

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

Condensed interim financial statements
for the three-month and six-month periods ended
30 June 2021
and
Independent auditor's review report



KPMG Phoomchai Audit Ltd.
50th Floor, Empire Tower
1 South Sathorn Road, Yannawa
Sathorn, Bangkok 10120, Thailand
Tel +66 2677 2000
Fax +66 2677 2222
Website home.kpmg/th

บริษัท เคพีเอ็มจี ภูมิภาค ไทย สอบบัญชี จำกัด
ชั้น 50 เอ็มไพร์ทาวเวอร์
1 ถนนสาทรใต้ แขวงยานนาวา
เขตสาทร กรุงเทพฯ 10120
โทร +66 2677 2000
แฟกซ์ +66 2677 2222
เว็บไซต์ home.kpmg/th

Independent Auditor’s Report on Review of Interim Financial Information

To the Board of Directors of Takuni Group Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Takuni Group Public Company Limited and its subsidiaries, and of Takuni Group Public Company Limited, respectively, as at 30 June 2021; the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2021, the consolidated and separate statements of changes in equity and cash flows for the six-month period ended 30 June 2021; and condensed notes (“interim financial information”). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, “Interim Financial Reporting”. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

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

Conclusion

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

(Vipavan Pattavanvivek)
Certified Public Accountant
Registration No. 4795

KPMG Phoomchai Audit Ltd.
Bangkok
9 August 2021

Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
Assets		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		184,498	472,611	178,289	320,427
Trade and other current receivables	3, 12	408,302	265,180	37,638	79,041
Contract assets	4, 12	595,430	524,091	-	-
Short-term loans to related parties	2	24,320	18,320	161,220	87,330
Inventories	5	46,497	61,080	10,297	11,135
Refundable withholding tax deducted at source		10,211	-	-	-
Other current assets		8,610	7,961	101	114
Total current assets		1,277,868	1,349,243	387,545	498,047
<i>Non-current assets</i>					
Restricted deposits at financial institutions		27,470	29,820	15,800	15,800
Investments in subsidiaries		-	-	111,459	111,459
Investments in associates	6	2,204	1,447	4,000	4,000
Long-term loans to related parties	2	4,088	-	157,978	86,670
Investment properties		4,055	4,287	-	-
Property, plant and equipment	7	708,848	721,356	54,826	57,572
Goodwill		19,384	19,384	-	-
Intangible assets		15,756	15,950	1,431	1,633
Receivable from sale of land	2	76,241	76,241	-	-
Retention receivables	4	54,434	54,192	-	-
Withholding tax deducted at source		153,697	151,193	9,180	8,977
Deferred tax assets		7,103	7,683	966	1,989
Other non-current assets		8,842	7,421	3,906	2,985
Total non-current assets		1,082,122	1,088,974	359,546	291,085
Total assets		2,359,990	2,438,217	747,091	789,132

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		30 June	31 December	30 June	31 December
		2021	2020	2021	2020
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
Liabilities and equity					
<i>Current liabilities</i>					
Bank overdrafts		3,686	8	-	-
Short-term borrowings from financial institutions		415,313	509,104	-	-
Trade and other current payables		265,039	277,024	19,365	24,787
Contract liabilities	4	132,688	141,439	-	-
Short-term borrowings from other party		20,000	20,000	-	-
Current portion of long-term borrowings					
from financial institutions	12	38,640	38,640	-	-
Current portion of lease liabilities		27,798	24,480	999	977
Income tax payable		442	4,145	-	-
Other current liabilities		32,984	34,801	4,082	5,408
Total current liabilities		936,590	1,049,641	24,446	31,172
<i>Non-current liabilities</i>					
Long-term borrowings from financial institutions	12	106,980	84,300	-	-
Lease liabilities		36,690	36,217	4,201	4,945
Deferred income		14,236	14,236	-	-
Non-current provisions for employee benefits		11,075	14,547	1,786	4,776
Other non-current liabilities		9,473	9,633	508	670
Total non-current liabilities		178,454	158,933	6,495	10,391
Total liabilities		1,115,044	1,208,574	30,941	41,563

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		30 June 2021 (Unaudited)	31 December 2020	30 June 2021 (Unaudited)	31 December 2020
Liabilities and equity	<i>Note</i>				
		<i>(in thousand Baht)</i>			
Equity					
Share capital:	8				
Authorised share capital		400,000	600,000	400,000	600,000
Issued and paid-up share capital		400,000	400,000	400,000	400,000
Share premium on ordinary shares		305,528	305,528	305,528	305,528
Share surplus from business combination					
under common control		20,636	20,636	-	-
Retained earnings					
Appropriated					
Legal reserve		11,552	11,552	11,552	11,552
Unappropriated		58,093	73,301	(930)	30,489
Other components of equity		81,853	81,853	-	-
Equity attributable to owners of the parent		877,662	892,870	716,150	747,569
Non-controlling interests		367,284	336,773	-	-
Total equity		1,244,946	1,229,643	716,150	747,569
Total liabilities and equity		2,359,990	2,438,217	747,091	789,132

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Revenue				
Revenue from sales of goods	100,045	109,066	99,838	108,724
Revenue from construction contracts and rendering of services	508,576	611,740	-	24,552
	608,621	720,806	99,838	133,276
Costs of sales of goods	(94,508)	(106,180)	(94,480)	(106,200)
Costs of construction contracts and rendering of services	(433,631)	(563,626)	-	(25,306)
Gross profit	80,482	51,000	5,358	1,770
Other income	6,423	2,526	5,637	4,377
Distribution costs	(998)	(971)	(595)	(342)
Administrative expenses	(37,558)	(39,623)	(9,462)	(10,911)
Profit (loss) from operating activities	48,349	12,932	938	(5,106)
Finance costs	(6,910)	(5,634)	(79)	(144)
Share of profit (loss) of associates accounted for using equity method	16	(840)	-	-
Profit (loss) before income tax expense	41,455	6,458	859	(5,250)
Income tax expense	(10,091)	(2,968)	(903)	100
Profit (loss) for the period	31,364	3,490	(44)	(5,150)

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial		Separate financial	
	statements		statements	
	Three-month period ended		Three-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Profit (loss) for the period	31,364	3,490	(44)	(5,150)
Other comprehensive income	-	-	-	-
Total comprehensive income for the period	31,364	3,490	(44)	(5,150)
Profit (loss) attributable to:				
Owners of parent	10,332	(5,667)	(44)	(5,150)
Non-controlling interests	21,032	9,157	-	-
	31,364	3,490	(44)	(5,150)
Total comprehensive income attributable to:				
Owners of parent	10,332	(5,667)	(44)	(5,150)
Non-controlling interests	21,032	9,157	-	-
	31,364	3,490	(44)	(5,150)
Basic earnings (loss) per share (in Baht)	0.01	(0.01)	(0.01)	(0.01)

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated financial statements		Separate financial statements	
		Six-month period ended		Six-month period ended	
		30 June		30 June	
		2021	2020	2021	2020
<i>(in thousand Baht)</i>					
Revenue					
Revenue from sales of goods	9	207,902	272,041	207,290	271,221
Revenue from construction contracts and rendering of services	9	999,825	1,277,012	-	58,860
		1,207,727	1,549,053	207,290	330,081
Costs of sales of goods	5	(197,279)	(264,225)	(197,518)	(265,053)
Costs of construction contracts and rendering of services		(866,312)	(1,163,034)	-	(55,390)
Gross profit		144,136	121,794	9,772	9,638
Other income		12,175	4,954	9,671	9,273
Distribution costs		(2,030)	(2,162)	(947)	(830)
Administrative expenses		(78,349)	(83,475)	(18,752)	(23,450)
Profit (loss) from operating activities		75,932	41,111	(256)	(5,369)
Finance costs		(13,734)	(11,439)	(140)	(220)
Share of profit (loss) of associates accounted for using equity method		258	(1,286)	-	-
Profit (loss) before income tax expense		62,456	28,386	(396)	(5,589)
Income tax expense		(14,512)	(8,585)	(1,023)	(393)
Profit (loss) for the period		47,944	19,801	(1,419)	(5,982)

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of comprehensive income (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended 30 June		Six-month period ended 30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Other comprehensive income				
<i>Items that will not be reclassified to profit or loss</i>				
Gain on remeasurements of defined benefit plans	1,750	-	-	-
Income tax relating to items that will not be reclassified	(350)	-	-	-
Other comprehensive income for the period, net of tax	1,400	-	-	-
Total comprehensive income for the period	49,344	19,801	(1,419)	(5,982)
Profit (loss) attributable to:				
Owners of parent	14,279	(2,168)	(1,419)	(5,982)
Non-controlling interests	33,665	21,969	-	-
	47,944	19,801	(1,419)	(5,982)
Total comprehensive income attributable to:				
Owners of parent	14,792	(2,168)	(1,419)	(5,982)
Non-controlling interests	34,552	21,969	-	-
	49,344	19,801	(1,419)	(5,982)
Basic earnings (loss) per share (in Baht)	0.02	(0.01)	(0.01)	(0.01)

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

	Consolidated financial statements								
	Issued and paid-up share capital	Share premium on ordinary shares	Share surplus from business combination under common control	Retained earnings		Other components of equity	Equity attributable to owner of the parent	Non- controlling interests	Total equity
				Legal reserve	Unappropriated	Changes in parent's ownership interest in subsidiary			
Six-month period ended 30 June 2020									
Balance at 1 January 2020	400,000	305,528	20,636	9,942	64,578	81,853	882,537	314,362	1,196,899
Transactions with owners, recorded directly in equity									
<i>Distributions to owners of the parent</i>									
Dividends to owners of the Company	-	-	-	-	(21,920)	-	(21,920)	(19,000)	(40,920)
Total distributions to owners of the parent	-	-	-	-	(21,920)	-	(21,920)	(19,000)	(40,920)
Comprehensive income for the period									
Profit (loss)	-	-	-	-	(2,168)	-	(2,168)	21,969	19,801
Total comprehensive income for the period	-	-	-	-	(2,168)	-	(2,168)	21,969	19,801
Balance at 30 June 2020	400,000	305,528	20,636	9,942	40,490	81,853	858,449	317,331	1,175,780

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

Takuni Group Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

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

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of changes in equity (Unaudited)

Separate financial statements

	Issued and paid-up share capital	Share premium on ordinary shares	Retained earnings		Total equity
			Legal reserve	Unappropriated	
<i>(in thousand Baht)</i>					
Six-month period ended 30 June 2020					
Balance at 1 January 2020	400,000	305,528	9,942	21,962	737,432
Transactions with owners, recorded directly in equity					
<i>Distributions to owners</i>					
Dividends to owners of the Company	-	-	-	(21,920)	(21,920)
Total distributions to owners	-	-	-	(21,920)	(21,920)
Comprehensive income for the period					
(Loss)	-	-	-	(5,982)	(5,982)
Total comprehensive income for the period	-	-	-	(5,982)	(5,982)
Balance at 30 June 2020	400,000	305,528	9,942	(5,940)	709,530

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

Takuni Group Public Company Limited and its Subsidiaries
Statement of changes in equity (Unaudited)

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

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit (loss) for the period	47,944	19,801	(1,419)	(5,982)
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Income tax expense	14,512	8,585	1,023	393
Finance costs	13,734	11,439	140	220
Depreciation and amortisation	47,877	41,568	3,055	3,630
Non-current provisions for employee benefits	1,717	1,563	210	327
(Reversal of) expected credit loss on receivables and bad debts	364	3,679	(885)	812
(Reversal of) losses on inventories devaluation	37	(706)	-	-
Gain on disposal and written off property, plant and equipment	(3,963)	(336)	(1,588)	-
Loss on disposal of investment properties	-	1,414	-	-
Share of (profit) loss of associates accounted for using equity method	(258)	1,286	-	-
Write-off withholding tax deducted at source	827	137	-	-
Interest income	(2,189)	(244)	(3,888)	(3,720)
	120,602	88,186	(3,352)	(4,320)
<i>Changes in operating assets and liabilities</i>				
Trade and other current receivables	(142,540)	19,740	5,442	61,878
Contract assets	(71,339)	102,984	-	53,544
Inventories	14,546	8,960	838	19,672
Other current assets	(649)	(5,829)	13	1,136
Retention receivables	(242)	(21,109)	-	-
Other non-current assets	(1,421)	(587)	(921)	(38)
Trade and other current payables	(11,738)	(31,531)	(5,427)	(38,509)
Contract liabilities	(8,751)	(1,331)	-	(11,240)
Other current liabilities	(1,817)	17,204	(1,326)	948
Payment of non-current provisions for employee benefits	(3,438)	(4,438)	(3,200)	(4,184)
Other non-current liabilities	(160)	(1,162)	(162)	557
Net cash from (used in) operating	(106,947)	171,087	(8,095)	79,444

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended		Six-month period ended	
	30 June		30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Interest paid	(13,295)	(10,782)	-	(140)
Tax paid	(31,527)	(35,178)	(203)	(2,809)
Net cash from (used in) operating activities	(151,769)	125,127	(8,298)	76,495
<i>Cash flows from investing activities</i>				
Decrease in restricted deposits at financial institutions	2,350	14,948	-	-
Proceeds from loans to related parties	-	-	313,580	98,950
Loans to related parties	(10,088)	(8,000)	(458,778)	(188,940)
Acquisition of associate net of cash acquired	(500)	(1,561)	-	-
Acquisition of subsidiary net of cash acquired	-	-	-	(20,000)
Acquisition of property, plant and equipment	(13,997)	(36,563)	(103)	(120)
Acquisition of intangible assets	(1,396)	(1,734)	-	(78)
Proceeds from disposal of investment properties	-	3,105	-	-
Proceeds from disposal of property, plant and equipment	4,482	870	1,589	-
Dividend received	-	-	37,897	16,250
Interest received	1,243	244	2,836	2,763
Net cash used in investing activities	(17,906)	(28,691)	(102,979)	(91,175)
<i>Cash flows from financing activities</i>				
Proceeds from short-term borrowings from financial institutions	522,341	313,056	-	-
Repayment of short-term borrowings from financial institutions	(616,132)	(383,113)	-	-
Proceeds from long-term borrowings from financial institutions	42,000	-	-	-
Repayment of long-term borrowings from financial institutions	(19,320)	(10,380)	-	-
Proceeds from short-term borrowings from related party	-	19,500	-	-
Repayment of short-term borrowings from related party	-	(22,000)	-	-
Repayment of lease liabilities	(16,964)	(16,072)	(861)	(1,500)
Dividends paid to owners of the Company	(30,000)	(21,920)	(30,000)	(21,920)
Dividends paid to non-controlling interests	(4,041)	(19,000)	-	-
Net cash used in financing activities	(122,116)	(139,929)	(30,861)	(23,420)

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

Takuni Group Public Company Limited and its Subsidiaries

Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Six-month period ended 30 June		Six-month period ended 30 June	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Net decrease in cash and cash equivalents	(291,791)	(43,493)	(142,138)	(38,100)
Cash and cash equivalents at 1 January	472,603	121,566	320,427	101,316
Cash and cash equivalents at 30 June	180,812	78,073	178,289	63,216
Cash and cash equivalents at 30 June				
Cash and cash equivalents	184,498	78,201	178,289	63,216
Bank overdrafts	(3,686)	(128)	-	-
	180,812	78,073	178,289	63,216
Non-cash transactions				
Payable from purchase of property, plant and equipment	2,359	12,246	9	20
Acquisitions of right-of-use assets under leases	20,320	43,295	-	5,031

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

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

Note	Contents
1	Basis of preparation of the interim financial statements
2	Related parties
3	Trade and other current receivables
4	Contract assets and contract liabilities
5	Inventories
6	Investments in associates
7	Property, plant and equipment
8	Share capital
9	Segment information and disaggregation of revenue
10	Warrants
11	Dividends
12	Financial instruments
13	Commitments with non-related parties
14	Contingent liabilities

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

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

The interim financial statements issued for Thai regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements and were approved and authorised for issue by the Board of Directors on 9 August 2021.

1 Basis of preparation of the interim financial statements

The condensed interim financial statements are presented in the same format as the annual financial statements together with notes to the interim financial statements on a condensed basis (“interim financial statements”) in accordance with Thai Accounting Standard (TAS) No. 34 *Interim Financial Reporting*, guidelines promulgated by the Federation of Accounting Professions and applicable rules and regulations of the Thai Securities and Exchange Commission. The interim financial statements focus on new activities, events and circumstances to avoid repetition of information previously reported in annual financial statements. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2020.

In preparing these interim financial statements, judgements and estimates are made by management in applying the Group’s accounting policies. Actual results may differ from these estimates. The accounting policies, methods of computation and the key sources of estimation uncertainty were the same as those that described in the financial statements for the year ended 31 December 2020.

2 Related parties

<i>Significant transactions with related parties</i> <i>Six-month period ended 30 June</i>	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Subsidiaries				
Purchases of goods and receiving of services	-	-	374	15,098
Revenue from sale of goods	-	-	11	-
Other income	-	-	4,119	5,378
Rental expense	-	-	606	534
Transportation expense	-	-	9,541	9,749
Interest income	-	-	3,454	3,622
Other expenses	-	-	142	133
Associates				
Revenue from sale of goods	9	-	-	-
Other income	86	24	-	-
Interest income	1,732	-	-	-
Key management personnel				
Key management personnel compensation				
Short-term employee benefits (<i>including director’s remuneration</i>)	16,026	17,677	5,417	6,259
Post-employment benefits	454	480	157	151
Total key management personnel compensation	16,480	18,157	5,574	6,410
Other related parties				
Rental expense	30	30	-	-
Interest expense	-	186	-	-

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

Balances as at 30 June 2021 and 31 December 2020 with related parties were as follows:

	Consolidated financial statements		Separate financial statement	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
Trade receivables				
Associate	9	36	-	-
Other receivables (included in other current receivables)				
Subsidiaries	-	-	705	764
Associate	28	8	-	-
Total	28	8	705	764
Interest receivable (included in other current receivables)				
Subsidiaries	-	-	2,831	2,700
Associate	871	-	-	-
Total	871	-	2,831	2,700
Dividend receivable (included in other current receivables)				
Subsidiaries	-	-	-	37,897
Interest receivables (included in other non-current assets)				
Subsidiaries	-	-	3,047	2,127
Receivable from sale of land				
Associate	76,241	76,241	-	-
Trade and other current payables				
Subsidiaries	-	-	1,889	2,181

	Interest rate		Consolidated financial statements			
	31 December 2020	30 June 2021	31 December 2020	Increase	Decrease	30 June 2021
Loans to	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Associates	-	-	18,320	10,088	-	28,408

	Interest rate		Separate financial statements			
	31 December 2020	30 June 2021	31 December 2020	Increase	Decrease	30 June 2021
Loans to	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiaries	3	3	155,680	452,778	(313,580)	294,878
Associate	-	-	18,320	6,000	-	24,320
Total			174,000	458,778	(313,580)	319,198

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

3 Trade and other current receivables

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2021	31 December 2020	30 June 2021	31 December 2020
<i>(in thousand Baht)</i>					
Trade receivables					
Related party	2	9	36	-	-
Other parties		393,261	258,468	34,103	42,219
Less allowance for expected credit loss	12	(6,643)	(10,678)	(1,358)	(5,471)
Net		386,627	247,826	32,745	36,748
Other current receivables					
Related parties	2	28	8	705	764
Other parties		645	600	4	-
Prepaid expense		15,875	14,034	1,353	932
Advance payments to subcontractors		4,097	2,553	-	-
Other accrued income		159	159	-	-
Interest receivables	2	871	-	2,831	2,700
Dividend receivables	2	-	-	-	37,897
Total		21,675	17,354	4,893	42,293
Total trade and other current receivables		408,302	265,180	37,638	79,041

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
<i>(in thousand Baht)</i>				
For the six-month period ended 30 June				
Expected credit loss				
- Additions	2,614	4,000	-	1,133
- Reversal	(6,649)	(321)	(4,113)	(321)
Bad debts	4,399	-	3,228	-

As at 30 June 2021, a subsidiary had no pledged of trade receivables as collateral for short-term borrowings from financial institutions - factoring loan (31 December 2020: Baht 101.93 million).

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

4 Contract assets and contract liabilities

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

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
<i>Contract assets</i>				
Total project value	6,288,134	7,770,394	-	494,935
Accumulated amount recognised as revenue on percentage of completion basis	3,358,322	4,458,463	-	494,935
Less value of total billed	<u>(2,762,892)</u>	<u>(3,934,372)</u>	<u>-</u>	<u>(494,935)</u>
Total contract assets	<u>595,430</u>	<u>524,091</u>	<u>-</u>	<u>-</u>
Retention receivables	<u>54,434</u>	<u>54,192</u>	<u>-</u>	<u>-</u>
<i>Contract liabilities</i>				
Total project value	970,191	923,886	-	-
Value of total billed	652,733	446,984	-	-
Less accumulated amount recognised as revenue on percentage of completion basis	<u>(581,896)</u>	<u>(414,991)</u>	<u>-</u>	<u>-</u>
	<u>70,837</u>	<u>31,993</u>	<u>-</u>	<u>-</u>
Advance received from construction contracts	<u>61,851</u>	<u>109,446</u>	<u>-</u>	<u>-</u>
Total contract liabilities	<u>132,688</u>	<u>141,439</u>	<u>-</u>	<u>-</u>

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

5 Inventories

	Consolidated financial statements		Separate financial statements	
	30 June 2021	31 December 2020	30 June 2021	31 December 2020
	<i>(in thousand Baht)</i>			
Finished goods - petroleum gas	10,284	11,071	10,297	11,135
Finished goods - gas tank for installation and equipment	7,996	8,078	-	-
Finished goods - minibus	9,459	9,459	-	-
Work in progress - gas installation	5	122	-	-
Work in progress - testing	1,513	511	-	-
Raw materials	23,403	38,228	-	-
Supplies	3,246	2,983	-	-
Total	55,906	70,452	10,297	11,135
Less allowance for losses on decline in value	(9,409)	(9,372)	-	-
Net	46,497	61,080	10,297	11,135

	Consolidated financial statements		Separate financial statements	
	2021	2020	2021	2020
	<i>(in thousand Baht)</i>			
Six-month period ended 30 June				
Inventories recognised in 'cost of sales of goods':				
- Cost of sales of goods	197,242	264,931	197,518	265,053
- Write-down to net realisable value	132	-	-	-
- Reversal of write-down	(95)	(706)	-	-
Net	197,279	264,225	197,518	265,053

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

6 Investments in associates

<i>The significant movement for the six-month period ended 30 June 2021</i>	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
<i>Associate</i>		
Purchase investment in Watchaphuch Thai Co., Ltd.	500	-

On 21 April 2021, a subsidiary jointly invested in Watchaphuch Thai Co., Ltd. to engage in trading of pharmaceutical botany products. Its authorized share capital amounted to Baht 1 million which consisted of 10,000 ordinary shares at a par value of Baht 100 per share. The subsidiary held 50% of shares and classified as investment in associate.

7 Property, plant and equipment

The movement of property, plant and equipment for the six-month period ended 30 June 2021 was as follows:

	Consolidated financial statements <i>(in thousand Baht)</i>	Separate financial statements
<i>Net book value</i>		
At 1 January	721,356	57,572
Additions	34,495	107
Disposals / written off	(519)	-
Depreciation charge for the period	(46,484)	(2,853)
At 30 June	<u>708,848</u>	<u>54,826</u>

During the six-month period ended 30 June 2021, the Group leased land, machinery, tools and equipment for 3 years and made fixed payments during the lease term. The Group recognised right-of-use assets amounted of Baht 20.32 million.

As at 30 June 2021, the Group and the Company had pledged property, plant and equipment with net book value of Baht 509.13 million and Baht 33.13 million, respectively (*31 December 2020: Baht 376.18 million and Baht 33.48 million, respectively*) as collateral for credit facilities for bank overdrafts, letters of credits or trust receipt, letters of guarantees, forward contracts and long-term borrowings from financial institutions.

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

8 Share capital

	Par value per share (Baht)	Consolidated financial statements / Separate financial statements			
		2021		2020	
		Number	Amount	Number	Amount
		<i>(in thousand shares / in thousand Baht)</i>			
<i>Authorised share capital</i>					
At 1 January					
- Ordinary shares	0.5	1,200,000	600,000	1,200,000	600,000
Decrease	0.5	<u>(400,000)</u>	<u>(200,000)</u>	<u>-</u>	<u>-</u>
At 30 June 2021 and 31 December 2020					
- Ordinary shares	0.5	<u>800,000</u>	<u>400,000</u>	<u>1,200,000</u>	<u>600,000</u>
<i>Issued and paid-up share capital</i>					
At 1 January					
- Ordinary shares	0.5	<u>800,000</u>	<u>400,000</u>	<u>800,000</u>	<u>400,000</u>
At 30 June 2021 and 31 December 2020					
- Ordinary shares	0.5	<u>800,000</u>	<u>400,000</u>	<u>800,000</u>	<u>400,000</u>

At the annual general meeting of the shareholders of the Company held on 27 April 2021, the shareholders approved the reduction of authorised share capital which had not been paid-up amounting to Baht 200 million, which consisted of 400 million ordinary shares at a par value of Baht 0.5 per share. The Company registered the reduction of authorised share capital on 5 May 2021.

9 Segment information and disaggregation of revenue

Geographical segments

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

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

	Consolidated financial statements													
	Liquid Petroleum Gas trading		Equipment trading and gas system installation		Transportation services		Construction services		NDT and inspection services		Others		Total	
	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020	2021	2020
<i>Six-month period ended 30 June</i>	<i>(in thousand Baht)</i>													
Information about reportable segments														
Total revenues	207,290	271,221	1,166	1,283	17,417	19,274	955,798	1,236,393	46,434	58,824	-	-	1,228,105	1,586,995
Inter-segment revenues	(11)	-	(543)	(463)	(11,714)	(11,628)	(228)	(13,257)	(7,882)	(12,594)	-	-	(20,378)	(37,942)
External revenues	<u>207,279</u>	<u>271,221</u>	<u>623</u>	<u>820</u>	<u>5,703</u>	<u>7,646</u>	<u>955,570</u>	<u>1,223,136</u>	<u>38,552</u>	<u>46,230</u>	<u>-</u>	<u>-</u>	<u>1,207,727</u>	<u>1,549,053</u>
Timing of revenue recognition														
At a point in time	207,279	271,221	623	820	-	-	-	-	-	-	-	-	207,902	272,041
Over time	-	-	-	-	5,703	7,646	955,570	1,223,136	38,552	46,230	-	-	999,825	1,277,012
Total revenues	<u>207,279</u>	<u>271,221</u>	<u>623</u>	<u>820</u>	<u>5,703</u>	<u>7,646</u>	<u>955,570</u>	<u>1,223,136</u>	<u>38,552</u>	<u>46,230</u>	<u>-</u>	<u>-</u>	<u>1,207,727</u>	<u>1,549,053</u>
Segment profit (loss) before income tax	230	(7,703)	(228)	(711)	1,291	697	65,979	44,300	(6,487)	(5,762)	1,671	(2,435)	62,456	28,386

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

10 Warrants

On 28 January 2021, warrants of 211 units were exercised to 236 ordinary shares with the exercise price at Baht 1.79 per share, resulting in the Company's issued and paid-up share capital amounted to Baht 400,000,118 which consists of 800,000,236 ordinary shares with a par value of Baht 0.05 per share.

Warrants were terminated from being listed warrants on 29 January 2021.

11 Dividends

Details of dividends during the period of 2021 are as follows:

	Approval date	Payment schedule	Dividend rate per share (in Baht)	Amount (in million Baht)
<i>2021</i>				
2020 Annual dividends	27 April 2021	25 May 2021	0.0375	30.00

12 Financial instruments

Carrying amounts and fair values

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

	Consolidated financial statements				Total
	Carrying amount financial instruments measured at amortised cost	Level 1 <i>(in thousand Baht)</i>	Level 2	Level 3	
<i>At 30 June 2021</i>					
Long-term borrowings from financial institutions	145,620	-	-	145,177	145,177
<i>At 31 December 2020</i>					
Long-term borrowings from financial institutions	122,940	-	-	123,635	123,635

Credit risk

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

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

Expected credit loss

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

	Consolidated financial statements							Total	
	Trade receivables								
	Contract assets	Overdue					Fully allowance for expected credit loss on trade receivables		
Within credit terms		Less than 3 months	3-6 months	6-12 months	Over 12 months				
<i>At 30 June 2021</i>									
				(<i>%</i>)					
Weighted average loss rate	<u>-</u>	<u>0.12</u>	<u>0.21</u>	<u>24.47</u>	<u>75.18</u>	<u>-</u>	<u>100.00</u>		
			(<i>in thousand Baht</i>)						
Total carrying amounts	<u>595,430</u>	<u>184,806</u>	<u>200,889</u>	<u>1,361</u>	<u>2,192</u>	<u>-</u>	<u>4,022</u>	<u>393,270</u>	
Allowance for expected credit loss	<u>-</u>	<u>(226)</u>	<u>(414)</u>	<u>(333)</u>	<u>(1,648)</u>	<u>-</u>	<u>(4,022)</u>	<u>(6,643)</u>	
<i>At 31 December 2020</i>									
				(<i>%</i>)					
Weighted average loss rate	<u>-</u>	<u>0.10</u>	<u>2.20</u>	<u>15.10</u>	<u>90.38</u>	<u>-</u>	<u>100.00</u>		
			(<i>in thousand Baht</i>)						
Total carrying amounts	<u>524,091</u>	<u>201,816</u>	<u>42,683</u>	<u>5,200</u>	<u>551</u>	<u>-</u>	<u>8,254</u>	<u>258,504</u>	
Allowance for expected credit loss	<u>-</u>	<u>(200)</u>	<u>(941)</u>	<u>(785)</u>	<u>(498)</u>	<u>-</u>	<u>(8,254)</u>	<u>(10,678)</u>	

Takuni Group Public Company Limited and its Subsidiaries
Notes to the condensed interim financial statements
For the three-month and six-month periods ended 30 June 2021 (Unaudited)

13 Commitments with non-related parties

<i>At 30 June 2021</i>	Consolidated financial statements	Separate financial statements
	<i>(in thousand Baht)</i>	
Other commitments		
Purchase orders for construction materials	20,248	-
Bank guarantees	1,137,715	103,493
Total	1,157,963	103,493

14 Contingent liabilities

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

Subsequently, the subsidiary and the plaintiff submitted appeals on 22 February 2021 and 24 March 2021, respectively. Currently, the appeals are in consideration of the Appeal Court. Including, the subsidiary submitted the petition to stay the execution in order to be executed by the judgement during the process of the appeal. The appeal Court has set a stay of execution order announcement and an appeal court judgement announcement on 15 September 2021 and 30 November 2021, respectively.