

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, 2020

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, 2020, 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”). The 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 6, 2020

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2020

| | Notes | Unit : Baht | |
|-------------------------------------|-----------|---------------------------|-------------------------|
| | | Unaudited | Audited |
| | | Reviewed June 30, 2020 | December 31, 2019 |
| Assets | | | |
| Current assets | | | |
| Cash and cash equivalents | 5 | 314,996,464.49 | 223,048,227.90 |
| Trade and other current receivables | 6, 18 | 254,405,919.50 | 169,477,990.84 |
| Contract assets | 7.1, 18 | 366,852,616.85 | 259,467,035.37 |
| Current financial assets - net | 8, 3.3 | - | 250,833,424.34 |
| Total current assets | | 936,255,000.84 | 902,826,678.45 |
| Non-current assets | | | |
| Non-current contract assets | | 233,533.26 | - |
| Property, plant and equipment - net | 9 | 86,532,919.90 | 82,950,442.82 |
| Right-of-use assets - net | 9 | 12,869,612.99 | - |
| Intangible assets - net | 9 | 697,768.50 | 829,783.64 |
| Deferred tax assets | 10 | 3,541,704.11 | 3,110,177.60 |
| Non-current financial assets | 17.2, 3.3 | 51,376,644.03 | 50,906,670.14 |
| Other non-current assets | | 6,521,297.59 | 4,008,941.86 |
| Total non-current assets | | 161,773,480.38 | 141,806,016.06 |
| Total assets | | 1,098,028,481.22 | 1,044,632,694.51 |

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

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

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF FINANCIAL POSITION
AS AT JUNE 30, 2020

| | | Unit : Baht | |
|--|---------|-------------------------|-------------------------|
| | | Unaudited | |
| | | Reviewed | Audited |
| | Notes | June 30, 2020 | December 31, 2019 |
| Liabilities and Shareholders' Equity | | | |
| Current liabilities | | | |
| Trade and other current payables | 11 | 267,347,814.20 | 179,117,609.66 |
| Contract liabilities | 7.2, 18 | - | 24,763,321.11 |
| Current portion of long-term loan from a financial institution | 12 | 8,772,252.84 | 8,579,448.68 |
| Current portion of lease liabilities | 13 | 4,056,082.42 | - |
| Income tax payables | | 7,899,463.49 | - |
| Total current liabilities | | 288,075,612.95 | 212,460,379.45 |
| Non-current liabilities | | | |
| Retention payables | | 8,894,123.41 | 23,400,606.18 |
| Long-term loan from a financial institution - net | 12 | 8,458,656.01 | 12,907,842.81 |
| Lease liabilities - net | 13 | 9,011,556.12 | - |
| Non-current provisions for employee benefits | 14 | 17,510,495.00 | 15,550,888.00 |
| Total non-current liabilities | | 43,874,830.54 | 51,859,336.99 |
| Total liabilities | | 331,950,443.49 | 264,319,716.44 |
| Shareholders' equity | | | |
| Share capital | | | |
| Registered | | | |
| 560,000,000 ordinary shares at Baht 0.50 each | | 280,000,000.00 | 280,000,000.00 |
| Issued and fully paid-up | | | |
| 560,000,000 ordinary shares at Baht 0.50 each | | 280,000,000.00 | 280,000,000.00 |
| Premium on ordinary shares | | 370,596,731.62 | 370,596,731.62 |
| Surplus on share-based payment transactions | | 6,430,993.00 | 6,430,993.00 |
| Retained earnings | | | |
| Appropriated | | | |
| Legal reserve | | 28,000,000.00 | 26,706,060.37 |
| Unappropriated | | 81,050,313.11 | 96,579,193.08 |
| Total shareholders' equity | | 766,078,037.73 | 780,312,978.07 |
| Total liabilities and shareholders' equity | | 1,098,028,481.22 | 1,044,632,694.51 |

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

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

INFRASET PUBLIC COMPANY LIMITED

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2020

| | Notes | Unit : Baht | |
|--|-------|------------------------|-----------------------|
| | | Unaudited but reviewed | |
| | | 2020 | 2019 |
| | 4 | | |
| Revenues | | | |
| Revenues from services | | 308,261,697.13 | 321,483,274.25 |
| Other income | | 912,958.81 | 577,020.55 |
| Total revenues | | 309,174,655.94 | 322,060,294.80 |
| Expenses | | | |
| Cost of services | | 255,818,199.99 | 269,722,942.47 |
| Distribution costs | | 1,826,364.52 | 2,113,978.74 |
| Administrative expenses | | 13,817,306.88 | 15,682,191.67 |
| Total expenses | | 271,461,871.39 | 287,519,112.88 |
| Profit before finance costs and income tax | | 37,712,784.55 | 34,541,181.92 |
| Finance costs | | (251,777.30) | (339,094.95) |
| Profit before income tax | | 37,461,007.25 | 34,202,086.97 |
| Tax expenses | | (7,339,823.72) | (6,799,327.52) |
| Profit for the periods | | 30,121,183.53 | 27,402,759.45 |
| Other comprehensive income | | - | - |
| Total comprehensive income for the periods | | 30,121,183.53 | 27,402,759.45 |
| Basic earnings per share | | 0.05 | 0.07 |
| Weighted average number of issued and fully paid-up ordinary shares (shares) | | 560,000,000.00 | 414,000,000.00 |

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

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

INFRASET PUBLIC COMPANY LIMITED

STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

| | | Unit : Baht | |
|-----------------|--|------------------------|-----------------------|
| | | Unaudited but reviewed | |
| Notes | | 2020 | 2019 |
| 4, 16 | | | |
| Revenues | | | |
| | Revenues from services | 527,607,636.04 | 576,803,519.73 |
| | Other income | 2,605,570.52 | 881,512.74 |
| | Total revenues | 530,213,206.56 | 577,685,032.47 |
| Expenses | | | |
| | Cost of services | 435,288,426.01 | 485,873,995.73 |
| | Distribution costs | 3,475,835.74 | 3,907,453.54 |
| | Administrative expenses | 28,262,730.43 | 29,009,598.41 |
| | Total expenses | 467,026,992.18 | 518,791,047.68 |
| | Profit before finance costs and income tax | 63,186,214.38 | 58,893,984.79 |
| | Finance costs | (643,241.30) | (700,908.78) |
| | Profit before income tax | 62,542,973.08 | 58,193,076.01 |
| | Tax expenses | (12,381,363.18) | (11,621,942.96) |
| | Profit for the periods | 50,161,609.90 | 46,571,133.05 |
| | Other comprehensive income | - | - |
| | Total comprehensive income for the periods | 50,161,609.90 | 46,571,133.05 |
| | Basic earnings per share | 0.09 | 0.11 |
| | Weighted average number of issued and fully paid-up ordinary shares (shares) | 560,000,000.00 | 414,000,000.00 |

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

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

INFRASET PUBLIC COMPANY LIMITED

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

Unit : Baht

| | | Unaudited but reviewed | | | | | |
|-------|---|------------------------|-----------------------|---------------------|----------------------|----------------------|-----------------------|
| | | Share capital | | Surplus on | Retained earnings | | |
| | | Issued and | Premiums | share-based payment | Appropriated | | Total |
| Notes | | fully paid-up | on ordinary shares | transactions | Legal Reserve | Unappropriated | |
| | Balance as at January 1, 2020 | 280,000,000.00 | 370,596,731.62 | 6,430,993.00 | 26,706,060.37 | 96,579,193.08 | 780,312,978.07 |
| | Legal reserve | - | - | - | 1,293,939.63 | (1,293,939.63) | - |
| | Dividend paid | 15 | - | - | - | (64,396,550.24) | (64,396,550.24) |
| | Total comprehensive income for the period | - | - | - | - | 50,161,609.90 | 50,161,609.90 |
| | Balance as at June 30, 2020 | 280,000,000.00 | 370,596,731.62 | 6,430,993.00 | 28,000,000.00 | 81,050,313.11 | 766,078,037.73 |
| | 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 | - | - | - | 7,700,000.00 | (7,700,000.00) | - |
| | Dividend paid | - | - | - | - | (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 | 207,000,000.00 | 63,000,000.00 | 6,430,993.00 | 20,700,000.00 | 48,634,129.37 | 345,765,122.37 |

..... Director

(Mr. Sakbaworn Pukkanasut)

..... Director

(Mr. Metha Chotiapisitkul)

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

| | Unit : Baht | |
|--|------------------------|------------------------|
| | Unaudited but reviewed | |
| | 2020 | 2019 |
| Cash flows from operating activities : | | |
| Profit for the periods | 50,161,609.90 | 46,571,133.05 |
| Adjustments to reconcile profit for the periods to cash receipts (payment) : | | |
| Depreciation and amortization | 5,056,467.55 | 814,633.46 |
| Difference from rental reduction | (359,907.36) | - |
| Gain on disposal of assets | (404.29) | (538.89) |
| Gain on disposal of current financial assets | (1,243,559.77) | - |
| Interest income | (1,353,122.70) | (880,973.85) |
| Interest expenses | 643,241.30 | 700,908.78 |
| Non-current provisions for employee benefits | 1,959,607.00 | 1,749,730.00 |
| Income tax expenses | 12,381,363.18 | 11,621,942.96 |
| Profit from operating activities before changes in operating assets and liabilities | 67,245,294.81 | 60,576,835.51 |
| Operating assets increased : | | |
| Trade and other current receivables | (85,182,285.45) | (133,752,270.93) |
| Contract assets | (107,385,581.48) | (41,794,524.88) |
| Non-current contract assets | (233,533.26) | - |
| Other non-current assets | (2,512,355.73) | (776,506.00) |
| Operating liabilities increased (decreased) : | | |
| Trade and other current payables | 88,143,647.00 | (21,975,541.03) |
| Contract liabilities | (24,763,321.11) | 114,005,011.84 |
| Retention payables | (14,506,482.77) | 12,904,503.83 |
| Cash used in operating activities | (79,194,617.99) | (10,812,491.66) |
| Interest income | 1,607,479.49 | 985,827.41 |
| Interest paid | (643,241.30) | (700,908.78) |
| Income tax paid | (4,913,426.20) | (13,703,460.57) |
| Net cash used in operating activities | (83,143,806.00) | (24,231,033.60) |

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

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

INFRASET PUBLIC COMPANY LIMITED
STATEMENTS OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2020

| | Unit : Baht | |
|--|------------------------|-------------------------|
| | Unaudited but reviewed | |
| | 2020 | 2019 |
| Cash flows from investing activities : | | |
| Cash received from disposal of current financial assets | 452,076,984.11 | - |
| Cash paid for acquisition of current financial assets | (200,000,000.00) | - |
| Cash received from disposal of fixed assets | 467.29 | 16,521.17 |
| Cash paid for acquisition of fixed assets | (6,151,225.97) | (14,972,888.58) |
| Cash paid for acquisition of intangible assets | (48,400.00) | (152,200.00) |
| Increase in restricted non-current financial assets | (469,973.89) | (15,337,279.88) |
| Net cash from (used in) investing activities | 245,407,851.54 | (30,445,847.29) |
| Cash flows from financing activities : | | |
| Cash paid for long-term loan from a financial institution | (4,256,382.64) | (8,659,091.22) |
| Cash paid for lease liabilities | (1,662,876.07) | - |
| Dividend paid | (64,396,550.24) | (60,030,000.00) |
| Net cash used in financing activities | (70,315,808.95) | (68,689,091.22) |
| Net increase (decreased) in cash and cash equivalents | 91,948,236.59 | (123,365,972.11) |
| Cash and cash equivalents at the beginning of the periods | 223,048,227.90 | 174,138,721.18 |
| Cash and cash equivalents at the end of the periods | 314,996,464.49 | 50,772,749.07 |

Supplemental Disclosures of Cash Flows Information

Non-cash flows items consist of:

| | | |
|--|---------------|--------------|
| Increase in accounts payables for purchase of fixed assets | 86,557.54 | 6,424,865.18 |
| Increase in right-of-use assets from lease liabilities | 15,393,746.99 | - |
| Decrease in right-of-use assets from cancellation of lease liabilities | (303,325.02) | - |

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

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

INFRASET PUBLIC COMPANY LIMITED
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2020
(UNAUDITED BUT REVIEWED)

1. GENERAL INFORMATION

Infrasets 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 2019), 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, 2019. 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, 2019.

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.

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

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

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, 2019, except the adoption of new financial reporting standards which are effective on January 1, 2020 as follows:

3.1 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 |
|--------|-------------------------------------|

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 amortized 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.

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

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

Classification and measurement:

- The classification and measurement of debt instrument financial assets has three classification categories, which are amortized cost, fair value through profit or loss (“FVPL”) and fair value through other comprehensive income (“FVOCI”). Classification of debt assets will be driven by the entity’s business model for managing the financial assets and contractual cash flows characteristics of the financial assets.
- Equity instrument financial assets shall be measured at fair value through profit or loss. The Company can make an irrevocable election to recognize the fair value change in other comprehensive income without subsequent recycling to profit or loss
- Financial liabilities are classified and measured at amortized cost.
- Derivatives are classified and measured at fair value through profit or loss unless hedge accounting is applied.

The impairment requirements

The accounting for expected credit losses on its financial assets measured at amortized cost, investments in debt instruments measured at fair value through other comprehensive income and loan commitments and financial guarantee contracts. It is no longer necessary for a credit event to have occurred before credit losses are recognized. The Company applies general approach for credit-impaired consideration. Except for trade receivables, they are permitted to measure by simplified approach for credit-impaired consideration.

The set of of these standard does not have any significant impact on the Company’s financial statements.

3.2 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 recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Where the Company is the lessee, leases are recognized as a right-of-use asset and a corresponding liability at the commencement date. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to the statement of income over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is measured at cost, which is initially measured at the present value of the lease payments. The right-of-use asset is depreciated over the shorter of the asset’s useful life and the lease term on a straight-line basis.

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

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

The lease liability is initially measured at the present value of the lease payments. The lease payments are discounted using the interest rate implicit in the lease, if that can be readily determined. If that rate cannot be readily determined, the Company uses the Company's incremental borrowing rate.

Payments associated with short-term leases and leases of low-value assets are recognized on a straight-line basis as expense in the statement of income.

3.3 Impacts on the financial information

The Company has adopted these two group of reporting standards from January 1, 2020 under the modified retrospective approach and the comparative figures have not been restated. The reclassifications and the adjustments arising from the changes in accounting policies are therefore recognized in the statement of financial position as at January 1, 2020.

The impact of first-time adoption of new accounting standards on the statement of financial position as at January 1, 2020 are as follows:

| | Unit : Baht | | | |
|---|-------------------|------------------|---------------|-----------------|
| | As at | | | As at |
| | December 31, 2019 | TFRS 9 | TFRS 16 | January 1, 2020 |
| Statement of financial position | | | | |
| Current assets | | | | |
| Temporary investment - net | 250,833,424.34 | (250,833,424.34) | - | - |
| Current financial assets - net | - | 250,833,424.34 | - | 250,833,424.34 |
| Non-current assets | | | | |
| Pledged deposit with a financial institutions | 50,906,670.14 | (50,906,670.14) | - | - |
| Non-current financial assets | - | 50,906,670.14 | - | 50,906,670.14 |
| Right-of-use assets - net | - | - | 15,393,746.99 | 15,393,746.99 |
| Current liabilities | | | | |
| Current portion of lease liabilities | - | - | 4,196,010.05 | 4,196,010.05 |
| Non-current liabilities | | | | |
| Lease liabilities - net | - | - | 11,197,736.94 | 11,197,736.94 |

However, the change in accounting policy due to the adoption of new financial reporting standards does not have any impact on retained earnings as at January 1, 2020.

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

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

Financial instruments

Classification and measurement

On January 1, 2020 (the date of initial application), the Company's management has assessed which business models applied to the financial assets and liabilities held by the Company and has classified the financial assets and liabilities as at January 1, 2020 are as follows:

| | Unit : Baht | | |
|-------------------------------------|-----------------------|-----------------------|-----------------------|
| | FVPL | Amortized cost | Total |
| Financial assets | | | |
| Cash and cash equivalents | - | 223,048,227.90 | 223,048,227.90 |
| Trade and other current receivables | - | 169,477,990.84 | 169,477,990.84 |
| Contract assets | - | 259,467,035.37 | 259,467,035.37 |
| Current financial assets - net | 250,833,424.34 | - | 250,833,424.34 |
| Non-current financial assets | - | 50,906,670.14 | 50,906,670.14 |
| | <u>250,833,424.34</u> | <u>702,899,924.25</u> | <u>953,733,348.59</u> |
| Financial liabilities | | | |
| Trade and other current payables | - | 179,117,609.66 | 179,117,609.66 |
| Contract liabilities | - | 24,763,321.11 | 24,763,321.11 |
| Retention payables | - | 23,400,606.18 | 23,400,606.18 |
| Current portion of long-term loan | | | |
| from a financial institution | - | 8,579,448.68 | 8,579,448.68 |
| Long-term loan from a financial | | | |
| institution - net | - | 12,907,842.81 | 12,907,842.81 |
| | - | <u>248,768,828.44</u> | <u>248,768,828.44</u> |

Financial assets mandatorily measured at FVPL as at January 1, 2020 are as following:

| | Unit : Baht |
|---------------------------|----------------|
| Current assets | |
| Open-End fund investments | 250,833,424.34 |

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

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

Leases

On adoption of TFRS 16, the Company recognized lease liabilities in relation to leases, which had previously been classified as operating leases under the principles of TAS 17 Leases. The right-of-use assets were measured at amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognized in the statement of financial position immediately before the date of initial application. These liabilities were measured at the present value of the remaining lease payments, discounted using the Company's incremental borrowing rates. The Company's incremental borrowing rates applied to the lease liabilities as at January 1, 2020 was ranged between 4.00% to 4.50%.

The lease liabilities as at January 1, 2020, and operating lease commitments as at December 31, 2019 which is disclosed in accordance with TAS 17 are reconciled as follow:

| | Unit : Baht |
|--|----------------------|
| Obligation under the lease agreement disclosed as at December 31, 2019 | 10,972,500.00 |
| Add: Commitment from the renewal of leases | 7,128,000.00 |
| Less: The contract that is considered is a short-term contract | (1,236,500.00) |
| Less: Deferred interest expenses | (1,470,253.01) |
| Lease liabilities as at January 1, 2020 | <u>15,393,746.99</u> |
| Consisted of: | |
| Current lease liabilities | 4,196,010.05 |
| Non-current lease liabilities | 11,197,736.94 |
| Lease liabilities as at January 1, 2020 | <u>15,393,746.99</u> |

The recognized right-of-use assets relate to the following types of assets:

| | Unit : Baht | |
|---------------------------|----------------------|----------------------|
| | As at | As at |
| | June 30, 2020 | January 1, 2020 |
| Building | 9,188,510.12 | 10,209,455.68 |
| Vehicles | 3,681,102.87 | 5,184,291.31 |
| Total right-of-use assets | <u>12,869,612.99</u> | <u>15,393,746.99</u> |

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

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

4. TRANSACTIONS WITH RELATED PARTIES

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

| | Unit : Baht | |
|---|--------------|--------------|
| | 2020 | 2019 |
| Transactions between the Company and related parties | | |
| for the three-month periods ended June 30, | | |
| Rental | - | 554,210.52 |
| Right-of-use assets | | |
| Amortization | 510,472.78 | - |
| Interest expenses | 18,018.53 | - |
| Transactions between the Company and related parties | | |
| for the six-month periods ended June 30, | | |
| Rental | - | 1,108,421.04 |
| Right-of-use assets | | |
| Amortization | 1,020,945.56 | - |
| Interest expenses | 129,707.00 | - |

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

Significant balances with related parties can be summarized as follows:

| | Unit : Baht | |
|---|---------------|-------------------|
| | June 30, 2020 | December 31, 2019 |
| Related parties | | |
| Other non-current assets - deposit paid | 540,000.00 | 540,000.00 |
| Right-of-use assets (Cost) | 10,209,455.68 | - |
| Lease liabilities | 9,349,255.31 | - |

Management compensation

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

| | Unit : Baht | |
|--------------------------------------|----------------------|----------------------|
| | 2020 | 2019 |
| Short-term benefits | 12,137,550.22 | 15,122,390.49 |
| Post-employment benefits | 718,104.00 | 637,774.00 |
| Total management compensation | 12,855,654.22 | 15,760,164.49 |

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

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

5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

| | Unit : Baht | |
|--|-----------------------|-----------------------|
| | June 30, 2020 | December 31, 2019 |
| Cash on hand | 50,000.00 | 20,956.20 |
| Cash at banks - savings accounts | 314,906,512.49 | 223,017,271.70 |
| Cash at banks - current accounts | 39,952.00 | 10,000.00 |
| Total cash and cash equivalents | 314,996,464.49 | 223,048,227.90 |

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consisted of:

| | Unit : Baht | |
|--|-----------------------|-----------------------|
| | June 30, 2020 | December 31, 2019 |
| Trade receivables | 232,423,774.98 | 157,924,684.17 |
| Other current receivables | | |
| Advance payment for goods and services | 4,476,787.60 | 1,912,181.20 |
| Advance payments other | 1,321,852.93 | 1,550,579.37 |
| Revenue Department receivable | 4,854,255.98 | 4,569,969.38 |
| Undue input tax | 9,552,849.59 | 2,451,641.73 |
| Other | 1,776,398.42 | 1,068,934.99 |
| Total other current receivables | 21,982,144.52 | 11,553,306.67 |
| Total trade and other current receivables | 254,405,919.50 | 169,477,990.84 |

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

| | Unit : Baht | |
|--------------------------------|-----------------------|-----------------------|
| | June 30, 2020 | December 31, 2019 |
| Trade receivables | | |
| Current | 150,327,943.09 | 144,429,725.13 |
| Not over 3 months | 81,987,226.89 | 37,916.79 |
| Over 3 - 6 months | 108,605.00 | 12,693,062.25 |
| Over 6 - 12 months | - | 763,980.00 |
| Total trade receivables | 232,423,774.98 | 157,924,684.17 |

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

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

7. CONTRACT ASSETS /CONTRACT LIABILITIES

7.1 CONTRACT ASSETS

Contract assets consisted of:

| | Unit : Baht | |
|--|-----------------------|-----------------------|
| | June 30, 2020 | December 31, 2019 |
| | (6 month periods) | (12 month periods) |
| Revenues recognition from percentage of completion method | 443,660,856.51 | 1,169,664,444.24 |
| Contract assets | | |
| Project value as per contract | 3,751,667,630.12 | 1,465,736,819.58 |
| Accumulated amount recognized as revenues under the percentage of completion basis | 2,252,457,239.24 | 1,182,164,548.11 |
| <u>Add</u> retention receivables | 6,321,007.57 | 5,777,788.29 |
| <u>Less</u> value of total billed | (1,891,925,629.96) | (928,475,301.03) |
| Contract assets | 366,852,616.85 | 259,467,035.37 |

7.2 CONTRACT LIABILITIES

Contract liabilities consisted of:

| | Unit : Baht | |
|--|-------------------|----------------------|
| | June 30, 2020 | December 31, 2019 |
| | (6 month periods) | (12 month periods) |
| Contract liabilities | | |
| Project value as per contract | - | 1,061,197,927.68 |
| Value of total billed | - | 939,311,873.51 |
| <u>Less</u> accumulated amount recognized as revenues under the percentage of completion basis | - | (914,620,327.40) |
| Advances received from contract | - | 24,691,546.11 |
| Advances received from service | - | 71,775.00 |
| Total | - | 24,763,321.11 |

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

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

8. CURRENT FINANCIAL ASSETS - NET

Current financial assets consisted of:

| | Unit : Baht | | | |
|--|---------------|------------|-------------------|----------------|
| | June 30, 2020 | | December 31, 2019 | |
| | At cost | Fair value | At cost | Fair value |
| | | Level 2 | | Level 2 |
| Open-End fund investments | - | - | 250,000,000.00 | 250,000,000.00 |
| Add unrealized gain on investments revaluation | - | - | - | 833,424.34 |
| Total current financial assets - net | - | - | 250,000,000.00 | 250,833,424.34 |

9. 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 June 30, 2020, consisted of:

| | Unit : Baht | | |
|---|-------------------------------|---------------------|-------------------|
| | Property, plant and equipment | Right-of-use assets | Intangible assets |
| Net book value as at December 31, 2019 | 82,950,442.82 | - | 829,783.64 |
| Adjustments from adoption of TFRS 16 | - | 15,393,746.99 | - |
| Net book value as at January 1, 2020 | 82,950,442.82 | 15,393,746.99 | 829,783.64 |
| Acquisitions during the period (Cost) | 6,237,783.51 | - | 48,400.00 |
| Depreciation during the period | (2,655,243.43) | - | - |
| Amortization during the period | - | (2,220,808.98) | (180,415.14) |
| Disposal during the period (Book value) | (63.00) | (303,325.02) | - |
| Net book value as at June 30, 2020 | 86,532,919.90 | 12,869,612.99 | 697,768.50 |

Depreciation and amortization for the six-month periods ended June 30, 2020 and 2019 amounted to Baht 5.06 million and Baht 0.81 million, respectively, were included in the statements of profit or loss.

As at June 30, 2020 and December 31, 2019, the Company's equipment which have been fully depreciated but are still in use, amounted to Baht 5.41 million and Baht 6.38 million, respectively.

As at June 30, 2020 and December 31, 2019, all of the Company's land and buildings have been mortgaged as collateral for loan from a financial institution (Note 12) and letters of guarantee for business of the Company.

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

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

10. DEFERRED TAX ASSETS

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

| | Unit : Baht | | |
|--|--------------------------|----------------------------|------------------------|
| | Movement | | |
| | As at January 1, 2020 | increase Profit or loss | As at June 30, 2020 |
| Deferred tax assets | | | |
| Right-of-use assets (amortization) | - | 39,605.11 | 39,605.11 |
| Non-current provisions for employee benefits | 3,110,177.60 | 391,921.40 | 3,502,099.00 |
| Total deferred tax assets | 3,110,177.60 | 431,526.51 | 3,541,704.11 |

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

| | Unit : Baht | |
|----------------------|----------------------|----------------------|
| | 2020 | 2019 |
| Current tax expenses | 12,812,889.69 | 11,971,888.96 |
| Deferred tax | (431,526.51) | (349,946.00) |
| Income tax expenses | 12,381,363.18 | 11,621,942.96 |

The Company used income tax rate of 20% for the calculation of corporate income tax for the six-month periods ended June 30, 2020 and 2019.

11. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables consisted of:

| | Unit : Baht | |
|---|-----------------------|-----------------------|
| | June 30, 2020 | December 31, 2019 |
| Trade payables | 203,686,761.87 | 134,704,560.35 |
| Other current payables | | |
| Payable for purchase of fixed assets | 86,557.54 | - |
| Accrued incentive expenses | 23,928,733.54 | 29,400,077.66 |
| Accrued other expenses | 4,054,850.16 | 2,466,535.04 |
| Withholding tax payables | 1,324,227.73 | 4,103,816.01 |
| Undue output VAT | 11,212,165.43 | 8,029,405.23 |
| Retention payables | 19,877,763.83 | 374,648.27 |
| Other | 3,176,754.10 | 38,567.10 |
| Total other current payables | 63,661,052.33 | 44,413,049.31 |
| Total trade and other current payables | 267,347,814.20 | 179,117,609.66 |

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

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

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

Long-term loan from a financial institution consisted of:

| | Unit : Baht | |
|--|---------------------|----------------------|
| | June 30, 2020 | December 31, 2019 |
| Long-term loan from a financial institution | 17,230,908.85 | 21,487,291.49 |
| <u>Less</u> current portion of long-term loan | | |
| from a financial institution | (8,772,252.84) | (8,579,448.68) |
| Long-term loan from a financial institution - net | 8,458,656.01 | 12,907,842.81 |

Movements in the long-term loan from a financial institution for the six-month period ended June 30, 2020 are summarized below.

| | Unit : Baht |
|--------------------------------------|----------------------|
| Balance as at January 1, 2020 | 21,487,291.49 |
| Repayment during the period | (4,256,382.64) |
| Balance as at June 30, 2020 | 17,230,908.85 |

13. LEASE LIABILITIES - NET

Lease liabilities as at June 30, 2020 consisted of:

| | Unit : Baht |
|---|----------------------|
| Due within 1 year | |
| Future minimum leases payment | 4,548,000.00 |
| Deferred interest expenses | (491,917.58) |
| Present value of future minimum leases payment | 4,056,082.42 |
| Due over 1 year but not over 5 years | |
| Future minimum leases payment | 9,671,500.00 |
| Deferred interest expenses | (659,943.88) |
| Present value of future minimum leases payment | 9,011,556.12 |
| Net book value of assets under | |
| lease agreements | 12,869,612.99 |

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 1 to 5 years.

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

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

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, 2020 and for the year ended December 31, 2019, as follows:

| | Unit : Baht | |
|---|-------------------|--------------------|
| | June 30, 2020 | December 31, 2019 |
| | (6 month periods) | (12 month periods) |
| Non-current provisions for employee benefits | | |
| beginning of the periods | 15,550,888.00 | 12,437,038.00 |
| Included in profit or loss: | | |
| Current service costs | 1,729,463.00 | 3,065,738.00 |
| Cost of interest | 230,144.00 | 368,112.00 |
| Benefits paid during the periods | - | (320,000.00) |
| Non-current provisions for employee benefits | | |
| ending of the periods | 17,510,495.00 | 15,550,888.00 |

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

| | Unit : Baht | |
|---|--------------|--------------|
| | 2020 | 2019 |
| Current service costs | 1,729,463.00 | 1,565,674.00 |
| Cost of interest | 230,144.00 | 184,056.00 |
| Total employee benefits expenses | 1,959,607.00 | 1,749,730.00 |

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 | |
|---|--------------|--------------|
| | 2020 | 2019 |
| Costs of service | 921,798.98 | 830,482.01 |
| Selling and administrative expenses | 1,037,808.02 | 919,247.99 |
| Total employee benefits expenses | 1,959,607.00 | 1,749,730.00 |

15. DIVIDEND

The resolutions of the Board of Directors Meeting No. 2/2020 held on April 7, 2020, has resolved to pay an interim dividend instead of paying dividend for the year 2019 at the rate of Baht 0.115 per share, totaling of Baht 64.40 million to shareholders in proportion to their share held. Dividends were paid to shareholders on May 5, 2020. The interim dividend have been proposed to the Annual General Meeting of Shareholders acknowledged on June 17, 2020.

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

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

16. 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 | |
|-------------------------------------|---|------------------|---|-----------------|-----------------------------|----------------|------------------|------------------|
| | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 | 2020 | 2019 |
| Revenues | 291,967,213.12 | 505,517,799.14 | 151,693,643.39 | 58,972,148.59 | 83,946,779.53 | 12,313,572.00 | 527,607,636.04 | 576,803,519.73 |
| Costs | (239,396,322.82) | (410,869,415.16) | (120,875,050.07) | (41,240,708.80) | (56,222,021.07) | (8,362,559.16) | (416,493,393.96) | (460,472,683.12) |
| Segment gross profit | 52,570,890.30 | 94,648,383.98 | 30,818,593.32 | 17,731,439.79 | 27,724,758.46 | 3,951,012.84 | 111,114,242.08 | 116,330,836.61 |
| Other income | | | | | | | 2,605,570.52 | 881,512.74 |
| Other unallocated costs | | | | | | | (18,795,032.05) | (25,401,312.61) |
| Distribution costs | | | | | | | (3,475,835.74) | (3,907,453.54) |
| Administrative expenses | | | | | | | (28,262,730.43) | (29,009,598.41) |
| Finance costs | | | | | | | (643,241.30) | (700,908.78) |
| Tax expenses | | | | | | | (12,381,363.18) | (11,621,942.96) |
| Profit for the periods | | | | | | | 50,161,609.90 | 46,571,133.05 |
| Assets consisted of: | | | | | | | | |
| Property, plant and equipment - net | | | | | | | 86,532,919.90 | 73,173,053.50 |
| Other | | | | | | | 1,011,495,561.32 | 622,818,954.11 |
| Total assets | | | | | | | 1,098,028,481.22 | 695,992,007.61 |

..... Director

(Mr. Sakbaworn Pukkanasut)

..... Director

(Mr. Metha Chotiapisitkul)

17. COMMITMENTS AND CONTINGENT LIABILITIES

17.1 As at June 30, 2020 and December 31, 2019, the Company has obligations under service agreement. The remaining service charges of existing contracts to be paid in the future are as follows:

| | Unit : Million Baht | |
|--------------------------|---------------------|--------------|
| | 2020 | 2019 |
| Within 1 year | 0.35 | 5.84 |
| Over 1 and up to 5 years | - | 5.13 |
| Total | 0.35 | 10.97 |

17.2 As at June 30, 2020 and December 31, 2019, the Company had the long-term credit facilities, overdraft bank overdraft and letters of guarantee for the business of the Company totaling Baht 40.00 million, 16.00 million and 300.00 million, respectively. The credit facilities are guaranteed by non-current financial assets.

17.3 As at June 30, 2020 and December 31, 2019, the Company is contingently liable for bank guarantees issued by the banks amounting to Baht 85.54 million and Baht 87.77 million, respectively.

17.4 As at June 30, 2020 and December 31, 2019, the Company was committed to pay under construction contracts amounting to approximately Baht 1.74 million and Baht 2.09 million, respectively.

18. RECLASSIFICATION OF ACCOUNTS

During the period, the Company has reclassified certain accounts in the statement of financial position as at December 31, 2019 to conform to presentation of the financial statement of current period which does not have any significant impact on net profit or shareholders' equity as follows:

| | Unit : Baht | | |
|--|-------------------------|------------------|------------------------|
| | Before reclassification | Reclassification | After reclassification |
| Statement of financial position as at December 31, 2019 | | | |
| Trade and other current receivables | 175,255,779.13 | (5,777,788.29) | 169,477,990.84 |
| Unbilled receivables | 253,689,247.08 | (253,689,247.08) | - |
| Contract assets | - | 259,467,035.37 | 259,467,035.37 |
| Advances received from customers | 24,763,321.11 | (24,763,321.11) | - |
| Contract liabilities | - | 24,763,321.11 | 24,763,321.11 |

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

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

19. EVENTS AFTER THE REPORTING PERIOD

The Board of Directors Meeting No. 4/2020, held on August 6, 2020, approved the allotment of net profit for six-month period ended June 30, 2020 for interim dividend payment to shareholders of Baht 0.038 for each share, totaling of Baht 21.28 million to shareholders in proportion to their share held and specified the list of shareholders entitled to receive dividends (Record Date) on August 21, 2020. The interim dividend payment will be paid on September 4, 2020.

20. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved by the Company's authorized directors to be issued on August 6, 2020.

..... Director
(Mr. Sakbown Pukkanasut)

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