

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month and nine-month periods ended
30 September 2019
and
Independent auditor's review report

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Unique Mining Services Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Unique Mining Services Public Company Limited and its subsidiaries (the "Group"), and of Unique Mining Services Public Company Limited (the "Company"), respectively, as at 30 September 2019; the consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended 30 September 2019, the consolidated and separate statements of changes in equity and cash flows for the nine-month period ended 30 September 2019; 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 the 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".

Emphasis of matter

I draw attention to Note 2 to the interim financial statements which describes that the Group and the Company incurred a net loss for the nine-month period ended 30 September 2019 of Baht 32.2 million and Baht 30.5 million, respectively. As of that date, the Group and the Company's current liabilities exceeded current assets by Baht 502.5 million and Baht 540.0 million, respectively, and the deficit balances were Baht 756.7 million and Baht 793.7 million, respectively. However, the Group and the Company are in process of solving the financial position, financial performance and financial liquidity problems of the Group and the Company by implementing policies and procedures in an attempt to manage its liquidity risk and other circumstances.

These circumstances indicate the existence of a material uncertainty that may cast significant doubt about the Group's and the Company's ability to continue as a going concern. My conclusion is not modified in respect of this matter.

(Banthit Tangpakorn)
Certified Public Accountant
Registration No. 8509

KPMG Phoomchai Audit Ltd.
Bangkok
14 November 2019

**Unique Mining Services Public Company Limited
and its Subsidiaries**
Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
Assets	Note	30 September 2019 (Unaudited)	31 December 2018	30 September 2019 (Unaudited)	31 December 2018
<i>(in Baht)</i>					
Current assets					
Cash and cash equivalents		38,189,011	207,412,138	11,682,952	183,065,668
Trade accounts receivable	5	15,985,062	22,687,899	12,512,835	15,475,489
Other accounts receivable	4	2,274,775	3,312,515	1,998,478	3,019,772
Inventories		10,237,071	19,248,289	10,143,050	19,190,961
Other current assets		1,599,014	1,670,684	1,590,176	1,608,386
Total current assets		68,284,933	254,331,525	37,927,491	222,360,276
Non-current assets					
Restricted deposit at a financial institution	12	1,700,000	-	-	-
Investments in subsidiaries	6	-	-	133,210,169	133,210,169
Investment properties		301,261,439	309,076,814	301,261,439	309,076,814
Property, plant and equipment	7	270,599,474	279,677,920	138,991,980	146,401,267
Intangible assets		1,734,520	2,111,158	1,714,129	2,086,282
Other non-current assets		1,822,526	645,878	1,572,855	563,807
Total non-current assets		577,117,959	591,511,770	576,750,572	591,338,339
Total assets		645,402,892	845,843,295	614,678,063	813,698,615

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

**Unique Mining Services Public Company Limited
and its Subsidiaries
Statement of financial position**

		Consolidated		Separate	
		financial statements		financial statements	
		30 September	31 December	30 September	31 December
Liabilities and equity	<i>Note</i>	2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		<i>(in Baht)</i>			
<i>Current liabilities</i>					
Short-term borrowings from financial institutions	8	10,000,000	42,574,633	10,000,000	42,574,633
Trade accounts payable	4	3,664,343	6,691,814	3,648,183	5,925,612
Other accounts payable	4	21,505,794	41,102,076	21,199,229	40,069,174
Short-term borrowings from related parties	4, 8	530,000,000	645,000,000	540,000,000	655,000,000
Accrued expenses		3,334,195	2,260,901	1,331,190	1,723,370
Other current liabilities		2,284,397	1,768,085	1,739,068	1,412,089
Total current liabilities		570,788,729	739,397,509	577,917,670	746,704,878
<i>Non-current liabilities</i>					
Provisions for employee benefit		2,387,740	2,014,843	1,527,824	1,278,111
Total non-current liabilities		2,387,740	2,014,843	1,527,824	1,278,111
Total liabilities		573,176,469	741,412,352	579,445,494	747,982,989
<i>Equity</i>					
Share capital					
Authorized share capital		352,369,106	352,369,106	352,369,106	352,369,106
Issued and paid share capital		352,369,106	352,369,106	352,369,106	352,369,106
Share premium on ordinary shares		466,074,567	466,074,567	466,074,567	466,074,567
Retained earnings (deficit)					
Appropriated to legal reserve		10,500,000	10,500,000	10,500,000	10,500,000
Deficit		(756,717,250)	(724,512,730)	(793,711,104)	(763,228,047)
Equity attributable to owners of the parent		72,226,423	104,430,943	35,232,569	65,715,626
Non-controlling interests		-	-	-	-
Total equity		72,226,423	104,430,943	35,232,569	65,715,626
Total liabilities and equity		645,402,892	845,843,295	614,678,063	813,698,615

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended 30 September		Three-month period ended 30 September	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Revenues					
Revenues from sales of goods		9,486,161	40,384,379	9,486,161	40,384,379
Revenues from rendering of services		16,743,617	10,844,715	9,930,215	-
Total revenues	9	26,229,778	51,229,094	19,416,376	40,384,379
Costs					
Costs of sales of goods	4	6,873,662	41,433,633	6,873,661	41,559,662
Costs of rendering of services		12,146,979	6,229,130	5,792,010	-
Total costs		19,020,641	47,662,763	12,665,671	41,559,662
Gross profits (losses)		7,209,137	3,566,331	6,750,705	(1,175,283)
Other income	4	35,341	1,101,250	1,574,833	2,615,248
Profit before expenses		7,244,478	4,667,581	8,325,538	1,439,965
Selling expenses		991,919	1,773,926	991,919	1,773,926
Administrative expenses	4	11,632,355	6,243,305	10,176,841	5,287,720
Total expenses		12,624,274	8,017,231	11,168,760	7,061,646
Loss before finance costs and income tax expense		(5,379,796)	(3,349,650)	(2,843,222)	(5,621,681)
Finance costs	4	6,298,506	7,461,714	6,361,521	7,524,729
Loss before income tax expense		(11,678,302)	(10,811,364)	(9,204,743)	(13,146,410)
Tax expense (income)		(116,837)	547,896	-	-
Loss for the period		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Loss attributable to:					
Owners of the parent		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Non-controlling interests		-	-	-	-
Loss for the period		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Total comprehensive income attributable to:					
Owners of the parent		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		(11,561,465)	(11,359,260)	(9,204,743)	(13,146,410)
Basic loss per share (in Baht)	10	(0.02)	(0.02)	(0.01)	(0.03)

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Nine-month period ended 30 September		Nine-month period ended 30 September	
		2019	2018	2019	2018
		<i>(in Baht)</i>			
Revenues					
Revenues from sales of goods		46,466,461	168,573,510	46,466,461	168,573,510
Revenues from rendering of services		50,152,267	34,466,476	25,197,307	-
Total revenues	9	96,618,728	203,039,986	71,663,768	168,573,510
Costs					
Costs of sales of goods	4	41,860,938	168,892,842	41,906,925	170,007,466
Costs of rendering of services		30,811,886	21,811,655	12,577,627	-
Total costs		72,672,824	190,704,497	54,484,552	170,007,466
Gross profits (losses)		23,945,904	12,335,489	17,179,216	(1,433,956)
Other income	4	353,763	2,310,208	4,922,139	6,681,186
Profit before expenses		24,299,667	14,645,697	22,101,355	5,247,230
Selling expenses		3,739,023	5,537,030	3,739,023	5,537,030
Administrative expenses	4	33,183,977	36,449,385	29,400,061	33,638,851
Reversal of impairment loss on assets		-	(11,493,462)	-	(11,493,462)
Total expenses		36,923,000	30,492,953	33,139,084	27,682,419
Loss before finance costs and income tax expense		(12,623,333)	(15,847,256)	(11,037,729)	(22,435,189)
Finance costs	4	19,258,339	22,458,979	19,445,328	22,645,968
Loss before income tax expense		(31,881,672)	(38,306,235)	(30,483,057)	(45,081,157)
Tax expense		322,848	1,578,024	-	-
Loss for the period		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Loss attributable to:					
Owners of the parent		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Non-controlling interests		-	-	-	-
Loss for the period		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Total comprehensive income attributable to:					
Owners of the parent		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
Basic loss per share (in Baht)	10	(0.05)	(0.08)	(0.04)	(0.09)

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of changes in equity (Unaudited)

	Consolidated financial statements						
	Issued and paid share capital	Share premium	<u>Retained earnings (deficit)</u>		Equity attributable to owners of the parent	Non- controlling interests	Total equity / (capital deficiency)
Appropriated to legal reserve			Deficit <i>(in Baht)</i>				
Nine-month period ended 30 September 2018							
Balance at 1 January 2018	251,692,219	416,355,938	10,500,000	(660,904,377)	17,643,780	-	17,643,780
Comprehensive income for the period							
Loss	-	-	-	(39,884,259)	(39,884,259)	-	(39,884,259)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(39,884,259)</u>	<u>(39,884,259)</u>	<u>-</u>	<u>(39,884,259)</u>
Balance at 30 September 2018	<u>251,692,219</u>	<u>416,355,938</u>	<u>10,500,000</u>	<u>(700,788,636)</u>	<u>(22,240,479)</u>	<u>-</u>	<u>(22,240,479)</u>
Nine-month period ended 30 September 2019							
Balance at 1 January 2019	352,369,106	466,074,567	10,500,000	(724,512,730)	104,430,943	-	104,430,943
Comprehensive income for the period							
Loss	-	-	-	(32,204,520)	(32,204,520)	-	(32,204,520)
Other comprehensive income	-	-	-	-	-	-	-
Total comprehensive income for the period	<u>-</u>	<u>-</u>	<u>-</u>	<u>(32,204,520)</u>	<u>(32,204,520)</u>	<u>-</u>	<u>(32,204,520)</u>
Balance at 30 September 2019	<u>352,369,106</u>	<u>466,074,567</u>	<u>10,500,000</u>	<u>(756,717,250)</u>	<u>72,226,423</u>	<u>-</u>	<u>72,226,423</u>

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of changes in equity (Unaudited)

	Issued and paid share capital	Share premium	Separate financial statements		Total equity / (capital deficiency)
			Appropriated to legal reserve (in Baht)	Retained earnings (deficit) Deficit	
Nine-month period ended 30 September 2018					
Balance at 1 January 2018	251,692,219	416,355,938	10,500,000	(681,457,193)	(2,909,036)
Comprehensive income for the period					
Loss	-	-	-	(45,081,157)	(45,081,157)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(45,081,157)	(45,081,157)
Balance at 30 September 2018	251,692,219	416,355,938	10,500,000	(726,538,350)	(47,990,193)
Nine-month period ended 30 September 2019					
Balance at 1 January 2019	352,369,106	466,074,567	10,500,000	(763,228,047)	65,715,626
Comprehensive income for the period					
Loss	-	-	-	(30,483,057)	(30,483,057)
Other comprehensive income	-	-	-	-	-
Total comprehensive income for the period	-	-	-	(30,483,057)	(30,483,057)
Balance at 30 September 2019	352,369,106	466,074,567	10,500,000	(793,711,104)	35,232,569

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period ended 30 September		Nine-month period ended 30 September	
	2019	2018	2019	2018
	<i>(in Baht)</i>			
<i>Cash flows from operating activities</i>				
Loss for the period	(32,204,520)	(39,884,259)	(30,483,057)	(45,081,157)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense	322,848	1,578,024	-	-
Finance costs	19,258,339	22,458,979	19,445,328	22,645,968
Depreciation and amortization	25,500,913	17,953,669	17,997,065	11,712,103
Reversal of impairment loss on assets	-	(11,493,462)	-	(11,493,462)
Provisions for employee benefit	372,897	332,947	249,713	260,281
Reversal of bad and doubtful debts expenses	(15,432)	(53,298)	(15,432)	(92,727)
(Reversal of) loss on inventories devaluation	1,185,151	(4,455,544)	1,185,151	(4,455,544)
Gain on disposal of property, plant and equipment	-	(1,160,277)	-	(1,100,278)
Interest income	(83,085)	(87,717)	(31,934)	(51,536)
	14,337,111	(14,810,938)	8,346,834	(27,656,352)
<i>Changes in operating assets and liabilities</i>				
Restricted deposit at a financial institution	(1,700,000)	-	-	-
Trade accounts receivable	6,718,269	(7,297,281)	2,978,086	(7,885,032)
Other accounts receivable	1,037,740	8,685,966	1,021,294	9,640,298
Inventories	7,826,067	673,473	7,862,760	577,808
Other current assets	71,670	1,342,476	18,210	1,326,349
Other non-current assets	658,836	2,954,413	22,108	370,328
Trade accounts payable	(3,027,471)	1,494,661	(2,277,429)	1,540,925
Other accounts payable	(1,570,554)	(3,064,569)	(561,794)	(923,242)
Accrued expenses	1,110,893	(1,479,666)	(354,581)	(976,216)
Other current liabilities	516,312	273,995	326,979	245,789
Net cash generated from (used in) operating	25,978,873	(11,227,470)	17,382,467	(23,739,345)
Taxes paid	(1,835,484)	(2,757,456)	(1,031,156)	(174,020)
Net cash from (used in) operating activities	24,143,389	(13,984,926)	16,351,311	(23,913,365)

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

**Unique Mining Services Public Company Limited
and its Subsidiaries**

Statements of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Nine-month period		Nine-month period	
	ended 30 September		ended 30 September	
	2019	2018	2019	2018
	<i>(in Baht)</i>			
<i>Cash flows from investing activities</i>				
Proceeds from disposal of property, plant and equipment	-	1,289,906	-	1,229,906
Acquisition of property, plant and equipment	(8,210,879)	(6,994,997)	(2,340,250)	(57,940)
Acquisition of intangible assets	(60,000)	(60,000)	(60,000)	(30,000)
Interest received	83,085	87,717	31,934	51,536
Net cash from (used in) investing activities	<u>(8,187,794)</u>	<u>(5,677,374)</u>	<u>(2,368,316)</u>	<u>1,193,502</u>
<i>Cash flows from financing activities</i>				
Proceeds from short-term borrowings from financial institutions	29,538,245	140,916,834	29,538,245	140,916,834
Repayment of short-term borrowings from financial institutions	(62,112,878)	(144,956,440)	(62,112,878)	(144,956,440)
Repayment of short-term borrowings from related parties	(115,000,000)	-	(115,000,000)	-
Finance costs paid	(37,604,089)	(2,028,113)	(37,791,078)	(2,345,580)
Net cash used in financing activities	<u>(185,178,722)</u>	<u>(6,067,719)</u>	<u>(185,365,711)</u>	<u>(6,385,186)</u>
Net decrease in cash and cash equivalents	<u>(169,223,127)</u>	<u>(25,730,019)</u>	<u>(171,382,716)</u>	<u>(29,105,049)</u>
Cash and cash equivalents at beginning of period	207,412,138	82,968,479	183,065,668	63,717,761
Cash and cash equivalents at ending of period	<u>38,189,011</u>	<u>57,238,460</u>	<u>11,682,952</u>	<u>34,612,712</u>
<i>Non-cash transactions</i>				
Unpaid liabilities from acquisition of property, plant and equipment	28,858	69,283	-	-
Transfer of investment properties and property, plant and equipment to non-current assets classified as held for sale	-	234,888,247	-	234,888,247

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

**Unique Mining Services Public Company Limited
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Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

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Unique Mining Services Public Company Limited and its Subsidiaries

Notes to the condensed interim financial statements

For the three-month and nine-month periods ended 30 September 2019 (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 14 November 2019.

1 General information

The principal businesses of Unique Mining Services Public Company Limited, the “Company”, are sales of coal and provide related services for domestic industrial. The principal businesses of the Group are sales of coal and provide related services for domestic industrial, transportation by barge conveyance, and port services.

Details of the Company’s subsidiaries as at 30 September 2019 and 31 December 2018 are given in note 6.

2 Current operations

The Group and the Company incurred a net loss for nine-month period ended 30 September 2019 of Baht 32.2 million and Baht 30.5 million, respectively (*for the nine-month period ended 30 September 2018: net loss of Baht 39.9 million and Baht 45.1 million, respectively*). As of that date, the Group’s and the Company’s current liabilities exceeded current assets by Baht 502.5 million and Baht 540.0 million, respectively (*31 December 2018: Baht 485.1 million and Baht 524.3 million, respectively*) and the deficit balances were Baht 756.7 million and Baht 793.7 million, respectively (*31 December 2018: Baht 724.5 million and Baht 763.2 million, respectively*).

The Company has received financial assistance from Thoresen Thai Agencies Public Company Limited (“TTA”), the ultimate parent company, in form of promissory notes which are payable upon the lender’s request. As at 30 September 2019, the Company had outstanding short-term borrowings from TTA and its subsidiaries of Baht 530.0 million (*31 December 2018: Baht 645.0 million*) and the Company requested for additional borrowing facilities from TTA up to Baht 430.0 million. However, the drawdown of additional facilities is subject to the approval by TTA. In addition, the ultimate parent company issued the letter to confirm that the ultimate parent company and its subsidiary will not call back the liabilities due from the Company in the next 12 months unless the Company has sufficient funds to meet these obligations earlier. Moreover, the Company issued the additional share capital which offered to existing shareholders in proportion to their shareholding percentage and registered with the Business Development Department, Ministry of Commerce on 28 December 2018.

Moreover, the Group and the Company are in process of solving the financial position, financial performance and financial liquidity problems of the Group and the Company by implementing policies and procedures in an attempt to manage its liquidity risk and other circumstances, maintaining sale volumes, changing sourcing, increasing service income and other income, reducing costs, plan to sell of non-operating assets and expanding and improving the service businesses of the subsidiaries.

The financial statements have been prepared on a going concern basis, which assumes that the Group and the Company will realise its assets and discharge its liabilities in the normal course of business. Therefore, the financial statements have not included any adjustment of the value of assets to realisable value, or of liabilities to the amounts eventually due, and reclassification of accounts, which may be necessary if the Group and the Company is not able to continue as a going concern.

**Unique Mining Services Public Company Limited
and its Subsidiaries**
Notes to the condensed interim financial statements
For the three-month and nine-month periods ended 30 September 2019 (Unaudited)

Caution sign

The Stock Exchange of Thailand (“SET”) posted a “C” (Caution) sign on the Company’s securities traded on the SET when the Group’s and the Company’s total equity balances were less than 50% of the Group’s and the Company’s total paid-up share capital which the Company has already published a plan to resolve this cause.

3 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 are prepared to provide an update on the financial statements for the year ended 31 December 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 subsidiaries for the year ended 31 December 2018.

(b) Use of judgements, estimates and accounting policies

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’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 applied to the financial statements for the year ended 31 December 2018, except for revenue recognition which requires additional judgement in determining the timing of the transfer of control - at a point in time or over time - according to the requirements of TFRS 15 *Revenue from Contracts with Customers* (“TFRS 15”) which the Group has initially adopted to replace TAS 18 *Revenue* (“TAS 18”), TAS 11 *Construction Contracts* (“TAS11”) and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impacts on the financial statements.

In addition, the Group has not early adopted a number of new TFRS which are not yet effective for current period in preparing these interim financial statements before the effective date. Those new TFRS that are relevant to the Group’s operations are disclosed in note 14.

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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.

4 Related parties

Relationships with subsidiaries are described in note 6. Relationships with key management and other related parties were as follows:

Name of entities	Country of incorporation	Nature of relationships
Thoresen Thai Agencies Public Company Limited	Thailand	Ultimate parent
Athene Holdings Ltd.	Thailand	Parent, 92.93% shareholding
PMT Property Co., Ltd.	Thailand	59.99% holding by ultimate parent company
Key management personnel		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.

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

Transactions	Pricing policies
Revenues from rendering of services	At mutually agreed rate normally charged to a third party
Dividend income	Upon declaration
Service expenses	At mutually agreed rate normally charged by a third party
Finance costs	At contractually agreed rates
Management benefit expenses	Amount approved by the directors and/or the shareholders

Significant transactions for the three-month and nine-month periods ended 30 September 2019 and 2018 with related parties were as follows:

Three-month period ended 30 September	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent				
Service expenses (included in administrative expenses)	494	538	494	538
Finance costs	6,159	6,633	6,159	6,633
Parent				
Finance costs	-	283	-	283
Subsidiaries				
Revenues from rendering of services	-	-	1,569	1,592
Service expenses (included in costs of sales of goods)	-	-	-	71
Finance costs	-	-	63	63
Other related party				
Revenues from rendering of services	3	4	3	4
Key management personnel				
Key management personnel compensation				
Short-term benefits	1,337	1,682	961	1,341
Post-employment benefits	35	49	32	49
Total key management personnel compensation	1,372	1,731	993	1,390

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<i>Nine-month period ended 30 September</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
Ultimate parent				
Service expenses (included in administrative expenses)	1,540	1,601	1,540	1,601
Finance costs	18,328	19,682	18,328	19,682
Parent				
Finance costs	31	841	31	841
Subsidiaries				
Revenues from rendering of services	-	-	4,822	4,508
Service expenses (included in costs of sales of goods)	-	-	-	1,115
Finance costs	-	-	187	187
Other related party				
Revenues from rendering of services	10	8	10	8
Key management personnel				
Key management personnel compensation				
Short-term benefits	4,084	4,421	2,968	3,739
Post-employment benefits	114	131	101	131
Total key management personnel compensation	4,198	4,552	3,069	3,870

Balances as at 30 September 2019 and 31 December 2018 with related parties were as follows:

<i>Other accounts receivable from related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	589	543
Total	-	-	589	543
Trade accounts payable to related parties				
<i>Trade accounts payable to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Subsidiary	-	-	-	104
Total	-	-	-	104
Other accounts payable to related parties				
<i>Other accounts payable to related parties</i>	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December

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	2019	2018	2019	2018
			<i>(in thousand Baht)</i>	
Ultimate parent	18,096	35,349	18,096	35,349
Parent	-	1,125	-	1,125
Subsidiaries	-	-	42	42
Total	18,096	36,474	18,138	36,516

Movements during the nine-month period ended 30 September 2019 of short-term borrowings from related parties were as follows:

Short-term borrowings from related parties

	Interest rate		Consolidated financial statements			
	31	30	31			30
	December	September	December	Increase	Decrease	September
	2018	2019	2018	<i>(in thousand Baht)</i>		2019
	<i>(% per annum)</i>					
Ultimate parent	4.60 - 4.70	4.60 - 4.70	570,000	-	(40,000)	530,000
Parent	1.50	-	75,000	-	(75,000)	-
Total			645,000			530,000

	Interest rate		Separate financial statements			
	31	30	31			30
	December	September	December	Increase	Decrease	September
	2018	2019	2018	<i>(in thousand Baht)</i>		2019
	<i>(% per annum)</i>					
Ultimate parent	4.60 - 4.70	4.60 - 4.70	570,000	-	(40,000)	530,000
Parent	1.50	-	75,000	-	(75,000)	-
Subsidiaries	2.50	2.50	10,000	-	-	10,000
Total			655,000			540,000

All short-term borrowings from related parties are unsecured and have repayment terms at call.

On 11 January 2019, the Company made the repayment of short-term borrowings to the ultimate parent company and the parent company; the principle in amount of Baht 40.0 million and Baht 75.0 million, respectively and accrued interest expenses in amount of Baht 35.1 million and Baht 1.2 million, respectively totaling amount of Baht 151.3 million.

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6 Investments in subsidiaries

Investments in subsidiaries as at 30 September 2019 and 31 December 2018, and dividend income for the nine-month periods ended 30 September 2019 and 2018, were as follows:

	Type of Business	Separate financial statements											
		Ownership interest		Paid-up capital		Cost		Impairment		Cost – net of impairment		Dividend income	
		30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	30 September 2018
		(%)		(in thousand Baht)									
Direct subsidiaries													
UMS Distribution Co., Ltd.	Logistics management and trading of fertilizer	99.99	99.99	5,000	5,000	5,000	5,000	(4,497)	(4,497)	503	503	-	-
UMS Lighter Co., Ltd.	Barge Conveyance	99.99	99.99	110,000	110,000	110,000	110,000	-	-	110,000	110,000	-	-
UMS Port Services Co., Ltd.	Port service	99.99	99.99	18,000	18,000	18,000	18,000	-	-	18,000	18,000	-	-
UMS Pellet Energy Co., Ltd.	Road transport and trading of wood pellet	99.99	99.99	18,000	18,000	18,000	18,000	(13,293)	(13,293)	4,707	4,707	-	-
Total				151,000	151,000	151,000	151,000	(17,790)	(17,790)	133,210	133,210	-	-

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7 Property, plant and equipment

The movement of property, plant and equipment during the nine-month period ended 30 September 2019 was as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Net book value as at 1 January 2019	279,678	146,401
Additions	8,170	2,340
Depreciation charge for the period	(17,249)	(9,749)
Net book value as at 30 September 2019	270,599	138,992

As at 30 September 2019, property, plant and equipment used as collateral for borrowing facilities can be summarised as follows:

- The Company's partial land, partial construction thereon and partial machinery located at Klong Sa-kae Sub-District, Nakornluang District, Ayudhaya province with a net book value of Baht 212.0 million (*31 December 2018: Baht 213.8 million*), have been mortgaged with a bank as collateral for borrowing as mentioned in note 8.
- A barge of a subsidiary with a net book value of Baht 13.2 million (*31 December 2018: Baht 13.9 million*), have been mortgaged with a bank as collateral for the bank overdrafts as mentioned in note 8.

8 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements	
<i>Note</i>	30 September 2019	31 December 2018	30 September 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Current				
Short-term borrowings from financial institutions	10,000	42,575	10,000	42,575
Short-term borrowings from related parties	4 530,000	645,000	540,000	655,000
Total current interest- bearing liabilities	540,000	687,575	550,000	697,575

Short-term borrowings

As at 30 September 2019, the Group has overdraft facility totaling Baht 5.0 million (*31 December 2018: Baht 5.0 million*). The facility is secured by a subsidiary's barge as disclosed in note 7. The Group has unused bank overdrafts facilities amounting to Baht 5.0 million (*31 December 2018: Baht 5.0 million*).

As at 30 September 2019, the Company has short-term borrowing facilities from a financial institution, in form of promissory notes, letter of credit and trust receipts totaling Baht 60.0 million (*31 December 2018: Baht 60.0 million*). The facilities are secured by a subsidiary, and part of the Company's land and construction, and machinery as disclosed in note 7. The Company has unused

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short-term borrowing facilities amounting to Baht 50.0 million (*31 December 2018: Baht 17.4 million*).

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9 Segment information and disaggregation of revenue

The Group has two reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different sales and services, and are managed separately because they require different technology, marketing strategic and resource input. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group's reportable segments.

Business segments

Segment 1	Sales of coal and related services
Segment 2	Transport

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

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Information about reportable segments and timing of revenue recognition

Revenue, results and timing of revenue recognition, based on business segments, in the consolidated and separate financial statements for the three-month and nine-month periods ended 30 September 2019 and 2018 were as follows:

<i>For the three-month period ended 30 September 2019</i>	Consolidated financial statements			Total	Separate
	Sales of coal and related services	Transport	Elimination of inter-segment transaction		financial statements Sales of coal and related services
		<i>(in thousand Baht)</i>			
Revenues from operations	19,417	6,813	-	26,230	19,417
Revenues from inter-segment From outside customers	- 19,417	- 6,813	- -	- 26,230	- 19,417
Depreciation and amortization	6,030	2,662	(22)	8,670	6,030
Operating loss	(2,844)	(2,495)	(41)	(5,380)	(2,844)
Finance costs	(6,361)	-	63	(6,298)	(6,361)
Tax income	-	117	-	117	-
Profit (loss) for the period	(9,205)	(2,378)	22	(11,561)	(9,205)
Major products and service lines					
Sales of coal	9,487	-	-	9,487	9,487
Providing services	9,930	6,813	-	16,743	9,930
Total	19,417	6,813	-	26,230	19,417
Timing of revenue recognition					
At a point in time	19,417	-	-	19,417	19,417
Over time	-	6,813	-	6,813	-
Total	19,417	6,813	-	26,230	19,417

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<i>For the nine-month period ended 30 September 2019</i>	Consolidated financial statements			Total	Separate financial statements
	Sales of coal and related services	Transport	Elimination of inter-segment transaction		Sales of coal and related services
		<i>(in thousand Baht)</i>			
Revenues from operations	71,664	24,955	-	96,619	71,664
Revenues from inter-segment From outside customers	- 71,664	- 24,955	- -	- 96,619	- 71,664
Depreciation and amortization	17,997	7,569	(65)	25,501	17,997
Operating loss	(11,038)	(1,509)	(76)	(12,623)	(11,038)
Finance costs	(19,445)	-	187	(19,258)	(19,445)
Tax expense	-	(323)	-	(323)	-
Profit (loss) for the period	(30,483)	(1,832)	111	(32,204)	(30,483)
Major products and service lines					
Sales of coal	46,467	-	-	46,467	46,467
Providing services	25,197	24,955	-	50,152	25,197
Total	71,664	24,955	-	96,619	71,664
Timing of revenue recognition					
At a point in time	71,664	-	-	71,664	71,664
Over time	-	24,955	-	24,955	-
Total	71,664	24,955	-	96,619	71,664

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<i>As at 30 September 2019</i>	Sales of coal and related services	Consolidated financial statements		Total	Separate financial statements Sales of coal and related services
		Transport	Elimination of inter-segment transaction		
		<i>(in thousand Baht)</i>			
Total assets	614,678	175,371	(144,646)	645,403	614,678
Total liabilities	579,445	4,362	(10,631)	573,176	579,445
<i>For the three-month period ended 30 September 2018</i>	Sales of coal and related services	Consolidated financial statements		Total	Separate financial statements Sales of coal and related services
		Transport	Elimination of inter-segment transaction		
		<i>(in thousand Baht)</i>			
Revenues from operations	40,385	10,915	(71)	51,229	40,385
Revenues from inter-segment From outside customers	- 40,385	(71) 10,844	71 -	- 51,229	- 40,385
Depreciation and amortization	2,368	2,286	(53)	4,601	2,368
Operating profit (loss)	(5,621)	2,227	45	(3,349)	(5,621)
Finance costs	(7,525)	-	63	(7,462)	(7,525)
Tax expense	-	(548)	-	(548)	-
Profit (loss) for the period	(13,146)	1,679	108	(11,359)	(13,146)

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<i>For the three-month period ended 30 September 2018</i>	Consolidated financial statements			Total	Separate
	Sales of coal and related services	Transport	Elimination of inter-segment transaction		financial statements Sales of coal and related services
		<i>(in thousand Baht)</i>			
Major products and service lines					
Sales of coal	40,385	-	-	40,385	40,385
Providing services	-	10,915	(71)	10,844	-
Total	40,385	10,915	(71)	51,229	40,385
Timing of revenue recognition					
At a point in time	40,385	-	-	40,385	40,385
Over time	-	10,915	(71)	10,844	-
Total	40,385	10,915	(71)	51,229	40,385

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<i>For the nine-month period ended 30 September 2018</i>	Consolidated financial statements			Total	Separate
	Sales of coal and related services	Transport	Elimination of inter-segment transaction		financial statements Sales of coal and related services
		<i>(in thousand Baht)</i>			
Revenues from operations	168,574	35,581	(1,115)	203,040	168,574
Revenues from inter-segment From outside customers	- 168,574	(1,115) 34,466	1,115 -	- 203,040	- 168,574
Depreciation and amortization	11,712	6,399	(157)	17,954	11,712
Reversal of impairment loss on assets	11,493	-	-	11,493	11,493
Operating profit (loss)	(22,435)	6,618	(30)	(15,847)	(22,435)
Finance costs	(22,646)	-	187	(22,459)	(22,646)
Tax expense	-	(1,578)	-	(1,578)	-
Profit (loss) for the period	(45,081)	5,040	157	(39,884)	(45,081)
Major products and service lines					
Sales of coal	168,574	-	-	168,574	168,574
Providing services	-	35,581	(1,115)	34,466	-
Total	168,574	35,581	(1,115)	203,040	168,574
Timing of revenue recognition					
At a point in time	168,574	-	-	168,574	168,574
Over time	-	35,581	(1,115)	34,466	-
Total	168,574	35,581	(1,115)	203,040	168,574

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<i>As at 31 December 2018</i>	Consolidated financial statements			Total	Separate
	Sales of coal and related services	Transport	Elimination of inter-segment transaction		financial statements
					Sales of coal and related services
		<i>(in thousand Baht)</i>			
Total assets	813,699	176,959	(144,815)	845,843	813,699
Total liabilities	747,983	4,118	(10,689)	741,412	747,983

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10 Basic loss per share

The calculations of basic loss per share for the three-month and nine-month periods ended 30 September 2019 and 2018 were based on the loss for the periods attributable to ordinary shareholders of the Company and the weighted average number of ordinary shares outstanding during the periods as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Three-month period ended 30 September</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Loss attributable to ordinary shareholders of the Company	<u>(11,561)</u>	<u>(11,359)</u>	<u>(9,205)</u>	<u>(13,146)</u>
Number of ordinary shares outstanding	<u>704,738</u>	<u>503,384</u>	<u>704,738</u>	<u>503,384</u>
Basic loss per share <i>(in Baht)</i>	<u>(0.02)</u>	<u>(0.02)</u>	<u>(0.01)</u>	<u>(0.03)</u>
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
<i>Nine-month period ended 30 September</i>				
	<i>(in thousand Baht / thousand shares)</i>			
Loss attributable to ordinary shareholders of the Company	<u>(32,205)</u>	<u>(39,884)</u>	<u>(30,483)</u>	<u>(45,081)</u>
Number of ordinary shares outstanding	<u>704,738</u>	<u>503,384</u>	<u>704,738</u>	<u>503,384</u>
Basic loss per share <i>(in Baht)</i>	<u>(0.05)</u>	<u>(0.08)</u>	<u>(0.04)</u>	<u>(0.09)</u>

11 Financial instruments

Fair values of financial assets and liabilities

Since the majority of the financial assets and liabilities as at 30 September 2019 and 31 December 2018 classified as short-term and borrowings are bearing interest at rate close to current market rate, the carrying amount of the Group's financial instruments does not materially differ from their aggregate fair value.

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12 Commitments

<i>As at 30 September 2019</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Future minimum lease payment under non-cancellable operating leases</i>		
Within one year	477	449
After one year but within five years	19	14
Total	496	463
 <i>Other commitments</i>		
Bank guarantees	1,631	1,631

As at 30 September 2019, the Company had operating lease agreements covering its office space with the ultimate parent and office equipment for periods ranging from 1 - 2 years ending on various dates up to November 2020.

As at 30 September 2019, a subsidiary had fixed bank deposit with a local financial institution in amounting of Baht 1.70 million to use as collateral for issuing the bank guarantees of the Company.

13 Environmental litigation case

On 5 August 2016, the Central Administrative Court ordered the Company to file the written answer with relevant evidence to the Court as the interpleader in a lawsuit filed by an association and a number of people in Ayutthaya province against the Government authorities as stated in the complaint. The lawsuit relates to the environmental impact caused by the operations of certain companies, including the Company, which operate in the area under the Government authorities' control. The plaintiffs demand the Government authorities to exercise their power to control or order the companies to follow the plaintiff's certain requests which the plaintiff's claimed to help reducing the environmental impact. The Company has filed the written response to the Court. The Court received the response on 5 October 2016. Subsequently on 25 January 2017, the Central Administrative Court sent a copy of plaintiffs' testimony to the Company. The Company filed a defence in response and the court received the response on 7 February 2017. Subsequently on 8 January 2019, the Central Administrative Court ordered a subsidiary to file the written answer with relevant evidence to the Court as the additional interpleader. A subsidiary has filed the written response to the Court and the Court received the response on 5 March 2019. As at the approved date of these financial statements, the case is in the consideration of the Court. Based on opinion of the expert legal counsel, management believes that the outcome of the Court consideration will not have a significant financial impact on the Company.

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14 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

* TFRS - Financial instruments standards

(a) TFRS - Financial instruments standards

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting. When these TFRSs are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

(b) TFRS 16 Leases

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset and a lease liability. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases. When this TFRS is effective, some accounting standards and interpretations which are currently effective will be cancelled.

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