

CAZ (THAILAND) PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2019



Independent Auditor's Report

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

My opinion

In my opinion, the consolidated financial statements of CAZ (Thailand) Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

The consolidated and separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then end; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing (TSAs). My responsibilities under those standards are further described in the Auditor's responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p>Revenue recognition</p> <p>Refer to Note 2.17 'Revenue recognition' and Note 4 'critical accounting estimates and judgements' to the financial statements.</p> <p>The Group has adopted Thai Financial Reporting Standard 15: Revenue from contracts with customers (TFRS 15) for the financial statements period beginning on 1 January 2019 using the modified retrospective approach. The cumulative effect of initially applying the standard was disclosed in Note 2.2.1 to financial statements.</p> <p>Recognition of the Group's revenue is complex due to the Group provide various services such as EPC services and SMP services, the several contract types and difference condition of each customers from each project. Revenues recognised when the Group transfers control of services to the customer as it performs and satisfies its performance obligation over time. The Group needs to consider the appropriate method for the measurement progress toward satisfaction of a performance obligation for each project and on any potential provision for project loss.</p> <p>I focused on this area as revenue recognition involves significant judgement and estimates made by management including:</p> <ul style="list-style-type: none"> • whether contracts contain multiple performance obligations which should be accounted for separately; • allocating the transaction price to the separate performance obligations; • choosing the most appropriate method for revenue recognition for each identified performance obligation; and • preparing budget costs and assessing the stage of completion of contracts, which are accounted for over time for each project and the consideration on any potential provision for project loss. 	<p>My key audit procedures in relation to revenue recognition included:</p> <ul style="list-style-type: none"> • understanding the Group's implementation of TFRS15, including recognition of the effect on the opening equity; • discussing the group accounting policy with management, including the key accounting estimates and judgements made by management; • testing internal controls over the revenue and receivable cycle, and the purchase and payable cycle for projects; • reading a sample of contracts to assess whether the revenue recognition method was relevant and consistent with TFRS15 and had been applied consistently. I focused on the allocation of income and cost to individual performance obligations; • testing a sample of revenues whether management applies the revenue recognition accounting policy to separable performance obligations by obtaining evidence to support them including original contracts, client acceptance certificates, invoices, and delivery notes; • evaluating the data used to calculate the ratio of revenue recognition provided by the management to the supporting evidence and the management's judgement; and • making enquiries with management and investigating any losses associated with contracts, and considered whether a provision was adequate. <p>Based on these procedures, I found that the revenue recognition of each selected contract was reasonable and consistent with supporting documents.</p>



Other information

The directors are responsible for the other information. The other information comprises the information included in the annual report, but does not include the consolidated and separate financial statements and my auditor's report thereon. The annual report is expected to be made available to me after the date of this auditor's report.

My opinion on the consolidated and separate financial statements does not cover the other information and I will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above when it becomes available and, in doing so, consider whether the other information is materially inconsistent with the consolidated and separate financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group and the Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with TSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.



- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group and the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the consolidated and separate financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with the audit committee regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide the audit committee with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read "Boonlert Kamolchanokkul".

Boonlert Kamolchanokkul
Certified Public Accountant (Thailand) No. 5339
Bangkok
27 February 2020

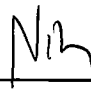
CAZ (Thailand) Public Company Limited
Statement of Financial Position
As at 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	31,329,793	35,218,564	30,134,476	34,786,190
Trade and other receivables	8	186,078,384	208,401,279	282,017,784	245,052,247
Unbilled receivables	9	564,883,334	273,718,443	564,883,334	273,718,443
Inventories	10	9,718,690	135,916,596	9,465,013	135,916,596
Short-term loans to related parties	25	-	-	40,000,000	18,000,000
Withholding tax deducted at source		27,436,727	-	25,676,473	-
Other current assets		13,156,095	6,854,810	12,054,452	6,246,101
Total current assets		832,603,023	660,109,692	964,231,532	713,719,577
Non-current assets					
Restricted bank deposits	7	32,947,959	20,789,750	32,947,959	20,789,750
Investment in subsidiary	11	-	-	7,390,200	3,000,000
Property, plant and equipment	12	527,967,349	357,135,633	506,221,585	341,843,888
Intangible asset	13	11,282,370	11,647,006	11,232,894	11,590,389
Retention receivables	9	10,566,628	37,250,508	10,566,628	37,250,508
Withholding tax deducted at source		69,044,004	61,305,975	55,686,740	55,313,948
Deposits		2,106,657	850,779	1,798,507	609,779
Deferred tax assets	14	1,084,751	667,802	965,054	604,079
Total non-current assets		654,999,718	489,647,453	626,809,567	471,002,341
Total assets		1,487,602,741	1,149,757,145	1,591,041,099	1,184,721,918

Director



Director



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

CAZ (Thailand) Public Company Limited
Statement of Financial Position (Cont'd)
As at 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Bank overdraft	15	16,706,125	-	16,706,125	-
Short-term borrowings from banks	15	222,247,286	59,179,723	222,247,286	59,179,723
Trade and other payables	16	327,157,440	286,574,663	438,128,141	331,174,240
Advance received from construction contracts and construction income received in advance	9	217,247,942	422,434,493	217,247,942	422,434,493
Short-term borrowings from related party	25	2,500,000	-	-	-
Current portion of long-term borrowings from banks	15	38,640,000	38,640,000	38,640,000	38,640,000
Current portion of liabilities under finance lease agreements	15	8,344,665	1,446,742	6,223,319	1,306,878
Other current liabilities		21,380,188	22,158,531	16,159,187	19,726,251
Total current liabilities		854,223,646	830,434,152	955,352,000	872,461,585
Non-current liabilities					
Long-term borrowings from banks	15	105,060,000	143,700,000	105,060,000	143,700,000
Finance lease liabilities	15	20,687,782	2,995,331	13,033,179	2,593,983
Retention payables		8,299,191	7,959,970	22,095,265	11,277,273
Employee benefit obligations	17	5,056,704	3,066,053	4,473,406	2,756,194
Total non-current liabilities		139,103,677	157,721,354	144,661,850	160,327,450
Total liabilities		993,327,323	988,155,506	1,100,013,850	1,032,789,035

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

CAZ (Thailand) Public Company Limited

Statement of Financial Position (Cont'd)

As at 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		31 December	31 December	31 December	31 December
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Liabilities and equity (Cont'd)					
Equity					
Share Capital	18				
Authorised share capital					
280,000,000 ordinary shares					
at par value of Baht 0.5 each					
(2018 : 280,000,000 ordinary shares					
paid-up of Baht 0.5 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 0.5 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	19	9,149,381	5,085,302	9,149,381	5,085,302
Unappropriate		87,313,205	44,311,681	89,402,801	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		491,020,480	157,849,810	491,027,249	151,932,883
Non-controlling interests		3,254,938	3,751,829	-	-
Total equity		494,275,418	161,601,639	491,027,249	151,932,883
Total liabilities and equity		1,487,602,741	1,149,757,145	1,591,041,099	1,184,721,918

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

CAZ (Thailand) Public Company Limited
Statement of Comprehensive Income
For the year ended 31 December 2019

	Notes	Consolidated financial statements		Separate financial statements	
		2019 Baht	2018 Baht	2019 Baht	2018 Baht
Revenues from construction contracts		2,034,457,973	1,387,084,241	2,034,457,973	1,387,084,241
Cost of construction contracts		(1,851,868,870)	(1,241,093,993)	(1,862,004,737)	(1,256,461,359)
Gross profit		182,589,103	145,990,248	172,453,236	130,622,882
Other income	20	6,192,560	2,788,963	14,466,309	5,428,656
Administrative expenses		(78,027,462)	(66,100,711)	(70,026,989)	(60,660,370)
Finance cost		(15,310,676)	(12,895,133)	(15,149,402)	(12,870,651)
Profit before income tax		95,443,525	69,783,367	101,743,154	62,520,517
Income tax	22	(20,440,956)	(14,095,795)	(20,461,564)	(12,685,402)
Profit for the year		75,002,569	55,687,572	81,281,590	49,835,115
Other comprehensive income:					
Item that will not be reclassified to profit or loss					
Remeasurements of employee benefit obligations	17	(787,681)	211,598	(610,851)	211,598
Income tax on items that will not be reclassified		157,536	(42,320)	122,170	(42,320)
Total items that will not be reclassified to profit or loss		(630,145)	169,278	(488,681)	169,278
Total comprehensive income for the year		74,372,424	55,856,850	80,792,909	50,004,393
Profit attributable to:					
Owners of the parent		75,461,403	52,980,264	81,281,590	49,835,115
Non-controlling interests		(458,834)	2,707,308	-	-
		75,002,569	55,687,572	81,281,590	49,835,115
Total comprehensive income attributable to:					
Owners of the parent		74,869,213	53,149,542	80,792,909	50,004,393
Non-controlling interests		(496,789)	2,707,308	-	-
		74,372,424	55,856,850	80,792,909	50,004,393
Earnings per share					
Basic earnings per share (Baht)	23	0.27	0.26	0.29	0.25

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

CAZ (Thailand) Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Consolidated financial statements

		Attributable to owners of the parent						Other components of equity						Non-controlling interests		Total equity	
		Retained earnings				Share-based payment		Change in parent's ownership interest in subsidiary		Total other components of equity							
		Issued and paid-up share capital	Share Premium	Appropriated Legal reserve	Unappropriated	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht				
Notes		Baht		Baht		Baht		Baht		Baht		Baht		Baht		Baht	
Opening balance at 1 January 2018																	
	Additional investment in subsidiary	11	100,000,000	-	1,128,546	29,984,974	6,370,000	-	2,082,827	6,370,000	2,082,827	6,370,000	4,027,348	141,510,868			
	Legal reserve	19	-	-	3,956,756	(3,956,756)	-	-	-	-	-	-	-	-			
	Dividend	24	-	-	-	(34,866,079)	-	-	-	-	-	-	-	(34,866,079)			
	Total comprehensive income for the year		-	-	-	53,149,542	-	-	-	-	-	-	2,707,308	55,856,850			
Closing balance as at 31 December 2018																	
			100,000,000	-	5,085,302	44,311,681	6,370,000	2,082,827	8,452,827	157,849,810	3,751,829	161,601,639					
Opening balance at 1 January 2019																	
	Retrospectives adjustments from changes in accounting policy	2.2.1	-	-	-	196,390	-	-	-	-	-	-	-	196,390			
Transaction with owners during the year																	
	Ordinary share issued	18	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					
	Additional investment in subsidiary	11	40,000,000	-	-	-	-	-	-	-	-	-	-	40,000,000			
	Share premium	18	-	246,105,067	-	-	-	-	-	-	-	-	1,609,800	1,609,800			
	Dividend	24	-	-	-	(28,000,000)	-	-	-	-	-	-	-	246,105,067			
	Legal reserve	19	-	-	4,064,079	(4,064,079)	-	-	-	-	-	-	-	-			
	Dividend by subsidiary		-	-	-	-	-	-	-	-	-	-	(1,609,902)	(1,609,902)			
	Total comprehensive income for the year		-	-	-	74,869,213	-	-	-	-	-	-	(496,789)	74,372,424			
Closing balance as at 31 December 2019																	
			140,000,000	246,105,067	9,149,381	87,313,205	6,370,000	2,082,827	8,452,827	491,020,480	3,254,938	494,275,418					

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

CAZ (Thailand) Public Company Limited
Statement of Changes in Equity
For the year ended 31 December 2019

Separate financial statements									
Notes	Issued and paid-up share capital	Retained earnings			Other components of equity			Total equity	
		Share Premium	Appropriated- Legal reserve		Share-based payment	Total other components of equity			
			Baht	Baht			Baht		
Opening balance at 1 January 2018									
19	100,000,000	-	1,128,546	29,296,023	6,370,000	6,370,000	136,794,569		
24	-	-	3,956,756	(3,956,756)	-	-	-		
	-	-	-	(34,866,079)	-	-	(34,866,079)		
Total comprehensive income for the year	-	-	-	50,004,393	-	-	50,004,393		
Closing balance as at 31 December 2018									
	100,000,000	-	5,085,302	40,477,581	6,370,000	6,370,000	151,932,883		
Opening balance at 1 January 2019									
Retrospectives adjustments from changes in accounting policy	100,000,000	-	5,085,302	40,477,581	6,370,000	6,370,000	151,932,883		
2.2.1	-	-	-	196,390	-	-	196,390		
Transaction with owners during the year									
18	100,000,000	-	5,085,302	40,673,971	6,370,000	6,370,000	152,129,273		
	40,000,000	-	-	-	-	-	40,000,000		
18	-	246,105,067	-	-	-	-	246,105,067		
24	-	-	-	(28,000,000)	-	-	(28,000,000)		
19	-	-	4,064,079	(4,064,079)	-	-	-		
Total comprehensive income for the year	-	-	-	80,792,909	-	-	80,792,909		
Closing balance as at 31 December 2019									
	140,000,000	246,105,067	9,149,381	89,402,801	6,370,000	6,370,000	491,027,249		

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

CAZ (Thailand) Public Company Limited
Statement of Cash Flows
For the year ended 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit before income tax		95,443,525	69,783,367	101,743,154	62,520,517
Adjustments for:					
Depreciation and amortisation	12,13	44,806,583	31,414,015	39,131,185	28,280,359
Gains on disposals of property, plant and equipment		(459,942)	253,587	(925,036)	134,259
Tax penalty and surcharge		-	480,941	-	480,941
Employee benefit obligations		1,202,970	1,483,630	1,106,361	1,222,186
Interest income	20	(228,370)	(54,554)	(2,475,312)	(598,627)
Interest expenses		15,310,676	12,870,651	15,149,402	12,870,651
Dividends income		-	-	(4,390,098)	-
Cash flows before changes in operating assets and liabilities		156,075,442	116,231,637	149,339,656	104,910,286
Changes in operating assets and liabilities					
Trade and other receivables		16,943,014	(42,857,270)	(40,244,740)	(74,299,838)
Unbilled receivables		(296,700,421)	(184,871,173)	(296,700,421)	(184,871,173)
Inventories		135,291,870	(133,399,588)	135,545,547	(133,399,588)
Other current assets		(6,301,285)	(2,017,273)	(5,808,351)	(1,524,173)
Restricted bank deposits		(12,158,209)	(20,789,750)	(12,158,209)	(20,789,750)
Retention receivables		26,683,880	(31,756,797)	26,683,880	(31,756,797)
Deposits		(1,255,878)	97,574	(1,188,728)	207,574
Trade and other payables		38,644,570	115,300,940	105,069,199	144,021,777
Advance received from construction contracts and construction income received in advance		(208,548,595)	258,622,004	(208,548,595)	258,622,004
Other current liabilities		(778,343)	634,508	(3,567,064)	(212,268)
Retention payables		339,221	2,473,259	10,817,992	5,597,407
Cash generated from operations		(151,764,734)	77,668,071	(140,759,834)	66,505,461
Cash paid for interest expenses		(15,096,449)	(12,711,104)	(15,007,711)	(12,733,985)
Cash paid for income tax		(55,875,125)	(48,242,078)	(46,749,634)	(42,546,400)
Cash receipt for refunded tax		-	16,574,563	-	15,436,418
Net cash (used in) generated from operating activities		(222,736,309)	33,289,452	(202,517,179)	26,661,494

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

CAZ (Thailand) Public Company Limited
Statement of Cash Flows (Cont'd)
For the year ended 31 December 2019

	Notes	Consolidated		Separate	
		financial statements		financial statements	
		2019	2018	2019	2018
		Baht	Baht	Baht	Baht
Cash flows from investing activities					
Payment on short-term loans to related parties	25	-	-	(22,000,000)	(13,000,000)
Acquisition of property, plant and equipment		(187,552,515)	(69,539,437)	(184,094,144)	(51,735,317)
Acquisition of intangible assets		(1,076,916)	(3,806,865)	(1,076,916)	(3,806,865)
Proceeds from disposal of property, plant and equipment		2,032,980	133,696	1,773,254	2,267,349
Dividends income		-	-	4,390,098	-
Cash paid from additional investment in subsidiary	11	-	-	(4,390,200)	(900,000)
Interest income received		228,370	54,554	374,634	318,206
Net cash used in investing activities		(186,368,081)	(73,158,052)	(205,023,274)	(66,856,627)
Cash flows from financing activities					
Finance lease principal payments	15	(1,902,915)	(1,665,382)	(1,729,897)	(1,506,490)
Proceeds from borrowings from related parties		161,000,000	-	157,500,000	-
Payment on borrowings from related parties		(158,500,000)	-	(157,500,000)	-
Proceeds from short-term borrowings from banks	15	163,067,563	59,179,723	163,067,563	59,179,723
Payments on long-term borrowings from banks	15	(38,640,000)	(38,640,000)	(38,640,000)	(38,640,000)
Proceeds from short-term borrowings from third party		5,000,000	-	-	-
Payments on short-term borrowings from third party		(5,000,000)	-	-	-
Payments for dividend	24	(29,609,902)	(34,866,079)	(28,000,000)	(34,866,079)
Payments on directly attributable expenses of the initial public offering		(20,515,052)	-	(20,515,052)	-
Proceeds from non-controlling interests		1,609,800	-	-	-
Cash paid from additional investment in subsidiary	11	-	(900,000)	-	-
Proceeds from issue of ordinary shares	18	312,000,000	-	312,000,000	-
Net cash generated from (used in) financing activities		388,509,494	(16,891,738)	386,182,614	(15,832,846)
Net (decrease) in cash and cash equivalents		(20,594,896)	(56,760,338)	(21,357,839)	(56,027,979)
Cash and cash equivalents at the beginning of the year		35,218,564	91,978,902	34,786,190	90,814,169
Cash and cash equivalents at the end of the year		14,623,668	35,218,564	13,428,351	34,786,190
Cash and cash equivalents at the end of the year					
Cash and cash equivalents	7	31,329,793	35,218,564	30,134,476	34,786,190
Bank overdraft	15	(16,706,125)	-	(16,706,125)	-
		14,623,668	35,218,564	13,428,351	34,786,190
Non-cash transactions					
Purchase of property, plant and equipment for which no cash has been paid		7,110,359	5,156,405	7,110,359	5,156,405
Purchase of property, plant and equipment under leases contracts		27,573,534	3,529,384	17,797,585	3,529,384
Transfer directly attributable expense of the initial public offering to shareholder		5,379,881	-	5,379,881	-

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

1 General information

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

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

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

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

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

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

These Group consolidated and company financial statements were authorized for issue by the Board of Directors on 27 February 2020.

2 Accounting policies

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

2.1 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards ("TFRS") and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention.

The preparation of financial statements in conformity with TFRS requires the use of certain critical accounting estimates and to exercise its judgement in applying the Group's accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

2 New and amended financial reporting standards that are relevant and have significant impacts to the Group

2.2.1 The Group has applied the following standard and amendments for the first time for their annual reporting commencing 1 January 2019

Thai Financial Reporting Standard no.15 (TFRS 15), *Revenue from contracts with customers*

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 18, *Revenue* and TAS 11, *Construction contracts*.

The Group has adopted the new TFRS 15, *Revenue from contracts with customers* from 1 January 2019 (initial application date) by applying the modified retrospective approach and the comparative figures have not been restated. The Group applies practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of TFRS 15.

	Consolidated financial information		
	As at		As at
	31 December		1 January
	2018		2019
	Previously reported	Adjustments	Restated
	Baht	Baht	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		As at
	31 December		1 January
	2018		2019
	Previously reported	Adjustments	Restated
	Baht	Baht	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 adjustment made upon adoption of TFRS 15 are mainly attributable to:

- unbilled receivables of Baht 5,535,530 that, under TFRS 15, would have resulted in later revenue recognition;
- inventories of Baht 9,093,964 that, under TFRS 15, would have resulted in the later recognition of cost of construction contracts;
- advance received from construction contracts and construction income received in advance of Baht 3,362,044 that, under TFRS 15, would have resulted in the later revenue recognition.

The following tables show the amounts of affected line items in the current year from the adoption of TFRS 15 compared to the previous revenue standards.

Consolidated financial information			
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of financial position as at 31 December 2019			
Unbilled receivables	564,883,334	(14,955,706)	549,927,628
Withholding tax deducted at source	96,480,731	2,991,141	99,471,872
Advance received from construction contracts and construction income received in advance	217,247,942	-	217,247,942
Statement of comprehensive income for the year ended 31 December 2019			
Revenues from construction contracts	2,034,457,973	(14,955,706)	2,019,502,267
Cost of construction contracts	(1,851,868,870)	-	(1,851,868,870)
Income tax	(20,440,956)	2,991,141	(17,449,815)
Separate financial information			
	Balance as reported Baht	Impacts from TFRS 15 Baht	Balance under the previous revenue standards Baht
Statement of financial position as at 31 December 2019			
Unbilled receivables	564,883,334	(14,955,706)	549,927,628
Withholding tax deducted at source	81,363,213	2,991,141	84,354,354
Advance received from construction contracts and construction income received in advance	217,247,942	-	217,247,942
Statement of comprehensive income for the year ended 31 December 2019			
Revenues from construction contracts	2,034,457,973	(14,955,706)	2,019,502,267
Cost of construction contracts	(1,862,004,737)	-	(1,862,004,737)
Income tax	(20,461,564)	2,991,141	(17,470,423)

The adoption of TFRS 15 mainly affects the Group's accounting treatment as follows;

Overtime revenue recognition

In previous periods, the Group measured completion stage for revenue recognition using cost incurred relative to total estimated costs (the cost-to-cost method). Under TFRS 15, the Group measures progress towards completion on each performance obligation separately. The nature of the products or services provided and the terms of the contract are used to determine the best method to account for the transfer of goods or services to the customer. Where the Group applies costs incurred relative to total estimated costs to determine progress of work, under TFRS 15, the Group has to adjust the progress percentage to exclude delivered but uninstalled materials. As a result, in terms of progress, revenue recognition is not proportionate to the cost incurred relative to total estimated costs.

2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

The Group is currently assessing the impact of certain new and amended financial reporting standards that are not mandatory for current period end 31 December 2019 reporting period and have not been early adopted by the Group.

a) Financial instruments

The new financial standards relate to financial instruments are:

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

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

b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, *Leases* will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

c) Other new/amended standards

The new and amended financial reporting standards that will not have significant impact on the Group are:

TAS 12	Income tax
TAS 19	Employee benefits
TFRS 9	Financial instruments
TFRIC 23	Uncertainty over income tax treatments

Amendment to TAS 12, Income tax - clarified that the income tax consequences of dividends of financial instruments classified as equity should be recognised according to where the past transactions or events that generated distributable profits were recognised.

Amendment to TAS 19, Employee benefits (plan amendment, curtailment or settlement) - clarified accounting for defined benefit plan amendments, curtailments and settlements that the updated assumptions on the date of change are applied to determine current service cost and net interest for the remainder of the reporting period after the plan amendment, curtailment or settlement.

Amendment to TFRS 9, Financial instruments (prepayment features with negative compensation) - enabling entities to measure certain prepayable financial assets with negative compensation at amortised cost instead of fair value through profit or loss. These assets include some loan and debt securities. To qualify for amortised cost measurement, the negative compensation must be 'reasonable compensation for early termination of the contract' and the asset must be held within a 'held to collect' business model.

TFRIC 23, Uncertainty over income tax treatments - explained how to recognise and measure deferred and current income tax assets and liabilities where there is uncertainty over a tax treatment. In particular, it discusses:

- that the Group should assume a tax authority will examine the uncertain tax treatments and have full knowledge of all related information, ie that detection risk should be ignored.
- that the Group should reflect the effect of the uncertainty in its income tax accounting when it is not probable that the tax authorities will accept the treatment.
- That the judgements and estimates made must be reassessed whenever circumstances have changed or there is new information that affects the judgements.

2.3 Principles of consolidation and equity accounting

a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method.

b) Changes in ownership interests

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

c) Intercompany transactions on consolidation

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

2.4 Foreign currency translation

a) Functional and presentation currency

The financial statements are presented in Thai Baht, which is the Company's functional and the Group's presentation currency.

b) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

2.5 Cash and cash equivalents

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts.

In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

2.6 Trade accounts receivable

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group presented trade receivables at cost less allowance for doubtful accounts.

2.7 Inventories

Inventories are stated at the lower of cost and net realisable value.

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

2.8 Property, plant and equipment

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount only when it is probable that future economic benefits associated with the item will flow to the Group capitalised where there is future economic benefits. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to their residual values over their estimated useful lives, as follows:

Building and building improvements	20 years
Assets for construction project	According to term of contract
Machinery, tool and equipment	5 years
Furniture and fixtures	5 years
Office equipment	3, 5 years
Motor vehicles	5 years
Motor vehicles for construction projects	5 years

The assets' residual values and useful lives are reviewed and adjusted if appropriate at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

2.9 Intangible assets

Computer software

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives of 10 years.

Costs associated with maintaining computer software programmes are recognised as an expense as incurred.

2.10 Impairment of assets

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

2.11 Leases

Leases - where the Group is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

Leases - where the Group is the lessor

Rental income under operating leases (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

2.12 Borrowings

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

2.13 Current and deferred income taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

Current tax

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

2.14 Employee benefit obligations

a) Short-term employee benefits

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care (revise as appropriate) for current employees are recognised in respect of employee's services up to the end of the reporting period. The liabilities are measured at the amount expected to be paid by the Group.

b) Defined contribution plan

The Group pays contributions to a separate fund on a mandatory voluntary basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

c) Defined benefit plans

Amount of retirement benefits depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are charged or credited to other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

2.15 Provisions

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

2.16 Share capital

Ordinary shares are classified as equity. Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

2.17 Revenue recognition

Revenue include all revenues from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Revenue are recorded net of value added tax. They are recognised in accordance with the provision of goods or services, provided that collectibility of the consideration is probable.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

Services

The Group recognised service contracts with a continuous service provision as revenue on a straight line basis over the contract term, regardless of the payment pattern.

Contract assets and contract liabilities

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing.

A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities is set off against contract assets.

Percentage of completion

Revenue from construction contracts or construction-type service contracts or service contracts where a defined output is promised, is recognised using the percentage of completion method. The stage of completion is generally determined as the percentage of cost incurred up until the reporting date relative to total estimated cost, adjusted with uninstalled materials that the customer accepts and takes control but not yet installed. Where the stage of completion is not reliably measured, revenue is only recognised up to the amount of contract costs expensed, provided it is recoverable.

Revenue from construction

Revenue from construction includes EPC service. Under the contracts, the Group's construction activities creates or enhances an asset or work in progress that the customer controls as the asset is created or enhanced, and hence revenue is recognised over time by reference to the progress towards completing the construction works. Under this method, the revenue recognised is based on the latest estimate of the total value of the contract and actual completion rate determined by reference to the physical state of progress of the works.

Claims, variations and liquidated damages are accounted for as variable consideration and are included in contract revenue provided that it is highly probable that a significant reversal will not occur in the future.

Interest income

Interest income is recognised using the effective interest method.

2.18 Dividend distribution

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders, and interim dividend are approved by the Board of Directors.

2.19 Segment reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as that makes strategic decisions.

3 Financial risk management

3.1 Financial risk factors

The Group's activities expose it to a variety of financial risks: interest rate risk, credit risk and liquidity risk. Risk management is carried out and approved by the board of directors when management expect that there are some significant changes in the financial risk factors. The board provides written principles for overall risk management, as well as written policies covering specific areas.

3.1.1 Interest rate risk

The Group enters into the long-term borrowing agreements from domestic financial institutions which some of them bear floating interest rates. Therefore the Group has interest rate risk arises from changes in interest rates, which may have an effect on the Group's and Company's operations in the current reporting period and in future years. Management does not use any financial instruments to manage interest rate risk because the Group assesses that the changes in interest rate will not be moved significantly under the current situation.

3.1.2 Credit risk

The Group are exposed to credit risk primarily with respect to construction contract debtors. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Since majority of construction services are made to good financial position customers, the Group do not anticipate material losses from its debt collection. The maximum exposure to credit risk is limited to carrying amount of receivables, other receivables and loans as presented in the statement of financial position.

3.1.3 Liquidity risk

The Group manages sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions.

3.2 Fair value estimation

Fair value measurement of financial instruments is classified by valuation method. The different levels have been defined as follows:

- Level 1: The fair value of financial instruments is based on the [current bid price / closing price] by reference to [the Stock Exchange of Thailand / the Thai Bond Dealing Centre].
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

The disclosure of borrowings that are measured at fair value is presented in note 15.

4 Critical accounting estimates and judgements

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

Revenue recognition

Recognition of the Group's revenue is complex due to the Group provide various services, the several contract types and difference condition of each customers from each project including consideration of the appropriate method for the measurement progress toward satisfaction of a performance obligation for each project. Construction revenue are recognised by using the percentage of completion method. The stage of completion is measured by reference to the completion of a physical proportion of the contract work performed as assessed by the project engineers and customers.

5 Capital risk management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

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

Geographic information

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

Major customers

The Group has 2 customers in EPC services, SMP services and Civil services which each generated revenues more than 10% of total revenues in the consolidated financial statements for the period ended 31 December 2019, totalling Baht 1,513.13 million (2018: 2 customers, totalling Baht 1,167.40 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 statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Cash on hand	363,725	252,917	204,162	190,163
Cash at bank - Current accounts	30,506,410	34,868,098	29,472,276	34,500,092
- Savings accounts	458,612	96,511	456,492	94,897
- Short-term fixed accounts	1,046	1,038	1,046	1,038
Total	31,329,793	35,218,564	30,134,476	34,786,190
Restricted bank deposits (Note 26)	32,947,959	20,789,750	32,947,959	20,789,750

The effective interest rate on short-term bank deposits was 0.65% to 0.90% per annum (2018: 0.13% to 0.85% per annum). The short-term deposits have maturity of 3 months.

8 Trade and other receivables

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade receivables-third parties	155,555,221	124,207,049	155,555,221	124,207,049
Trade receivables-related parties (Note 25)	10,920,420	54,602,100	11,305,618	54,602,100
<u>Less</u> Allowance for impairment of trade receivables	-	(201,588)	-	(201,588)
Trade receivables - net	166,475,641	178,607,561	166,860,839	178,607,561
Receivables from related parties (Note 25)	73,409	69,474	5,914,177	6,995,441
Other receivables	202,020	-	70,977	-
Prepaid expenses	10,127,468	28,265,220	10,044,020	27,799,931
Advance payments to subcontractors	9,199,846	1,459,024	9,199,846	1,347,744
Advance payments to subcontractors - related parties (Note 25)	-	-	89,927,925	30,301,570
Trade and other receivables - net	186,078,384	208,401,279	282,017,784	245,052,247

Aging analysis of trade accounts receivable as at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
- Not due yet	145,830,278	106,113,397	145,830,278	106,113,397
- Up to 3 months	9,646,194	17,892,064	9,646,194	17,892,064
- 3 - 6 months	-	-	-	-
- 6 - 12 months	-	-	-	-
- Over 12 months	78,749	201,588	78,749	201,588
Total	155,555,221	124,207,049	155,555,221	124,207,049
<u>Less</u> Allowance for impairment of trade receivables	-	(201,588)	-	(201,588)
Trade accounts receivable - net	155,555,221	124,005,461	155,555,221	124,005,461

Aging analysis of related parties receivable as at 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
- Not due yet	10,920,420	54,602,100	10,920,420	54,602,100
- Up to 3 months	-	-	-	-
- 3 - 6 months	-	-	156,242	-
- 6 - 12 months	-	-	198,498	-
- Over 12 months	-	-	30,458	-
Total	10,920,420	54,602,100	11,305,618	54,602,100
<u>Less</u> Allowance for impairment of trade receivables	-	-	-	-
Trade accounts receivable - net	10,920,420	54,602,100	11,305,618	54,602,100

As at 31 December 2019, the Group pledge Baht 41.47 million of trade receivables as collateral for short-term borrowings from banks - factoring loan (2018: Baht 16.47 million).

9 Assets and liabilities of construction contracts

9.1 Contract assets

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Project value as per contracts	4,657,808,173	3,419,467,092	4,657,808,173	3,419,467,092
Accumulated amount recognised as revenue on percentage of completion basis	2,455,515,544	1,582,599,373	2,455,515,544	1,582,599,373
<u>Less</u> Value of total billed	(1,890,632,210)	(1,308,880,930)	(1,890,632,210)	(1,308,880,930)
Unbilled receivables	564,883,334	273,718,443	564,883,334	273,718,443
Retention receivables	10,566,628	37,250,508	10,566,628	37,250,508

9.2 Contract liabilities

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Project value as per contracts	1,313,547,353	1,795,930,086	1,313,547,353	1,795,930,086
Value of total billed	1,237,641,187	1,269,380,705	1,237,641,187	1,269,380,705
<u>Less</u> Accumulated amount recognised as revenue on percentage of completion basis	(1,235,707,780)	(1,160,455,892)	(1,235,707,780)	(1,160,455,892)
Construction income received in advance	1,933,407	108,924,813	1,933,407	108,924,813
Advance received from construction contracts	215,314,535	313,509,680	215,314,535	313,509,680
Total	217,247,942	422,434,493	217,247,942	422,434,493

10 Inventories

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Raw materials	9,718,690	62,337,899	9,465,013	62,337,899
Goods in transit	-	73,578,697	-	73,578,697
<u>Less</u> Allowance for net realisable value of inventories	-	-	-	-
Total	9,718,690	135,916,596	9,465,013	135,916,596

11 Investments in subsidiaries

11.1 Subsidiaries

The Group comprises of a subsidiary listed below as at 31 December 2019. All subsidiaries are included in the consolidation and have share capital consisting solely of ordinary shares that are held directly by the Group. The proportion of ownership interests held equals the voting rights held by the Group.

Name	Country of incorporation and place of business	Nature of business	Proportion of ordinary shares held by the group		Proportion of ordinary shares held by non- controlling interests		Separate Financial Statements Cost method, net	
			(%)		(%)		(Baht)	
			2019	2018	2019	2018	2019	2018
JKEC Co., Ltd. (JKEC)	Thailand	Construction contractor	73.17	73.17	26.83	26.83	7,390,200	3,000,000

Additional of investment in JKEC

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.

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 the separate statement of Separate financial information of comprehensive income amount Baht of 4,390,098.

CAZ (Thailand) Public Company Limited
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12 Property, plant and equipment

Consolidated financial statements										
	Land Baht	Building and building improvements Baht	Assets for construction project Baht	Machinery, tools and equipment Baht	Furniture and fixtures Baht	Office equipment Baht	Motor vehicles Baht	Vehicles for construction projects Baht	Asset under installation Baht	Total Baht
At 1 January 2018										
Cost	183,800,000	73,768,049	-	79,174,254	1,518,412	3,568,984	7,881,661	5,790,075	-	355,501,435
Less Accumulated depreciation	-	(4,873,996)	-	(27,711,678)	(551,398)	(2,015,014)	(4,581,211)	(979,927)	-	(40,713,224)
Net book amount	183,800,000	68,894,053	-	51,462,576	967,014	1,553,970	3,300,450	4,810,148	-	314,788,211
For the year ended 31 December 2018										
Opening net book amount	183,800,000	68,894,053	-	51,462,576	967,014	1,553,970	3,300,450	4,810,148	-	314,788,211
Additions	-	340,537	3,031,030	38,737,409	218,301	1,607,935	2,558,346	9,032,559	17,216,009	72,742,126
Transfer - in (out)	-	7,513,869	-	5,292,184	-	1,838,059	-	-	(14,644,112)	-
Disposals and written offs - net	-	-	-	(261,343)	-	(4,444)	-	-	-	(265,787)
Depreciation charge	-	(3,766,873)	(505,172)	(20,225,425)	(326,000)	(988,848)	(1,831,246)	(2,485,353)	-	(30,128,917)
Closing net book amount	183,800,000	72,981,586	2,525,858	75,005,401	859,315	4,006,672	4,027,550	11,357,354	2,571,897	357,135,633
At 31 December 2018										
Cost	183,800,000	81,622,455	3,031,030	122,299,486	1,736,713	6,990,270	10,440,007	14,822,634	2,571,897	427,314,492
Less Accumulated depreciation	-	(8,640,869)	(505,172)	(47,294,085)	(877,398)	(2,983,598)	(6,412,457)	(3,465,280)	-	(70,178,859)
Net book amount	183,800,000	72,981,586	2,525,858	75,005,401	859,315	4,006,672	4,027,550	11,357,354	2,571,897	357,135,633
For the year ended 31 December 2019										
Opening net book amount	183,800,000	72,981,586	2,525,858	75,005,401	859,315	4,006,672	4,027,550	11,357,354	2,571,897	357,135,633
Additions	76,522,165	21,163,977	220,935	82,694,430	459,274	2,625,692	4,938,000	10,695,252	16,450,060	215,769,785
Transfer- in (out)	-	3,849,930	-	4,051,946	-	(28,537)	-	(1,014,739)	(6,858,600)	-
Disposals and written offs - net	-	-	-	(384,147)	-	(44,111)	-	(1,144,780)	-	(1,573,038)
Depreciation charge	-	(4,570,813)	(2,194,253)	(30,397,398)	(344,863)	(1,821,856)	(1,520,300)	(2,515,548)	-	(43,365,031)
Closing net book amount	260,322,165	93,424,680	552,540	130,970,232	973,726	4,737,860	7,445,250	17,377,539	12,163,357	527,967,349
At 31 December 2019										
Cost	260,322,165	106,636,362	3,251,965	208,661,715	2,195,987	9,543,314	15,378,007	23,358,367	12,163,357	641,511,239
Less Accumulated depreciation	-	(13,211,682)	(2,699,425)	(77,691,483)	(1,222,261)	(4,805,454)	(7,932,757)	(5,980,828)	-	(113,543,890)
Net book amount	260,322,165	93,424,680	552,540	130,970,232	973,726	4,737,860	7,445,250	17,377,539	12,163,357	527,967,349

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Separate financial statements										
		Land Baht	Building and building improvements Baht	Machinery, tools and equipment Baht	Furniture and fixtures Baht	Office equipment Baht	Motor vehicles Baht	Motor Vehicles for construction projects Baht	Asset under installation Baht	Total Baht
At 1 January 2018										
Cost	183,800,000	73,768,049	79,847,866	1,518,412	3,240,390	6,922,661	2,440,075	-	-	351,537,453
Less Accumulated depreciation	-	(4,873,996)	(27,784,753)	(551,398)	(1,844,849)	(4,498,711)	(645,352)	-	-	(40,199,059)
Net book amount	183,800,000	68,894,053	52,063,113	967,014	1,395,541	2,423,950	1,794,723	-	-	311,338,394
For the year ended 31 December 2018										
Opening net book amount										
Additions	183,800,000	68,894,053	52,063,113	967,014	1,395,541	2,423,950	1,794,723	-	-	311,338,394
Transfer - in (out)	-	451,273	35,307,429	218,301	1,410,092	2,558,346	487,699	-	17,354,866	57,788,006
Disposals and written offs - net	-	7,513,869	5,292,184	-	1,838,059	-	-	-	(14,644,112)	-
Depreciation charge	-	(3,767,122)	(19,907,627)	(326,000)	(860,829)	(1,639,446)	(501,375)	-	-	(280,113)
Closing net book amount	183,800,000	73,092,073	72,474,986	859,315	3,782,863	3,342,850	1,781,047	2,710,754	341,843,888	
At 31 December 2018										
Cost	183,800,000	81,733,191	119,555,564	1,736,713	6,488,541	9,481,007	2,927,774	2,710,754	408,433,544	
Less Accumulated depreciation	-	(8,641,118)	(47,080,578)	(877,398)	(2,705,678)	(6,138,157)	(1,146,727)	-	-	(66,589,656)
Net book amount	183,800,000	73,092,073	72,474,986	859,315	3,782,863	3,342,850	1,781,047	2,710,754	341,843,888	
For the year ended 31 December 2019										
Opening net book amount										
Additions	183,800,000	73,092,073	72,474,986	859,315	3,782,863	3,342,850	1,781,047	2,710,754	341,843,888	
Transfer - in (out)	76,522,165	21,302,834	81,257,854	459,274	2,166,915	4,259,000	115,887	16,838,760	202,922,689	
Disposals and written offs - net	-	3,849,930	3,037,207	-	(28,537)	-	-	(6,858,600)	-	
Depreciation charge	-	(4,579,113)	(29,377,995)	(344,863)	(1,671,607)	(1,297,619)	(537,903)	-	(848,218)	
Closing net book amount	260,322,165	93,665,724	127,118,254	973,726	4,213,117	6,304,231	933,454	12,690,914	506,221,585	
At 31 December 2019										
Cost	260,322,165	106,885,955	203,477,944	2,195,987	8,577,919	13,740,008	1,937,330	12,690,914	609,828,222	
Less Accumulated depreciation	-	(13,220,231)	(76,359,690)	(1,222,261)	(4,364,802)	(7,435,777)	(1,003,876)	-	(103,606,637)	
Net book amount	260,322,165	93,665,724	127,118,254	973,726	4,213,117	6,304,231	933,454	12,690,914	506,221,585	

Net book value of land and buildings of Baht 256.69 million (2018: Baht 256.73 million) have been pledged for long-term borrowings from bank (Note 15).

Additions include Baht 18.18 million (2018: Baht 3.86 million) assets leased under finance leases where the Group is leasee.

Leased assets where the Group is a leasee under a finance lease, comprise motor vehicles:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 31 December				
Cost	23,672,121	11,361,346	22,034,121	10,402,346
<u>Less</u> Accumulated depreciation	(2,216,677)	(6,312,086)	(1,719,697)	(6,037,786)
Net book amount	21,455,444	5,049,260	20,314,424	4,364,560

13 Intangible assets

	Consolidated financial statements		
	Software Baht	Software under installation Baht	Total Baht
At 1 January 2018			
Cost	6,458,194	3,642,657	10,100,851
<u>Less</u> Accumulated amortisation	(975,611)	-	(975,611)
Net book amount	5,482,583	3,642,657	9,125,240
For the year ended 31 December 2018			
Opening net book amount	5,482,853	3,642,657	9,125,240
Additions	1,342,060	2,464,805	3,806,865
Transfer - in (out)	5,724,657	(5,724,657)	-
Amortisation charge	(1,285,099)	-	(1,285,099)
Closing net book amount	11,264,201	382,805	11,647,006
At 31 December 2018			
Cost	13,524,911	382,805	13,907,716
<u>Less</u> Accumulated amortisation	(2,260,710)	-	(2,260,710)
Net book amount	11,264,201	382,805	11,647,006
For the year ended 31 December 2019			
Opening net book amount	11,264,201	382,805	11,647,006
Additions	511,250	565,666	1,076,916
Transfer - in (out)	948,471	(948,471)	-
Amortisation charge	(1,441,552)	-	(1,441,552)
Closing net book amount	11,282,370	-	11,282,370
At 31 December 2019			
Cost	14,984,632	-	14,984,632
<u>Less</u> Accumulated amortisation	(3,702,262)	-	(3,702,262)
Net book amount	11,282,370	-	11,282,370

	Seperate financial statements		
	Software Baht	Software under installation Baht	Total Baht
At 1 January 2018			
Cost	6,386,794	3,642,657	10,029,451
<u>Less</u> Accumulated amortisation	(967,967)	-	(967,967)
Net book amount	5,418,827	3,642,657	9,061,484
For the year ended 31 December 2018			
Opening net book amount	5,418,827	3,642,657	9,061,484
Additions	1,342,060	2,464,805	3,806,865
Transfer - in (out)	5,724,657	(5,724,657)	-
Amortisation charge	(1,277,960)	-	(1,277,960)
Closing net book amount	11,207,584	382,805	11,590,389
At 31 December 2018			
Cost	13,453,511	382,805	13,836,316
<u>Less</u> Accumulated amortisation	(2,245,927)	-	(2,245,927)
Net book amount	11,207,584	382,805	11,590,389
For the year ended 31 December 2019			
Opening net book amount	11,207,584	382,805	11,590,389
Additions	511,250	565,666	1,076,916
Transfer - in (out)	948,471	(948,471)	-
Amortisation charge	(1,434,411)	-	(1,434,411)
Closing net book amount	11,232,894	-	11,232,894
At 31 December 2019			
Cost	14,913,232	-	14,913,232
<u>Less</u> Accumulated amortisation	(3,680,338)	-	(3,680,338)
Net book amount	11,232,894	-	11,232,894

14 Deferred tax assets

The analysis of deferred tax assets is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Deferred tax assets to be recovered within 12 months	904,470	467,075	904,470	464,735
Deferred tax assets to be recovered after more than 12 months	180,281	200,727	60,584	139,344
	1,084,751	667,802	965,054	604,079

The movements on deferred income taxes during the years are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening net book value	667,802	421,752	604,079	411,541
Charged to profit or loss (Note 22)	259,413	288,370	238,805	234,858
Charged (credited) to other comprehensive income (Note 22)	157,536	(42,320)	122,170	(42,320)
Closing net book value	1,084,751	667,802	965,054	604,079

The movements in deferred tax assets during the year is as follows:

	Consolidated financial statements			
	1 January 2019 Baht	Charged (credited) to profit or loss Baht	Charged (credited) to other comprehensive income Baht	31 December 2019 Baht
Allowances for doubtful accounts	40,318	(40,318)	-	-
Employee benefits obligations	613,210	240,595	157,536	1,011,341
Assets under finance lease	14,274	59,136	-	73,410
	667,802	259,413	157,536	1,084,751

	Consolidated financial statements			
	1 January 2018 Baht	Charged (credited) to profit or loss Baht	Charged (credited) to other comprehensive income Baht	31 December 2018 Baht
Allowances for doubtful accounts	40,318	-	-	40,318
Employee benefits obligations	358,804	296,726	(42,320)	613,210
Assets under finance lease	22,630	(8,356)	-	14,274
	421,752	288,370	(42,320)	667,802

	Separate financial statements			
	1 January 2019 Baht	Charged (credited) to profit or loss Baht	Charged (credited) to other comprehensive income Baht	31 December 2019 Baht
Allowances for doubtful accounts	40,318	(40,318)	-	-
Employee benefits obligations	551,238	221,273	122,170	894,681
Assets under finance lease	12,523	57,850	-	70,373
	604,079	238,805	122,170	965,054

	Separate financial statements			
	1 January 2018 Baht	Charged (credited) to profit or loss Baht	Charged (credited) to other comprehensive income Baht	31 December 2018 Baht
Allowances for doubtful accounts	40,318	-	-	40,318
Employee benefits obligations	349,121	244,437	(42,320)	551,238
Assets under finance lease	22,102	(9,579)	-	12,523
	411,541	234,858	(42,320)	604,079

15 Borrowings

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current				
Bank overdrafts	16,706,125	-	16,706,125	-
Short-term borrowings from banks:				
- Factoring loan	32,247,286	13,179,723	32,247,286	13,179,723
- Promissory note	190,000,000	46,000,000	190,000,000	46,000,000
Short-term borrowings from banks	238,953,411	59,179,723	238,953,411	59,179,723
Current portion of long-term borrowings:				
- Bank borrowing	38,640,000	38,640,000	38,640,000	38,640,000
- Finance lease liabilities	8,344,665	1,446,742	6,223,319	1,306,878
Total current borrowings	285,938,076	99,266,465	283,816,730	99,126,601
Non-current				
Long-term borrowings from banks	105,060,000	143,700,000	105,060,000	143,700,000
Finance lease liabilities	20,687,782	2,995,331	13,033,179	2,593,983
Total non-current borrowings	125,747,782	146,695,331	118,093,179	146,293,983
Total borrowings	411,685,858	245,961,796	401,909,909	245,420,584

The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term borrowings from banks	5.00% - 6.87%	5.00% - 6.87%	5.00% - 6.87%	5.00% - 6.87%
Long-term borrowings from banks	4.00% - 6.25%	4.00% - 6.25%	4.00% - 6.25%	4.00% - 6.25%
Financial lease liabilities	0.00% - 7.34%	3.98% - 7.34%	4.25% - 7.34%	4.43% - 7.34%

15.1 Short-term borrowings from third party

The movements of short-term borrowings from third party during the year are as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Beginning balance	-	-	-	-
Addition	5,000,000	-	-	-
Repayments	(5,000,000)	-	-	-
Ending balance	-	-	-	-

This borrowing bears the interest rate at 5.25% per annum and was fully repaid during the year 2019.

15.2 Long-term borrowings from banks

The movements of long-term borrowings from banks during the year are as follows:

For the years ended 31 December	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Beginning balance	182,340,000	220,980,000	182,340,000	220,980,000
Repayments	(38,640,000)	(38,640,000)	(38,640,000)	(38,640,000)
Ending balance	143,700,000	182,340,000	143,700,000	182,340,000

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

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

On 10 August 2016, the Company entered into the loan agreement with a local financial institution amounting to Baht 250 million, which required the repayment of Baht 2.98 million per month, totalling 84 periods and the outstanding amount for the last month. This borrowing bears the interest rate at MLR - 0.50% per annum. The borrowing is pledged by its land and buildings (Note 12), its director, and its ultimate parent.

The carrying amounts and fair values of certain long-term borrowings from banks are as follows:

	Consolidated and Separate financial statements			
	Book value		Fair value	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Long-term borrowings from banks	143,700,000	182,340,000	143,520,252	181,563,071

The fair value of current borrowings approximate to their carrying amount, as the impact of discounting is not significant.

The fair value are based on discounted cash flows using a discount rate based upon the borrowing rate of 5.53% to 6.00% per annum (2018: 5.53% to 6.25% per annum) which are within level 2 of the fair value hierarchy.

Maturity of long-term borrowings from banks and financial lease liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Maturity of long-term borrowings:				
Within 1 year	38,640,000	38,640,000	38,640,000	38,640,000
Between 1 and 2 years	38,640,000	38,640,000	38,640,000	38,640,000
Between 2 years and 5 years	66,420,000	105,060,000	66,420,000	105,060,000
Total borrowings	143,700,000	182,340,000	143,700,000	182,340,000
Minimum lease payments of finance lease liabilities:				
Not later than one year	9,687,801	1,648,261	6,943,773	1,489,369
Later than 1 year but not later than 5 years	22,161,808	3,223,052	13,653,170	2,799,340
Less Future finance charges on finance leases	(2,817,162)	(429,240)	(1,340,445)	(387,848)
Present value of finance lease liabilities	29,032,447	4,442,073	19,256,498	3,900,861
Representing lease liabilities:				
- Short-term	9,687,801	1,648,261	6,943,773	1,489,369
- Long-term	22,161,808	3,223,052	13,653,170	2,799,340
The present value of finance lease liabilities:				
Not later than one year	8,344,665	1,446,742	6,223,319	1,306,878
Later than 1 year but not later than 5 years	20,687,782	2,995,331	13,033,179	2,593,983
	29,032,447	4,442,073	19,256,498	3,900,861

15.3 Change in liabilities arising from financing activities

Consolidated financial statements					
1 January 2018 Baht	Cash flow Baht	Non-cash changes		31 December 2018 Baht	
		Additions under finance lease Baht	Amortised deferred interest Baht		
Short-term borrowings	-	59,179,723	-	59,179,723	
Long-term borrowings	220,980,000	(38,640,000)	-	182,340,000	
Finance lease liabilities	2,501,416	(1,665,382)	3,529,384	76,655	4,442,073

Consolidated financial statements					
1 January 2019 Baht	Cash flow Baht	Non-cash changes		31 December 2019 Baht	
		Additions under finance lease Baht	Amortised deferred interest Baht		
Short-term borrowings	59,179,723	163,067,563	-	222,247,286	
Long-term borrowings	182,340,000	(38,640,000)	-	143,700,000	
Finance lease liabilities	4,442,073	(1,902,915)	26,263,316	229,973	29,032,447

Separate financial statements					
1 January 2018 Baht	Cash flow Baht	Non-cash changes		31 December 2018 Baht	
		Additions under finance lease Baht	Amortised deferred interest Baht		
Short-term borrowings	-	59,179,723	-	59,179,723	
Long-term borrowings	220,980,000	(38,640,000)	-	182,340,000	
Finance lease liabilities	1,825,795	(1,506,490)	3,529,384	52,172	3,900,861

Separate financial statements					
1 January 2019 Baht	Cash flow Baht	Non-cash changes		31 December 2019 Baht	
		Additions under finance lease Baht	Amortised deferred interest Baht		
Short-term borrowings	59,179,723	163,067,563	-	222,247,286	
Long-term borrowings	182,340,000	(38,640,000)	-	143,700,000	
Finance lease liabilities	3,900,861	(1,729,897)	16,874,591	210,943	19,256,498

16 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Trade accounts payable	180,363,003	181,691,055	168,540,127	165,041,635
Trade accounts payable - related parties (Note 25)	8,289,973	2,569,087	64,390,737	23,924,294
Accrued expenses	127,360,753	101,491,145	118,930,336	95,940,564
Accrued expenses - related parties (Note 25)	4,713,583	431,806	79,848,416	45,901,216
Other payables	6,430,128	391,570	6,418,525	366,531
Total trade and other payables	327,157,440	286,574,663	438,128,141	331,174,240

17 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Retirement benefit obligations				
Statement of financial position				
Employee benefit obligations	5,056,704	3,066,053	4,473,406	2,756,194
Profit or loss charge included in operating profit for:				
Employee benefit obligations	1,202,970	1,485,036	1,106,361	1,223,592
Remeasurement for:				
Employee benefit obligations	787,681	(213,004)	610,851	(213,004)

Retirement benefits

The plans are final salary retirement plans. The level of benefits provided depends on members' length of service and their salary in the final years leading up to retirement.

The movement in the defined benefit obligation over the year is as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the year ended 31 December				
Opening balance	3,066,053	1,794,021	2,756,194	1,745,606
Current service cost	1,089,801	1,405,837	1,013,832	1,153,593
Past service cost	18,778	-	2,048	-
Interest cost	94,391	79,199	90,481	69,999
Remeasurement				
Loss (gain) from change in financial assumptions	(668,903)	(213,004)	(772,892)	(213,004)
Experience (gain)/loss	1,456,584	-	1,383,743	-
Closing balance	5,056,704	3,066,053	4,473,406	2,756,194

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Discount rate	1.40 - 1.50%	2.40 - 3.06%	1.40%	2.40%
Salary growth rate	3.46 - 3.83%	4.84 - 5.00%	3.46%	4.84%

Sensitivity analysis for each significant assumption used is as follows:

Consolidated financial statements						
Impact on defined benefit obligation						
Change in assumption	Increase in assumption		Decrease in assumption			
2019	2018	2019	2018	2019	2018	
Discount rate	0.5%	0.5%	Decrease by 1.44%	Decrease by 2 - 6%	Increase by 1.51%	Increase by 2 - 6%
Salary growth rate	0.5%	0.5%	Increase by 1.43%	Increase by 2 - 7%	Decrease by 1.37%	Decrease by 2 - 6%
Turnover rate	0.5%	0.5%	Decrease by 1.41%	Increase by 2 - 7%	Increase by 1.49%	Decrease by 2 - 8%

Separate financial statements						
Impact on defined benefit obligation						
Change in assumption	Increase in assumption		Decrease in assumption			
2019	2018	2019	2018	2019	2018	
Discount rate	0.5%	0.5%	Decrease by 1.01%	Decrease by 2%	Increase by 1.04%	Increase by 2%
Salary growth rate	0.5%	0.5%	Increase by 1.01%	Increase by 2%	Decrease by 0.99%	Decrease by 2%
Turnover rate	0.5%	0.5%	Decrease by 0.91%	Increase by 2%	Increase by 0.96%	Decrease by 2%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the pension liability recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis have not been changed when compared to the previous year.

The weighted average duration of the defined benefit obligation is 7 years (2018: 7 years).

Expected maturity analysis of undiscounted retirement are as follows:

Consolidated financial statements					
Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht	
At 31 December 2019					
Retirement benefits	4,680,347	490,496	2,565,862	5,138,035	12,874,740

Consolidated financial statements					
Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht	
At 31 December 2018					
Retirement benefits	-	2,190,309	1,927,523	4,273,398	8,391,230

Separate financial statements					
Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht	
At 31 December 2019					
Retirement benefits	4,505,913	353,415	2,132,662	1,899,777	8,891,767

Separate financial statements					
Less than a year Baht	Between 1 - 2 years Baht	Between 2 - 5 years Baht	Over 5 years Baht	Total Baht	
At 31 December 2018					
Retirement benefits	-	2,108,602	1,489,193	3,468,811	7,066,606

18 Share capital

	Consolidated and Separate financial statements				
	Authorised share capital		Issued and paid-up capital		Shared Premium Baht
	Number of Shares	Ordinary shares Baht	Number of Shares	Ordinary shares Baht	
At 1 January 2018	1,000,000	100,000,000	1,000,000	100,000,000	-
Change in par value of ordinary share (Change from par value of Baht 100 each to par value of Baht 0.50 each)	199,000,000	-	199,000,000	-	-
Number of ordinary shares and ordinary shares at par value of Baht 0.50 each	200,000,000	100,000,000	200,000,000	100,000,000	-
Issue of shares	80,000,000	40,000,000	-	-	-
At 31 December 2018	280,000,000	140,000,000	200,000,000	100,000,000	-
Issue of shares	-	-	80,000,000	40,000,000	-
Share premium	-	-	-	-	246,105,067
At 31 December 2019	280,000,000	140,000,000	280,000,000	140,000,000	246,105,067

The total number of authorised ordinary shares is 280,000,000 shares (2018: 280,000,000 shares) with a par value of Baht 0.50 per share (2018: Baht 0.50 per share). All issued shares, 280,000,000 authorised ordinary 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).

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.

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. 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.

19 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
At 1 January	5,085,302	1,128,546	5,085,302	1,128,546
Appropriation during the year	4,064,079	3,956,756	4,064,079	3,956,756
At 31 December	9,149,381	5,085,302	9,149,381	5,085,302

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10 percent of the registered capital. The legal reserve is non-distributable.

20 Other income

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the year ended 31 December				
Rental income	144,000	152,438	578,169	1,873,168
Interest income	228,370	54,554	2,475,312	598,627
Dividend income	-	-	4,390,098	-
Others	5,820,189	2,581,971	7,022,730	2,956,861
	6,192,559	2,788,963	14,466,309	5,428,656

21 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the years ended 31 December				
Material cost	627,917,576	449,359,942	602,422,500	426,255,503
Subcontractor cost	262,949,706	172,492,354	549,991,472	374,143,279
Depreciation and amortisation (Note 12 and 13)	44,806,583	31,414,015	39,131,185	28,280,359
Employee salaries and wages	686,699,032	433,275,382	480,125,907	305,971,709
Employee benefit expense (Note 17)	1,202,970	1,485,036	1,106,361	1,223,592

22 Income tax

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the year ended 31 December				
Current tax	20,700,369	14,384,165	20,700,369	12,920,260
Deferred income tax expense (Note 14)	(259,413)	(288,370)	(238,805)	(234,858)
Income tax	20,440,956	14,095,795	20,461,564	12,685,402

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Profit before income tax	95,443,525	69,783,367	101,743,154	62,520,518
Tax effect :				
Tax calculated at the tax rate of 20%	19,088,705	13,956,673	20,348,631	12,504,104
Expenses not deductible for tax purposes	127,179	182,197	127,179	161,803
Deferred tax expense relating to the origination and reversal of temporary difference	(14,245)	-	(14,245)	-
Tax loss for which no deferred income tax asset was recognised	321,427	(43,075)	-	19,495
Unrealized gains from intercompany transaction	917,891	-	-	-
Income tax	20,440,956	14,095,795	20,461,564	12,685,402

The weighted average applicable tax rate was 21.41% and 20.11% (2018: 20.20% and 20.29%) for the consolidated and separate financial statements, respectively.

The tax (charge) credit relating to component of other comprehensive income is as follows:

	Consolidated financial statements					
	2019			2018		
	Before tax Baht	Tax (charge) credit Baht	After tax Baht	Before tax Baht	Tax (charge) credit Baht	After tax Baht
At 31 December						
Remeasurement for:						
Employee benefit obligations	787,681	(157,536)	630,145	211,598	(42,320)	169,278
Other comprehensive income	787,681	(157,536)	630,145	211,598	(42,320)	169,278
Deferred tax (note 14)		(157,536)			(42,320)	
	Separate financial statements					
	2019			2018		
	Before tax Baht	Tax (charge) credit Baht	After tax Baht	Before tax Baht	Tax (charge) credit Baht	After tax Baht
At 31 December						
Remeasurement for:						
Employee benefit obligations	610,851	(122,170)	488,681	211,598	(42,320)	169,278
Other comprehensive income	610,851	(122,170)	488,681	211,598	(42,320)	169,278
Deferred tax (note 14)		(122,170)			(42,320)	

23 Earnings per share

Basic earnings per share are calculated by dividing the net profit for the year attributable to shareholders by the weighted average number of ordinary shares (Note 18).

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Net profit attributable to ordinary shareholders of the parent (Baht)	75,461,403	52,980,264	81,281,590	49,835,115
Weighted average number of ordinary shares outstanding (Shares)	276,493,151	200,000,000	276,493,151	200,000,000
Basic earnings per share (Baht)	0.27	0.26	0.29	0.25

The company has no diluted ordinary shares during the year.

24 Dividends per share

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

The operation for the period	Approved by	Approved date	Dividend paid (million Baht)	Dividend per share (Baht)	Payment date
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

26 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 widely held. The Group's ultimate parent is Takuni Group Public Company Limited ("the ultimate parent"). The Group's ultimate controlling party is Treeweeranuwat family.

Lists of related parties and nature of relationship are summarised as follow:

- JKEC Co., Ltd.	Subsidiary
- Takuni (Thailand) Co., Ltd.	The parent
- Takuni Group Public Company Limited	The ultimate parent
- Ratchaphruek Engineering Co., Ltd.	Related party
- G Gas Logistics Co., Ltd.	Related party
- Takuni Land Co., Ltd.	Related party

The following transactions were significant to subsidiary and related parties:

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

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the year ended 31 December				
Revenue from construction contracts				
The ultimate parent	190,988,004	5,949,809	190,988,004	5,949,809
Rental income				
Related parties	144,000	144,000	144,000	144,000
Subsidiary	-	-	1,326,401	1,412,378
	144,000	144,000	1,470,401	1,556,378
Interest income				
Subsidiary	-	-	2,246,949	544,073
Service income				
Related parties	140,689	127,766	140,689	127,766
Subsidiary	-	-	290,169	308,352
	140,689	127,766	430,858	436,118
Other income				
Related parties	-	-	-	-
Subsidiary	-	-	20,141	340,359
	-	-	20,141	340,359

b) Purchases of goods and services, and interest expenses

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the years ended 31 December				
Cost of constution contracts				
The ultimate parent	1,228,921	-	1,228,921	-
Related parties	26,211,845	10,275,044	26,211,845	10,275,044
Subsidiary	-	-	304,271,747	164,366,319
Interest expenses				
The ultimate parent	962,192	-	962,192	-
	28,402,958	10,275,044	332,674,705	174,641,363

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

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Receivable				
The ultimate parent	10,920,420	54,602,100	11,305,618	54,602,100
Receivable (include in receivable from related parties)				
Related parties	73,409	69,474	73,409	69,474
Subsidiary	-	-	3,227,648	6,413,526
	73,409	69,474	3,301,057	6,483,000
Accrued interest income (include in receivable from related parties)				
Subsidiary	-	-	2,613,120	512,442
Advance payments to subcontract				
Subsidiary	-	-	89,927,925	30,301,570
Retention receivable				
The ultimate parent	-	2,041,200	-	2,041,200
Trade accounts payable				
The ultimate parent	1,263,985	-	1,263,985	-
Related parties	7,025,988	2,569,087	7,025,988	2,569,087
Subsidiary	-	-	56,100,764	21,355,207
	8,289,973	2,569,087	64,390,737	23,924,294
Accrued expenses				
Related parties	4,713,583	431,806	4,713,583	431,806
Subsidiary	-	-	75,134,833	45,469,410
	4,713,583	431,806	79,848,416	45,901,216
Construction income received in advance				
The ultimate parent	17,643,946	85,904,191	17,643,946	85,904,191

d) Short-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Subsidiary	-	-	40,000,000	18,000,000

The movement of short-term loans to related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Opening balance	-	-	18,000,000	5,000,000
Additions	-	-	22,000,000	13,000,000
Repayments	-	-	-	-
Ending balance	-	-	40,000,000	18,000,000

The Company has short-term loan to a subsidiary. The loan is unsecured loan and carry interest at the rate of 5.10% to 6.52% per annum (2018: 6.13% to 6.52% per annum). The loan is due for repayment on demand. No provision has been required for the loans to related parties.

The fair values of short-term loans to related parties approximate to their carrying amount, as the impact of discounting is not significant.

e) Short-term borrowings from related party

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Short-term borrowing from:				
Parent company	-	-	-	-
Related party	2,500,000	-	-	-
Total	2,500,000	-	-	-

	Consolidated financial statements	Separate financial statements
	2019 Baht	2019 Baht
For the year period ended 31 December		
Parent company		
Beginning balance	-	-
Addition	157,500,000	157,500,000
Repayment	(157,500,000)	(157,500,000)
Related party		
Beginning balance	-	-
Addition	3,500,000	-
Repayment	(1,000,000)	-
Ending balance	2,500,000	-

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:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the year ended 31 December				
Salaries and other short-term employee benefits	18,211,543	16,124,173	14,914,886	11,905,107
Employee benefit obligations	413,682	304,618	413,682	304,618
	18,625,225	16,428,791	15,328,568	12,209,725

26 Commitments

a) Letters of guarantees

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

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Currency :				
- Thai Baht	869,423,361	877,551,849	869,423,361	877,551,849
- USD	-	1,840,500	-	1,840,500

The Group has credit facilities for letter of credit or trust receipt, letter of guarantee and forward contract. These credit facilities are pledged by the assets and bank accounts of the Company and the ultimate parent (note 7 and note 12).

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

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

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

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Within 1 year	1,991,200	2,352,000	1,102,000	1,068,000
Within 2 to 5 years	1,014,500	1,756,500	906,500	702,500
Over 5 years	-	-	-	-
Total	3,005,700	4,108,500	2,008,500	1,770,500

c) Commitment from purchasing construction materials

The Group has operating construction materials under operating lease agreements. The future aggregate minimum lease payments under operating lease in respect of operating construction materials are as follows:

	Consolidated financial statements		Separate financial statements	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Currency:				
- Thai Baht	20,166,836	25,260,821	20,166,836	25,260,821
- USD	-	528,351	-	528,351

27 Contingent liabilities

The Company has been sued for a damage case by a company ("plaintiff") for breach of service contract in amount of Baht 18.31 million. The Company received a subpoena from the Civil Court on 30 November 2019 with the date of mediation between the parties on 16 January 2020 and specifying the date of the settlement point, including the determination of prosecution or witness examination of the plaintiff on 27 January 2020. In this regard, the Company submitted a petition requesting and counterclaims on 27 January 2020. The court ordered the plaintiff to file a counterclaim within 20 days and set the date for the settlement to determine the method of prosecution or the date of hearing of the plaintiff on 2 March 2020.

The Company has already recorded a provision of certain contingent liabilities from the lawsuit and management believes that the damage that will occur will not exceed the estimated provision already recorded.

28 Events after the reporting period

Dividend payment

On 27 February 2020, the Board of Director's meeting passed a resolution to approve the dividend payment in respect of the operating results for the year ended 31 December 2019 at the rate of Baht 0.1071 per share, totalling Baht 30.00 million. The approval of the dividend payment will be presented to the shareholders' meeting for approval in April 2020.