

Siamrajathanee Public Company Limited
Review report and interim financial information
For the three-month period ended 31 March 2021

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Siamrajathanee Public Company Limited

I have reviewed the accompanying statement of financial position of Siamrajathanee Public Company Limited as at 31 March 2021, the related statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, as well as the condensed notes to the interim financial statements (collectively "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*.

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 13 May 2021

Siamrajathanee Public Company Limited**Statements of financial position****As at 31 March 2021**

		(Unit: Thousand Baht)	
	Note	31 March 2021	31 December 2020
		(Unaudited but reviewed)	(Audited)
Assets			
Current assets			
Cash and cash equivalents	3	213,026	183,750
Trade and other receivables	2, 4	333,453	327,952
Assets for lease held for sale	5	3,752	304
Withholding tax deducted at source		1,048	-
Other current financial assets		523	736
Other current assets		31,271	16,447
Total current assets		583,073	529,189
Non-current assets			
Restricted bank deposits	6	50,365	50,359
Other non-current financial assets		245	249
Assets for lease	7	735,865	727,188
Investment properties	8	15,543	16,065
Property, building and equipment	9	193,454	197,258
Intangible assets	10	2,398	2,798
Other non-current assets		11,544	11,544
Total non-current assets		1,009,414	1,005,461
Total assets		1,592,487	1,534,650

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

Siamrajathanee Public Company Limited
Statements of financial position (continued)
As at 31 March 2021

(Unit: Thousand Baht)

	Note	31 March 2021 (Unaudited but reviewed)	31 December 2020 (Audited)
Liabilities and shareholders' equity			
Current liabilities			
Trade and other payables	2, 12	84,644	61,428
Current portion of long-term lease liabilities	13	168,171	162,720
Income tax payable		624	624
Other current liabilities		26,964	30,534
Total current liabilities		280,403	255,306
Non-current liabilities			
Long-term lease liabilities, net of current portion	13	345,657	355,318
Deferred tax liabilities		8,922	6,432
Provision for long-term employee benefits	14	37,502	37,105
Other non-current financial liabilities		11,532	11,313
Total non-current liabilities		403,613	410,168
Total liabilities		684,016	665,474

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

Siamrajathanee Public Company Limited
Statements of financial position (continued)
As at 31 March 2021

(Unit: Thousand Baht)

	31 March 2021	31 December 2020
	(Unaudited but reviewed)	(Audited)
Shareholders' equity		
Share capital		
Registered		
310,000,000 ordinary shares of Baht 1 each	310,000	310,000
Issued and paid-up		
310,000,000 ordinary shares of Baht 1 each	310,000	310,000
Premium on share capital	450,123	450,123
Retained earnings		
Appropriated - statutory reserve	31,000	31,000
Unappropriated	117,348	78,053
Total shareholders' equity	908,471	869,176
Total liabilities and shareholders' equity	1,592,487	1,534,650
	-	-

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

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Directors
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(Unaudited but reviewed)

Siamrajathanee Public Company Limited
Statement of comprehensive income
For the three-month period ended 31 March 2021

		(Unit: Thousand Baht)	
	Note	2021	2020
Profit or loss:			
Revenues			
Revenue from outsourcing services		443,993	468,224
Revenue from rental and services		61,583	56,329
Gain on sale of assets for lease held for sale and equipment		2,838	8,473
Other income		1,354	1,847
Total revenues		<u>509,768</u>	<u>534,873</u>
Expenses			
Cost of outsourcing services		362,352	388,684
Cost of rental and services		46,201	47,209
Service expenses		1,334	873
Administrative expenses		50,762	54,880
Total expenses		<u>460,649</u>	<u>491,646</u>
Profit from operating activities		49,119	43,227
Finance income		159	85
Finance cost		(2)	(1,801)
Profit before income tax expenses		49,276	41,511
Income tax expenses	16	(9,981)	(7,833)
Profit for the period		<u>39,295</u>	<u>33,678</u>
Other comprehensive income:			
Other comprehensive income for the period		-	-
Total comprehensive income for the period		<u>39,295</u>	<u>33,678</u>
			(Unit: Baht)
			(Restated)
Earnings per share	17		
Basic earnings per share			
Profit for the period		0.11	0.12
Weighted average number of ordinary shares (shares)		<u>372,000,000</u>	<u>270,000,000</u>

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

(Unaudited but reviewed)

Siamrajathanee Public Company Limited

Cash flow statement

For the three-month period ended 31 March 2021

	(Unit: Thousand Baht)	
	2021	2020
Cash flows from operating activities		
Profit before tax	49,276	41,511
Adjustments to reconcile profit before tax to net cash provide by (paid from) operating activities:		
Depreciation and amortisation	34,132	25,151
Gain on sale of assets for lease held for sale	(2,588)	(8,473)
Provision for liabilities from litigation	(250)	-
Provision for long-term employee benefits	986	977
Interest income	(159)	(85)
Interest expenses	4,584	4,784
Profit from operating activities before changes in operating assets and liabilities	85,981	63,865
Operating assets decrease (increase)		
Trade and other receivables	(5,476)	(35,746)
Other current financial assets	213	295
Other current assets	(14,824)	(6,382)
Other non-current financial assets	4	514
Operating liabilities increase (decrease)		
Trade and other payables	25,513	16,523
Other current liabilities	(3,570)	(4,087)
Other non-current financial liabilities	219	1,096
Cash flows from operating activities	88,060	36,078
Cash receipt from interest income	134	45
Cash paid for employee benefits	(589)	(229)
Cash paid for interest expenses	(1)	(1,889)
Cash paid for corporate income tax	(8,539)	(8,883)
Net cash flows from operating activities	79,065	25,122

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

(Unaudited but reviewed)

Siamrajathanee Public Company Limited

Cash flow statement (continued)

For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	2021	2020
Cash flows from investing activities		
Increase in restricted bank deposits	(6)	(8)
Cash paid for acquisition of property, building and equipment	(1,379)	(1,841)
Cash paid for acquisition of assets for lease	-	(5)
Proceeds from sale of assets for lease held for sale	4,513	14,384
Proceeds from sale of equipment	250	-
Net cash flows from investing activities	3,378	12,530
Cash flows from financing activities		
Increase in bank overdraft and short-term loans from financial institutions	-	40,109
Dividend paid	(1,786)	-
Cash paid for lease liabilities	(51,381)	(68,140)
Net cash flows used in financing activities	(53,167)	(28,031)
Net increase in cash and cash equivalents	29,276	9,621
Cash and cash equivalents at beginning of period	183,750	23,437
Cash and cash equivalents at end of period (Note 3)	213,026	33,058

Supplemental cash flows information

Non-cash items consist of

Transfer of assets for lease to assets for lease held for sales	5,373	8,081
Increase (decrease) in asset payables	(511)	1,282
Increase in assets for lease from new lease agreements	42,588	348,409
Dividend payable	15	-

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

(Unaudited but reviewed)

Siamrajathanee Public Company Limited
Statement of changes in shareholders' equity
For the three-month period ended 31 March 2021

(Unit: Thousand Baht)

	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated	
Balance as at 31 December 2019	225,000	-	21,500	69,385	315,885
Profit for the period	-	-	-	33,678	33,678
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	33,678	33,678
Balance as at 31 March 2020	<u>225,000</u>	<u>-</u>	<u>21,500</u>	<u>103,063</u>	<u>349,563</u>
Balance as at 31 December 2020	310,000	450,123	31,000	78,053	869,176
Profit for the period	-	-	-	39,295	39,295
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	39,295	39,295
Balance as at 31 March 2021	<u>310,000</u>	<u>450,123</u>	<u>31,000</u>	<u>117,348</u>	<u>908,471</u>

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

Siamrajathanee Public Company Limited

Notes to interim financial statements

For the three-month periods ended 31 March 2021

1. General information

1.1 Corporate information

Siamrajathanee Public Company Limited (“the Company”) is a company incorporated and domiciled in Thailand. The Company is principally engaged in providing outsourcing services and vehicle operating lease services. The registered office of the Company is at 329 Moo 10, Old railway Road, Samrong, Phrapradaeng, Samutprakarn.

1.2 Basis for preparation of interim financial information

This interim financial information is prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders’ equity and cash flows in the same format as that used for the annual financial information.

The interim financial information is intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. This interim financial information should therefore be read in conjunction with the latest annual financial statements.

The interim financial information in Thai language is the official statutory financial information of the Company. The interim financial information in English language have been translated from the Thai language financial information.

1.3 New financial reporting standards that became effective in the current period

a) Financial reporting standards that became effective in the current period

During the period, the Company has adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2021. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the Company’s financial statements.

b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2022

The Federation of Accounting Professions issued amendments to Thai Financial Reporting Standard 16 Leases that provide temporary exemptions from the impact of interest rate benchmark reform for a lessee, provided that all specified conditions are to be met.

The management of the Company believes that adoption of these not have any significant impact on the Company's financial statements.

1.4 Significant accounting policies

The interim financial information is prepared by using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2020.

2. Related party transactions

The relationships between the Company and related parties are summarised below:

Name	Relationship
Vinyltec Industry Co., Ltd.	Common directors
Rayong Sinsub Pattana Co., Ltd.	Common directors
En-technology Consultants Co., Ltd.	Common directors
Vimolchalao Co., Ltd.	Common directors
Union Auction Public Company Limited	Common directors
Bitkub Online Co., Ltd.	Indirectly hold by directors and person related to directors

During the periods, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties.

	For the three-month periods		Transfer Pricing Policy
	ended 31 March		
	2021	2020	
(Unit: Thousand Baht)			
<u>Transactions with related companies</u>			
Revenue from rental and service	4,329	304	Normal price and condition as other receivable
Gain on sale of assets for lease held for sale	1,152	723	Referred to market price or auction price

(Unaudited but reviewed)

As at 31 March 2021 and 31 December 2020, the balances of the accounts between the Company and those related companies are as follows:

	(Unit: Thousand Baht)	
	31 March 2021	31 December 2020
<u>Trade and other receivable - related parties (Note 4)</u>		
Related companies	29	18
<u>Trade and other payables - related parties (Note 12)</u>		
Related companies	-	7

Directors and management's benefits

During the three-month periods ended 31 March 2021 and 2020, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	For the three-month periods ended 31 March	
	2021	2020
Short-term employee benefits	8,735	9,203
Post-employment benefits	244	228
Total	8,979	9,431

Guarantee obligations with related parties

The Company has no outstanding guarantee obligations with its related parties.

3. Cash and cash equivalents

	(Unit: Thousand Baht)	
	31 March 2021	31 December 2020
Cash	180	150
Bank deposits	212,846	183,600
Total	213,026	183,750

As at 31 March 2021, bank deposits in saving accounts, carried interests between 0.050% and 0.125% per annum. (31 December 2020: 0.050% and 0.125% per annum).

4. Trade and other receivables

	(Unit: Thousand Baht)	
	31 March 2021	31 December 2020
<u>Trade accounts receivable - related parties</u>		
Aged on the basis of due dates		
Not yet due	29	18
Total trade accounts receivable - related parties	29	18
<u>Trade accounts receivable - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	132,881	112,247
Past due		
Up to 3 months	40,457	42,593
3 - 6 months	4,700	2,228
Over 6 months	5,781	5,968
Total trade accounts receivable - unrelated parties	183,819	163,036
Less: Allowance for expected credit losses	(5,781)	(5,781)
Total trade accounts receivable - related parties, net	178,038	157,255
Total trade accounts receivable, net	178,067	157,273
<u>Accrued income</u>		
Aged on unbilled amounts since revenues recognised dates		
Up to 1 months	132,537	131,610
1 - 3 months	22,628	32,302
3 - 6 months	132	6,688
Total accrued income	155,297	170,600
<u>Other receivables</u>		
Other receivables	38	53
Interest receivable	51	26
Total other receivables	89	79
Total trade and other receivables, net	333,453	327,952

5. Assets for lease held for sale

Movements of the assets for lease held for sale account for the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	304
Transfer from assets for lease (Note 7)	5,373
Disposals during the period - net book value at disposed date	<u>(1,925)</u>
Net book value as at 31 March 2021	<u>3,752</u>

6. Restricted bank deposits

These represent saving accounts pledged with the banks to secure credit facilities obtained from banks and bank guarantees, as discussed in Notes 11 and 19.2.

7. Assets for lease

Movements of the assets for lease account for the three-month period ended 31 March 2021 is presented below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	727,188
Acquisitions during the period - at cost	42,588
Depreciation for the period	(28,538)
Transfer to assets for lease held for sale (Note 5)	<u>(5,373)</u>
Net book value as at 31 March 2021	<u>735,865</u>

As at 31 March 2021, motor vehicles for lease which were acquired under lease agreements amounting to Baht 712 million (31 December 2020: Baht 698 million).

The Company has entered into several lease agreements in respect of vehicle leases, under which the terms generally last between 1 and 5 years. The Company has future minimum rentals receivable under non-cancellable operating leases are as follows:

	(Unit: Million Baht)	
	31 March	31 December
	<u>2021</u>	<u>2020</u>
In up to 1 year	231	225
In over 1 and up to 5 years	492	504

8. Investment properties

Movements of the investment properties account for the three-month period ended 31 March 2021 are summarised.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	16,065
Depreciation for the period	<u>(522)</u>
Net book value as at 31 March 2021	<u><u>15,543</u></u>

As at 31 March 2021, the Company has pledged investment properties with net book value amounting to approximately Baht 16 million (31 December 2020: Baht 16 million) as collateral against credit facilities received from financial institutions.

The Company has entered into several lease agreements in respect of the lease of office building. The terms of the agreements are generally between 1 and 3 years. The Company has future minimum rentals receivable under non-cancellable operating leases are as follows:

	(Unit: Million Baht)	
	31 March <u>2021</u>	31 December <u>2020</u>
In up to 1 year	1	1

9. Property, building and equipment

Movements of the property, building and equipment account for the three-month period ended 31 March 2021 is presented below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	197,258
Acquisitions during the period - at cost	868
Depreciation for the period	<u>(4,672)</u>
Net book value as at 31 March 2021	<u><u>193,454</u></u>

As at 31 March 2021, the Company had vehicles with net book value of Baht 2 million (31 December 2020: Baht 2 million) which were acquired under lease agreements.

As at 31 March 2021, the Company has pledged their property and building amounting to approximately Baht 160 million (31 December 2020: Baht 162 million) as collateral against credit facilities received from financial institutions.

10. Intangible assets

Movements of the intangible assets account for the three-month period ended 31 March 2021 are summarised below.

	(Unit: Thousand Baht)
Net book value as at 1 January 2021	2,798
Amortisation for the period	(400)
Net book value as at 31 March 2021	<u>2,398</u>

11. Credit facility

As at 31 March 2021, the Company has short-term loans which have not yet been drawn down amounted to Baht 485 million and bank overdrafts which have not yet been drawn down amounted to Baht 70 million. These credit facilities are secured by the mortgage of land and construction thereon of the Company and the Company's fixed accounts as discussed in Notes 6, 8 and 9.

12. Trade and other payables

	(Unit: Thousand Baht)	
	31 March	31 December
	2021	2020
Trade accounts payable - related parties	-	7
Trade accounts payable - unrelated parties	8,413	4,830
Other payables - unrelated parties	731	1,408
Dividend payable	15	1,802
Accrued expenses - unrelated parties	75,485	53,381
Total trade and other payables	<u>84,644</u>	<u>61,428</u>

13. Lease liabilities

Movements of the liabilities under hire purchase agreements account for the three-month period ended 31 March 2021 is presented below.

	(Unit: Thousand Baht)
Balance as at 1 January 2021	518,038
Addition during the period	42,588
Payment during the period	(46,798)
Balance as at 31 March 2021	<u>513,828</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Comprise of:

Current lease liabilities	168,171
Non-current lease liabilities	345,657
	<u>513,828</u>

14. Provision for long-term employee benefits

Movements of the provision for long-term employee benefits account for the three-month period ended 31 March 2021 is presented below.

(Unit: Thousand Baht)

Balance as at 1 January 2021	37,105
Add: Increase during the period	986
Less: Benefit paid during the period	(589)
Balance as at 31 March 2021	<u>37,502</u>

15. Significant balances of assets and liabilities from contracts with customers

(Unit: Thousand Baht)

	31 March 2021	31 December 2020
Contract assets		
Trade accounts receivable, net	150,684	113,498
Accrued income	138,705	153,980
Total	<u>289,389</u>	<u>267,478</u>
Contract liabilities		
Advances received from customers	1,209	622
Total	<u>1,209</u>	<u>622</u>

16. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month periods ended 31 March 2021 and 2020 are made up as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods
ended 31 March

	2021	2020
Current income tax:		
Current income tax charge	7,491	9,013
Deferred tax:		
Relating to origination and reversal of temporary differences	2,490	(1,180)
Income tax expense reported in the statement of comprehensive income	9,981	7,833

17. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holder of the Company (not including other comprehensive income) by the weighted average number of ordinary shares issue during the year after adjusting the number of shares in proportion to the change in the number of ordinary shares as a result of the distribution of the stock dividend of 62 million shares in accordance with the resolution of the Annual General Meeting of the Company shareholders held on 9 April 2021, discussed in Note 21.

The dividend shares were issued after the end of the reporting period but before the financial statements were authorised for issue. The Company therefore adjusted the number of ordinary shares of the prior period used for the calculation of basic earnings per share, as presented for comparative purposes, in proportion to the change in the number of shares, as if the issues of shares for the stock dividend and change in par value had occurred at the beginning of the earliest period reported.

Earnings per share were computed as follows:

	For the three-month periods ended 31 March	
	2021	2020
		(Restated)
Profit for the period (Thousand Baht)	39,295	33,678
Weighted average number of ordinary shares (Thousand shares)	372,000	270,000
Profit per share (Baht/share)	0.11	0.12

18. Segment information

The Company is organised into business units based on its services. During the current period, the Company has not changed the organisation of its reportable segments.

The following tables present revenue and profit information regarding the Company's operating segments for the three-month periods ended 31 March 2021 and 2020, respectively.

(Unit: Million Baht)

	For the three-month periods ended 31 March					
	Outsourcing services		Rental services		Total	
	2021	2020	2021	2020	2021	2020
Revenue from external customers	444	468	61	56	505	524
Gain on sale of assets for lease	-	-	3	9	3	9
Total revenues	<u>444</u>	<u>468</u>	<u>64</u>	<u>65</u>	<u>508</u>	<u>533</u>
Operating result						
Segment profit	82	79	18	18	100	97
Other income					1	1
Service expenses					(1)	(1)
Administrative expenses					(51)	(54)
Finance income					-	1
Finance cost					-	(2)
Profit before income tax expense					<u>49</u>	<u>42</u>
Income tax expense					(10)	(8)
Profit for the period					<u>39</u>	<u>34</u>

19. Commitments and contingent liabilities**19.1 Operating lease commitments**

Future minimum lease payments required under lease agreements and service agreement, except lease agreements recorded under lease liabilities in the statements of financial position are as follows:

(Unit: Million Baht)

	31 March 2021	31 December 2020
Payable:		
In up to 1 year	0.8	0.6
In over 1 and up to 3 years	-	0.1

19.2 Letter of guarantees

As at 31 March 2021, there were outstanding bank guarantees of approximately Baht 278 million (31 December 2020: Baht 315 million) to guarantee contractual performance of the Company.

20. Financial Instrument

Fair value of financial instrument

Most of the Company's financial instruments are classified as short-term or have interest rates that are close to market rate. Therefore, the carrying amounts of these financial instruments is estimated to approximate their fair value.

21. Events after the reporting year

On 9 April 2021, the Annual General Meeting of the Company's shareholders approved the following resolutions

(1) Approve the dividend payment from the operating results for the year 2020 (from 1 July 2020 to 31 December 2020) as detailed below

- A stock dividend is to be made for not more than 62 million ordinary shares of the Company, with a par value of Baht 1 per share, in a ratio of every 5 existing shares per 1 stock dividend, at a rate of Baht 0.20 per share or a total of Baht 62 million. The cash dividend at a rate of Baht 0.20 per share will be paid to the shareholders who have indivisible shares after the allocation.
- A cash dividend is to be paid at a rate of Baht 0.0222 per share, or a total of not more than Baht 6.9 million

Payment of the stock dividend and cash dividend is scheduled to be made no later than 7 May 2021.

(2) Approve an increase in the registered capital from Baht 310 million (310 million ordinary shares of Baht 1 each) to Baht 372 million (372 million ordinary shares of Baht 1 each), by issuing additional ordinary shares of Baht 62 million (62 million ordinary shares of Baht 1 each) in order to support stock dividend payment.

The Company registered the increase in its registered capital with the Ministry of Commerce on 21 April 2021.

22. Approval of interim financial information

This interim financial information was authorised for issue by the Company's Board of Directors on 13 May 2021.