

INFRASET PUBLIC COMPANY LIMITED

INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT

ON REVIEW OF INTERIM FINANCIAL INFORMATION

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2019

Independent auditor’s report on review of interim financial information

To the Shareholders and the Board of Directors of Infraset Public Company Limited

I have reviewed the accompanying financial position of Infraset Public Company Limited as at June 30, 2019, the statements of profit or loss and other comprehensive income for the three-month and six-month periods then ended, statements of changes in shareholders’ equity and statements of cash flows for the six-month period then ended, and the condensed notes to interim financial statements (“Interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, “Interim Financial Reporting”.

(Yuttapong Chuamuangpan)

Certified Public Accountant

Registration Number 9445

ANS Audit Co., Ltd.

Bangkok, August 13, 2019

INFRASET PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

		Unit :
		Unaudited
		Reviewed
	Notes	June 30, 2019
Assets		
Current assets		
Cash and cash equivalents	5	50,772,749.07
Trade and other current receivables - net	6	183,700,428.81
Unbilled receivables	7	326,896,365.46
Total current assets		<u>561,369,543.34</u>
Non-current assets		
Pledged deposits at a financial institution	8	50,904,557.64
Property, plant and equipment - net	9	73,173,053.50
Intangible assets - net	10	948,808.85
Deferred tax assets	11	2,938,933.60
Other non-current assets		6,657,110.68
Total non-current assets		<u>134,622,464.27</u>
Total assets		<u><u>695,992,007.61</u></u>

INFRASET PUBLIC COMPANY LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2019

		Unit :
		Unaudited
		Reviewed
	Notes	June 30, 2019
Liabilities and Shareholders' Equity		
Current liabilities		
Trade and other current payables	12	173,902,114.31
Current portion of a long-term loan from a financial institution	13	8,322,611.53
Advance received from customers	7	120,833,952.85
Income tax payables		805,118.81
Total current liabilities		303,863,797.50
Non-current liabilities		
Long-term loan from a financial institution - net	13	18,834,667.64
Non-current provisions for employee benefits	14	14,186,768.00
Other non-current liabilities		13,341,652.10
Total non-current liabilities		46,363,087.74
Total liabilities		350,226,885.24
Shareholders' equity		
Share capital	15	
Registered		
560,000,000 ordinary shares at Baht 0.50 each		
(2018 : 2,070,000 ordinary shares at Baht 100 each)		280,000,000.00
Issued and fully paid-up		
414,000,000 ordinary shares at Baht 0.50 each		
(2018 : 2,070,000 ordinary shares at Baht 100 each)		207,000,000.00
Premium on common shares		63,000,000.00
Surplus on share-based payment transactions		6,430,993.00
Retained earnings		
Appropriated		
Legal reserve	16	20,700,000.00
Unappropriated		48,634,129.37
Total shareholders' equity		345,765,122.37
Total liabilities and shareholders' equity		695,992,007.61

The accompanying notes are an integral part of the financial statements.

Baht

Audited

December 31, 2018

174,138,721.18

50,024,831.19

285,130,020.83

509,293,573.20

35,567,277.76

52,449,193.86

953,330.47

2,588,987.60

5,880,604.68

97,439,394.37

606,732,967.57

Baht

Audited

December 31, 2018

189,452,790.16

7,827,076.20

6,828,941.01

2,536,690.42

206,645,497.79

27,989,294.19

12,437,038.00

437,148.27

40,863,480.46

247,508,978.25

207,000,000.00

207,000,000.00

63,000,000.00

6,430,993.00

13,000,000.00

69,792,996.32

359,223,989.32

606,732,967.57

INFRASET PUBLIC COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019

		Unit : Baht	
		Unaudited but reviewed	
	Notes	2019	2018
	4		
Revenues			
Revenues from services		321,483,274.25	194,872,494.68
Other income		577,020.55	479,353.35
Total Revenues		322,060,294.80	195,351,848.03
Expenses			
Cost of services		269,722,942.47	173,462,143.16
Selling expenses		2,113,978.74	869,632.13
Administrative expenses		15,682,191.67	8,239,775.71
Total Expenses		287,519,112.88	182,571,551.00
Profit before finance costs and income tax		34,541,181.92	12,780,297.03
Finance costs		(339,094.95)	-
Profit before income tax		34,202,086.97	12,780,297.03
Tax expenses	11	(6,799,327.52)	(2,567,908.90)
Profit for the periods		27,402,759.45	10,212,388.13
Other comprehensive income		-	-
Total comprehensive income for the periods		27,402,759.45	10,212,388.13
Basic earnings per share	3	0.07	0.03
Weighted average number of issued and fully paid-up			
ordinary shares (shares)	3	414,000,000.00	359,538,461.54

INFRASET PUBLIC COMPANY LIMITED

STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

		Unit : Baht	
		Unaudited but reviewed	
	Notes	2019	2018
	4, 17		
Revenues			
Revenues from services		576,803,519.73	452,103,070.38
Other income		881,512.74	562,389.99
Total Revenues		577,685,032.47	452,665,460.37
Expenses			
Cost of services		485,873,995.73	388,147,835.58
Selling expenses		3,907,453.54	1,704,663.31
Administrative expenses		29,009,598.41	22,242,652.46
Total Expenses		518,791,047.68	412,095,151.35
Profit before finance costs and income tax		58,893,984.79	40,570,309.02
Finance costs		(700,908.78)	-
Profit before income tax		58,193,076.01	40,570,309.02
Tax expenses	11	(11,621,942.96)	(9,389,342.67)
Profit for the periods		46,571,133.05	31,180,966.35
Other comprehensive income		-	-
Total comprehensive income for the periods		46,571,133.05	31,180,966.35
Basic earnings per share	3	0.11	0.11
Weighted average number of issued and fully paid-up			
ordinary shares (shares)	3	414,000,000.00	278,497,237.57

INFRASET PUBLIC COMPANY LIMITED

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

Unit : Baht							
Unaudited but reviewed							
	Notes	Share capital Issued and fully paid-up	Premiums on ordinary shares	Surplus on share-based payment transactions	Retained earnings		Total
					Appropriated Legal Reserve	Unappropriated	
Balance as at January 1, 2019		207,000,000.00	63,000,000.00	6,430,993.00	13,000,000.00	69,792,996.32	359,223,989.32
Legal reserve	16	-	-	-	7,700,000.00	(7,700,000.00)	-
Dividend paid	16	-	-	-	-	(60,030,000.00)	(60,030,000.00)
Total comprehensive income for the period		-	-	-	-	46,571,133.05	46,571,133.05
Balance as at June 30, 2019		<u>207,000,000.00</u>	<u>63,000,000.00</u>	<u>6,430,993.00</u>	<u>20,700,000.00</u>	<u>48,634,129.37</u>	<u>345,765,122.37</u>
Balance as at January 1, 2018		50,000,000.00	-	-	5,000,000.00	134,699,041.98	189,699,041.98
Share capital increased		136,000,000.00	-	-	-	-	136,000,000.00
Premiums on ordinary shares		-	31,500,000.00	-	-	-	31,500,000.00
Share-based payment transactions		-	-	6,430,993.00	-	-	6,430,993.00
Legal reserve		-	-	-	5,000,000.00	(5,000,000.00)	-
Dividend paid		-	-	-	-	(100,000,000.00)	(100,000,000.00)
Total comprehensive income for the period		-	-	-	-	31,180,966.35	31,180,966.35
Balance as at June 30, 2018		<u>186,000,000.00</u>	<u>31,500,000.00</u>	<u>6,430,993.00</u>	<u>10,000,000.00</u>	<u>60,880,008.33</u>	<u>294,811,001.33</u>

The accompanying notes are an integral part of the financial statements.

INFRASET PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Unit : Baht	
	Unaudited but reviewed	
	2019	2018
Cash flows from operating activities :		
Profit before income tax	58,193,076.01	40,570,309.02
Adjustments to reconcile profit before income tax to cash provided by (used in) operating activities		
Depreciation and amortization	814,633.46	375,836.85
Gain from disposal of assets	(538.89)	-
Interest income	(880,973.85)	(393,193.09)
Interest expenses	700,908.78	-
Expenses for share-based payment transactions	-	6,430,993.00
Non-current provisions for employee benefits	1,749,730.00	844,826.00
Profit from operating activities before changes in operating assets and liabilities	60,576,835.51	47,828,771.78
Operating assets (increased) decreased :		
Trade and other current receivables	(133,780,451.18)	837,420.28
Unbilled receivables	(41,766,344.63)	(28,685,490.91)
Other non-current assets	(776,506.00)	(400.00)
Operating liabilities increased (decreased) :		
Trade and other current payables	(21,975,541.03)	18,805,055.78
Advances received from customers	114,005,011.84	15,136,398.36
Other non-current liabilities	12,904,503.83	-
Cash provided by (used in) operating activities	(10,812,491.66)	53,921,755.29
Interest income	985,827.41	559,731.01
Interest paid	(700,908.78)	-
Income tax paid	(13,703,460.57)	(10,480,436.83)
Net cash from (used in) operating activities	(24,231,033.60)	44,001,049.47

INFRASET PUBLIC COMPANY LIMITED
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019

	Unit : Baht	
	Unaudited but reviewed	
	2019	2018
Cash flows from investing activities :		
Increase in restricted deposits at financial institution	(15,337,279.88)	(329,183.91)
Cash paid for deposit for purchases fixed assets	-	(13,097,218.00)
Cash received from disposal of fixed assets	16,521.17	-
Cash paid for purchases of fixed assets	(14,972,888.58)	(471,668.24)
Cash paid for purchases of intangible assets	(152,200.00)	(544,000.00)
Net cash used in investing activities	(30,445,847.29)	(14,442,070.15)
Cash flows from financing activities :		
Cash paid for long-term loans from financial institutions	(8,659,091.22)	-
Cash received from increase in ordinary shares	-	167,500,000.00
Cash received from share subscription in advance	-	49,375,000.00
Dividend paid	(60,030,000.00)	(100,000,000.00)
Net cash from (used in) financing activities	(68,689,091.22)	116,875,000.00
Net increase (decrease) in cash and cash equivalents	(123,365,972.11)	146,433,979.32
Cash and cash equivalents at the beginning of the periods	174,138,721.18	91,381,903.73
Cash and cash equivalents at the end of the periods	50,772,749.07	237,815,883.05

Supplemental Disclosures of Cash Flows Information

Non-cash flows items consist of:

Increase in accounts payables for purchase of fixed assets	6,424,865.18	-
Increase in assets from financial lease agreements	-	-
Increased in property and plant from long-term debt	40,000,000.00	-

INFRASET PUBLIC COMPANY LIMITED

CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS

FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2019

(UNAUDITED BUT REVIEWED)

1. GENERAL INFORMATION

Infraset Public Company Limited (the "Company") was incorporated in Thailand on May 8, 2006 in accordance with the Civil and Commercial Code and transformed the Company into a public company on March 22, 2019. The Company is principally engaged in the construction of data center and information technology, infrastructure, and telecommunication network. The Company has its head office at 165/37-39 Ramintra Road, Victory Monument, Bang Khen, Bangkok.

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2018), Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in shareholders' equity, and statement of cash flows). The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For convenience only, for the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2018. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2018.

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the period, the Company has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements. However, the new standard involves changes to key principles, which are summarised below

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmers
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after January 1, 2020

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after January 1, 2020. These new standards involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Company is currently evaluating the impact of this standard on the financial statements in the year when it is adopted.

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2018, except for the change in the accounting policies due to the adoption are as follow.

Revenue from Contracts with Customers

Revenue recognition from the adoption of TFRS 15, Revenue from Contracts with Customers, change in this accounting policy has no material impacts on the financial statements.

Basic earnings per share

Basic earnings per share are calculated by dividing the net profit for the period by the weighted average number of ordinary shares in issue during the period as if the par value reduction has been made since January 1, 2018.

4. TRANSACTIONS WITH RELATED PARTIES

Related parties are defined as persons or companies that control other persons or companies or have significant influence over other persons or companies in making financial and/or operational decisions. This includes the companies that have common shareholders or executive management.

Transactions with related parties are conducted at agreed prices on market value or, where no market value exists, at contractually agreed prices.

The Company had significant business transactions with related parties for the three-month and six-month periods ended June 30, as follows:

	Unit : Baht	
	2019	2018
Transactions between the Company and related parties		
for the three-month periods ended June 30,		
Rental	554,210.52	14,210.52
Transactions between the Company and related parties		
for the six-month periods ended June 30,		
Rental	1,108,421.04	28,421.04

Such transactions are on commercial terms and bases agreed upon between the Company and those related parties in the normal course of business.

Management compensation

Management compensation for the six-month periods ended June 30, consisted of:

	Unit : Baht	
	2019	2018
Short-term benefits	15,122,390.49	6,488,547.59
Post-employment benefits	637,774.00	237,065.00
Total management compensation	15,760,164.49	6,725,612.59

Management comprises those persons who have authority and responsibility for planning, directing and controlling the activities of an entity, directly or indirectly.

Significant balances with related parties can be summarized as follows:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Related parties		
Other non-current assets – deposit paid	540,000	-

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Cash on hand	50,000.00	47,071.00
Cash at banks - savings accounts	32,597,113.85	118,082,229.18
Cash at banks - current accounts	10,000.00	10,000.00
Cheque due	18,115,635.22	55,999,421.00
Total cash and cash equivalents	50,772,749.07	174,138,721.18

6. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables consisted of:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Trade receivables		
Trade receivables	162,771,253.70	32,377,788.42
<u>Less</u> allowance for doubtful accounts	(507,900.00)	(507,900.00)
Trade receivables - net	162,263,353.70	31,869,888.42
Other current receivables		
Advance payment for goods and services	8,863,577.98	4,645,050.17
Advance payments other	727,909.99	900,999.76
Retention receivables	1,640,719.66	1,612,539.41
Revenue Department receivable	3,755,111.81	2,695,237.59
Undue input tax	5,989,664.52	7,934,175.34
Other	460,091.15	366,940.50
Total other current receivables	21,437,075.11	18,154,942.77
Total trade and other current receivables - net	183,700,428.81	50,024,831.19

The Company has trade receivables classified by age analysis as follows:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Trade receivables		
Current	86,463,924.68	27,470,518.50
Not over 3 months	72,953,665.72	2,333,827.42
Over 3-6 months	797,563.30	1,540,300.00
Over 6-12 months	1,540,300.00	17,342.50
Over 12 months	1,015,800.00	1,015,800.00
Total trade receivables	162,771,253.70	32,377,788.42

7. UNBILLED RECEIVABLES/ADVANCES RECEIVED FROM CUSTOMERS

Unbilled receivables/advances received from customers consisted of:

	Unit : Baht	
	June 30, 2019 (6 month periods)	December 31, 2018 (12 month periods)
Revenues recognition from percentage of completion method	564,489,947.73	994,894,145.95
Unbilled receivables		
Project value as per contract	1,323,395,749.76	1,991,788,870.69
Accumulated amount recognized as revenues under the percentage of completion basis	740,711,703.13	1,287,865,251.52
<u>Less</u> value of total billed	(413,815,337.67)	(1,002,735,230.69)
Unbilled receivables	326,896,365.46	285,130,020.83
Advances received from customer		
Project value as per contract	1,345,276,727.20	94,330,829.20
Value of total billed	990,562,745.85	86,131,819.69
<u>Less</u> accumulated amount recognized as revenues under the percentage of completion basis	(869,728,793.00)	(79,383,668.68)
Advances received from contract	120,833,952.85	6,748,151.01
Advances received from service	-	80,790.00
Total	120,833,952.85	6,828,941.01

8. PLEDGED DEPOSIT WITH A FINANCIAL INSTITUTIONS

As at June 30, 2019 and December 31, 2018, pledged deposits with a financial institution was used as collateral for loans from a financial institutions, bank overdraft and letters of guarantee for business of the Company.

9. PROPERTY, PLANT AND EQUIPMENT – NET

Property, plant and equipment as at June 30, 2019, consisted of:

	Unit : Baht
Net book value as at January 1, 2019	52,449,193.86
Acquisitions during the period (Cost)	21,397,753.76
Disposal during the period (Book value)	(15,982.28)
Depreciations during the period	(657,911.84)
Net book value as at June 30, 2019	<u>73,173,053.50</u>

Depreciation for the six-month periods ended June 30, 2019 and 2018 amounted to Baht 0.66 million and Baht 0.30 million, respectively, were included in the statements of profit or loss.

As at June 30, 2019 and December 31, 2018, the Company have assets, which have been fully depreciated but are still in use, amounted to Baht 6.35 million and Baht 5.91 million, respectively.

As at June 30, 2019, all of the Company's land and buildings have been mortgaged as collateral for loans from financial institutions (Note 13), and letters of guarantee for business of the Company.

10. INTANGIBLE ASSETS - NET

Intangible assets as at June 30, 2019 consisted of:

	Unit : Baht
Net book value as at January 1, 2019	953,330.47
Acquisitions during the period (Cost)	152,200.00
Amortization during the period	(156,721.62)
Net book value as at June 30, 2019	<u>948,808.85</u>

Amortization for the six-month the periods ended June 30, 2019 and 2018 amounted to Baht 0.16 million and Baht 0.08 million, respectively, were included in the statements of profit or loss.

11. DEFERRED TAX ASSETS

Movements in deferred tax assets during the period were as follows:

	Unit : Baht		
	As at January 1, 2019	Movement increase	As at June 30, 2019
		Profit or loss	
Deferred tax assets			
Trade and other current receivables	101,580.00	-	101,580.00
Non-current provisions for employee benefits	2,487,407.60	349,946.00	2,837,353.60
Deferred tax assets	2,588,987.60	349,946.00	2,938,933.60

Income tax expenses for the six-month periods ended June 30, were as follows:

	Unit : Baht	
	2019	2018
Current tax expenses	11,971,888.96	9,558,307.87
Deferred tax	(349,946.00)	(168,965.20)
Income tax expenses	11,621,942.96	9,389,342.67

The Company used income tax rate of 20% for the calculation of corporate income tax for the six-month periods ended June 30, 2019 and 2018.

12. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Trade payables	121,441,271.36	160,664,560.63
Other current payables		
Payable for purchase of fixed assets	6,424,865.18	-
Accrued bonus expenses	4,586,267.26	-
Accrued incentive expenses	31,921,599.98	19,687,667.41
Accrued other expenses	1,731,632.78	1,693,241.23
Withholding tax payables	1,410,980.98	5,680,437.72
Undue output VAT	5,657,274.63	1,508,698.41
Other	728,222.14	218,184.76
Total other current payables	52,460,842.95	28,788,229.53
Total trade and other current payables	173,902,114.31	189,452,790.16

13. LONG-TERM LOAN FROM FINANCIAL INSTITUTION - NET

Long-term loan from financial institution consisted of:

	Unit : Baht	
	June 30, 2019	December 31, 2018
Long-term loan from a financial institution	27,157,279.17	35,816,370.39
<u>Less</u> current portion of long-term loan		
from a financial institution	(8,322,611.53)	(7,827,076.20)
Long-term loan from financial institution - net	18,834,667.64	27,989,294.19

Movements in the long-term loans from financial institution for the six-month period ended June 30, 2019 are summarized below.

	Unit : Baht
Balance as at January 1, 2019	35,816,370.39
Repayment during the period	(8,659,091.22)
Balance as at June 30, 2019	27,157,279.17

14. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS

Movement of the present value of non-current provision for employee benefits for the six-month period ended June 30, 2019 and for the year ended December 31, 2018, as follows:

	Unit : Baht	
	June 30, 2019	December 31, 2018
	(6 month periods)	(12 month periods)
Non-current provisions for employee benefits		
beginning of the periods	12,437,038.00	6,418,749.00
Included in profit or loss:		
Current service costs	1,565,674.00	3,989,078.00
Cost of interest	184,056.00	200,912.00
Included in other comprehensive income:		
Actuarial loss arising from		
Financial assumptions changes	-	310,458.00
Experience adjustments	-	1,517,841.00
Non-current provisions for employee benefits		
ending of the periods	<u>14,186,768.00</u>	<u>12,437,038.00</u>

Employee benefit expenses for the six-month period ended June 30, consisted of.

	Unit : Baht	
	2019	2018
Current service costs	1,565,674.00	744,370.00
Cost of interest	184,056.00	100,456.00
Total employee benefits expenses	<u>1,749,730.00</u>	<u>844,826.00</u>

Employee benefit expenses for the six-month period ended June 30, as shown in the statements of profit or loss are as follows:

	Unit : Baht	
	2019	2018
Costs of service	830,482.01	472,310.00
Selling expenses and administrative expenses	919,247.99	372,516.00
Total employee benefits expenses	<u>1,749,730.00</u>	<u>844,826.00</u>

15. SHARE CAPITAL

The resolution of the General Shareholders' Meeting No.1/2019, held on March 15, 2019, passed a resolution to increase the Company's registered share capital from Baht 207 million to Baht 280 million and change the par value from Baht 100 to Baht 0.50 (from 2,070,000 ordinary shares at Baht 100 par value to 560,000,000 ordinary shares at Baht 0.50 par value) and converted to a public company limited under the law governing public limited companies.

16. DIVIDEND

The General Shareholders' Meeting No.1/2019, held on March 15, 2019, has resolved to pay a dividend from the retained earnings as at December 31, 2018, amounting to Baht 60.03 million to shareholders in proportion to their share held and allocated to the legal reserves of Baht 7.70 million. Dividends were paid to shareholders on April 10, 2019.

17. OPERATING SEGMENTS

The Company operates in three business segments, construct of data center and information technology, infrastructure and telecommunication network and maintenance and services. Revenues and expenses relate to business segments and geographical segments for the six-month periods ended June 30, as follows:

Unit : Baht

	Construction of data center and information technology		Infrastructure and telecommunication network		Maintenance and Services		Total	
	2019	2018	2019	2018	2019	2018	2019	2018
Revenues	505,517,799.14	388,098,063.26	58,972,148.59	60,972,528.62	12,313,572.00	3,032,478.50	576,803,519.73	452,103,070.38
Costs	410,869,415.16	324,772,693.83	41,240,708.80	41,725,959.62	8,362,559.16	696,543.88	460,472,683.12	367,195,197.33
Segment gross profit	94,648,383.98	63,325,369.43	17,731,439.79	19,246,569.00	3,951,012.84	2,335,934.62	116,330,836.61	84,907,873.05
Other income							881,512.74	562,389.99
Other unallocated costs							(25,401,312.61)	(20,952,638.25)
Selling expenses							(3,907,453.54)	(1,704,663.31)
Administrative expenses							(29,009,598.41)	(22,242,652.46)
Finance costs							(700,908.78)	-
Tax expenses							(11,621,942.96)	(9,389,342.67)
Profit for the periods							46,571,133.05	31,180,966.35
Assets:								
Property, plant and equipment - net							73,173,053.50	1,362,346.99
Other							622,818,954.11	575,460,205.38
Total asset							695,992,007.61	576,822,552.37

18. COMMITMENTS AND CONTINGENT LIABILITIES

18.1 As at June 30, 2019 and December 31, 2018, the Company has obligations under leased service charges. The remaining rental and service charges of existing contracts to be paid in the future are as follows:

	Unit : Million Baht	
	June 30, 2019	December 31, 2018
Within 1 year	4.77	3.41
Over 1 and up to 5 years	4.64	2.63
Total	9.41	6.04

18.2 As at June 30, 2019 and December 31, 2018, the Company is contingently liable for bank guarantees issued by the banks amounting to Baht 92.41 million and Baht 88.35 million, respectively.

18.3 As at June 30, 2019, the Company was committed under construction contracts amounting to approximately Baht 2.54 million.

19. APPROVAL OF FINANCIAL STATEMENTS

These financial statements were authorized for issue by the Company's Board of Directors on August 13, 2019.