

CAZ (THAILAND) COMPANY LIMITED

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

31 MARCH 2019



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

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 31 March 2019, and the related consolidated and separate statements of comprehensive income, changes in equity, and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

A blue ink signature, likely of Boonlert Kamolchanokkul, written in a cursive style.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
15 May 2019


CAZ (Thailand) Public Company Limited

Statement of Financial Position


As at 31 March 2019

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	16,457,111	35,218,564	16,313,058	34,786,190
Short-term investment	8	94,000,000	-	94,000,000	-
Trade and other receivables	9	116,682,511	208,401,279	157,626,052	245,052,247
Unbilled receivables	10	402,967,093	273,718,443	402,967,093	273,718,443
Inventories	11	120,840,568	135,916,596	120,789,253	135,916,596
Short-term loans to related party	20	-	-	30,500,000	18,000,000
Other current assets		12,607,701	6,854,810	11,976,104	6,246,101
Total current assets		763,554,984	660,109,692	834,171,560	713,719,577
Non-current assets					
Restricted bank deposits		14,835,500	20,789,750	14,835,500	20,789,750
Investment in subsidiary	12	-	-	3,000,000	3,000,000
Property, plant and equipment	13	366,096,416	357,135,633	351,869,194	341,843,888
Intangible assets	13	11,876,068	11,647,006	11,821,212	11,590,389
Retention receivables	10	31,934,812	37,250,508	31,934,812	37,250,508
Withholding tax deducted at source		66,610,953	61,305,975	59,130,962	55,313,948
Deposits		934,633	850,779	700,633	609,779
Deferred tax assets	14	681,804	667,802	656,418	604,079
Total non-current assets		492,970,186	489,647,453	473,948,731	471,002,341
Total assets		1,256,525,170	1,149,757,145	1,308,120,291	1,184,721,918

Director


 K. Hong

Director


 K. Nita

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

CAZ (Thailand) Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 March 2019

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from banks	15	-	59,179,723	-	59,179,723
Trade and other payables	16	233,682,037	286,574,663	292,718,209	331,174,240
Advance received from construction contracts and construction income received in advance	10	356,834,608	422,434,493	356,834,608	422,434,493
Current portion of long-term borrowings from banks	15	38,640,000	38,640,000	38,640,000	38,640,000
Current portion of liabilities under finance lease agreements	15	1,211,072	1,446,742	1,069,810	1,306,878
Other current liabilities		9,982,240	22,158,531	8,211,957	19,726,251
Total current liabilities		640,349,957	830,434,152	697,474,584	872,461,585
Non-current liabilities					
Long-term borrowings from banks	15	133,320,000	143,700,000	133,320,000	143,700,000
Finance lease liabilities	15	2,716,018	2,995,331	2,350,515	2,593,983
Retention payables		9,578,845	7,959,970	14,849,040	11,277,273
Employee benefit obligations		3,146,276	3,066,053	3,032,272	2,756,194
Total non-current liabilities		148,761,139	157,721,354	153,551,827	160,327,450
Total liabilities		789,111,096	988,155,506	851,026,411	1,032,789,035

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

CAZ (Thailand) Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 March 2019

	Note	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share Capital	17				
Authorised share capital					
280,000,000 ordinary shares					
at par value of Baht 0.50 each					
(2018: 280,000,000 ordinary shares					
at par value of Baht 0.50 each)		140,000,000	140,000,000	140,000,000	140,000,000
Issued and paid-up					
280,000,000 ordinary shares					
paid-up of Baht 0.50 each					
(2018: 200,000,000 ordinary shares					
paid-up of Baht 0.50 each)		140,000,000	100,000,000	140,000,000	100,000,000
Share premium		246,105,067	-	246,105,067	-
Retained earnings					
Appropriated - Legal reserve		5,085,302	5,085,302	5,085,302	5,085,302
Unappropriate		63,866,700	44,311,681	59,533,511	40,477,581
Other components of equity		8,452,827	8,452,827	6,370,000	6,370,000
Equity attributable to owners of the parent		463,509,896	157,849,810	457,093,880	151,932,883
Non-controlling interests		3,904,178	3,751,829	-	-
Total equity		467,414,074	161,601,639	457,093,880	151,932,883
Total liabilities and equity		1,256,525,170	1,149,757,145	1,308,120,291	1,184,721,918

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

CAZ (Thailand) Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the interim three-month period ended 31 March 2019

	Note	Consolidated financial information		Separate financial information	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts		414,345,250	374,540,622	414,345,659	374,540,622
Cost of construction contracts		(368,248,926)	(333,521,500)	(371,913,501)	(336,736,604)
Gross profit		46,096,324	41,019,122	42,432,158	37,804,018
Other income		2,696,077	266,876	3,471,349	968,412
Administrative expenses		(21,861,465)	(16,631,060)	(19,549,386)	(15,568,235)
Finance cost		(2,764,770)	(2,971,655)	(2,759,493)	(2,965,035)
Profit before income tax		24,166,166	21,683,283	23,594,628	20,239,160
Income tax		(4,827,848)	(4,320,360)	(4,735,088)	(4,061,150)
Profit for the year		19,338,318	17,362,923	18,859,540	16,178,010
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of employee benefit obligations (net of tax)		172,660	(237,688)	-	(237,688)
Total comprehensive income for the period		19,510,978	17,125,235	18,859,540	15,940,322
Profit attributable to:					
Owners of the parent		19,232,293	16,830,597	18,859,540	16,178,010
Non-controlling interests		106,025	532,326	-	-
		19,338,318	17,362,923	18,859,540	16,178,010
Total comprehensive income attributable to:					
Owners of the parent		19,358,629	16,592,909	18,859,540	15,940,322
Non-controlling interests		152,349	532,326	-	-
		19,510,978	17,125,235	18,859,540	15,940,322
Earnings per share					
19					
Basic earnings per share (Baht)		0.07	0.08	0.07	0.08

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

CAZ (Thailand) Public Company Limited
Statement of Changes in Equity (Unaudited)
For the interim three-month period ended 31 March 2019

Consolidated financial information

Attributable to owners of the parent													
Notes	Issued and paid-up share capital	Retained earnings				Other components of equity						Non-controlling interests	Total equity
		Share Premium	Appropriated Legal reserve	Unappropriated	Share-based payment	Change in parent's ownership interest in subsidiary		Total other components of equity		Total owners of the parent			
						Baht	Baht	Baht	Baht		Baht		
Opening balance at 1 January 2018													
	100,000,000	-	1,128,546	29,984,974	6,370,000	-	-	-	6,370,000	137,483,520	4,027,348	141,510,868	
	-	-	-	16,592,909	-	-	-	-	-	16,592,909	532,326	17,125,235	
Closing balance as at 31 March 2018													
	100,000,000	-	1,128,546	46,577,883	6,370,000	-	-	-	6,370,000	154,076,429	4,559,674	158,636,103	
Opening balance at 1 January 2019													
	100,000,000	-	5,085,302	44,311,681	6,370,000	2,082,827	8,452,827	157,849,810	3,751,829	161,601,639	-	-	
Adjustments from changes in accounting policy	3	-	-	196,390	-	-	-	-	-	196,390	-	196,390	
Balance after adjustment													
	100,000,000	-	5,085,302	44,508,071	6,370,000	2,082,827	8,452,827	158,046,200	3,751,829	161,798,029	-	-	
Proceeds from share issued	17	40,000,000	-	-	-	-	-	40,000,000	-	40,000,000	-	40,000,000	
Share premium	17	-	246,105,067	-	-	-	-	246,105,067	-	246,105,067	-	246,105,067	
Total comprehensive income for the period		-	-	19,358,629	-	-	-	19,358,629	152,349	19,510,978	-	-	
Closing balance as at 31 March 2019													
	140,000,000	246,105,067	5,085,302	63,866,700	6,370,000	2,082,827	8,452,827	463,509,896	3,904,178	467,414,074	-	-	

The accompanying notes are an integral part of these consolidated and separate financial information.

CAZ (Thailand) Public Company Limited
Statement of Changes in Equity (Unaudited)
For the interim three-month period ended 31 March 2019

		Separate financial information						
Notes		Issued and paid-up share capital	Share Premium		Retained earnings		Other components of equity	
		Baht	Baht	Baht	Appropriated- Legal reserve	Unappropriated	Share-based payment	Total other components of equity
					Baht	Baht	Baht	Baht
	Opening balance at 1 January 2018	100,000,000	-	-	1,128,546	29,296,023	6,370,000	136,794,569
	Total comprehensive income for the period	-	-	-	-	15,940,322	-	15,940,322
	Closing balance as at 31 March 2018	100,000,000	-	-	1,128,546	45,236,345	6,370,000	152,734,891
	Opening balance at 1 January 2019	100,000,000	-	-	5,085,302	40,477,581	6,370,000	151,932,883
3	Adjustments from changes in accounting policy	-	-	-	-	196,390	-	196,390
	Balance after adjustment	100,000,000	-	-	5,085,302	40,673,971	6,370,000	152,129,273
17	Proceeds from share issued	40,000,000	-	-	-	-	-	40,000,000
17	Share premium	-	246,105,067	-	-	-	-	246,105,067
	Total comprehensive income for the period	-	-	-	-	18,859,540	-	18,859,540
	Closing balance as at 31 March 2019	140,000,000	246,105,067	-	5,085,302	59,533,511	6,370,000	457,093,880

The accompanying notes are an integral part of these consolidated and separate financial information.

CAZ (Thailand) Public Company Limited
Statement of Cash Flows (Unaudited)
For the interim three-month period ended 31 March 2019

	Note	Consolidated financial information		Separate financial information	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash flows from operating activities					
Profit before income tax		24,166,166	21,683,283	23,594,628	20,239,160
Adjustments for:					
Depreciation and amortisation	13	10,041,479	6,282,632	8,701,061	6,004,042
(Gain) loss on disposal and write-off property, plant and equipment		(315,500)	33,998	(623,311)	28,700
Write-off withholding tax deducted at source		-	480,941	-	480,941
Interest income		-	-	(344,394)	(131,336)
Interest expenses		2,764,770	2,971,655	2,759,493	2,965,035
Employee benefit obligations		296,048	369,853	276,078	304,492
Cash flows before changes in operating assets and liabilities		36,952,963	31,822,362	34,363,555	29,891,034
Changes in operating assets and liabilities					
Trade and other receivables		87,722,075	33,141,245	83,737,186	8,649,495
Unbilled receivables		(134,784,180)	4,645,031	(134,784,180)	4,645,031
Inventories		24,169,992	(3,166,953)	24,221,307	(3,166,953)
Other current assets		(5,741,556)	(1,050,825)	(5,718,667)	(970,201)
Retention receivables		5,315,696	(8,002,246)	5,315,696	(8,002,246)
Restricted bank deposits		5,954,250	-	5,954,250	-
Deposits		(83,854)	(93,800)	(90,854)	(92,800)
Trade and other payables		(51,661,697)	18,757,675	(37,225,102)	23,446,591
Service income received in advance		(68,961,929)	(62,842,840)	(68,961,929)	(62,842,840)
Other current liabilities		(12,176,291)	(8,615,486)	(11,514,294)	(10,546,283)
Retention payables		1,618,875	1,130,694	3,571,767	1,055,694
Cash (used in) generated from operations		(111,675,656)	5,724,857	(101,131,265)	(17,933,478)
Cash paid for interest expenses		(2,751,841)	(3,009,498)	(2,751,841)	(3,002,878)
Cash paid for income tax		(10,201,339)	(12,230,848)	(8,615,776)	(10,519,568)
Net cash used in operating activities		(124,628,836)	(9,515,489)	(112,498,882)	(31,455,924)

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

CAZ (Thailand) Public Company Limited
Statement of Cash Flows (undited) (Cont'd)
For the interim three-month period ended 31 March 2019

		Consolidated financial information		Separate financial information	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payment on short-term investment		(94,000,000)	-	(94,000,000)	-
Proceeds from short-term loans to related parties	20	-	-	-	2,000,000
Payment on short-term loans to related parties	20	-	-	(12,500,000)	(3,000,000)
Acquisition of property, plant and equipment		(23,538,513)	(22,294,415)	(22,657,502)	(11,499,792)
Acquisition of intangible assets		(565,666)	(3,304,060)	(565,666)	(3,304,060)
Proceeds from disposals of property, plant and equipment		339,142	(121,495)	40,076	2,000,000
Interest income received		-	-	36,699	262,672
Net cash used in investing activities		(117,765,037)	(25,719,970)	(129,646,393)	(13,541,180)
Cash flows from financing activities:					
Bank overdrafts increase		-	490,829	-	490,829
Proceeds from short-term borrowings from banks		17,000,000	-	17,000,000	-
Payments on short-term borrowings from banks		(76,179,723)	-	(76,179,723)	-
Finance lease principal payments		(572,805)	(277,910)	(533,082)	(244,807)
Proceeds from issue of ordinary shares		312,000,000	-	312,000,000	-
Payments on directly attributable expenses of the initial public offering		(18,235,052)	-	(18,235,052)	-
Payments on long-term borrowings from banks	15	(10,380,000)	(10,380,000)	(10,380,000)	(10,380,000)
Net cash generated from (used in) financing activities		223,632,420	(10,167,081)	223,672,143	(10,133,978)
Net decrease in cash and cash equivalents		(18,761,453)	(45,402,540)	(18,473,132)	(55,131,082)
Cash and cash equivalents at the beginning of the period		35,218,564	91,978,902	34,786,190	90,814,169
Cash and cash equivalents at the end of the period		16,457,111	46,576,362	16,313,058	35,683,087
Non-cash transactions					
Purchase of property, plant and equipment for which no cash has been paid (included in account payable and other accounts payable)		1,690,370	2,219,801	1,690,370	2,219,801
Purchase of property, plant and equipment under leases contracts		-	405,841	-	405,841
Sale of equipment, not yet received cash		1,383,178	-	1,383,178	-
Transfer directly attributable expenses of the initial public offering to share premium		5,379,881	-	5,379,881	-
Directly attributable expenses of the initial public offering which no cash has been paid (included in account payable and other accounts payable)		2,280,000	-	2,280,000	-

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 summarised as follows:

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

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 15 May 2019.

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 information complying with Thai Accounting Standard 1 Presentation of Financial information. 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 information for the year ended 31 December 2018.

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 information for the year ended 31 December 2018 except as described in note 3.

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 Financial reporting standards are effective for annual periods beginning on or after 1 January 2019.

TFRIC 22 Foreign Currency Transactions and Advance Consideration

TFRIC 22 interpretation provides guidance for determining the exchange rate to be used on the initial recognition of a related asset, expense or income where an entity pays or receives an advance consideration in a foreign currency. The interpretation requires an entity to use the exchange rate at the date on which an entity recognises the non-monetary assets, such as prepayments and advances, or non-monetary liability, such as deferred income arising from the advance consideration. If there are multiple advance payments or receipts of payments, the exchange rate is to be used on the date when each non-monetary asset or liability is recognised.

Management has assessed and considered that the above revised standards do not have significant impact on the Group.

2.3 Financial reporting standards are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted these revised standards.

2.3.1 Financial instruments

The new financial reporting standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

These new standards address the classification, measurement and derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

2.3.2 TFRS 16 Leases

TFRS 16 will result in almost all leases where the Group is a lessee being recognised on the balance sheet as the distinction between operating and finance lease is removed. An asset (the right to use the leased item) and financial liability to pay rentals are recognised, with exception on short-term and low-value leases.

The Group's management is currently assessing the impacts from these standards.

3 Change in accounting policies

TFRS 15, Revenue from contracts with customers

The Group has adopted the new Thai Financial Reporting Standards (TFRS) no. 15, Revenue from contracts with customers from 1 January 2019 under the modified retrospective approach and the comparative figures have not been restated. The Group did apply practical expedient relates to completed contracts and contract modifications allowed by TFRS 15.

Accounting policy for revenue recognition is as follows:

Revenue is recognised when the Group satisfies a performance obligation by transferring goods or services to customers. The goods and services are transferred when the customers obtain control of that goods and services. Revenue is recognised based on the price specified in the contract, net of value-added tax, rebates and discounts. Accumulated experience is used to estimate and provide for the discounts and rebates. An amount of variable consideration is only recognised to the extent that it is highly probable that a significant reversal will not occur.

The adoption of TFRS 15 mainly affects the Group's accounting treatment on measuring progress towards complete satisfaction of construction contract.

The following tables show the adjustments made to the amounts recognised in each financial statement line item.

	Consolidated financial information		
	As at		As at
	31 December 2018		1 January 2019
	Previously reported	Adjustments	Restated
Statement of financial position	Baht	Baht	Baht
Unbilled receivables	273,718,443	(5,535,530)	268,182,913
Inventories	135,916,596	9,093,964	145,010,560
Advance received from construction contracts and construction income received in advance	422,434,493	3,362,044	425,796,537
Retained earnings - Unappropriate	44,311,681	196,390	44,508,071

	Separate financial information		
	As at		As at
	31 December 2018		1 January 2019
	Previously reported	Adjustments	Restated
Statement of financial position	Baht	Baht	Baht
Unbilled receivables	273,718,443	(5,535,530)	268,182,913
Inventories	135,916,596	9,093,964	145,010,560
Advance received from construction contracts and construction income received in advance	422,434,493	3,362,044	425,796,537
Retained earnings - Unappropriate	40,477,581	196,390	40,673,971

3 Change in accounting policies (Cont'd)

TFRS 15, Revenue from contracts with customers (Cont'd)

The following tables show the amounts by each financial information line item in the current year from the adoption of the new revenue standard compared to the previous revenue standards.

Consolidated financial information			
As at 31 March 2019			
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of financial position			
Unbilled receivables	402,967,093	19,835,800	422,802,893
Inventories	120,840,568	(87,040,763)	33,799,805
Withholding tax deducted at source	66,610,953	(1,191,920)	65,419,033
Advance received from construction contracts and construction income received in advance	356,834,608	(72,968,173)	283,866,435
Consolidated financial information			
For the 3-month period ended 31 March 2019			
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of comprehensive income			
Revenues from construction contracts	414,345,250	83,906,398	498,251,648
Cost of construction contracts	368,248,926	77,946,800	446,195,726
Income tax	4,827,848	1,191,920	6,019,768
Separate financial information			
As at 31 March 2019			
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of financial position			
Unbilled receivables	402,967,093	19,835,800	422,802,893
Inventories	120,789,253	(87,040,763)	33,748,490
Withholding tax deducted at source	59,130,962	(1,191,920)	57,939,042
Advance received from construction contracts and construction income received in advance	356,834,608	(72,968,173)	283,866,435

3 Change in accounting policies (Cont'd)

TFRS 15, Revenue from contracts with customers (Cont'd)

Statement of comprehensive income	Separate financial information		
	For the 3-month period ended 31 March 2019		
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Revenues from construction contracts	414,345,659	83,906,398	498,252,057
Cost of construction contracts	371,913,501	77,946,800	449,860,301
Income tax	4,735,088	1,191,920	5,927,008

4 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 information for the year ended 31 December 2018.

5 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 information. As a result, all of the revenues, operating profits and assets as reflected in these financial information 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 information pertain exclusively to this geographical reportable segment.

Major customers

The Group has 1 customer in SMP services, Civil & Building services, and fabrication and other services which generated revenues more than 10% of total revenues in the consolidated financial information for the three-month period ended 31 March 2019, totalling Baht 311.54 million (31 March 2018: 3 customers in EPC service and SMP services, totalling Baht 369.37 million).

Timing of revenue recognition

Revenues of the group are recognised when a performance obligation is satisfied over time .

6 Fair value

6.1 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 : Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs).

The following table presents the Group's financial assets that are measured at fair value at 31 March 2019 and 31 December 2018.

	Level 2			
	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Financial assets at fair value through profit or loss				
Fixed deposit (note 8)	94,000,000	-	94,000,000	-
Total assets	94,000,000	-	94,000,000	-

There were no transfers between levels 1 and 2 during the period.

6.2 Valuation techniques used to derive Level 2 fair values

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

7 Cash and cash equivalents

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Cash on hand	170,887	252,917	82,375	190,163
Cash at bank- Current accounts	15,938,499	34,868,098	15,884,573	34,500,092
- Savings accounts	346,685	96,511	345,070	94,897
- Short-term fixed accounts	1,040	1,038	1,040	1,038
Total	16,457,111	35,218,564	16,313,058	34,786,190
Restricted bank deposits (Note 19)	14,835,500	20,789,750	14,835,500	20,789,750

Deposits held at call with banks bear interest at the rates 0.13% to 0.63% per annum (2018: 0.13% to 0.85% per annum). The short-term fixed deposits have maturity of 3 months.

8 Short-term investments

As of 31 March 2019 and 31 December 2018, information relating to short-term investments is as follows:

	Consolidated financial information and separate financial information			
	31 March 2019		31 December 2018	
	Cost Baht	Fair value Baht	Cost Baht	Fair value Baht
Short-term investments				
Fixed deposit	94,000,000	94,000,000	-	-
Total short-term investments	94,000,000	94,000,000	-	-

During the three-month period ended 31 March 2019, the movement of short-term investments is as follows:

	Consolidated and Separate financial information for three-month period Fixed deposit Baht
Opening net book amount	-
Addition	94,000,000
Closing net book amount	94,000,000

9 Trade and other receivables

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Trade receivables				
- third parties	97,478,332	124,207,049	97,478,332	124,207,049
- related parties (Note 20)	-	54,602,100	-	54,602,100
<u>Less</u> Allowance for impairment of trade receivables	(201,588)	(201,588)	(201,588)	(201,588)
Trade receivables - net	97,276,744	178,607,561	97,276,744	178,607,561
Receivables from related parties (Note 20)	148,387	69,474	5,400,289	6,995,442
Other receivables	1,521,629	-	1,521,629	-
Prepaid expenses	14,440,486	28,265,220	14,246,222	27,799,930
Advance payments to subcontractors	3,295,265	1,459,024	3,025,055	1,347,744
Advance payments to subcontractors - related parties (Note 20)	-	-	36,156,113	30,301,570
Trade and other receivables	116,682,511	208,401,279	157,626,052	245,052,247

9 Trade and other receivables (Cont'd)

Aging analysis of trade receivables are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
- Not yet due	65,270,312	160,715,497	65,270,312	160,715,497
- Up to 3 months	31,927,683	17,892,064	31,927,683	17,892,064
- 3 - 6 months	78,749	-	78,749	-
- 6 - 12 months	-	-	-	-
- Over 12 months	201,588	201,588	201,588	201,588
Total	97,478,332	178,809,149	97,478,332	178,809,149
<u>Less</u> Allowance for impairment of trade receivables	(201,588)	(201,588)	(201,588)	(201,588)
Trade accounts receivable - net	97,276,744	178,607,561	97,276,744	178,607,561

10 Unbilled receivables/Service income received in advance

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Unbilled receivables				
Project value as per contracts	3,270,725,006	3,419,467,092	3,270,725,006	3,419,467,092
Accumulated amount recognised as revenue on percentage of completion basis	1,402,632,880	1,582,599,373	1,402,632,880	1,582,599,373
<u>Less</u> Value of total billed	(999,665,787)	(1,308,880,930)	(999,665,787)	(1,308,880,930)
Unbilled receivables	402,967,093	273,718,443	402,967,093	273,718,443
Retention receivables	31,934,812	37,250,508	31,934,812	37,250,508
Service income received in advance				
Project value as per contracts	1,232,487,991	1,795,930,086	1,232,487,991	1,795,930,086
Value of total billed	1,060,028,677	1,269,380,705	1,060,028,677	1,269,380,705
<u>Less</u> Accumulated amount recognised as revenue on percentage of completion basis	(982,554,363)	(1,160,455,892)	(982,554,363)	(1,160,455,892)
Construction income received in advance	77,474,314	108,924,813	77,474,314	108,924,813
Advance received from construction contracts	279,360,294	313,509,680	279,360,294	313,509,680
Total	356,834,608	422,434,493	356,834,608	422,434,493

11 Inventories

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Raw materials	33,462,000	62,337,899	33,462,000	62,337,899
Construction in Progress	87,378,568	-	87,327,253	-
Goods in transit	-	73,578,697	-	73,578,697
<u>Less</u> Allowance for net realisable value of inventories	-	-	-	-
Inventories - net	<u>120,840,568</u>	<u>135,916,596</u>	<u>120,789,253</u>	<u>135,916,596</u>

12 Investments in subsidiary

Investments in subsidiaries as at 31 March 2019 and 31 December 2018 are as follows:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by the group		Proportion of ordinary shares held by non- controlling interests		Separate financial information Cost method, net Baht	
			2019	2018	2019	2018	2019	2018
JKEC Co., Ltd. (JKEC)	Thailand	Construction contractor	73.17	73.17	26.83	26.83	<u>3,000,000</u>	<u>3,000,000</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.

13 Property, plant and equipment and intangible assets

The movement of property, plant, equipment and intangible assets for the three-month period ended 31 March 2019 is summarised as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	357,135,633	11,647,006	341,843,888	11,590,389
Additions	20,072,478	565,666	19,191,467	565,666
Write-off/Disposals	(1,406,820)	-	(799,943)	-
Depreciation/amortisation	(9,704,875)	(336,604)	(8,366,218)	(334,843)
Closing net book amount	<u>366,096,416</u>	<u>11,876,068</u>	<u>351,869,194</u>	<u>11,821,212</u>

Land and buildings of Baht 257.55 million (2018: Baht 256.73 million) have been pledged for long-term borrowings from bank (Note 15).

14 Deferred tax assets

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Deferred income tax assets	705,194	696,206	673,057	624,205
Deferred income tax liabilities	(23,390)	(28,404)	(16,639)	(20,126)
Deferred income tax, net	<u>681,804</u>	<u>667,802</u>	<u>656,418</u>	<u>604,079</u>

Deferred tax assets arise from temporary differences of the allowance for doubtful accounts and reserve obligations for employee benefits. Deferred tax liabilities arise from temporary differences of finance lease.

15 Borrowings

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Current				
Short-term borrowings from banks :				
- Factoring loan	-	13,179,723	-	13,179,723
- Promissory note	-	46,000,000	-	46,000,000
Short-term borrowings from banks	-	59,179,723	-	59,179,723
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	1,211,072	1,446,742	1,069,810	1,306,878
Total current borrowings	<u>39,851,072</u>	<u>99,266,465</u>	<u>39,709,810</u>	<u>99,126,601</u>
Non-current				
Long-term borrowings from banks	133,320,000	143,700,000	133,320,000	143,700,000
Finance lease liabilities	2,716,018	2,995,331	2,350,515	2,593,983
Total non-current borrowings	<u>136,036,018</u>	<u>146,695,331</u>	<u>135,670,515</u>	<u>146,293,983</u>
Total borrowings	<u>175,887,090</u>	<u>245,961,796</u>	<u>175,380,325</u>	<u>245,420,584</u>

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

For the three-month period ended 31 March	Consolidated financial information	Separate financial information
	2019 Baht	2019 Baht
Opening amount	182,340,000	182,340,000
Repayments	(10,380,000)	(10,380,000)
Closing amount	<u>171,960,000</u>	<u>171,960,000</u>

15 Borrowings (Cont'd)

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 guaranteed 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 guaranteed 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 13), its director, and its ultimate parent.

Reconciliation of liabilities arising from financing activities

	Consolidated financial information				
	31 December 2018 Baht	Cash flow Baht	Non-cash changes		31 March 2019 Baht
			Additions under finance lease Baht	Amortised deferred Interest Baht	
Short-term borrowings	59,179,723	(59,179,723)	-	-	-
Long-term borrowings	182,340,000	(10,380,000)	-	-	171,960,000
Finance lease liabilities	4,442,073	(572,805)	-	57,822	3,927,090

	Separate financial information				
	31 December 2018 Baht	Cash flow Baht	Non-cash changes		31 March 2019 Baht
			Additions under finance lease Baht	Amortised deferred Interest Baht	
Short-term borrowings	59,179,723	(59,179,723)	-	-	-
Long-term borrowings	182,340,000	(10,380,000)	-	-	171,960,000
Finance lease liabilities	3,900,861	(533,082)	-	52,546	3,420,325

16 Trade and other payables

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Trade accounts payable	179,593,783	181,691,055	162,607,386	165,041,635
Trade accounts payable - related parties (Note 20)	3,857,927	2,569,087	20,752,714	23,924,294
Accrued expenses	43,104,239	101,491,145	34,869,485	95,940,564
Accrued expenses - related parties (Note 20)	1,755,470	431,806	69,118,006	45,901,216
Other payables	5,370,618	391,570	5,370,618	366,531
Total trade and other payables	233,682,037	286,574,663	292,718,209	331,174,240

17 Share capital and share premium

	Consolidated and Separate financial information				
	Authorised share capital		Issued and paid-up capital		
	Number of Shares Shares	Ordinary shares Baht	Number of Shares Shares	Ordinary shares Baht	Share premium Baht
At 1 January 2019	280,000,000	140,000,000	200,000,000	100,000,000	-
Issue of shares	-	-	80,000,000	40,000,000	-
Shares premium	-	-	-	-	246,105,067
At 31 March 2019	<u>280,000,000</u>	<u>140,000,000</u>	<u>280,000,000</u>	<u>140,000,000</u>	<u>246,105,067</u>
At 1 January 2018	1,000,000	100,000,000	1,000,000	100,000,000	-
Issue of shares	-	-	-	-	-
At 31 March 2018	<u>1,000,000</u>	<u>100,000,000</u>	<u>1,000,000</u>	<u>100,000,000</u>	<u>-</u>

At 31 March 2019, the total number of authorised ordinary shares is 280,000,000 shares (2018: 200,000,000 shares) with a par value of Baht 0.50 per share (2018: Baht 0.50 per share). All issued shares, 280,000,000 shares, are fully paid (2018: 200,000,000 shares) with a par value of Baht 0.50 per share (2018: Baht 0.50 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.

On 11-15 January 2019, the Company offered its ordinary shares to the initial public offering by issuing 80,000,000 ordinary shares. The new shares were sold to the subscribers at the price of Baht 3.90 per share (Baht 0.50 for paid up capital and Baht 3.40 for share premium) totalling Baht 312 million. The Company registered the increase in paid-up share capital with the Ministry of Commerce on 17 January 2019 and the shares of the Company began trading in the Stock Exchange of Thailand on 22 January 2019. Directly attributable expenses of the initial public offering of Baht 25.89 million were deducted from the share premium received from the shareholders.

18 Income taxes

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 20% (31 March 2018: 20% per annum).

19 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.

	Consolidated financial information		Separate financial information	
	2019	2018	2019	2018
For the three-month period ended 31 March				
Net profit attributable to ordinary shareholders of the parent (Baht)	19,232,293	16,830,597	18,859,540	16,178,010
Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares)	265,777,778	200,000,000	265,777,778	200,000,000
Basic earnings per share (Baht)	0.07	0.08	0.07	0.08

The Company changed a par value of share capital from Baht 100 per share to Baht 0.50 per share (Note 17). The Company; therefore, adjusted the weighted average number of ordinary shares for the period ended 31 March 2018 as if the event started since the prior period. The earnings per share is then adjusted accordingly.

20 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 36.64% of the Company's shares. The remaining 63.36% 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.

20 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

For the three-month period ended 31 March	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts				
Parent company	16,298,063	-	16,298,063	-
Rental income				
Related party	36,000	36,000	36,000	36,000
Subsidiary	-	-	317,960	327,649
	36,000	36,000	353,960	363,649
Interest income				
Subsidiary	-	-	344,394	129,649
Service income				
Related party	37,750	34,102	37,750	34,102
Subsidiary	-	-	68,403	67,869
	37,750	34,102	106,153	101,971
Other income				
Subsidiary	-	-	44,516	1,297,217

b) Purchases of goods and services, and interest expenses

For the three-month period ended 31 March	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of construction contracts				
Related parties	4,470,073	3,759,264	4,470,073	3,759,264
Subsidiary	-	-	42,634,850	40,701,839
	4,470,073	3,759,264	47,104,923	44,461,103

20 Related-party transactions (Cont'd)

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

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

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Trade account receivable				
Parent company	-	54,602,100	-	54,602,100
Other receivable (include in receivable from related parties)				
Related party	148,387	69,474	148,387	69,474
Subsidiary	-	-	4,431,765	6,413,526
	148,387	69,474	4,580,152	6,483,000
Accrued interest income (include in receivable from related parties)				
Subsidiary	-	-	820,137	512,442
	148,387	69,474	5,400,289	6,995,442
Advance payments to subcontractors				
Subsidiary	-	-	36,156,113	30,301,570
Retention				
Parent company	4,592,700	2,041,200	4,592,700	2,041,200
Trade accounts payable				
Related parties	3,857,927	2,569,087	3,857,927	2,569,087
Subsidiary	-	-	16,894,787	21,355,207
	3,857,927	2,569,087	20,752,714	23,924,294
Accrued expenses				
Related party	1,755,470	431,806	1,755,470	431,806
Subsidiary	-	-	67,362,536	45,469,410
	1,755,470	431,806	69,118,006	45,901,216
Advance received payment				
Parent company	72,968,173	85,904,191	72,968,173	85,904,191

20 Related-party transactions (Cont'd)

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

d) Short-term loans to related party

	Consolidated financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Subsidiary	-	-	30,500,000	18,000,000

The movement of loans to related parties are as follows:

	Consolidated financial information	Separate financial information
	2019 Baht	2019 Baht
Opening balance	-	18,000,000
Additions	-	12,500,000
Ending balance	-	30,500,000

The Company has unsecured short-term loan to a subsidiary with interest at the rate of 6.13% - 6.52% per annum (31 December 2018: 6.13% - 8.62% per annum). The loan is due for repayment on demand. No provision has been required for this loan.

e) Key management compensation

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

For the three-month period ended 31 March	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Salaries and other short-term employee benefits	4,545,843	3,192,212	3,674,831	2,493,438
Employee benefit obligations	103,421	76,154	103,421	76,154
	<u>4,649,264</u>	<u>3,268,366</u>	<u>3,778,252</u>	<u>2,569,592</u>

21 Commitments

a) Letters of guarantees

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

	Consolidated financial information		Separate financial information	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Currency:				
- Thai Baht	864,222,816	877,551,849	864,222,816	877,551,849
- USD	-	1,840,500	-	1,840,500

The outstanding bank guarantees is pledged by the Company's bank deposits amount of Baht 14.84 million (2018: Baht 20.79 million).

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 financial information		Separate financial information	
	31 March 2019 Baht	31 December 2018 Baht	31 March 2019 Baht	31 December 2018 Baht
Within 1 year	3,762,149	2,352,000	1,142,000	1,068,000
Within 2 to 5 years	2,038,000	1,756,500	1,305,000	702,500
Total	5,800,149	4,108,500	2,447,000	1,770,500

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

The Group has commitments under construction materials and machine purchase contracts are as follows:

	Consolidated financial information		Separate financial information	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Currency:				
- Thai Baht	8,350,216	25,260,821	8,350,216	25,260,821
- USD	29,050	528,351	29,050	528,351

22 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 on 15 November 2018 the Court of Appeal judged that the Company have to pay Baht 0.35 million. On 4 March 2019, the Company filed a petition to the Supreme Court since the amount exceeds the request filed by the plaintiff from the beginning. Currently, it is in the process of trial of Supreme Court. Thus, 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.

23 Events occurring after the reporting date

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The Group's management has assessed the effects of the amendment on the group's financial information and expects the impact to be Baht 0.01 million.

On 18 April 2019, the Annual General Shareholders' Meeting of the Company approved the dividends payment from the operating results from 1 April 2018 to 31 December 2018 for the year ended 31 December 2018 at Baht 0.10 per shares for 280 million shares for shareholders who are in the book of shareholders' registration on 13 March 2019, totaling Baht 28 million. The dividends will be paid to shareholders on 17 May 2019.