

**Takuni Group Public Company Limited
and its Subsidiaries**

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2022
and
Independent auditor's review report



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Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of Takuni Group Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Takuni Group Public Company Limited and its subsidiaries, and of Takuni Group Public Company Limited, respectively, as at 30 June 2022; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2022, the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2022; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 34, “Interim Financial Reporting”.

(Vipavan Pattavanvivek)
Certified Public Accountant
Registration No. 4795

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2022

Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
		2022	2021	2022	2021
Assets		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Current assets					
Cash and cash equivalents		87,381	525,827	41,831	257,813
Trade and other current receivables	3, 10	622,412	400,286	71,262	84,432
Contract assets	4, 10	577,900	634,777	-	-
Short-term loans to related parties	2	2,000	47,320	95,300	86,750
Inventories	5	81,870	70,171	16,745	13,654
Other current assets		10,807	11,096	123	109
Total current assets		1,382,370	1,689,477	225,261	442,758
Non-current assets					
Restricted deposits at financial institutions		27,307	27,288	15,600	15,600
Investments in subsidiaries		-	-	111,459	111,459
Investments in associates	6	45,288	4,255	47,064	4,000
Long-term loans to related parties	2	233,981	13,384	303,823	130,938
Investment properties		3,588	3,820	-	-
Property, plant and equipment	7	693,682	710,706	49,725	52,020
Goodwill		19,384	19,384	-	-
Intangible assets		13,765	14,442	1,073	1,226
Receivable from sale of land	2	76,241	76,241	-	-
Retention receivables	4	142,203	97,154	-	-
Withholding tax deducted at source		74,112	51,478	8,864	8,677
Deferred tax assets		5,985	5,752	336	632
Other non-current assets		7,320	8,938	2,220	3,004
Total non-current assets		1,342,856	1,032,842	540,164	327,556
Total assets		2,725,226	2,722,319	765,425	770,314

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial		Separate financial	
		statements		statements	
		30 June	31 December	30 June	31 December
Liabilities and equity		2022	2021	2022	2021
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Short-term borrowings from financial institutions		170,641	373,502	-	-
Trade and other current payables		424,332	400,533	26,491	25,476
Contract liabilities	4	411,404	290,142	-	-
Short-term borrowings from other party		20,000	20,000	-	-
Short-term borrowings from related parties	2	15,000	-	15,000	-
Current portion of long-term borrowings					
from financial institutions	10	80,480	38,640	-	-
Current portion of lease liabilities		32,411	36,306	906	1,024
Income tax payable		253	1,254	-	-
Other current liabilities		48,524	47,758	826	239
Total current liabilities		1,203,045	1,208,135	43,223	26,739
<i>Non-current liabilities</i>					
Long-term borrowings from financial institutions	10	26,500	87,660	-	-
Lease liabilities		27,616	40,583	3,296	3,901
Deferred income		14,236	14,236	-	-
Non-current provisions for employee benefits		11,806	11,078	819	734
Other non-current liabilities		22,500	12,443	531	486
Total non-current liabilities		102,658	166,000	4,646	5,121
Total liabilities		1,305,703	1,374,135	47,869	31,860

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Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

	Consolidated financial		Separate financial	
	statements		statements	
	30 June	31 December	30 June	31 December
	2022	2021	2022	2021
	(Unaudited)		(Unaudited)	
	<i>(in thousand Baht)</i>			
Liabilities and equity				
Equity				
Share capital:				
Authorised share capital				
- 800,000,236 ordinary shares,				
<i>par value at Baht 0.5 per share</i>	400,000	400,000	400,000	400,000
Issued and paid-up share capital				
- 800,000,236 ordinary shares,				
<i>par value at Baht 0.5 per share</i>	400,000	400,000	400,000	400,000
Share premium on ordinary shares	305,528	305,528	305,528	305,528
Share surplus from business combination				
under common control	20,636	20,636	-	-
Retained earnings				
Appropriated				
Legal reserve	12,597	12,597	12,597	12,597
Unappropriated	130,758	105,919	(569)	20,329
Other components of equity	81,853	81,853	-	-
Equity attributable to owners of the parent	951,372	926,533	717,556	738,454
Non-controlling interests	468,151	421,651	-	-
Total equity	1,419,523	1,348,184	717,556	738,454
Total liabilities and equity	2,725,226	2,722,319	765,425	770,314

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Revenues				
Revenue from sales of goods	127,809	100,045	127,307	99,838
Revenue from construction contracts and rendering of services	795,677	508,576	-	-
	923,486	608,621	127,307	99,838
Costs of sales of goods	(120,696)	(94,508)	(120,865)	(94,480)
Costs of construction contracts and rendering of services	(692,747)	(433,631)	-	-
Gross profit	110,043	80,482	6,442	5,358
Other income	5,527	6,423	3,873	5,637
Distribution costs	(1,135)	(998)	(527)	(595)
Administrative expenses	(42,053)	(37,558)	(9,760)	(9,462)
Profit from operating activities	72,382	48,349	28	938
Finance costs	(3,550)	(6,910)	(91)	(79)
Share of profit (loss) of associates accounted for using equity method	(1,999)	16	-	-
Profit (loss) before income tax expense	66,833	41,455	(63)	859
Income tax benefit (expense)	(13,872)	(10,091)	42	(903)
Profit (loss) for the period	52,961	31,364	(21)	(44)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Profit (loss) for the period	52,961	31,364	(21)	(44)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	52,961	31,364	(21)	(44)
Profit (loss) attributable to:				
Owners of the parent	16,945	10,332	(21)	(44)
Non-controlling interests	36,016	21,032	-	-
	52,961	31,364	(21)	(44)
Total comprehensive income attributable to:				
Owners of the parent	16,945	10,332	(21)	(44)
Non-controlling interests	36,016	21,032	-	-
	52,961	31,364	(21)	(44)
Basic earnings (loss) per share (in Baht)	0.021	0.013	(0.001)	(0.001)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
Note	2022	2021	2022	2021
<i>(in thousand Baht)</i>				
Revenues				
Revenue from sales of goods	232,460	207,902	231,589	207,290
Revenue from construction contracts and rendering of services	1,615,560	999,825	-	-
	1,848,020	1,207,727	231,589	207,290
Costs of sales of goods	(220,928)	(197,279)	(221,820)	(197,518)
Costs of construction contracts and rendering of services	(1,392,891)	(866,312)	-	-
Gross profit	234,201	144,136	9,769	9,772
Other income	11,660	12,175	8,398	9,671
Distribution costs	(2,413)	(2,030)	(960)	(947)
Administrative expenses	(81,058)	(78,349)	(17,648)	(18,752)
Profit (loss) from operating activities	162,390	75,932	(441)	(256)
Finance costs	(8,220)	(13,734)	(161)	(140)
Share of profit (loss) of associates accounted for using equity method	(2,031)	258	-	-
Profit (loss) before income tax expense	152,139	62,456	(602)	(396)
Income tax expense	(31,013)	(14,512)	(296)	(1,023)
Profit (loss) for the period	121,126	47,944	(898)	(1,419)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Gain on remeasurements of defined benefit plans	-	1,750	-	-
Income tax relating to items that will not be reclassified	-	(350)	-	-
Other comprehensive income for the period, net of tax	-	1,400	-	-
Total comprehensive income for the period	121,126	49,344	(898)	(1,419)
Profit (loss) attributable to:				
Owners of the parent	44,839	14,279	(898)	(1,419)
Non-controlling interests	76,287	33,665	-	-
	121,126	47,944	(898)	(1,419)
Total comprehensive income attributable to:				
Owners of the parent	44,839	14,792	(898)	(1,419)
Non-controlling interests	76,287	34,552	-	-
	121,126	49,344	(898)	(1,419)
Basic earnings (loss) per share (in Baht)	0.056	0.018	(0.001)	(0.002)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements								Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Share surplus from business combination under common control	Retained earnings		Other components of equity	Equity attributable to owner of the parent	Non- controlling interests	
				Legal reserve	Unappropriated	Changes in parent's ownership interest in subsidiary			
<i>(in thousand Baht)</i>									
Six-month period ended 30 June 2021									
Balance at 1 January 2021	400,000	305,528	20,636	11,552	73,301	81,853	892,870	336,773	1,229,643
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the parent</i>									
Dividends to owners of the Company	-	-	-	-	(30,000)	-	(30,000)	(4,041)	(34,041)
Total distributions to owners of the parent	-	-	-	-	(30,000)	-	(30,000)	(4,041)	(34,041)
Comprehensive income for the period									
Profit	-	-	-	-	14,279	-	14,279	33,665	47,944
Other comprehensive income	-	-	-	-	513	-	513	887	1,400
Total comprehensive income for the period	-	-	-	-	14,792	-	14,792	34,552	49,344
Balance at 30 June 2021	400,000	305,528	20,636	11,552	58,093	81,853	877,662	367,284	1,244,946

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Consolidated financial statements									
<i>Note</i>	Issued and paid-up share capital	Share premium on ordinary shares	Share surplus from business combination under common control	Retained earnings		Other components of equity	Equity attributable to owner of the parent	Non- controlling interests	Total equity
				Legal reserve	Unappropriated	Changes in parent's ownership interest in subsidiary			
<i>(in thousand Baht)</i>									
Six-month period ended 30 June 2022									
	400,000	305,528	20,636	12,597	105,919	81,853	926,533	421,651	1,348,184
Balance at 1 January 2022									
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the parent</i>									
	-	-	-	-	(20,000)	-	(20,000)	(29,787)	(49,787)
9	-	-	-	-	(20,000)	-	(20,000)	(29,787)	(49,787)
	-	-	-	-	(20,000)	-	(20,000)	(29,787)	(49,787)
	-	-	-	-	44,839	-	44,839	76,287	121,126
	-	-	-	-	-	-	-	-	-
	-	-	-	-	44,839	-	44,839	76,287	121,126
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523
	400,000	305,528	20,636	12,597	130,758	81,853	951,372	468,151	1,419,523

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Separate financial statements				Total equity
	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		
Legal reserve			Unappropriated		
<i>(in thousand Baht)</i>					
Six-month period ended 30 June 2021					
Balance at 1 January 2021	400,000	305,528	11,552	30,489	747,569
Transactions with owners, recorded directly in equity					
<i>Distributions to owners</i>					
Dividends to owners of the Company	-	-	-	(30,000)	(30,000)
<i>Total distributions to owners</i>	-	-	-	(30,000)	(30,000)
Comprehensive income for the period					
(Loss)	-	-	-	(1,419)	(1,419)
Total comprehensive income for the period	-	-	-	(1,419)	(1,419)
Balance at 30 June 2021	400,000	305,528	11,552	(930)	716,150

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	<i>Note</i>	Separate financial statements			Total equity	
		Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		
			Legal reserve	Unappropriated		
<i>(in thousand Baht)</i>						
Six-month period ended 30 June 2022						
Balance at 1 January 2022		400,000	305,528	12,597	20,329	738,454
Transactions with owners, recorded directly in equity						
<i>Distributions to owners</i>						
Dividends to owners of the Company	9	-	-	-	(20,000)	(20,000)
Total distributions to owners		-	-	-	(20,000)	(20,000)
Comprehensive income for the period						
(Loss)		-	-	-	(898)	(898)
Total comprehensive income for the period		-	-	-	(898)	(898)
Balance at 30 June 2022		400,000	305,528	12,597	(569)	717,556

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	121,126	47,944	(898)	(1,419)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Income tax expense	31,013	14,512	296	1,023
Finance costs	8,220	13,734	161	140
Depreciation and amortisation	49,209	47,877	3,037	3,055
Non-current provisions for employee benefits	836	1,717	85	210
(Reversal of) expected credit loss on receivables and bad debts	(659)	364	(1,607)	(885)
Losses on inventories devaluation	8	37	-	-
(Gain) loss on disposal and written off property, plant and equipment	(37)	(3,963)	4	(1,588)
Unrealised gain on foreign exchange	(850)	-	-	-
Share of (profit) loss of associates accounted for using equity method	2,031	(258)	-	-
Written off withholding tax deducted at source	123	827	-	-
Interest income	(2,493)	(2,189)	(2,849)	(3,888)
	<u>208,527</u>	<u>120,602</u>	<u>(1,771)</u>	<u>(3,352)</u>
<i>Changes in operating assets and liabilities</i>				
Trade and other current receivables	(220,930)	(142,540)	(15,194)	5,442
Contract assets	56,877	(71,339)	-	-
Inventories	(11,707)	14,546	(3,091)	838
Other current assets	289	(649)	(14)	13
Retention receivables	(45,049)	(242)	-	-
Other non-current assets	1,618	(1,421)	-	(921)
Trade and other current payables	20,910	(11,738)	961	(5,427)
Contract liabilities	121,262	(8,751)	-	-
Other current liabilities	766	(1,817)	587	(1,326)
Payment of non-current provisions for employee benefits	(108)	(3,438)	-	(3,200)
Other non-current liabilities	<u>10,057</u>	<u>(160)</u>	<u>45</u>	<u>(162)</u>
Net cash generated from (used in) operating activities	142,512	(106,947)	(18,477)	(8,095)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Interest paid	(7,807)	(13,295)	(24)	-
Tax paid	(55,004)	(31,527)	(187)	(203)
Net cash from (used in) operating activities	79,701	(151,769)	(18,688)	(8,298)
<i>Cash flows from investing activities</i>				
Decrease (increase) in restricted deposits at financial institutions	(19)	2,350	-	-
Proceeds from loans to related parties	-	-	116,500	313,580
Payment for loans to related parties	(174,427)	(10,088)	(297,935)	(458,778)
Acquisition of associate	(43,064)	(500)	(43,064)	-
Acquisition of property, plant and equipment	(23,064)	(13,997)	(495)	(103)
Acquisition of intangible assets	(610)	(1,396)	(43)	-
Proceeds from disposal of property, plant and equipment	178	4,482	-	1,589
Dividend received	-	-	29,950	37,897
Interest received	1,954	1,243	3,654	2,836
Net cash used in investing activities	(239,052)	(17,906)	(191,433)	(102,979)
<i>Cash flows from financing activities</i>				
Proceeds from short-term borrowings from financial institutions	280,641	522,341	-	-
Repayment of short-term borrowings from financial institutions	(483,502)	(616,132)	-	-
Proceeds from long-term borrowings from financial institutions	-	42,000	-	-
Repayment of long-term borrowings from financial institutions	(19,320)	(19,320)	-	-
Proceeds from short-term borrowings from related party	15,000	-	15,000	-
Repayment of lease liabilities	(22,127)	(16,964)	(861)	(861)
Dividends paid to owners of the Company	(20,000)	(30,000)	(20,000)	(30,000)
Dividends paid to non-controlling interests	(29,787)	(4,041)	-	-
Net cash used in financing activities	(279,095)	(122,116)	(5,861)	(30,861)

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Net decrease in cash and cash equivalents	(438,446)	(291,791)	(215,982)	(142,138)
Cash and cash equivalents at 1 January	525,827	472,603	257,813	320,427
Cash and cash equivalents at 30 June	87,381	180,812	41,831	178,289
Cash and cash equivalents at 30 June				
Cash and cash equivalents	87,381	184,498	41,831	178,289
Bank overdrafts	-	(3,686)	-	-
	87,381	180,812	41,831	178,289
<i>Non-cash transactions</i>				
Payable from purchase of property, plant and equipment	4,602	2,359	63	9
Acquisitions of right-of-use assets under leases	3,111	20,320	-	-

The accompanying notes form an integral part of the interim financial statements.

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

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These notes form an integral part of the interim financial statements.

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 9 August 2022.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2021.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2021.

2 Related parties

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Subsidiaries				
Purchases of goods and receiving of services	-	-	113	374
Revenue from sale of goods	-	-	-	11
Other income	-	-	3,754	4,119
Rental expense	-	-	606	606
Transportation expense	-	-	10,712	9,541
Interest income	-	-	2,116	3,454
Other expenses	-	-	119	142
Associates				
Revenue from sales of goods	164	9	-	-
Other income	472	86	-	-
Interest income	2,280	1,732	544	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits (<i>including director’s remuneration</i>)	19,852	16,026	5,234	5,417
Post-employment benefits	78	454	29	157
Total key management personnel compensation	19,930	16,480	5,263	5,574

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
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<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
Other related parties				
Rental expense	30	30	-	-
Interest expense	24	-	24	-

Balances as at 30 June 2022 and 31 December 2021 with related parties were as follows:

	Consolidated financial statements		Separate financial statement	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
Trade receivables				
Associate	3	-	-	-
Other receivables <i>(included in other current receivables)</i>				
Subsidiaries	-	-	632	705
Associate	153	44	-	-
Total	153	44	632	705
Interest receivables <i>(included in other current receivables)</i>				
Subsidiaries	-	-	2,235	2,257
Associate	874	880	-	-
Total	874	880	2,235	2,257
Dividend receivables <i>(included in other current receivables)</i>				
Subsidiaries	-	-	-	29,950
Interest receivables <i>(included in other non-current assets)</i>				
Subsidiaries	-	-	818	2,145
Associate	544	-	544	-
Total	544	-	1,362	2,145
Receivable from sale of land				
Associate	76,241	76,241	-	-
Trade and other current payables				
Subsidiaries	-	-	2,267	2,408

Takuni Group Public Company Limited and its Subsidiaries
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	Interest rate		31 December 2021	Consolidated financial statements		Gain on exchange rate	30 June 2022
	31 December 2021	30 June 2022		Increase	Decrease		
<i>Loans to</i>	<i>(% per annum)</i>			<i>(in thousand Baht)</i>			
Associates	5	0, 3, 5	60,704	174,427	-	850	235,981

	Interest rate		31 December 2021	Separate financial statements		Gain on exchange rate	30 June 2022
	31 December 2021	30 June 2022		Increase	Decrease		
<i>Loans to</i>	<i>(% per annum)</i>			<i>(in thousand Baht)</i>			
Subsidiaries	3	3, 4.8	170,368	129,600	(116,500)	-	183,468
Associates	0	0, 3	47,320	168,335	-	-	215,655
Total			217,688	297,935	(116,500)	-	399,123

	Interest rate		31 December 2021	Consolidated / Separate financial statements		Gain on exchange rate	30 June 2022
	31 December 2021	30 June 2022		Increase	Decrease		
<i>Loans from</i>	<i>(% per annum)</i>			<i>(in thousand Baht)</i>			
Other related party	-	4.5	-	15,000	-	-	15,000

3 Trade and other current receivables

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2022	31 December 2021	30 June 2022	31 December 2021
		<i>(in thousand Baht)</i>			
Trade receivables					
Related party	2	3	-	-	-
Other parties		596,506	371,379	68,071	52,842
Less allowance for expected credit loss	10	(1,668)	(3,075)	(731)	(2,338)
Net		594,841	368,304	67,340	50,504
Other current receivables					
Related parties	2	153	44	632	705
Other parties		572	731	-	36
Prepaid expense		17,189	17,421	1,055	980
Advance payments to subcontractors		8,488	12,750	-	-
Other accrued income		295	156	-	-
Interest receivables	2	874	880	2,235	2,257
Dividend receivables	2	-	-	-	29,950
Total		27,571	31,982	3,922	33,928
Total trade and other current receivables		622,412	400,286	71,262	84,432

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Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

<i>For the six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2022	2021 <i>(in thousand Baht)</i>	2022	2021
Expected credit loss				
- Additions	724	2,614	-	-
- Reversal	(2,131)	(6,649)	(1,607)	(4,113)
Bad debts	748	4,399	-	3,228

4 Contract assets and contract liabilities

The Group has outstanding contract assets and contract liabilities with customers as follows:

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021 <i>(in thousand Baht)</i>	30 June 2022	31 December 2021
<i>Contract assets</i>				
Total project value	5,293,199	6,972,637	-	-
Accumulated amount recognised as revenue on percentage of completion basis	2,615,162	4,009,837	-	-
Less value of total billed	<u>(2,037,262)</u>	<u>(3,375,060)</u>	<u>-</u>	<u>-</u>
Total contract assets	<u>577,900</u>	<u>634,777</u>	<u>-</u>	<u>-</u>
Retention receivables	<u>142,203</u>	<u>97,154</u>	<u>-</u>	<u>-</u>
<i>Contract liabilities</i>				
Total project value	3,233,241	2,166,416	-	-
Value of total billed	2,691,124	1,277,983	-	-
Less accumulated amount recognised as revenue on percentage of completion basis	<u>(2,394,271)</u>	<u>(1,136,503)</u>	<u>-</u>	<u>-</u>
	<u>296,853</u>	<u>141,480</u>	<u>-</u>	<u>-</u>
Advance received from construction contracts	<u>114,551</u>	<u>148,662</u>	<u>-</u>	<u>-</u>
Total contract liabilities	<u>411,404</u>	<u>290,142</u>	<u>-</u>	<u>-</u>

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

5 Inventories

	Consolidated financial statements		Separate financial statements	
	30 June 2022	31 December 2021	30 June 2022	31 December 2021
	<i>(in thousand Baht)</i>			
Finished goods - petroleum gas	16,646	13,616	16,745	13,654
Finished goods - gas tank for installation and equipment	8,219	8,081	-	-
Finished goods - minibus	9,459	9,459	-	-
Work in progress - gas installation	-	5	-	-
Work in progress - testing	1,600	1,409	-	-
Raw materials	51,935	44,244	-	-
Supplies	3,539	2,877	-	-
Total	91,398	79,691	16,745	13,654
Less allowance for losses on decline in value	(9,528)	(9,520)	-	-
Net	81,870	70,171	16,745	13,654

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	<i>(in thousand Baht)</i>			
<i>For the six-month period ended 30 June</i>				
Inventories recognised in 'cost of sales of goods':				
- Cost of sales of goods	220,920	197,242	221,820	197,518
- Write-down to net realisable value	105	132	-	-
- Reversal of write-down	(97)	(95)	-	-
Net	220,928	197,279	221,820	197,518

Takuni Group Public Company Limited and its Subsidiaries
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6 Investments in associates

<i>The significant movement for the six-month period ended 30 June 2022</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Associates</i>		
Invest in Enrich Property Co., Ltd.	3,000	3,000
Invest in Enrich Venture Co., Ltd.	40,064	40,064

On 17 March 2022, the Company jointly invested in Enrich Property Co., Ltd. to engage in property development for sales. Its authorized share capital amounted to Baht 10 million which consisted of 100,000 ordinary shares at a par value of Baht 100 per share. The Company held 30% of shares and classified as investment in associate.

On 20 May 2022, the Company jointly invested in Enrich Venture Co., Ltd. to engage in property development for sales. Its authorized share capital amounted to Baht 180 million which consisted of 1,800,000 ordinary shares at a par value of Baht 100 per share. The Company held 20% of shares and classified as investment in associate.

7 Property, plant and equipment

The movement of property, plant and equipment for the six-month period ended 30 June 2022 was as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Net book value</i>		
At 1 January	710,706	52,020
Additions	30,809	549
Disposals / written off	(142)	(4)
Depreciation charge for the period	(47,691)	(2,840)
At 30 June	693,682	49,725

During the six-month period ended 30 June 2022, the Group leased land for 2 years and made fixed payments during the lease term. The Group recognised right-of-use assets amounting to Baht 3.11 million.

As at 30 June 2022, the Group and the Company had pledged property, plant and equipment with net book value of Baht 507.54 million and Baht 32.42 million, respectively (*31 December 2021: Baht 522.77 million and Baht 32.77 million, respectively*) as collateral for credit facilities for bank overdrafts, letters of credits or trust receipt, letters of guarantees, forward contracts and long-term borrowings from financial institutions.

8 Segment information and disaggregation of revenue

Geographical segments

The Group is managed and operated principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

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Notes to the condensed interim financial statements
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	Consolidated financial statements													
	Liquid Petroleum Gas trading		Equipment trading and gas system installation		Transportation services		Construction services		NDT and inspection services		Others		Total	
	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021	2022	2021
<i>Six-month period ended 30 June</i>	<i>(in thousand Baht)</i>													
Information about reportable segments														
Total revenues	231,589	207,290	1,193	1,166	20,391	17,417	1,559,331	955,798	59,449	46,434	-	-	1,871,953	1,228,105
Inter-segment revenues	-	(11)	(322)	(543)	(13,041)	(11,714)	-	(228)	(10,570)	(7,882)	-	-	(23,933)	(20,378)
External revenues	<u>231,589</u>	<u>207,279</u>	<u>871</u>	<u>623</u>	<u>7,350</u>	<u>5,703</u>	<u>1,559,331</u>	<u>955,570</u>	<u>48,879</u>	<u>38,552</u>	<u>-</u>	<u>-</u>	<u>1,848,020</u>	<u>1,207,727</u>
Timing of revenue recognition														
At a point in time	231,589	207,279	871	623	-	-	-	-	-	-	-	-	232,460	207,902
Over time	-	-	-	-	7,350	5,703	1,559,331	955,570	48,879	38,552	-	-	1,615,560	999,825
Total revenues	<u>231,589</u>	<u>207,279</u>	<u>871</u>	<u>623</u>	<u>7,350</u>	<u>5,703</u>	<u>1,559,331</u>	<u>955,570</u>	<u>48,879</u>	<u>38,552</u>	<u>-</u>	<u>-</u>	<u>1,848,020</u>	<u>1,207,727</u>
Segment profit (loss) before income tax	752	230	(102)	(228)	(59)	1,291	148,764	65,979	2,676	(6,487)	108	1,671	152,139	62,456

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2022 (Unaudited)

9 Dividends

Details of dividends during the period of 2022 are as follows:

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
2022				
2021 Annual dividends	26 April 2022	25 May 2022	0.025	20.00

10 Financial instruments

Carrying amounts and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities measured at amortised cost if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements				
	Carrying amount financial instruments measured at amortised cost	Level 1	Level 2	Level 3	Total
		Fair value			
		(in thousand Baht)			
<i>At 30 June 2022</i>					
Long-term borrowings from financial institutions	106,980	-	-	106,554	106,554
<i>At 31 December 2021</i>					
Long-term borrowings from financial institutions	126,300	-	-	125,846	125,846

Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history, limiting customers' credit limit as well as obtaining appropriate guarantees from customers. Cash is limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

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Expected credit loss

Allowance for expected credit loss for trade receivables and contract assets are measured at an amount equal to lifetime ECLs. ECLs on these financial assets are estimated using a provision matrix based on the historical credit loss experience, adjusted for factors that are specific to the debtors and assessment of both the current and forecast general economic conditions.

		Consolidated financial statements							
		Trade receivables							
		Overdue							
	Contract assets	Within credit terms	Less than 3 months	3-6 months	6-12 months	Over 12 months	Fully allowance for expected credit loss on trade receivables	Total	
At 30 June 2022		(%)							
Weighted average loss rate	<u>-</u>	<u>0.04</u>	<u>1.77</u>	<u>8.34</u>	<u>17.65</u>	<u>-</u>	<u>100.00</u>		
		(in thousand Baht)							
Total carrying amounts	<u>577,900</u>	<u>547,638</u>	<u>46,725</u>	<u>1,619</u>	<u>34</u>	<u>-</u>	<u>493</u>	<u>596,509</u>	
Allowance for expected credit loss	<u>-</u>	<u>(206)</u>	<u>(828)</u>	<u>(135)</u>	<u>(6)</u>	<u>-</u>	<u>(493)</u>	<u>(1,668)</u>	
At 31 December 2021		(%)							
Weighted average loss rate	<u>-</u>	<u>0.05</u>	<u>6.12</u>	<u>18.81</u>	<u>8.92</u>	<u>-</u>	<u>100.00</u>		
		(in thousand Baht)							
Total carrying amounts	<u>634,777</u>	<u>330,114</u>	<u>39,078</u>	<u>1,547</u>	<u>471</u>	<u>-</u>	<u>169</u>	<u>371,379</u>	
Allowance for expected credit loss	<u>-</u>	<u>(180)</u>	<u>(2,393)</u>	<u>(291)</u>	<u>(42)</u>	<u>-</u>	<u>(169)</u>	<u>(3,075)</u>	

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11 Commitments with non-related parties

<i>At 30 June 2022</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
<i>Other commitments</i>		
Purchase orders for construction materials	18,935	-
Bank guarantees	1,163,854	49,000
Total	1,182,789	49,000

12 Contingent liabilities

The subsidiary has been sued for a damage case by a company (“plaintiff”) for breach of service contract in amount of Baht 18.31 million. The subsidiary received a subpoena from the Civil Court on 30 November 2019. In this regard, the subsidiary submitted a petition requesting and counterclaims on 27 January 2020. The subsidiary sued to plaintiff seeking compensation of Baht 17.1 million for losses resulting from breach of service contract. The Court of the First Instance’s judgement dated on 23 December 2020 considered that the termination from both parties have voluntarily terminated the contract since 27 September 2019. The subsidiary has liable for payment of service contract to the plaintiff plus interest rate at 7.5% per annum starting from 3 November 2019 and the plaintiff has to return advance payment to the subsidiary. The remaining liability that the subsidiary has to paid to plaintiff amounting to Baht 3.12 million. As a result, the subsidiary has recorded the provision followed by the Court of the First Instance’s judgement.

Subsequently, the Appeal Court announced the judgement dated on 30 November 2021 agreed with the Court of the First Instance and considered the plaintiff and the subsidiary have the voluntarily terminated the contract which either parties cannot claim damages from each other. Resulting to, the plaintiff has to return an advance payment after off-setting the contract value which the subsidiary has to pay to the plaintiff amounting to Baht 2.57 million including, interest at the rate of 7.5% per annum from 24 January 2020 to 10 April 2021 and at the rate of 5% per annum from 11 April 2021 until the payment is complete to the subsidiary. However, the interest rate may be adjusted, decreased or increased in accordance with the Royal Decree enacted under the revised Civil and Commercial Code, Section 7, plus a rate of 2% per annum but must not exceed the rate of 7.5% per annum.

Currently, the subsidiary is in the process of the execution against the plaintiff to comply with the Appeal Court’s judgement. Meanwhile, on 26 May 2022, the plaintiff submitted a request for appeal to the Supreme Court and a request for stay of execution. Subsequently, on 30 June 2022, the subsidiary submitted a request for extension of period for submitting an objection to the request for appeal to the Supreme Court and the request for stay of execution. The Court accepted the request by extending the period to 2 August 2022. Therefore, the subsidiary remained the provision followed by the Court of the First Instance’s judgement.