757
Interest expense	1,204	2,786
Directors' remuneration	825	825

Furukawa Metal (Thailand) Public Company Limited
Notes to the condensed interim financial statements
For the three-month period ended 31 March 2020 (Unaudited)

Three-month period ended 31 March

	2020	2019
	<i>(in thousand Baht)</i>	
Key management personnel		
Key management personnel compensation		
Short-term employee benefits	7,163	7,992
Post-employment benefits	401	401
Total key management personnel compensation	<u>7,564</u>	<u>8,393</u>

Balances as at 31 March 2020 and 31 December 2019 with related parties were as follows:

	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>	
Trade accounts receivable		
Other related parties	<u>472,445</u>	<u>396,457</u>
Other receivables		
Parent	<u>-</u>	<u>1,599</u>
Trade accounts payable		
Other related party	<u>166,637</u>	<u>139,523</u>
Other payables		
Parent	27,541	8,087
Other related parties	940	1,010
Total	<u>28,481</u>	<u>9,097</u>

	At 31 December 2019	Increase	Decrease	At 31 March 2020
	<i>(in thousand Baht)</i>			
Short-term borrowings				
Other related party	405,778	1,314,686	(1,088,099)	632,365
Total	<u>405,778</u>			<u>632,365</u>

As at 31 March 2020, short-term borrowings from related party bears interest at the rate of 1.00% per annum (31 December 2019: 1.25% per annum).

Commitments with related party

As at 31 March 2020, the Company had outstanding future contracts with Furukawa Electric Co., Ltd., a parent company, to hedge the copper cathode price of 5,383 tons, in amount of U.S. Dollars 31.0 million, equivalent to Baht 1,017.8 million (31 December 2019: 2,890 tons, in amount of U.S. Dollars 17.0 million, equivalent to Baht 515.8 million).

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Significant agreements with related parties

Technical Collaboration Agreement

On 1 January 2020, the Company entered into technical collaboration agreement with Furukawa Electric Co., Ltd., the parent company, for a period of 1 year effective on 1 January 2020. The agreement shall be automatically extended for successive periods of one year each. Under the terms of the agreement, Furukawa Electric Co., Ltd. shall provide the Company with technical collaboration and information on the manufacturing operations including an exclusive right to manufacture and sell the product in the countries as specified in the agreement. In consideration thereof, the Company is committed to pay a technical assistance fee computed from the net sales volume of seamless copper tube (Inner grooved tube) at the rate of Baht 2.25 per kilogram.

5 Short-term borrowings

	<i>Note</i>	31 March 2020	31 December 2019
		<i>(in thousand Baht)</i>	
Current			
<i>Unsecured</i>			
Short-term borrowings from financial institution		100,000	100,000
Short-term borrowings from related party	4	<u>632,365</u>	<u>405,778</u>
Total		<u>732,365</u>	<u>505,778</u>

Short-term borrowings from financial institution

As at 31 March 2020, short-term borrowings from financial institution amounted to Baht 100 million shall be repayable at call. These borrowings bears interest at the rate of 0.90% per annum (31 December 2019: Baht 100 million and 1.39% per annum).

Unutilised credit facilities

As at 31 March 2020, the Company had unutilised credit facilities totalling U.S. Dollars 1 million and Baht 3,347 million (31 December 2019: U.S. Dollars 1 million and Baht 3,347 million).

6 Segment information and disaggregation of revenue

<i>Three-month period ended 31 March</i>	2020	2019
	<i>(in thousand Baht)</i>	
Disaggregation of revenue		
Primary geographical markets		
Thailand	1,000,156	1,165,242
Malaysia	131,881	177,201
Singapore	30,407	27,436
Japan	22,487	35,073
Other countries	351,541	359,897
Total	<u>1,536,472</u>	<u>1,764,849</u>
Timing of revenue recognition		
At a point in time	<u>1,536,472</u>	<u>1,764,849</u>
Total revenue	<u>1,536,472</u>	<u>1,764,849</u>

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7 Financial instruments

Carrying amount 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.

	Carrying amount		Fair value			
	Fair value - applied hedge accounting	Total	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	Total
<i>At 31 March 2020</i>						
Financial assets						
Forward exchange contracts	22,061	22,061	-	22,061	-	22,061
Copper future contract	18,775	18,775	-	18,775	-	18,775
Total	40,836	40,836	-	40,836	-	40,836
<i>At 31 December 2019</i>						
Financial assets and financial liabilities						
Forward exchange contracts	-	-	-	(11,123)	-	(11,123)
Copper future contract	-	-	-	8,127	-	8,127
Total	-	-	-	(2,996)	-	(2,996)

Financial instruments measured at fair value

Type	Valuation technique
Forward exchange contracts	<i>Forward pricing:</i> The fair value is determined using quoted forward exchange rates at the reporting date and present value calculations based on high credit quality yield curves in the respective currencies.
Copper future contract	<i>Market comparison technique:</i> The fair value is determined using broker quoted. Similar contracts are traded in an active market and the quotes reflect the actual transactions on similar instruments.

Impairment loss

Allowance for impairment loss for trade accounts receivable are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.

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As at 31 March 2020 and 31 December 2019, the Company has no allowance for impairment loss of trade receivables.

<i>Trade accounts receivables</i>	<i>Note</i>	31 March 2020	31 December 2019
		<i>(in thousand Baht)</i>	
Related parties			
Within credit terms		471,533	396,457
Overdue:			
Less than 3 months		912	-
	4	<u>472,445</u>	<u>396,457</u>
Other parties			
Within credit terms		1,380,386	1,193,447
Overdue:			
Less than 3 months		5,802	2,694
		<u>1,386,188</u>	<u>1,196,141</u>
Total		<u>1,858,633</u>	<u>1,592,598</u>

8 Commitments with non-related parties

	31 March 2020	31 December 2019
	<i>(in thousand Baht)</i>	
<i>Other commitments</i>		
Purchase orders for raw materials	270,138	151,407
Bank guarantees for electricity use	13,369	13,369
Total	<u>283,507</u>	<u>164,776</u>

9 Events after the reporting period

At the annual general meeting of the shareholders of the Company held on 29 April 2020, the shareholders approved the appropriation of dividend of Baht 1.625 per share, amounting to Baht 78 million. The dividend will be paid to the shareholders during 2020.