

## **INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Board of Directors of C.I.GROUP PUBLIC COMPANY LIMITED

I have reviewed the accompanying consolidated and separate statements of financial positions as at September 30, 2019 and the related consolidated and separate statements of comprehensive income for the three-month and nine-month periods ended September 30, 2019, changes in shareholders' equity and cash flows for the nine-month period then ended, and condensed notes to financial statements of C.I.GROUP PUBLIC COMPANY LIMITED and its subsidiary companies and also of C.I.GROUP PUBLIC COMPANY LIMITED. The management of the entity is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

Except as mentioned in the next paragraph, I conducted my review in accordance with Thai Standard on Review Engagements Code No. 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 auditing standards 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.

### **Basis of qualified conclusion**

As mentioned to the note 9 to financial statements as at September 30, 2019, the Company has loan to other person, principal amount of Baht 26.88 million and accrued interest receivable amount of Baht 12.03 million. Due to the borrower default, the Company filed lawsuits against the borrower. The court has the verdict that orders the borrower to repay the debt to the Company. In case of fail, the collateral should be forced sale, if the forced sale amount is inadequate, the debtor's personal assets shall be forced sale. At present, the Company has been following up the confiscation of the debtor which are condominium and two pieces of land. The handed over common shares of a company as collateral have been kept under the custody of the Company for confiscation. There is currently no settlement on the value of the assets to be obtained from the enforcement for the allowance for doubtful accounts of loans and accrued interest receivables.

As mentioned to the note 13 to financial statements. I can not to reviewd enough evidences in the value of investment in associate as presented in the consolidated financial statements as at September 30, 2019 and December 31, 2018 amount of Baht - million (Net of allowance for impairment loss of investment in associated amount of Baht 18.13 million) and amount of Baht 33.31 million respectively, because of the associate company out of rehabilitation plan on July 31, 2018 and the Company perform beginning equity method from originally recorded cost method. The associate company assessed the fair value of property and building in progress, the fair value is in accordance to the valuation report amount of Baht 43.42 million with a lower cost than the fair value amount of Baht 40.39 million, the Company is recorded investment in associate by equity method in the consolidated financial statements recognized such loss amount of Baht 13.27 million in beginning retained earnings. And machinery during installation is in the process of evaluating fair value, the Company recorded investment in associate by equity method in the consolidated financial statements recognized share of loss on investment in associate for the nine-month period ended September 30, 2019 amount of Baht 15.19 million by book value of net assets as at September 30, 2019 of the associate company. However, the financial statement of the associate is the Company recognize. I have reviewed and presentation a qualified opinion on those financial reports of cannot reviewed cost of machinery during installation amount of Baht 283.02 million. The management of the entity has clarified that the plant has been started after the machine has been installed before 2014, so there is no evidence of payment. Such matter may result change in the value of investments associate and share of profit on investment in associate, if fair value measurement of asset complete. Its incapacitate other review to be satisfied to investments associate and share of profit on investment in associate.

#### **Qualified conclusion**

Except as mentioned in the basis of qualified conclusion paragraph, 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 Accounting Standard No. 34 "Interim Financial Reporting".

SAM NAK-NGAN A.M.C. Co., Ltd.

(Mr. Ampol Chamnongwat)

Certified Public Accountant Registration No. 4663

Bangkok

November 12, 2019

## C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Notes	As at		As at	
		September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
		Unaudited Limited review only	Audited (Restated)	Unaudited Limited review only	Audited
<u>Assets</u>					
Current assets					
Cash and cash equivalents	5	27,321	20,608	25,690	15,245
Temporary investments	6	-	-	-	-
Trade and other receivable	4.1 and 7	238,926	199,299	237,848	205,619
Unbilled receivable	8	124,959	34,233	124,959	34,233
Short-term loans to related parties	4.1	11,000	14,000	32,000	95,261
Default payment of loan to other person	9	38,910	38,910	38,910	38,910
Short-term loans to other parties	10	-	6,200	-	-
Inventories	11	229,300	179,383	229,009	179,116
Other current assets		20,694	14,631	19,972	13,723
Total current assets		691,110	507,264	708,388	582,107
Non-current assets					
Investments in subsidiary	12	-	-	40,180	30,556
Investments in associate	13	-	33,314	-	-
Bank depositpled as collateral	14	20,561	20,461	20,461	20,461
Long-term loan to related parites	4.1	-	-	81,384	102,059
Investment property	15	55,566	146,943	55,566	146,943
Property, plant and equipment	16	406,878	427,580	264,823	281,332
Deferred leasehold land	17	10,497	10,949	-	-
Intangible assets	18	3,959	5,287	3,645	4,905
Deferred tax assets	19	33,682	15,711	76,924	49,906
Other non-current assets		25,385	587	25,075	243
Total non-current assets		556,528	660,832	568,058	636,405
Total assets		1,247,638	1,168,096	1,276,446	1,218,512

Notes to the financial statements are an integral part of these statements.

## C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES

## STATEMENTS OF FINANCIAL POSITION

(Unit : Thousand Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		As at		As at	
		September 30, 2019	December 31, 2018	September 30, 2019	December 31, 2018
		Unaudited Limited review only	Audited (Restated)	Unaudited Limited review only	Audited
<u>Liabilities and shareholders' equity</u>					
Current liabilities					
Short-term loans from financial institutions	20	86,104	97,921	86,104	97,921
Short-term loans from other persons and parties	21	97,751	51,999	95,751	51,999
Short-term loans from related parties	4.1	1,150	-	-	-
Trade and other payable	22	296,607	247,874	289,487	239,074
Advance received from construction	8	1,897	-	1,897	-
Unbilled work costs		3,177	21,592	3,177	21,592
Current portion of finance lease liabilities	23	402	1,292	402	1,292
Current portion of liabilities under land lease agreement		889	889	-	-
Income tax payable		9,338	-	9,338	-
Other current liabilities		2,726	1,654	1,973	1,200
Total current liabilities		500,041	423,221	488,129	413,078
Non-current liabilities					
Liabilities under finance lease agreement	23	859	21	859	21
Liabilities under land lease agreement		3,555	4,444	-	-
Employee benefit obligations	24	69,363	40,198	69,203	40,060
Other non-current liabilities		1,158	1,184	3	3
Total non-current liabilities		74,935	45,847	70,065	40,084
Total liabilities		574,976	469,068	558,194	453,162
Shareholders' equity					
Share capital	25				
Authorized share capital					
1,297,174,248 ordinary shares @ Baht 0.50		-	648,587	-	648,587
864,786,782 ordinary shares @ Baht 0.50		432,393	-	432,393	-
Issued and paid-up share capital					
864,786,782 ordinary shares @ Baht 0.50		432,393	432,393	432,393	432,393
Premium on ordinary shares		565,027	565,027	565,027	565,027
Premium on sale treasury stock		15,535	15,535	15,535	15,535
Retained earnings (deficit)					
Appropriated					
Legal reserve		12,707	12,707	12,707	12,707
Unappropriated		(353,000)	(326,634)	(307,410)	(260,312)
Total shareholders' equity of company		672,662	699,028	718,252	765,350
Non-controlling interests		-	-	-	-
Total shareholders' equity		672,662	699,028	718,252	765,350
Total liabilities and shareholder's equity		1,247,638	1,168,096	1,276,446	1,218,512

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Revenue from operation					
Revenue from sales		244,010	240,690	243,421	240,690
Revenue from services		154,733	14,253	152,789	7,060
Total revenues from operation		398,743	254,943	396,210	247,750
Cost from operation					
Cost of sales		(198,458)	(200,108)	(198,064)	(201,687)
Cost of services		(143,781)	(16,052)	(139,504)	(6,601)
Total cost from operation		(342,239)	(216,160)	(337,568)	(208,288)
Gross profit		56,504	38,783	58,642	39,462
Other income		80,038	2,630	80,107	3,219
Selling expenses		(17,447)	(16,591)	(17,301)	(16,384)
Administrative expenses		(40,648)	(18,437)	(34,567)	(19,688)
Doubtful accounts		5,919	2,464	(9,403)	2,466
Loss on impairment of investment in subsidiaries	12	-	-	(34,556)	-
Loss on impairment of investment in associate	13	(18,127)	-	-	-
Directors and management's benefits	4.3	(2,414)	(6,556)	(1,814)	(6,556)
Finance cost		(5,053)	(2,627)	(4,960)	(2,627)
Profit (loss) before share of loss on investment in associate and income tax		58,772	(334)	36,148	(108)
Share of profit (loss) on investment in associate		(7,609)	5,037	-	-
Profit (loss) before income tax		51,163	4,703	36,148	(108)
Income tax expenses	27.1	(9,863)	(1,183)	(9,564)	(1,182)
Profit (loss) for the period		41,300	3,520	26,584	(1,290)

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2019	2018	2019	2018
Profit (loss) for the period attributable to :					
Equity holders of the Company		41,300	3,520	26,584	(1,290)
Non-controlling interests		-	-	-	-
Profit (loss) for the period		41,300	3,520	26,584	(1,290)
Total comprehensive income attributable to :					
Equity holders of the Company		41,300	3,520	26,584	(1,290)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		41,300	3,520	26,584	(1,290)
Basic earnings (loss) per share					
Equity holders of the Company (Unit : Baht)	28	0.0478	0.0041	0.0307	(0.0015)

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2019	2018	2019	2018
Revenue from operation					
Revenue from sales		673,814	736,148	662,283	736,148
Revenue from services		538,688	114,327	533,211	95,831
Total revenues from operation		1,212,502	850,475	1,195,494	831,979
Cost from operation					
Cost of sales		(555,979)	(605,344)	(552,305)	(615,489)
Cost of services		(494,902)	(119,856)	(482,189)	(89,479)
Total cost from operation		(1,050,881)	(725,200)	(1,034,494)	(704,968)
Gross profit		161,621	125,275	161,000	127,011
Other income		85,422	12,376	85,591	14,077
Selling expenses		(49,054)	(51,405)	(48,689)	(50,812)
Administrative expenses		(86,156)	(65,546)	(71,692)	(66,164)
Doubtful accounts		(50,422)	2,464	(95,209)	2,466
Loss on impairment of investment in subsidiaries	12	-	-	(34,556)	-
Loss on impairment of investment in associate	13	(18,127)	-	-	-
Directors and management's benefits	4.3	(26,027)	(19,708)	(24,227)	(19,708)
Finance cost		(15,342)	(6,509)	(15,213)	(6,509)
Profit (loss) before share of loss on investment in associate and income tax		1,915	(3,053)	(42,995)	361
Share of loss on investment in associate		(15,187)	5,037	-	-
Profit (loss) before income tax		(13,272)	1,984	(42,995)	361
Income tax revenues (expenses)	27.1	(5,774)	(3,836)	3,262	(3,153)
Loss for the period		(19,046)	(1,852)	(39,733)	(2,792)

**Unaudited**  
**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF COMPREHENSIVE INCOME**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Notes	2019	2018	2019	2018
Other comprehensive income					
Item that will not be reclassified to profit or loss					
Actuarial losses arising from defined benefit plan	24	(9,150)	-	(9,206)	-
Income tax relevance with other comprehensive income	27.2	1,830	-	1,841	-
Other comprehensive income for the period-net of income tax		(7,320)	-	(7,365)	-
Total comprehensive income for the period		(26,366)	(1,852)	(47,098)	(2,792)
Loss for the period attributable to :					
Equity holders of the Company		(19,046)	(1,852)	(39,733)	(2,792)
Non-controlling interests		-	-	-	-
Loss for the period		(19,046)	(1,852)	(39,733)	(2,792)
Total comprehensive income attributable to :					
Equity holders of the Company		(26,366)	(1,852)	(47,098)	(2,792)
Non-controlling interests		-	-	-	-
Total comprehensive income for the period		(26,366)	(1,852)	(47,098)	(2,792)
Basic loss per share					
Equity holders of the Company (Unit : Baht)	28	(0.0220)	(0.0021)	(0.0459)	(0.0032)

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.



**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

**Consolidated financial statements**

(Unit : Thousand Baht)

	Note	Issued and paid-up share capital	Premiums on share capital	Premiums on share treasury Stock	Retained earnings (deficit)		Total shareholders' equity of the Company	Non - controlling interests	Total
					Appropriated legal reserve	Unappropriated			
Balance as at January 1, 2018		432,393	565,027	15,535	12,707	(273,760)	751,902	(14)	751,888
Loss for the period		-	-	-	-	(1,852)	(1,852)	-	(1,852)
Other comprehensive income for the period		-	-	-	-	-	-	-	-
Total comprehensive income for the period		-	-	-	-	(1,852)	(1,852)	-	(1,852)
Adjust on non-controlling interests		-	-	-	-	-	-	14	14
Balance as at September 30, 2018		432,393	565,027	15,535	12,707	(275,612)	750,050	-	750,050
Balance as at January 1, 2018 (previously reported)		432,393	565,027	15,535	12,707	(313,365)	712,297	-	712,297
The effect of correction of errors	2.6	-	-	-	-	(13,269)	(13,269)	-	(13,269)
Balance as at January 1, 2018 (restated)		432,393	565,027	15,535	12,707	(326,634)	699,028	-	699,028
Loss for the period		-	-	-	-	(19,046)	(19,046)	-	(19,046)
Other comprehensive income for the period		-	-	-	-	(7,320)	(7,320)	-	(7,320)
Total comprehensive income for the period		-	-	-	-	(26,366)	(26,366)	-	(26,366)
Balance as at September 30, 2019		432,393	565,027	15,535	12,707	(353,000)	672,662	-	672,662

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

**Separate financial statements**

(Unit : Thousand Baht)

			Premiums on		Retained earnings (Deficit)		Total
			Issued and paid-up	Premiums on share treasury	Appropriated	Unappropriated	
	share capital	share capital	Stock		legal reserve		
Balance as at January 1, 2018	432,393	565,027	15,535		12,707	(201,806)	823,856
Loss for the period	-	-	-		-	(2,792)	(2,792)
Other comprehensive income for the period	-	-	-		-	-	-
Total comprehensive income for the period	-	-	-		-	(2,792)	(2,792)
Balance as at September 30, 2018	432,393	565,027	15,535		12,707	(204,598)	821,064
Balance as at January 1, 2019	432,393	565,027	15,535		12,707	(260,312)	765,350
Loss for the period	-	-	-		-	(39,733)	(39,733)
Other comprehensive income for the period	-	-	-		-	(7,365)	(7,365)
Total comprehensive income for the period	-	-	-		-	(47,098)	(47,098)
Balance as at September 30, 2019	432,393	565,027	15,535		12,707	(307,410)	718,252

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOW**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities				
Profit (loss) before income tax	(13,272)	1,984	(42,995)	361
Adjustment to profit (loss) before income tax for cash received (payment) from operation				
Depreciation	42,178	46,719	33,965	38,587
Amortization of right to use land	452	1,097	-	-
Amortization of intangible assets	1,678	1,198	1,610	1,117
Gain from sales of investment property	(76,165)	-	(76,165)	-
Gain from sale of property, plant and equipment	-	(1,076)	-	(1,076)
Loss from written off assets dilapidation	428	337	418	337
Transfer of work in process to expenses	31	-	31	-
Loss from declining in value of inventories (reversal)	(3,142)	1,274	(3,142)	1,274
Impairment loss on temporary investments	-	660	-	660
Doubtful accounts trade receivables (reversal)	4,897	(1,424)	12,514	(1,207)
Doubtful accounts long-term loans to related parties	-	-	20,675	12,605
Doubtful accounts short-term loans to related parties	19,000	-	56,261	-
Doubtful accounts short-term loans to other person	25,061	-	4,000	-
Doubtful accounts unbilled receivables	1,760	-	1,760	-
Reversal of estimated accrued expenses	-	(4,100)	-	(4,100)
(Gain) loss from unrealized on exchange rate	231	(1,292)	231	(1,292)
Impairment loss on investment in subsidiaries	-	-	34,556	-
Impairment loss on investment in associate	18,127	-	-	-
Share of loss on investment in associate	15,187	(5,037)	-	-
Employee benefit expenses	20,135	3,209	20,057	3,153
Interest income	(2,823)	(422)	(3,025)	(4,903)
Interest expenses	15,342	6,509	15,213	6,509
Profit from operating activities before changes in operating assets and liabilities	69,105	49,636	75,964	52,025

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOW**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities (continue)				
Operating assets (increase) decrease				
Trade and other receivable	(45,154)	(21,064)	(43,778)	(14,910)
Unbilled receivables	(92,486)	-	(92,486)	-
Inventories	(46,857)	9,312	(46,833)	9,317
Other current assets	(6,105)	(2,738)	(6,249)	(1,982)
Other non-current assets	(24,798)	943	(24,832)	(5,766)
Operating liabilities increase (decrease)				
Trade and other payable	48,503	(17,157)	50,216	(16,915)
Advance received from construction	1,897	-	1,897	-
Unbilled work costs	(18,415)	-	(18,415)	-
Other current liabilities	1,072	(50)	773	-
Employee benefit obligations	(120)	-	(120)	-
Other non-current liabilities	(26)	-	-	-
Cash received (paid) from operation activities	(113,384)	18,882	(103,863)	21,769
Income tax paid	(12,577)	(1,318)	(12,577)	(1,318)
Net cash received from (used in) operating activities	(125,961)	17,564	(116,440)	20,451
Cash flows from investing activities				
(Increase)Decrease in fixed deposit used as collateral	(100)	16,169	-	16,169
Cash payment for short-term loans from related parties	(16,000)	-	(54,500)	(35,250)
Cash received from short-term loans from related parties	-	18,000	61,500	18,250
Cash received form short-term loans from other parties	23,099	-	99	-
Cash payment for short-term loans from other parties	(40,520)	-	(4,000)	-
Cash received from interest	1,456	483	1,404	428
Cash payment in investments in subsidiary	-	-	(44,180)	(1,000)
Cash payment in purchase of investment property	(1,432)	(1,650)	(1,432)	(1,650)
Cash received from sales of investment property	165,000	-	165,000	-
Cash payment in purchase of property, plant and equipment	(16,573)	(55,180)	(12,585)	(23,220)
Cash received from sales of property, plant and equipment	-	1,181	-	1,181
Cash payment in purchase of intangible assets	(350)	(706)	(350)	(281)
Net cash received from (used in) investing activities	114,580	(21,703)	110,956	(25,373)

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I.GROUP PUBLIC COMPANY LIMITED AND SUBSIDIARIES**  
**STATEMENTS OF CASH FLOW**  
**FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2019**

(Unit : Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from financing activities				
Increase in bank overdraft and short-term loans from financial institutions	(11,592)	16,259	(11,592)	16,259
Cash payment in interest expenses	(15,049)	(6,486)	(14,953)	(6,486)
Cash received from short-term loans from other person	53,500	20,090	91,500	20,090
Cash payment for short-term loans from other person	(16,500)	-	(56,500)	-
Cash received for short-term loans from person related	3,675	-	-	-
Cash payment for short-term loans from person related	(2,525)	-	-	-
Short-term loans from other parties increase	8,752	-	8,752	-
Cash paid for liabilities under finance lease agreement	(1,240)	(998)	(1,240)	(998)
Cash paid for liabilities under land lease agreement	(889)	(889)	-	-
Adjust on non-controlling interests	-	14	-	-
Net cash received from financing activities	18,132	27,990	15,967	28,865
Effects of exchange rates in cash and cash equivalents	(38)	(275)	(38)	(275)
Net increase in cash and cash equivalents	6,713	23,576	10,445	23,668
Cash and cash equivalents at the beginning of the period	20,608	31,920	15,245	29,008
Cash and cash equivalents at the ending of the period	27,321	55,496	25,690	52,676

Supplemental cash flow information

Non-cash transactions

- Write-off allowance for doubtful debts with trade receivables	-	1,276	-	1,260
- Transfer of other receivable to short-term loans to other parties	1,440	-	99	-
- Transfer of supply to property, plant and equipment	82	-	82	-
- Transfer of property, plant and equipment to investment property	-	82,094	-	82,094
- Transferred of deposit to investment property	-	2,940	-	2,940
- Transfer of other current assets to property, plant and equipment	42	-	-	-
- Transferred of other long-term investments to investments in associate	-	30,000	-	-
- Purchases of property, plant and equipment which had not yet been paid	76	1,524	76	1,524
- Purchases of asset under finance lease liabilities	1,188	-	1,188	-

**Unaudited**

**Limited Review Only**

Notes to the financial statements are an integral part of these statements.

**C.I. GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES**  
**NOTES TO FINANCIAL STATEMENTS**  
**FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2019**  
**(UNAUDITED/LIMITED REVIEW ONLY)**

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1. General information

The Company was registered as a corporate entity under the Civil and Commercial Code on August 20, 1991 and later registered as a public company on March 1, 2004, registration number 0107547000133 with its registered head office located at 1/1, Moo 7, Bangkoowad Road, Tambol Bangkoowad, Amphor Muang, Pathumthani Province, Thailand.

The Company main business activity is producing and distributing air conditioning products and parts and construction service.

Its subsidiary companies which operate business according in the note to financial statements No. 3.1.

2. Basis of interim financial statements preparation and accounting policies

2.1 These interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

2.2 These interim financial statements are prepared in the condensed format and in accordance with the Accounting Standard No. 34 ( Revised 2018) on “ Interim Financial Reporting” including interpretations and guidance promulgated by the Federation of Accounting Professions ( “ FAP” ), related regulations and announcements of the Securities and Exchanges Commission. However, the Group has presented items in the statements of financial position, statements of comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

2.3 The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2018. They do not include all of the financial information requires for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2018.

2.4 The interim financial statements are presented in Thai Baht, rounded to the nearest thousand Baht unless otherwise stated.

2.5 The Group use the significant accounting policies and the calculation method in the preparation of the interim financial statements for the three-month and nine-month periods ended September 30, 2019 which are consistent with those used in the annual financial statements for the year ended December 31, 2018.

2.6 The correction of errors

Investment in associate recorded cost method in the consolidated financial statements as at September 30, 2019. The associate Company assessed the fair value of property and building in progress is in accordance to the valuation report as at July 8, 2019 valuation report. The consolidate financial statements as at December 31, 2018 presented herein for comparison, have been retrospectively adjusted for the effect of the changes investments in associate The effect can be shown as follows:-

(Unit : Thousand Baht)

	Consolidated financial statements		
	Before readjustment	Readjustment increase (decrease)	After readjustment
Statements of financial position as at December 31, 2018			
Investment in associate decrease	46,583	(13,269)	33,314
Unappropriated deficit increase	(313,365)	(13,269)	(326,634)
Basic loss per share increase	(0.0458)	(0.0153)	(0.0611)

2.7 The Reclassified

Some items in the consolidated statements of financial positions as at December 31, 2018 have been reclassified in line with the presentation of the consolidated statements of financial positions as at September 30, 2019 there was no impact to profit and loss for the period and the shareholders' equity as reported which can be summarise as following.

(Unit : Thousand Baht)

	Consolidated financial statements		
	Before reclassified	Reclassified increase (decrease)	After reclassified
Statements of financial position as at December 31, 2018			
Cash and cash equivalents	20,658	(50)	20,608
Trade and other receivable	199,249	50	199,299
Other current liabilities	2,758	(1,104)	1,654
Other non-current liabilities	80	1,104	1,184

## 2.8 New financial reporting standards

### 2.8.1 Financial reporting standards that became effective in the current year

During the period, the Group has adopted the revised financial reporting standards and interpretations ( revised 2018 ), new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Group's financial statements.

### 2.8.2 Financial reporting standard that will become effective in the future

The Federation of Accounting Professions has published new and revised accounting standards, financial reporting standards, interpretations accounting standards, interpretations financial reporting standards and accounting practices that are mandatory for annual periods beginning on or after January 1, 2020. The Company has not yet early adopted these new and revised financial reporting standards which are as follows: -

<u>Reference standard No.</u>	<u>Name</u>	<u>Effective date</u>
<u>Thai Accounting Standards (TAS)</u>		
TAS 32	Financial Instruments: Presentation	January 1, 2020
<u>Thai Financial Reporting Standards (TFRS)</u>		
TFRS 7	Financial Instruments: Disclosures	January 1, 2020
TFRS 9	Financial Instruments	January 1, 2020
TFRS 16	Leases	January 1, 2020
<u>Thai Financial Reporting Interpretations (TFRIC)</u>		
TFRIC 16	Hedges of a Net Investment in a Foreign Operation	January 1, 2020
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	January 1, 2020

The management of the Group is in the process to assess the impact of this financial reporting standard to the financial statements in the year when it is adopted.



### 3. Basis of preparation of the interim consolidated financial statements

- 3.1 The interim consolidated financial statements for the three-month and nine-month periods ended September 30, 2019 have been prepared by consolidating the financial statements of the Company and of three subsidiary companies (collectively called the “the Group”) The detail of structure and shareholding ratio of the Group is as follows:-

Name of subsidiaries	Country of incorporation	Nature of business	Percentage of Shareholdings	
			As at	
			September 30, 2019	December 31, 2018
C.I.G. (Thailand) Co., Ltd.	Thailand	Air conditioning and refrigeration parts manufacturing and distribution; including maintenance and inspection services	99.98	99.98
CIG Development Co., Ltd.	Thailand	Hotel	99.97	99.97
Siam Railway Development Co., Ltd.	Thailand	Locomotive Maintenance	99.99	99.97

- 3.2 Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.
- 3.3 The consolidated financial statements have been prepared using the same accounting policy for the same accounting items and other events in the similar situation.
- 3.4 The accounting periods of subsidiary companies ended the same date as that of C.I. GROUP PUBLIC COMPANY LIMITED.
- 3.5 The consolidated financial statements combine the accounts of the Company and subsidiary companies after eliminating inter-company transaction items. The balances between the Company and subsidiary companies, significant intra-group transactions, investments in subsidiary companies and share capital of subsidiary companies have already been eliminated from the consolidated financial statements.
- 3.6 Investments in subsidiaries which the Company holds 99.95% onwards are prepare the consolidated financial statements. The Company calculated the investment in the subsidiary as 100%.

#### 4. Inter-transaction with related companies

The Company has business transactions with related entities, which have the same group of shareholders or mutual directors. Such transaction which have been concluded on commercial terms and based agreed up on between the company and related parties and are in ordinary course of business which can be summarized as follow:-

##### 4.1 Inter-assets and liabilities

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
<u>Cheque on hand</u>				
CIG Development Co., Ltd.	-	-	54	-
<u>Other receivables</u>				
Siam Railway Development Co., Ltd.	-	-	7	-
Related person	2	-	-	-
Total	2	-	7	-
<u>Accrued income</u>				
CIG Development Co., Ltd.	-	-	1	1
Siam Railway Development Co., Ltd.	-	-	1	1
Total	-	-	2	2
<u>Accrued interest receivable</u>				
C.I.G. (Thailand) Co., Ltd.	-	-	347	69
CIG Development Co., Ltd.	-	-	7,919	7,166
Siam Railway Development Co., Ltd.	-	-	-	429
Fakwantip Co., Ltd.	2,847	2,278	2,847	2,278
Total	2,847	2,278	11,113	9,942
<u>Less</u> Allowance for doubtful debt	(2,847)	-	(10,766)	-
Accrued interest receivable-net	-	2,278	347	9,942

Movements of allowance for doubtful debts trade and other receivable-related parties for the nine-month period ended September 30, 2019 and 2018, are as follow:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Beginning balance	-	-	-	-
Increase during the period	2,847	-	10,766	-
Ending balance	2,847	-	10,766	-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
<u>Short-term loan</u>				
C.I.G. (Thailand) Co., Ltd.				
Beginning balance	-	-	21,000	250
Addition	-	-	11,000	21,000
Repayment	-	-	-	(250)
Ending balance	-	-	32,000	21,000
CIG Development Co., Ltd.				
Beginning balance	-	-	22,261	10,761
Addition	-	-	38,000	11,500
Repayment	-	-	(23,000)	-
Ending balance	-	-	37,261	22,261
<u>Less</u> Allowance for doubtful debt	-	-	(37,261)	-
Net	-	-	-	22,261
Siam Railway Development Co., Ltd.				
Beginning balance	-	-	38,000	8,250
Addition	-	-	500	29,750
Repayment	-	-	(38,500)	-
Ending balance	-	-	-	38,000
Fakwantip Co., Ltd				
Beginning balance	14,000	18,000	14,000	18,000
Addition	5,000	14,000	5,000	14,000
Repayment	-	(18,000)	-	(18,000)
Ending balance	19,000	14,000	19,000	14,000
<u>Less</u> Allowance for doubtful debt	(19,000)	-	(19,000)	-
Net	-	14,000	-	14,000
DCP World Co., Ltd				
Beginning balance	-	-	-	-
Addition	11,000	-	-	-
Ending balance	11,000	-	-	-
Total	11,000	14,000	32,000	95,261

Movements of allowance for doubtful debts Short-term loans to related parties for the nine-month period ended September 30, 2019 and 2018, are as follow:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Beginning balance	-	-	-	-
Increase during the period	19,000	-	56,261	-
Ending balance	19,000	-	56,261	-

As at September 30, 2019 and December 31, 2018, the short-term loans to related parties which have an allowance for doubtful debts is in promissory notes form, 12 months and at call and interest is carried by the rate of 1.50-15.00% per annum for the both periods. Therefore, the Company ceased revenue recognition for interest income since April 1, 2019 record the allowance for doubtful accounts for the whole amount onward due to there is uncertainty to collectable. However, the subsidiary company still has commitment to pay interest as stipulated in the loan agreement. The Company will recognize interest income when interest is paid.

As at September 30, 2019, Short-term loans to related parties amount of Baht 11.00 million is of loan under agreement with due to repayment 3 month which due with in October 18, 2019. The borrower has pledged post dated cheques amount of Baht 11.33 million as collaterals. With the directors of that company to sign guarantees, interest rates of 12.00% per annum.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
<u>Long-term loans</u>				
CIG Development Co., Ltd.				
Beginning balance	-	-	182,500	182,500
Ending balance	-	-	182,500	182,500
<u>Less</u> Allowance for doubtful debt	-	-	(101,116)	(80,441)
Net	-	-	81,384	102,059

Movements of allowance for doubtful debts Long-term loans to related parties for the nine-month period ended September 30, 2019 and 2018, are as follow:-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Beginning balance	-	-	-	-
Increase during the period	-	-	20,675	-
Ending balance	-	-	20,675	-

On July 15, 2016, the subsidiary has signed new loan agreements amount of Baht 184.00 million because it was unable to made repayment under the original loan agreement with amount of Baht 183.06 million, consisting of a principal amount of Baht 175.90 million, accrued interest receivable amount of Baht 7.16 million as part of the principal (calculated until June 30, 2016) and an additional loan amount of Baht 0.94 million for working capital. The repayments under the terms of the contract by period of three months from August 31, 2016 to June 30, 2031, bearing interest rate at 1.50% per annum.

As at September 30, 2019 and December 31, 2018 the subsidiary was unable to made repayment above conditions. The management considerations allowance for doubtful loan amount of Baht 101.12 million and amount of Baht 80.44 million respectively. Therefore, the Company ceased revenue recognition for interest income since April 1, 2019 onward due to there is uncertainty to collectable. However, the subsidiary company still has commitment to pay interest as stipulated in the loan agreement. The Company will recognize interest income when interest is paid.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
<u>Short-term loans from related persons</u>				
Related person				
Beginning balance	-	-	-	-
Addition	3,675	-	-	-
Repayment	(2,525)	-	-	-
Ending balance	1,150	-	-	-

As at September 30, 2019, the short-term loans from related parties for the whole amount, maturity within 3 month which due within 2019, interest rate of 15.00% per annum.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
<u>Post dated cheque</u>				
Related person	100	-	-	-
<u>Accrued directors benefits expenses</u>				
Related person	2,797	-	-	-
<u>Non-current liabilities</u>				
CIG Development Co., Ltd.	-	-	3	3

#### 4.2 Inter-revenues and expenses

(Unit : Thousand Baht)

		<u>Consolidated financial statements</u>	<u>Separate financial statements</u>		
		<u>For the three-month period ended September 30,</u>			
	<u>Pricing policy</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Inter-transaction with subsidiaries</b>					
(Eliminated from consolidated financial statements)					
Rental income	Contract price	-	-	6	6
Interest income	The rate to the promissory note	-	-	401	889
Doubtful debt		-	-	9,812	5,335
<b>Inter-transaction with related parties</b>					
Interest income	The rate to the promissory note	-	658	-	658
Interest expenses	The rate to the promissory note	127	-	87	-
Other expenses	Contract price	600	-	-	-

(Unit : Thousand Baht)

Consolidated financial statements Separate financial statementsFor the nine-month period ended September 30,

<u>Pricing policy</u>		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Inter-transaction with subsidiaries</b>					
(Eliminated from consolidated financial statements)					
Rental income	Contract price	-	-	18	17
Interest income	The rate to the promissory note	-	-	1,602	2,490
Doubtful debt		-	-	65,855	12,605
<b>Inter-transaction with related parties</b>					
Interest income	The rate to the promissory note	569	1,997	569	1,997
Interest expenses	The rate to the promissory note	196	-	156	-
Other expenses	Contract price	1,800	-	-	-
Doubtful debt		21,847	-	21,847	-

#### 4.3 Directors and management's benefits

(Unit : Thousand Baht)

Consolidated financial statements Separate financial statementsFor the three-month period ended September 30,

	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term employee benefits	2,014	6,258	1,414	6,258
Post-employment benefits	400	298	400	298
Total	2,414	6,556	1,814	6,556

(Unit : Thousand Baht)

Consolidated financial statements Separate financial statementsFor the nine-month period ended September 30,

	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Short-term benefits	20,679	18,825	18,879	18,825
Post-employment benefits	5,348	883	5,348	883
Total	26,027	19,708	24,227	19,708

Director and Management benefit expenses represent the benefits paid to the Company's management and directors such as salaries, related benefit and directors' remuneration including the benefit paid by other means. The Company's management are the persons who are defined under the Securities and Exchange Act.

#### 4.4 Relationship among the companies

Consisted of :-

<u>Company's Name</u>	<u>Relationship</u>
C.I.G. (Thailand) Co., Ltd.	Subsidiary company by shareholding and common management
CIG Development Co., Ltd.	Subsidiary company by shareholding and common management
Siam Railway Development Co., Ltd.	Subsidiary company by shareholding and common management
Fakwantip Co., Ltd.	Associate company of the subsidiary
DCP World Co., Ltd.	Chief Executive Officer Director is shareholder
Related person	Chief Executive Officer Director
	Director of the subsidiary company
	Shareholder of the Company

After the period Chief Executive Officer Director leave shareholder DCP World Co., Ltd held on October 11, 2019

#### 5. Cash and cash equivalent items

Consisted of:-

	(Unit :Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Cash	370	295	298	170
Savings deposits	23,553	8,404	21,988	3,217
Current deposits	96	98	48	47
Fixed deposits	113	31	113	31
FCD deposits	3,189	8,322	3,189	8,322
Cheque on hand-related parties	-	-	54	-
Cheque on hand-other parties	-	3,458	-	3,458
Total	27,321	20,608	25,690	15,245



## 6. Short-term investments

Consisted of :-

(Unit : Thousand Baht)

### Consolidated/Separate financial statements

As at

September 30, 2019   December 31, 2018

#### Marketable trading securities

Aggregate cost	1,960	1,960
<u>Less</u> Provision for investments adjustment	(1,300)	(1,300)
<u>Less</u> Allowance for investments impairment	(660)	(660)
Net	-	-

As at September 30, 2019 and December 31, 2018, one security of investments in marketable trading securities ( listed company) which has cost amount of Baht 1.96 million and has provision for diminution in investments amount of Baht 1.30 million and has net value amount of Baht 0.66 million (closing price as at August 15, 2016). As at September 30, 2018 , there was no bid price to measure its fair value due to that listed company has not submitted the financial statements on time. Therefore it has been suspended trading by The Stock Exchange of Thailand and delisted according to The Stock Exchange of Thailand's Regulations. However, the Company set up the allowance for investments impairment in the whole amount.

## 7. Trade and other receivable

Consisted of :-

(Unit : Thousand Baht)

### Consolidated financial statements

### Separate financial statements

As at

As at

September 30, 2019   December 31, 2018   September 30, 2019   December 31, 2018

Trade receivable-other parties	245,868	211,589	240,166	206,449
Notes receivable	4,081	2,742	3,861	2,243
Total trade and notes receivable	249,949	214,331	244,027	208,692
<u>Less</u> Allowance for doubtful accounts	(26,863)	(25,116)	(21,864)	(20,116)
Total trade and notes receivable-net	223,086	189,215	222,163	188,576

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Other receivable-related parties	2	-	7	-
Other receivable-other parties	532	634	254	354
Accrued income-related parties	-	-	2	2
Accrued income-other parties	-	33	-	-
Accrued interest receivable-related parties	2,847	2,278	11,113	9,942
Accrued interest receivable-other parties	933	453	753	430
Advance payment	1,520	50	1,333	-
Prepaid expenses	3,034	3,497	2,867	3,208
Deposits to supplier	2,076	1,102	2,076	1,102
Other	8,046	2,037	8,046	2,005
Total other receivable	18,990	10,084	26,451	17,043
<u>Less</u> Allowance for doubtful accounts	(3,150)	-	(10,766)	-
Total other receivable-net	15,840	10,084	15,685	17,043
Total trade and other receivable	238,926	199,299	237,848	205,619

As of September 30, 2019 and December 31, 2018, The trade account receivables, value amount of Baht 77.06 million and amount of Baht 58.21 million respectively, were transfer the right of collection to a company in the note to financial statements No.21. The Company still be responsible on this trade account receivable, if the liquidation is default.

Trade and notes receivable were classified by aging as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Notes receivables	4,081	2,742	3,861	2,243
Trade receivables				
Within credit term	114,866	128,987	114,771	128,920
Overdue				
- Not over 3 months	102,943	54,800	102,835	54,743
- Over 3 months but not over 6 months	564	726	95	714
- Over 6 months but not over 12 months	712	1,660	681	1,656
- Over 12 months	26,783	25,416	21,784	20,416
Total	249,949	214,331	244,027	208,692
<u>Less</u> Allowance for doubtful accounts	(26,863)	(25,116)	(21,864)	(20,116)
Net	223,086	189,215	222,163	188,576

The normal credit term granted to customers of the Group is 15-120 days.

The movement of allowance for doubtful debts-trade accounts and other receivable for the nine-month period ended September 30, 2019 and 2018 were as follows :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at September 30,</u>		<u>As at September 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Beginning balance	(25,116)	(26,474)	(20,116)	(21,239)
Increase during the period	(6,165)	(943)	(13,782)	(925)
Collect during the period	1,268	2,367	1,268	2,132
Write-off bad debt during the period	-	1,276	-	1,260
Ending balance	(30,013)	(23,774)	(32,630)	(18,772)

Management of the Company believes that the allowance for doubtful accounts recorded as sufficient in the circumstances present.

8. Unbilled receivables/Advances received from construction

Consisted of: -

(Unit : Thousand Baht)

	<u>Consolidated financial statements/</u>	
	<u>Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Unbilled receivables		
Value of work according the contract	681,039	248,733
Recognized of revenues on percentage of completion basis	610,496	127,322
<u>Less</u> Value of total billed	(483,777)	(93,089)
Unbilled receivables	126,719	34,233
<u>Less</u> Allowance for doubtful debt	(1,760)	-
Unbilled receivables-net	124,959	34,233
Advances received from construction		
Value of work according the contract	13,224	-
Value of total billed	12,534	-
<u>Less</u> Recognized of revenues on percentage of completion basis	(10,637)	-
Advances received from construction	1,897	-

The company has information about construction contracts which are in the process as follows: -

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements/</u>	
	<u>Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Accumulated construction costs and realized gains		
(Less loss recognized) until present	621,133	127,322
<u>Less</u> Value of total billed	(496,311)	(93,089)
Total	124,822	34,233
<u>Less</u> Allowance for doubtful debt	(1,760)	-
Net	123,062	34,233
Amount recognized as assets / liabilities in the statement of financial position		
- Unpaid work value	124,959	34,233
- Advances received from construction	(1,897)	-
Net	123,062	34,233

The movement of allowance doubtful debt for unbilled receivables for the nine-month period ended September 30, 2019 and 2018 were as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements/</u>	
	<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>
Beginning balance	-	-
Increase during the period	(1,760)	-
Ending balance	(1,760)	-

#### 9. Default payment of loan to other person

Consisted of:

	(Unit : Thousand Baht)	
	<u>Consolidated/Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Principal	26,883	26,883
Accrued interest income	12,027	12,027
Total	38,910	38,910

The Company has loan to other person amounting to Baht 92.03 million (principal amounting to Baht 80.00 million and accrued interest receivable amounting to Baht 12.03 million) which the borrower has mortgaged land and construction in Phuket province as collateral. The appraised value of the collateral is Baht 110.00 million (as appraisal report dated March 25, 2010). In addition, the borrower has handed over 450,000 common shares of a company that operates a hotel business in Phuket province as additional collateral. Due to the borrower default payment, the Company filed lawsuits against the borrower in court. The court has the verdict that orders the borrower to repay the debt to the Company. In case of fail, the collateral should be forced sale, if the forced sale amount is inadequate; the debtor's personal assets shall be forced sale after on. Since March 2010, the Company has filed to execute the enforcement of the assets confiscation. On November 14, 2013, the Company entered into the bidding of land and construction, and the officer had approved the Company to be bidder at the price amount of Baht 60.00 million. In August 2014, the Company registered the receipt of the land and construction and recorded in the "Investments Property" account. For the balance of the loan amount of Baht 38.91 million, the Company has been following up the confiscation of other personal assets of the debtor which are condominium units and many pieces of land.

The handed-over common shares of a company as collateral have been kept under the custody of the Company's lawyer for confiscation after other personal assets, condominium units and many pieces of land, of the debtor have been confiscated.

In May 2016, the Central Bankruptcy Court has ordered receivership the debtor and on July 15, 2016, the Company has filed the requisition for repayment from the debtor's assets amount Baht 87.34 million.

On February 20, 2017, the officer has announced the auction of the debtor' land and some of land have been sold by the auction on April 20, 2017.

On August 1, 2017, the official receiver has called the first creditors' meeting, but the debtor did not apply for reimbursement to the official receiver in any way. The official receiver reported to court and asked the court to order the debtor to be bankrupted on September 5, 2017.

The above factors cause the Company unable to determine a suitable net realizable value of the receivable. Thus, no allowance for doubtful accounts has been provided. However, the Company has ceased to record the interest received from the loan of Baht 80.00 million as from January 1, 2010, and will recognize the amount exceeding the accrued interest receivable as income in the period that the Company receives the payment.

10. Short-term loans to other parties

		(Unit: Thousand Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>As at</u>		<u>As at</u>	
		<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Beginning balance		6,200	-	-	-
Addition		40,520	6,200	4,000	-
Compound interest		1,440	-	99	-
Repayment		(23,099)	-	(99)	-
Ending balance		25,061	6,200	4,000	-
<u>Less</u> Allowance for doubtful debt		(25,061)	-	(4,000)	-
Net		-	6,200	-	-

The movement of allowance for doubtful debt short term loans to other party for the nine-month period ended September 30, 2019 and 2018 were as follows :-

		(Unit: Thousand Baht)			
		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>As at</u>		<u>As at</u>	
		<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Beginning balance		-	-	-	-
Increase during the period		(25,160)	-	(4,099)	-
Repayment		99	-	99	-
Ending balance		(25,061)	-	(4,000)	-

As at September 30, 2019 and December 31, 2018 the consolidated financial statements short-term loans to other parties amount of Baht 10.52 million and amount of Baht 3.00 million respectively, (The separate financial statements as at September 30, 2019 amount of Baht 4.00 million) is loans under agreement with due to repayment 3 months. When due the counterparty can't repayment. The Company has extended the term as follows :-

<u>Credit facility</u>		<u>Approved by</u>	<u>Date</u>	<u>Amount of Baht</u>	<u>Due</u>
(Unit: Thousand Baht)				(Unit: Thousand Baht)	
3,112.79	No. 1	Loan agreement	Dec 13, 2018	3,000.00	Mar 13, 2019
	No. 2	The Board of Directors' meeting of the subsidiary No. 2/2019	Mar 10, 2019	3,112.79	Jun 13, 2019
	No. 3	The Board of Directors' meeting of the subsidiary No. 4/2019	May 27, 2019	3,112.79	Sep 13, 2019
	No. 4	The Board of Directors' meeting of the subsidiary No. 11/2019	Sep 16, 2019	3,112.79	Dec 13, 2019
4,000.00	No. 1	Loan agreement	Jan 2, 2019	4,000.00	Mar 2, 2019
	No. 2	The Board of management Directors' No. 6/2019	Mar 6, 2019	4,000.00	May 2, 2019
	No. 3	The Board of management Directors' No. 7/2019	Apr 9, 2019	4,000.00	Jun 2, 2019
	No. 4	The Board of management Directors' No. 9/2019	Jun 4, 2019	4,000.00	Aug 31, 2019
	No. 5	The Board of management Directors' No. 14/2019	Sep 2, 2019	4,000.00	Nov 30, 2019
1,000.00	Contract No.2	The Board of Directors' meeting of the subsidiary No. 5/2019	Jun 21, 2019	1,000.00	Sep 24, 2019
1,075.35	Contract No.3	The Board of Directors' meeting of the subsidiary No. 9/2019	Jul 22, 2019	1,075.35	Oct 24, 2019
1,332.15	Contract No.4	The Board of Directors' meeting of the subsidiary No. 9/2019	Jul 22, 2019	1,332.15	Oct 31, 2019
<u>10,520.29</u>					

The borrower has pledged post dated cheques amount of Baht 11.05 million as collaterals. With the directors of that company to sign guarantees, interest rates of 15.00% per annum. But because the receivables are overdue more than 6 months. Therefore, there is uncertainty in receiving payment and the Company has considered to set up a full allowance for doubtful accounts. Therefore, the Company ceased recognizing interest income from 1 April 2019 onwards due to uncertainty in collection. However, that company still has an obligation to pay interest as specified in the loan agreement and the company will When will the income be recognized Interest

As at September 30, 2019 and December 31, 2018, the consolidated financial statements Short-term loans to other parties amount of Baht 14.54 million, is loan under agreement with due to repayment which due within 3 months is carried by interest rates of 15.00% per annum. Therefore, the Company ceased revenue recognition for interest income since April 1, 2019 onwards due to there is uncertainty to collectable.

#### 11. Inventories

Consisted of :-

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Raw materials	99,742	122,447	99,646	122,356
Goods in process	11,143	7,138	11,024	7,138
Finished goods	27,394	23,383	27,394	23,383
Goods in transit	11,236	12,255	11,236	12,255
Supplies	4,909	5,161	4,833	4,985
Raw materials for transfer	87,860	25,125	87,860	25,125
Total	242,284	195,509	241,993	195,242
<u>Less</u> Allowance for decline in value of inventories	(12,984)	(16,126)	(12,984)	(16,126)
Net	229,300	179,383	229,009	179,116

Movements of allowance for declining in value of inventories for the nine-month period ended September 30, 2019 and 2018, are as follow:-

	(Unit: Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Allowance for declining in value of inventories beginning balance	(16,126)	(16,221)	(16,126)	(16,221)
Reversal during the period	3,142	1,274	3,142	1,274
Allowance for declining in value of inventories ending balance	(12,984)	(14,947)	(12,984)	(14,947)



## 12. Investments in subsidiaries

As at September 30, 2019 and December 31, 2018, the Company had investments in subsidiaries were as follows :-

(Unit: Thousand Baht)								
<u>Name of company</u>	<u>Separate financial statements</u>						<u>Dividend</u>	
	<u>Paid-up</u>		<u>% Share-</u>		<u>Cost method</u>		<u>For the nine-month</u>	
	<u>share capital</u>		<u>holding</u>		<u>As at</u>		<u>period ended September 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>2019</u>	<u>2018</u>
- C.I.G. (Thailand) Co., Ltd.	54,000	54,000	99.98	99.98	57,985	53,985	-	-
- CIG Development Co., Ltd.	100,000	100,000	99.97	99.97	146,548	146,548	-	-
- Siam Railway Development Co., Ltd.	41,180	1,000	99.99	99.97	41,180	1,000	-	-
Total					245,713	201,533	-	-
<u>Less</u> Allowance for impairment loss					(205,533)	(170,977)		
Net					40,180	30,556		

### C.I.G. (Thailand) Co., Ltd.

On July 1, 2019, the Board of Directors' meeting No. 7/2019 has decided to call for additional capital increase of 15.00 Baht per share from originally 40.00 Baht per share; which sums up to 55.00 Baht per share for 100,000 shares. The total amount of Baht 1.50 million which was paid up by shareholders in July 24, 2019. The Company with the Ministry of Commerce on August 8, 2019.

On July 22, 2019, the Board of Directors' meeting No. 9/2019 has decided to call for additional capital increase of 15.00 Baht per share from originally 55.00 Baht per share; which sums up to 70.00 Baht per share for 100,000 shares. The total amount of Baht 1.50 million which was paid up by shareholders in August 2, 2019. The Company with the Ministry of Commerce on August 8, 2019.

On August 22, 2019, the Board of Directors' meeting No. 10/2019 has decided to call for additional capital increase of 20.00 Baht per share from originally 70.00 Baht per share; which sums up to 90.00 Baht per share for 100,000 shares. The total amount of Baht 2.00 million which was paid up by shareholders in September 9, 2019, amount of Baht 1.00 million. The Company has not registered share capital increase are recognized as advance payment for amount of Baht 1.00 million. The Company with the Ministry of Commerce on October 11, 2019.

On January 23, 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 has decided to call for additional capital increase of 10.00 Baht per share from originally 30.00 Baht per share; which sums up to 40.00 Baht per share for 100,000 shares. The total amount of Baht 1,000,000 Baht which was paid up by shareholders in January 2018. The Company with the Ministry of Commerce on February 16, 2018.

CIG Development Co., Ltd.

On February 6, 2018, the Extraordinary General Meeting of Shareholders No. 1/2018 has resolution to change its name from 'De Lamai Co., Ltd' to 'CIG Development Co., Ltd'. CIG Development Co., Ltd. The Company was registered with the Ministry of Commerce on February 14, 2018.

Siam Railway Development Co., Ltd.

On March 29, 2019, the minutes of the extraordinary general meeting of shareholders No.1/2019 has resolution to increase of registered capital from amount of Baht 1.00 million to amount of Baht 50.00 million. The Company called for the paid-up whole amount and received which shares at amount of Baht 82.00 per share Baht in amount of Baht 40.18 million total paid-up capital of amount of Baht 41.18 million. The Company registered the increase in share capital with the Ministry of Commerce on April 11, 2019.

The movement of allowance for impairment loss for the nine-month period ended September 30, 2019 and 2018 are as follows :-

	(Unit: Thousand Baht)	
	<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>
Beginning balance	(170,977)	-
Increase during the period	(34,556)	-
Ending balance	<u>(205,533)</u>	<u>-</u>

13. Investments in associate

As at September 30, 2019 and December 31, 2018, the Company's investments in associates were as follows :-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>			
	<u>Percentage of Shareholding(%)</u>		<u>Equity method</u>	
	<u>As at</u>		<u>As at</u>	
<u>Name of companies</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Fakwantip Co., Ltd.	29.67	29.67	18,127	33,314
<u>Less</u> Allowance for impairment loss			(18,127)	-
Net			<u>-</u>	<u>33,314</u>

The movement of allowance for impairment loss for the nine-month period ended September 30, 2019 and 2018 were as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>2019</u>	<u>2018</u>
Beginning balance	-	-
Increase during the period	(18,127)	-
Ending balance	(18,127)	-

Financial information of associate company

The financial information as presented in the financial statements of the Fakwantip Co., Ltd. were as follows:-

	(Unit : Thousand Baht)	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Current assets	18,765	17,103
Non-current assets	416,200	402,446
Total assets	434,965	419,549
Current liabilities	(374,498)	(323,442)
Non-current liabilities	(15,546)	-
Total liabilities	(390,044)	(323,442)
Net assets	44,921	96,107

	(Unit : Thousand Baht)			
	<u>For the three-month</u>		<u>For the nine-month</u>	
	<u>period ended September 30,</u>		<u>period ended September 30,</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Revenue	33,586	1,631	97,018	66,442
Loss for the period	(25,647)	(21,890)	(51,185)	(54,071)
Other comprehensive income for the period	-	-	-	-
Total comprehensive income for the period	(25,647)	(21,890)	(51,185)	(54,071)
Dividend received from associate for the period	-	-	-	-

Reconciliation of financial based on the above information and the carrying amount of the equity of Fakwantip Co., Ltd. with recognize them gradually in the consolidated financial statements were as follows :-

(Unit: Thousand Baht)		
<u>As at</u>		
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Net assets of the associate	44,921	96,107
<u>Less</u> Increaseordinary shares-C.I.G (Thailand) Co., Ltd.	(17,802)	(17,802)
Advance payment for shares-other person	(26,025)	(26,025)
Net	1,094	52,280
Shareholding of the company (%)	29.67	29.67
	325	15,512
Increase ordinary shares	17,802	17,802
Book value of the Company in associate	18,127	33,314

On February 14, 2018, the rehabilitation plan manager of Fakwantip Co., Ltd. has submitted a request to the Central Bankruptcy Court to consider and order the cancellation of the rehabilitation plan of Fakwantip Co., Ltd., which on July 31, 2018, the Court had command out of rehabilitation plan of Fakwantip Co., Ltd.

According the resolution of the Extraordinary General Meeting of Shareholders No. 2/2018, The Fakwantip Co.,Ltd. (the associated) held on September 10, 2018, the directors approved the increase registered capital and the amendment of the Company Memorandum of Association by issue new ordinary shares 150,000,000 shares, par value at Baht 1.00, total amount of Baht 150.00 million that categorized as follows:-

Periods 1<sup>st</sup> on September 20, 2018 amount of Baht 60.00 million.

Periods 2<sup>nd</sup> on November 20, 2018 amount of Baht 60.00 million.

Periods 3<sup>rd</sup> on December 20, 2018 amount of Baht 30.00 million.

Later on September 24, 2018, Fakwantip Co.,Ltd has resolved to appoint C.I.G. (Thailand) Co., Ltd.'s authorized directors to managing director and is a part of the board of director of Fakwantip Co.,Ltd. As well as change with the Department of Business Development. C.I.G. (Thailand) Co., Ltd. has significant influence to Fakwantip Co.,Ltd. Resulting in indirect influence to Fakwantip Co.,Ltd. and chang status from other company to associate company since the third quarter 2018.

During the year 2018, Fakwantip Co.,Ltd received proceeds from the increasing share capital amount of 43.83 million shares is Baht 1.00 per which is total outstanding of Baht 43.83 million, The Company registered capital of the principal with the Ministry of Commerce. As a result, authorized share capital increasing of Baht 17.80 million and the remaining amount is recognized as advance payment for shares amount of Baht 26.03 million.

Investment in Fakwantip Co.,Ltd. formerly, general investment. Later, Fakwantip Co., Ltd. out of rehabilitation plan on July 31, 2018 causing such investment change to investment in associate. The Company perform beginning equity method from originally record cost method. As at September 30, 2019 the associate assessed the fair value of property and building is progress held on July 8, 2019. The details are as follows: -

	(Unit: Thousand Baht)				
	<u>Cost method</u>	<u>Fair value</u>	<u>Profit</u>	<u>Percentage of</u>	<u>Recognize in</u>
	<u>As at July 31, 2018</u>		<u>(loss)</u>	<u>shareholding(%)</u>	<u>retained earnings</u>
Land	927	940	13	29.67	4
Land and building	82,883	42,480	(40,403)	29.67	(11,987)
Accumulated depreciation-building factory	-	-	-		(1,286)
Total	83,810	43,420	(40,390)		(13,269)
Machinery during installation	358,514	in the process of evaluating fair value			
Totaling	442,324				

Currently, the fair value of property and building in progress is in accordance to the valuation report amount of Baht 43.42 million with a lower cost than the fair value amount of Baht 40.39 million, and the Company transfer building factory in progress to assets and depreciation is calculated available date amount of Baht 4.33 million. The Company is recorded investment in associate by equity method in the consolidated financial statements recognized such loss amount of Baht 13.27 million in beginning retained earnings. The fair value of property and building in progress is determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) by using Market Approach for the land valuation and Cost Approach for land and buildings valuation. The fair value of investment property is hierarchical level 3 and the Company is finding independent appraiser for assess fair value is machinery during installation.

As at September 30, 2019 and December 31, 2018, The Fakwantip Co.,Ltd. (the associated) was defaulted to repayment under debt restructuring agreement according to criteria in reorganization plan, Therefore, the company reclassify all of liabilities according to debt restructuring agreement into current liabilities.

14. Bank deposit pledged as collateral

As at September 30, 2019 and December 31, 2018, the Company has pledged its deposit at bank as collateral for the repayment of loans and collateral for the issuance of bank guarantee of the Company in the note to financial statement No.31.1.

15. Investment property

For the nine-month period ended September 30, 2019, the movement was as follows :-

	(Unit : Thousand Baht)
	<u>Consolidated/</u>
	<u>Separate financial statements</u>
Beginning book value	146,943
Purchase of assets	1,432
Transfer in	53,555
Transfer out	(53,555)
Sale	(89,729)
Depreciation for portion shown in statements of comprehensive income	(3,974)
Accumulated depreciation cost of good sale	894
Ending book value	<u><u>55,566</u></u>

As at September 30, 2019 and December 31, 2018, the fair value of investment property is in accordance to the valuation report amount of Baht 235.69 million and amount of Baht 127.70 million respectively. The fair value of investment property is determined by an independent appraiser who has been approved by the Office of the Securities and Exchange Commission (Thailand) by using Market Approach for the land valuation and Cost Approach for buildings valuation. The fair value of investment property is hierarchical level 3.

# 16. Property, plant and equipment

For the nine-month period ended September 30, 2019, the movement was as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Beginning book value	427,580	281,332
Purchase of assets	17,837	13,849
Transfer in	4,766	4,151
Transfer out	(4,673)	(4,100)
Written-off	(5,068)	(4,900)
Depreciation for portion shown in statements of comprehensive income	(38,204)	(29,991)
Accumulated depreciation in written off assets	4,640	4,482
Ending book value	406,878	264,823

- Consolidated financial statements and Separate financial statements

As at September 30, 2019 and December 31, 2018, the Company had property, plant and machinery in the cost price was amount of Baht 535.27 million and amount of Baht 475.16 million respectively and the book value amount of Baht 133.46 million and amount of Baht 117.41 million respectively and to be acquired in the future pledged for collateral against credit line to commercial banks, financial institutions and other parties in the note to financial statements No.20, 21 and 31.1.

# 17. Deferred leasehold land

Consisted of :-

	(Unit: Thousand Baht)	
	<u>Consolidated financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Leasehold land-cost	10,949	22,644
<u>Less</u> Accumulated amortization	(452)	(11,695)
Net	10,497	10,949

17.1 As at September 30, 2019 and December 31, 2018, leasehold recorded in the subsidiary amounting Baht 22.00 million is leases of land title deeds No. 7919 and 7920 Maret District, Koh Samui Surat Thani, amortized according to the duration of the leased contract for 26 years (June 2005 to June 2031).

17.2 As at December 31, 2017, the subsidiary canceled leasehold recorded in the subsidiary amounting Baht 10.27 million and amortized allowance for impairment loss amounting Baht 5.56 million, leases of land title deeds No. 24160 with the building of the Room Hotel, Bophut District, Koh Samui Surat Thani, amortized according to the duration of the leased contract for 20 years (January 2010 to December 2029). On December 22, 2017, the subsidiary has signed contract to sell the leasehold and assets. The buyer will start operating from January 1, 2018, totaling Baht 1,000,000 payment on the contract date of Baht 200,000. The remaining amount is paid monthly at Baht 100,000 per month for 8 months on the fifth day of the month. The first installment is start in February 5, 2018, onwards. The subsidiary received the payment of leasehold and assets the first installment in March 2018.

#### 18. Intangible assets

For the nine-month period ended September 30, 2019, the movement was as follows :-

	(Unit : Thousand Baht)	
	<u>Consolidated</u>	<u>Separate</u>
	<u>financial statements</u>	<u>financial statements</u>
Beginning book value	5,287	4,905
Purchase	350	350
Amortization for portion shown in statements		
of comprehensive income	(1,678)	(1,610)
Ending book value	3,959	3,645



## 19. Deferred tax assets

Deferred tax assets and liabilities as at September 30, 2019 and December 31, 2018 were as follows:-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Deferred tax assets	33,682	15,711	76,924	49,906
Deferred tax liabilities	-	-	-	-
Net	33,682	15,711	76,924	49,906

Movements in total deferred tax assets and liabilities for the nine-month period ended September 30, 2019 were as follows :-

(Unit : Thousand Baht)								
	Consolidated financial statements				Separate financial statements			
	As at	Charged) /	Charged) /	As at	As at	Charged) /	Charged) /	As at
	January 1,	credited	credited to	September 30,	January 1,	credited	credited to	September 30,
	2019	to statements of	statements of other	2019	2019	to statements of	statements of other	2019
		comprehensive	comprehensive			comprehensive	comprehensive	
		income	income			income	income	
		(Note 27.1)	(Note 27.2)			(Note 27.1)	(Note 27.2)	
Deferred tax assets								
Temporary investments	392	-	-	392	392	-	-	392
Trade and other receivables	4,023	1,271	-	5,294	4,023	2,855	-	6,878
Short-term loan	-	4,600	-	4,600	-	12,052	-	12,052
Inventories	3,226	(629)	-	2,597	3,226	(629)	-	2,597
Investment in subsidiary companies	-	6,911	-	6,911	34,195	6,911	-	41,106
Property, plant and equipment	58	-	-	58	58	-	-	58
Employee benefit obligations	8,012	3,988	1,830	13,830	8,012	3,988	1,841	13,841
Total	15,711	16,141	1,830	33,682	49,906	25,177	1,841	76,924

As at September 30, 2019 and December 31, 2018, the consolidated financial statement, the Group had temporary difference mainly arising from the unutilized tax losses with consolidated financial statements amount of Baht 149.46 million and amount of Baht 283.18 million respectively, which have not been recognized as deferred tax assets in the statement of financial position. (because it is not probable that it will be able to utilize the tax benefit in the foreseeable future).

20. Short-term loans from financial institutions

Consisted of :-

(Unit : Thousand Baht)

	<u>Consolidated/Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Bank overdraft	8,092	24,751
Promissory note	20,000	20,000
Trust receipt	58,012	53,170
Total	86,104	97,921

As at September 30, 2019 and December 31, 2018, the Group held bank overdrafts, trust receipt, letters of credit and promissory note facilities from several financial institutions as mentioned in the note to financial statements No. 31.1 which bearing the interest rates at MOR, MOR-1, 4.18-6.25 per annum and MOR, MOR-1, 4.00-7.42 per annum respectively.

Such credit facility line is pledged by mortgaged register of land, property and machinery as mentioned in the note to financial statements No. 16. Furthermore, the benefit from the insurance of those assets was forfeited to the lenders. Also the Company and director of the Company jointly gave guarantees and under conditions of the trust receipt agreement. The company would receive imported goods by using credit facility from financial institution, thus the company has obligation to that financial institution for the value of imported goods, both being stored or already sold.

21. Short-term loans from other persons and parties

Consisted of :-

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Factoring payables-other parties	61,092	52,386	61,092	52,386
Short-term loans-other persons	35,000	-	35,000	-
Deferred interest	(341)	(387)	(341)	(387)
Total	95,751	51,999	95,751	51,999

As at September 30, 2019 and December 31, 2018, factoring payables is loan from the transfer of claims in the account trade receivable according note to financial statements No.7 to a factoring company and interest is carried by the rate at 5.75% per annum and 5.50% per annum respectively.

As at September 30, 2019, the consolidate financial statements, the whole amount of short-term loans from other person to short-term loan in the form loans agreements, maturity within 3 -12 months and interest rates of 12.00%-15.00% per annum.

## 22. Trade and other payables

Consisted of :-

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Trade payables-other parties	194,889	142,949	194,458	142,603
Post dated cheque-related parties	100	-	-	-
Post dated cheque-other parties	178	1,616	-	1,078
Accrued expenses-related parties	2,797	-	-	-
Accrued expenses-other parties	22,629	13,383	21,234	11,138
Advance received	5,057	71,397	3,615	66,375
Other payable	70,957	18,529	70,180	17,880
Total	296,607	247,874	289,487	239,074

## 23. Liabilities under financial lease agreement

Consisted of :-

	<u>Consolidated/Separate financial statements</u>	
	<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Liabilities under financial lease agreement	1,353	1,354
<u>Less</u> Deferred Interest	(92)	(41)
Net	1,261	1,313
<u>Less</u> Current portion	(402)	(1,292)
Net	859	21

The Company has future minimum lease payments required under the finance lease agreements were as follows:-

	(Unit : Thousand Baht)					
	As at September 30, 2019			As at December 31, 2018		
	Future		Present value	Future		Present value
	minimum	lease payment	of minimum lease payment	minimum	lease payment	of minimum lease payment
Within one year	438	(36)	402	1,333	(41)	1,292
After one year but within five years	915	(56)	859	21	-	21
Total	1,353	(92)	1,261	1,354	(41)	1,313

#### 24. Employee benefit obligation

Employee benefit obligations were as follows :-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Beginning present value of the obligation	40,198	37,122	40,060	37,061
Current service cost	4,106	3,124	4,045	3,052
Past service cost	14,230	-	14,218	-
Interest cost	1,607	1,168	1,602	1,163
Measurements of the other long-term benefit	192	-	192	-
Actuarial loss arising from defined benefit plan	9,150	-	9,206	-
<u>Less</u> Repayment for the period	(120)	(1,216)	(120)	(1,216)
Ending present value of the obligation	69,363	40,198	69,203	40,060

Expenses recognized in statements of comprehensive income are shown collectively for the three-month and nine-month periods ended September 30, 2019 and 2018 were as follows:-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month period ended September 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Recognized in profit or loss</u>				
Cost of sales and services	1,259	455	1,259	455
Selling expenses	13	75	13	75
Administrative expenses	253	254	231	235
Directors	400	298	400	298
Total	1,925	1,082	1,903	1,063

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the nine-month period ended September 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Recognized in profit or loss</u>				
Cost of sales and services	10,396	1,349	10,396	1,349
Selling expenses	1,509	221	1,509	221
Administrative expenses	2,882	756	2,804	700
Management benefit expenses	5,348	883	5,348	883
Total	20,135	3,209	20,057	3,153

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the nine-month period ended September 30,</u>			
<u>Recognized in other comprehensive income</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Actuarial loss arising from defined benefit plan				
Financial assumptions changes	(437)	-	(436)	-
Demographic assumptions changes	10,324	-	10,324	-
Experience adjustments	(737)	-	(682)	-
Total	9,150	-	9,206	-

Principal actuarial assumptions at the reporting date are as follows:-

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Discount rate	3.13%-3.36%	2.96%-3.32%	3.13%-3.23%	2.96%-3.08%
Average salary increase rate	4.29%-5.40%	2.94%-5.00%	4.29%-5.40%	2.94%-4.14%
Employee turnover rate	Age band	Age band	Age band	Age band
Retirement age	60 years old	60 years old	60 years old	60 years old

On December 13, 2018, the National Legislative Assembly passed a resolution approving the draft of a new Labor Protection Act. On the April 5, 2019, Labor Protection Act has announcement in the Royal Gazette which effective on May 5, 2019. The Labor Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the 400 days, based on the final wage rate. This change is considered a post-employment benefits plan amendment which the Company have additional liabilities for employee benefit obligations. The Company have recorded the effect of the change by recognizing past service costs as expenses in profit and loss

## 25. Share capital

The movement of share capital for the nine-month period ended September 30, 2019 and 2018 is as follows:-

	Consolidated/Separate financial statements				
	2019		2018		
	Par Value (Baht)	Number of share (Thousand Shares)	Amount (Thousand Baht)	Number of share (Thousand Shares)	Amount (Thousand Baht)
<b>Registered share capital</b>					
Ordinary shares the beginning of the period	0.50	1,297,174	648,587	1,297,174	648,587
<u>Less</u> Decrease ordinary shares	0.50	(432,388)	(216,194)	-	-
Ordinary shares the ending of the period	0.50	864,786	432,393	1,297,174	648,587
<b>Issued and paid-up share capital</b>					
Ordinary shares the beginning of the period	0.50	864,786	432,393	864,786	432,393
<u>Less</u> Decrease ordinary shares	0.50	-	-	-	-
Ordinary shares the ending of the period	0.50	864,786	432,393	864,786	432,393

According to minutes of Annual General of Shareholders' Meeting of C.I. GROUP PUBLIC COMPANY LIMITED held on April 24, 2019, has resolution to decrease of registered capital from shares 1,297.17 million, the par value of Baht 0.50, authorized share capital amount of 648.59 million and paid-up shares capital amount of Baht 432.39 million change ordinary shares of 864.79 million shares the par value of Baht 0.50. The authorized share capital and paid-up shares capital amount of Baht 432.39 million, as well as change memorandum for consistency with registered capital. However, the Company registered the increase in share capital with the Ministry of Commerce on May 8, 2019.

During the year 2019, The company has warrants of purchase ordinary shares CIG-W7 amount of 172,956,992 shares, the par value of Baht 0.50 per share to support the exercise of rights CIG-W7 In this regard, the unexercised CIG-W7 warrants expired whole amount in the period on February 14, 2019.

## 26. Warrants

### **CIG-W7 Warrants**

Type of warrants	: Warrants No. 7 appropriated for the former shareholders of the Company (Warrants No. 7 or "CIG-W7")
Number of warrants	: 172,956,992 units
Term of warrants	: 2 years from the issuance date. (Date of issuance is on April 3, 2017 and the Maturity Date is on February 14, 2019)
Exercise Price	: At Baht 2.00 per share (par value at Baht 1.00)
First exercise date	: June 30, 2017
Last exercise date	: February 14, 2019

## 27. Income tax expenses(revenues)

### 27.1 Income tax is recognized in profit or loss

		(Unit : Thousand Baht)	
		<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
		<u>For the three-month period ended September 30,</u>	
		<u>2019</u>	<u>2018</u>
Current tax expenses		17,171	1,126
Deferred tax expenses			
Movements in temporary differences		(7,308)	57
Income tax expenses (revenues)		9,863	1,183

		(Unit : Thousand Baht)	
		<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
		<u>For the nine-month period ended September 30,</u>	
		<u>2019</u>	<u>2018</u>
Current tax expenses		21,915	3,143
Deferred tax expenses			
Movements in temporary differences (Note 19)		(16,141)	693
Income tax expenses (revenues)		5,774	3,836

### 27.2 Income tax is recognized in other comprehensive income

		(Unit : Thousand Baht)	
		<u>Consolidated financial statements</u>	<u>Separate financial statements</u>
		<u>For the nine-month period ended September 30,</u>	
		<u>2019</u>	<u>2018</u>
Actuarial losses arising from defined benefit plan		(9,150)	-
Applicable tax rate		20%	20%
Income tax relevance with other comprehensive income		(1,830)	-

## 28. Basic earning (loss) per share

Basic earning (loss) per share is calculated by dividing loss for the period attributable to equity holders of the Company (excluding other comprehensive income) by the number of issued and paid-up ordinary shares during the period.

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the three-month period ended September 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit(loss) for the period (Unit : Thousand Baht)	41,300	3,520	26,584	(1,290)
The number of issued and paid-up ordinary shares				
(Unit : Thousand Baht)	864,786	864,786	864,786	864,786
Basic earning (loss) per share (Baht/share)	0.0478	0.0041	0.0307	(0.0015)

(Unit : Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>For the nine-month period ended September 30,</u>			
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Loss for the period (Unit : Thousand Baht)	(19,046)	(1,852)	(39,733)	(2,792)
The number of issued and paid-up ordinary shares				
(Unit : Thousand Baht)	864,786	864,786	864,786	864,786
Basic loss per share (Baht/share)	(0.0220)	(0.0021)	(0.0459)	(0.0032)

## 29. Segment information

The Group are engaged in the business of manufacturing and distributing of air-conditioning and refrigeration units and parts, including maintenance, inspection services and construction services and hotel business profit(loss) on each type of business arises from total sales less cost of sales and selling and administrative expenses of each business.



The information on business sector operation of the Group were as follows :-

(Unit : Thousand Baht)

Consolidated financial statements				
For the nine-month period ended September 30, 2019				
	Air-conditioning		Hotel	
	products and parts	Construction	services	Total
Local revenues	403,310	533,211	5,477	941,998
Export revenues	270,504	-	-	270,504
Total	673,814	533,211	5,477	1,212,502
Cost of sales and services	(555,979)	(482,190)	(12,712)	(1,050,881)
Gross profit(loss) by segment	117,835	51,021	(7,235)	161,621
Non-allocation expenses				(229,786)
Loss from operations				(68,165)
Other incomes				85,422
Finance costs				(15,342)
Share of loss on investment in associate				(15,187)
Income tax expenses				(5,774)
Loss for the period				(19,046)
Property, plant and equipment				406,878
Other assets				840,760
Total assets				1,247,638

For the three-month period ended September 30, 2019, the Group has on major customer whose sale amount higher than 10% of the revenues from 3 customers and the amount of sales is amount of Baht 231.86 million.

For the nine-month period ended September 30, 2019, the Group has on major customer whose sale amount higher than 10% of the revenues from 3 customers and the amount of sales is amount of Baht 570.31 million.

(Unit : Thousand Baht)

## Consolidated financial statements

For the nine-month period ended September 30, 2018

	Air-conditioning		Hotel	
	products and parts	Construction	services	Total
Local revenues	433,291	95,831	18,496	547,618
Export revenues	302,857	-	-	302,857
Total	736,148	95,831	18,496	850,475
Cost of sales and services	(605,344)	(99,624)	(20,232)	(725,200)
Gross profit(loss) by segment	130,804	(3,793)	(1,736)	125,275
Non-allocation expenses				(134,195)
Loss from operations				(8,920)
Other incomes				12,376
Finance costs				(6,509)
Share of gain on investment in associate				5,037
Income tax expenses				(3,836)
Loss for the period				(1,852)
Property, plant and equipment				429,766
Other assets				740,150
Total assets				1,169,916

For the three-month period ended September 30, 2018, the Group has on major customer whose sale amount higher than 10% of the revenues from 2 customers and the amount of sales is amount of Baht 460.17 million.

For the nine-month period ended September 30, 2018, the Group has on major customer whose sale amount higher than 10% of the revenues from 3 customers and the amount of sales is amount of Baht 720.74 million.

### 30. Risks on exchange rate

Regarding risk on exchange rates of the Group, mainly involves with sell goods and purchase of raw materials under the foreign currencies as at September 30, 2019 and December 31, 2018, the Group obtained assets and liabilities in foreign currencies over which the contract to hedge against risk of exchange rates has not been conducted as follows:-

<u>As at September 30, 2019</u>		
<u>Consolidated / Separate financial statements</u>		
<u>Currency (Unit : Thousand)</u>	<u>Asset</u>	<u>Liabilities</u>
VND	10,712	-
USD	3,299	2,305
AUD	15	-
CNY	6	-
HKD	5	-
PHP	4	-
INR	1	-
IDR	1	-

  

<u>As at December 31, 2018</u>		
<u>Consolidated / Separate financial statements</u>		
<u>Currency (Unit : Thousand)</u>	<u>Asset</u>	<u>Liabilities</u>
USD	1,920	2,430
AUD	11	-

### 31. Obligation and contingent liabilities

Apart from liabilities reflected in the statement of financial position as at September 30, 2019 and December 31, 2018, the Group held other obligations as follows:-

#### 31.1 Obligation of credit lines for loans from financial institutions were as follow :-

<u>Consolidated / Separate financial statements</u>							
	<u>Currencies</u> (Unit : Million)	<u>As at September 30, 2019</u>			<u>As at December 31, 2018</u>		
		<u>Total</u>	<u>Utilized</u>	<u>Available</u>	<u>Total</u>	<u>Utilized</u>	<u>Available</u>
Letters of guarantee	Baht	197.46	141.54	55.92	197.46	129.36	68.10
Letters of credit and trust receipt	USD	135.00	58.01	76.99	135.00	92.60	42.40
Bank overdrafts	Baht	30.00	8.07	21.93	30.00	24.75	5.25
Short-term loans	Baht	20.00	20.00	-	20.00	20.00	-

The above credit facilities are guaranteed by the collaterals as mentioned in the note to financial statements No. 14 and 16

#### 31.2 As at September 30, 2019 and December 31, 2018, the Company has capital expenditure commitment for the purchase of machinery and equipment contract as follows :-

	(Unit : Million Baht)			
	<u>As at September 30, 2019</u>		<u>As at December 31, 2018</u>	
	<u>Contractual</u>	<u>Outstanding</u>	<u>Contractual</u>	<u>Outstanding</u>
	<u>amount</u>	<u>Contractual obligation</u>	<u>amount</u>	<u>Contractual obligation</u>
Baht	0.78	0.41	11.86	5.00

#### 31.3 As at September 30, 2019 and December 31, 2018, the Group has obligations as a operating lease, the term of agreements generally are 3 to 12 years. Future minimum lease payments required under these lease contracts were as follows :-

	(Unit : Thousand Baht)			
	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>As at</u>		<u>As at</u>	
	<u>September 30, 2019</u>	<u>December 31, 2018</u>	<u>September 30, 2019</u>	<u>December 31, 2018</u>
Within 1 year	2,533	1,603	440	528
Over 1 and up to 5 years	1,199	1,953	-	308
Total	3,732	3,556	440	836

### 31.4 Litigation

(A) As at September 30, 2019, a lawsuit had been filed against the Company claiming in the amount of Baht 0.15 million. This comprised debt amount of Baht 0.12 million arising from the purchase of goods and interest charges amount of Baht 0.03 million and interest rate at 7.50% per annum until the payment is settled. The Company filed a petition to the court, a lawsuit is in between considered of the court. However, the Company has recorded the such debt in the financial statements for the whole amount.

(B) As at September 30, 2019 and December 31, 2018, the Company is the plaintiff a lawsuit with regards to breach of contract and default of payment against a company and a hotel executive. The Plaintiff entered into a hotel sale and purchase agreement with the Defendants. The Defendants issue a cheque for a payment as per sale and purchase agreement, which the bank denied the payment, so the Company file a lawsuit two defendants that is Criminal Case No. 90/2561.

On October 17, 2019, the judgement of the Court ordered the first and the second defendants to be jointly liable in paying the Plaintiff for the amount of Baht 5.00 million with interest at the rate of 7.50% per annum calculating from April 3, 2017 to the date that payment in made in full. By calculating interest until the lawsuit date (March 27, 2018) and paid of not more than the amount of Baht 0.37 million and two defendants will paid fees instead plaintiff.

### 32. Approval of interim financial statements

These interim financial statements have been approved for issuance by C.I. GROUP PUBLIC COMPANY LIMITED authorized directors on November 12, 2019.

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