

**CAZ (THAILAND) COMPANY LIMITED**

**INTERIM CONSOLIDATED AND SEPARATE  
FINANCIAL INFORMATION (UNAUDITED)**

**31 MARCH 2018**



## AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of CAZ (Thailand) Company Limited

I have reviewed the interim consolidated financial information of CAZ (Thailand) Company Limited and its subsidiaries, and the separate financial information of CAZ (Thailand) Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2018, and the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate 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 consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Nattaporn Phan-Udom**  
Certified Public Accountant (Thailand) No. 3430  
Bangkok  
11 May 2018

**CAZ (Thailand) Company Limited**  
**Statement of Financial Position**  
**As at 31 March 2018**

	Notes	Consolidated financial statements		Separate financial statements	
		Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	46,576,362	91,978,902	35,683,087	90,814,169
Trade and other receivables	6	132,645,754	165,665,504	161,812,653	172,593,484
Unbilled receivables	7	84,202,239	88,847,270	84,202,239	88,847,270
Inventories	8	5,683,961	2,517,008	5,683,961	2,517,008
Short-term loans to related parties	18	-	-	6,000,000	5,000,000
Refundable tax		16,574,564	17,055,505	15,436,417	15,917,358
Other current assets		5,899,697	4,837,537	5,703,463	4,721,928
<b>Total current assets</b>		<b>291,582,577</b>	<b>370,901,726</b>	<b>314,521,820</b>	<b>380,411,217</b>
<b>Non-current assets</b>					
Investment in subsidiary	9	-	-	2,100,000	2,100,000
Property, plant and equipment	10	328,176,989	314,788,211	317,064,677	311,338,394
Intangible assets	10	12,160,850	9,125,240	12,098,854	9,061,484
Retention receivables		13,495,957	5,493,711	13,495,957	5,493,711
Withholding tax deducted at source		35,274,941	27,448,061	32,076,225	25,687,808
Deposits		1,042,153	948,353	910,153	817,353
Deferred tax assets	11	553,447	421,752	529,629	411,541
<b>Total non-current assets</b>		<b>390,704,337</b>	<b>358,225,328</b>	<b>378,275,495</b>	<b>354,910,291</b>
<b>Total assets</b>		<b>682,286,914</b>	<b>729,127,054</b>	<b>692,797,315</b>	<b>735,321,508</b>

The accompanying notes are an integral part of this interim financial information.

CAZ (Thailand) Company Limited  
Statement of Financial Position (Cont'd)  
As at 31 March 2018

	Notes	Consolidated financial statements		Separate financial statements	
		Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts	12	490,829	-	490,829	-
Trade and other payables	13	187,052,654	171,596,121	207,620,311	184,624,861
Service income received in advance	7	100,969,648	163,812,489	100,969,648	163,812,489
Current portion of long-term borrowings from banks	12	38,640,000	38,640,000	38,640,000	38,640,000
Current portion of liabilities under finance lease agreements	12	1,347,879	1,229,788	1,212,125	1,095,378
Other current liabilities		12,829,942	21,445,428	9,312,039	19,858,322
<b>Total current liabilities</b>		<b>341,330,952</b>	<b>396,723,826</b>	<b>358,244,952</b>	<b>408,031,050</b>
<b>Non-current liabilities</b>					
Long-term borrowings from banks	12	171,960,000	182,340,000	171,960,000	182,340,000
Finance lease liabilities	12	1,281,470	1,271,628	774,704	730,417
Retention payables		6,617,405	5,486,711	6,735,560	5,679,866
Employee benefit obligations		2,460,984	1,794,021	2,347,208	1,745,606
<b>Total non-current liabilities</b>		<b>182,319,859</b>	<b>190,892,360</b>	<b>181,817,472</b>	<b>190,495,889</b>
<b>Total liabilities</b>		<b>523,650,811</b>	<b>587,616,186</b>	<b>540,062,424</b>	<b>598,526,939</b>

The accompanying notes are an integral part of this interim financial information.

CAZ (Thailand) Company Limited  
Statement of Financial Position (Cont'd)  
As at 31 March 2018

	Consolidated financial statements		Separate financial statements	
	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht	Unaudited 31 March 2018 Baht	Audited 31 December 2017 Baht
Note				
<b>Liabilities and equity (Cont'd)</b>				
<b>Equity</b>				
Share Capital	14			
Authorised share capital				
1,000,000 ordinary shares				
at par value of Baht 100 each	100,000,000	100,000,000	100,000,000	100,000,000
Issued and paid-up				
1,000,000 ordinary shares				
paid-up of Baht 100 each	100,000,000	100,000,000	100,000,000	100,000,000
Retained earnings				
Appropriated - Legal reserve	1,128,546	1,128,546	1,128,546	1,128,546
Unappropriate	46,577,883	29,984,974	45,236,345	29,296,023
Other components of equity				
- share based payment	6,370,000	6,370,000	6,370,000	6,370,000
Equity attributable to				
owners of the parent	154,076,429	137,483,520	152,734,891	136,794,569
Non-controlling interests	4,559,674	4,027,348	-	-
<b>Total equity</b>	<b>158,636,103</b>	<b>141,510,868</b>	<b>152,734,891</b>	<b>136,794,569</b>
<b>Total liabilities and equity</b>	<b>682,286,914</b>	<b>729,127,054</b>	<b>692,797,315</b>	<b>735,321,508</b>

The accompanying notes are an integral part of this interim financial information.

CAZ (Thailand) Company Limited  
Statement of Comprehensive Income (Unaudited)  
For the interim three-month period ended 31 March 2018

	Note	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
Revenues from construction contracts		374,540,622	132,146,119	374,540,622	132,874,841
Cost of construction contracts		(333,521,500)	(112,279,057)	(336,736,604)	(113,149,472)
<b>Gross profit</b>		<b>41,019,122</b>	<b>19,867,062</b>	<b>37,804,018</b>	<b>19,725,369</b>
Other income		266,876	1,164,290	968,412	1,500,811
Administrative expenses		(16,631,060)	(12,456,114)	(15,568,235)	(11,760,236)
Finance cost		(2,971,655)	(4,904,863)	(2,965,035)	(4,904,863)
<b>Profit before income tax</b>		<b>21,683,283</b>	<b>3,670,375</b>	<b>20,239,160</b>	<b>4,561,081</b>
Income tax		(4,320,360)	(1,033,487)	(4,061,150)	(1,033,487)
<b>Profit for the year</b>		<b>17,362,923</b>	<b>2,636,888</b>	<b>16,178,010</b>	<b>3,527,594</b>
<b>Other comprehensive income:</b>					
Item that will not be reclassified to profit or loss					
Remeasurements of employee benefit obligations (net of tax)		(237,688)	-	(237,688)	-
<b>Total comprehensive income for the period</b>		<b>17,125,235</b>	<b>2,636,888</b>	<b>15,940,322</b>	<b>3,527,594</b>
<b>Profit attributable to:</b>					
Owners of the parent		16,830,597	3,085,011	16,178,010	3,527,594
Non-controlling interests		532,326	(448,123)	-	-
		<b>17,362,923</b>	<b>2,636,888</b>	<b>16,178,010</b>	<b>3,527,594</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		16,592,909	3,085,011	15,940,322	3,527,594
Non-controlling interests		532,326	(448,123)	-	-
		<b>17,125,235</b>	<b>2,636,888</b>	<b>15,940,322</b>	<b>3,527,594</b>
<b>Earnings per share</b>	16				
Basic earnings per share (Baht)		<b>16.83</b>	<b>5.27</b>	<b>16.18</b>	<b>6.03</b>

The accompanying notes are an integral part of this interim financial information.

**CAZ (Thailand) Company Limited**  
**Statement of Changes in Equity (Unaudited)**  
**For the interim three-month period ended 31 March 2018**

	Consolidated financial statements									
	Attributable to owners of the parent					Non-				
	Issued and paid-up share capital	Retained earnings	Appropriated Legal reserve	Unappropriated	Other components of equity	Total owners of the parent	controlling interests	Total equity		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
<b>Opening balance at 1 January 2017</b>	58,500,000	-	-	29,316,816	6,370,000	94,186,816	3,771,657	97,958,473		
Total comprehensive income for the period	-	-	-	3,085,011	-	3,085,011	(448,123)	2,636,888		
<b>Closing balance as at 31 March 2017</b>	<u>58,500,000</u>	<u>-</u>	<u>-</u>	<u>32,401,827</u>	<u>6,370,000</u>	<u>97,271,827</u>	<u>3,323,534</u>	<u>100,595,361</u>		
<b>Opening balance at 1 January 2018</b>	100,000,000	1,128,546	-	29,984,974	6,370,000	137,483,520	4,027,348	141,510,868		
Total comprehensive income for the period	-	-	-	16,592,909	-	16,592,909	532,326	17,125,235		
<b>Closing balance as at 31 March 2018</b>	<u>100,000,000</u>	<u>1,128,546</u>	<u>-</u>	<u>46,577,883</u>	<u>6,370,000</u>	<u>154,076,429</u>	<u>4,559,674</u>	<u>158,636,103</u>		

The accompanying notes are an integral part of this interim financial information.

**CAZ (Thailand) Company Limited**  
**Statement of Changes in Equity (Undited)**  
**For the interim three-month period ended 31 March 2018**

	Separate financial statements						Total equity Baht
	Issued and paid-up share capital Baht	Retained earnings		Other components of equity Baht	Total equity Baht		
		Appropriated-Legal reserve Baht	Unappropriated Baht				
<b>Opening balance at 1 January 2017</b>	58,500,000	-	28,015,170	6,370,000	92,885,170		
Total comprehensive income for the period	-	-	3,527,594	-	3,527,594		
<b>Closing balance as at 31 March 2017</b>	58,500,000	-	31,542,764	6,370,000	96,412,764		
<b>Opening balance at 1 January 2018</b>	100,000,000	1,128,546	29,296,023	6,370,000	136,794,569		
Total comprehensive income for the period	-	-	15,940,322	-	15,940,322		
<b>Closing balance as at 31 March 2018</b>	100,000,000	1,128,546	45,236,345	6,370,000	152,734,891		

The accompanying notes are an integral part of this interim financial information.



**CAZ (Thailand) Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the interim three-month period ended 31 March 2018**

	Note	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		21,683,283	3,670,375	20,239,160	4,561,081
Adjustments for:					
Depreciation and amortisation	10	6,282,632	5,074,562	6,004,042	5,026,797
Loss on disposal and written-offs property, plant and equipment		33,998	-	28,700	-
Allowance for doubtful accounts		-	50,397	-	50,397
Written off withholding tax deducted at source		480,941	-	480,941	-
Interest income		-	-	(131,336)	(106,274)
Interest expenses		2,971,655	4,904,863	2,965,035	4,904,863
<b>Cash flows before changes in operating assets and liabilities</b>		<b>31,452,509</b>	<b>13,700,197</b>	<b>29,586,542</b>	<b>14,436,864</b>
<b>Changes in operating assets and liabilities</b>					
Trade and other receivables		33,141,245	58,286,836	8,649,495	60,516,861
Unbilled receivables		4,645,031	18,457,157	4,645,031	19,586,414
Inventories		(3,166,953)	(541,899)	(3,166,953)	(541,899)
Other current assets		(1,050,825)	676,702	(970,201)	545,706
Retention receivables		(8,002,246)	1,815,537	(8,002,246)	1,663,298
Deposits		(93,800)	(34,800)	(92,800)	(16,500)
Trade and other payables		18,757,675	(14,129,349)	23,446,591	(14,205,042)
Service income received in advance		(62,842,840)	19,399,385	(62,842,840)	17,068,975
Other current liabilities		(8,615,486)	1,991,536	(10,546,283)	1,835,745
Retention payables		1,130,694	(1,614,443)	1,055,694	(3,240,257)
Employee benefit obligations		369,853	152,680	304,492	152,680
Cash generated from operations		5,724,857	98,159,539	(17,933,478)	97,802,845
Cash paid for interest expenses		(3,009,498)	(9,626,666)	(3,002,878)	(9,626,666)
Cash paid for income tax		(12,230,848)	(6,799,579)	(10,519,568)	(6,569,764)
Cash receipt for refunded tax		-	3,594,621	-	3,594,621
<b>Net cash generated from (used in) operating activities</b>		<b>(9,515,489)</b>	<b>85,327,915</b>	<b>(31,455,924)</b>	<b>85,201,036</b>

The accompanying notes are an integral part of this interim financial information.

**CAZ (Thailand) Company Limited**  
**Statement of Cash Flows (undited) (Cont'd)**  
**For the interim three-month period ended 31 March 2018**

	Notes	Consolidated financial statements		Separate financial statements	
		2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>Cash flows from investing activities</b>					
Proceeds from short-term loans to related parties	18	-	-	2,000,000	-
Payment on short-term loans to related parties	18	-	-	(3,000,000)	-
Acquisition of property, plant and equipment		(22,294,415)	(3,601,579)	(11,499,792)	(3,391,403)
Acquisition of intangible assets		(3,304,060)	(1,093,564)	(3,304,060)	(1,303,741)
Proceeds from disposals of property, plant and equipment		(121,495)	-	2,000,000	-
Interest income received		-	-	262,672	-
<b>Net cash used in investing activities</b>		<b>(25,719,970)</b>	<b>(4,695,143)</b>	<b>(13,541,180)</b>	<b>(4,695,144)</b>
<b>Cash flows from financing activities:</b>					
Bank overdrafts increase		490,829	-	490,829	-
Finance lease principal payments		(277,910)	(224,951)	(244,807)	(224,951)
Payment on borrowings from related parties		-	(63,500,000)	-	(63,500,000)
Proceeds from borrowings from related parties		-	5,000,000	-	5,000,000
Payments on long-term borrowings from banks	12	(10,380,000)	(10,380,000)	(10,380,000)	(10,380,000)
<b>Net cash used in financing activities</b>		<b>(10,167,081)</b>	<b>(69,104,951)</b>	<b>(10,133,978)</b>	<b>(69,104,951)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>		<b>(45,402,540)</b>	<b>11,527,821</b>	<b>(55,131,082)</b>	<b>11,400,941</b>
Cash and cash equivalents at the beginning of the period		91,978,902	7,476,453	90,814,169	6,883,466
<b>Cash and cash equivalents at the end of the period</b>		<b>46,576,362</b>	<b>19,004,274</b>	<b>35,683,087</b>	<b>18,284,407</b>
<b>Non-cash transactions</b>					
Purchase of property, plant and equipment for which no cash has been paid (included in account payable and other accounts payable)		2,219,801	801,286	2,219,801	801,286
Purchase of property, plant and equipment under leases contracts		405,841	-	405,841	-

The accompanying notes are an integral part of this interim financial information.

## **1 General information**

CAZ (Thailand) Company Limited ("the Company") is a limited company incorporated on 6 February 2014 and domiciled in Thailand. The address of the Company's registered office is as follows:

239 Huaipong-Nongbon Road, Tambol Huaipong, Amphur Muang-rayong, Rayong

For reporting purposes, the Company and its subsidiary are referred to as the Group.

The principal business operations of the Group are summarized as follows:

EPC Service:	Such Engineering, Procurement, Construction, Construction management including pre-commissioning and commissioning for Industrial, Energy and Petrochemical/ Chemical Business
Construction Service:	Structure Erection, Piping fabrication & Erection, Equipment Erection, Electric and Instrument work including pre-commissioning and commissioning for Industrial, Energy and Petrochemical/ Chemical Business
Civil & Building services:	Civil and Building construction works including Engineering work for Industrial, Energy Petrochemical/ Chemical Business, and Infrastructure Business
Fabrication and other services:	Mechanical Fabrication work (Structure, Vessel, Heat Exchanger, Tanks) including Procurement of materials for Energy and Petrochemical/ Chemical Business

These Group consolidated and company financial statements were authorized for issue by the Board of Directors on 11 May 2018.

This interim consolidated and company financial information has been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

The interim financial information has been prepared in accordance with Thai Accounting Standard 34 Interim Financial Reporting. The primary financial information (statement of financial position, statement of comprehensive income, statement of changes in shareholders' equity and cash flows) is presented in a format consistent with the annual financial statements complying with Thai Accounting Standard 1 Presentation of Financial Statements. The notes to the financial information are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2017.

An English version of the interim consolidated and separate financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2017.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

**2 Accounting policies (Cont'd)**

**2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

2.2.1 Revised financial reporting standards are effective for annual periods beginning on or after 1 January 2018 which have significant change and are relevant to the Group:

TAS 7 (revised 2017)	Statement of cash flows
TAS 12 (revised 2017)	Income taxes

TAS 7 (revised 2017), the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.

TAS 12 (revised 2017), the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:

- A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
- An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profit.
- Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
- Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

The management has assessed and considered that the above revised standards do not have significant impact on the Group except for disclosure.

2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard.

TFRS 15	Revenue from contracts with customers
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TFRS 15 provide the requirements for the recognition of revenue. This standard will supersede the following standards:

TAS 11 (revised 2017)	Construction contracts
TAS 18 (revised 2017)	Revenue
TFRIC 13 (revised 2017)	Customer loyalty programmes
TFRIC 15 (revised 2017)	Agreements for the construction of real estate
TFRIC 18 (revised 2017)	Transfers of assets from customers
TSIC 31 (revised 2017)	Revenue - barter transactions involving advertising services

The new standard is based on the principle that

- revenue is recognised when control of a good or service transfers to a customer - so the notion of control replaces the existing notion of risks and rewards
- an entity recognises revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

## **2 Accounting policies (Cont'd)**

### **2.1 Revised accounting standards, revised financial reporting standards, and related interpretations (Cont'd)**

#### **2.2.2 New financial reporting standard is effective for annual periods beginning on or after 1 January 2019 which is relevant to the Group. The Group has not yet adopted this standard. (Cont'd)**

An entity recognises revenue in accordance with that core principle by applying the following steps:

- Step 1: Identify the contract(s) with a customer
- Step 2: Identify the performance obligations in the contract
- Step 3: Determine the transaction price
- Step 4: Allocate the transaction price to the performance obligations in the contract
- Step 5: Recognise revenue when (or as) the entity satisfies a performance obligation

Entities will have a choice to apply this standard retrospectively in accordance with TAS 8 Accounting Policies, Changes in Accounting Estimates and Errors, subject to the expedients or retrospectively with the cumulative effect recognised as an adjustment to the opening balance of retained earnings of the annual reporting period that includes the date of initial application with additional disclosures. The Group will first apply this standard for annual reporting periods beginning on or after 1 January 2019. Management is currently assessing the impact from initial application of this standard in detail.

## **3 Estimates**

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

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2017.

## **4 Segment information**

Operating segment information is reported in a manner consistent with the internal report that provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the Group's operating segment, has been identified as the Board of Directors of the Group.

The Group is principally engaged in the services relating to engineering, procurement, construction management, commissioning of operation and maintenance. Its operations are carried on only in Thailand. Segment performance is measured based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. As a result, all of the revenues, operating profits and assets as reflected in these financial statements pertain exclusively to the aforementioned reportable operating segment and geographical area.

### Geographic information

The Group operates in Thailand only. As a result, all the revenues and assets as presented in the financial statements pertain exclusively to this geographical reportable segment.

### Major customers

The Group has 3 customers in EPC Service and Construction Service which each customer generated revenues more than 10% of total revenues in the consolidated financial statements for the three-month period ended 31 March 2018, totalling Baht 369.37 million (31 March 2017: 1 customer, totalling Baht 111.05 million).

**CAZ (Thailand) Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim three-month period ended 31 March 2018**

**5 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Cash on hand	454,954	410,621	298,974	234,139
Cash at bank - Current accounts	46,054,367	91,317,931	35,318,680	90,330,988
- Savings accounts	66,010	249,321	64,402	248,013
- Short-term fixed accounts	1,031	1,029	1,031	1,029
<b>Total</b>	<b>46,576,362</b>	<b>91,978,902</b>	<b>35,683,087</b>	<b>90,814,169</b>

Deposits held at call with banks bear interest at the rates 0.13% to 0.85% per annum (2017: 0.13% to 0.85% per annum). The short-term fixed deposits have maturity of 3 months.

**6 Trade and other receivables**

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Trade receivables-third parties	109,875,166	148,887,828	109,875,166	148,843,464
<u>Less</u> Allowance for impairment of trade receivables	(201,588)	(201,588)	(201,588)	(201,588)
Trade receivables - net	109,673,578	148,686,240	109,673,578	148,641,876
Receivables from related parties (Note 18)	24,517	24,414	31,023,016	7,904,500
Prepaid expenses	21,456,742	15,798,999	19,625,142	14,846,893
Advance payments to subcontractors	1,490,917	1,155,851	1,490,917	1,200,215
<b>Trade and other receivables - net</b>	<b>132,645,754</b>	<b>165,665,504</b>	<b>161,812,653</b>	<b>172,593,484</b>

Aging analysis of trade receivables are as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
- Up to 3 months	109,673,578	148,141,560	109,673,578	148,097,195
- 3 - 6 months	-	544,680	-	544,681
- 6 - 12 months	-	-	-	-
- Over 12 months	201,588	201,588	201,588	201,588
<b>Total</b>	<b>109,875,166</b>	<b>148,887,828</b>	<b>109,875,166</b>	<b>148,843,464</b>
<u>Less</u> Allowance for impairment of trade receivables	(201,588)	(201,588)	(201,588)	(201,588)
<b>Trade accounts receivable - net</b>	<b>109,673,578</b>	<b>148,686,240</b>	<b>109,673,578</b>	<b>148,641,876</b>

7 Unbilled receivables/ Service income received in advance

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
<b>Unbilled receivables</b>				
Project value as per contracts	2,596,919,214	966,087,933	2,596,919,214	966,087,933
Accumulated amount recognised as revenue on percentage of completion basis	1,284,610,042	641,011,859	1,284,610,042	641,011,859
<u>Less</u> Value of total billed	(1,200,407,803)	(552,164,589)	(1,200,407,803)	(552,164,589)
Unbilled receivables	84,202,239	88,847,270	84,202,239	88,847,270
<b>Service income received in advance</b>				
Project value as per contracts	541,543,450	1,208,122,450	541,543,450	1,208,122,450
Value of total billed	560,983,891	935,714,839	560,983,891	935,714,839
<u>Less</u> Accumulated amount recognised as revenue on percentage of completion basis	(460,014,243)	(771,902,350)	(460,014,243)	(771,902,350)
Service income received in advance	100,969,648	163,812,489	100,969,648	163,812,489

8 Inventories

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Raw materials	5,683,961	2,517,008	5,683,961	2,517,008
<u>Less</u> Allowance for net realisable value of inventories	-	-	-	-
Inventories - net	5,683,961	2,517,008	5,683,961	2,517,008

9 Investments in subsidiaries

Investments in subsidiaries as at 31 March 2018 and 31 December 2017 are as follows:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by the group		Proportion of ordinary shares held by non- controlling interests		Separate Financial Statements	
			Proportion of ordinary shares held by the group		Proportion of ordinary shares held by non- controlling interests		Cost method, net	
			(%) 2018	2017	(%) 2018	2017	(Baht) 2018	2017
JKEC Co., Ltd. (JKEC)	Thailand	Construction contractor	51.22	51.22	48.78	48.78	2,100,000	2,100,000

**10 Property, plant and equipment and intangible assets**

The movement of property, plant, equipment and intangible assets for the three-month period ended 31 March 2018 is summarised as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	314,788,211	9,125,240	311,338,394	9,061,484
Additions	19,436,957	3,304,060	11,492,334	3,304,060
Written offs	(33,998)	-	(28,700)	-
Depreciation charge	(6,014,181)	(268,450)	(5,737,351)	(266,690)
Closing net book amount	<u>328,176,989</u>	<u>12,160,850</u>	<u>317,064,677</u>	<u>12,098,854</u>

Land and buildings of Baht 251.64 million (2017: Baht 252.55 million) have been pledged for long-term borrowings from bank (Note 12).

**11 Deferred tax assets (liabilities)**

	Consolidated financial information		Separate financial information	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
Deferred income tax assets	578,657	452,388	543,764	429,864
Deferred income tax liabilities	(25,210)	(30,636)	(14,135)	(18,323)
Deferred income tax, net	<u>553,447</u>	<u>421,752</u>	<u>529,629</u>	<u>411,541</u>

Deferred tax assets arise from temporary differences of the allowance for doubtful accounts and reserve obligations for employee benefits. Deferred tax liabilities arise from temporary differences of finance lease and gains and losses arising from the acquisition of assets between the Group.

**12 Borrowings**

	Consolidated financial statements		Separate financial statements	
	31 March 2018 Baht	31 December 2017 Baht	31 March 2018 Baht	31 December 2017 Baht
<b>Current</b>				
Bank overdrafts	490,829	-	490,829	-
Current portion of long-term borrowings from banks	38,640,000	38,640,000	38,640,000	38,640,000
Current portion of finance lease liabilities	1,347,879	1,229,788	1,212,125	1,095,378
<b>Total current borrowings</b>	<u>40,478,708</u>	<u>39,869,788</u>	<u>40,342,954</u>	<u>39,735,378</u>
<b>Non-Current</b>				
Long-term borrowings from banks	171,960,000	182,340,000	171,960,000	182,340,000
Finance lease liabilities	1,281,470	1,271,628	774,704	730,417
<b>Total non-current borrowings</b>	<u>173,241,470</u>	<u>183,611,628</u>	<u>172,734,704</u>	<u>183,070,417</u>
<b>Total borrowings</b>	<u>213,720,178</u>	<u>223,481,416</u>	<u>213,077,658</u>	<u>222,805,795</u>



12 Borrowings (Cont'd)

The movement in long-term borrowings from banks are analysed as follows:

	<b>Consolidated financial information</b>	<b>Separate financial information</b>
	<b>31 March 2018 Baht</b>	<b>31 March 2018 Baht</b>
Opening amount	220,980,000	220,980,000
Additions	-	-
Repayments	(10,380,000)	(10,380,000)
Closing amount	<u>210,600,000</u>	<u>210,600,000</u>

On 15 January 2016, the Company entered into the loan agreement with a local financial institution amounting to Baht 10 million, which required the repayment of Baht 720,000 every 6 months, totalling 14 periods. This borrowing bears the interest rate at 4% per annum and is pledged by its director.

On 15 January 2016, the Company entered into the loan agreement with a local financial institution amounting to Baht 10 million, which required the repayment of Baht 720,000 every 6 months, totalling 14 periods. This borrowing bears the interest rate at MLR% per annum and is pledged by its director.

On 10 August 2016, the Company entered into the loan agreement with a local financial institution amounting to Baht 250 million, which required the repayment of Baht 2.98 million per month, totalling 84 periods and the outstanding amount for the last month. This borrowing bears the interest rate at MLR- 0.75% per annum for the first anniversary of the date of drawdown and MLR - 0.50 % per annum for the period thereafter. The borrowing is pledged by its land and buildings (Note 10), its director, and its ultimate parent.

13 Trade and other payables

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Trade accounts payable	140,474,750	147,146,072	135,392,341	141,662,128
Trade accounts payable - related parties (Note 18)	3,658,021	1,647,741	28,002,062	18,066,615
Accrued expenses	38,276,578	22,735,668	34,602,427	20,126,753
Accrued expenses - related parties (Note 18)	301,385	-	5,281,561	4,769,365
Other payables	4,341,920	66,640	4,341,920	-
Total trade and other payables	<u>187,052,654</u>	<u>171,596,121</u>	<u>207,620,311</u>	<u>184,624,861</u>

14 Share capital

	<b>Consolidated and Separate financial statements</b>			
	<b>Authorised share capital</b>		<b>Issued and paid-up capital</b>	
	<b>Number of Shares</b>	<b>Ordinary shares Baht</b>	<b>Number of Shares</b>	<b>Ordinary shares Baht</b>
At 1 January 2018	1,000,000	100,000,000	1,000,000	100,000,000
Issue of shares	-	-	-	-
At 31 March 2018	<u>1,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>	<u>100,000,000</u>
At 31 January 2017	585,000	58,500,000	585,000	58,500,000
Issue of shares	-	-	-	-
At 31 March 2017	<u>585,000</u>	<u>58,500,000</u>	<u>585,000</u>	<u>58,500,000</u>

On 9 December 2017, the shareholders at the extraordinary meeting passed a resolution to approve increase the authorised share capital from 585,000 ordinary shares with a par value of Baht 100 per share to 1,000,000 ordinary shares with a par value of Baht 100 per share. On 19 December 2017, the Company received subscription of 415,000 additional shares at Baht 100 per share. The Company registered the increased share capital with the ministry of commerce on 20 December 2017.

**15 Income taxes**

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 20% (31 March 2017: 20% per annum).

**16 Earnings per share**

Basic earnings per share are calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net profit attributable to ordinary shareholders of the parent (Baht)	16,830,597	3,085,011	16,178,010	3,527,594
Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares)	1,000,000	585,000	1,000,000	585,000
Basic earnings per share (Baht)	16.83	5.27	16.18	6.03

The Company changed a par value of share capital from Baht 100 per share to Baht 0.5 per share (Note 21). The Company; therefore, adjusted the weighted average number of ordinary shares for the period ended 31 March 2017 as if the event started since the prior period. The earnings per share is then adjusted accordingly.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net profit attributable to ordinary shareholders of the parent (Baht)	16,830,597	3,085,011	16,178,010	3,527,594
Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares)	200,000,000	117,000,000	200,000,000	117,000,000
Basic earnings per share (Baht)	0.08	0.03	0.08	0.03

**17 Dividends per share**

The Company's dividend paid and dividend per share consist of:

The operation for the period	Approved by	Approved date	Dividend paid (million Baht)	Dividend per share (Baht)	Payment date
<b>2015</b>					
1 January 2015 to 31 March 2015	The Shareholders' Meeting	22 November 2017	6.12	21.46	18 December 2017
1 April 2015 to 31 December 2015	The Shareholders' Meeting	22 November 2017	7.37	13.52	18 December 2017
<b>2014</b>					
1 January 2014 to 31 December 2014	The Shareholders' Meeting	22 November 2017	7.50	26.33	18 December 2017

**18 Related-party transactions**

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The Group is controlled by Takuni (Thailand) Co., Ltd. ("the parent") incorporated in Thailand which owns 51.3% of the Company's shares. The remaining 48.7% of the shares is widely held. The Group's ultimate parent is Takuni Group Public Company Limited ("the ultimate parent"). The Group's ultimate controlling party is Treeweeranuwat family.

The following transactions were significant to subsidiaries and related parties:

**a) Revenues from sales of goods/services, interest income and other income**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the three-month period ended 31 March</b>				
<b>Rental income</b>				
Related party	36,000	24,000	36,000	24,000
Subsidiary	-	-	327,649	159,500
	<u>36,000</u>	<u>24,000</u>	<u>363,649</u>	<u>183,500</u>
<b>Interest income</b>				
Subsidiary	-	-	129,649	106,274
<b>Service income</b>				
Related party	34,102	15,992	34,102	15,992
Subsidiary	-	-	67,869	70,850
	<u>34,102</u>	<u>15,992</u>	<u>101,971</u>	<u>86,842</u>
<b>Other income</b>				
Subsidiary	-	-	1,297,217	-

**b) Purchases of goods and services, and interest expenses**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the three-month period ended 31 March</b>				
<b>Cost of constution contracts</b>				
Related parties	3,759,264	2,692,958	3,759,264	2,692,958
Subsidiary	-	-	40,701,839	7,687,482
	<u>3,759,264</u>	<u>2,692,958</u>	<u>44,461,103</u>	<u>10,380,440</u>
<b>Interest expenses</b>				
Related parties	-	1,414,178	-	1,414,178

18 Related-party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

c) Outstanding balances arising from sales/purchases of goods/services

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>Other receivable</b>				
Related parties	24,517	24,414	24,517	24,414
Subsidiary	-	-	1,786,285	2,362,436
	<u>24,517</u>	<u>24,414</u>	<u>1,810,802</u>	<u>2,386,850</u>
<b>Advance payments to subcontractors</b>				
Subsidiary	-	-	29,111,529	5,285,630
<b>Accrued interest income</b>				
Subsidiary	-	-	100,685	232,020
	<u>24,517</u>	<u>24,414</u>	<u>31,023,016</u>	<u>7,904,500</u>
<b>Trade accounts payable</b>				
Related parties	3,658,021	1,647,741	3,658,021	1,647,741
Subsidiary	-	-	24,344,041	16,418,874
	<u>3,658,021</u>	<u>1,647,741</u>	<u>28,002,062</u>	<u>18,066,615</u>
<b>Accrued expenses</b>				
The parent	301,385	-	301,385	-
Subsidiary	-	-	4,980,176	4,769,365
	<u>301,385</u>	<u>-</u>	<u>5,281,561</u>	<u>4,769,365</u>

d) Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Subsidiary	-	-	6,000,000	5,000,000

The movement of loans to related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening balance	-	-	5,000,000	5,000,000
Additions	-	-	3,000,000	3,000,000
Repayments	-	-	(2,000,000)	(3,000,000)
Ending balance	<u>-</u>	<u>-</u>	<u>6,000,000</u>	<u>5,000,000</u>

The Company has short-term loan to a subsidiary. The loan is unsecured loan and carry interest at the rate of 6.13% per annum (31 December 2017: 8.62% per annum). The loan is due for repayment on demand. No provision has been required in the year 2018 for this loan.

18 Related-party transactions (Cont'd)

The following transactions were significant to subsidiaries and related parties: (Cont'd)

e) Key management compensation

Key management includes directors (executive and non-executive), the compensation paid or payable to key management is shown below:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
<b>For the three-month period ended 31 March</b>				
Salaries and other short-term employee benefits	3,192,212	2,191,244	2,493,438	2,004,577
Employee benefit obligations	76,154	83,504	76,154	83,504
	<u>3,160,366</u>	<u>2,274,748</u>	<u>2,461,592</u>	<u>2,088,081</u>

19 Commitments

a) Letters of guarantees

The Group has outstanding bank guarantees issued by the banks on behalf of the Company to guarantee its contractual performance, electricity usage, and purchase of supplies as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Letters of guarantees	<u>385,138,793</u>	<u>282,174,377</u>	<u>385,138,793</u>	<u>282,174,377</u>

b) Operating lease commitments - where a Group Company is the lessee

The Group has operating equipments, land and room rentals under operating lease agreements. The lease terms are between 1 year to 4 years.

The future aggregate minimum lease payments under operating lease in respect of operating equipments, land and room rentals are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Within 1 year	2,669,424	2,381,150	1,130,575	1,291,650
Within 2 to 5 years	240,000	420,000	240,000	420,000
Over 5 years	-	-	-	-
Total	<u>2,909,424</u>	<u>2,801,150</u>	<u>1,370,575</u>	<u>1,711,650</u>

## **20 Contingencies**

### **Contingent liabilities**

The Company was sued from claiming damage case by one company ("plaintiff") for breach of service contract in amount of Baht 1.52 million. The Court of First Instance reached out judgment on 27 October 2017 to dismiss the case. On 22 February 2018, the plaintiff filed an appeal with its claims to the Court of Appeal and the Company received notice from the court to defend the plaintiff's appeal on 11 March 2018. On 9 May 2018, the Company request to extend time for filing the plaintiff's appeal to the court and has to file an appeal to defend the plaintiff's appeal within 10 June 2018. The Company has not recorded provision for the contingent liabilities, which may arise from the legal proceeding since the management believes that the Company will not incur any significant loss from this litigation.

## **21 Events after the reporting period**

On 10 April 2018, the Annual General Shareholders' Meeting of the company approved the dividends payment from the operating results for the year ended 31 December 2017 at Baht 27.83 per share for 1 million shares for the shareholders who are in the book of shareholders' registration on 6 March 2018, totaling Baht 27.83 million. The dividends were paid to shareholders on 10 May 2018.

On 10 April 2018, the Annual General Shareholders' Meeting of the company changes in par value from Baht 100 per share to Baht 0.50 per share to support the offering of shares to the public. The increase in authorised share capital and change in par value resulted the number of authorised share capital to 280 million shares.

On 3 May 2018, the company registered to transform corporation under the Civil and Commercial Code into corporation under the Public Limited Company Act B.E. 2535 with Department of Business Development. As a result, the Company's name changed from CAZ (Thailand) Company Limited to CAZ (Thailand) Public Company Limited.

On 11 May 2018, the Company's Board of Director meeting approved the interim dividends payment for the operating results for the period ended 31 March 2018 at Baht 0.035 per share for 200 million shares, totaling Baht 7.04 million. The dividends are due for payment to shareholders within June 2018.