

**CAZ (THAILAND) PUBLIC COMPANY LIMITED**

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

**30 JUNE 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 30 June 2019, and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods, statements of changes in equity and cash flows for the six-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 handwritten signature in black ink, appearing to read 'Boonlert Kamolchanokkul', written in a cursive style.

**Boonlert Kamolchanokkul**  
Certified Public Accountant (Thailand) No. 5339  
Bangkok  
9 August 2019

CAZ (Thailand) Public Company Limited  
Statement of Financial Position (Unaudited)  
As at 30 June 2019

|                                    | Notes | Consolidated financial information   |  | Separate financial information       |  |
|------------------------------------|-------|--------------------------------------|--|--------------------------------------|--|
|                                    |       | Unaudited<br>30 June<br>2019<br>Baht | Audited<br>31 December<br>2018<br>Baht | Unaudited<br>30 June<br>2019<br>Baht | Audited<br>31 December<br>2018<br>Baht |
| <b>Assets</b>                      |       |                                      |  |                                      |  |
| <b>Current assets</b>              |       |                                      |  |                                      |  |
| Cash and cash equivalents          | 6     | 107,225,007                          | 35,218,564                             | 106,555,483                          | 34,786,190                             |
| Trade and other receivables        | 7     | 202,321,527                          | 208,401,279                            | 238,081,261                          | 245,052,247                            |
| Unbilled receivables               | 8     | 437,140,668                          | 273,718,443                            | 437,140,668                          | 273,718,443                            |
| Inventories                        | 9     | 22,810,347                           | 135,916,596                            | 22,810,347                           | 135,916,596                            |
| Short-term loans to related party  | 19    | -                                    | -                                      | 40,000,000                           | 18,000,000                             |
| Other current assets               |       | 11,173,588                           | 6,854,810                              | 10,338,534                           | 6,246,101                              |
| <b>Total current assets</b>        |       | <b>780,671,137</b>                   | <b>660,109,692</b>                     | <b>854,926,293</b>                   | <b>713,719,577</b>                     |
| <b>Non-current assets</b>          |       |                                      |  |                                      |  |
| Restricted bank deposits           |       | 7,417,750                            | 20,789,750                             | 7,417,750                            | 20,789,750                             |
| Investment in subsidiary           | 10    | -                                    | -                                      | 3,000,000                            | 3,000,000                              |
| Property, plant and equipment      | 11    | 368,071,262                          | 357,135,633                            | 354,749,934                          | 341,843,888                            |
| Intangible assets                  | 11    | 11,515,231                           | 11,647,006                             | 11,462,155                           | 11,590,389                             |
| Retention receivables              | 8     | 37,976,649                           | 37,250,508                             | 37,976,649                           | 37,250,508                             |
| Withholding tax deducted at source |       | 71,930,758                           | 61,305,975                             | 62,928,216                           | 55,313,948                             |
| Deposits                           |       | 1,039,483                            | 850,779                                | 784,833                              | 609,779                                |
| Deferred tax assets                | 12    | 700,658                              | 667,802                                | 671,069                              | 604,079                                |
| <b>Total non-current assets</b>    |       | <b>498,651,791</b>                   | <b>489,647,453</b>                     | <b>478,990,606</b>                   | <b>471,002,341</b>                     |
| <b>Total assets</b>                |       | <b>1,279,322,928</b>                 | <b>1,149,757,145</b>                   | <b>1,333,916,899</b>                 | <b>1,184,721,918</b>                   |

Director  Director   
K. Hong K. Mita

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

**CAZ (Thailand) Public Company Limited**  
**Statement of Financial Position (Unaudited) (Cont'd)**  
**As at 30 June 2019**

|  |       | Consolidated financial information |                    | Separate financial information |                      |
|--|-------|------------------------------------|--------------------|--------------------------------|----------------------|
|  |       | Unaudited                          | Audited            | Unaudited                      | Audited              |
|  |       | 30 June                            | 31 December        | 30 June                        | 31 December          |
|  |       | 2019                               | 2018               | 2019                           | 2018                 |
|  | Notes | Baht                               | Baht               | Baht                           | Baht                 |
| <b>Liabilities and equity</b>  |       |                                    |                    |                                |                      |
| <b>Current liabilities</b>   |       |                                    |                    |                                |                      |
| Short-term borrowings from banks   | 13    | 95,311,049                         | 59,179,723         | 95,311,049                     | 59,179,723           |
| Trade and other payables   | 14    | 289,138,089                        | 286,574,663        | 358,171,498                    | 331,174,240          |
| Advance received from construction contracts and construction income received in advance | 8     | 231,786,361                        | 422,434,493        | 231,786,361                    | 422,434,493          |
| Short-term borrowings from third party   | 13    | 5,000,000                          | -                  | -                              | -                    |
| Short-term borrowings from related party   | 13    | 1,000,000                          | -                  | -                              | -                    |
| Current portion of long-term borrowings from banks                                       | 13    | 38,640,000                         | 38,640,000         | 38,640,000                     | 38,640,000           |
| Current portion of liabilities under finance lease agreements                            | 13    | 1,108,991                          | 1,446,742          | 966,316                        | 1,306,878            |
| Other current liabilities  |       | 16,202,708                         | 22,158,531         | 13,010,853                     | 19,726,251           |
| <b>Total current liabilities</b>   |       | <b>678,187,198</b>                 | <b>830,434,152</b> | <b>737,886,077</b>             | <b>872,461,585</b>   |
| <b>Non-current liabilities</b>   |       |                                    |                    |                                |                      |
| Long-term borrowings from banks  | 13    | 124,380,000                        | 143,700,000        | 124,380,000                    | 143,700,000          |
| Finance lease liabilities  | 13    | 2,433,148                          | 2,995,331          | 2,103,846                      | 2,593,983            |
| Retention payables   |       | 9,921,523                          | 7,959,970          | 15,484,211                     | 11,277,273           |
| Employee benefit obligations   |       | 3,442,324                          | 3,066,053          | 3,308,351                      | 2,756,194            |
| <b>Total non-current liabilities</b>   |       | <b>140,176,995</b>                 | <b>157,721,354</b> | <b>145,276,408</b>             | <b>160,327,450</b>   |
| <b>Total liabilities</b>   |       | <b>818,364,193</b>                 | <b>988,155,506</b> | <b>883,162,485</b>             | <b>1,032,789,035</b> |

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

CAZ (Thailand) Public Company Limited  
Statement of Financial Position (Unaudited) (Cont'd)  
As at 30 June 2019

|   | Consolidated financial information   |  | Separate financial information       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | Unaudited<br>30 June<br>2019<br>Baht | Audited<br>31 December<br>2018<br>Baht | Unaudited<br>30 June<br>2019<br>Baht | Audited<br>31 December<br>2018<br>Baht |
| Note  |                                      |  |                                      |  |
| <b>Liabilities and equity (Cont'd)</b>      |                                      |  |                                      |  |
| <b>Equity</b>                               |                                      |  |                                      |  |
| Share Capital                               | 15                                   |  |                                      |  |
| 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                               | 57,465,193                           | 44,311,681                             | 53,194,045                           | 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 | 457,108,389                          | 157,849,810                            | 450,754,414                          | 151,932,883                            |
| Non-controlling interests                   | 3,850,346                            | 3,751,829                              | -                                    | -                                      |
| <b>Total equity</b>                         | <b>460,958,735</b>                   | <b>161,601,639</b>                     | <b>450,754,414</b>                   | <b>151,932,883</b>                     |
| <b>Total liabilities and equity</b>         | <b>1,279,322,928</b>                 | <b>1,149,757,145</b>                   | <b>1,333,916,899</b>                 | <b>1,184,721,918</b>                   |

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 30 June 2019

|   | Consolidated financial information |                   | Separate financial information |                   |
|---|------------------------------------|-------------------|--------------------------------|-------------------|
|   | 2019                               | 2018              | 2019                           | 2018              |
| Note  | Baht                               | Baht              | Baht                           | Baht              |
| Revenues from construction contracts                        | 540,314,689                        | 340,677,540       | 540,314,280                    | 340,677,540       |
| Cost of construction contracts                              | (492,001,153)                      | (309,831,108)     | (494,677,051)                  | (313,753,906)     |
| <b>Gross profit</b>   | <b>48,313,536</b>                  | <b>30,846,432</b> | <b>45,637,229</b>              | <b>26,923,634</b> |
| Other income  | 145,886                            | 724,417           | 1,196,229                      | 1,332,244         |
| Administrative expenses                                     | (17,772,312)                       | (14,947,247)      | (15,991,495)                   | (13,808,215)      |
| Finance cost  | (3,718,533)                        | (3,103,503)       | (3,702,095)                    | (3,097,213)       |
| <b>Profit before income tax</b>                             | <b>26,968,577</b>                  | <b>13,520,099</b> | <b>27,139,868</b>              | <b>11,350,450</b> |
| Income tax  | (5,423,916)                        | (2,679,187)       | (5,479,334)                    | (2,268,300)       |
| <b>Profit for the period</b>                                | <b>21,544,661</b>                  | <b>10,840,912</b> | <b>21,660,534</b>              | <b>9,082,150</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>21,544,661</b>                  | <b>10,603,224</b> | <b>21,660,534</b>              | <b>8,844,462</b>  |
| <b>Profit attributable to:</b>                              |                                    |                   |                                |                   |
| Owners of the parent  | 21,598,495                         | 10,012,752        | 21,660,534                     | 9,082,150         |
| Non-controlling interests                                   | (53,834)                           | 828,160           | -                              | -                 |
|   | <b>21,544,661</b>                  | <b>10,840,912</b> | <b>21,660,534</b>              | <b>9,082,150</b>  |
| <b>Total comprehensive income attributable to:</b>          |                                    |                   |                                |                   |
| Owners of the parent  | 21,598,495                         | 9,775,064         | 21,660,534                     | 8,844,462         |
| Non-controlling interests                                   | (53,834)                           | 828,160           | -                              | -                 |
|   | <b>21,544,661</b>                  | <b>10,603,224</b> | <b>21,660,534</b>              | <b>8,844,462</b>  |
| <b>Earnings per share</b>                                   | 18                                 |                   |                                |                   |
| Basic earnings per share (Baht)                             | <b>0.08</b>                        | <b>0.05</b>       | <b>0.08</b>                    | <b>0.05</b>       |

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 six-month period ended 30 June 2019

|   | Consolidated financial information |                   | Separate financial information |                   |
|---|------------------------------------|-------------------|--------------------------------|-------------------|
|   | 2019                               | 2018              | 2019                           | 2018              |
| Note  | Baht                               | Baht              | Baht                           | Baht              |
| Revenues from construction contracts                        | 954,659,939                        | 715,218,162       | 954,659,939                    | 715,218,162       |
| Cost of construction contracts                              | (860,250,079)                      | (643,352,608)     | (866,590,552)                  | (650,490,510)     |
| <b>Gross profit</b>   | <b>94,409,860</b>                  | <b>71,865,554</b> | <b>88,069,387</b>              | <b>64,727,652</b> |
| Other income  | 2,841,963                          | 991,293           | 4,667,578                      | 2,300,656         |
| Administrative expenses                                     | (39,633,777)                       | (31,578,308)      | (35,540,881)                   | (29,376,449)      |
| Finance cost  | (6,483,303)                        | (6,075,158)       | (6,461,588)                    | (6,062,249)       |
| <b>Profit before income tax</b>                             | <b>51,134,743</b>                  | <b>35,203,381</b> | <b>50,734,496</b>              | <b>31,589,610</b> |
| Income tax  | (10,251,764)                       | (6,999,547)       | (10,214,422)                   | (6,329,450)       |
| <b>Profit for the period</b>                                | <b>40,882,979</b>                  | <b>28,203,834</b> | <b>40,520,074</b>              | <b>25,260,160</b> |
| <b>Other comprehensive income:</b>                          |                                    |                   |                                |                   |
| Item that will not be reclassified to profit or loss        |                                    |                   |                                |                   |
| Remeasurements of employee benefit obligations (net of tax) | 172,660                            | (237,688)         | -                              | (237,688)         |
| <b>Total comprehensive income for the period</b>            | <b>41,055,639</b>                  | <b>27,966,146</b> | <b>40,520,074</b>              | <b>25,022,472</b> |
| <b>Profit attributable to:</b>                              |                                    |                   |                                |                   |
| Owners of the parent  | 40,830,788                         | 26,843,348        | 40,520,074                     | 25,260,160        |
| Non-controlling interests                                   | 52,191                             | 1,360,486         | -                              | -                 |
|   | <b>40,882,979</b>                  | <b>28,203,834</b> | <b>40,520,074</b>              | <b>25,260,160</b> |
| <b>Total comprehensive income attributable to:</b>          |                                    |                   |                                |                   |
| Owners of the parent  | 40,957,122                         | 26,605,660        | 40,520,074                     | 25,022,472        |
| Non-controlling interests                                   | 98,517                             | 1,360,486         | -                              | -                 |
|   | <b>41,055,639</b>                  | <b>27,966,146</b> | <b>40,520,074</b>              | <b>25,022,472</b> |
| <b>Earnings per share</b>                                   | 18                                 |                   |                                |                   |
| Basic earnings per share (Baht)                             | <b>0.15</b>                        | <b>0.13</b>       | <b>0.15</b>                    | <b>0.13</b>       |

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 six-month period ended 30 June 2019

| Consolidated financial information |                                  |                                      |                            |   |                     |                                  |                                  |                            |                           |                           |              |  |
|------------------------------------|----------------------------------|--------------------------------------|----------------------------|---|---------------------|----------------------------------|----------------------------------|----------------------------|---------------------------|---------------------------|--------------|--|
|                                    |                                  | Attributable to owners of the parent |                            |   |                     | Other components of equity       |                                  |                            |                           |                           |              |  |
|                                    |                                  | Retained earnings                    |                            | Change in parent's ownership interest in subsidiary |                     |                                  | Total other components of equity |                            | Non-controlling interests |                           | Total equity |  |
| Notes                              | Issued and paid-up share capital | Share Premium                        | Appropriated Legal reserve | Unappropriated                                      | Share-based payment | ownership interest in subsidiary | of equity                        | Total owners of the parent | controlling interests     | Non-controlling interests | Total equity |  |
|                                    | Baht                             | Baht                                 | Baht                       | Baht  | Baht                | Baht                             | Baht                             | Baht                       | Baht                      | Baht                      | Baht         |  |
|                                    | 100,000,000                      | -                                    | 1,128,546                  | 29,984,974  | 6,370,000           | -                                | 6,370,000                        | 137,483,520                | 4,027,348                 | 141,510,868               |              |  |
|                                    | -                                | -                                    | 1,835,266                  | (1,835,266)   | -                   | -                                | -                                | -                          | -                         | -                         |              |  |
| 16                                 | -                                | -                                    | -                          | (34,866,079)  | -                   | -                                | -                                | (34,866,079)               | -                         | (34,866,079)              |              |  |
|                                    | -                                | -                                    | -                          | 26,605,660  | -                   | -                                | -                                | 26,605,660                 | 1,360,486                 | 27,966,146                |              |  |
|                                    | 100,000,000                      | -                                    | 2,963,812                  | 19,889,289  | 6,370,000           | -                                | 6,370,000                        | 129,223,101                | 5,387,834                 | 134,610,935               |              |  |
|                                    | 100,000,000                      | -                                    | 5,085,302                  | 44,311,681  | 6,370,000           | 2,082,827                        | 8,452,827                        | 157,949,810                | 3,751,829                 | 161,601,639               |              |  |
| 3                                  | -                                | -                                    | -                          | 196,390   | -                   | -                                | -                                | 196,390                    | -                         | 196,390                   |              |  |
|                                    | 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               |              |  |
|                                    | 40,000,000                       | -                                    | -                          | -   | -                   | -                                | -                                | 40,000,000                 | -                         | 40,000,000                |              |  |
|                                    | -                                | 246,105,067                          | -                          | -   | -                   | -                                | -                                | 246,105,067                | -                         | 246,105,067               |              |  |
|                                    | -                                | -                                    | -                          | (28,000,000)  | -                   | -                                | -                                | (28,000,000)               | -                         | (28,000,000)              |              |  |
|                                    | -                                | -                                    | -                          | 40,957,122  | -                   | -                                | -                                | 40,957,122                 | 98,517                    | 41,055,639                |              |  |
|                                    | 140,000,000                      | 246,105,067                          | 5,085,302                  | 57,465,193  | 6,370,000           | 2,082,827                        | 8,452,827                        | 457,108,389                | 3,850,346                 | 460,958,735               |              |  |

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 six-month period ended 30 June 2019

|   | Separate financial information   |               |                   |                |                     |                            |                                  |      |      |              |
|---|----------------------------------|---------------|-------------------|----------------|---------------------|----------------------------|----------------------------------|------|------|--------------|
|   | Issued and paid-up share capital | Share Premium | Retained earnings |                |                     | Other components of equity |                                  |      |      | Total equity |
|   |                                  |               | Legal reserve     | Unappropriated | Share-based payment | components of equity       | Total other components of equity |      |      |              |
| Notes   | Baht                             | Baht          | Baht              | Baht           | Baht                | Baht                       | Baht                             | Baht | Baht | Baht         |
| <b>Opening balance at 1 January 2018</b>      | 100,000,000                      | -             | 1,128,546         | 29,296,023     | 6,370,000           | 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     | -                                | -             | -                 | 25,022,472     | -                   | -                          | 25,022,472                       |      |      |              |
| <b>Closing balance as at 30 June 2018</b>     | 100,000,000                      | -             | 2,963,812         | 17,617,150     | 6,370,000           | 6,370,000                  | 126,950,962                      |      |      |              |
| <b>Opening balance at 1 January 2019</b>      | 100,000,000                      | -             | 5,085,302         | 40,477,581     | 6,370,000           | 6,370,000                  | 151,932,883                      |      |      |              |
| Adjustments from changes in accounting policy | -                                | -             | -                 | 196,390        | -                   | -                          | 196,390                          |      |      |              |
| <b>Balance after adjustment</b>               | 100,000,000                      | -             | 5,085,302         | 40,673,971     | 6,370,000           | 6,370,000                  | 152,129,273                      |      |      |              |
| Proceeds from share issued                    | 40,000,000                       | -             | -                 | -              | -                   | -                          | 40,000,000                       |      |      |              |
| Share premium                                 | -                                | 246,105,067   | -                 | -              | -                   | -                          | 246,105,067                      |      |      |              |
| Dividends                                     | -                                | -             | -                 | (28,000,000)   | -                   | -                          | (28,000,000)                     |      |      |              |
| Total comprehensive income for the period     | -                                | -             | -                 | 40,520,074     | -                   | -                          | 40,520,074                       |      |      |              |
| <b>Closing balance as at 30 June 2019</b>     | 140,000,000                      | 246,105,067   | 5,085,302         | 53,194,045     | 6,370,000           | 6,370,000                  | 450,754,414                      |      |      |              |

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 six-month period ended 30 June 2019

|  | Consolidated financial information |                   | Separate financial information |                   |
|--|------------------------------------|-------------------|--------------------------------|-------------------|
|  | 2019                               | 2018              | 2019                           | 2018              |
| Note   | Baht                               | Baht              | Baht                           | Baht              |
| <b>Cash flows from operating activities</b>                          |                                    |                   |                                |                   |
| Profit before income tax   | 51,134,743                         | 35,203,381        | 50,734,496                     | 31,589,610        |
| Adjustments for:   |                                    |                   |                                |                   |
| Depreciation and amortisation  | 11 20,628,141                      | 13,670,406        | 17,938,163                     | 12,670,131        |
| (Gain) loss on disposal and write-off property, plant and equipment  | (315,500)                          | 109,617           | (623,311)                      | 56,200            |
| Write-off withholding tax deducted at source                         | -                                  | 480,941           | -                              | 480,941           |
| Employee benefit obligations   | 592,096                            | 741,112           | 552,157                        | 610,390           |
| Interest income  | -                                  | -                 | (978,859)                      | (221,272)         |
| Interest expense   | 6,483,303                          | 6,075,158         | 6,461,588                      | 6,062,249         |
| <b>Cash flows before changes in operating assets and liabilities</b> | <b>78,522,783</b>                  | <b>56,280,615</b> | <b>74,084,234</b>              | <b>51,248,249</b> |
| <b>Changes in operating assets and liabilities</b>                   |                                    |                   |                                |                   |
| Trade and other receivables  | 699,871                            | 64,836,019        | 2,467,534                      | 41,662,464        |
| Unbilled receivables   | (168,957,755)                      | (73,546,162)      | (168,957,755)                  | (73,546,162)      |
| Inventories  | 122,200,213                        | (1,550,147)       | 122,200,213                    | (1,550,147)       |
| Other current assets   | (4,307,443)                        | (1,584,294)       | (4,081,098)                    | (1,453,931)       |
| Retention receivables  | (726,141)                          | (15,085,513)      | (726,141)                      | (15,085,513)      |
| Restricted bank deposits   | 13,372,000                         | -                 | 13,372,000                     | -                 |
| Deposits   | (188,704)                          | (249,700)         | (175,054)                      | (252,400)         |
| Trade and other payables   | 4,071,305                          | 18,339,791        | 28,513,191                     | 29,782,961        |
| Service income received in advance                                   | (194,010,176)                      | 22,011,576        | (194,010,176)                  | 22,011,577        |
| Other current liabilities  | (5,955,823)                        | (11,393,847)      | (6,715,398)                    | (12,525,760)      |
| Retention payables   | 1,961,553                          | 114,337           | 4,206,938                      | 527,245           |
| Cash (used in) generated from operations                             | (153,318,317)                      | 58,172,675        | (129,821,512)                  | 40,818,583        |
| Cash paid for interest expenses                                      | (6,441,364)                        | (6,119,767)       | (6,437,915)                    | (6,106,857)       |
| Cash paid for income tax   | (20,963,903)                       | (24,374,774)      | (17,907,016)                   | (21,615,554)      |
| Cash receipt for refunded tax  | -                                  | 16,574,564        | -                              | 15,436,417        |
| <b>Net cash (used in) generated from operating activities</b>        | <b>(180,723,584)</b>               | <b>44,252,698</b> | <b>(154,166,443)</b>           | <b>28,532,589</b> |

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

CAZ (Thailand) Public Company Limited  
Statement of Cash Flows (Unaudited) (Cont'd)  
For the interim six-month period ended 30 June 2019

|  | Notes | Consolidated financial information |                     | Separate financial information |                     |
|--|-------|------------------------------------|---------------------|--------------------------------|---------------------|
|  |       | 2019<br>Baht                       | 2018<br>Baht        | 2019<br>Baht                   | 2018<br>Baht        |
| <b>Cash flows from investing activities</b>  |       |                                    |                     |                                |                     |
| Proceeds from short-term loans to related party  | 19    | -                                  | -                   | -                              | 2,000,000           |
| Payment on short-term loans to related party   | 19    | -                                  | -                   | (22,000,000)                   | (3,000,000)         |
| Acquisition of property, plant and equipment   |       | (33,713,112)                       | (39,590,690)        | (32,390,215)                   | (25,166,783)        |
| Acquisition of intangible assets   |       | (565,666)                          | (3,424,060)         | (565,666)                      | (3,424,060)         |
| Proceeds from disposals of property,<br>plant and equipment  |       | 1,722,320                          | 121,495             | 1,423,254                      | 2,251,495           |
| Interest income received   |       | -                                  | -                   | 102,431                        | 260,985             |
| <b>Net cash used in investing activities</b>   |       | <b>(32,556,456)</b>                | <b>(42,893,255)</b> | <b>(53,430,196)</b>            | <b>(27,078,363)</b> |
| <b>Cash flows from financing activities:</b>   |       |                                    |                     |                                |                     |
| Proceeds from short-term borrowings from banks   |       | 217,374,267                        | -                   | 217,374,267                    | -                   |
| Payments on short-term borrowings from banks   |       | (181,242,941)                      | -                   | (181,242,941)                  | -                   |
| Proceeds from short-term borrowings from related party   | 13    | 1,000,000                          | -                   | -                              | -                   |
| Proceeds from short-term borrowings from third party   | 13    | 5,000,000                          | -                   | -                              | -                   |
| Finance lease principal payments   |       | (1,009,789)                        | (643,535)           | (930,342)                      | (576,998)           |
| Proceeds from issue of ordinary shares   |       | 312,000,000                        | -                   | 312,000,000                    | -                   |
| Payments on directly attributable expenses of<br>the initial public offering   |       | (20,515,052)                       | -                   | (20,515,052)                   | -                   |
| Payments on long-term borrowings from banks  | 13    | (19,320,000)                       | (19,320,000)        | (19,320,000)                   | (19,320,000)        |
| Dividends payment  | 16    | (28,000,000)                       | (34,866,079)        | (28,000,000)                   | (34,866,079)        |
| <b>Net cash generated from (used in)<br/>financing activities</b>  |       | <b>285,286,485</b>                 | <b>(54,829,614)</b> | <b>279,365,932</b>             | <b>(54,763,077)</b> |
| <b>Net decrease in cash and cash equivalents</b>   |       | <b>72,006,443</b>                  | <b>(53,470,171)</b> | <b>71,769,293</b>              | <b>(53,308,851)</b> |
| Cash and cash equivalents at the beginning<br>of the period  |       | 35,218,564                         | 91,978,902          | 34,786,190                     | 90,814,169          |
| <b>Cash and cash equivalents at the end of the period</b>  |       | <b>107,225,007</b>                 | <b>38,508,731</b>   | <b>106,555,483</b>             | <b>37,505,318</b>   |
| <b>Non-cash transactions</b>   |       |                                    |                     |                                |                     |
| Purchase of property, plant and equipment for which<br>no cash has been paid<br>(included in accounts payable and<br>other accounts payable) |       | 3,716,442                          | 2,484,910           | 3,716,442                      | 2,484,910           |
| Purchase of property, plant and equipment under<br>leases contracts  |       | -                                  | 441,056             | -                              | 441,056             |
| Transfer directly attributable expenses of<br>the initial public offering to share premium   |       | 5,379,881                          | -                   | 5,379,881                      | -                   |

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 interim consolidated and separate financial information were authorised for issue by the Board of Directors on 9 August 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.

3 Change in accounting policies (Cont'd)

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

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

|   | Consolidated financial information |             |                         |
|---|------------------------------------|-------------|-------------------------|
|   | As at<br>31 December 2018          |             | As at<br>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<br>construction contracts and<br>construction income received<br>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<br>31 December 2018      |             | As at<br>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<br>construction contracts and<br>construction income received<br>in advance | 422,434,493                    | 3,362,044   | 425,796,537             |
| Retained earnings - Unappropriate   | 40,477,581                     | 196,390     | 40,673,971              |

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 30 June 2019                 |                         |  |
|   | Balance<br>as reported             | Impacts from<br>TFRS 15 | Balance under the<br>previous revenue<br>standards |
| Statement of financial position   | Baht                               | Baht                    | Baht   |
| Unbilled receivables  | 437,140,668                        | (13,000,993)            | 424,139,675  |
| Withholding tax deducted at source  | 71,930,758                         | 1,676,693               | 73,607,451   |
| Advance received from<br>construction contracts and<br>construction income<br>received in advance | 231,786,361                        | (4,421,137)             | 227,365,224  |

|                                      | Consolidated financial information        |                         |  |
|--------------------------------------|---|-------------------------|--|
|                                      | For the 6-month period ended 30 June 2019 |                         |  |
|                                      | Balance<br>as reported                    | Impacts from<br>TFRS 15 | Balance under the<br>previous revenue<br>standards |
| Statement of<br>comprehensive income | Baht                                      | Baht                    | Baht   |
| Revenues from construction contracts | 954,659,939                               | (17,477,430)            | 937,182,509  |
| Cost of construction contracts       | 860,250,079                               | (9,093,964)             | 851,156,115  |
| Income tax                           | 10,251,764                                | (1,600,672)             | 8,651,092  |

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. (Cont'd)

|   | Separate financial information            |                                 |  |
|---|---|---------------------------------|--|
|   | As at 30 June 2019                        |                                 |  |
|   | Balance<br>as reported<br>Baht            | Impacts from<br>TFRS 15<br>Baht | Balance under the<br>previous revenue<br>standards<br>Baht |
| <b>Statement of financial position</b>  |   |                                 |  |
| Unbilled receivables  | 437,140,668                               | (13,000,993)                    | 424,139,675  |
| Withholding tax deducted at source  | 62,928,216                                | 1,676,693                       | 64,604,909   |
| Advance received from<br>construction contracts and<br>construction income received<br>in advance | 231,786,361                               | (4,421,137)                     | 227,365,224  |
|   |   |                                 |  |
|   | Separate financial information            |                                 |  |
|   | For the 6-month period ended 30 June 2019 |                                 |  |
|   | Balance<br>as reported<br>Baht            | Impacts from<br>TFRS 15<br>Baht | Balance under the<br>previous revenue<br>standards<br>Baht |
| <b>Statement of<br/>comprehensive income</b>  |   |                                 |  |
| Revenues from construction contracts  | 954,659,939                               | (17,477,430)                    | 937,182,509  |
| Cost of construction contracts  | 866,590,552                               | (9,093,964)                     | 857,496,588  |
| Income tax  | 10,214,422                                | (1,609,704)                     | 8,604,718  |

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.

5 Segment information (Cont'd)

Major customers

The Group has 2 customers in EPC services, 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 six-month period ended 30 June 2019, totalling Baht 744 million (30 June 2018: 4 customers in EPC service and SMP services, totalling Baht 693 million).

Timing of revenue recognition

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

6 Cash and cash equivalents

|                                    | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|------------------------------------|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|                                    | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Cash on hand                       | 74,088                                | 252,917                     | 53,012                            | 190,163                     |
| Cash at bank - Current accounts    | 51,675,658                            | 34,868,098                  | 51,029,326                        | 34,500,092                  |
| - Savings accounts                 | 48,056,469                            | 96,511                      | 48,054,353                        | 94,897                      |
| - Short-term fixed accounts        | 7,418,792                             | 1,038                       | 7,418,792                         | 1,038                       |
| <b>Total</b>                       | <b>107,225,007</b>                    | <b>35,218,564</b>           | <b>106,555,483</b>                | <b>34,786,190</b>           |
| Restricted bank deposits (Note 20) | 7,417,750                             | 20,789,750                  | 7,417,750                         | 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.

7 Trade and other receivables

|   | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|---|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|   | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Trade receivables - third parties                                 | 151,236,179                           | 124,207,049                 | 151,236,179                       | 124,207,049                 |
| Trade receivables - related parties<br>(Note 19)                  | 32,761,260                            | 54,602,100                  | 32,761,260                        | 54,602,100                  |
| <u>Less</u> Allowance for impairment<br>of trade receivables      | -                                     | (201,588)                   | -                                 | (201,588)                   |
| Trade receivables - net   | 183,997,439                           | 178,607,561                 | 183,997,439                       | 178,607,561                 |
| Receivables from related parties (Note 19)                        | 125,863                               | 69,474                      | 6,386,722                         | 6,995,442                   |
| Other receivables   | 170,531                               | -                           | 74,557                            | -                           |
| Prepaid expenses  | 15,045,514                            | 28,265,220                  | 14,218,343                        | 27,799,930                  |
| Advance payments  | 2,982,180                             | 1,459,024                   | 2,982,180                         | 1,347,744                   |
| Advance payments to subcontractors<br>- related parties (Note 19) | -                                     | -                           | 30,422,020                        | 30,301,570                  |
| <b>Trade and other receivables</b>                                | <b>202,321,527</b>                    | <b>208,401,279</b>          | <b>238,081,261</b>                | <b>245,052,247</b>          |



7 Trade and other receivables (Cont'd)

Aging analysis of trade receivables are as follows:

|  | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|--|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|  | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| - Not yet due  | 161,917,121                           | 160,715,497                 | 161,917,121                       | 160,715,497                 |
| - Up to 3 months   | 17,069,030                            | 17,892,064                  | 17,069,030                        | 17,892,064                  |
| - 3 - 6 months   | 4,932,540                             | -                           | 4,932,540                         | -                           |
| - 6 - 12 months  | 78,748                                | -                           | 78,748                            | -                           |
| - Over 12 months   | -                                     | 201,588                     | -                                 | 201,588                     |
| Total  | 183,997,439                           | 178,809,149                 | 183,997,439                       | 178,809,149                 |
| <u>Less</u> Allowance for impairment of<br>trade receivables | -                                     | (201,588)                   | -                                 | (201,588)                   |
| Trade accounts receivable - net                              | 183,997,439                           | 178,607,561                 | 183,997,439                       | 178,607,561                 |

8 Unbilled receivables/Service income received in advance

|  | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|--|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|  | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| <b>Unbilled receivables</b>  |                                       |                             |                                   |                             |
| Project value as per contracts   | 3,891,392,039                         | 3,419,467,092               | 3,891,392,039                     | 3,419,467,092               |
| Accumulated amount recognised<br>as revenue on percentage of<br>completion basis             | 1,746,647,117                         | 1,582,599,373               | 1,746,647,117                     | 1,582,599,373               |
| <u>Less</u> Value of total billed  | (1,309,506,449)                       | (1,308,880,930)             | (1,309,506,449)                   | (1,308,880,930)             |
| Unbilled receivables   | 437,140,668                           | 273,718,443                 | 437,140,668                       | 273,718,443                 |
| Retention receivables  | 37,976,649                            | 37,250,508                  | 37,976,649                        | 37,250,508                  |
| <b>Service income received in<br/>advance</b>  |                                       |                             |                                   |                             |
| Project value as per contracts   | 1,479,169,975                         | 1,795,930,086               | 1,479,169,975                     | 1,795,930,086               |
| Value of total billed  | 1,386,514,255                         | 1,269,380,705               | 1,386,514,255                     | 1,269,380,705               |
| <u>Less</u> Accumulated amount recognised<br>as revenue on percentage of<br>completion basis | (1,377,533,283)                       | (1,160,455,892)             | (1,377,533,283)                   | (1,160,455,892)             |
| Construction income received<br>in advance   | 8,980,972                             | 108,924,813                 | 8,980,972                         | 108,924,813                 |
| Advance received from<br>construction contracts  | 222,805,389                           | 313,509,680                 | 222,805,389                       | 313,509,680                 |
| Total  | 231,786,361                           | 422,434,493                 | 231,786,361                       | 422,434,493                 |

CAZ (Thailand) Public Company Limited  
Condensed Notes to the interim Financial Information (Unaudited)  
For the interim six-month period ended 30 June 2019

9 Inventories

|  | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|--|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|  | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Raw materials  | 21,889,516                            | 62,337,899                  | 21,889,516                        | 62,337,899                  |
| Construction in Progress   | 483,566                               | -                           | 483,566                           | -                           |
| Goods in transit   | 437,265                               | 73,578,697                  | 437,265                           | 73,578,697                  |
| <u>Less</u> Allowance for net realisable value<br>of inventories | -                                     | -                           | -                                 | -                           |
| Inventories - net  | <u>22,810,347</u>                     | <u>135,916,596</u>          | <u>22,810,347</u>                 | <u>135,916,596</u>          |

10 Investments in subsidiary

Investments in subsidiary as at 30 June 2019 and 31 December 2018 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 information<br>Cost method, net |                     |
|--------------------------|---|----------------------------|--|---------------------|--|---------------------|---|---------------------|
|                          |   |                            | %  |                     | %  |                     | Baht  |                     |
|                          |   |                            | 30 June<br>2019                                    | 31 December<br>2018 | 30 June<br>2019  | 31 December<br>2018 | 30 June<br>2019                                       | 31 December<br>2018 |
| JKEC Co., Ltd.<br>(JKEC) | Thailand  | Construction<br>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.

11 Property, plant and equipment and intangible assets

The movement of property, plant and equipment and intangible assets for the six-month period ended 30 June 2019 is summarised as follows:

|                           | Consolidated<br>financial information       |                              | Separate<br>financial information           |                              |
|---------------------------|---|------------------------------|---|------------------------------|
|                           | 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   | 357,135,633                                 | 11,647,006                   | 341,843,888                                 | 11,590,389                   |
| Additions                 | 32,273,149                                  | 565,666                      | 30,950,252                                  | 565,666                      |
| Write-off/Disposals       | (1,406,820)                                 | -                            | (799,943)                                   | -                            |
| Depreciation/amortisation | (19,930,700)                                | (697,441)                    | (17,244,263)                                | (693,900)                    |
| Closing net book amount   | <u>368,071,262</u>                          | <u>11,515,231</u>            | <u>354,749,934</u>                          | <u>11,462,155</u>            |

Land and buildings of Baht 257.94 million (2018: Baht 256.73 million) have been pledged for long-term borrowings from bank (Note 13).

12 Deferred tax assets

|                          | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|--------------------------|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|                          | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Deferred tax assets      | 720,375                               | 696,206                     | 684,957                           | 624,205                     |
| Deferred tax liabilities | (19,717)                              | (28,404)                    | (13,888)                          | (20,126)                    |
| Deferred tax, net        | <u>700,658</u>                        | <u>667,802</u>              | <u>671,069</u>                    | <u>604,079</u>              |

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

13 Borrowings

|   | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|---|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|   | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| <b>Current</b>  |                                       |                             |                                   |                             |
| Short-term borrowings from banks :                    |                                       |                             |                                   |                             |
| - Factoring loan                                      | 70,311,049                            | 13,179,723                  | 70,311,049                        | 13,179,723                  |
| - Promissory note                                     | 25,000,000                            | 46,000,000                  | 25,000,000                        | 46,000,000                  |
| Short-term borrowings from banks                      | 95,311,049                            | 59,179,723                  | 95,311,049                        | 59,179,723                  |
| Short-term borrowings from third party                | 5,000,000                             | -                           | -                                 | -                           |
| Short-term borrowings from related party<br>(Note 19) | 1,000,000                             | -                           | -                                 | -                           |
| Current portion of long-term borrowings<br>from banks | 38,640,000                            | 38,640,000                  | 38,640,000                        | 38,640,000                  |
| Current portion of finance lease liabilities          | 1,108,991                             | 1,446,742                   | 966,316                           | 1,306,878                   |
| Total current borrowings                              | <u>141,060,040</u>                    | <u>99,266,465</u>           | <u>134,917,365</u>                | <u>99,126,601</u>           |
| <b>Non-current</b>                                    |                                       |                             |                                   |                             |
| Long-term borrowings from banks                       | 124,380,000                           | 143,700,000                 | 124,380,000                       | 143,700,000                 |
| Finance lease liabilities                             | 2,433,148                             | 2,995,331                   | 2,103,846                         | 2,593,983                   |
| Total non-current borrowings                          | <u>126,813,148</u>                    | <u>146,695,331</u>          | <u>126,483,846</u>                | <u>146,293,983</u>          |
| <b>Total borrowings</b>                               | <u>267,873,188</u>                    | <u>245,961,796</u>          | <u>261,401,211</u>                | <u>245,420,584</u>          |

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

| For the six-month period ended 30 June | Consolidated<br>financial information | Separate<br>financial information |
|--|---------------------------------------|-----------------------------------|
|  | 2019<br>Baht                          | 2019<br>Baht                      |
| Opening amount                         | 182,340,000                           | 182,340,000                       |
| Repayments                             | (19,320,000)                          | (19,320,000)                      |
| Closing amount                         | <u>163,020,000</u>                    | <u>163,020,000</u>                |

13 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 months 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 11), its director, and its ultimate parent.

Reconciliation of liabilities arising from financing activities

|                           | Consolidated financial information |                   |   |   |                         |
|---------------------------|------------------------------------|-------------------|---|---|-------------------------|
|                           | 31 December<br>2018<br>Baht        | Cash flow<br>Baht | Non-cash changes                            |   | 30 June<br>2019<br>Baht |
|                           |                                    |                   | Additions<br>under<br>finance lease<br>Baht | Amortised<br>deferred<br>Interest<br>Baht |                         |
| Short-term borrowings     | 59,179,723                         | 36,131,326        | -   | -   | 95,311,049              |
| Long-term borrowings      | 182,340,000                        | (19,320,000)      | -   | -   | 163,020,000             |
| Finance lease liabilities | 4,442,073                          | (1,009,789)       | -   | 109,855                                   | 3,542,139               |
|                           | Separate financial information     |                   |   |   |                         |
|                           | 31 December<br>2018<br>Baht        | Cash flow<br>Baht | Non-cash changes                            |   | 30 June<br>2019<br>Baht |
|                           |                                    |                   | Additions<br>under<br>finance lease<br>Baht | Amortised<br>deferred<br>Interest<br>Baht |                         |
| Short-term borrowings     | 59,179,723                         | 36,131,326        | -   | -   | 95,311,049              |
| Long-term borrowings      | 182,340,000                        | (19,320,000)      | -   | -   | 163,020,000             |
| Finance lease liabilities | 3,900,861                          | (930,342)         | -   | 99,643                                    | 3,070,162               |

14 Trade and other payables

|   | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|---|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|   | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Trade accounts payable                                | 226,916,605                           | 181,691,055                 | 203,627,434                       | 165,041,635                 |
| Trade accounts payable - related<br>parties (Note 19) | 6,366,914                             | 2,569,087                   | 35,799,369                        | 23,924,294                  |
| Accrued expenses                                      | 53,168,552                            | 101,491,145                 | 42,760,570                        | 95,940,564                  |
| Accrued expenses - related parties<br>(Note 19)       | -                                     | 431,806                     | 73,298,107                        | 45,901,216                  |
| Other payables  | 2,686,018                             | 391,570                     | 2,686,018                         | 366,531                     |
| Total trade and other payables                        | 289,138,089                           | 286,574,663                 | 358,171,498                       | 331,174,240                 |

15 Share capital and share premium

|  | Consolidated and Separate financial information |                      |                            |                      |                    |
|--|---|----------------------|----------------------------|----------------------|--------------------|
|  | Authorised share capital                        |                      | Issued and paid-up capital |                      |                    |
|  | Number of Shares                                | Ordinary shares Baht | Number of 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 30 June 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          | -                  |
| Change in par value of ordinary shares | 199,000,000                                     | -                    | 199,000,000                | -                    | -                  |
| Issue of shares                        | 80,000,000                                      | 40,000,000           | -                          | -                    | -                  |
| At 30 June 2018                        | <u>280,000,000</u>                              | <u>140,000,000</u>   | <u>200,000,000</u>         | <u>100,000,000</u>   | <u>-</u>           |

At 30 June 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.

16 Dividend

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

| The operation for the period                    | Approved by                   | Approved date | Dividend paid (million Baht) | Dividend per share (Baht) | Payment date |
|---|-------------------------------|---------------|------------------------------|---------------------------|--------------|
| 2019<br>1 April 2018 to 31 December 2018        | The Shareholders' Meeting     | 16 April 2019 | 28.00                        | 0.10                      | 17 May 2019  |
| 2018<br>1 January 2018 to 31 March 2018         | The Board of director Meeting | 11 May 2018   | 7.04                         | 0.04                      | 8 June 2018  |
| 2016-2017<br>1 January 2016 to 31 December 2017 | The Shareholders' Meeting     | 10 April 2018 | 27.83                        | 27.83                     | 9 May 2018   |

17 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% per annum (30 June 2018: 20% per annum).

18 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<br>financial information |                    | Separate<br>financial information |                    |
|---|---------------------------------------|--------------------|-----------------------------------|--------------------|
|   | 2019                                  | 2018               | 2019                              | 2018               |
| <b>For the three-month period ended 30 June</b>   |                                       |                    |                                   |                    |
| Net profit attributable to ordinary shareholders of the parent (Baht)                                       | 21,598,495                            | 10,012,752         | 21,660,534                        | 9,082,150          |
| Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares) | <u>280,000,000</u>                    | <u>200,000,000</u> | <u>280,000,000</u>                | <u>200,000,000</u> |
| Basic earnings per share (Baht)   | <u>0.08</u>                           | <u>0.05</u>        | <u>0.08</u>                       | <u>0.05</u>        |
| <b>For the six-month period ended 30 June</b>   |                                       |                    |                                   |                    |
| Net profit attributable to ordinary shareholders of the parent (Baht)                                       | 40,830,788                            | 26,843,348         | 40,520,074                        | 25,260,160         |
| Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares) | <u>272,928,177</u>                    | <u>200,000,000</u> | <u>272,928,177</u>                | <u>200,000,000</u> |
| Basic earnings per share (Baht)   | <u>0.15</u>                           | <u>0.13</u>        | <u>0.15</u>                       | <u>0.13</u>        |

The Company changed a par value of share capital from Baht 100 per share to Baht 0.50 per share (Note 15). The Company; therefore, adjusted the weighted average number of ordinary shares for the period ended 30 June 2018 as if the event started since the prior period. The earnings per share is then adjusted accordingly.

19 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.

19 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

|   | Consolidated<br>financial information |               | Separate<br>financial information |                |
|---|---------------------------------------|---------------|-----------------------------------|----------------|
|   | 2019<br>Baht                          | 2018<br>Baht  | 2019<br>Baht                      | 2018<br>Baht   |
| <b>For the three-month period ended 30 June</b> |                                       |               |                                   |                |
| <b>Revenues from construction contracts</b>     |                                       |               |                                   |                |
| Parent company                                  | 100,896,486                           | -             | 100,896,486                       | -              |
| <b>Rental income</b>                            |                                       |               |                                   |                |
| Related party                                   | 36,000                                | 36,000        | 36,000                            | 36,000         |
| Subsidiary                                      | -                                     | -             | 304,524                           | 344,350        |
|   | <u>36,000</u>                         | <u>36,000</u> | <u>340,524</u>                    | <u>380,350</u> |
| <b>Interest income</b>                          |                                       |               |                                   |                |
| Subsidiary                                      | -                                     | -             | 634,465                           | 91,623         |
| <b>Service income</b>                           |                                       |               |                                   |                |
| Related party                                   | 34,542                                | 31,853        | 34,542                            | 31,853         |
| Subsidiary                                      | -                                     | -             | 65,627                            | 75,450         |
|   | <u>34,542</u>                         | <u>31,853</u> | <u>100,169</u>                    | <u>107,303</u> |
| <b>Other income</b>                             |                                       |               |                                   |                |
| Subsidiary                                      | -                                     | -             | 1,823                             | 1,708,459      |
|   |                                       |               |                                   |                |
| <b>For the six-month period ended 30 June</b>   |                                       |               |                                   |                |
| <b>Revenues from construction contracts</b>     |                                       |               |                                   |                |
| Parent company                                  | 117,194,549                           | -             | 117,194,549                       | -              |
| <b>Rental income</b>                            |                                       |               |                                   |                |
| Related party                                   | 72,000                                | 72,000        | 72,000                            | 72,000         |
| Subsidiary                                      | -                                     | -             | 622,484                           | 671,999        |
|   | <u>72,000</u>                         | <u>72,000</u> | <u>694,484</u>                    | <u>743,999</u> |
| <b>Interest income</b>                          |                                       |               |                                   |                |
| Subsidiary                                      | -                                     | -             | 978,859                           | 221,272        |
| <b>Service income</b>                           |                                       |               |                                   |                |
| Related party                                   | 72,292                                | 65,955        | 72,292                            | 65,955         |
| Subsidiary                                      | -                                     | -             | 134,030                           | 143,319        |
|   | <u>72,292</u>                         | <u>65,955</u> | <u>206,322</u>                    | <u>209,274</u> |
| <b>Other income</b>                             |                                       |               |                                   |                |
| Subsidiary                                      | -                                     | -             | 3,618                             | 3,005,676      |

19 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

| For the three-month period ended<br>30 June | Consolidated<br>financial information |                  | Separate<br>financial information |                   |
|---|---------------------------------------|------------------|-----------------------------------|-------------------|
|   | 2019<br>Baht                          | 2018<br>Baht     | 2019<br>Baht                      | 2018<br>Baht      |
| <b>Cost of construction contracts</b>       |                                       |                  |                                   |                   |
| Related parties                             | 5,427,536                             | 2,858,732        | 5,427,536                         | 2,858,732         |
| Subsidiary                                  | -                                     | -                | 66,189,504                        | 36,855,512        |
|   | <u>5,427,536</u>                      | <u>2,858,732</u> | <u>71,617,040</u>                 | <u>39,714,244</u> |
| <b>Interest expense</b>                     |                                       |                  |                                   |                   |
| Related party                               | 210,959                               | -                | 210,959                           | -                 |
|   | <u>210,959</u>                        | <u>-</u>         | <u>210,959</u>                    | <u>-</u>          |
| For the six-month period ended<br>30 June   | Consolidated<br>financial information |                  | Separate<br>financial information |                   |
|   | 2019<br>Baht                          | 2018<br>Baht     | 2019<br>Baht                      | 2018<br>Baht      |
| <b>Cost of construction contracts</b>       |                                       |                  |                                   |                   |
| Related parties                             | 9,897,609                             | 6,617,996        | 9,897,609                         | 6,617,996         |
| Subsidiary                                  | -                                     | -                | 108,824,354                       | 75,276,807        |
|   | <u>9,897,609</u>                      | <u>6,617,996</u> | <u>118,721,963</u>                | <u>81,894,803</u> |
| <b>Interest expense</b>                     |                                       |                  |                                   |                   |
| Related party                               | 210,959                               | -                | 210,959                           | -                 |
|   | <u>210,959</u>                        | <u>-</u>         | <u>210,959</u>                    | <u>-</u>          |

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

|  | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|--|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|  | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| <b>Trade account receivable</b>  |                                       |                             |                                   |                             |
| Parent company   | 32,761,260                            | 54,602,100                  | 32,761,260                        | 54,602,100                  |
| <b>Other receivable</b><br>(include in receivable from related parties)        |                                       |                             |                                   |                             |
| Related party  | 125,863                               | 69,474                      | 125,863                           | 69,474                      |
| Subsidiary   | -                                     | -                           | 4,871,990                         | 6,413,526                   |
|  | <u>125,863</u>                        | <u>69,474</u>               | <u>4,997,853</u>                  | <u>6,483,000</u>            |
| <b>Accrued interest income</b><br>(include in receivable from related parties) |                                       |                             |                                   |                             |
| Subsidiary   | -                                     | -                           | 1,388,869                         | 512,442                     |
| <b>Advance payments to subcontractors</b>                                      |                                       |                             |                                   |                             |
| Subsidiary   | -                                     | -                           | 30,422,020                        | 30,301,570                  |
| <b>Retention</b>   |                                       |                             |                                   |                             |
| Parent company   | 4,592,700                             | 2,041,200                   | 4,592,700                         | 2,041,200                   |



19 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 (Cont'd)

|                                 | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|---------------------------------|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|                                 | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| <b>Trade accounts payable</b>   |                                       |                             |                                   |                             |
| Related parties                 | 6,366,914                             | 2,569,087                   | 6,366,914                         | 2,569,087                   |
| Subsidiary                      | -                                     | -                           | 29,432,455                        | 21,355,207                  |
|                                 | <u>6,366,914</u>                      | <u>2,569,087</u>            | <u>35,799,369</u>                 | <u>23,924,294</u>           |
| <b>Accrued expenses</b>         |                                       |                             |                                   |                             |
| Related party                   | -                                     | 431,806                     | -                                 | 431,806                     |
| Subsidiary                      | -                                     | -                           | 73,298,107                        | 45,469,410                  |
|                                 | -                                     | <u>431,806</u>              | <u>73,298,107</u>                 | <u>45,901,216</u>           |
| <b>Advance received payment</b> |                                       |                             |                                   |                             |
| Parent company                  | <u>5,119,510</u>                      | <u>85,904,191</u>           | <u>5,119,510</u>                  | <u>85,904,191</u>           |

d) Short-term loans to related party

|            | Consolidated<br>financial information |                             | Separate<br>financial information |                             |
|------------|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|            | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Subsidiary | -                                     | -                           | 40,000,000                        | 18,000,000                  |

The movement of loans to related parties are as follows:

|                 | Consolidated<br>financial information | Separate<br>financial information |
|-----------------|---------------------------------------|-----------------------------------|
|                 | 2019<br>Baht                          | 2019<br>Baht                      |
| Opening balance | -                                     | 18,000,000                        |
| Additions       | -                                     | 22,000,000                        |
| Ending balance  | <u>-</u>                              | <u>40,000,000</u>                 |

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.

19 Related-party transactions (Cont'd)

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

e) Short-term borrowings from related party

|                            | Consolidated<br>financial information |                     | Separate<br>financial information |                     |
|----------------------------|---------------------------------------|---------------------|-----------------------------------|---------------------|
|                            | 30 June<br>2019                       | 31 December<br>2018 | 30 June<br>2019                   | 31 December<br>2018 |
| Short-term borrowing from: |                                       |                     |                                   |                     |
| Related party              | 1,000,000                             | -                   | -                                 | -                   |

| For the six-month period ended 30 June | Consolidated<br>financial information | Separate<br>financial information |
|--|---------------------------------------|-----------------------------------|
|  | 2019<br>Baht                          | 2019<br>Baht                      |
| Related party                          |                                       |                                   |
| Beginning balance                      | -                                     | -                                 |
| Loans during the period                | 1,000,000                             | -                                 |
| Ending balance                         | 1,000,000                             | -                                 |

The loans from related party was provided with bear interest at the rate 5.25% per annum, and the loan is due for repayment on demand.

f) 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<br>ended 30 June        | Consolidated<br>financial information |              | Separate<br>financial information |              |
|--|---------------------------------------|--------------|-----------------------------------|--------------|
|  | 2019<br>Baht                          | 2018<br>Baht | 2019<br>Baht                      | 2018<br>Baht |
| Salaries and other short-term<br>employee benefits | 4,075,563                             | 3,444,212    | 3,246,995                         | 2,734,717    |
| Employee benefit obligations                       | 103,421                               | 76,154       | 103,421                           | 76,154       |
|  | 4,178,984                             | 3,520,366    | 3,350,416                         | 2,810,871    |

| For the six-month period<br>ended 30 June          | Consolidated<br>financial statements |              | Separate<br>financial statements |              |
|--|--------------------------------------|--------------|----------------------------------|--------------|
|  | 2019<br>Baht                         | 2018<br>Baht | 2019<br>Baht                     | 2018<br>Baht |
| Salaries and other short-term<br>employee benefits | 8,621,406                            | 6,636,424    | 6,921,826                        | 5,228,155    |
| Employee benefit obligations                       | 206,842                              | 152,309      | 206,842                          | 152,309      |
|  | 8,828,248                            | 6,788,733    | 7,128,668                        | 5,380,464    |

## 20 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 information |                     | Separate<br>financial information |                     |
|-------------|---------------------------------------|---------------------|-----------------------------------|---------------------|
|             | 30 June<br>2019                       | 31 December<br>2018 | 30 June<br>2019                   | 31 December<br>2018 |
| Currency:   |                                       |                     |                                   |                     |
| - Thai Baht | 823,524,232                           | 877,551,849         | 823,524,232                       | 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 7.42 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<br>financial information |                             | Separate<br>financial information |                             |
|---|---------------------------------------|-----------------------------|-----------------------------------|-----------------------------|
|   | 30 June<br>2019<br>Baht               | 31 December<br>2018<br>Baht | 30 June<br>2019<br>Baht           | 31 December<br>2018<br>Baht |
| Within 1 year                                   | 3,360,766                             | 2,352,000                   | 874,000                           | 1,068,000                   |
| Later than 1 year but not later<br>than 5 years | 1,519,500                             | 1,756,500                   | 1,107,500                         | 702,500                     |
| Total   | 4,880,266                             | 4,108,500                   | 1,981,500                         | 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<br>financial information |                     | Separate<br>financial information |                     |
|-------------|---------------------------------------|---------------------|-----------------------------------|---------------------|
|             | 30 June<br>2019                       | 31 December<br>2018 | 30 June<br>2019                   | 31 December<br>2018 |
| Currency:   |                                       |                     |                                   |                     |
| - Thai Baht | 6,611,774                             | 25,260,821          | 6,611,774                         | 25,260,821          |
| - USD       | 209,583                               | 528,351             | 209,583                           | 528,351             |
| - KRW       | 5,710,000                             | -                   | 5,710,000                         | -                   |

## 21 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.

**22 Events occurring after the reporting date**

At the Extraordinary General Meeting of Shareholders No. 1/2019 on 1 July 2019, the shareholder approved changing the objective of the increased capital which was mentioned on the offering's newly issued shares form and in the prospectus to purchase new land and factory building with a budget of up to Baht 100 million. The Company will use these new assets as collateral with the bank, replacing TAKUNI Group Public Company Limited's assets (TAKUNI) and its subsidiaries which are currently used for that purpose. At present, the Company is executing the contract and transferring ownership with the seller.

On 26 July 2019, the Company issued 150 days promissory note to a local bank amounting to Baht 50 million, which required the repayment on 23 December 2019. This promissory note bears the interest rate at 5% per annum.