

**TAKUNI GROUP PUBLIC COMPANY LIMITED**

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

**30 JUNE 2019**



## AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of Takuni Group Public Company Limited

I have reviewed the interim consolidated financial information of Takuni Group Public Company Limited and its subsidiaries, and the interim separate financial information of Takuni Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 30 June 2019 and the related consolidated and separate statements of comprehensive income for the three-month and six-month periods then ended, and the related consolidated and separate statements of changes in equity and cash flows for the six-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

### Scope of review

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

### Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

**Boonlert Kamolchanokkul**  
Certified Public Accountant (Thailand) No. 5339  
Bangkok  
9 August 2019

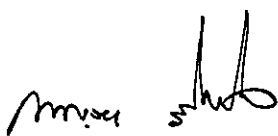
Takuni Group Public Company Limited

Statement of Financial Position

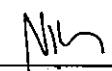
As at 30 June 2019

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht	Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		149,499,153	212,681,600	14,777,572	171,878,891
Short-term investments	8	40,835,031	59,898,707	40,432,947	59,496,623
Trade and other receivables	10	323,191,155	255,882,193	136,286,159	197,500,111
Unbilled receivables	9.1	550,711,282	286,038,976	113,570,614	12,320,534
Short-term loans to related parties	21	-	-	296,460,000	243,850,000
Inventories	11	249,845,683	308,561,179	79,998,930	27,389,417
Other current assets		20,308,151	10,982,681	8,318,904	3,993,079
<b>Total current assets</b>		<b>1,334,390,455</b>	<b>1,134,045,336</b>	<b>689,845,126</b>	<b>716,428,655</b>
<b>Non-current assets</b>					
Pledged and restricted bank deposits		23,316,750	37,348,750	11,899,000	12,559,000
Investments in subsidiaries	12	-	-	91,459,170	91,359,470
Investments in associates	12	2,171,632	-	-	-
Long-term loans to related parties	21	-	-	12,240,000	-
Investment properties		21,814,643	22,279,001	-	-
Property, plant and equipment	13	560,495,634	564,973,640	62,390,585	83,416,581
Goodwill		19,383,641	19,383,641	-	-
Intangible assets	13	14,315,356	13,684,239	1,847,062	1,553,644
Deferred income tax assets	14	4,726,545	3,980,148	1,641,663	1,254,307
Other non-current assets	15	127,604,545	117,927,932	2,290,738	2,925,505
<b>Total non-current assets</b>		<b>773,828,746</b>	<b>779,577,351</b>	<b>183,768,218</b>	<b>193,068,507</b>
<b>Total assets</b>		<b>2,108,219,201</b>	<b>1,913,622,687</b>	<b>873,613,344</b>	<b>909,497,162</b>

Director

  
นางสาวกาญจนา ร่มพณิชยกิจ

Director

  
นางสาวนิตา ตวีรัตน์

The accompanying condensed notes are integral part of these interim financial statements.

Takuni Group Public Company Limited  
Statement of Financial Position (Cont'd)  
As at 30 June 2019

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht	Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Short-term bank borrowings		95,311,049	59,179,723	-	-
Trade and other payables	16	361,144,363	346,268,820	93,291,678	104,839,019
Advance received from construction contracts and construction income received in advance	9.2	267,673,740	385,025,302	41,006,890	48,495,000
Short-term loans from other party		5,000,000	-	-	-
Short-term loans from related party	21	1,000,000	-	-	-
Current portion of long-term bank borrowings	17	38,640,000	38,640,000	-	-
Current portion of finance lease liabilities		2,808,862	2,450,373	1,682,504	924,465
Current income tax payable		4,451,332	1,349,534	3,807,663	-
Other current liabilities		21,897,619	24,889,272	4,139,127	1,425,718
<b>Total current liabilities</b>		<b>797,926,965</b>	<b>857,803,024</b>	<b>143,927,862</b>	<b>155,684,202</b>
<b>Non-current liabilities</b>					
Long-term bank borrowings	17	124,380,000	143,700,000	-	-
Finance lease liabilities		4,715,337	3,476,352	2,267,225	481,022
Employee benefit obligations		14,122,866	7,699,016	8,215,370	3,474,166
Other non-current liabilities	18	21,664,779	12,101,346	14,015,762	3,862,381
<b>Total non-current liabilities</b>		<b>164,882,982</b>	<b>166,976,714</b>	<b>24,498,357</b>	<b>7,817,569</b>
<b>Total liabilities</b>		<b>962,809,947</b>	<b>1,024,779,738</b>	<b>168,426,219</b>	<b>163,501,771</b>

The accompanying condensed notes are integral part of these interim financial information

Takuni Group Public Company Limited  
Statement of Financial Position (Cont'd)  
As at 30 June 2019

	Consolidated financial information		Separate financial information	
	Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht	Unaudited 30 June 2019 Baht	Audited 31 December 2018 Baht
<b>Liabilities and equity (Cont'd)</b>				
<b>Equity</b>				
Share Capital				
Authorised share capital				
1,200,000,000 ordinary shares at par value of Baht 0.5 each	600,000,000	600,000,000	600,000,000	600,000,000
Issued and paid-up				
800,000,000 ordinary shares paid-up of Baht 0.5 each	400,000,000	400,000,000	400,000,000	400,000,000
Premium on paid-up capital ordinary shares	305,527,766	305,527,766	305,527,766	305,527,766
Share surplus from business combination under common control	20,636,290	20,636,290	-	-
Retained earnings (deficits)				
Appropriated - Legal reserve	8,692,000	8,692,000	8,692,000	8,692,000
Unappropriated	35,236,387	72,290,990	(9,032,641)	31,775,625
Other component of equity	81,852,708	1,070,428	-	-
Equity attributable to owners of the parent	851,945,151	808,217,474	705,187,125	745,995,391
Non-controlling interests	293,464,103	80,625,475	-	-
<b>Total equity</b>	<b>1,145,409,254</b>	<b>888,842,949</b>	<b>705,187,125</b>	<b>745,995,391</b>
<b>Total liabilities and equity</b>	<b>2,108,219,201</b>	<b>1,913,622,687</b>	<b>873,613,344</b>	<b>909,497,162</b>

The accompanying condensed notes are integral part of these interim financial information

**Takuni Group Public Company Limited**  
**Statement of Comprehensive Income**

For the three-month period ended 30 June 2019

	Consolidated		Separate	
	financial information		financial information	
	Unaudited	Unaudited	Unaudited	Unaudited
	2019	2018	2019	2018
	Baht	Baht	Baht	Baht
<b>Revenue</b>				
Revenue from sales	188,832,907	188,463,806	188,212,863	187,248,462
Revenue from services	579,003,151	362,944,048	114,365,740	-
<b>Total revenues</b>	<b>767,836,058</b>	<b>551,407,854</b>	<b>302,578,603</b>	<b>187,248,462</b>
<b>Cost of sales</b>				
Cost of sales	(181,046,948)	(170,388,509)	(181,920,280)	(168,731,417)
Cost of providing services	(506,524,649)	(324,497,238)	(100,368,222)	-
<b>Total cost of sales</b>	<b>(687,571,597)</b>	<b>(494,885,747)</b>	<b>(282,288,502)</b>	<b>(168,731,417)</b>
<b>Gross profit</b>	<b>80,264,461</b>	<b>56,522,107</b>	<b>20,290,101</b>	<b>18,517,045</b>
Other income	1,401,623	4,251,909	4,677,396	6,595,210
<b>Profit before expenses</b>	<b>81,666,084</b>	<b>60,774,016</b>	<b>24,967,497</b>	<b>25,112,255</b>
Selling expenses	(1,382,714)	(4,494,281)	(661,270)	(5,858,499)
Administrative expenses	(39,927,187)	(37,823,428)	(13,319,690)	(15,595,008)
Finance costs	(3,534,416)	(3,155,772)	(26,313)	(26,623)
Share of loss of associates	(351,207)	-	-	-
<b>Profit before income tax</b>	<b>36,470,560</b>	<b>15,300,535</b>	<b>10,960,224</b>	<b>3,632,125</b>
Income tax	(9,068,156)	(5,036,749)	(3,360,117)	(1,406,721)
<b>Profit for the period</b>	<b>27,402,404</b>	<b>10,263,786</b>	<b>7,600,107</b>	<b>2,225,404</b>
<b>Other comprehensive income:</b>				
Items that will not be reclassified subsequently to profit or loss				
Remeasurements of post-employment benefit obligations	(3,662,704)	-	(2,843,269)	-
<b>Total comprehensive income</b>	<b>23,739,700</b>	<b>10,263,786</b>	<b>4,756,838</b>	<b>2,225,404</b>
<b>Profit attributable to:</b>				
Owner of the parent	13,772,323	4,559,366	7,600,107	2,225,404
Non-controlling interests	13,630,081	5,704,420	-	-
<b>Profit for the period</b>	<b>27,402,404</b>	<b>10,263,786</b>	<b>7,600,107</b>	<b>2,225,404</b>
<b>Total comprehensive income attributable to:</b>				
Owners of the parents	10,109,619	4,559,366	4,756,838	2,225,404
Non-controlling interests	13,630,081	5,704,420	-	-
<b>Total comprehensive income for the period</b>	<b>23,739,700</b>	<b>10,263,786</b>	<b>4,756,838</b>	<b>2,225,404</b>
<b>Earnings per share</b>				
Basic earnings per share (Baht)	0.0172	0.0057	0.0095	0.0028

The accompanying condensed notes are integral part of these interim financial information

Takuni Group Public Company Limited  
Statement of Comprehensive Income

For the six-month period ended 30 June 2019

	Note	Consolidated financial information		Separate financial information	
		Unaudited 2019 Baht	Unaudited 2018 Baht	Unaudited 2019 Baht	Unaudited 2018 Baht
<b>Revenue</b>					
Revenue from sales		384,777,567	375,573,054	383,786,973	373,684,538
Revenue from services		1,069,209,565	758,765,191	184,119,018	-
<b>Total revenues</b>		<b>1,453,987,132</b>	<b>1,134,338,245</b>	<b>567,905,991</b>	<b>373,684,538</b>
<b>Cost of sales</b>					
Cost of sales		(367,585,160)	(343,975,338)	(370,218,712)	(341,885,537)
Cost of providing services		(940,909,066)	(675,336,317)	(161,365,816)	-
<b>Total cost of sales</b>		<b>(1,308,494,226)</b>	<b>(1,019,311,655)</b>	<b>(531,584,528)</b>	<b>(341,885,537)</b>
<b>Gross profit</b>		<b>145,492,906</b>	<b>115,026,590</b>	<b>36,321,463</b>	<b>31,799,001</b>
Other income		5,758,860	7,020,184	9,915,066	14,064,994
<b>Profit before expenses</b>		<b>151,251,766</b>	<b>122,046,774</b>	<b>46,236,529</b>	<b>45,863,995</b>
Selling expenses		(2,906,089)	(9,471,615)	(1,299,439)	(12,440,769)
Administrative expenses		(104,132,990)	(76,591,211)	(47,636,434)	(30,689,099)
Finance costs		(6,317,726)	(6,228,985)	(44,067)	(56,123)
Share of loss of associates		(351,207)	-	-	-
<b>Profit (loss) before income tax</b>		<b>37,543,754</b>	<b>29,754,963</b>	<b>(2,743,411)</b>	<b>2,678,004</b>
Income tax	20	(16,086,529)	(9,369,101)	(5,073,993)	(809,061)
<b>Profit (loss) for the period</b>		<b>21,457,225</b>	<b>20,385,862</b>	<b>(7,817,404)</b>	<b>1,868,943</b>
<b>Other comprehensive income (expense):</b>					
Items that will not be reclassified subsequently to profit or loss					
Remeasurements of post-employment benefit obligations		(3,490,044)	(1,841,587)	(2,843,269)	(1,258,233)
<b>Total comprehensive income (expense)</b>		<b>17,967,181</b>	<b>18,544,275</b>	<b>(10,660,673)</b>	<b>610,710</b>
<b>Profit (loss) attributable to:</b>					
Owner of the parent		(3,696,706)	7,539,799	(7,817,404)	1,868,943
Non-controlling interests		25,153,931	12,846,063	-	-
<b>Profit (loss) for the period</b>		<b>21,457,225</b>	<b>20,385,862</b>	<b>(7,817,404)</b>	<b>1,868,943</b>
<b>Total comprehensive income (expense) attributable to:</b>					
Owners of the parents		(7,313,121)	5,813,967	(10,660,673)	610,710
Non-controlling interests		25,280,302	12,730,308	-	-
<b>Total comprehensive income (expense) for the period</b>		<b>17,967,181</b>	<b>18,544,275</b>	<b>(10,660,673)</b>	<b>610,710</b>
<b>Earnings (loss) per share</b>					
Basic earnings (loss) per share (Baht)		(0.0046)	0.0094	(0.0098)	0.0023

The accompanying condensed notes are integral part of these interim financial information

Takumi Group Public Company Limited  
Statement of Changes in Equity  
For the six-month period ended 30 June 2019

Consolidated financial information (Unaudited)

	Attribute to owner of the parent										Other component		Total equity
	Issued and paid-up capital		Share premium	Share surplus from business combination		Retained earnings		Change in parent's ownership interests in subsidiary		Total owners of the parent	Non-controlling interests	Total equity	
	Baht	Baht		Baht	under common control	Appropriated legal reserve	Unappropriated	Baht	Baht				
<b>Beginning balance as at 1 January 2018</b>	400,000,000	305,527,766	20,636,290	7,092,000	71,178,930	-	804,434,986	-	72,569,025	877,004,011			
Change in non-controlling interests from disposal of investment in subsidiary	-	-	-	-	-	1,948	1,948	-	752	2,700			
Dividends	-	-	-	-	(27,999,294)	-	(27,999,294)	-	(16,979,955)	(44,979,249)			
Total comprehensive income for the period	-	-	-	-	5,813,967	-	5,813,967	-	12,730,308	18,544,275			
<b>Closing balance as at 30 June 2018</b>	400,000,000	305,527,766	20,636,290	7,092,000	48,993,603	1,948	782,251,607	68,320,130	850,571,737				
<b>Opening balance at 1 January 2019</b>	400,000,000	305,527,766	20,636,290	8,692,000	72,290,990	1,070,428	808,217,474	80,625,475	888,842,949				
Retrospective adjustments from changes in accounting policy	-	-	-	-	258,511	-	258,511	-	95,642	354,153			
<b>Closing balance after adjustment</b>	400,000,000	305,527,766	20,636,290	8,692,000	72,549,501	1,070,428	808,475,985	80,721,117	889,197,102				
Change in non-controlling interests proceeds from shares issued	-	-	-	-	-	80,782,280	80,782,280	205,202,764	285,985,064				
Dividends	-	-	-	-	(29,999,993)	-	(29,999,993)	(17,740,100)	(47,740,093)				
Total comprehensive income (expense) for the period	-	-	-	-	(7,313,121)	-	(7,313,121)	25,280,302	17,967,181				
<b>Closing balance at 30 June 2019</b>	400,000,000	305,527,766	20,636,290	8,692,000	35,236,387	81,852,708	851,945,151	293,464,103	1,145,409,254				

The accompanying condensed notes are integral part of these interim financial information



**Takuni Group Public Company Limited**  
**Statement of Changes in Equity**  
**For the six-month period ended 30 June 2019**

	Notes	Separate financial information (Unaudited)						Total equity Baht
		Issued and paid-up capital Baht	Share premium Baht	Retained earnings (deficits)		Unappropriated Baht		
				Appropriated Legal reserve Baht	Unappropriated Baht			
<b>Beginning balance as at 1 January 2018</b>		400,000,000	305,527,766	7,092,000	30,709,787		743,329,553	
Dividends	22	-	-	-	(27,999,294)		(27,999,294)	
Total comprehensive income for the period		-	-	-	610,710		610,710	
<b>Closing balance as at 30 June 2018</b>		400,000,000	305,527,766	7,092,000	3,321,203		715,940,969	
<b>Opening balance at 1 January 2019</b>		400,000,000	305,527,766	8,692,000	31,775,625		745,995,391	
Retrospective adjustments from changes in accounting policy	4	-	-	-	(147,600)		(147,600)	
<b>Closing balance after adjustment</b>		400,000,000	305,527,766	8,692,000	31,628,025		745,847,791	
Dividends	22	-	-	-	(29,999,993)		(29,999,993)	
Total comprehensive expense for the period		-	-	-	(10,660,673)		(10,660,673)	
<b>Closing balance at 30 June 2019</b>		400,000,000	305,527,766	8,692,000	(9,032,641)		705,187,125	

The accompanying condensed notes are integral part of these interim financial information

**Takuni Group Public Company Limited**  
**Statement of Cash Flows**  
**For the six-month period ended 30 June 2019**

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2019 Baht	Unaudited 2018 Baht	Unaudited 2019 Baht	Unaudited 2018 Baht
<b>Cash flows from operating activities</b>					
Profit (loss) before income tax		37,543,754	29,754,963	(2,743,411)	2,678,004
Adjustments for:					
Depreciation and amortisation charge		30,391,505	22,673,952	2,961,667	2,862,865
(Reversal) Allowance for doubtful accounts	10	488,761	2,506,856	(167,436)	2,821,800
Allowance for impairment of assets	13	22,477,776	-	22,477,776	-
Reversal of allowance for net realisable value of inventories and reversal of allowance for obsolete and slow-moving inventories	11	(701,997)	(354,245)	-	-
(Gain) loss on disposals/written-off of property, plant and equipment		(335,602)	(1,111,062)	32,709	4,693
Share of loss from associates	12	351,207	-	-	-
(Gain) loss from remeasurement of investments	8	(936,324)	172,680	(936,324)	172,680
Loss on disposal of investments		157,924	-	157,924	-
Employee benefit obligations expense		3,666,589	1,229,374	1,187,118	401,001
Written off withholding tax deducted at source		12,650	480,941	12,650	-
Finance costs		6,317,726	6,228,985	44,067	56,123
Interest income		(808,350)	(1,385,784)	(2,729,413)	(3,739,103)
		98,625,619	60,196,660	20,297,327	5,258,063
Changes in operating working capital					
- Trade and other receivables		(67,682,220)	81,617,668	36,015,722	12,049,378
- Unbilled receivables		(270,207,836)	(76,145,868)	(101,250,080)	-
- Inventories		65,339,273	(17,821,011)	(52,609,513)	(17,641,460)
- Other current assets		(9,325,470)	(1,541,980)	(4,325,825)	10,060
- Other non-current assets		(460,434)	(5,545,785)	(191,536)	-
- Trade and other payables		16,270,795	17,047,434	(11,213,220)	1,351,362
- Advance received from construction contracts and construction income received in advance		(117,351,562)	24,815,160	(7,488,110)	-
- Other current liabilities		(3,043,340)	(9,997,628)	2,713,409	711,846
- Employee benefit obligations paid		139,725	(245,256)	-	-
- Other non-current liabilities		9,415,833	(4,073,719)	10,005,781	133,199
Cash generated from operations		(278,279,617)	68,305,675	(108,046,045)	1,872,448
- Interest paid		(5,856,084)	(6,087,136)	-	(56,123)
- Income tax paid		(24,646,118)	(26,361,816)	(942,867)	(462,652)
- Income tax received		813,653	16,593,909	813,653	-
Net cash generated from (used in) operating activities		(307,968,166)	52,450,632	(108,175,259)	1,353,673

The accompanying condensed notes are integral part of these interim financial information

Takuni Group Public Company Limited  
Statement of Cash Flows (Cont'd)  
For the six-month period ended 30 June 2019

	Notes	Consolidated financial information		Separate financial information	
		Unaudited 2019 Baht	Unaudited 2018 Baht	Unaudited 2019 Baht	Unaudited 2018 Baht
<b>Cash flows from investing activities</b>					
Purchase of intangible assets		(1,416,146)	(3,424,060)	(323,980)	-
Purchases of property, plant and equipment		(47,157,661)	(47,954,039)	(1,604,507)	(1,668,814)
Purchase of short-term investments	8	(124,000,000)	-	(30,000,000)	-
Proceeds from disposals of short-term investments	8	143,842,076	-	49,842,076	-
Proceeds from disposals of property, plant and equipment		1,755,030	2,196,261	(32,710)	-
Interest received		808,350	1,385,784	1,095,084	1,595,523
Dividend received		-	-	26,999,995	23,999,995
Short-term loans made to related parties	21.2	-	-	(76,150,000)	(34,640,000)
Loan payments received from short-term loan to related parties	21.2	-	-	11,300,000	6,000,000
Acquisition of associates	12	(2,522,839)	-	-	-
Acquisition of subsidiary		-	-	(99,700)	-
Pledged and restricted bank deposits		14,032,000	5,026,740	660,000	5,026,740
Net cash from (used in) generated investing activities		(14,659,190)	(42,769,314)	(18,313,742)	313,444
<b>Cash flows from financing activities</b>					
Repayments on long-term borrowings from banks	17	(19,320,000)	(26,560,000)	-	-
Proceeds from short-term borrowings from banks		36,131,326	-	-	-
Proceeds from short-term loan from other party		5,000,000	-	-	-
Proceeds from short-term loan from related party	21.3	1,000,000	-	-	-
Dividends paid		(47,740,093)	(44,979,249)	(29,999,993)	(27,999,294)
Payment on finance lease liabilities		(1,611,388)	(1,120,774)	(612,325)	(432,427)
Proceeds from disposal of investment in subsidiary		-	2,700	-	-
Proceeds from issued share capital	12	285,985,064	-	-	-
Net cash generated from (used in) from financing activities		259,444,909	(72,657,323)	(30,612,318)	(28,431,721)
Net decrease in cash and cash equivalents		(63,182,447)	(62,976,005)	(157,101,319)	(26,764,604)
Cash and cash equivalents at the beginning of the period		212,681,600	347,119,350	171,878,891	246,066,025
<b>Cash and cash equivalents at the end of the period</b>		<b>149,499,153</b>	<b>284,143,345</b>	<b>14,777,572</b>	<b>219,301,421</b>

**Non-cash transactions**

	Consolidated financial information		Separate financial information	
	Unaudited 2019 Baht	Unaudited 2018 Baht	Unaudited 2019 Baht	Unaudited 2018 Baht
Purchases of property, plant and equipment (included in accounts payable and other accounts payables)	6,302,678	3,311,982	-	5,472
Purchase assets under finance lease	3,112,500	441,056	3,112,500	-

The accompanying condensed notes are integral part of these interim financial information

## 1 General information

Takuni Group Public Company Limited (the Company) is a public company incorporated and resident in Thailand. The address of its registered office is as follows:

140/1 Soi Nawee Charoensap, Kanchanaphisek Road, Bang Khae, Bangkok.

The principal business operations of the Company and its subsidiaries ("the Group") are Liquid Petroleum Gas trading, hazardous substances and construction materials transportation services, gas systems installation and safety check services for vehicles, construction services and property development business.

The interim consolidated and separate financial information are presented in Thai Baht, unless otherwise stated

The interim consolidated and separate financial information was authorised for issue by the Board of Directors on 9 August 2019.

## 2 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard (TAS) no. 34, Interim Financial Reporting and other financial reporting requirements issued under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2018.

An English version of these interim financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

## 3 Accounting policies

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

**3.1 Financial reporting standards are effective for annual periods beginning on or after 1 January 2020 which are relevant to the Group. The Group has not yet adopted these revised standards.**

### 3.1.1 Financial instruments

The new financial reporting standards relate to financial instruments are:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

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

### 3.1.2 TFRS 16, Leases

TFRS 16 will result in almost all leases where the Group is a lessee being recognised on the balance sheet as the distinction between operating and finance lease is removed. An asset (the right to use the leased item) and financial liability to pay rentals are recognised, with exception on short-term and low-value leases.

The Group has not early adopted the new and amended Thai Financial Reporting Standards and is currently assessing the impacts from these standards.

### 3 Accounting policies (cont'd)

#### 3.2 Financial reporting standards are effective for annual periods beginning on or after 1 January 2019.

##### 3.2.1 TAS 28 (revised 2018), Investments in associates and joint ventures

The amendment clarifies that the election by venture capital organisations, mutual funds, unit trusts and similar entities to measure investments in associates or joint ventures at fair value through profit or loss should be made separately for each associate or joint venture at initial recognition.

##### 3.2.2 TAS 40 (revised 2018), Investment Property

The amendments clarify that transfers to or from investment property can only be made if there has been a change in use that is supported by evidence. A change in use occurs when the property meets, or ceases to meet, the definition of investment property. A change in intention alone is not sufficient to support a transfer.

##### 3.2.3 TFRIC 22, Foreign Currency Transactions and Advance Consideration

The interpretation clarified the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income when an entity has received or paid advance consideration in a foreign currency.

### 4 Change in accounting policies

#### IFRS 15, Revenue from contracts with customers

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

The adoption of IFRS 15 mainly affects the Group's accounting treatment on timing of revenue recognition, variable consideration and inventory.

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

	Consolidated financial information		
	As at 31 December 2018		As at 1 January 2019
	Previously reported Baht	Adjustments Baht	Restated Baht
<b>Statement of financial position</b>			
Trade and other receivables	255,882,193	115,503	255,997,696
Unbilled receivables	286,038,976	(5,535,530)	280,503,446
Inventories	308,561,179	5,921,780	314,482,959
Other non-current liabilities	12,101,346	147,600	12,248,946
Retained earnings - Unappropriated	72,290,990	258,511	72,549,501
Non-controlling interests	80,625,475	95,642	80,721,117
	Separate financial information		
	As at 31 December 2018		As at 1 January 2019
	Previously reported Baht	Adjustments Baht	Restated Baht
<b>Statement of financial position</b>			
Other non-current liabilities	3,862,381	147,600	4,009,981
Retained earnings - Unappropriated	31,775,625	(147,600)	31,628,025

**4 Change in accounting policies (cont'd)**

**TFRS 15, Revenue from contracts with customers (cont'd)**

The following tables show the amounts by each financial statements line item in the current year from the adoption of the new revenue standard compared to the previous revenue standards.

<b>Consolidated financial information</b>			
<b>As at 30 June 2019</b>			
	<b>Balance as reported</b>	<b>Impacts from TFRS 15</b>	<b>Balance under the previous revenue standards</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Statement of financial position</b>			
Trade and other receivables	323,191,155	198,765	323,389,920
Unbilled receivables	550,711,282	(13,000,993)	537,710,289
Other non-current assets	127,604,545	1,676,693	129,281,238
Other current liabilities	21,897,619	13,740	21,911,359
Other non-current liabilities	21,664,779	2,581	21,667,360
Advance received and construction income received in advance	267,673,740	(160,622)	267,513,118
<b>Consolidated financial information</b>			
<b>For the six-month period ended 30 June 2019</b>			
	<b>Balance as reported</b>	<b>Impacts from TFRS 15</b>	<b>Balance under the previous revenue standards</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Statement of comprehensive income</b>			
Revenue from sales	384,777,567	304,530	385,082,097
Revenue from services	1,069,209,565	(18,177,134)	1,051,032,431
Cost of sales	367,585,160	(12,533,880)	355,051,280
Cost of providing services	940,909,066	(5,941,340)	934,967,726
Selling expenses	2,906,089	12,854,730	15,760,819
Income tax	16,086,529	(1,676,693)	14,409,836
Non-controlling interests	25,153,932	(4,249,243)	20,904,689
<b>Separate financial information</b>			
<b>As at 30 June 2019</b>			
	<b>Balance as reported</b>	<b>Impacts from TFRS 15</b>	<b>Balance under the previous revenue standards</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Statement of financial position</b>			
Other current liabilities	4,139,127	13,740	4,152,867
Other non-current liabilities	14,015,762	2,581	14,018,343
<b>Separate financial information</b>			
<b>For the six-month period ended 30 June 2019</b>			
	<b>Balance as reported</b>	<b>Impacts from TFRS 15</b>	<b>Balance under the previous revenue standards</b>
	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Statement of comprehensive income</b>			
Revenue from sales	383,786,973	304,530	384,091,503
Cost of sales	370,218,712	(12,533,880)	357,684,832
Selling expenses	1,299,439	12,854,730	14,154,169

## 5 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

## 6 Segment and revenue information

The Group presents segment information in accordance with business segment in the financial report by considering based on the grouping of related products and services as the basis for segment information.

Significant business segments are as follows:

Liquid Petroleum Gas trading	: Petroleum gas trading for household cooking, industry and transportation
Gas installation equipment trading	: Industrial and car gas systems installation and equipment trading
Transportation services	: Hazardous substances and construction materials transportation services by land
Construction services	: Construction services
Non-destructive testing (NDT) and inspection service	: Non-destructive testing and certify service under safety standards and regulations
Others	: Property development

The Group has two customers in construction services which each generated revenues more than 10% of total revenues in the consolidated financial information for six-month period ended 30 June 2019 totaling Baht 811.30 million (30 June 2018: two customers totaling Baht 525.63 million).

Takuni Group Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 June 2019

6 Segment and revenue information (Cont'd)

Consolidated financial information														
For the three-month period ended 30 June 2019														
	Sales						Services							
	Liqud Petroleum Gas trading		Gas installation equipment trading		Transportation services		Construction services		NDT and inspection service		Others		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenues from operation	188,212,863	187,248,462	758,220	1,547,172	11,686,169	11,153,143	657,611,002	344,298,746	24,163,929	19,924,930	-	-	882,432,183	564,172,453
Revenues from inter - segment	-	-	(138,176)	(331,828)	(7,982,787)	(7,577,909)	(101,512,221)	(761,661)	(4,962,941)	(4,093,201)	-	-	(114,596,125)	(12,764,599)
Total revenue	188,212,863	187,248,462	620,044	1,215,344	3,703,382	3,575,234	556,098,781	343,537,085	19,200,988	15,831,729	-	-	767,836,058	551,407,854
Operating profit (loss)	(2,832,983)	3,539,478	(238,181)	(128,396)	1,006,677	1,288,767	45,917,870	15,631,215	(3,124,233)	(1,725,953)	(372,967)	(148,804)	(40,366,183)	18,456,307
Financial cost	-	-	-	-	-	-	-	-	-	-	-	-	(3,534,416)	(3,155,772)
Share of loss from associates	-	-	-	-	-	-	-	-	-	-	-	-	(351,207)	-
Profit before income tax	-	-	620,044	-	3,703,382	-	556,098,781	-	19,200,988	-	-	-	188,832,907	15,300,535
Income tax	-	-	-	-	-	-	-	-	-	-	-	-	(9,088,156)	(5,036,749)
Net profit	-	-	620,044	-	3,703,382	-	556,098,781	-	19,200,988	-	-	-	179,744,751	10,263,786
Timing of revenue recognition	-	-	-	-	-	-	-	-	-	-	-	-	-	-
At a point in time	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Over time	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue	188,212,863	187,248,462	620,044	1,215,344	3,703,382	3,575,234	556,098,781	343,537,085	19,200,988	15,831,729	(372,967)	(148,804)	767,836,058	551,407,854



Takuni Group Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 June 2019

6 Segment and revenue information (cont'd)

		Consolidated financial information For the six-month period ended 30 June 2019													
		Sales				Services				Others				Total	
		Gas installation equipment trading		Transportation services		Construction services		NDT and inspection service		Others		Total			
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenues from operation		383,786,973	373,684,538	1,390,696	2,440,281	24,046,094	22,878,526	1,145,465,875	722,129,942	42,990,317	38,026,118	-	-	1,597,679,955	1,159,159,405
Revenues from inter - segment		-	(3,732)	(400,102)	(548,039)	(16,164,017)	(15,293,626)	(118,407,123)	(1,379,035)	(8,721,581)	(7,596,734)	-	-	(143,692,823)	(24,821,160)
Total revenue		383,786,973	373,680,806	990,594	1,892,248	7,882,077	7,584,900	1,027,058,752	720,750,907	34,268,736	30,429,384	-	-	1,453,987,132	1,134,338,245
Operating profit (loss)		(23,996,116)	2,932,962	(633,605)	(573,876)	1,677,368	1,405,224	76,733,585	35,226,911	(9,004,465)	(2,697,921)	(584,080)	(309,352)	44,212,887	35,983,948
Financial cost		-	-	-	-	-	-	-	-	-	-	-	-	(6,317,726)	(6,228,985)
Share of loss from associates		-	-	-	-	-	-	-	-	-	-	-	-	(351,207)	-
Profit before income tax		-	-	-	-	-	-	-	-	-	-	-	-	37,543,754	29,754,963
Income tax		-	-	-	-	-	-	-	-	-	-	-	-	(16,086,529)	(9,369,101)
Net profit		-	-	-	-	-	-	-	-	-	-	-	-	21,457,225	20,385,862
Timing of revenue recognition		-	-	990,594	-	-	-	-	-	-	-	-	-	384,777,567	-
At a point in time		-	-	-	-	7,882,077	-	1,027,058,752	-	34,268,736	-	-	-	1,069,209,565	-
Over time		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Total revenue		383,786,973	-	990,594	-	7,882,077	-	1,027,058,752	-	34,268,736	-	-	-	1,453,987,132	-
As at 30 June 2019 and 31 December 2018		-	-	-	-	-	-	-	-	-	-	-	-	-	-
Property, plant and equipment, net		64,076,898	85,165,098	4,942,695	5,164,740	31,355,714	33,623,258	422,163,142	411,745,212	37,955,185	29,275,332	-	-	560,495,634	564,973,640
Goodwill		-	-	-	-	-	-	19,383,641	19,383,641	-	-	-	-	19,383,641	19,383,641
Total consolidated assets		207,103,909	405,348,745	23,807,974	11,744,622	34,915,410	37,252,854	1,609,886,498	1,240,676,196	80,419,552	66,416,090	152,085,858	152,184,180	2,108,219,201	1,913,622,687
Total consolidated liabilities		-	-	-	-	-	-	-	-	-	-	-	-	962,809,947	1,024,779,738

The segment revenue information for the period ended 30 June 2018 has been prepared in accordance with TFRS 11 and 18. Therefore, the segment revenue information presented in the current and comparative period is not comparable. However, the comparable revenue has been disclosed in note 4.

## 7 Fair value

The following table presents financial assets and liabilities that are measured at fair value, excluding where its fair value is approximating the carrying amount.

	Level 2			
	Consolidated financial information		Separate financial information	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
	Baht	Baht	Baht	Baht
<b>Financial assets at fair value through profit or loss</b>				
Investment in fixed income fund classified as trading investment (note 8)	40,432,947	59,496,623	40,432,947	59,496,623
Fixed deposit (note 8)	402,084	402,084	-	-
<b>Total assets</b>	<b>40,835,031</b>	<b>59,898,707</b>	<b>40,432,947</b>	<b>59,496,623</b>

There were no transfers between levels 1 and 2 during the period.

### Valuation techniques used to measure fair value level 2

Fair value of debt investments is determined from contractual cash flows, discounted at the rate derived from observable market price of other quoted debt instruments of the counterparties.

## 8 Short-term investments

During the three-month and six-month period ended 30 June 2019, the movement of short-term investments is as follows:

	Consolidated financial information			
	For three-month period		For six-month period	
	Trading securities Baht	Fixed deposit Baht	Trading securities Baht	Fixed deposit Baht
Opening net book amount	90,016,887	94,402,084	59,496,623	402,084
Addition	-	-	30,000,000	94,000,000
Disposal	(50,000,000)	(94,000,000)	(50,000,000)	(94,000,000)
Gain on fair value measurement during the period	416,060	-	936,324	-
<b>Closing net book amount</b>	<b>40,432,947</b>	<b>402,084</b>	<b>40,432,947</b>	<b>402,084</b>
	Separate financial information			
	For three-month period		For six-month period	
	Trading securities Baht	Fixed deposit Baht	Trading securities Baht	Fixed deposit Baht
Opening net book amount	90,016,887	-	59,496,623	-
Addition	-	-	30,000,000	-
Disposal	(50,000,000)	-	(50,000,000)	-
Gain on fair value measurement during the period	416,060	-	936,324	-
<b>Closing net book amount</b>	<b>40,432,947</b>	<b>-</b>	<b>40,432,947</b>	<b>-</b>

**9 Assets and liabilities of construction contracts**

**9.1 Unbilled receivables**

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Project value as per contracts	4,386,326,829	3,904,417,092	494,934,791	484,950,000
Accumulated amount recognised as revenue on percentage of completion basis	1,943,086,668	1,594,919,907	196,439,551	12,320,534
<u>Less</u> Value of total billed	(1,392,375,386)	(1,308,880,931)	(82,868,937)	-
Unbilled receivables	550,711,282	286,038,976	113,570,614	12,320,534
Retention receivables	37,976,649	37,250,508	-	-

**9.2 Advance received and construction income received in advance**

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Project value as per contracts	1,479,169,975	1,795,930,086	-	-
Value of total billed	1,261,612,430	1,177,526,705	-	-
<u>Less</u> Accumulated amount recognised as revenue on percentage of completion basis	(1,257,750,970)	(1,154,506,083)	-	-
Construction income received in advance	3,861,460	23,020,622	-	-
Advance received from construction contracts	263,812,280	362,004,680	41,006,890	48,495,000
Total	267,673,740	385,025,302	41,006,890	48,495,000

**10 Trade and other receivables**

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Trade account receivables	282,149,559	197,160,808	111,514,296	57,802,886
<u>Less</u> Allowance for doubtful accounts	(5,418,686)	(4,929,925)	(3,634,197)	(3,801,633)
Total trade account receivables - net	276,730,873	192,230,883	107,880,099	54,001,253
Receivable from related parties (note 21)	-	-	1,154,924	1,125,132
Others receivables	325,356	1,597,556	42,444	-
Prepayments	37,511,722	49,146,475	19,723,695	109,523,063
Accrued interest income (note 21)	-	-	7,484,997	5,850,668
Dividend receivable (note 21)	-	-	-	26,999,995
Accrued income - NDT and inspection service	8,623,204	12,907,279	-	-
Total trade and other receivables - net	323,191,155	255,882,193	136,286,159	197,500,111

## 10 Trade and other receivables (cont'd)

As at 30 June 2019 and 31 December 2018, trade receivables, included in trade and other receivables in statements of financial position, can analyse aging as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
<b>Trade account receivables</b>				
Within credit term	170,974,473	144,951,123	30,586,280	31,654,614
Overdue				
- Up to 3 months	98,854,313	47,318,426	76,278,295	22,398,145
- 3 - 6 months	7,236,814	458,050	963,374	226,753
- 6 - 12 months	2,347,903	1,265,029	1,658,538	683,470
- Over 12 months	2,736,056	3,168,180	2,027,809	2,839,904
<b>Total</b>	<b>282,149,559</b>	<b>197,160,808</b>	<b>111,514,296</b>	<b>57,802,886</b>
<b>Less</b> Allowance for doubtful accounts	<b>(5,418,686)</b>	<b>(4,929,925)</b>	<b>(3,634,197)</b>	<b>(3,801,633)</b>
<b>Trade account receivables - net</b>	<b>276,730,873</b>	<b>192,230,883</b>	<b>107,880,099</b>	<b>54,001,253</b>

Management believes that the allowance provided for is sufficient based on its consideration of past debt collection experiences of the Group.

## 11 Inventories

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
<b>Finished goods</b>				
- petroleum gas	18,110,171	24,091,784	18,194,015	24,197,708
- gas tank for installation and equipment	9,982,021	10,839,312	-	-
Work in progress - gas installations	1,194,324	336,040	-	-
Work in progress - mini bus	6,123,364	-	-	-
Work in progress - construction contract	60,713,719	6,983,048	61,804,915	3,191,709
Raw materials	24,638,830	64,985,813	-	-
General supplies	3,346,175	3,148,668	-	-
Goods in transit	437,265	73,578,697	-	-
Land awaiting for development	135,000,000	135,000,000	-	-
<b>Total</b>	<b>259,545,869</b>	<b>318,963,362</b>	<b>79,998,930</b>	<b>27,389,417</b>
<b>Less</b> Allowance for net realisable value of inventories	<b>(9,700,186)</b>	<b>(10,402,183)</b>	<b>-</b>	<b>-</b>
<b>Total inventories - net</b>	<b>249,845,683</b>	<b>308,561,179</b>	<b>79,998,930</b>	<b>27,389,417</b>

As at 30 June 2019, the Group provided an allowance for finished goods particularly those items relating to gas installation and equipment of Baht 9.70 million (31 December 2018: Baht 10.40 million), in which allowance of Baht 0.70 million was reversed as related finished goods were sold in the second quarter of 2019 (2018: allowance of Baht 0.35 million was reversed).

Takuni Group Public Company Limited  
Condensed Notes to the Interim Financial Information (Unaudited)  
For the interim period ended 30 June 2019

12 Investment in associates and subsidiaries

12.1 Investment details

As at 30 June 2019 and 31 December 2018, investments in associates and subsidiaries that have been significantly changed from 31 December 2018 are as follows:

Name	Country of incorporation and place of business	Nature of business	Nature of Relationship	Proportion of ordinary shares directly held by parent (%)			Proportion of ordinary shares held by non-controlling interests (%)			Consolidated financial information		Separate financial information	
				30 June 2019	31 December 2018	30 June 2019	31 December 2018	30 June 2019	31 December 2018	Investment at equity method (Baht)	Cost method (Baht)	30 June 2019	31 December 2018
				2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Associates</b>													
Sermasch Company Limited	Thailand	Repair and maintenance of tools and machinery	Indirect shareholding via RE	-	-	47.50	-	52.50	-	1,281,498	-	-	
Sorb Engineering Co., Ltd.	Thailand	Sales and installation of tools and machinery	Indirect shareholding via RE	-	-	47.50	-	52.50	-	890,134	-	-	
<b>Total</b>										<b>2,171,632</b>			
<b>Subsidiaries</b>													
Takuni Trading Co., Ltd. (TD)	Thailand	Investing	Direct shareholding	99.70	-	99.70	-	0.30	-	-	-	99,700	
CAZ (Thailand) Public Company Limited (CAZ)	Thailand	Construction services	Indirect shareholding via TT	-	-	36.64	51.30	63.36	48.70	-	-	-	
<b>Total</b>												<b>99,700</b>	

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company does not differ from the proportion of ordinary shares.

During 8 - 15 January 2019, CAZ (Thailand) Public Company Limited which is a subsidiary of the Group held interest by Takuni (Thailand) Co., Ltd, offered its ordinary shares to the initial public offering (IPO) by issuing 80 million ordinary shares. The new shares were sold to subscribers at price of Baht 3.90 per share totaling Baht 312 million. The net receiving from IPO was Baht 285.99 million after deducting costs of share issuance amount of Baht 26.01 million. The shares of CAZ began trading in the Market for Alternative Investment (mai) on 22 January 2019. After IPO, CAZ is still a subsidiary of Takuni Group Public Company Limited (the Company). The Company continues to prepare the consolidate financial statements. This will affect to portion of ordinary shares of the parent decrease from 51.30% to 36.64%.

**12 Investment in associates and subsidiaries (cont'd)**

**12.2 Movements of investments**

*Investments in associates*

Movements of investments in associates for six-month period ended 30 June 2019 are as follows:

	<b>Consolidated financial information</b>
	<b>Investment in equity method (Baht)</b>
	<b>30 June 2019</b>
Opening net book value	-
Increase in investment	2,522,839
Share of net loss	(351,207)
Closing net book value	<u>2,171,632</u>

The Executive Committee's meeting no. 7/2562 held on 13 May 2019 has approved the acquisition shares of Sermasch Co., Ltd. ("Sermasch") which operates a repair and maintenance of tools and machinery business totalling 9,500 shares at a par value of Baht 100 per share, total consideration paid is Baht 1.42 million, representing 47.50% of paid-up share capital and the acquisition shares of Sorb Engineering Co., Ltd. ("Sorb") which operates a sales and installation of tools and machinery business totalling 9,500 shares at a par value of Baht 100 per share, total consideration paid is Baht 1.10 million, representing 47.50% of paid-up share capital. The payment of the investment in associate was made on 28 May 2019. As a result of acquisition, the Group is expected to have its expansion in Inspection and Testing business.

The Group has assessed the fair value of Sermasch and Sorb and recognised the difference between considerations paid and acquired identifiable net assets as a goodwill which was included in investments in associates.

*Investments in subsidiaries*

Movements of investments in subsidiaries for six-month period ended 30 June 2019 are as follows:

	<b>Separate financial information Baht</b>
Beginning net book amount	91,359,470
Acquisition	99,700
Ending net book amount	<u>91,459,170</u>

The Executive Committee's meeting no. 4/2562 held on 11 March 2019 has approved to establish and register Takuni Trading Company Limited which is a holding company. The new company was registered with the Ministry of Commerce on 3 April 2019 with the register capital of Baht 100,000.

### 13 Property, plant and equipment and intangible assets

Movements of property, plant and equipment and intangible assets for six-month period ended 30 June 2019 are as follows:

	Consolidated financial information		Separate financial information	
	Property, plant and equipment Baht	Intangible assets Baht	Property, plant and equipment Baht	Intangible assets Baht
Opening net book amount	564,973,640	13,684,239	83,416,581	1,553,644
Additions	48,561,316	1,416,146	4,382,886	323,980
Disposals/ written offs	(1,419,428)	-	(1)	-
Depreciation/ amortisation charges	(29,144,700)	(782,447)	(2,933,687)	(27,980)
Allowance for impairment	(22,475,194)	(2,582)	(22,475,194)	(2,582)
Closing net book amount	560,495,634	14,315,356	62,390,585	1,847,062

As at 30 June 2019, the Group had pledged certain plots of land and buildings with net book value of Baht 349.58 million (31 December 2018: Baht 349.81 million) as collateral for credit facilities for bank overdrafts, letters of credits or trust receipt, letters of guarantees, forward contracts, long-term borrowings from financial institutions (note 17 and note 23.1).

#### Impairment

During the six-month period ended 30 June 2019, gas depot and related assets in LPG trading business have been impaired amount to Baht 22.48 million since recoverable amount is less than carrying value. The recoverable amount of Cash Generate Unit (CGU) of LPG trading business unit was determined based on value in use, which calculated by using pre-tax cash flow projections covering the longest useful life of the assets in CGU. This is management's best estimation of the recoverable amount.

However, the recoverable amount may change due to the alternation of environment and related situations, which may affect to allowance for impairment in the future.

### 14 Deferred tax assets (liabilities)

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Deferred income tax assets	5,979,455	4,645,764	2,496,819	1,491,640
Deferred income tax liabilities	(1,252,910)	(665,616)	(855,156)	(237,333)
Deferred income tax, net	4,726,545	3,980,148	1,641,663	1,254,307

Deferred tax assets arise from temporary differences of the allowance for doubtful accounts, allowance for inventories, reserve for employee benefit obligations, warranty provisions and provisions for sales promotion. Deferred tax liabilities arise from temporary differences of finance leases and gains and losses arising from the acquisition of assets between the Group.

#### 15 Other non-current asset

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Deposit and guarantee	2,577,009	2,370,862	982,611	990,771
Withholding tax deducted at source	91,309,116	80,347,762	1,108,431	1,934,734
Retention	33,718,420	35,209,308	199,696	-
Total other non-current assets	127,604,545	117,927,932	2,290,738	2,925,505

#### 16 Trade and other payables

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Trade accounts payable	287,095,475	223,778,210	51,206,243	39,342,825
Trade accounts payable - related parties (note 21)	-	-	35,037,746	57,373,464
Amounts due to related parties (note 21)	-	-	101,917	110,150
Other payables	9,632,002	6,651,626	2,547,716	2,010,109
Unearned revenue	820,406	305,175	-	-
Accrued expenses	63,596,480	115,533,809	4,398,056	6,002,471
Total trade and other payables	361,144,363	346,268,820	93,291,678	104,839,019

#### 17 Borrowings

Movements of borrowings for six-month period ended 30 June 2019 are as follows:

	Consolidated financial information	Separate financial information
	30 June 2019 Baht	30 June 2019 Baht
Opening amount	182,340,000	-
Repayments	(19,320,000)	-
Closing amount	163,020,000	-

#### Subsidiaries

##### CAZ (Thailand) Public Company Limited

On 15 January 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 10.00 million, which required the principle repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at MLR% per annum and is guaranteed by CAZ's director.

On 15 January 2016, CAZ entered into the borrowing agreement with a local bank amounting to Baht 10.00 million, which required the repayment of Baht 720,000 every 6 month, totaling 14 periods. This borrowing bears the interest rate at 4.00% per annum and is guaranteed by CAZ's director.

On 10 August 2016, CAZ entered into the loan agreement with a local bank amounting to Baht 250.00 million, which required the repayment of Baht 2.98 million per month, totaling 84 periods. This borrowing bears the interest rate at MLR - 0.75% per annum for the first anniversary of the date of drawdown and MLR - 0.50 % per annum for the period thereafter. The borrowing is pledged by the Company, land and buildings of CAZ and CAZ's director (note 13).



### 18 Other non-current liabilities

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Deposit and guarantee Retention	329,810	329,810	324,810	324,810
Provisions for sales promotion	20,903,200	11,589,136	13,259,183	3,355,171
	431,769	182,400	431,769	182,400
<b>Total other non-current liabilities</b>	<b>21,664,779</b>	<b>12,101,346</b>	<b>14,015,762</b>	<b>3,862,381</b>

### 19 Warrants

#### Warrants to purchase ordinary shares TAKUNI-W

On 29 January 2016, the Company issued warrants to offer to its existing shareholders. The detail of warrants is as follows:

Type of warrants	: To be issued under the names of respective holders and transferable.
Term of warrants	: 5 years from the issuing and offering date
Number of warrants	: 399,999,874 units
Ratio	: 2 existing ordinary shares per 1 warrant
Offering price	: Baht 0 per unit
Exercise ratio	: 1 warrant per 1.07 ordinary shares (31 December 2018: 1 warrant per 1.04 ordinary shares)
Exercise price	: Baht 1.88 per share (31 December 2018: Baht 1.93 per share)
Exercise date	: On the last business day of December of each year
Last exercise date	: 28 January 2021

At 13 March 2019, the company adjusted exercise price and exercise ratio of warrants during the term of the warrants since dividend payout is higher than dividend payout policy.

The movement of warrants to purchase ordinary shares for the six-month period ended 30 June 2019 is as follows:

	Consolidated and separate financial information
	TAKUNI-W Warrants
Opening balance	399,999,874
Warrants issued during the period	-
Warrants exercised during the period	-
<b>Closing balance</b>	<b>399,999,874</b>

**20 Income tax expense**

Income tax expense for six-month period ended 30 June 2019 and 2018 are as follows:

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
Current income tax	15,960,414	9,294,452	4,750,532	1,552,016
Deferred income tax	126,115	74,649	323,461	(742,955)
	16,086,529	9,369,101	5,073,993	809,061

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings. The estimated average annual tax rate used is 21 %. (For the six-month period ended 30 June 2018: 21 %.)

**21 Related party transactions**

As at 30 June 2019, the major shareholders of the Company are four individuals from the same family, which own 51.80 % of the Company's share capital. The investment in subsidiaries is disclosed in note 12.

The following material transactions were carried out with related parties:

**21.1 Outstanding balances arising from sales/purchases of goods/services**

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Other receivables Subsidiaries	-	-	1,154,924	1,125,132
Accrued interest income Subsidiaries	-	-	7,484,997	5,850,668
Dividend receivable Subsidiaries	-	-	-	26,999,995
Prepayment Subsidiaries	-	-	5,119,510	90,112,017
Trade accounts payable Subsidiaries	-	-	35,037,746	57,373,464
Other account payables Subsidiaries	-	-	101,917	110,150
Retention Subsidiaries	-	-	4,592,700	2,041,200

**21 Related party transactions (cont'd)**

**21.2 Loans to related parties**

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
	Subsidiaries	-	-	308,700,000

The movement in loans to related parties is as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
	Opening balance	-	-	243,850,000
Additions	-	-	76,150,000	93,050,000
Repayments	-	-	(11,300,000)	(43,020,000)
Ending balance	-	-	308,700,000	243,850,000

These loans are unsecured and carry interest at the rate of 3.00% per annum. The loans are due on demand.

**21.3 Short-term loans from related parties**

The movement in short-term loans from related parties is as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
	Opening balance	-	-	-
Additions	1,000,000	-	-	-
Ending balance	1,000,000	-	-	-

These short-term loans from related parties are loans from management which are unsecured and carry interest at the rate of 5.25% per annum. The loans are due on demand.

**21.4 Revenues from sales of goods/services and other income**

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
	<b>For the three-month period ended 30 June</b>			
<b>Other income</b>				
Subsidiaries	-	-	2,999,860	3,778,799
<b>Interest income</b>				
(included in other income)				
Subsidiaries	-	-	1,099,845	833,236

**21 Related party transactions (cont'd)**

**21.4 Revenues from sales of goods/services and other income (cont'd)**

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the six-month period ended 30 June				
Revenue from sales Subsidiaries	-	-	-	3,732
Other income Subsidiaries	-	-	6,154,907	7,468,799
Interest income (included in other income) Subsidiaries	-	-	1,939,212	2,386,457

**21.5 Purchases of goods/services and other expenses**

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the three-month period ended 30 June				
Purchase of goods and services Subsidiaries	-	-	115,482,326	-
Office rental expenses Subsidiaries	-	-	267,000	267,000
Transportation expenses Subsidiaries	-	-	6,996,952	7,054,078
Other Expenses Subsidiaries	-	-	94,081	121,479

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
For the six-month period ended 30 June				
Purchase of goods and services Subsidiaries	-	-	117,556,769	-
Office rental expenses Subsidiaries	-	-	534,000	534,000
Transportation expenses Subsidiaries	-	-	14,225,889	14,245,964
Other Expenses Subsidiaries	-	-	161,716	394,117

## 21 Related party transactions (cont'd)

### 21.6 Key management compensation

Key management includes directors (executive and non-executive) and management of the Group, the compensation paid or payable to key management is shown below:

	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>For the three-month period ended 30 June</b>				
Salaries and other short-term employee benefits	7,422,761	7,245,867	3,347,198	3,801,655
Post-employment benefits	3,349,257	1,550,467	3,245,836	175,818
	<b>10,772,018</b>	<b>8,796,334</b>	<b>6,593,034</b>	<b>3,977,473</b>
	Consolidated financial information		Separate financial information	
	2019 Baht	2018 Baht	2019 Baht	2018 Baht
<b>For the six-month period ended 30 June</b>				
Salaries and other short-term employee benefits	15,317,428	14,279,734	6,696,022	7,643,310
Post-employment benefits	3,578,340	1,802,439	3,371,498	1,650,130
	<b>18,895,768</b>	<b>16,082,173</b>	<b>10,067,520</b>	<b>9,293,440</b>

## 22 Dividends

### The Company

At the Annual General Shareholders' Meeting on 23 April 2018, shareholders approved the appropriation of dividends for the operating results for the year ended 31 December 2017 at Baht 0.035 for 800 million shares, totaling Baht 28 million. The dividends were paid to shareholders on 21 May 2018

At the Annual General Shareholders' Meeting on 25 April 2018, shareholders approved the appropriation of dividends for the operating results for the year ended 31 December 2018 at Baht 0.0375 for 800 million shares, totaling Baht 30 million. The dividends were paid to shareholders on 24 May 2019

### Subsidiary

#### CAZ

At the Board of Director's Meeting on 11 May 2018, the Board of Director approved the interim dividends from the operating result for the period ended 31 March 2018 at Baht 0.04 for 200 million shares, totaling of Baht 7.04 million. The interim dividends were paid on 8 June 2018.

At the Annual General Shareholders' Meeting on 18 April 2019, shareholders approved the annual dividends from the operating result for the year ended 31 December 2018 at Baht 0.10 for 280 million shares, totaling of Baht 28 million. The dividends were paid on 17 May 2019.

## 23 Commitments and contingency

### 23.1 Letters of guarantee

As at 30 June 2019, the outstanding bank guarantees issued by the banks on behalf of the Group for the purchase of petroleum gas from gas sellers and government agencies for the electricity usage, and on behalf of subsidiaries for the purchase of goods and contractual performance are as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Currency:				
- Thai Baht	929,873,765	1,061,919,281	103,295,000	103,295,000
- USD	-	1,840,500	-	-

The Group has credit facilities for letter of credit or trust receipt, letter of guarantee and forward contract. These credit facilities are pledged by subsidiaries' assets, subsidiaries' bank accounts, and directors (note 13).

### 23.2 Operating lease commitments

As at 30 June 2019, the Group and Company had the future aggregate minimum lease payments under non-cancellable operating lease in respect of operating vehicle, tools and equipment and land rental for gas storage facility in Pichit province, as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019 Baht	31 December 2018 Baht	30 June 2019 Baht	31 December 2018 Baht
Within 1 year	9,110,968	6,412,835	1,841,701	2,031,757
Later than 1 year but not later than 5 years	10,445,918	8,526,233	2,303,332	2,979,388
Over 5 years	4,447,813	4,664,779	4,447,813	4,664,780
Total	24,004,699	19,603,847	8,592,846	9,675,925

### 23.3 Capital commitment

Capital expenditure contracted for at the reporting date but not yet incurred is as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Property, plant and equipment				
Currency:				
- Thai Baht	2,883,000	10,294,722	-	-
Intangible asset				
Currency:				
- Thai Baht	165,750	926,250	78,000	312,000

## 23 Commitments and contingency (cont'd)

### 23.4 Commitment from purchasing construction materials

Construction materials purchase contracted for at the reporting date but not yet incurred is as follows:

	Consolidated financial information		Separate financial information	
	30 June 2019	31 December 2018	30 June 2019	31 December 2018
Currency:				
- Thai Baht	6,611,774	25,260,821	-	-
- USD	209,583	528,351	-	-
- Korean Won	5,710,000	-	-	-

### 23.5 Litigation

#### Subsidiary

CAZ (Thailand) Public Company Limited ("subsidiary") has been sued from claiming damage case by a company ("plaintiff") for breach of service contract in amount of Baht 1.52 million. The Court of First Instance reached out judgment on 27 October 2017 to dismiss the case. On 22 February 2018, the plaintiff filed an appeal with its claims to the Court of Appeal. The Court of Appeal judged this case on 15 November 2018 to let the subsidiary pay Baht 0.35 million. On 4 March 2019, the subsidiary filed a petition to the supreme court since the plaintiff did not sue for such amount at first. Currently, the subsidiary has not recorded provision for the contingent liabilities, which may arise from the legal proceeding since management believes that the subsidiary will not incur any significant loss from this litigation.

## 24 Events after the reporting period

### The Company

#### Investment in Associated Company

The Executive Committee's meeting no. 10/2019 held on 17 July 2019 has approved the Company to invest in a new company, held 40% of paid-up share capital, which conduct business in residential development for sales. The company signed on the investment agreement on 30 July 2019.

#### Subsidiary (CAZ (Thailand) Public Company Limited)

##### Changing objective of the increased capital

At the Extraordinary General Meeting of Shareholders of CAZ No. 1/2019 on 1 July 2019, the shareholders approved changing the purpose of capital increase for bank collateral to purchase new land and factory with a budget not over than Baht 100 million. CAZ has planned to use these assets as a loan collateral instead of using Takuni's assets. Currently, CAZ is in the process of contract execution and transfer ownership with the seller.

##### Promissory note issuance

On 26 July 2019, CAZ issued promissory note to Export Import Bank of Thailand amounting Baht 50 million, which requires the repayment on 23 December, 2019. This promissory note bears the interest rate at 5% per annum.