

INFRASET PUBLIC COMPANY LIMITED
INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT
ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

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 March 31, 2023, the statements of comprehensive income, statements of changes in shareholders’ equity and statements of cash flows for the three-month period then ended, and the condensed notes to the 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”.

(Kanittha Siripattanasomchai)

Certified Public Accountant

Registration Number 10837

ANS Audit Co., Ltd.

Bangkok, May 9, 2023

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		Unit : Baht	
		Unaudited	
		but reviewed	Audited
	Notes	March 31, 2023	December 31, 2022
Assets			
Current assets			
Cash and cash equivalents	5	125,570,250.41	49,124,910.96
Inventories		9,625,920.00	-
Trade and other current receivables - net	6	452,222,846.40	448,199,304.56
Current portion of installment contract receivable	7	55,868,882.79	61,632,765.32
Current contract assets	8.1	536,596,726.35	387,506,494.39
Other current financial assets - net	9	-	70,286,392.77
Total current assets		1,179,884,625.95	1,016,749,868.00
Non-current assets			
Other non-current financial assets	20.2	65,783,372.01	55,802,522.25
Installment contract receivable - net	7	268,556,632.03	276,203,809.11
Non-current contract assets	8.1	753,724.49	225,000.00
Property, plant and equipment - net	10	76,100,211.04	77,610,584.90
Right-of-use assets - net	10	8,389,825.89	9,011,830.87
Intangible assets - net	10	1,645,428.22	1,390,204.52
Deferred tax assets	11	2,178,823.12	2,098,878.14
Other non-current assets		15,250,417.80	15,250,417.80
Total non-current assets		438,658,434.60	437,593,247.59
Total assets		1,618,543,060.55	1,454,343,115.59

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT MARCH 31, 2023

		Unit : Baht	
		Unaudited	
		but reviewed	Audited
Notes		March 31, 2023	December 31, 2022
Liabilities and shareholders' equity			
Current liabilities			
	Trade and other current payables	333,274,518.21	215,525,309.70
	Contract liabilities	9,402,007.77	4,774,024.96
	Current portion of lease liabilities	2,742,552.23	2,716,412.48
	Income tax payables	817,390.47	817,390.47
	Total current liabilities	346,236,468.68	223,833,137.61
Non-current liabilities			
	Retention payables	6,936,074.70	6,627,292.42
	Lease liabilities - net	7,380,044.09	8,076,536.94
	Non-current provisions for employee benefits	6,801,941.00	6,278,868.00
	Total non-current liabilities	21,118,059.79	20,982,697.36
	Total liabilities	367,354,528.47	244,815,834.97
Shareholders' equity			
	Share capital		
	Registered		
	923,999,949 ordinary shares at Baht 0.50 each	461,999,974.50	461,999,974.50
	Issued and fully paid-up		
	750,166,311 ordinary shares at Baht 0.50 each	375,083,155.50	375,083,155.50
	Share subscription received in advance	17,346,780.00	-
	Premium on ordinary shares	571,846,249.12	571,846,249.12
	Surplus on share-based payment transactions	6,430,993.00	6,430,993.00
	Retained earnings		
	Appropriated		
	Legal reserve	43,019,146.92	41,803,423.35
	Unappropriated	237,462,207.54	214,363,459.65
	Total shareholders' equity	1,251,188,532.08	1,209,527,280.62
	Total liabilities and shareholders' equity	1,618,543,060.55	1,454,343,115.59

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

	Notes	Unit : Baht	
		Unaudited but reviewed	
		2023	2022
	4, 18		
Revenues			
Revenues from sales		67,575,000.00	-
Revenues from services		379,639,107.53	251,665,552.95
Other income		5,588,017.24	664,887.74
Total revenues		452,802,124.77	252,330,440.69
Expenses			
Cost of sales		(66,147,978.00)	-
Cost of services		(337,668,538.33)	(207,205,240.08)
Distribution costs		(2,405,261.51)	(1,585,643.92)
Administrative expenses		(15,412,525.88)	(13,773,641.97)
Total expenses		(421,634,303.72)	(222,564,525.97)
Profit from operating activities		31,167,821.05	29,765,914.72
Finance costs		(110,585.53)	(162,894.92)
Profit before income tax		31,057,235.52	29,603,019.80
Income tax expenses	11	(6,742,764.06)	(5,911,962.21)
Profit for the period		24,314,471.46	23,691,057.59
Other comprehensive income		-	-
Total comprehensive income for the period		24,314,471.46	23,691,057.59
Earnings per share	17		
Basic earnings per share		0.03	0.04
Diluted earnings per share		0.03	0.03

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

		Unit : Baht						
		Unaudited but reviewed						
		Share capital		Surplus on		Retained earnings		
		Issued and	Share subscription	Premiums	share-based payment	Appropriated		
Notes	fully paid-up	received in advance	on ordinary shares	transactions	Legal reserve	Unappropriated	Total	
Balance as at January 1, 2023		375,083,155.50	-	571,846,249.12	6,430,993.00	41,803,423.35	214,363,459.65	1,209,527,280.62
Advance received from exercise of warrants	16	-	17,346,780.00	-	-	-	-	17,346,780.00
Legal reserve		-	-	-	-	1,215,723.57	(1,215,723.57)	-
Total comprehensive income for the period		-	-	-	-	-	24,314,471.46	24,314,471.46
Balance as at March 31, 2023		<u>375,083,155.50</u>	<u>17,346,780.00</u>	<u>571,846,249.12</u>	<u>6,430,993.00</u>	<u>43,019,146.92</u>	<u>237,462,207.54</u>	<u>1,251,188,532.08</u>
Balance as at January 1, 2022		307,999,983.00	-	370,596,731.62	6,430,993.00	36,526,940.00	242,765,793.83	964,320,441.45
Advance received from exercise of warrants	16	-	230,944,200.00	-	-	-	-	230,944,200.00
Legal reserve		-	-	-	-	1,184,552.88	(1,184,552.88)	-
Total comprehensive income for the period		-	-	-	-	-	23,691,057.59	23,691,057.59
Balance as at March 31, 2022		<u>307,999,983.00</u>	<u>230,944,200.00</u>	<u>370,596,731.62</u>	<u>6,430,993.00</u>	<u>37,711,492.88</u>	<u>265,272,298.54</u>	<u>1,218,955,699.04</u>

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

	Unit : Baht	
	Unaudited but reviewed	
	2023	2022
Cash flows from operating activities:		
Profit for the period	24,314,471.46	23,691,057.59
Adjustments to reconcile profit for the period to cash provided by (used in) operating activities:		
Depreciation and amortization	2,354,526.76	2,669,266.50
Allowance for expected credit losses of receivables	-	43,832.29
Loss on disposal of assets	682.03	-
Gain on disposal of other current financial assets	(61,548.78)	(282,068.88)
Unrealized gain on other current financial assets revaluation	-	(106,630.37)
Non-current provisions for employee benefits	523,073.00	695,326.00
Interest income	(5,406,209.67)	(276,188.49)
Interest expenses	110,585.53	162,894.92
Income tax expenses	6,742,764.06	5,911,962.21
Profit from operating activities before changes in operating assets and liabilities	28,578,344.39	32,509,451.77
Operating assets (increase) decrease:		
Inventories	(9,625,920.00)	-
Trade and other current receivables	(626,023.80)	(139,976,378.99)
Installment contract receivable	18,705,180.00	-
Current contract assets	(149,090,231.96)	(1,116,910.46)
Non-current contract assets	(528,724.49)	(32,809,715.49)
Other non-current assets	-	10,000.00
Operating liabilities increase (decrease):		
Trade and other current payables	117,455,832.98	30,490,753.76
Contract liabilities	4,627,982.81	(70,889.99)
Retention payables	308,782.28	3,148,823.57
Cash provided by (used in) operating activities	9,805,222.21	(107,814,865.83)
Interest income	134,214.61	-
Interest paid	(110,585.53)	(162,894.92)
Income tax paid	(10,242,352.41)	(3,032,920.74)
Net cash used in operating activities	(413,501.12)	(111,010,681.49)
..... Director Director	
(Mr. Sakboworn Pukkanasut)	(Mr. Metha Chotiapisitkul)	

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023

	Unit : Baht	
	Unaudited but reviewed	
	2023	2022
Cash flows from investing activities:		
Cash received from disposal of other current financial assets	70,347,941.55	60,000,000.00
Cash paid for acquisition of other current financial assets	-	(50,000,000.00)
Cash paid for acquisition of fixed assets	(57,159.59)	(175,792.78)
Cash paid for acquisition of intangible assets	(52,518.53)	-
Increase in other non-current financial assets	(9,980,849.76)	(1,168,067.50)
Net cash from investing activities	60,257,413.67	8,656,139.72
Cash flows from financing activities:		
Cash paid for long-term loan from a financial institution	-	(2,311,304.58)
Cash paid for lease liabilities	(745,353.10)	(1,061,900.50)
Cash received from advance received from exercise of warrants	17,346,780.00	230,944,200.00
Net cash from financing activities	16,601,426.90	227,570,994.92
Net increase in cash and cash equivalents	76,445,339.45	125,216,453.15
Cash and cash equivalents at the beginning of the period	49,124,910.96	139,243,603.28
Cash and cash equivalents at the end of the period	125,570,250.41	264,460,056.43

Supplemental Disclosures of Cash Flows Information

Non-cash flows items consist of:

Increase (decrease) in accounts payables for purchase of fixed assets	368,375.53	(111,900.60)
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..... Director
 (Mr. Sakboworn Pukkanasut)

..... Director
 (Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2023 (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 system, infrastructure, telecommunications transportation infrastructure, maintenance and services, and sales of telecommunication and information technology system equipment. The Company has its head office at 165/37-39 Ramintra Road, Anusawari, Bang Khen, Bangkok.

On October 8, 2019, the Stock Exchange of Thailand endorsed the listing of the Company's ordinary shares in the Market for Alternative Investments (MAI) and on March 11, 2022, the Stock Exchange of Thailand endorsed the listing of the Company's ordinary shares in the Stock Exchange of Thailand (SET).

2. BASIS FOR PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

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

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of 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, 2022. 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, 2022.

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

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

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.

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, 2022, and additional as follows:

Inventories

Inventories are stated at the lower of cost or net realizable value. Cost is determined by the first-in-first-out method. Costs of purchase comprise purchase price and costs directly attributable to the purchase of goods, such as duty taxes and transportation costs, less discounts and incentive from the supplier. Net realizable value is the estimated selling price in the ordinary course of business less the necessary expenses to product the finished goods and sale expenses.

The revised financial reporting standards which are effective for fiscal years beginning on or after January 1, 2023, do not have any significant impact on the Company's financial statements.

4. TRANSACTIONS WITH RELATED PARTIES

The Company had significant business transactions with related parties for the three-month periods ended March 31, as follows:

	Unit : Baht	
	2023	2022
Related party		
Right-of-use assets		
Depreciation	336,312.75	336,312.75
Interest expenses	81,751.52	96,505.74

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

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

Significant balances with related parties can be summarized as follows:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Related party		
Right-of-use assets - at book value	6,389,942.56	6,726,255.31
Other non-current assets - deposit paid	540,000.00	540,000.00
Lease liabilities	8,032,942.28	8,416,190.76

Management compensation

Management compensation for the three-month periods ended March 31, consisted of:

	Unit : Baht	
	2023	2022
Short-term benefits	3,897,311.78	5,047,634.76
Post-employment benefits	266,005.00	307,715.00
Total management compensation	4,163,316.78	5,355,349.76

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

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Cash on hand	41,523.31	39,853.10
Cash at banks - savings accounts	108,162,559.92	49,082,249.89
Cash at banks - current accounts	17,366,167.18	2,807.97
Total cash and cash equivalents	125,570,250.41	49,124,910.96

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

6. TRADE AND OTHER CURRENT RECEIVABLES - NET

Trade and other current receivables consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Trade receivables	332,725,996.26	395,174,876.20
<u>Less</u> allowance for expected credit losses	(342,719.44)	(342,719.44)
Trade receivables - net	332,383,276.82	394,832,156.76
Other current receivables		
Advance payment for goods and services	84,956,465.38	25,263,073.96
Prepaid other expenses	1,167,560.04	1,138,160.50
Withholding tax deducted at source	3,419,643.37	-
Revenue Department receivable	24,496,312.78	22,694,562.05
Undue input tax	3,838,837.90	2,411,728.53
Accrued interest income	231,547.26	253,672.59
Others	1,729,202.85	1,605,950.17
Total other current receivables	119,839,569.58	53,367,147.80
Total trade and other current receivables - net	452,222,846.40	448,199,304.56

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

	Unit : Baht	
	March 31, 2023	December 31, 2022
Trade receivables		
Not over due	199,441,949.54	97,525,041.82
Over due		
Not over 3 months	132,308,123.10	69,950,497.20
3 - 6 months	-	226,414,759.72
6 - 12 months	-	-
Over 12 months	975,923.62	1,284,577.46
Total trade receivables	332,725,996.26	395,174,876.20

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

7. **INSTALLMENT CONTRACT RECEIVABLE - NET**

Installment contract receivable as at March 31, consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Installment contract receivable		
Due within 1 year	74,820,720.00	81,490,363.07
Over 1 year but not over 5 years	301,437,687.14	313,473,224.07
Total installment contract receivable	376,258,407.14	394,963,587.14
<u>Less</u> deferred interest income	(51,832,892.32)	(57,127,012.71)
Present value of installment contract receivable	324,425,514.82	337,836,574.43
<u>Less</u> current portion	(55,868,882.79)	(61,632,765.32)
Installment contract receivable - net	<u>268,556,632.03</u>	<u>276,203,809.11</u>

During the year 2022, the Company completed construction of the Data Center and received a letter of acceptance from the project owner. Therefore, the Company transferred the contract assets (Note 8) to installment contract receivable totaling of Baht 394.96 million. The term of repayments is 60 monthly installments from the last period of delivery of work. The 1st - 12nd installments are Baht 6.24 million each, while the 13rd - 60th installments are Baht 6.67 million each. These bear interest rates at 4.95% - 6.60% per annum. The project is constructed on the Company's land. The Company is obligated to register the transfer of land ownership to the customer after the last installment is paid in full.

As at March 31, 2023, The Company has mortgaged the Company's land and is authorized to receive the installment contract receivable for repayment loan from a financial institution as collateral for long-term credit facility from a financial institution which is under the process of drawdown (Note 13).

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

8. CONTRACT ASSETS/ CONTRACT LIABILITIES

8.1 CONTRACT ASSETS

Contract assets consisted of:

	Unit : Baht	
	March 31, 2023 (3 month period)	December 31, 2022 (12 month period)
Revenues recognition from the stage of completion method	325,072,549.57	1,115,146,896.04
Contract assets		
Project value as per contract	3,042,234,386.28	3,563,775,442.79
Accumulated amount recognized as revenues under the stage of completion method	2,521,611,309.46	2,932,820,415.89
<u>Less</u> value of total billed	(1,989,256,578.35)	(2,230,713,698.83)
Unbilled receivables	532,354,731.11	702,106,717.06
Transferred to installment contract receivable	-	(320,067,589.49)
Total unbilled receivables	532,354,731.11	382,039,127.57
Retention receivables and other	4,995,719.73	20,892,366.82
Transferred to installment contract receivable	-	(15,200,000.00)
Total retention receivables and other	4,995,719.73	5,692,366.82
Total contract assets	537,350,450.84	387,731,494.39
Non-current contract assets		
Retention receivables and other	(753,724.49)	(225,000.00)
Current contract assets	536,596,726.35	387,506,494.39

As at December 31, 2022, a portion of contract assets was transferred to installment contract receivable (Note 7), according to the repayments under the contract which the Company has already completed the construction and received a letter of acceptance from the project owner.

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

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

	Unit : Baht	
	March 31, 2023	December 31, 2022
Unbilled receivables		
Not over 3 months	267,807,706.30	111,999,836.94
3 - 6 months	94,083,097.84	140,145,770.21
6 - 12 months	125,662,655.15	83,119,980.62
Over 12 months	44,801,271.82	46,773,539.80
Total unbilled receivables	532,354,731.11	382,039,127.57

Unbilled receivables are recognized when the Company records revenue for fulfilment of a contractual performance obligation before the customer paid consideration or before the requirements for billing as at the reporting date. From considering the aging of unbilled receivables, the long-outstanding balance of unbilled receivables came from long-term projects. Unbilled receivables are mostly from government, state-enterprise, and the private companies who the Company is subcontractors. Therefore, the Company's management was considered that the Company is exposed to low credit risk and opines that expected credit loss of unbilled receivables does not significantly impact the Company's financial statements.

8.2 CONTRACT LIABILITIES

Contract liabilities consisted of:

	Unit : Baht	
	March 31, 2023 (3 month period)	December 31, 2022 (12 month period)
Contract liabilities		
Project value as per contract	266,868,897.33	68,366,226.97
Value of total billed	253,280,895.86	62,466,595.39
<u>Less</u> accumulated amount recognized as revenues under the stage of completion method	(243,878,888.09)	(57,810,320.43)
Advances received from contract	9,402,007.77	4,656,274.96
Advances received from service	-	117,750.00
Total contract liabilities	9,402,007.77	4,774,024.96

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

9. OTHER CURRENT FINANCIAL ASSETS - NET

Other current financial assets as at March 31, consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Financial assets at amortized cost		
Investment in structured notes	-	50,000,000.00
(Minimum return rate of 1.20% per annum, maximum return rate of 1.30% per annum)		
Financial assets at FVTPL		
Open-end funds - debt securities	-	20,286,392.77
Total other current financial assets	-	70,286,392.77

Movements in other current financial assets during the periods are as follows:

	Unit : Baht	
	March 31, 2023	December 31, 2022
	(3 month period)	(12 month period)
Net book value at beginning of the period	70,286,392.77	270,816,879.77
Purchase during the period	-	150,000,000.00
Disposal during the period	(70,347,941.55)	(351,409,968.47)
Gain on disposal of other current financial assets		
to profit or loss	61,548.78	702,546.08
Change in fair value to profit or loss	-	176,935.39
Net book value at ending of the period	-	70,286,392.77

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

10. PROPERTY, PLANT AND EQUIPMENT, RIGHT-OF-USE ASSETS, AND INTANGIBLE ASSETS - NET

Property, plant and equipment, right-of-use assets and intangible assets, as at March 31, 2023, consisted of:

	Unit : Baht		
	Property, plant and equipment	Right-of-use assets	Intangible assets
Net book value as at January 1, 2023	77,610,584.90	9,011,830.87	1,390,204.52
Acquisitions during the period (Cost)	143,032.65	-	335,021.00
Depreciation for the period	(1,652,724.48)	(622,004.98)	-
Amortization for the period	-	-	(79,797.30)
Write-off for the period (Book value)	(682.03)	-	-
Net book value as at March 31, 2023	76,100,211.04	8,389,825.89	1,645,428.22

Depreciation and amortization for the three-month periods ended March 31, 2023 and 2022 amounted to Baht 2.35 million and Baht 2.67 million, respectively, were included in profit or loss.

As at March 31, 2023 and December 31, 2022, the Company has assets which have been fully depreciated but are still in use, amounted to Baht 4.18 million and Baht 4.23 million, respectively.

As at March 31, 2023 and December 31, 2022, all of the Company's land and buildings have been mortgaged as collateral for letters of guarantee for business of the Company.

11. DEFERRED TAX ASSETS

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

	Unit : Baht		
	Movement		
	As at January 1, 2023	increase (decrease) Profit or loss	As at March 31, 2023
Deferred tax assets:			
Trade and other current receivables			
(Allowance for expected credit losses)	68,543.89	-	68,543.89
Right-of-use assets (Depreciation)	656,522.25	(24,669.62)	631,852.63
Litigation provisions	118,038.40	-	118,038.40
Non-current provisions for employee benefits	1,255,773.60	104,614.60	1,360,388.20
Total deferred tax assets	2,098,878.14	79,944.98	2,178,823.12

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

Income tax expenses for the three-month periods ended March 31, were as follows:

	Unit : Baht	
	2023	2022
Current tax expenses	6,822,709.04	6,127,180.65
Deferred tax	(79,944.98)	(215,218.44)
Income tax expenses	6,742,764.06	5,911,962.21

The Company used income tax rate of 20% for the calculation of corporate income tax for the three-month periods ended March 31, 2023 and 2022.

12. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Trade payables	272,866,407.60	144,624,734.54
Other current payables		
Payable for purchase of fixed assets	460,717.39	92,341.86
Accrued incentive expenses	20,149,156.37	22,917,954.41
Accrued expenses	4,170,103.84	2,969,606.31
Withholding tax payables	1,258,003.43	1,295,370.92
Undue output VAT	12,934,915.85	21,893,036.94
Retention payables	19,871,364.94	19,868,678.74
Others	1,563,848.79	1,863,585.98
Total other current payables	60,408,110.61	70,900,575.16
Total trade and other current payables	333,274,518.21	215,525,309.70

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

13. LONG-TERM LOAN FROM A FINANCIAL INSTITUTION - NET

Movements in the long-term loan from a financial institution during the periods are as follows:

	Unit : Baht	
	March 31, 2023 (3 month period)	December 31, 2022 (12 month period)
Balance at beginning of the period	-	3,831,522.90
Decrease during the period	-	(3,831,522.90)
Balance at ending of the period	-	-

The Company has long-term loan from a financial institution for the line not exceeding Baht 40 million. The loan carries an interest at the MLR minus a certain rate, according to agreement. The loan principle is to be repaid in 60 monthly instalments. The Company already made full repayment of such long-term loan during the year 2022.

As at March 31, 2023, the Company has a long-term credit facilities which have not yet been drawn down amounted to Baht 200 million, guaranteed by the mortgage of the Company's land and assignment of receiving the installment contract receivable (Note 7).

14. LEASE LIABILITIES - NET

Lease liabilities consisted of:

	Unit : Baht	
	March 31, 2023	December 31, 2022
Lease liabilities	11,002,200.00	11,776,800.00
<u>Less</u> deferred interest expenses	(879,603.68)	(983,850.58)
Present value of future minimum lease payments	10,122,596.32	10,792,949.42
<u>Less</u> current portion	(2,742,552.23)	(2,716,412.48)
Lease liabilities - net	7,380,044.09	8,076,536.94
Net book value of assets under lease agreements	8,389,825.89	9,011,830.87

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

Movements in lease liabilities during the period were as follows:

	Unit : Baht	
	March 31, 2023 (3 month period)	December 31, 2022 (12 month period)
Balance at beginning of the period	10,792,949.42	13,960,439.72
Decrease during the period	(774,600.00)	(3,660,400.00)
Decrease from amortization of deferred interest during the period	104,246.90	492,909.70
Balance at ending of the period	10,122,596.32	10,792,949.42

The Company has future minimum leases payments required under the leases agreements as at March 31, 2023 are as follow:

	Unit : Baht		
	Within 1 year	1 - 5 years	Total
Future minimum lease payments	3,098,400.00	7,903,800.00	11,002,200.00
Deferred interest expenses	(355,847.77)	(523,755.91)	(879,603.68)
Present value of future minimum lease payments	2,742,552.23	7,380,044.09	10,122,596.32

The Company has entered into the property lease agreements and vehicles with related parties and other company, the terms of the agreements are generally between 2 to 6 years. The Company uses its incremental borrowing rate of 4.00% per annum in calculating the present value of lease payments.

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

15. **NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFITS**

Movements of the present value of non-current provisions for employee benefits during the periods are as follows:

	Unit : Baht	
	March 31, 2023	December 31, 2022
	(3 month period)	(12 month period)
Non-current provisions for employee benefits at		
beginning of the period	6,278,868.00	10,621,253.00
Included in profit or loss:		
Current service costs	485,398.00	2,560,229.26
Cost of interest	37,675.00	153,105.74
Included in other comprehensive income:		
Actuarial (gains) loss arising from		
Demographic assumptions changes	-	(4,518,572.00)
Financial assumptions changes	-	47,367.00
Experience adjustments	-	(2,135,235.00)
Employee benefits paid during the period	-	(449,280.00)
Non-current provisions for employee benefits at		
ending of the period	<u>6,801,941.00</u>	<u>6,278,868.00</u>

..... Director
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..... Director
(Mr. Metha Chotiapisitkul)

Employee benefit expenses for the three-month periods ended March 31, consisted of:

	Unit : Baht	
	2023	2022
Current service costs	485,398.00	656,030.00
Cost of interest	37,675.00	39,296.00
Total employee benefits expenses	523,073.00	695,326.00

Employee benefit expenses for the three-month periods ended March 31, as shown in the statements of profit or loss are as follows:

	Unit : Baht	
	2023	2022
Cost of services	182,650.00	257,295.00
Distribution costs and administrative expenses	340,423.00	438,031.00
Total employee benefits expenses	523,073.00	695,326.00

16. WARRANTS

On March 31, 2023, the warrant holders exercised 8,673,390 units of INSET-W1 warrants to purchase 8,673,390 ordinary shares at Baht 2.00 each in the amount of Baht 17.35 million. The Company recorded such exercised warrants under “Share subscription received in advance”, presented under shareholders’ equity in the statement of financial position. The Company registered the paid-up capital with the Ministry of Commerce on April 4, 2023.

On March 31, 2022, the warrant holders exercised 115,472,100 units of INSET-W1 warrants to purchase 115,472,100 ordinary shares at Baht 2.00 each in the amount of Baht 230.94 million. The Company recorded such exercised warrants under “Share subscription received in advance”, presented under shareholders’ equity in the statement of financial position. The Company registered the paid-up capital with the Ministry of Commerce on April 4, 2022.

As at March 31, 2023, The Company has the remaining of the warrants to purchase ordinary shares of the Company No.1 (INSET-W1) of 164,247,472 units.

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

17. BASIC EARNINGS PER SHARE AND DILUTED EARNINGS PER SHARE

Basic earnings per share are calculated by dividing the profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares issued during the period.

Diluted earnings per share is calculated by dividing the profit for the period (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issue.

Basic earnings per share and diluted earnings per share were calculated as follows:

	For the three-month periods ended March 31,	
	2023	2022
Profit for the period (Baht)	24,314,471.46	23,691,057.59
Weighted average number of ordinary share (shares)		
Number of issued ordinary shares at beginning of the period	750,166,311.00	615,999,966.00
Warrants	96,371.00	1,283,024.00
Weighted average number of issued and fully paid-up ordinary shares	750,262,682.00	617,282,990.00
The number of incremental ordinary share as a convertible Warrants	66,771,227.00	127,529,787.00
Diluted weighted average number of ordinary shares	817,033,909.00	744,812,777.00
Basic earnings per share (Baht)	0.03	0.04
Diluted earnings per share (Baht)	0.03	0.03

..... Director
(Mr. Sakbaworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

18. OPERATING SEGMENTS

The Company operates in four business segments, construction of data center and information technology system, infrastructure, telecommunications and transportation infrastructure, maintenance and services, and sales of telecommunication and information technology systems equipment. Revenues and expenses relate to business segments and geographical segments for the three-month periods ended March 31, as follows:

	Unit : Thousand Baht										
	Construction of data center and information technology system		Infrastructure, telecommunications and transportation infrastructure		Maintenance and services		Sales of telecommunication and information technology system equipment		Total		
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022	
Revenues	273,026.39	168,521.98	52,046.16	33,838.77	54,566.56	49,304.80	67,575.00	-	447,214.11	251,665.55	
Costs	(247,137.36)	(136,228.19)	(42,737.28)	(34,095.59)	(37,660.80)	(31,807.33)	(66,147.98)	-	(393,683.42)	(202,131.11)	
Segment gross profit (loss)	<u>25,889.03</u>	<u>32,293.79</u>	<u>9,308.88</u>	<u>(256.82)</u>	<u>16,905.76</u>	<u>17,497.47</u>	<u>1,427.02</u>	<u>-</u>	<u>53,530.69</u>	<u>49,534.44</u>	
Unallocated costs									(10,133.10)	(5,074.13)	
Gross profit									43,397.59	44,460.31	
Other income									5,588.02	664.88	
Distribution costs									(2,405.26)	(1,585.64)	
Administrative expenses									(15,412.53)	(13,773.64)	
Finance costs									(110.59)	(162.89)	
Income tax expenses									(6,742.76)	(5,911.96)	
Profit for the periods									<u>24,314.47</u>	<u>23,691.06</u>	
Assets consisted of:											
Property, plant and equipment - net									76,100.21	78,745.36	
Right-of-use assets - net									8,389.83	11,011.79	
Others									1,534,053.02	1,414,918.43	
Total assets									<u>1,618,543.06</u>	<u>1,504,675.58</u>	
 Director			 Director						
	(Mr. Sakbaworn Pukkanasut)				(Mr. Metha Chotiapisitkul)						23

19. LITIGATION

As at March 31, 2023 and December 31, 2022, the Company was sued by another company in breach of the agreement with the claims totaling Baht 6.92 million. On February 10, 2021, the Court of First Instance rendered its judgment, ordering the Company to pay to such other company amounting to Baht 0.97 million, plus interest. The Company filed an appeal against the Court of First Instance ruling. On September 20, 2022, the Court of Appeal rendered its judgment. On October 4, 2022, the Court of First Instance read the judgment of the Court of Appeal ordering the Company pay to the other company amounting to Baht 0.68 million, plus interest. On December 22, 2022, the Company counter-filed a petition with the Court to consider in breach of the agreement, which the Company is suing to such other company because the case is under same agreement. Presently, the case is being considered by the Court. The Company's management opines that the outcome of the litigation will not have any material effect on the financial statements.

20. COMMITMENTS AND CONTINGENT LIABILITIES

The Company has the following commitments and contingent liabilities:

- 20.1** As at March 31, 2023 and December 31, 2022, the Company has commitments under the operating lease and service contract payments in the future amounting to Baht 4.10 million and Baht 2.38 million, respectively.
- 20.2** As at March 31, 2023 and December 31, 2022, the Company had the loan credit facilities, bank overdraft, promissory note, letter of credit, forward contracts and letters of guarantee for the business of the Company totaling of Baht 1,391.00 million and Baht 1,091.00 million, respectively. The credit facilities are guaranteed by a mortgage of the Company's land and assignment of receiving the installment contract receivable (Note 7), the Company's land and constructions (Note 10) and other non-current financial assets.
- 20.3** As at March 31, 2023 and December 31, 2022, the Company has commitments with financial institutions for the letters of guarantees issued by the financial institutions amounting to Baht 171.62 million and Baht 204.20 million, respectively.
- 20.4** As at March 31, 2023 and December 31, 2022, the Company had commitments assets under installation and computer software under development amounting to Baht 0.64 million and Baht 0.90 million, respectively.
- 20.5** As at March 31, 2023 and December 31, 2022, the Company has a commitment with unused letters of credit amounting to Baht 74.86 million Baht 59.49 million, respectively.

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)

21. EVENT AFTER THE REPORTING PERIOD

The resolution of the Annual General Meeting of Shareholders for the year 2023, held on April 5, 2023, approved to pay a dividend from the Company's operating performance for the year ended December 31, 2022 which is a rate of Baht 0.05 per share or not exceeding of Baht 37.51 million to shareholders in proportion to their share held and specified the list of shareholders entitled to receive dividends (Record Date) on March 3, 2023 and dividend was paid to shareholders on May 3, 2023.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on May 9, 2023.

..... Director
(Mr. Sakboworn Pukkanasut)

..... Director
(Mr. Metha Chotiapisitkul)