

**CAZ (THAILAND) PUBLIC COMPANY LIMITED  
(FORMERLY "CAZ (THAILAND) COMPANY LIMITED")**

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

**30 SEPTEMBER 2018**



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

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

I have reviewed the interim consolidated financial information of CAZ (Thailand) Public Company Limited and its subsidiaries, and the separate financial information of CAZ (Thailand) Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 September 2018, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods then ended, statements of changes in equity and cash flows for the nine-month periods 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.

A handwritten signature in black ink, appearing to read "Nattaporn", written over a horizontal line.

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

CAZ (Thailand) Public Company Limited  
(Formerly "CAZ (Thailand) Company Limited")  
Statement of Financial Position  
As at 30 September 2018

|                                     | Notes | Consolidated<br>financial statements      |  | Separate<br>financial statements          |  |
|-------------------------------------|-------|---|--|---|--|
|                                     |       | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht |
| <b>Assets</b>                       |       |   |  |   |  |
| <b>Current assets</b>               |       |   |  |   |  |
| Cash and cash equivalents           | 5     | 14,055,598                                | 91,978,902                             | 13,287,010                                | 90,814,169                             |
| Trade and other receivables         | 6     | 214,774,737                               | 165,665,504                            | 243,241,668                               | 172,593,484                            |
| Unbilled receivables                | 7     | 182,844,865                               | 88,847,270                             | 182,844,865                               | 88,847,270                             |
| Inventories                         | 8     | 60,172,845                                | 2,517,008                              | 60,172,845                                | 2,517,008                              |
| Short-term loans to related parties | 18    | -   | -                                      | 11,000,000                                | 5,000,000                              |
| Refundable tax                      |       | -   | 17,055,505                             | -   | 15,917,358                             |
| Other current assets                |       | 7,494,198                                 | 4,837,537                              | 7,045,705                                 | 4,721,928                              |
| <b>Total current assets</b>         |       | <b>479,342,243</b>                        | <b>370,901,726</b>                     | <b>517,592,093</b>                        | <b>380,411,217</b>                     |
| <b>Non-current assets</b>           |       |   |  |   |  |
| Restricted bank deposits            |       | 20,789,750                                | -                                      | 20,789,750                                | -                                      |
| Investment in subsidiary            | 9     | -   | -                                      | 3,000,000                                 | 2,100,000                              |
| Property, plant and equipment       | 10    | 348,382,511                               | 314,788,211                            | 335,360,014                               | 311,338,394                            |
| Intangible assets                   | 10    | 11,605,097                                | 9,125,240                              | 11,546,681                                | 9,061,484                              |
| Retention receivables               |       | 23,842,863                                | 5,493,711                              | 23,842,863                                | 5,493,711                              |
| Withholding tax deducted at source  |       | 51,295,720                                | 27,448,061                             | 46,580,803                                | 25,687,808                             |
| Deposits                            |       | 1,182,250                                 | 948,353                                | 1,072,250                                 | 817,353                                |
| Deferred tax assets                 | 11    | 697,968                                   | 421,752                                | 647,738                                   | 411,541                                |
| <b>Total non-current assets</b>     |       | <b>457,796,159</b>                        | <b>358,225,328</b>                     | <b>442,840,099</b>                        | <b>354,910,291</b>                     |
| <b>Total assets</b>                 |       | <b>937,138,402</b>                        | <b>729,127,054</b>                     | <b>960,432,192</b>                        | <b>735,321,508</b>                     |

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

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Statement of Financial Position (Cont'd)**  
**As at 30 September 2018**

|  | Notes | Consolidated<br>financial statements      |  | Separate<br>financial statements          |  |
|--|-------|---|--|---|--|
|  |       | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht |
| <b>Liabilities and equity</b>                                    |       |   |  |   |  |
| <b>Current liabilities</b>                                       |       |   |  |   |  |
| Bank overdrafts  | 12    | 34,548,716                                | -                                      | 34,548,716                                | -                                      |
| Trade and other payables   | 13    | 267,048,809                               | 171,596,121                            | 300,473,477                               | 184,624,861                            |
| Service income received in advance                               | 7     | 229,713,578                               | 163,812,489                            | 229,713,578                               | 163,812,489                            |
| Short-term borrowings from banks                                 | 12    | 39,089,784                                | -                                      | 39,089,784                                | -                                      |
| Current portion of long-term borrowings<br>from banks            | 12    | 38,640,000                                | 38,640,000                             | 38,640,000                                | 38,640,000                             |
| Current portion of liabilities under<br>finance lease agreements | 12    | 1,675,615                                 | 1,229,788                              | 1,537,134                                 | 1,095,378                              |
| Other current liabilities  |       | 17,613,221                                | 21,445,428                             | 15,192,874                                | 19,858,322                             |
| <b>Total current liabilities</b>                                 |       | <b>628,329,723</b>                        | <b>396,723,826</b>                     | <b>659,195,563</b>                        | <b>408,031,050</b>                     |
| <b>Non-current liabilities</b>                                   |       |   |  |   |  |
| Long-term borrowings from banks                                  | 12    | 152,640,000                               | 182,340,000                            | 152,640,000                               | 182,340,000                            |
| Finance lease liabilities  | 12    | 3,270,736                                 | 1,271,628                              | 2,833,900                                 | 730,417                                |
| Retention payables   |       | 4,850,440                                 | 5,486,711                              | 6,998,111                                 | 5,679,866                              |
| Employee benefit obligations                                     |       | 3,203,502                                 | 1,794,021                              | 2,959,004                                 | 1,745,606                              |
| <b>Total non-current liabilities</b>                             |       | <b>163,964,678</b>                        | <b>190,892,360</b>                     | <b>165,431,015</b>                        | <b>190,495,889</b>                     |
| <b>Total liabilities</b>   |       | <b>792,294,401</b>                        | <b>587,616,186</b>                     | <b>824,626,578</b>                        | <b>598,526,939</b>                     |

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

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Statement of Financial Position (Cont'd)**  
**As at 30 September 2018**

|   | Note | Consolidated<br>financial statements      |  | Separate<br>financial statements          |  |
|---|------|---|--|---|--|
|   |      | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht | Unaudited<br>30 September<br>2018<br>Baht | Audited<br>31 December<br>2017<br>Baht |
| <b>Liabilities and equity (Cont'd)</b>      |      |   |  |   |  |
| <b>Equity</b>                               |      |   |  |   |  |
| Share Capital                               | 14   |   |  |   |  |
| Authorised share capital                    |      |   |  |   |  |
| 280,000,000 ordinary shares                 |      |   |  |   |  |
| at par value of Baht 0.50 each              |      |   |  |   |  |
| (2017: 1,000,000 ordinary shares            |      |   |  |   |  |
| at par value of Baht 100 each)              |      | <u>140,000,000</u>                        | <u>100,000,000</u>                     | <u>140,000,000</u>                        | <u>100,000,000</u>                     |
| Issued and paid-up                          |      |   |  |   |  |
| 200,000,000 ordinary shares                 |      |   |  |   |  |
| paid-up of Baht 0.50 each                   |      |   |  |   |  |
| (2017: 1,000,000 ordinary shares            |      |   |  |   |  |
| at par value of Baht 100 each)              |      | 100,000,000                               | 100,000,000                            | 100,000,000                               | 100,000,000                            |
| Retained earnings                           |      |   |  |   |  |
| Appropriated - legal reserve                |      | 2,963,812                                 | 1,128,546                              | 2,963,812                                 | 1,128,546                              |
| Unappropriate                               |      | 29,780,948                                | 29,984,974                             | 26,471,802                                | 29,296,023                             |
| Other components of equity                  |      | <u>8,452,827</u>                          | <u>6,370,000</u>                       | <u>6,370,000</u>                          | <u>6,370,000</u>                       |
| Equity attributable to owners of the parent |      | <u>141,197,587</u>                        | <u>137,483,520</u>                     | <u>135,805,614</u>                        | <u>136,794,569</u>                     |
| Non-controlling interests                   |      | <u>3,646,414</u>                          | <u>4,027,348</u>                       | <u>-</u>                                  | <u>-</u>                               |
| <b>Total equity</b>                         |      | <u>144,844,001</u>                        | <u>141,510,868</u>                     | <u>135,805,614</u>                        | <u>136,794,569</u>                     |
| <b>Total liabilities and equity</b>         |      | <u>937,138,402</u>                        | <u>729,127,054</u>                     | <u>960,432,192</u>                        | <u>735,321,508</u>                     |

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

CAZ (Thailand) Public Company Limited  
(Formerly "CAZ (Thailand) Company Limited")  
Statement of Comprehensive Income (Unaudited)  
For the interim three-month period ended 30 September 2018

|   | Consolidated         |                    | Separate             |                   |
|---|----------------------|--------------------|----------------------|-------------------|
|   | financial statements |                    | financial statements |                   |
| Note  | 2018                 | 2017               | 2018                 | 2017              |
|   | Baht                 | Baht               | Baht                 | Baht              |
| Revenues from construction contracts                        | 344,872,503          | 275,938,679        | 344,872,503          | 276,104,398       |
| Cost of construction contracts                              | (311,700,017)        | (258,459,932)      | (316,574,833)        | (259,860,475)     |
| <b>Gross profit</b>   | <b>33,172,486</b>    | <b>17,478,747</b>  | <b>28,297,670</b>    | <b>16,243,923</b> |
| Other income  | 753,474              | 897,733            | 1,408,062            | 2,352,678         |
| Administrative expenses                                     | (16,756,456)         | (15,485,561)       | (15,446,504)         | (14,845,121)      |
| Finance cost  | (3,212,465)          | (4,407,397)        | (3,206,509)          | (4,405,008)       |
| <b>Profit before income tax</b>                             | <b>13,957,039</b>    | <b>(1,516,478)</b> | <b>11,052,719</b>    | <b>(653,528)</b>  |
| Income tax  | (2,823,973)          | 286,303            | (2,198,066)          | 277,261           |
| <b>Profit for the period</b>                                | <b>11,133,066</b>    | <b>(1,230,175)</b> | <b>8,854,653</b>     | <b>(376,267)</b>  |
| <b>Other comprehensive income:</b>                          |                      |                    |                      |                   |
| Item that will not be reclassified to profit or loss        |                      |                    |                      |                   |
| Remeasurements of employee benefit obligations (net of tax) | -                    | -                  | -                    | -                 |
| <b>Total comprehensive income for the period</b>            | <b>11,133,066</b>    | <b>(1,230,175)</b> | <b>8,854,653</b>     | <b>(376,267)</b>  |
| <b>Profit attributable to:</b>                              |                      |                    |                      |                   |
| Owners of the parent  | 9,891,659            | (1,306,386)        | 8,854,653            | (376,267)         |
| Non-controlling interests                                   | 1,241,407            | 76,211             | -                    | -                 |
|   | <b>11,133,066</b>    | <b>(1,230,175)</b> | <b>8,854,653</b>     | <b>(376,267)</b>  |
| <b>Total comprehensive income attributable to:</b>          |                      |                    |                      |                   |
| Owners of the parent  | 9,891,659            | (1,306,386)        | 8,854,653            | (376,267)         |
| Non-controlling interests                                   | 1,241,407            | 76,211             | -                    | -                 |
|   | <b>11,133,066</b>    | <b>(1,230,175)</b> | <b>8,854,653</b>     | <b>(376,267)</b>  |
| <b>Earnings per share</b>                                   |                      |                    |                      |                   |
| Basic earnings per share (Baht)                             | <b>0.049</b>         | <b>(0.011)</b>     | <b>0.044</b>         | <b>(0.003)</b>    |

16

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

CAZ (Thailand) Public Company Limited  
(Formerly "CAZ (Thailand) Company Limited")  
Statement of Comprehensive Income (Unaudited)  
For the interim nine-month period ended 30 September 2018

|   | Consolidated<br>financial statements |                   | Separate<br>financial statements |                   |
|---|--------------------------------------|-------------------|----------------------------------|-------------------|
|   | 2018                                 | 2017              | 2018                             | 2017              |
| Note  | Baht                                 | Baht              | Baht                             | Baht              |
| Revenues from construction contracts                        | 1,060,090,665                        | 585,606,662       | 1,060,090,665                    | 586,501,103       |
| Cost of construction contracts                              | (955,052,625)                        | (524,322,639)     | (967,065,343)                    | (529,103,159)     |
| <b>Gross profit</b>   | <b>105,038,040</b>                   | <b>61,284,023</b> | <b>93,025,322</b>                | <b>57,397,944</b> |
| Other income  | 1,744,767                            | 2,238,813         | 3,708,717                        | 4,239,642         |
| Administrative expenses                                     | (48,334,764)                         | (41,958,532)      | (44,822,953)                     | (38,934,659)      |
| Finance cost  | (9,287,623)                          | (13,576,906)      | (9,268,758)                      | (13,574,517)      |
| <b>Profit before income tax</b>                             | <b>49,160,420</b>                    | <b>7,987,398</b>  | <b>42,642,328</b>                | <b>9,128,410</b>  |
| Income tax  | (9,823,520)                          | (1,926,589)       | (8,527,516)                      | (1,865,981)       |
| <b>Profit for the period</b>                                | <b>39,336,900</b>                    | <b>6,060,809</b>  | <b>34,114,812</b>                | <b>7,262,429</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>39,099,212</b>                    | <b>6,060,809</b>  | <b>33,877,124</b>                | <b>7,262,429</b>  |
| <b>Profit attributable to:</b>                              |                                      |                   |                                  |                   |
| Owners of the parent  | 36,735,007                           | 6,187,108         | 34,114,812                       | 7,262,429         |
| Non-controlling interests                                   | 2,601,893                            | (126,299)         | -                                | -                 |
|   | <b>39,336,900</b>                    | <b>6,060,809</b>  | <b>34,114,812</b>                | <b>7,262,429</b>  |
| <b>Total comprehensive income attributable to:</b>          |                                      |                   |                                  |                   |
| Owners of the parent  | 36,497,319                           | 6,187,108         | 33,877,124                       | 7,262,429         |
| Non-controlling interests                                   | 2,601,893                            | (126,299)         | -                                | -                 |
|   | <b>39,099,212</b>                    | <b>6,060,809</b>  | <b>33,877,124</b>                | <b>7,262,429</b>  |
| <b>Earnings per share</b>                                   | 16                                   |                   |                                  |                   |
| Basic earnings per share (Baht)                             | <b>0.184</b>                         | <b>0.053</b>      | <b>0.171</b>                     | <b>0.062</b>      |

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





**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Statement of Changes in Equity (Unaudited)**

**For the interim nine-month period ended 30 September 2018**

|   | Separate financial statements          |   |                   |                        |  |                         |
|---|--|---|-------------------|------------------------|--|-------------------------|
|   | Issued and<br>paid-up<br>share capital | Retained earnings                       |                   | Unappropriated<br>Baht | Other<br>components<br>of equity<br>Baht | Total<br>equity<br>Baht |
|   |  | Appropriated -<br>legal reserve<br>Baht | Baht              |                        |  |                         |
| Note  | Baht                                   | Baht                                    | Baht              | Baht                   | Baht                                     | 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   | -                                      | -                                       | 7,262,429         | -                      | 7,262,429                                |                         |
| <b>Closing balance at 30 September 2017</b> | <u>58,500,000</u>                      | <u>-</u>                                | <u>35,277,599</u> | <u>6,370,000</u>       | <u>100,147,599</u>                       |                         |
| <b>Opening balance at 1 January 2018</b>    | 100,000,000                            | 1,128,546                               | 29,296,023        | 6,370,000              | 136,794,569                              |                         |
| Legal reserve                               | -                                      | 1,835,266                               | (1,835,266)       | -                      | -  |                         |
| Dividends                                   | -                                      | -                                       | (34,866,079)      | -                      | (34,866,079)                             |                         |
| Total comprehensive income for the period   | -                                      | -                                       | 33,877,124        | -                      | 33,877,124                               |                         |
| <b>Closing balance at 30 September 2018</b> | <u>100,000,000</u>                     | <u>2,963,812</u>                        | <u>26,471,802</u> | <u>6,370,000</u>       | <u>135,805,614</u>                       |                         |

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

CAZ (Thailand) Public Company Limited  
(Formerly "CAZ (Thailand) Company Limited")  
Statement of Cash Flows (Unaudited)  
For the interim nine-month period ended 30 September 2018

|  | Note | Consolidated<br>financial statements |                    | Separate<br>financial statements |                    |
|--|------|--------------------------------------|--------------------|----------------------------------|--------------------|
|  |      | 2018<br>Baht                         | 2017<br>Baht       | 2018<br>Baht                     | 2017<br>Baht       |
| <b>Cash flows from operating activities</b>                              |      |                                      |                    |                                  |                    |
| Profit before income tax   |      | 49,160,420                           | 7,987,398          | 42,642,328                       | 9,128,410          |
| Adjustments for:   |      |                                      |                    |                                  |                    |
| Depreciation and amortisation  | 10   | 21,954,811                           | 16,047,215         | 20,153,367                       | 15,724,094         |
| Employee benefit obligations   |      | 1,112,372                            | 458,038            | 916,288                          | 458,039            |
| (Gain)Loss on disposal and written-offs<br>property, plant and equipment |      | 109,617                              | (464,868)          | 56,200                           | (1,822,701)        |
| Allowance for doubtful accounts  |      | -                                    | 151,191            | -                                | 151,191            |
| Written off withholding tax deducted<br>at source                        |      | 480,941                              | 302,171            | 480,941                          | 302,171            |
| Interest income  |      | -                                    | -                  | (339,074)                        | (227,426)          |
| Interest expenses  |      | 9,287,623                            | 13,491,086         | 9,268,758                        | 13,491,085         |
| <b>Cash flows before changes in<br/>operating assets and liabilities</b> |      | <b>82,105,784</b>                    | <b>37,972,231</b>  | <b>73,178,808</b>                | <b>37,204,863</b>  |
| <b>Changes in operating assets and liabilities</b>                       |      |                                      |                    |                                  |                    |
| Trade and other receivables  |      | (49,230,728)                         | (103,122,297)      | (72,691,591)                     | (105,707,467)      |
| Unbilled receivables   |      | (93,997,596)                         | (2,727,476)        | (93,997,596)                     | (2,193,753)        |
| Inventories  |      | (57,655,837)                         | (733,360)          | (57,655,837)                     | (733,360)          |
| Other current assets   |      | (2,656,661)                          | (488,024)          | (2,323,778)                      | (590,773)          |
| Restricted bank deposits   |      | (20,789,750)                         | -                  | (20,789,750)                     | -                  |
| Retention receivables  |      | (18,349,152)                         | 6,406,568          | (18,349,152)                     | 6,254,329          |
| Deposits   |      | (233,897)                            | 119,540            | (254,897)                        | 76,575             |
| Trade and other payables   |      | 97,276,021                           | 30,576,943         | 114,821,949                      | 34,539,300         |
| Service income received in advance                                       |      | 65,901,089                           | 157,891,166        | 65,901,089                       | 155,230,570        |
| Other current liabilities  |      | (3,832,206)                          | 11,946,517         | (4,665,444)                      | 11,342,810         |
| Retention payables   |      | (636,272)                            | (1,362,016)        | 1,318,244                        | (2,987,830)        |
| <b>Cash generated from operations</b>                                    |      | <b>(2,099,205)</b>                   | <b>136,479,792</b> | <b>(15,507,955)</b>              | <b>132,435,264</b> |
| Cash paid for interest expenses  |      | (9,338,998)                          | (17,540,459)       | (9,320,133)                      | (17,540,460)       |
| Cash paid for income tax   |      | (33,899,306)                         | (16,779,427)       | (29,608,620)                     | (16,246,428)       |
| Cash receipt for refunded tax  |      | 16,585,898                           | 19,388,013         | 15,447,751                       | 19,306,668         |
| <b>Net cash generated from (used in)<br/>operating activities</b>        |      | <b>(28,751,611)</b>                  | <b>121,547,919</b> | <b>(38,988,957)</b>              | <b>117,955,044</b> |

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

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Statement of Cash Flows (unaudited) (Cont'd)**  
**For the interim nine-month period ended 30 September 2018**

|  | Notes | Consolidated<br>financial statements |                     | Separate<br>financial statements |                     |
|--|-------|--------------------------------------|---------------------|----------------------------------|---------------------|
|  |       | 2018<br>Baht                         | 2017<br>Baht        | 2018<br>Baht                     | 2017<br>Baht        |
| <b>Cash flows from investing activities</b>  |       |                                      |                     |                                  |                     |
| Proceeds from short-term loans to related parties  |       | -                                    | -                   | 2,000,000                        | 3,000,000           |
| Payment on short-term loans to related parties   |       | -                                    | -                   | (8,000,000)                      | -                   |
| Purchase of property, plant and equipment  |       | (52,715,137)                         | (17,909,498)        | (38,572,936)                     | (16,464,307)        |
| Purchase of intangible assets  |       | (3,424,060)                          | (4,013,478)         | (3,424,060)                      | (4,179,902)         |
| Proceeds from disposals of property, plant and equipment   |       | 121,495                              | 1,248,184           | 2,251,495                        | 1,248,184           |
| Interest income received   |       | -                                    | -                   | 260,985                          | 120,444             |
| <b>Net cash used in investing activities</b>   |       | <b>(56,017,702)</b>                  | <b>(20,674,792)</b> | <b>(80,350,595)</b>              | <b>(16,275,581)</b> |
| <b>Cash flows from financing activities:</b>   |       |                                      |                     |                                  |                     |
| Finance lease principal payments   |       | (1,326,412)                          | (51,716)            | (1,226,107)                      | (702,497)           |
| Payment on borrowings from related parties   |       | -                                    | (154,500,000)       | -                                | (154,500,000)       |
| Proceeds from borrowings from related parties  |       | -                                    | 113,000,000         | -                                | 113,000,000         |
| Proceeds from short-term borrowings from banks   |       | 39,089,784                           | -                   | 39,089,784                       | -                   |
| Payments on long-term borrowings from banks  | 12    | (29,700,000)                         | (29,700,000)        | (29,700,000)                     | (29,700,000)        |
| Dividends payment  | 17    | (34,866,079)                         | -                   | (34,866,079)                     | -                   |
| Payment for investment purchased from non-controlling interest   |       | (900,000)                            | -                   | (900,000)                        | -                   |
| <b>Net cash used in financing activities</b>   |       | <b>(27,702,707)</b>                  | <b>(71,251,716)</b> | <b>(27,602,402)</b>              | <b>(71,902,497)</b> |
| <b>Net increase (decrease) in cash and cash equivalents</b>  |       | <b>(112,472,020)</b>                 | <b>29,621,411</b>   | <b>(112,075,875)</b>             | <b>29,776,966</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>(20,493,118)</b>                  | <b>37,097,864</b>   | <b>(21,261,706)</b>              | <b>36,660,432</b>   |
| Cash and cash equivalents at the period ended comprise:  |       |                                      |                     |                                  |                     |
| Cash and cash equivalents  |       | 14,055,598                           | 37,097,864          | 13,287,010                       | 36,660,432          |
| Bank overdrafts  |       | (34,548,716)                         | -                   | (34,548,716)                     | -                   |
| <b>Total</b>   |       | <b>(20,493,118)</b>                  | <b>37,097,864</b>   | <b>(21,261,706)</b>              | <b>36,660,432</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) |       | 3,711,142                            | 5,483,100           | 3,711,142                        | 2,633,100           |
| Purchase of property, plant and equipment under leases contracts   |       | 3,771,346                            | -                   | 3,771,346                        | -                   |

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

## **1 General information**

CAZ (Thailand) Public Company Limited ("the Company") is a public limited company which is incorporated 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:

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

The Company has registered as a public limited company and changed the Company's name from "CAZ (Thailand) Company Limited" to "CAZ (Thailand) Public Company Limited" on 3 May 2018.

These Group consolidated and separate financial information were authorised for issue by the Board of Directors on 9 November 2018.

This interim consolidated and separate 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 standards which have been announced but not yet effective.**

**2.2.2.1 TFRS 15 Revenue from contracts with customers 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 |
|---------|---------------------------------------|

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.

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

## 2 Accounting policies (Cont'd)

### 2.2 Revised accounting standards, revised financial reporting standards, and related Interpretations (Cont'd)

#### 2.2.2 New financial reporting standards which have been announced but not yet effective. (Cont'd)

##### 2.2.2.1 TFRS 15 Revenue from contracts with customers 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)

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.

##### 2.2.2.2 The group of financial reporting standards relating to financial instruments are effective for annual periods beginning on or after 1 January 2020 which relevant to the Group. The Group has not yet adopted those standards.

The Group of financial instruments reporting standards consist of the following standards:

|          |   |
|----------|---|
| TAS 32   | Financial Instruments: Presentation                         |
| TFRS 7   | Financial Instruments: Disclosures                          |
| TFRS 9   | Financial Instruments                                       |
| TFRIC 16 | Hedges of a Net Investment In a Foreign Operation           |
| TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |

The above new standards will supersede the following standards:

|         |  |
|---------|--|
| TAS 101 | Bad and Doubtful Debts   |
| TAS 103 | Disclosures in the Financial Statements of Bank and Similar Financial Institutions |
| TAS 104 | Accounting for Troubled Debt Restructuring   |
| TAS 105 | Accounting for Investment in Debts and Equity securities                           |
| TAS 106 | Accounting for Investment Companies  |
| TAS 107 | Financial Instruments: Disclosure and Presentation                                 |

## 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.

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the Interim nine-month period ended 30 September 2018**

**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 and SMP Services which each customer generated revenues more than 10% of total revenues in the consolidated financial statements for the nine-month period ended 30 September 2018, totalling Baht 1,028.52 million (30 September 2017: 3 customer in EPC and SMP services, totalling Baht 535.49 million).

**5 Cash and cash equivalents**

|                                 | Consolidated<br>financial statements |                             | Separate<br>financial statements |                             |
|---------------------------------|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|                                 | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| Cash on hand                    | 382,135                              | 410,621                     | 164,786                          | 234,139                     |
| Cash at bank - Current accounts | 13,543,389                           | 91,317,931                  | 12,993,761                       | 90,330,988                  |
| - Savings accounts              | 129,039                              | 249,321                     | 127,428                          | 248,013                     |
| - Short-term fixed accounts     | 1,035                                | 1,029                       | 1,035                            | 1,029                       |
| <b>Total</b>                    | <b>14,055,598</b>                    | <b>91,978,902</b>           | <b>13,287,010</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<br>financial statements |                             | Separate<br>financial statements |                             |
|---|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|   | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| Trade receivables-third parties                                   | 189,867,611                          | 148,887,828                 | 189,867,611                      | 148,843,464                 |
| <u>Less</u> Allowance for impairment of<br>trade receivables      | <u>(201,588)</u>                     | <u>(201,588)</u>            | <u>(201,588)</u>                 | <u>(201,588)</u>            |
| Trade receivables - net   | 189,666,023                          | 148,686,240                 | 189,666,023                      | 148,641,876                 |
| Receivables from related parties (Note 18)                        | 23,890                               | 24,414                      | 5,380,487                        | 2,618,870                   |
| Prepaid expenses  | 15,247,801                           | 11,860,388                  | 15,152,381                       | 10,908,282                  |
| Prepaid raw material expenses                                     | 9,015,972                            | 3,938,611                   | 9,015,972                        | 3,938,611                   |
| Advance payments to subcontractors                                | 821,051                              | 1,155,851                   | 765,412                          | 1,200,215                   |
| Advance payments to subcontractors<br>- related parties (Note 18) | -                                    | -                           | 23,261,393                       | 5,285,630                   |
| <b>Trade and other receivables - net</b>                          | <b>214,774,737</b>                   | <b>165,665,504</b>          | <b>243,241,668</b>               | <b>172,593,484</b>          |

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**6 Trade and other receivables (Cont'd)**

Aging analysis of trade receivables are as follows:

|  | Consolidated<br>financial statements |                             | Separate<br>financial statements |                             |
|--|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|  | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| - Not yet due  | 161,711,387                          | 148,141,560                 | 161,711,387                      | 148,097,195                 |
| - Up to 3 months   | 27,954,636                           | -                           | 27,954,636                       | -                           |
| - 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>189,867,611</b>                   | <b>148,887,828</b>          | <b>189,867,611</b>               | <b>148,843,464</b>          |
| <b>Less</b> Allowance for impairment of<br>trade receivables | <b>(201,588)</b>                     | <b>(201,588)</b>            | <b>(201,588)</b>                 | <b>(201,588)</b>            |
| <b>Trade accounts receivable - net</b>                       | <b>189,666,023</b>                   | <b>148,686,240</b>          | <b>189,666,023</b>               | <b>148,641,876</b>          |

**7 Unbilled receivables/Service income received in advance**

|  | Consolidated<br>financial statements |                             | Separate<br>financial statements |                             |
|--|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|  | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| <b>Unbilled receivables</b>  |                                      |                             |                                  |                             |
| Project value as per contracts   | 3,836,691,481                        | 966,087,933                 | 3,836,691,481                    | 966,087,933                 |
| Accumulated amount recognised<br>as revenue on percentage of<br>completion basis             | 1,972,085,964                        | 641,011,859                 | 1,972,085,964                    | 641,011,859                 |
| <b>Less</b> Value of total billed  | <b>(1,789,241,099)</b>               | <b>(552,164,589)</b>        | <b>(1,789,241,099)</b>           | <b>(552,164,589)</b>        |
| <b>Unbilled receivables</b>  | <b>182,844,865</b>                   | <b>88,847,270</b>           | <b>182,844,865</b>               | <b>88,847,270</b>           |
| <b>Service income received in<br/>advance</b>  |                                      |                             |                                  |                             |
| Project value as per contracts   | 950,521,195                          | 1,208,122,450               | 950,521,195                      | 1,208,122,450               |
| Value of total billed  | 670,774,899                          | 935,714,839                 | 670,774,899                      | 935,714,839                 |
| <b>Less</b> Accumulated amount recognised<br>as revenue on percentage of<br>completion basis | <b>(441,061,321)</b>                 | <b>(771,902,350)</b>        | <b>(441,061,321)</b>             | <b>(771,902,350)</b>        |
| <b>Service income received in advance</b>  | <b>229,713,578</b>                   | <b>163,812,489</b>          | <b>229,713,578</b>               | <b>163,812,489</b>          |



**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**8 Inventories**

|  | Consolidated<br>financial statements |                             | Separate<br>financial statements |                             |
|--|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|  | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| Raw materials  | 60,172,845                           | 2,517,008                   | 60,172,845                       | 2,517,008                   |
| <u>Less</u> Allowance for net realisable value<br>of inventories | -                                    | -                           | -                                | -                           |
| Inventories - net  | <u>60,172,845</u>                    | <u>2,517,008</u>            | <u>60,172,845</u>                | <u>2,517,008</u>            |

**9 Investments in subsidiaries**

Investments in subsidiaries as at 30 September 2018 and 31 December 2017 are as follows:

| Name                     | Country of<br>incorporation<br>and place<br>of business | Nature of<br>business      | Proportion of ordinary<br>shares held by the group |       | Proportion of ordinary<br>shares held by<br>non- controlling interests |       | Separate<br>financial statements<br>Cost method, net<br>Baht |                  |
|--------------------------|---|----------------------------|--|-------|--|-------|--|------------------|
|                          |   |                            | 2018   | 2017  | 2018   | 2017  | 2018   | 2017             |
| JKEC Co., Ltd.<br>(JKEC) | Thailand  | Construction<br>contractor | 73.17  | 51.22 | 26.83  | 48.78 | <u>3,000,000</u>   | <u>2,100,000</u> |

**Additional of investment in JKEC**

On 28 September 2018, CAZ (Thailand) Public Company Limited made additional investment in JKEC of 9,000 shares totalling Baht 900,000. The acquisition resulted in the change in shareholding percentage from 51.22% to 73.17%. The difference between consideration paid and carrying value of acquired shares of Baht 2.08 million was recognised in the owners of the parent and presented in other components of equity.

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

The movement of property, plant, equipment and intangible assets for the nine-month period ended 30 September 2018 is summarised as follows:

|                         | Consolidated<br>financial statements        |                              | Separate<br>financial statements            |                              |
|-------------------------|---|------------------------------|---|------------------------------|
|                         | Property,<br>plant and<br>equipment<br>Baht | Intangible<br>assets<br>Baht | Property,<br>plant and<br>equipment<br>Baht | Intangible<br>assets<br>Baht |
| Opening net book amount | 314,788,211                                 | 9,125,240                    | 311,338,394                                 | 9,061,484                    |
| Additions               | 54,714,525                                  | 3,424,060                    | 43,422,323                                  | 3,424,060                    |
| Written offs/Disposals  | (109,617)                                   | -                            | (186,199)                                   | -                            |
| Depreciation charge     | <u>(21,010,608)</u>                         | <u>(944,203)</u>             | <u>(19,214,504)</u>                         | <u>(938,863)</u>             |
| Closing net book amount | <u>348,382,511</u>                          | <u>11,605,097</u>            | <u>335,360,014</u>                          | <u>11,546,681</u>            |

Land and buildings of Baht 253.46 million (2017: Baht 252.55 million) have been pledged for borrowings from bank (Note 12).

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**11 Deferred tax assets**

|                                 | Consolidated<br>financial statements |                             | Separate<br>financial statements |                             |
|---------------------------------|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|                                 | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| Deferred income tax assets      | 731,841                              | 452,388                     | 672,209                          | 429,864                     |
| Deferred income tax liabilities | (33,873)                             | (30,636)                    | (24,471)                         | (18,323)                    |
| Deferred income tax, net        | 697,968                              | 421,752                     | 647,738                          | 411,541                     |

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<br>financial statements |                             | Separate<br>financial statements |                             |
|--|--------------------------------------|-----------------------------|----------------------------------|-----------------------------|
|  | 30 September<br>2018<br>Baht         | 31 December<br>2017<br>Baht | 30 September<br>2018<br>Baht     | 31 December<br>2017<br>Baht |
| <b>Current</b>                                     |                                      |                             |                                  |                             |
| Bank overdrafts                                    | 34,548,716                           | -                           | 34,548,716                       | -                           |
| Short-term borrowings from banks                   | 39,089,784                           | -                           | 39,089,784                       | -                           |
| 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       | 1,675,615                            | 1,229,788                   | 1,537,134                        | 1,095,378                   |
| <b>Total current borrowings</b>                    | <b>113,954,115</b>                   | <b>39,869,788</b>           | <b>113,815,634</b>               | <b>39,735,378</b>           |
| <b>Non-current</b>                                 |                                      |                             |                                  |                             |
| Long-term borrowings from banks                    | 152,640,000                          | 182,340,000                 | 152,640,000                      | 182,340,000                 |
| Finance lease liabilities                          | 3,270,736                            | 1,271,628                   | 2,833,900                        | 730,417                     |
| <b>Total non-current borrowings</b>                | <b>155,910,736</b>                   | <b>183,611,628</b>          | <b>155,473,900</b>               | <b>183,070,417</b>          |
| <b>Total borrowings</b>                            | <b>269,864,851</b>                   | <b>223,481,416</b>          | <b>269,289,534</b>               | <b>222,805,795</b>          |

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

|                | Consolidated<br>financial statements | Separate<br>financial statements |
|----------------|--------------------------------------|----------------------------------|
|                | 30 September<br>2018<br>Baht         | 30 September<br>2018<br>Baht     |
| Opening amount | 220,980,000                          | 220,980,000                      |
| Additions      | -                                    | -                                |
| Repayments     | (29,700,000)                         | (29,700,000)                     |
| Closing amount | 191,280,000                          | 191,280,000                      |

On 15 January 2016, the Company entered into the loan agreement with a local bank 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 bank 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 bank 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.

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**12 Borrowings (Cont'd)**

**Reconciliation of liabilities arising from financing activities**

|                       | <b>Consolidated financial statements</b> |                            |  |                                       |
|-----------------------|--|----------------------------|--|---------------------------------------|
|                       | <b>31 December<br/>2017<br/>Baht</b>     | <b>Cash flows<br/>Baht</b> | <b>Non-cash<br/>changes<br/>New lease<br/>Baht</b> | <b>30 September<br/>2018<br/>Baht</b> |
| Short-term borrowings | -  | 39,089,784                 | -  | 39,089,784                            |
| Long-term borrowings  | 220,980,000                              | (29,700,000)               | -  | 191,280,000                           |
| Lease liabilities     | 2,501,416                                | (1,326,411)                | 3,771,346  | 4,946,351                             |
| <b>Long-term debt</b> | <b>223,481,416</b>                       | <b>8,063,373</b>           | <b>3,771,346</b>                                   | <b>235,316,135</b>                    |

  

|                       | <b>Separate financial statements</b> |                            |  |                                       |
|-----------------------|--------------------------------------|----------------------------|--|---------------------------------------|
|                       | <b>31 December<br/>2017<br/>Baht</b> | <b>Cash flows<br/>Baht</b> | <b>Non-cash<br/>changes<br/>New lease<br/>Baht</b> | <b>30 September<br/>2018<br/>Baht</b> |
| Short-term borrowings | -                                    | 39,089,784                 | -  | 39,089,784                            |
| Long-term borrowings  | 220,980,000                          | (29,700,000)               | -  | 191,280,000                           |
| Lease liabilities     | 1,825,795                            | (1,226,107)                | 3,771,346  | 4,371,034                             |
| <b>Long-term debt</b> | <b>222,805,795</b>                   | <b>8,163,677</b>           | <b>3,771,346</b>                                   | <b>234,740,818</b>                    |

**13 Trade and other payables**

|   | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|---|--|----------------------|--|----------------------|
|   | <b>2018<br/>Baht</b>                         | <b>2017<br/>Baht</b> | <b>2018<br/>Baht</b>                     | <b>2017<br/>Baht</b> |
| Trade accounts payable                                | 200,867,124                                  | 147,146,072          | 188,147,272                              | 141,662,128          |
| Trade accounts payable<br>- related parties (Note 18) | 2,106,834                                    | 1,647,741            | 26,601,713                               | 18,066,615           |
| Accrued expenses                                      | 62,872,485                                   | 22,735,668           | 56,477,444                               | 20,126,753           |
| Accrued expenses - related parties<br>(Note 18)       | 565,223                                      | -                    | 28,809,555                               | 4,769,365            |
| Other payables  | 637,143                                      | 66,640               | 437,493                                  | -                    |
| <b>Total trade and other payables</b>                 | <b>267,048,809</b>                           | <b>171,596,121</b>   | <b>300,473,477</b>                       | <b>184,624,861</b>   |

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**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                 |
| Change in par value of ordinary shares | 199,000,000   | -                           | 199,000,000                       | -                           |
| <b>Total</b>                           | <b>200,000,000</b>                                    | <b>100,000,000</b>          | <b>200,000,000</b>                | <b>100,000,000</b>          |
| Issue of shares                        | 80,000,000  | 40,000,000                  | -                                 | -                           |
| <b>At 30 September 2018</b>            | <b>280,000,000</b>                                    | <b>140,000,000</b>          | <b>200,000,000</b>                | <b>100,000,000</b>          |
| At 31 January 2017                     | 585,000   | 58,500,000                  | 585,000                           | 58,500,000                  |
| Issue of shares                        | -   | -                           | -                                 | -                           |
| <b>At 30 September 2017</b>            | <b>585,000</b>  | <b>58,500,000</b>           | <b>585,000</b>                    | <b>58,500,000</b>           |

At 30 September 2018, the total number of authorised ordinary shares is 280,000,000 shares (2017: 1,000,000 shares) with a par value of Baht 0.50 per share (2017: Baht 100 per share). All issued shares, 200,000,000 shares, are fully paid (2017: 1,000,000 shares) with a par value of Baht 0.50 per share (2017: Baht 100 per share).

At the Annual General Meeting 1/2018 held on 10 April 2018, the shareholders approved to register the decrease in authorised share capital with the Ministry of Commerce from a par value of Baht 100 per share with total shares of 1,000,000 shares to a par value of Baht 0.50 per share with total shares of 200,000,000 shares. To support the offering of shares to the public. In addition, the shareholders approved to increase authorised share capital 80,000,000 ordinary shares from 200,000,000 with a par value of Baht 0.50 per share to 280,000,000 ordinary shares with a par value of Baht 0.50 per share, totalling Baht 140,000,000. These changes is to support offering shares to the public.

**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% (30 September 2017: 20% per annum).

**16 Earnings per share**

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

|   | <b>Consolidated financial statements</b> |                | <b>Separate financial statements</b> |                |
|---|--|----------------|--------------------------------------|----------------|
|   | <b>2018</b>                              | <b>2017</b>    | <b>2018</b>                          | <b>2017</b>    |
| <b>For the three-month period ended 30 September</b>  |  |                |                                      |                |
| Net profit (loss) attributable to ordinary shareholders of the parent (Baht)                                | 9,891,659                                | (1,306,386)    | 8,854,653                            | (376,267)      |
| 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    |
| <b>Basic earnings per share (Baht)</b>  | <b>0.049</b>                             | <b>(0.011)</b> | <b>0.044</b>                         | <b>(0.003)</b> |

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the Interim nine-month period ended 30 September 2018**

**16 Earnings per share (Cont'd)**

|   | <b>Consolidated<br/>financial statements</b> |                    | <b>Separate<br/>financial statements</b> |                    |
|---|--|--------------------|--|--------------------|
|   | <b>2018</b>                                  | <b>2017</b>        | <b>2018</b>                              | <b>2017</b>        |
| <b>For the nine-month period ended 30 September</b>   |  |                    |  |                    |
| Net profit attributable to ordinary shareholders of the parent (Baht)                                       | 36,735,007                                   | 6,187,108          | 34,114,812                               | 7,262,429          |
| Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares) | <u>200,000,000</u>                           | <u>117,000,000</u> | <u>200,000,000</u>                       | <u>117,000,000</u> |
| Basic earnings per share (Baht)   | <u>0.184</u>                                 | <u>0.053</u>       | <u>0.171</u>                             | <u>0.062</u>       |

The Company changed a par value of share capital from Baht 100 per share to Baht 0.50 per share (Note 14). The Company; therefore, adjusted the weighted average number of ordinary shares for the period ended 30 September 2017 as if the event started since the prior period. The earnings per share is then adjusted accordingly.

**17 Dividends per share**

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

| <b>The operation for<br/>the period</b>                     | <b>Approved by</b>                 | <b>Approved date</b> | <b>Number<br/>of shares<br/>(share)</b> | <b>Dividend<br/>paid<br/>(million Baht)</b> | <b>Dividend<br/>per share<br/>(Baht)</b> | <b>Payment date</b> |
|---|------------------------------------|----------------------|---|---|--|---------------------|
| <b>2018</b><br>1 January 2018 to<br>31 March 2018           | The Board of Director's<br>Meeting | 11 May 2018          | 200,000,000                             | 7.04  | 0.04                                     | 8 June 2018         |
| <b>2016 - 2017</b><br>1 January 2016 to<br>31 December 2017 | The Shareholders' Meeting          | 10 April 2018        | 1,000,000                               | 27.83                                       | 27.83                                    | 9 May 2018          |
| <b>2015</b><br>1 January 2015 to<br>31 March 2016           | The Shareholders' Meeting          | 22 November 2017     | 284,900                                 | 6.12  | 21.46                                    | 18 December 2017    |
| 1 April 2015 to<br>31 December 2016                         | The Shareholders' Meeting          | 22 November 2017     | 545,000                                 | 7.37  | 13.52                                    | 18 December 2017    |
| <b>2014</b><br>1 January 2014 to<br>31 December 2014        | The Shareholders' Meeting          | 22 November 2017     | 285,000                                 | 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 held by individual. The Group's ultimate parent is Takuni Group Public Company Limited ("the ultimate parent"). The Group's ultimate controlling party is Treeweeranuwat family.

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**18 Related-party transactions (Cont'd)**

The following transactions were significant to subsidiaries and related parties:

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

|  | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|--|--|----------------------|--|----------------------|
|  | <b>2018<br/>Baht</b>                         | <b>2017<br/>Baht</b> | <b>2018<br/>Baht</b>                     | <b>2017<br/>Baht</b> |
| <b>For the three-month period ended<br/>30 September</b> |  |                      |  |                      |
| <b>Revenue from construction contracts</b>               |  |                      |  |                      |
| Related party  | 890,722                                      | -                    | 890,722                                  | -                    |
| <b>Rental income</b>                                     |  |                      |  |                      |
| Related party  | 36,000                                       | 36,000               | 36,000                                   | 36,000               |
| Subsidiary   | -  | -                    | 375,850                                  | 320,056              |
|  | <u>36,000</u>                                | <u>36,000</u>        | <u>411,850</u>                           | <u>356,056</u>       |
| <b>Interest income</b>                                   |  |                      |  |                      |
| Subsidiary   | -  | -                    | 117,801                                  | 43,454               |
| <b>Service income</b>                                    |  |                      |  |                      |
| Related party  | 32,881                                       | 16,188               | 32,881                                   | 16,188               |
| Subsidiary   | -  | -                    | 85,123                                   | 63,852               |
|  | <u>32,881</u>                                | <u>16,188</u>        | <u>118,004</u>                           | <u>80,040</u>        |
| <b>Other income</b>                                      |  |                      |  |                      |
| Subsidiary   | -  | -                    | 1,972,423                                | 8,500                |
| <b>For the nine-month period ended<br/>30 September</b>  |  |                      |  |                      |
| <b>Revenue from construction contracts</b>               |  |                      |  |                      |
| Related party  | 890,722                                      | -                    | 890,722                                  | -                    |
| <b>Rental income</b>                                     |  |                      |  |                      |
| Related party  | 108,000                                      | 108,000              | 108,000                                  | 108,000              |
| Subsidiary   | -  | -                    | 1,047,849                                | 590,556              |
|  | <u>108,000</u>                               | <u>108,000</u>       | <u>1,155,849</u>                         | <u>698,556</u>       |
| <b>Interest income</b>                                   |  |                      |  |                      |
| Subsidiary   | -  | -                    | 339,074                                  | 227,426              |
| <b>Service income</b>                                    |  |                      |  |                      |
| Related party  | 98,837                                       | 47,476               | 98,837                                   | 47,476               |
| Subsidiary   | -  | -                    | 228,442                                  | 105,302              |
|  | <u>98,837</u>                                | <u>47,476</u>        | <u>327,279</u>                           | <u>152,778</u>       |
| <b>Other income</b>                                      |  |                      |  |                      |
| Subsidiary   | -  | -                    | 4,908,541                                | 59,500               |

**CAZ (Thailand) Public Company Limited**  
**(Formerly "CAZ (Thailand) Company Limited")**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the interim nine-month period ended 30 September 2018**

**18 Related-party transactions (Cont'd)**

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

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

|  | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|--|--|----------------------|--|----------------------|
|  | <b>2018<br/>Baht</b>                         | <b>2017<br/>Baht</b> | <b>2018<br/>Baht</b>                     | <b>2017<br/>Baht</b> |
| <b>For the three-month period ended<br/>30 September</b> |  |                      |  |                      |
| <b>Cost of construction contracts</b>                    |  |                      |  |                      |
| Related parties  | 1,912,354                                    | 1,046,885            | 1,912,354                                | 1,046,885            |
| Subsidiary   | -  | -                    | 53,665,118                               | 20,623,939           |
|  | <u>1,912,354</u>                             | <u>1,046,885</u>     | <u>55,577,472</u>                        | <u>21,670,824</u>    |
| <b>For the nine-month period ended<br/>30 September</b>  |  |                      |  |                      |
| <b>Cost of construction contracts</b>                    |  |                      |  |                      |
| Related parties  | 8,630,615                                    | 7,740,115            | 8,630,615                                | 7,740,115            |
| Subsidiary   | -  | -                    | 128,885,088                              | 36,473,591           |
|  | <u>8,630,615</u>                             | <u>7,740,115</u>     | <u>137,515,703</u>                       | <u>44,213,706</u>    |

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

|   | <b>Consolidated<br/>financial statements</b> |                      | <b>Separate<br/>financial statements</b> |                      |
|---|--|----------------------|--|----------------------|
|   | <b>2018<br/>Baht</b>                         | <b>2017<br/>Baht</b> | <b>2018<br/>Baht</b>                     | <b>2017<br/>Baht</b> |
| <b>Other receivable</b><br>(Included in trade and other<br>account receivable)        |  |                      |  |                      |
| Related parties   | 23,890                                       | 24,414               | 23,890                                   | 24,415               |
| Subsidiary  | -  | -                    | 5,046,488                                | 2,362,435            |
|   | <u>23,890</u>                                | <u>24,414</u>        | <u>5,070,378</u>                         | <u>2,386,850</u>     |
| <b>Accrued interest income</b><br>(Included in trade and other<br>account receivable) |  |                      |  |                      |
| Subsidiary  | -  | -                    | 310,109                                  | 232,020              |
|   | <u>23,890</u>                                | <u>24,414</u>        | <u>5,380,487</u>                         | <u>2,618,870</u>     |
| <b>Advance payments to<br/>subcontractors</b>   |  |                      |  |                      |
| Subsidiary  | -  | -                    | 23,261,393                               | 5,285,630            |
| <b>Retention receivable</b>   |  |                      |  |                      |
| Related parties   | <u>1,020,600</u>                             | -                    | <u>1,020,600</u>                         | -                    |

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<br>financial statements |                  | Separate<br>financial statements |                   |
|-------------------------------|--------------------------------------|------------------|----------------------------------|-------------------|
|                               | 2018<br>Baht                         | 2017<br>Baht     | 2018<br>Baht                     | 2017<br>Baht      |
| <b>Trade accounts payable</b> |                                      |                  |                                  |                   |
| Related parties               | 2,106,834                            | 1,647,741        | 2,106,834                        | 1,647,742         |
| Subsidiary                    | -                                    | -                | 24,494,879                       | 16,418,873        |
|                               | <u>2,106,834</u>                     | <u>1,647,741</u> | <u>26,601,713</u>                | <u>18,066,615</u> |
| <b>Accrued expenses</b>       |                                      |                  |                                  |                   |
| Related parties               | 565,223                              | -                | 565,223                          | -                 |
| Subsidiary                    | -                                    | -                | 28,244,332                       | 4,769,365         |
|                               | <u>565,223</u>                       | <u>-</u>         | <u>28,809,555</u>                | <u>4,769,365</u>  |
| <b>Unearned revenue</b>       |                                      |                  |                                  |                   |
| Related parties               | <u>19,521,278</u>                    | <u>-</u>         | <u>19,521,278</u>                | <u>-</u>          |

d) Short-term loans to related parties

|            | Consolidated<br>financial statements |              | Separate<br>financial statements |                  |
|------------|--------------------------------------|--------------|----------------------------------|------------------|
|            | 2018<br>Baht                         | 2017<br>Baht | 2018<br>Baht                     | 2017<br>Baht     |
| Subsidiary | <u>-</u>                             | <u>-</u>     | <u>11,000,000</u>                | <u>5,000,000</u> |

The movement of loans to related parties are as follows:

|                 | Consolidated<br>financial statements |              | Separate<br>financial statements |                  |
|-----------------|--------------------------------------|--------------|----------------------------------|------------------|
|                 | 2018<br>Baht                         | 2017<br>Baht | 2018<br>Baht                     | 2017<br>Baht     |
| Opening balance | -                                    | -            | 5,000,000                        | 5,000,000        |
| Additions       | -                                    | -            | 8,000,000                        | 3,000,000        |
| Repayments      | -                                    | -            | (2,000,000)                      | (3,000,000)      |
| Ending balance  | <u>-</u>                             | <u>-</u>     | <u>11,000,000</u>                | <u>5,000,000</u> |

The Company has unsecured short-term loan to a subsidiary with 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 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<br>financial statements |                  | Separate<br>financial statements |                  |
|--|--------------------------------------|------------------|----------------------------------|------------------|
|  | 2018<br>Baht                         | 2017<br>Baht     | 2018<br>Baht                     | 2017<br>Baht     |
| <b>For the three-month period ended<br/>30 September</b> |                                      |                  |                                  |                  |
| Salaries and other short-term<br>employee benefits       | 4,367,209                            | 4,071,812        | 2,992,527                        | 2,779,860        |
| Employee benefit obligations                             | 76,154                               | 83,504           | 76,154                           | 83,504           |
|  | <u>4,443,363</u>                     | <u>4,155,316</u> | <u>3,068,681</u>                 | <u>2,863,364</u> |
|  | Consolidated<br>financial statements |                  | Separate<br>financial statements |                  |
|  | 2018<br>Baht                         | 2017<br>Baht     | 2018<br>Baht                     | 2017<br>Baht     |
| <b>For the nine-month period ended<br/>30 September</b>  |                                      |                  |                                  |                  |
| Salaries and other short-term<br>employee benefits       | 11,003,633                           | 9,623,452        | 8,220,682                        | 7,831,833        |
| Employee benefit obligations                             | 228,463                              | 250,512          | 228,463                          | 250,512          |
|  | <u>11,232,096</u>                    | <u>9,873,964</u> | <u>8,449,145</u>                 | <u>8,082,345</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<br>financial statements |                    | Separate<br>financial statements |                    |
|-----------------------|--------------------------------------|--------------------|----------------------------------|--------------------|
|                       | 2018<br>Baht                         | 2017<br>Baht       | 2018<br>Baht                     | 2017<br>Baht       |
| Letters of guarantees | <u>695,894,290</u>                   | <u>442,174,377</u> | <u>695,894,290</u>               | <u>442,174,377</u> |

The outstanding bank guarantees is pledged by the Company's bank deposits amount of Baht 20.79 million (2017: nil).

**19 Commitments (Cont'd)**

**b) Operating lease commitments - where the Group 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<br>financial statements |                  | Separate<br>financial statements |                  |
|---------------------|--------------------------------------|------------------|----------------------------------|------------------|
|                     | 2018<br>Baht                         | 2017<br>Baht     | 2018<br>Baht                     | 2017<br>Baht     |
| Within 1 year       | 1,718,508                            | 2,381,150        | 1,117,125                        | 1,291,650        |
| Within 2 to 5 years | 968,000                              | 420,000          | 800,000                          | 420,000          |
| Over 5 years        | -                                    | -                | -                                | -                |
| <b>Total</b>        | <b>2,686,508</b>                     | <b>2,801,150</b> | <b>1,917,125</b>                 | <b>1,711,650</b> |

**c) Commitments under construction materials purchase contract- where the Group is the lessee**

The group has commitments under construction materials purchase contracts are as follows:

|                         | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|-------------------------|--------------------------------------|--------------|----------------------------------|--------------|
|                         | 2018<br>Baht                         | 2017<br>Baht | 2018<br>Baht                     | 2017<br>Baht |
| Purchase order material | 34,874,147                           | 1,196,000    | 34,874,147                       | 1,196,000    |

**20 Contingencies**

**Contingent liabilities**

The Company has been sued from claiming damage case by a 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. The Company has defended the plaintiff's appeal on 10 June 2018 and the Court of Appeal will judge this case on 15 November 2018. Currently, 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.