

CAZ (THAILAND) PUBLIC COMPANY LIMITED

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

30 SEPTEMBER 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 September 2019, and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods, statements of changes in equity and cash flows for the nine-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 blue ink, appearing to read "Boonlert", written in a cursive style.

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
11 November 2019

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

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	1,711,771	35,218,564	1,039,032	34,786,190
Trade and other receivables	8	269,209,359	208,401,279	356,903,250	245,052,247
Unbilled receivables	9	426,988,758	273,718,443	426,988,758	273,718,443
Inventories	10	14,348,291	135,916,596	14,269,012	135,916,596
Short-term loans to related party	19	-	-	40,000,000	18,000,000
Other current assets		11,212,930	6,854,810	10,585,889	6,246,101
Total current assets		723,471,109	660,109,692	849,785,941	713,719,577
Non-current assets					
Restricted bank deposits	7	14,917,750	20,789,750	14,917,750	20,789,750
Investment in subsidiary	11	-	-	3,000,000	3,000,000
Property, plant and equipment	12	484,795,644	357,135,633	472,408,058	341,843,888
Intangible assets	12	11,660,058	11,647,006	11,608,782	11,590,389
Retention receivables	9	49,060,331	37,250,508	49,060,331	37,250,508
Withholding tax deducted at source		83,419,429	61,305,975	71,343,708	55,313,948
Deposits		1,389,683	850,779	1,097,133	609,779
Deferred tax assets		737,449	667,802	707,705	604,079
Total non-current assets		645,980,344	489,647,453	624,143,467	471,002,341
Total assets		1,369,451,453	1,149,757,145	1,473,929,408	1,184,721,918

Director



Director



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 September 2019

		Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2019	2018	2019	2018
Notes		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdraft	13	14,205,610	-	14,205,610	-
Short-term borrowings from banks	13	101,016,374	59,179,723	101,016,374	59,179,723
Trade and other payables	14	263,140,288	286,574,663	377,154,322	331,174,240
Advance received from construction contracts and construction income received in advance	9	283,435,032	422,434,493	283,435,032	422,434,493
Short-term borrowings from third party	13	3,000,000	-	-	-
Short-term borrowings from related party	13	23,500,000	-	20,000,000	-
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	1,751,194	1,446,742	1,607,093	1,306,878
Other current liabilities		30,522,260	22,158,531	23,474,839	19,726,251
Total current liabilities		759,210,758	830,434,152	859,533,270	872,461,585
Non-current liabilities					
Long-term borrowings from banks	13	114,000,000	143,700,000	114,000,000	143,700,000
Finance lease liabilities	13	4,415,083	2,995,331	4,122,345	2,593,983
Retention payables		8,087,326	7,959,970	16,987,474	11,277,273
Employee benefit obligations		3,646,346	3,066,053	3,492,403	2,756,194
Total non-current liabilities		130,148,755	157,721,354	138,602,222	160,327,450
Total liabilities		889,359,513	988,155,506	998,135,492	1,032,789,035

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

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

	Note	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		30 September	31 December	30 September	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
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		78,203,043	44,311,681	78,233,547	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		477,846,239	157,849,810	475,793,916	151,932,883
Non-controlling interests		2,245,701	3,751,829	-	-
Total equity		480,091,940	161,601,639	475,793,916	151,932,883
Total liabilities and equity		1,369,451,453	1,149,757,145	1,473,929,408	1,184,721,918

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

CAZ (Thailand) Public Company Limited
Statement of Comprehensive Income (Unaudited)
For the interim three-month period ended 30 September 2019

	Note	Consolidated financial information		Separate financial information	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts		496,139,191	344,872,503	496,139,191	344,872,503
Cost of construction contracts		(447,797,519)	(311,700,017)	(450,868,154)	(316,574,833)
Gross profit		48,341,672	33,172,486	45,271,037	28,297,670
Other income		2,294,971	753,474	7,618,410	1,408,062
Administrative expenses		(18,969,994)	(16,756,456)	(17,016,027)	(15,446,504)
Finance cost		(4,641,767)	(3,212,465)	(4,556,850)	(3,206,509)
Profit before income tax		27,024,882	13,957,039	31,316,570	11,052,719
Income tax		(6,281,775)	(2,823,973)	(6,277,068)	(2,198,066)
Profit for the period		20,743,107	11,133,066	25,039,502	8,854,653
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of employee benefit obligations (net of tax)		-	-	-	-
Total comprehensive income for the period		20,743,107	11,133,066	25,039,502	8,854,653
Profit attributable to:					
Owners of the parent		20,737,850	9,891,659	25,039,502	8,854,653
Non-controlling interests		5,257	1,241,407	-	-
		20,743,107	11,133,066	25,039,502	8,854,653
Total comprehensive income attributable to:					
Owners of the parent		20,737,850	9,891,659	25,039,502	8,854,653
Non-controlling interests		5,257	1,241,407	-	-
		20,743,107	11,133,066	25,039,502	8,854,653
Earnings per share	18				
Basic earnings per share (Baht)		0.07	0.05	0.09	0.04

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 nine-month period ended 30 September 2019

	Note	Consolidated financial information		Separate financial information	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts		1,450,799,130	1,060,090,665	1,450,799,130	1,060,090,665
Cost of construction contracts		(1,308,047,598)	(955,052,625)	(1,317,458,706)	(967,065,343)
Gross profit		142,751,532	105,038,040	133,340,424	93,025,322
Other income		5,136,934	1,744,767	12,285,988	3,708,717
Administrative expenses		(58,603,771)	(48,334,764)	(52,556,908)	(44,822,953)
Finance cost		(11,125,070)	(9,287,623)	(11,018,438)	(9,268,758)
Profit before income tax		78,159,625	49,160,420	82,051,066	42,642,328
Income tax		(16,533,539)	(9,823,520)	(16,491,490)	(8,527,516)
Profit for the period		61,626,086	39,336,900	65,559,576	34,114,812
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of employee benefit obligations (net of tax)		172,660	(237,688)	-	(237,688)
Total comprehensive income for the period		61,798,746	39,099,212	65,559,576	33,877,124
Profit attributable to:					
Owners of the parent		61,568,638	36,735,007	65,559,576	34,114,812
Non-controlling interests		57,448	2,601,893	-	-
		61,626,086	39,336,900	65,559,576	34,114,812
Total comprehensive income attributable to:					
Owners of the parent		61,694,972	36,497,319	65,559,576	33,877,124
Non-controlling interests		103,774	2,601,893	-	-
		61,798,746	39,099,212	65,559,576	33,877,124
Earnings per share	18				
Basic earnings per share (Baht)		0.22	0.18	0.24	0.17

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 nine-month period ended 30 September 2019

Consolidated financial information

	Attributable to owners of the parent											
	Notes	Issued and paid-up share capital	Share Premium	Retained earnings		Other components of equity						
				Legal reserve	Unappropriated	Share-based payment	Change in parent's ownership interest in subsidiary		Total other components of equity	Total owners of the parent	Non-controlling interests	Total equity
							Baht	Baht				
Opening balance at 1 January 2018												
		100,000,000	-	1,128,546	29,984,974	6,370,000	-	-	6,370,000	137,483,520	4,027,348	141,510,868
	Additional investment in subsidiary	-	-	-	-	-	-	2,082,827	2,082,827	2,082,827	(2,982,827)	(900,000)
	Legal reserve	-	-	1,835,266	(1,835,266)	-	-	-	-	-	-	-
16	Dividends	-	-	-	(34,866,079)	-	-	-	-	(34,866,079)	-	(34,866,079)
	Total comprehensive income for the period	-	-	-	36,497,319	-	-	-	-	36,497,319	2,601,893	39,099,212
Closing balance as at 30 September 2018												
		100,000,000	-	2,963,812	29,780,948	6,370,000	2,082,827	2,082,827	8,452,827	141,197,587	3,646,414	144,844,001
Opening balance at 1 January 2019												
	Adjustments from changes in accounting policy	100,000,000	-	5,085,302	44,311,681	6,370,000	2,082,827	2,082,827	8,452,827	157,849,810	3,751,829	161,601,639
4		-	-	-	196,390	-	-	-	-	196,390	-	196,390
Balance after adjustment												
	Proceeds from share issued	100,000,000	-	5,085,302	44,508,071	6,370,000	2,082,827	2,082,827	8,452,827	158,046,200	3,751,829	161,798,029
15		40,000,000	-	-	-	-	-	-	-	40,000,000	-	40,000,000
15	Share premium	-	246,105,067	-	-	-	-	-	-	246,105,067	-	246,105,067
16	Dividends	-	-	-	(28,000,000)	-	-	-	-	(28,000,000)	-	(28,000,000)
	Dividends paid by subsidiary	-	-	-	-	-	-	-	-	-	(1,609,902)	(1,609,902)
	Total comprehensive income for the period	-	-	-	61,694,972	-	-	-	-	61,694,972	103,774	61,798,746
Closing balance as at 30 September 2019												
		140,000,000	246,105,067	5,085,302	78,203,043	6,370,000	2,082,827	2,082,827	8,452,827	477,846,239	2,245,701	480,091,940

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 nine-month period ended 30 September 2019

Separate financial information									
Notes	Issued and paid-up share capital	Retained earnings			Other components of equity			Total equity	
		Share Premium	Appropriated-		Share-based payment	components of equity			
			Legal reserve	Unappropriated			Baht		
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
	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	-	-	-	33,877,124	-	-	33,877,124		
	100,000,000	-	2,963,812	26,471,802	6,370,000	6,370,000	135,805,614		
Closing balance as at 30 September 2018									
	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		
	100,000,000	-	5,085,302	40,673,971	6,370,000	6,370,000	152,129,273		
Balance after adjustment									
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	-	-	-	65,559,576	-	-	65,559,576		
	140,000,000	246,105,067	5,085,302	78,233,547	6,370,000	6,370,000	475,793,916		
Closing balance as at 30 September 2019									

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 nine-month period ended 30 September 2019

	Note	Consolidated financial information		Separate financial information	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash flows from operating activities					
Profit before income tax		78,159,625	49,160,420	82,051,066	42,642,328
Adjustments for:					
Depreciation and amortisation	12	32,021,510	21,954,811	27,936,841	20,153,367
(Gain) loss on disposal and write-off property, plant and equipment		(577,884)	109,617	(925,036)	56,200
Write-off withholding tax deducted at source		-	480,941	-	480,941
Employee benefit obligations		796,118	1,112,372	736,209	916,288
Interest income		-	-	(1,637,838)	(339,074)
Dividend income		-	-	(4,390,098)	-
Interest expense		11,125,070	9,287,623	11,018,438	9,268,758
Cash flows before changes in operating assets and liabilities		121,524,439	82,105,784	114,789,582	73,178,808
Changes in operating assets and liabilities					
Trade and other receivables		(66,187,960)	(49,230,728)	(115,741,831)	(72,691,591)
Unbilled receivables		(158,805,845)	(93,997,596)	(158,805,845)	(93,997,596)
Inventories		130,662,269	(57,655,837)	130,741,548	(57,655,837)
Other current assets		(4,358,120)	(2,656,661)	(4,339,786)	(2,323,778)
Retention receivables		(11,809,823)	(18,349,152)	(11,809,823)	(18,349,152)
Restricted bank deposits		5,872,000	(20,789,750)	5,872,000	(20,789,750)
Deposits		(538,904)	(233,897)	(487,354)	(254,897)
Trade and other payables		(24,788,526)	97,276,021	44,684,688	114,821,949
Service income received in advance		(142,361,505)	65,901,089	(142,361,505)	65,901,089
Other current liabilities		8,363,729	(3,832,206)	3,748,588	(4,665,444)
Retention payables		127,356	(636,272)	5,710,201	1,318,244
Cash used in operations		(142,300,890)	(2,099,205)	(127,999,537)	(15,507,955)
Cash paid for interest expenses		(10,895,083)	(9,338,998)	(10,862,002)	(9,320,133)
Cash paid for income tax		(38,759,804)	(33,899,306)	(32,624,878)	(29,608,620)
Cash receipt for refunded tax		-	16,585,898	-	15,447,751
Net cash used in operating activities		(191,955,777)	(28,751,611)	(171,486,417)	(38,988,957)

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

		Consolidated financial information		Separate financial information	
		2019	2018	2019	2018
	Notes	Baht	Baht	Baht	Baht
Cash flows from investing activities					
Proceeds from short-term loans to related party	19	-	-	-	2,000,000
Payment on short-term loans to related party	19	-	-	(22,000,000)	(8,000,000)
Purchase of property, plant and equipment		(155,934,703)	(52,715,137)	(154,113,316)	(38,572,936)
Purchase of intangible assets		(1,076,916)	(3,424,060)	(1,076,916)	(3,424,060)
Proceeds from disposals of property, plant and equipment		2,072,320	121,495	1,773,254	2,251,495
Interest income received			-	148,785	260,985
Dividend income		-	-	4,390,098	-
Net cash used in investing activities		(154,939,299)	(56,017,702)	(170,878,095)	(45,484,516)
Cash flows from financing activities:					
Proceeds from short-term borrowings from banks		406,337,008	76,513,416	406,337,008	76,513,416
Payments on short-term borrowings from banks		(364,500,357)	(37,423,632)	(364,500,357)	(37,423,632)
Payments on long-term borrowings from banks	13	(29,700,000)	(29,700,000)	(29,700,000)	(29,700,000)
Proceeds from short-term borrowings from related parties	19	81,000,000	-	77,500,000	-
Payment on short-term borrowings from related parties	19	(57,500,000)	-	(57,500,000)	-
Proceeds from short-term borrowings from third party		5,000,000	-	-	-
Payment on short-term borrowings from third party		(2,000,000)	-	-	-
Finance lease principal payments		(1,329,024)	(1,326,412)	(1,209,855)	(1,226,107)
Proceeds from issue of ordinary shares		312,000,000	-	312,000,000	-
Payments on directly attributable expenses of the initial public offering		(20,515,052)	-	(20,515,052)	-
Dividends payment		(29,609,902)	(34,866,079)	(28,000,000)	(34,866,079)
Payment for investment purchased from non-controlling interest		-	(900,000)	-	(900,000)
Net cash generated from (used in) financing activities		299,182,673	(27,702,707)	294,411,744	(27,602,402)
Net decrease in cash and cash equivalents		(47,712,403)	(112,472,020)	(47,952,768)	(112,075,875)
Cash and cash equivalents at the beginning of the period		35,218,564	91,978,902	34,786,190	90,814,169
Closing balance of cash and cash equivalents		(12,493,839)	(20,493,118)	(13,166,578)	(21,261,706)
Cash and cash equivalents at the end of the period					
Cash and cash equivalent	7	1,711,771	14,055,598	1,039,032	13,287,010
Bank overdraft	13	(14,205,610)	(34,548,716)	(14,205,610)	(34,548,716)
		(12,493,839)	(20,493,118)	(13,166,578)	(21,261,706)
Non-cash transactions					
Purchase of property, plant and equipment for which no cash has been paid (included in accounts payable and other accounts payable)		6,136,902	3,711,142	6,136,902	3,711,142
Purchase of property, plant and equipment under leases contracts		3,196,893	3,771,346	3,196,893	3,771,346
Transfer directly attributable expenses of 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 11 November 2019.

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

2 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.

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2018, except as described in note 4.

The Group has not early adopted the new and amended Thai Financial Reporting Standards that have effective date on 1 January 2020 and is currently assessing the impacts from these standards.

4 Change in accounting policies

TFRS 15, Revenue from contracts with customers

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

Accounting policy for revenue recognition is as follows:

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

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

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

	Consolidated financial information		
	As at 31 December 2018		As at 1 January 2019
	Previously reported Baht	Adjustments Baht	Restated Baht
Statement of financial position			
Unbilled receivables	273,718,443	(5,535,530)	268,182,913
Inventories	135,916,596	9,093,964	145,010,560
Advance received from construction contracts and construction income received in advance	422,434,493	3,362,044	425,796,537
Retained earnings - Unappropriate	44,311,681	196,390	44,508,071
	Separate financial information		
	As at 31 December 2018		As at 1 January 2019
	Previously reported Baht	Adjustments Baht	Restated Baht
Statement of financial position			
Unbilled receivables	273,718,443	(5,535,530)	268,182,913
Inventories	135,916,596	9,093,964	145,010,560
Advance received from construction contracts and construction income received in advance	422,434,493	3,362,044	425,796,537
Retained earnings - Unappropriate	40,477,581	196,390	40,673,971

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 September 2019		
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of financial position			
Unbilled receivables	426,988,758	(38,397,564)	388,591,194
Withholding tax deducted at source	83,419,429	7,541,614	90,961,043
Advance received from construction contracts and construction income received in advance	283,435,032	(689,496)	282,745,536

Consolidated financial information			
For the 9-month period ended 30 September 2019			
Statement of comprehensive income	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Revenues from construction contracts	1,450,799,130	(37,708,067)	1,413,091,063
Cost of construction contracts	1,308,047,598	-	1,308,047,598
Income tax	16,533,539	(7,541,614)	8,991,925
Separate financial information			
As at 30 September 2019			
Statement of financial position	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Unbilled receivables	426,988,758	(38,397,564)	388,591,194
Withholding tax deducted at source	71,343,708	7,541,614	78,885,322
Advance received from construction contracts and construction income received in advance	283,435,032	(689,496)	282,745,536
Separate financial information			
For the 9-month period ended 30 September 2019			
Statement of comprehensive income	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Revenues from construction contracts	1,450,799,130	(37,708,067)	1,413,091,063
Cost of construction contracts	1,317,458,706	-	1,317,458,706
Income tax	16,491,490	(7,541,614)	8,949,876

5 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.

6 Segment information

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

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

Geographic information

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

Major customers

The Group has 3 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 nine-month period ended 30 September 2019, totalling Baht 1,241.74 million (30 September 2018: 3 customers in EPC service, SMP services, Civil & Building services, and fabrication and other services totalling Baht 1,028.52 million).

Timing of revenue recognition

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

7 Cash and cash equivalents

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Cash on hand	216,249	252,917	91,463	190,163
Cash at bank - Current accounts	667,097	34,868,098	121,261	34,500,092
- Savings accounts	827,381	96,511	825,264	94,897
- Short-term fixed accounts	1,044	1,038	1,044	1,038
Total	1,711,771	35,218,564	1,039,032	34,786,190
Restricted bank deposits	14,917,750	20,789,750	14,917,750	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.

8 Trade and other receivables

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Trade receivables				
- third parties	244,527,517	124,207,049	244,527,517	124,207,049
- related parties (Note 19)	-	54,602,100	-	54,602,100
Less Allowance for impairment of trade receivables	-	(201,588)	-	(201,588)
Trade receivables - net	244,527,517	178,607,561	244,527,517	178,607,561
Receivables from related parties (Note 19)	89,143	69,474	7,660,152	6,995,442
Other receivables	176,236	-	64,956	-
Prepaid expenses	13,954,524	28,265,220	13,652,650	27,799,930
Advance payments	10,461,939	1,459,024	10,461,939	1,347,744
Advance payments to subcontractors				
- related parties (Note 19)	-	-	80,536,036	30,301,570
Trade and other receivables	269,209,359	208,401,279	356,903,250	245,052,247

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

Aging analysis of trade receivables are as follows:

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
- Not yet due	144,500,549	160,715,497	144,500,549	160,715,497
- Up to 3 months	99,948,220	17,892,064	99,948,220	17,892,064
- 3 - 6 months	-	-	-	-
- 6 - 12 months	78,748	-	78,748	-
- Over 12 months	-	201,588	-	201,588
Total	244,527,517	178,809,149	244,527,517	178,809,149
<u>Less</u> Allowance for impairment of trade receivables	-	(201,588)	-	(201,588)
Trade accounts receivable - net	244,527,517	178,607,561	244,527,517	178,607,561

9 Unbilled receivables/Service income received in advance

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Unbilled receivables				
Project value as per contracts	3,093,512,846	3,419,467,092	3,093,512,846	3,419,467,092
Accumulated amount recognised as revenue on percentage of completion basis	1,844,401,336	1,582,599,373	1,844,401,336	1,582,599,373
<u>Less</u> Value of total billed	(1,417,412,578)	(1,308,880,930)	(1,417,412,578)	(1,308,880,930)
Unbilled receivables	426,988,758	273,718,443	426,988,758	273,718,443
Retention receivables	49,060,331	37,250,508	49,060,331	37,250,508
Service income received in advance				
Project value as per contracts	1,888,189,169	1,795,930,086	1,888,189,169	1,795,930,086
Value of total billed	1,301,317,848	1,269,380,705	1,301,317,848	1,269,380,705
<u>Less</u> Accumulated amount recognised as revenue on percentage of completion basis	(1,268,993,146)	(1,160,455,892)	(1,268,993,146)	(1,160,455,892)
Construction income received in advance	32,324,702	108,924,813	32,324,702	108,924,813
Advance received from construction contracts	251,110,330	313,509,680	251,110,330	313,509,680
Total	283,435,032	422,434,493	283,435,032	422,434,493

10 Inventories

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Raw materials	13,759,884	62,337,899	13,759,884	62,337,899
Construction in Progress	588,407	-	509,128	-
Goods in transit	-	73,578,697	-	73,578,697
<u>Less</u> Allowance for net realisable value of inventories	-	-	-	-
Inventories - net	14,348,291	135,916,596	14,269,012	135,916,596

11 Investments in subsidiary

Investments in subsidiary as at 30 September 2019 and 31 December 2018 are as follows:

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by the group		Proportion of ordinary shares held by non- controlling interests		Separate financial information Cost method, net Baht	
			%		%			
			30 September 2019	31 December 2018	30 September 2019	31 December 2018	30 September 2019	31 December 2018
JKEC Co., Ltd. (JKEC)	Thailand	Construction contractor	73.17	73.17	26.83	26.83	3,000,000	3,000,000

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.

Dividend income

On 30 September 2019, CAZ (Thailand) Public Company Limited received dividends from the subsidiary (JKEC Co.,Ltd) which were included in "Other income" in statement of Separate financial information of comprehensive income amount Baht 4,390,098.

12 Property, plant and equipment and intangible assets

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

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	357,135,633	11,647,006	341,843,888	11,590,389
Additions	160,112,093	1,076,916	158,290,706	1,076,916
Write-off/Disposals	(1,494,436)	-	(848,218)	-
Depreciation/amortisation	(30,957,646)	(1,063,864)	(26,878,318)	(1,058,523)
Closing net book amount	484,795,644	11,660,058	472,408,058	11,608,782

Land and buildings of Baht 256.87 million (2018: Baht 256.73 million) have been pledged for long-term borrowings from bank (Note 13).

13 Borrowings

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Current				
Bank overdraft	14,205,610	-	14,205,610	-
Short-term borrowings from banks :				
- Factoring loan	51,016,374	13,179,723	51,016,374	13,179,723
- Promissory note	50,000,000	46,000,000	50,000,000	46,000,000
Short-term borrowings from banks	101,016,374	59,179,723	101,016,374	59,179,723
Short-term borrowings from third party	3,000,000	-	-	-
Short-term borrowings from related parties (Note 19)	23,500,000	-	20,000,000	-
Current portion of long-term borrowings from banks	38,640,000	38,640,000	38,640,000	38,640,000
Current portion of finance lease liabilities	1,751,194	1,446,742	1,607,093	1,306,878
Total current borrowings	182,113,178	99,266,465	175,469,077	99,126,601
Non-current				
Long-term borrowings from banks	114,000,000	143,700,000	114,000,000	143,700,000
Finance lease liabilities	4,415,083	2,995,331	4,122,345	2,593,983
Total non-current borrowings	118,415,083	146,695,331	118,122,345	146,293,983
Total borrowings	300,528,261	245,961,796	293,591,422	245,420,584

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

For the nine-month period ended 30 September	Consolidated financial information	Separate financial information
	2019 Baht	2019 Baht
Opening amount	182,340,000	182,340,000
Repayments	(29,700,000)	(29,700,000)
Closing amount	152,640,000	152,640,000

Reconciliation of liabilities arising from financing activities

	Consolidated financial information				30 September 2019 Baht
	31 December 2018 Baht	Cash flow Baht	Non-cash changes Additions under finance lease Baht	Amortised deferred Interest Baht	
Short-term borrowings	59,179,723	41,836,651	-	-	101,016,374
Long-term borrowings	182,340,000	(29,700,000)	-	-	152,640,000
Finance lease liabilities	4,442,073	(1,329,024)	3,196,893	(143,665)	6,166,277

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

	Separate financial information				
		Non-cash changes			
			Additions	Amortised	
	31 December	Cash flow	under	deferred	30 September
	2018	Baht	finance lease	Interest	2019
	Baht	Baht	Baht	Baht	Baht
Short-term borrowings	59,179,723	41,836,651	-	-	101,016,374
Long-term borrowings	182,340,000	(29,700,000)	-	-	152,640,000
Finance lease liabilities	3,900,861	(1,209,855)	3,196,893	(158,461)	5,729,438

14 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Trade accounts payable	195,873,795	181,691,055	180,411,138	165,041,635
Trade accounts payable - related parties (Note 19)	6,566,523	2,569,087	66,975,414	23,924,294
Accrued expenses	54,176,089	101,491,145	43,799,708	95,940,564
Accrued expenses - related parties (Note 19)	3,192,614	431,806	82,648,400	45,901,216
Other payables	3,331,267	391,570	3,319,662	366,531
Total trade and other payables	263,140,288	286,574,663	377,154,322	331,174,240

15 Share capital and share premium

	Consolidated and Separate financial information				
	Authorised share capital		Issued and paid-up capital		Share premium Baht
	Number of Shares Shares	Ordinary shares Baht	Number of Shares Shares	Ordinary shares 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 September 2019	280,000,000	140,000,000	280,000,000	140,000,000	246,105,067

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					
1 April 2018 to 31 December 2018	The Shareholders' Meeting	18 April 2019	28.00	0.10	17 May 2019
2018					
1 January 2018 to 31 March 2018	The Board of director Meeting	11 May 2018	7.04	0.04	8 June 2018
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 September 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 financial information		Separate financial information	
	2019	2018	2019	2018
For the three-month period ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	20,737,850	9,891,659	25,039,502	8,854,653
Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares)	280,000,000	200,000,000	280,000,000	200,000,000
Basic earnings per share (Baht)	0.07	0.05	0.09	0.04
For the nine-month period ended 30 September				
Net profit attributable to ordinary shareholders of the parent (Baht)	61,568,638	36,735,007	65,559,576	34,114,812
Weighted average of issued ordinary shares during the period after decrease par value to Baht 0.50 (shares)	275,311,356	200,000,000	275,311,356	200,000,000
Basic earnings per share (Baht)	0.22	0.18	0.24	0.17

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.

The following transactions were significant to subsidiaries and related parties:

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

For the nine-month period ended 30 September	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts				
Ultimate parent company	165,729,686	890,722	165,729,686	890,722
Rental income				
Related party	108,000	108,000	108,000	108,000
Subsidiary	-	-	861,994	1,047,849
	108,000	108,000	969,994	1,155,849
Interest income				
Subsidiary	-	-	1,635,323	339,074
Service income				
Related party	107,616	98,837	107,616	98,837
Subsidiary	-	-	261,372	228,442
	107,616	98,837	368,988	327,279
Other income				
Subsidiary	-	-	15,212	4,908,541
	-	-	15,212	4,908,541

b) Purchases of goods and services, and interest expenses

For the nine-month period ended 30 September	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cost of construction contracts				
Ultimate parent company	508,022	-	508,022	-
Related parties	16,624,445	8,630,615	16,624,445	8,630,615
Subsidiary	-	-	210,555,896	128,885,088
	17,132,467	8,630,615	227,688,363	137,515,703
Interest expense				
Parent company	538,904	-	538,904	-

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

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Trade account receivable				
Ultimate parent company	-	54,602,100	-	54,602,100
Other receivable (include in receivable from related parties)				
Related party	89,143	69,474	89,143	69,474
Subsidiary	-	-	5,569,514	6,413,526
	89,143	69,474	5,658,657	6,483,000
Accrued interest income (include in receivable from related parties)				
Subsidiary	-	-	2,001,495	512,442
Advance payments to subcontractors				
Subsidiary	-	-	80,536,036	30,301,570
Retention				
Ultimate parent company	7,144,200	2,041,200	7,144,200	2,041,200
Trade accounts payable				
Ultimate parent company	453,052	-	453,052	-
Related parties	6,113,471	2,569,087	6,113,471	2,569,087
Subsidiary	-	-	60,408,891	21,355,207
	6,566,523	2,569,087	66,975,414	23,924,294
Accrued expenses				
Related party	3,192,614	431,806	3,192,614	431,806
Subsidiary	-	-	79,455,786	45,469,410
	3,192,614	431,806	82,648,400	45,901,216
Accrued interest expense				
Parent company	246,575	-	246,575	-
Advance received payment				
Ultimate parent company	-	85,904,191	-	85,904,191
Accrued revenue				
Ultimate parent company	23,003,628	-	23,003,628	-

d) Short-term loans to related party

	Consolidated financial information		Separate financial information	
	30 September 2019 Baht	31 December 2018 Baht	30 September 2019 Baht	31 December 2018 Baht
Subsidiary	-	-	40,000,000	18,000,000

The movement of loans to related parties are as follows:

	Consolidated financial information	Separate financial information
	2019 Baht	2019 Baht
Opening balance	-	18,000,000
Additions	-	22,000,000
Ending balance	-	40,000,000

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

e) Short-term borrowings from related party

	Consolidated financial information		Separate financial information	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
Short-term borrowing from:				
Parent company	20,000,000	-	20,000,000	-
Related party	3,500,000	-	-	-
Total	23,500,000	-	20,000,000	-

	Consolidated financial information	Separate financial information
For the nine-month period ended 30 September	2019 Baht	2019 Baht
Parent company		
Beginning balance	-	-
Addition	77,500,000	77,500,000
Repayment	(57,500,000)	(57,500,000)
Related party		
Beginning balance	-	-
Addition	3,500,000	-
Repayment	-	-
Ending balance	23,500,000	20,000,000

The loans from ultimate parent company and related party were provided with bear interest at the rate 5% and 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 nine-month period ended 30 September	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Salaries and other short-term employee benefits	13,262,040	11,003,633	10,737,932	8,220,682
Employee benefit obligations	310,262	228,463	310,262	228,463
	13,572,302	11,232,096	11,048,194	8,449,145

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 financial information		Separate financial information	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
Currency:				
- Thai Baht	956,291,444	877,551,849	956,291,444	877,551,849
- USD	-	1,840,500	-	1,840,500

b) **Operating lease commitments - where the Group is the lessee**

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

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

	Consolidated financial information		Separate financial information	
	30 September	31 December	30 September	31 December
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
Within 1 year	3,124,883	2,352,000	1,191,500	1,068,000
Later than 1 year but not later than 5 years	1,061,500	1,756,500	922,500	702,500
Total	4,186,383	4,108,500	2,114,000	1,770,500

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

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

	Consolidated financial information		Separate financial information	
	30 September 2019	31 December 2018	30 September 2019	31 December 2018
Currency:				
- Thai Baht	13,567,883	25,260,821	13,567,883	25,260,821
- USD	-	528,351	-	528,351

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

On 28 September 2019, the shareholders at the extraordinary meeting No.1/2562 of the subsidiary (JKEC) passed a resolution to approve increase the authorised share capital from 41,000 ordinary shares with a par value of Baht 100 per share to 101,000 ordinary shares with a par value of Baht 100 per share by granting the rights in proportion to shareholders who are in the book of shareholders' registration on 20 August 2019 and scheduled to pay on 1 October 2019.

On 1 October 2019, the Company made additional investment by acquiring additional 43,902 ordinary shares with a par value of Baht 100 per share, totalling Baht 4,390,200 to maintain the same ownership interest in subsidiary.