

**REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
BY THE INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS**

TO THE BOARD OF DIRECTORS

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED

We have reviewed the statement of financial position of T Engineering Corporation Public Company Limited as at June 30, 2019, and the related statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2019, and the related statements of changes in shareholders' equity and cash flows for the six-month period ended June 30, 2019, and the condensed notes to the financial statements. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting". Our responsibility is to express a conclusion on this interim financial information based on our review.

Scope of Review

We conducted our 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 us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the aforementioned interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34 "Interim Financial Reporting".

Emphasis of Matter

Without modifying our conclusion on the aforementioned interim financial information, we draw attention to Note 28 to the interim financial statements, the Company has many litigations which are currently under the process of the courts.

BANGKOK
August 13, 2019

Chavala Tienpasertkij
Certified Public Accountant (Thailand)
Registration No. 4301
DELOITTE TOUCHE TOHMATSU JAIYOS AUDIT CO., LTD.

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION

AS AT JUNE 30, 2019

Unit : Baht

	Notes	As at June 30, 2019 “Unaudited”	As at December 31, 2018
ASSETS			
CURRENT ASSETS			
Cash and cash equivalents	4.3	16,110,901	42,241,305
Current investments	5	5,179,020	4,014,000
Trade and other current receivables	6	100,683,812	181,645,189
Inventories	7	2,471,614	155,771
Current tax assets		4,380,822	23,500,735
Deposit for business acquisition	8	-	-
Asset held for distribution to owners	9	-	854,268
Other current assets		2,549,064	3,968,887
Total Current Assets		131,375,233	256,380,155
NON-CURRENT ASSETS			
Deposits at financial institution with restriction of use	10	283,401,500	297,312,009
Investments held as available for sale	11	31,590,145	36,060,300
Investment in joint arrangement	12	-	-
Trade and other non-current receivables	13	9,057,417	9,447,433
Property, plant and equipment	14	80,096,885	82,762,700
Retention receivables	15	67,517,611	82,158,878
Intangible assets		4,415,800	5,178,209
Other non-current assets	16	105,983,758	82,071,859
Total Non-current Assets		582,063,116	594,991,388
TOTAL ASSETS		713,438,349	851,371,543

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2019

Unit : Baht

	Notes	As at June 30, 2019 “Unaudited”	As at December 31, 2018
LIABILITIES AND SHAREHOLDERS' EQUITY			
CURRENT LIABILITIES			
Trade and other current payables	17	184,658,465	198,874,945
Current portion of long-term liabilities under finance lease agreements	18	296,556	282,431
Other short-term borrowing		12,235,690	12,235,690
Current retention payables		25,827,837	21,624,685
Unearned construction revenues and advances from customers under construction contracts	23	47,777,277	8,756,754
Short-term provisions		4,555,529	1,472,323
Provision for expected loss on construction contracts	19.1	-	192,805,344
Provision for penalty arising from delay	19.2	7,215,198	23,609,726
Provision for current liabilities from employee benefits		1,948,372	-
Other current liabilities		16,146,412	14,363,506
Total Current Liabilities		300,661,336	474,025,404
NON-CURRENT LIABILITIES			
Non-current retention payables		21,125,405	24,605,446
Long-term liabilities under finance lease agreements	18	159,506	311,402
Deferred tax liabilities		2,850,335	2,931,335
Provisions for loss on litigations	28	77,467,572	78,460,809
Non-current provisions for employee benefits		7,000,073	6,663,744
Total Non-current Liabilities		108,602,891	112,972,736
TOTAL LIABILITIES		409,264,227	586,998,140

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED

STATEMENT OF FINANCIAL POSITION (CONTINUED)

AS AT JUNE 30, 2019

Unit : Baht

	Notes	As at June 30, 2019 “Unaudited”	As at December 31, 2018
LIABILITIES AND SHAREHOLDERS’ EQUITY			
(CONTINUED)			
SHAREHOLDERS’ EQUITY			
SHARE CAPITAL			
	20		
Authorized share capital			
10,545,938,156 ordinary shares of Baht 1 each		10,545,938,156	
13,035,049,764 ordinary shares of Baht 1 each		<u>13,035,049,764</u>	<u>13,035,049,764</u>
Issued and paid-up share capital			
10,114,938,156 ordinary shares of			
Baht 1 each, fully paid		10,114,938,156	10,114,938,156
Discount on ordinary shares		(8,500,747,796)	(8,500,747,796)
Retained earnings (deficit)			
Appropriated			
Legal reserve		5,526,839	5,526,839
Accumulated deficit		(1,311,427,946)	(1,356,022,820)
Expired warrant surplus	21	7,859,252	7,859,252
Other components of shareholders’ equity		(11,974,383)	(7,180,228)
TOTAL SHAREHOLDERS’ EQUITY		<u>304,174,122</u>	<u>264,373,403</u>
TOTAL LIABILITIES AND SHAREHOLDERS’ EQUITY		<u>713,438,349</u>	<u>851,371,543</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019
“Unaudited”

Unit : Baht

	Notes	Consolidated financial statement 2018	Separate financial statements 2019	2018
Revenues from construction contracts	23	185,790,490	67,131,226	185,790,490
Cost of construction contracts	23	-351,877,093	-62,816,837	-351,877,093
Gross profit (loss)		-166,086,603	4,314,389	-166,086,603
Other income		8,336,604	5,168,954	8,334,774
Administrative expenses		-31,742,902	-18,753,196	-31,723,945
Reversal of provisions for loss on litigations	28.1	21,854,500	-	21,854,500
Finance costs		-1,988,039	-877,049	-1,988,039
Loss before income tax income (expense)		-169,626,440	-10,146,902	-169,609,313
Income tax income (expense)	24	(5,757,385)	81,000	(5,757,385)
Loss for the periods		-175,383,825	-10,065,902	-175,366,698
Other comprehensive income (loss)				
Components of other comprehensive income that will be subsequently reclassified to profit or loss				
Gains (losses) on remeasuring investments held as available for sale				
	11	-528,422	248,366	-528,422
Reversal of losses from sale of investments held as available for sale				
	11	3,287,190	-	3,287,190
Income tax related to items that will be subsequently reclassified to profit or loss				
		-551,754	-	-551,754
Total components of other comprehensive income that will be subsequently reclassified to profit or loss				
		2,207,014	248,366	2,207,014
Components of other comprehensive income that will not be subsequently reclassified to profit or loss				
Reversal of gains on revaluation of asset from sale of asset				
		-1,023,560	-	-1,023,560
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss				
		204,712	-	204,712
Total components of other comprehensive income that will not be subsequently reclassified to profit or loss				
		-818,848	-	-818,848
Other comprehensive income for the periods - net of tax				
		1,388,166	248,366	1,388,166
Total comprehensive loss		-173,995,659	-9,817,536	-173,978,532

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2019
“Unaudited”

Unit : Baht

	Notes	Consolidated financial statement 2018	Separate financial statements 2019	2018
Loss for the periods attributable to				
Owner of the Company		-175,383,825	-10,065,902	-175,366,698
Non-controlling interests		-	-	-
		<u>(175,383,825)</u>	<u>(10,065,902)</u>	<u>(175,366,698)</u>
Total comprehensive loss for the periods attributable to				
Owner of the Company		-173,995,659	-9,817,536	-173,978,532
Non-controlling interests		-	-	-
		<u>(173,995,659)</u>	<u>(9,817,536)</u>	<u>(173,978,532)</u>
Basic losses per share				
Basic losses per share (Baht)	22	<u>(0.0173)</u>	<u>(0.0010)</u>	<u>(0.0173)</u>
Weighted average number of ordinary shares (shares)	22	<u>10,114,930,520</u>	<u>10,114,938,156</u>	<u>10,114,930,520</u>
Diluted losses per share				
Diluted losses per share (Baht)	22	<u>(0.0173)</u>	<u>(0.0010)</u>	<u>(0.0173)</u>
Diluted weighted average number of ordinary shares (shares)	22	<u>10,114,930,520</u>	<u>10,114,938,156</u>	<u>10,114,930,520</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“Unaudited”

Unit : Baht

	Notes	Consolidated	Separate	
		financial statement	financial statements	
		2018	2019	2018
Revenues from construction contracts	23	372,780,458	125,872,130	372,780,458
Cost of construction contracts	23	-524,074,631	-118,617,271	-524,074,631
Gross profit (loss)		-151,294,173	7,254,859	-151,294,173
Other income		14,694,296	13,864,180	14,692,466
Reversal from termination of construction contract	23	-	70,730,200	-
Administrative expenses		-61,632,370	-45,914,887	-61,594,463
Reversal of provisions for loss on litigations	28.1	21,854,500	-	21,854,500
Finance costs		-3,947,430	-1,744,478	-3,947,430
Profit (loss) before income tax income (expense)		-180,325,177	44,189,874	-180,289,100
Income tax income (expense)	24	(5,757,385)	81,000	(5,757,385)
Profit (loss) for the periods		-186,082,562	44,270,874	-186,046,485
Other comprehensive income (loss)				
Components of other comprehensive income that will be subsequently reclassified to profit or loss				
Gains (losses) on remeasuring investments held as available for sale				
	11	875,167	-1,916,873	875,167
Reversal of (gains) losses from sale of investments held as available for sale				
	11	7,721,904	-2,553,282	7,721,904
Income tax related to items that will be subsequently reclassified to profit or loss				
		-1,719,414	-	-1,719,414
Total components of other comprehensive income that will be subsequently reclassified to profit or loss				
		6,877,657	-4,470,155	6,877,657
Components of other comprehensive income that will not be subsequently reclassified to profit or loss				
Reversal of gains on revaluation of asset from sale of asset				
		-1,023,560	-	-1,023,560
Income tax relating to components of other comprehensive income that will not be reclassified to profit or loss				
		204,712	-	204,712
Total components of other comprehensive income that will not be subsequently reclassified to profit or loss				
		-818,848	-	-818,848
Other comprehensive income (loss) for the periods - net of tax				
		6,058,809	-4,470,155	6,058,809
Total comprehensive income (loss)		-180,023,753	39,800,719	-179,987,676

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“Unaudited”

Unit : Baht

		Consolidated	Separate	
		financial statement	financial statements	
	Notes	2018	2019	2018
Profit (loss) for the periods attributable to				
Owner of the Company		-186,082,562	44,270,874	-186,046,485
Non-controlling interests		-	-	-
		<u>(186,082,562)</u>	<u>44,270,874</u>	<u>(186,046,485)</u>
Total comprehensive gain (loss) for the periods attributable to				
Owner of the Company		-180,023,753	39,800,719	-179,987,676
Non-controlling interests		-	-	-
		<u>(180,023,753)</u>	<u>39,800,719</u>	<u>(179,987,676)</u>
Basic earnings (losses) per share				
Basic earnings (losses) per share (Baht)	22	<u>(0.0184)</u>	<u>0.0044</u>	<u>(0.0184)</u>
Weighted average number of ordinary shares (shares)	22	<u>10,114,930,520</u>	<u>10,114,938,156</u>	<u>10,114,930,520</u>
Diluted earnings (losses) per share				
Diluted earnings (losses) per share (Baht)	22	<u>(0.0184)</u>	<u>0.0044</u>	<u>(0.0184)</u>
Diluted weighted average number of ordinary shares (shares)	22	<u>10,114,930,520</u>	<u>10,114,938,156</u>	<u>10,114,930,520</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“UNAUDITED”

Unit : Baht

	Notes	Consolidated financial statement									Non-controlling interests	Total Shareholders' equity	
		Issued and paid-up share capital	Discount on ordinary shares	Capital reserve for share-based payment	Retained earnings (deficit)			Other components of shareholders' equity					
					Appropriated Legal reserve	Accumulated deficit	Expired warrant surplus	Other comprehensive income (loss)		Total other components of shareholders' equity			
								Gain on revaluation of assets	Gains (losses) on remeasuring investments held as available for sale				
Balances as at January 1, 2018		10,114,930,520	(8,500,747,796)	7,594,702	5,526,839	(1,420,283,513)	-	262,702,283	(21,485,390)	241,216,893	30	448,237,675	
Changes in shareholders' equity													
Capital reserve for share-based payment	21.1	-	-	264,550	-	-	-	-	-	-	-	-	264,550
Expired warrant	21.1	-	-	-7,859,252	-	-	7,859,252	-	-	-	-	-	-
Surplus on revaluation of assets	14	-	-	-	-	818,848	-	-	-	-	-	-	818,848
Total comprehensive loss for the period		-	-	-	-	(186,082,562)	-	(818,848)	6,877,657	6,058,809	-	-	(180,023,753)
Balances as at June 30, 2018		<u>10,114,930,520</u>	<u>-8,500,747,796</u>	<u>-</u>	<u>5,526,839</u>	<u>-1,605,547,227</u>	<u>7,859,252</u>	<u>261,883,435</u>	<u>-14,607,733</u>	<u>247,275,702</u>	<u>30</u>	<u>269,297,320</u>	

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED
STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“UNAUDITED”

Unit : Baht

Notes	Separate financial statements									Total Shareholders' equity
	Issued and paid-up share capital	Discount on ordinary shares	Capital reserve for share-based payment	Retained earnings (deficit)			Other components of shareholders' equity			
				Appropriated legal reserve	Accumulated deficit	Expired warrant surplus	Other comprehensive income (loss)		Total other components of shareholders' equity	
							Gain on revaluation of assets	Gains (losses) on remeasuring investments held as available for sale		
Balances as at January 1, 2018	10,114,930,520	(8,500,747,796)	7,594,702	5,526,839	(1,420,203,138)	-	262,702,283	(21,485,390)	241,216,893	448,318,020
Changes in shareholders' equity										
Capital reserve for share-based payment	21.1	-	264,550	-	-	-	-	-	-	264,550
Expired warrant	21.1	-	(7,859,252)	-	-	7,859,252	-	-	-	-
Surplus on revaluation of assets	14	-	-	-	818,848	-	-	-	-	818,848
Total comprehensive loss for the period		-	-	-	(186,046,485)	-	(818,848)	6,877,657	6,058,809	(179,987,676)
Balances as at June 30, 2018	<u>10,114,930,520</u>	<u>(8,500,747,796)</u>	<u>-</u>	<u>5,526,839</u>	<u>(1,605,430,775)</u>	<u>7,859,252</u>	<u>261,883,435</u>	<u>(14,607,733)</u>	<u>247,275,702</u>	<u>269,413,742</u>
Balances as at January 1, 2019	10,114,938,156	(8,500,747,796)	-	5,526,839	(1,356,022,820)	7,859,252	11,725,339	(18,905,567)	(7,180,228)	264,373,403
Changes in shareholders' equity										
Surplus on revaluation of assets	14	-	-	-	324,000	-	-324,000	-	(324,000)	-
Total comprehensive profit for the period		-	-	-	44,270,874	-	-	-4,470,155	(4,470,155)	39,800,719
Balances as at June 30, 2019	<u>10,114,938,156</u>	<u>(8,500,747,796)</u>	<u>-</u>	<u>5,526,839</u>	<u>(1,311,427,946)</u>	<u>7,859,252</u>	<u>11,401,339</u>	<u>(23,375,722)</u>	<u>(11,974,383)</u>	<u>304,174,122</u>

See the condensed notes to the financial statements

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CASH FLOWS
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“UNAUDITED”

Unit : Baht

	Notes	Consolidated financial statement 2018	Separate financial statements 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax income (expense)		(180,325,177)	44,189,874	(180,289,100)
Adjustments :				
Depreciation and amortization		5,476,192	2,771,348	5,476,192
Employee benefit expenses		1,001,014	2,284,701	1,001,014
Doubtful accounts		500,000	-	500,000
Provision for expected loss on construction contract (reversal)	19.1	164,515,594	(185,737,428)	164,515,594
Provision for penalty arising from delay (reversal)	19.2	23,609,726	(3,232,991)	23,609,726
Unbilled construction revenues (reversal)	23	-	104,040,492	-
Reversal of provisions for loss on litigations	28.1	(21,854,500)	-	(21,854,500)
Capital reserve for share-based payment		264,550	-	264,550
Short-term provisions		1,111,508	945,590	1,111,508
Reversal of trade payables		(2,326,238)	(2,318,790)	(2,326,238)
Reversal of retention payable		-	(41,636)	-
Gain on sales of property, plant and equipment		(5,152,541)	(2,399,916)	(5,152,541)
Loss (gain) on write-off of equipment		(486,337)	17,541	(486,337)
Gain (loss) on revaluation of current investment		2,006,947	(1,641,304)	2,006,947
Loss (gain) on sales of investments held as available for sale		6,808,285	(2,392,355)	6,808,285
Loss on sales of investments held for trading		460,425	320,147	460,425
Interest income		(279,630)	(919,001)	(279,630)
Interest expenses		2,065,387	26,379	2,065,387
		<u>(2,604,795)</u>	<u>(44,087,349)</u>	<u>(2,568,718)</u>
Operating assets (increase) decrease				
Current investments		479,862	156,137	479,862
Trade and other current receivables		(53,314,236)	(23,004,468)	(53,314,236)
Inventories		10,830,448	(2,315,843)	10,830,448
Other current assets		197,263	1,419,823	197,263
Deposits at financial institution with restriction of use		22,519,863	13,910,509	22,519,863
Trade and other non-current receivables		377,951	390,016	377,951
Retention receivables		(21,670,764)	14,641,267	(21,670,764)
Other non-current assets		(89,901)	(411,164)	(89,901)

T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
STATEMENT OF CASH FLOWS (CONTINUED)
FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2019
“UNAUDITED”

Unit : Baht

	Notes	Consolidated financial statement 2018	Separate financial statements 2019	2018
CASH FLOWS FROM OPERATING ACTIVITIES (CONTINUED)				
Operating liabilities increase (decrease)				
Trade and other current payables		11,700,903	(16,496,606)	11,738,403
Current retention payables		6,715,339	4,244,788	6,715,339
Unearned construction revenues and advance from customer under construction contract		8,534,816	39,020,523	8,534,816
Short-term provisions		(466)	(331,384)	(466)
Provision for penalty arising from delay		-	(13,161,537)	-
Other current liabilities		312,683	1,782,906	312,683
Provisions for loss on litigations		-	(993,237)	-
Non-current retention payables		(5,847,932)	(3,480,041)	(5,847,932)
Cash paid from operations		(21,858,966)	(28,715,660)	(21,785,389)
Cash received from interest		319,069	844,354	319,069
Cash paid for income tax		(10,585,365)	(4,380,822)	(10,585,346)
Net cash used in operating activities		<u>(32,125,262)</u>	<u>(32,252,128)</u>	<u>(32,051,666)</u>
CASH FLOWS FROM INVESTING ACTIVITIES				
Cash received from subsidiary		-	854,268	-
Cash received from sales of investments held as available for sale		16,731,298	2,392,355	16,731,298
Payment for purchases of equipment		(708,287)	(38,666)	(708,287)
Cash received from sales of property, plant and equipment		10,008,411	3,077,917	10,008,411
Net cash received from investing activities		<u>26,031,422</u>	<u>6,285,874</u>	<u>26,031,422</u>
CASH FLOWS FROM FINANCING ACTIVITIES				
Decrease in bank overdraft		(5,482,446)	-	(5,482,446)
Repayments for long-term borrowings from a financial institution		(6,338)	-	(6,338)
Repayments for liabilities under financial lease agreements		(269,448)	(137,771)	(269,448)
Cash paid for interest expenses		(2,065,387)	(26,379)	(2,065,387)
Net cash used in financing activities		<u>(7,823,619)</u>	<u>(164,150)</u>	<u>(7,823,619)</u>
Net decrease in cash and cash equivalents		(13,917,459)	(26,130,404)	(13,843,863)
Cash and cash equivalents as at January 1,		21,633,197	42,241,305	20,638,581
Cash and cash equivalents as at June 30,		<u><u>7,715,738</u></u>	<u><u>16,110,901</u></u>	<u><u>6,794,718</u></u>

See the condensed notes to the financial statements

**T ENGINEERING CORPORATION PUBLIC COMPANY LIMITED AND SUBSIDIARY
CONDENSED NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2019
“UNAUDITED”**

1. OPERATION AND GENERAL INFORMATION OF THE COMPANY

T Engineering Corporation Public Company Limited (the “Company”) was incorporated in Thailand under the Civil and Commercial Code on April 10, 1981 and engages as a plant and building construction and other related services.

On July 14, 2005, the Company was registered under the Public Limited Company Act. On September 28, 2006, the Company was listed in the Market for Alternative Investment (“MAI”) on the Stock Exchange of Thailand.

The registered office of the Company is located at 15th floor, Rajanakarn Building, 3 South Sathorn Road, Yannawa, Sathorn District, Bangkok.

On August 14, 2018, the Board of Directors’ meeting passed a resolution to approve the closure of a subsidiary. The subsidiary already registered the dissolution with the Department of Business Development on November 5, 2018 and registered the liquidation on January 28, 2019 (see Note 9).

As at June 30, 2019, the Company had total current liabilities in excess of total current assets of Bath 169.28 million. However, the Company’s management believes that the preparation of the financial statements in accordance with the ongoing concern basis is still appropriate because the Company still has current construction projects and has a new construction project during the period resulting that the Company to have liquidity for continuing operations at least 12 months from June 30, 2019.

2. BASIS FOR PREPARATION AND PRESENTATION OF INTERIM FINANCIAL STATEMENTS

- 2.1 The interim financial statements is prepared in Thai Baht and in compliance with Thai Accounting Standard No. 34 (Revised 2018) “Interim Financial Reporting” and accounting practices generally accepted in Thailand. The Company presents the condensed notes to interim financial statements and the additional information is disclosed in accordance with the regulations of the Office of the Securities and Exchange Commission.
- 2.2 The statement of financial position as at December 31, 2018, presented herein for comparison, have been derived from the financial statement of the Company for the year then ended which had been previously audited.
- 2.3 The unaudited results of operations presented in the three-month and six-month periods ended June 30, 2019 are not necessarily an indication nor anticipation of the operating results for the full year.

- 2.4 Certain financial information which is normally included in the annual financial statements prepared in accordance with TFRS, but which is not required for interim reporting purposes, has been omitted. Therefore, the interim financial statement for the three-month and six-month periods ended June 30, 2019 should be read in conjunction with the audited financial statements for the year ended December 31, 2018.
- 2.5 The preparation of interim financial statement in conformity with Thai Accounting Standard No. 34 (Revised 2018) “Interim Financial Reporting” also require the Company’s managements to exercise judgments in order to determine the accounting policies, estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the end of the reporting period and the reported amounts of revenue and expense during the reporting period. Although these estimates are based on managements’ reasonable consideration of current events, actual results may differ from these estimates.
- 2.6 The Company prepared and presented the interim financial statement which did not recognize its interest in a joint operation in Joint Venture between Thai Industrial & Engineering Service Plc. and Reungnarong Co., Ltd. according to Thai Financial Reporting Standard No. 11 (Revised 2018) “Joint Arrangements” because such joint arrangement ceased its operation since 2014 and such investment in a joint operation has no material impact to the financial statements (see Note 12).
- 2.7 The consolidated interim financial statements for the three-month and six-month periods ended June 30, 2018 included the accounts of the Company and its subsidiary. This subsidiary is detailed as follows:

Subsidiary	Incorporation country	Type of business	Percentage of investments (%) June 30, 2018
T Asset Management Company Limited	Thailand	Property development and asset management	99.99%

The consolidated interim financial statements for the three-month and six-month periods ended June 30, 2018 have included the subsidiary’s interim financial statements for the three-month and six-month periods ended June 30, 2018 which were reviewed. Material intercompany transactions between the Company and its subsidiary have been eliminated from these consolidated interim financial statements.

On August 14, 2018, the Board of Directors’ meeting passed a resolution to approve the closure of the subsidiary which the subsidiary already registered the dissolution with the Department of Business Development on November 5, 2018 and registered the liquidation on January 28, 2019 (see Notes 1 and 9). Therefore, the Company did not prepare the consolidated statement of financial position as at June 30, 2019 and the consolidated statement of profit or loss and other comprehensive income, consolidated statement of changes in shareholders’ equity and consolidated statement of cash flows for the period ended June 30, 2019.

In addition, as at December 31, 2018, the Company classified investment in a subsidiary as non-current asset classified as held for sale or as held for distribution to owners but did not present discontinued operations according to Thai Financial Reporting Standard No. 5 (Revised 2018) “Non-current Asset Held for Sale and Discontinued Operations” because such subsidiary’s operation results have no material impact to the financial statements (see Note 9).

2.8 Thai Financial Reporting Standards affecting the presentation and disclosure in the current period financial statements

During the period, the Company has adopted the revised and new Thai Financial Reporting Standards including the Guideline on accounting issued by the Federation of Accounting Professions which become effective for the financial statements for the accounting periods beginning on or after January 1, 2019. These Thai 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 except for TFRS 15 “Revenue from Contracts with Customers” as disclosed in Note 3. The adoption of these Thai Financial Reporting Standards does not have any significant impact on the Company’s interim financial statements.

2.9 Thai Financial Reporting Standard announced in the Royal Gazette but not yet effective.

The Federation of Accounting Professions has issued the Notification regarding Thai Accounting Standards, Thai Financial Reporting Standards and Thai Financial Reporting Standard Interpretation which have been announced in the Royal Gazette and will be effective for the financial statements for the period beginning on or after January 1, 2020 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 32 Financial Instruments: Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 7 Financial Instruments: Disclosures

TFRS 9 Financial Instruments

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These group of Standards make stipulations relating to the classification of financial instruments and their measurement at fair value or amortized cost; taking into account the type of instrument, the characteristics of the contractual cash flows and the Company’s business model, the calculation of impairment using the expected credit loss method, and the concept of hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. These Standards will supersede the Standards and Interpretations relating to the financial instruments upon its effective date.

Thai Financial Reporting Standards No. 16 “Leases”

This TFRS provides a comprehensive model for the identification of lease arrangements and their treatment in the financial statements of both lessees and lessors.

This TFRS will supersede the following lease Standards and Interpretations upon its effective date, which are Thai Accounting Standard No.17 “Leases”, Thai Accounting Standard Interpretation No.15 “Operating Lease - Incentives”, Thai Accounting Standard Interpretation No.27 “Evaluating the Substance of Transactions involving the Legal Form of a Lease” and Thai Financial Reporting Standard Interpretation No.4 “Determining whether an Arrangement contains a Lease”.

For lessee accounting, there are significant changes to lease accounting in this TFRS by removing the distinction between operating and finance leases under TAS 17 and requiring a lessee to recognize a right-of-use asset and a lease liability at commencement for all leases, except for short-term leases and leases of low value assets. However, the lessor accounting treatment continues to require a lessor to classify a lease either as an operating lease or a finance lease, using the same concept as TAS 17.

The Company’s management will adopt such TFRSs in the preparation of the Company’s financial statements when they become effective. The Company’s management is in the process to assess the impact of these TFRSs on the financial statements of the Company in the period of initial application.

3. SIGNIFICANT ACCOUNTING POLICIES

The interim financial statements have been prepared based on the basis, accounting policies and method of computation consistent with those used in the financial statements for the year ended December 31, 2018, except for the change in the accounting policies due to the adoption of Thai Financial Reporting Standards No. 15 “Revenue from Contracts with Customers”. However, the adoption of Thai Financial Reporting Standards does not have any significant impact on the interim financial statements.

The new accounting policies superseded the previous accounting policies regarding revenue recognition and other relevant transactions are as follows:

Construction contracts

Revenues from construction contract

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. Revenues from construction contract will be recognized over time on an input method based on the proportion of contract costs incurred for work performed to date relative to the estimated total contract costs.

When the outcome of a construction contract cannot be estimated reliably, revenue from construction contract is recognized only to the extent of contract costs incurred that it is probably will be recoverable.

Contract loss

When it is probable that total contract costs will exceed total contract revenue, the Company will recognize the expected loss on a contract in the statement of profit and loss and other comprehensive income.

Unbilled construction revenues and unearned construction revenues

The Company becomes entitled to invoice customers for construction based on achieving a series of performance-related milestones. When a particular milestone is reached the customer is sent a relevant statement of work signed by a third party assessor and an invoice for the related milestone payment. The Company recognizes unbilled construction revenues as part of trade and other current receivable in the statement of financial position. Such amount will be classified as trade receivables which it is invoiced to the customer. If the milestone payment exceeds the revenue recognized to date under the input cost method, the Company recognizes different amount as unearned construction revenues in the statement of financial position.

Work in progress

Costs that relate to future activity on the contract are recognized as work in progress provided it is probable that they will be recovered.

4. SUPPLEMENTARY DISCLOSURES OF CASH FLOWS INFORMATION

4.1 Non-cash items for the six-month periods ended June 30, 2019 and 2018 are as follows:

	Consolidated financial statement	Separate financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Unrealized gains (losses) on remeasuring investments held as available for sale	875,167	(1,916,873)	875,167
Reversal of unrealized losses (gains) on remeasuring investments held as available for sale	7,721,904	(2,553,282)	7,721,904
Unrealized gains (losses) on revaluation of current investment	(2,006,947)	1,641,304	(2,006,947)
Transfer provision for expected loss on construction contract to provision for warranty	-	(2,469,000)	-
Transfer provision for expected loss on construction contract to accrued expense	-	(4,598,916)	-

4.2 Changes in liabilities from financing activities for the six-month periods ended June 30, are as follows:

As at June 30, 2018	Balance as at January 1, 2018 Baht	Consolidated financial statement Financing cash flows		Balance as at June 30, 2018 Baht
		Cash received Baht	Cash paid Baht	
Bank overdraft	21,926,033	2,596,884	(8,079,330)	16,443,587
Long-term borrowing from a financial institution	40,171,401	-	(6,338)	40,165,063
Liabilities under finance lease agreements	1,014,111	-	(269,448)	744,663
Other short-term borrowing	12,235,690	-	-	12,235,690
Total	75,347,235	2,596,884	(8,355,116)	69,589,003

As at June 30, 2019	Balance as at January 1, 2019 Baht	Separate financial statement Financing cash flows		Balance as at June 30, 2019 Baht
		Cash received Baht	Cash paid Baht	
Liabilities under finance lease agreements	593,833	-	(137,771)	456,062
Other short-term borrowing	12,235,690	-	-	12,235,690
Total	12,829,523	-	(137,771)	12,691,752

As at June 30, 2018	Balance as at January 1, 2018 Baht	Separate financial statement Financing cash flows		Balance as at June 30, 2018 Baht
		Cash received Baht	Cash paid Baht	
Bank overdraft	21,926,033	2,596,884	(8,079,330)	16,443,587
Long-term borrowing from a financial institution	40,171,401	-	(6,338)	40,165,063
Liabilities under finance lease agreements	1,014,111	-	(269,448)	744,663
Other short-term borrowing	12,235,690	-	-	12,235,690
Total	75,347,235	2,596,884	(8,355,116)	69,589,003

4.3 Cash and cash equivalents as at June 30, 2019 and December 31, 2018 consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Cash on hand	542,025	567,665
Cheque on hand	850,000	-
Cash at banks		
- Current accounts	11,752,568	4,470,648
- Savings accounts	2,888,118	36,632,309
- Fixed accounts (maturity less than 3 months)	78,190	570,683
Total	16,110,901	42,241,305

As at June 30, 2019 and December 31, 2018, savings accounts carry interest rate at 0.38% - 0.40% per annum.

As at June 30, 2019 and December 31, 2018, fixed deposits at banks (maturity less than 3 months) carry interest rate at 0.75%-1.63% per annum and 0.75%-1.38% per annum, respectively.

5. CURRENT INVESTMENTS

Current investments as at June 30, 2019 and December 31, 2018 consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Current investments		
Held-for-trading securities - equity securities	14,739,788	15,216,072
Unrealized loss	(9,560,768)	(11,202,072)
Total	5,179,020	4,014,000

Unrealized loss on revaluation of current investments in held-for-trading securities

As at June 30, 2019 and 2018, the Company has unrealized loss on revaluation of current investments in held-for-trading securities of Baht 9.56 million and Baht 9.68 million, respectively, which changing in unrealized loss on revaluation of current investments in held-for-trading securities are recognized as income in the separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2019 of Baht 0.19 million and Baht 1.64 million, respectively, and expense in the consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018 of Baht 1.09 million and Baht 2.01 million, respectively.

Trading of held-for-trading securities

For the three-month periods ended June 30, 2019 and 2018, the Company did not purchase any held-for-trading securities.

For the six-month periods ended June 30, 2019 and 2018, the Company did not purchase held-for-trading securities, but sold held-for-trading securities of Baht 0.16 million and Baht 0.48 million, respectively.

6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at June 30, 2019 and December 31, 2018 consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Trade receivables		
- Other parties	61,653,725	33,036,551
Trade receivables	<u>61,653,725</u>	<u>33,036,551</u>
Unbilled construction revenues (see Note 23)	32,883,936	143,436,032
Other current receivables		
Other current receivables		
- Other parties	708,232	1,479,169
Advance payments for construction	2,774,060	1,697,165
Advance payments	485,524	188,957
Prepaid expenses	2,178,335	1,807,315
Other current receivables	<u>6,146,151</u>	<u>5,172,606</u>
Total	<u>100,683,812</u>	<u>181,645,189</u>

The aging of trade receivables as at June 30, 2019 and December 31, 2018, are as follows:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Within credit term	42,515,941	33,036,551
Overdue		
Less than 3 months	9,150,266	-
Over 6 months up to 12 months	9,987,518	-
Total	<u>61,653,725</u>	<u>33,036,551</u>

7. INVENTORIES

Inventories as at June 30, 2019 and December 31, 2018, consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Work in progress	2,471,614	155,771
Total	<u>2,471,614</u>	<u>155,771</u>

8. DEPOSIT FOR BUSINESS ACQUISITION

On April 9, 2015, the Company paid deposit of Baht 10 million to a counterparty in order to inspect the business status of a local hotel. However, on September 7, 2015, the Company's Board of Directors' meeting approved not to invest in this hotel. Later, the Company sued the counterparty for refunding the deposit. On October 11, 2016, the Civil Court already rendered its judgement to dismiss the case and gave the right for the counterparty to seize such deposit. The Company appealed the case. On December 27, 2017, the Appeal Court reaffirmed the Civil Court for the cases. The Company processed petition to the Supreme Court on April 9, 2018. Later on July 25, 2019, the Supreme Court rendered its judgement to reverse the appeal courts judgement and required the counterparty to pay Baht 10 million with interest from the date of prosecution until payment completion. The Company still has the allowance for doubtful debt as at June 30, 2019 and December 31, 2018 amounting to Baht 10 million.

9. ASSET HELD FOR DISTRIBUTION TO OWNERS

On August 14, 2018, the Board of Directors' meeting passed a resolution to approve the closure of the subsidiary which the subsidiary already registered the dissolution with Department of Business Development on November 5, 2018 and registered the liquidation on January 28, 2019. The Company already received money from liquidation of the subsidiary in February 2019.

As at December 31, 2018, the Company classified investment in a subsidiary as asset classified as asset held for distribution to owners of Baht 0.85 million, which recognized impairment loss on investment in a subsidiary to administrative expense in the separate statement of profit or loss and other comprehensive income for the year ended December 31, 2018 of Baht 0.15 million (for the three-month and six-month periods ended June 30, 2019 : Nil). However, the Company did not present discontinued operations because such investment in a subsidiary and subsidiary's operation results have no material impact to the financial statements (see Note 2.7).

10. DEPOSITS AT FINANCIAL INSTITUTION WITH RESTRICTION OF USE

As at June 30, 2019, deposits at financial institution with restriction of use amounting to Baht 283.40 million, were fixed deposits with maturity term of 3 - 12 months, carrying interest rate at 0.75% - 1.63% per annum, which the Company used as collateral for facility of letters of guarantee issued by financial institutions (see Note 26.1).

As at December 31, 2018, deposits at financial institution with restriction of use amounting to Baht 297.31 million, were saving deposits and fixed deposits with maturity term of 3 months, carrying interest rate at 0.38% - 1.38% per annum, which the Company used as collateral for facility of letters of guarantee issued by financial institutions (see Note 26.1).

11. INVESTMENTS HELD AS AVAILABLE FOR SALE

Investments held as available for sale as at June 30, 2019 and December 31, 2018, consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Investments held as available for sale		
Equity securities	54,965,867	54,965,867
Unrealized loss	(23,375,722)	(18,905,567)
Total	31,590,145	36,060,300

Unrealized loss on change in fair value of investments held as available for sale

As at June 30, 2019 and 2018, the Company has unrealized loss on change in fair value of investments held as available for sale of Baht 23.38 million and Baht 18.26 million, respectively.

The Company recognized unrealized gain on change in fair value of investment held as available for sale as other comprehensive income of Baht 0.25 million and unrealized loss on change in fair value of investment held as available for sale as other comprehensive loss of Baht 1.92 million in the separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2019, respectively, and the Company recognized unrealized loss on change in fair value of investment held as available for sale of Baht 0.53 million and unrealized gain on change in fair value of investment held as available for sale of Baht 0.88 million as other comprehensive income in the consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018, respectively.

The Company recognized reversal of unrealized gain from sales investments held as available for sale as other comprehensive loss in the separate statements of profit or loss and other comprehensive income for the six-month period ended June 30, 2019 of Baht 2.55 million, and other comprehensive income in the consolidated and reversal of unrealized loss from sales investments held as available for sale in the separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018 of Baht 3.29 million and Baht 7.72 million, respectively (for the three-month period ended June 30, 2019 : Nil).

Trading of investments held as available for sale

For the six-month periods ended June 30, 2019, the Company did not purchase investments held as available for sale and sold investments held as available for sale of Baht 2.39 million (for the three-month period ended June 30, 2019, the Company did not purchase and sale investments held as available for sale).

For the three-month and six-month periods ended June 30, 2018, the Company did not purchase investments held as available for sale, but sold investments held as available for sale of Baht 9.69 million and Baht 17.03 million, respectively.

12. INVESTMENT IN A JOINT ARRANGEMENT

Investment in a joint arrangement as at June 30, 2019 and December 31, 2018, is as follows:

Name of joint arrangement	Type of business	Ownership interest (%)		Cost (Baht)	
		As at June 30, 2019	As at December 31, 2018	As at June 30, 2019	As at December 31, 2018
Joint Venture between Thai Industrial & Engineering Service Plc. And Reaungnarong Co., Ltd.	Construction business	51	51	510,000	510,000
<u>Less</u> Allowance for impairment				(510,000)	(510,000)
Total investment in joint arrangement				-	-

The Company prepared and presented the financial statements, which did not include the interest in a joint arrangement in Joint Venture between Thai Industrial & Engineering Service Plc. and Reaungnarong Co., Ltd. since it is not material to the financial statements (see Note 2.6).

13. TRADE AND OTHER NON-CURRENT RECEIVABLES

Trade and other non-current receivables as at June 30, 2019 and December 31, 2018, consisted of the followings:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Trade receivables		
- Other parties	147,850,268	147,850,268
<u>Less</u> Allowance for doubtful accounts	(147,850,268)	(147,850,268)
Trade receivables	-	-
Unbilled construction revenues	39,619,782	39,619,782
<u>Less</u> Allowance for doubtful accounts	(39,619,782)	(39,619,782)
Unbilled construction revenues (see Note 23)	-	-
Other non-current receivables		
Other receivables		
- Related party (see Note 25)	435,392	435,392
- Other parties	6,646,117	6,646,117
- Other receivable - bank (see Note 28.1)	5,334,318	5,334,318
<u>Less</u> Allowance for doubtful accounts	(6,314,352)	(6,314,352)
Other receivables	6,101,475	6,101,475
Advance payments	-	207,490
Advance payments for construction	2,955,942	3,044,164
Prepaid expenses	-	94,304
Other non-current receivables	9,057,417	9,447,433
Total	9,057,417	9,447,433

The aging of trade receivables as at June 30, 2019 and December 31, 2018, are as follows:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Overdue		
Over 12 months	147,850,268	147,850,268
Total	<u>147,850,268</u>	<u>147,850,268</u>

For the six-month periods ended June 30, 2019 and 2018, the movements of allowance for doubtful accounts are as follows:

	Consolidated financial statement 2018 Baht	Separate financial statements 2019 Baht	2018 Baht
Beginning balances	202,824,854	193,784,402	202,824,854
<u>Add</u> Allowance for doubtful accounts during the periods	<u>500,000</u>	<u>-</u>	<u>500,000</u>
Ending balances	<u>203,324,854</u>	<u>193,784,402</u>	<u>203,324,854</u>

14. PROPERTY, PLANT AND EQUIPMENT

As at June 30, 2019, property, plant and equipment in the financial statements decreased approximately Baht 2.66 million mainly due to increase in accumulated depreciation and sold of land and buildings. The Company transferred the rights on such land and buildings to the purchaser on June 25 and 28, 2019. The Company transferred the gain on revaluation of asset from sale of asset of Baht 0.32 million to retained earnings (deficit) and recognized gain on sale of property, plant and equipment Baht 2.40 million as part of other income in the separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2019.

As at June 30, 2018, The Company redeemed the collateral at financial institution with restriction and transferred the rights on such land and buildings. Which was originally the head office location. The Company redeemed the collateral and transferred the rights on such land and buildings to the purchaser on May 11, 2018. The Company transferred the gain on revaluation of asset from sale of asset of Baht 0.82 million to retained earnings (deficit) and recognized gain on sale of such land and buildings of Baht 5.15 million as part of other income in the consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018.

15. RETENTION RECEIVABLES

Retention receivables as at June 30, 2019 and December 31, 2018, consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Retention receivables	125,555,264	140,762,100
<u>Less</u> Allowance for doubtful accounts	<u>(58,037,653)</u>	<u>(58,603,222)</u>
Total	<u><u>67,517,611</u></u>	<u><u>82,158,878</u></u>

For the six-month periods ended June 30, the movements of allowance for doubtful accounts are as follows:

	Consolidated financial statement 2018 Baht	Separate financial statements 2019 Baht	2018 Baht
Beginning balances	58,684,476	58,603,222	58,684,476
<u>Less</u> Writing-off during the periods	<u>-</u>	<u>(565,569)</u>	<u>-</u>
Ending balances	<u><u>58,684,476</u></u>	<u><u>58,037,653</u></u>	<u><u>58,684,476</u></u>

16. OTHER NON-CURRENT ASSETS

Other non-current assets as at June 30, 2019 and December 31, 2018, consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Guarantees and deposits	4,430,055	4,018,891
Withholding tax	<u>105,400,077</u>	<u>81,899,342</u>
Total	109,830,132	85,918,233
<u>Less</u> Allowance for doubtful accounts	<u>(3,846,374)</u>	<u>(3,846,374)</u>
Total	<u><u>105,983,758</u></u>	<u><u>82,071,859</u></u>

17. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at June 30, 2019 and December 31, 2018, consisted of the following:

	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Trade payables		
- Other parties	88,023,648	103,361,498
Trade payables	<u>88,023,648</u>	<u>103,361,498</u>
Other current payables		
Other current payables		
- Related parties (see Note 25)	1,200,000	1,200,000
- Other parties	77,139,425	78,913,514
Accrued expenses	18,295,392	15,399,933
Other current payables	<u>96,634,817</u>	<u>95,513,447</u>
Total	<u><u>184,658,465</u></u>	<u><u>198,874,945</u></u>

18. LIABILITIES UNDER FINANCE LEASE AGREEMENTS

Liabilities under finance lease agreements as at June 30, 2019 and December 31, 2018 consisted of the following:

Payment periods	The minimum amount to be paid in the future	
	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Within 1 year	328,164	328,164
1 - 5 years	164,082	328,164
	<u>492,246</u>	<u>656,328</u>
<u>Less</u> Deferred interest under finance lease agreements	(36,184)	(62,495)
Total	<u><u>456,062</u></u>	<u><u>593,833</u></u>

Payment periods	Present value of the minimum amount to be to be paid in the future	
	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Within 1 year	296,556	282,431
1 - 5 years	159,506	311,402
Total	<u><u>456,062</u></u>	<u><u>593,833</u></u>

19. PROVISION FOR EXPECTED LOSS ON CONSTRUCTION CONTRACT AND PROVISION FOR PENALTY ARISING FROM DELAY

19.1 For the six-month periods ended June 30, the movements of provision for expected loss on construction contract are as follows:

	Consolidated financial statement 2018 Baht	Separate financial statements 2019 2018 Baht Baht	
Beginning balances as at January 1,	28,289,750	192,805,344	28,289,750
<u>Add</u> Provision for expected loss on construction contract increased during the period - recognized as cost of construction contract	164,515,594	-	164,515,594
<u>Less</u> Transfer to provision for warranty (*)	-	(2,469,000)	-
<u>Less</u> Transfer to accrued expense (**)	-	(4,598,916)	-
<u>Less</u> Reversal from termination of construction contract during the period (see Note 23)	-	(185,737,428)	-
Ending balances as at June 30,	<u>192,805,344</u>	<u>-</u>	<u>192,805,344</u>

(*) Presented as a part of short-term provisions in the statement of financial position.

(**) Presented as a part of trade and other current payable in the statement of financial position.

19.2 For the six-month periods ended June 30, the movements of provision for penalty arising from delay are as follows:

	Consolidated financial statement 2018 Baht	Separate financial statement 2019 2018 Baht Baht	
Beginning balances as at January 1,	-	23,609,726	-
<u>Add</u> Provision for penalty arising from delay which is recognized as a deduction from revenue from construction contract during the period	23,609,726	-	23,609,726
<u>Less</u> Reversal from termination of construction contract during the period (see Note 23)	-	(3,232,991)	-
<u>Less</u> Payment during the period	-	(13,161,537)	-
Ending balances as at June 30,	<u>23,609,726</u>	<u>7,215,198</u>	<u>23,609,726</u>

20. SHARE CAPITAL

On August 9, 2018, the warrants (T-W3) were exercised to 7,636 ordinary shares totalling Baht 7,636 and the Company registered the capital increase with the Ministry of Commerce on August 21, 2018.

On April 25, 2019, the Annual General Shareholders' Meeting passed the resolution to decrease the Company's authorized share capital from the amount of Baht 13,035,049,764 to Baht 10,545,938,156 by decreasing the unissued ordinary shares capital of 2,489,111,608 shares at par value of Baht 1 each which were the result of the remaining reserved and unsubscribed for private placement. The Company registered the decrease in registered share capital with the Ministry of Commerce on May 13, 2019.

21. WARRANTS

21.1 The Annual General Meeting of Shareholders held on April 25, 2013, had the resolution approve the issuance of Warrants No. 1 (TIES-WA) in the number of 22,000,000 units to the management and employees and the Extraordinary General Meeting of Shareholders held on November 17, 2014 has a resolution to approve the allotment and offering of newly issued ordinary shares of the Company to the existing shareholders of the Company in proportion to their respective shareholdings (Right Offering) and adjustment of right which specified that the Company is obliged to adjust the exercise price and exercise ratio. The preliminary details of the warrants are described below:

Type of Warrants : Warrants purchasing ordinary shares of Thai Industrial & Engineering Service Public Company Limited allocated to the management and employees

Type : Specified warrant's holder and non-transferable.

Term of Warrants : 5 years from the issuing date of warrants.

Number of issued and offered warrants : 22,000,000 units

Offering Price : 0 Baht per unit

Allocation method : 17,000,000 units directly allocated to management and employees 5,000,000 units allocated by the appointed person from the Board of Directors and/or Managing Director in order to allocate to new management and employees who will work for the Company within 1 year from the date of the shareholders' meeting approve this offering

Exercise Ratio : 1 warrant to 11.971 ordinary shares (Formerly: 1 warrant to 1 ordinary share)

Exercise Price : Baht 1 (Formerly: Baht 2.50)

Exercise Period : The first: 1 year after the Company issued warrants, and not exceed 25% of the allocated warrants

The second: 2 years after the Company issued warrants, and not exceed 50% of the allocated warrants

The third: 3 years after the Company issued warrants, and not exceed 75% of the allocated warrants

The forth: 4 years after the Company issued warrants, and not exceed 100% of the allocated warrants

Holders of warrants are able to exercise the warrants to ordinary shares on the last business day of March, June, September and December throughout the term of the warrants. The unexercised warrants as at May 14, 2018 which was the last exercised date were 8,140,000 units and the Company transferred expired share capital from share-based payment of Baht 7.86 million to be a separate item under retained earnings (deficit) in the statement of financial position.

- 21.2 The Extraordinary General Meeting of Shareholders held on June 5, 2015, had the resolution to issue Warrants No. 3 (T-W3) in the number of not exceeding 1,451,232,630 units to the existing shareholders at the ratio of 4 existing ordinary shares to 1 warrant. The preliminary details of the warrants are described below:

Type of Warrants	: Warrants purchasing ordinary shares of Thai Industrial & Engineering Service Public Company Limited No. 3 (T-W3)
Type	: Specified warrant's holder and transferable
Term of Warrants	: 3 years from the issuing date of warrants
Number of issued and offered warrants	: 1,451,232,630 units
Offering Price	: 0 Baht per unit
Exercise Ratio	: 1 warrant to 1.594 ordinary shares (subject to change in case of the adjustment exercise ratio to the terms and conditions)
Exercise Price	: Baht 1 per share (subject to change in case of the adjustment exercise price to the terms and conditions)

On August 9, 2018 which was the last warrants exercised date, warrants of 4,791 units were exercised to ordinary share of 7,636 ordinary shares. The unexercised warrants as at August 9, 2018 were 1,451,227,839 units.

- 21.3 The Extraordinary General Meeting of Shareholders held on June 5, 2015, had the resolution to approve the issuance of Warrants No. 4 (T-W4) in the amount of not exceeding 3,000,000,000 units to whom subscribe and pay for the newly ordinary shares issued and offered via Private Placement at the ratio of 10 newly shares to 1 warrant. The preliminary details of the warrants are described below:

Type of Warrants	: Warrants purchasing ordinary shares of Thai Industrial & Engineering Service Public Company Limited No.4 (T-W4)
Type	: Specified warrant's holder and transferable
Term of Warrants	: 3 years from the issuing date of warrants
Number of issued and offered warrants	: 3,000,000,000 units

Offering Price	:	0 Baht per unit
Exercise Ratio	:	1 warrant to 1 ordinary share (subject to change in case of the adjustment exercise ratio to the terms and conditions)
Exercise Price	:	Baht 1 per share (subject to change in case of the adjustment exercise price to the terms and conditions).

22. BASIC EARNINGS (LOSSES) PER SHARE AND DILUTED EARNINGS (LOSSES) PER SHARE

Basic earnings (losses) per share for the three-month and six-month periods ended June 30, 2019 and 2018 are calculated by dividing profit (loss) for the periods by weighted average number of ordinary shares issued during the periods.

For the three-month and six-month periods ended June 30, are as follows:

	For the three-month periods ended June 30,		
	Consolidated financial statement 2018	2019	Separate financial statements 2018
Loss for the periods (Baht)	(175,383,825)	(10,065,902)	(175,366,698)
Weighted average number of ordinary shares (shares)	10,114,930,520	10,114,938,156	10,114,930,520
Basic losses per share (Baht)	<u>(0.0173)</u>	<u>(0.0010)</u>	<u>(0.0173)</u>
	For the six-month periods ended June 30,		
	Consolidated financial statement 2018	2019	Separate financial statements 2018
Profit (loss) for the periods (Baht)	(186,082,562)	44,270,874	(186,046,485)
Weighted average number of ordinary shares (shares)	10,114,930,520	10,114,938,156	10,114,930,520
Basic earnings (losses) per share (Baht)	<u>(0.0184)</u>	<u>0.0044</u>	<u>(0.0184)</u>

DILUTED EARNINGS (LOSSES) PER SHARE

Diluted earnings (losses) per share for the three-month month and six-month periods ended June 30, 2019 and 2018 are calculated by dividing the profit (loss) for the periods of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the periods and the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary share into ordinary shares when the exercise price is lower than fair value of ordinary shares. However, fair value of the Company's ordinary shares for the three-month and six-month periods ended June 30, 2019 and 2018 were lower than the exercise price causing the Company to exclude the effect of dilutive potential ordinary share from the calculation of diluted earnings (losses) per share.

23. SIGNIFICANT INFORMATION OF CONSTRUCTION CONTRACTS

Significant information of construction contracts as at June 30, 2019 and December 31, 2018, are as follows:

	Consolidated financial statement	Separate financial statements	
	As at December 31, 2018 Baht	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Contract revenues	1,790,893,747	1,477,503,019	1,790,893,747
Cost incurred to date	1,607,786,160	1,305,869,728	1,607,786,160
Profit (loss) recognized to date	(130,411,058)	21,286,415	(130,411,058)
Cost and profit or loss recognized to date	1,477,375,102	1,327,156,143	1,477,375,102
<u>Less</u> Progress billings to date	(1,342,695,824)	(1,195,190,959)	(1,342,695,824)
Reversal of unbilled construction revenues	-	(104,040,492)	-
Unbilled construction revenues	(143,436,032)	(32,883,936)	(143,436,032)
Unearned construction revenues	(8,756,754)	(4,959,244)	(8,756,754)
<u>Add</u> Advance from customer under construction contract	-	(42,818,033)	-
Total unearned construction revenues and advance from customer under construction contract	(8,756,754)	(47,777,277)	(8,756,754)
Cost of construction contracts incurred during the period/year	818,597,125	121,088,885	818,597,125
Expected loss on construction contracts	(164,515,594)	-	(164,515,594)
Cost of construction contracts incurred recognized as expense during the period/year	(653,925,760)	(118,617,271)	(653,925,760)
Cost of construction contracts related to activities in the future which recognized as asset	155,771	2,471,614	155,771
Unbilled construction revenues at the beginning of the period/year	91,270,070	143,436,032	91,270,070
Unearned construction revenues at the beginning of the period/year	(9,113,376)	(8,756,754)	(9,113,376)
Revenues from construction contracts recognized as revenues during the period/year	666,579,644	125,872,130	666,579,644
Progress billings during the period/year	(614,057,060)	(128,586,224)	(614,057,060)
Reversal of unbilled construction revenues	-	(104,040,492)	-
Unearned construction revenues at the ending of period/year	8,756,754	4,959,244	8,756,754
Unbilled construction revenues	143,436,032	32,883,936	143,436,032

	For the three-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Revenues from construction contracts recognized as revenues during the periods	185,790,490	67,131,226	185,790,490
Expected loss on construction contracts	(164,092,341)	-	(164,092,341)
Cost of construction contracts incurred recognized as expense during the periods	(187,784,752)	(62,816,837)	(187,784,752)
Profit (loss) recognized during the periods	(166,086,603)	4,314,389	(166,086,603)

	For the six-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Revenues from construction contracts recognized as revenues during the periods	372,780,458	125,872,130	372,780,458
Expected loss on construction contracts	(164,515,594)	-	(164,515,594)
Cost of construction contracts incurred recognized as expense during the periods	(359,559,037)	(118,617,271)	(359,559,037)
Profit (loss) recognized during the periods	(151,294,173)	7,254,859	(151,294,173)

On March 22, 2019, the company which was the counter party of the contract with the Company agreed to terminate the construction contract. The Company then reversed unbilled construction revenues of Baht 104.04 million (see Note 6), reversed provision for expected loss on construction contract of Baht 185.74 million (see Note 19.1) and reversed provision for penalty arising from delay of Baht 3.23 million (see Note 19.2). The Company recorded the result of termination of the construction contract totaling Baht 70.73 million as “reversal from termination of construction contract” in the statement of profit or loss and other comprehensive income for the six-month period ended June 30, 2019.

24. INCOME TAX EXPENSE

Reconciliations of income tax expense for the three-month and six-month periods ended June 30 are as follows:

	For the three-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Loss before income tax expense	(169,626,440)	(10,146,902)	(169,609,313)
Income tax at 20%	(33,925,288)	(2,029,381)	(33,921,863)
Effect of tax losses not recognized as deferred tax asset	1,616,097	1,433,604	1,612,672
Effect of the non-taxable income and non-deductible expense	38,066,576	514,777	38,066,576
Income tax (income) expense	5,757,385	(81,000)	5,757,385

	For the six-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Profit (loss) before income tax expense	(180,325,177)	44,189,874	(180,289,100)
Income tax at 20%	(36,065,035)	8,837,975	(36,057,820)
Effect of tax losses not recognized as deferred tax asset	3,629,408	7,306,515	3,622,193
Effect of the non-taxable income and non-deductible expense	38,193,012	(16,225,490)	38,193,012
Income tax (income) expense	5,757,385	(81,000)	5,757,385

The Company has not recognized deferred tax assets for unused tax losses because they expects no certain future taxable profit to be utilized. As at June 30, 2019 the Company has unused tax losses carried forward amounting to Baht 471.01 million. Such tax losses will expire in 2019. As at December 31, 2018, the Group and the Company have unused tax losses carried forward amounting to Baht 434.54 million and Baht 434.48 million, respectively. Such tax losses will expire in 2019.

25. RELATED PARTY TRANSACTIONS AND BALANCES

The Company has certain transactions with related parties. These related parties are related through common shareholdings and/or directorships. Significant related party transactions included in the financial statements are determined at the normal business prices based on the general market prices or prices agreed by the agreement in case no market reference.

Balances with related parties as at June 30, 2019 and December 31, 2018, are as follows:

	As at	As at
	June 30,	December 31,
	2019	2018
	Baht	Baht
Other non-current receivables (see Note 13)		
Joint Venture between Thai Industrial & Engineering Service Plc. and Reaungnarong Co., Ltd.	453,392	435,392
Other current payables (see Note 17)		
Joint Venture between Thai Industrial & Engineering Service Plc. and Reaungnarong Co., Ltd.	1,200,000	1,200,000

Directors and key management's compensation

Directors and key management's compensation for the three-month and six-month periods ended June 30, 2019 and 2018, consisted of the following:

	For the three-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Short-term benefits	3,870,000	1,803,800	3,870,000
Post-employee benefits	158,578	45,352	158,578
Directors remuneration	612,000	-	612,000
Total directors and key management's compensation	4,640,578	1,849,152	4,640,578

	For the six-month periods ended June 30,		
	Consolidated	Separate	
	financial statement	financial statements	
	2018	2019	2018
	Baht	Baht	Baht
Short-term benefits	7,625,600	4,509,500	7,625,600
Post-employee benefits	1,462,773	87,826	1,462,773
Directors remuneration	1,293,000	-	1,293,000
Total directors and key management's compensation	10,381,373	4,597,326	10,381,373

Relationships

Company	Country	Relationship	Type of relationship
Joint Venture between Thai Industrial & Engineering Service Plc. and Reaungnarong Co., Ltd.	Thailand	Joint arrangement	Jointly controlled operations

Intercompany pricing policy

Pricing policies

Interest expense Refer to commercial bank's interest rate

26. COMMITMENTS AND CONTINGENT LIABILITIES

The Company has commitments and contingent liabilities as follows:

26.1 As at June 30, 2019, the Company has letters of guarantee issued by the banks of Baht 229.26 million. The Company has credit facilities for letters of guarantee issued by the banks of Baht 229.26 million, which are guaranteed by the Company's deposits at banks (see Note 10).

As at December 31, 2018, the Company has letters of guarantee issued by the banks of Baht 243.17 million. The Company has credit facilities for letters of guarantee issued by the banks of Baht 291.07 million, which are guaranteed by the Company's deposits at banks (see Note 10).

- 26.2 As at December 31, 2018, the Company has postdated cheque of Baht 11.80 million which is pledged as collateral for a construction contract (as at June 30, 2019 : Nil).
- 26.3 Commitments to pay rental under the lease agreements for buildings and services in the future as at June 30, 2019 and December 31, 2018, consisted of the following:

Payment periods	As at June 30, 2019 Baht	As at December 31, 2018 Baht
Within 1 year	4,893,544	9,496,478
Later than 1 year but not later than 5 years	578,071	846,777

Rental under the lease agreements recognized as expenses in the separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2019 are Baht 2.55 million and Baht 5.35 million, respectively.

Rental under the lease agreements recognized as expenses in the consolidated and separate statements of profit or loss and other comprehensive income for the three-month and six-month periods ended June 30, 2018 are Baht 2.80 million and Baht 5.53 million, respectively.

- 26.4 During the year 2018, the Company proposed the bidding for construction with a domestic company and the Company won the bidding. However, the Company could not sign the construction contract within specified date. As at June 30, 2019, the Company was on process to negotiate with such company which the result of negotiation has not yet acknowledged at this time.

27. OPERATING SEGMENT INFORMATION

Operating segment information is reported to comply with the internal report that is prepared for decision in the resource allocation to the segment and assess its segment performance. The Company's chief operating decision maker is the directors of the Company.

Business segment

The Company operates in only one segment which is construction business. Therefore, the Company has only one business segment.

Geographical segment

The Company operates in only domestic. Therefore, the Company has only one geographic segment.

Information about transactions with major customers

The Company has revenues from construction contracts with external customers over 10% of total revenue from construction contract.

For the three-month periods ended June 30, 2019 and 2018, the Company has revenue from construction contract from 3 major customers in total amount of Baht 61.30 million and 2 major customers in total amount of Baht 93.14 million, respectively. And for the six-month periods ended June 30, 2019 and 2018, the Company has revenue from construction contract from 4 major customers in total amount of Baht 113.07 million and 2 major customers in total amount of Baht 194.19 million, respectively.

28. LITIGATIONS

28.1 On July 24, 2012, the Company sued a company (the “Contractor”) for breach of the construction contract in the amount of Baht 100.23 million and such company sued counterclaim the Company in the same lawsuit in amount of Baht 281.02 million. On April 28, 2016, the Civil Court already rendered its judgment ordered the Company to pay such company (the “Contractor”) in amount of Baht 105.31 million.

Later on May 25, 2018, the Appeal Court rendered its judgement to reverse the Civil Court’s judgement and ordered the Contractor to pay the Company of Baht 43.69 million with interest since the date of prosecution until payment completion. However, the Appeal Court also rendered its judgement to order the Company to pay compensation to the Contractor of Baht 30.80 million. Therefore, reversal of provision for loss on litigations of Baht 21.85 million was made, resulting in provision for loss on litigations as at June 30, 2019 and December 31, 2018 of Baht 30.80 million. The Company processed petition to the Supreme Court on April 5, 2019. The case is being considered by the Supreme Court. The Company’s management believes that the resultant losses will not significantly differ from recorded provision.

Moreover, during 2017, the bank which issued letters of guarantee to such contractor on behalf of the Company deducted the Company’s deposit at bank of Baht 5.33 million to repay the obligations for such letters of guarantee. The Company recognized such transaction as other receivable - bank and presented as part of trade and other non-current receivables (see Note 13) as the Company’s management believes that the bank had no rights to deduct the Company’s bank deposit because the case has not resolved.

Subsequently, on May 25, 2018, the bank which issued letters of guarantee to such contractor on behalf of the Company sued the Company to make a payment according to a request for issuance the letters of guarantee of Baht 49.49 million. The Civil Court took evidence on June 27 - 28, 2019 and appointed hearing the court judgement on August 15, 2019. The Company believes that the bank had no rights to sue because the Appeal Court already judged that the Company did not breach the agreement and the bank is not counter party on legal rights and is not defendant who has a rights to claim with the Company.

28.2 The Company had been requested to be co-defendant in litigation cases in which the contractor under the construction contract (the “Contractor”) had sued a company which issued the agreement for performance guarantee and the agreement for advance receipt guarantee on behalf of the Company (the “Guarantor”) with the claim amount of Baht 159.76 million to the Civil Court. The Civil Court rendered the order to allow the Company to be co-defendant and the Company had sued for counterclaim to the Contractor with the claim amount of Baht 198.29 million.

On March 9, 2015, the Civil Court had ordered to strike the cases on the agreement for performance guarantee and the agreement for advance receipt guarantee out of the case-list in order to let the Company and the Contractor being into Arbitrator's process. The Contractor appealed to the Appeal Court.

On January 26, 2016, the Appeal Court reaffirmed the Civil Court for the cases on the agreement for performance guarantee and the agreement for advance receipt guarantee. The Contractor filed the petition to the Supreme Court. Later on November 2, 2016, the Supreme Court had ordered related to the agreement for performance guarantee to reverse the judgement for allowing the Company being the co-defendant and dismissed the Appeal Court's order and the Civil Court's order that struck the case out of the case-list and had ordered the Civil Court to retry the consideration of the case. And on March 1, 2017, the Supreme Court had ordered related to the agreement for advance receipt guarantee to dismiss the Appeal Court's order and the Civil Court's order that struck the case out of the case-list and had ordered the Civil Court to retry the consideration of the case.

On June 26, 2017, the Company has submitted a dispute between the Company and the Contractor to the Arbitration process until 2019, the arbitrator resigned. Therefore, as at June 30, 2019, the dispute is being considered to appoint new arbitrators for such dispute consideration.

The Company assessed that they may incur loss from such cases. Therefore, the Company recorded provision for loss on litigaitons as at June 30, 2019 and December 31, 2018 amounting to Baht 44.41 million. The Company's management believes that the resultant losses will not significantly differ from the provision that is recognized in the financial statements.

- 28.3 On July 27, 2017, the Company was sued by 2 sub-contractors for breach of the construction agreements and the guarantee agreements due to termination made by the Company on July 13, 2017 with the claim amount of Baht 14.10 million. Later on October 11, 2017, the Company had sued counterclaim 2 sub-contractors in the amount of Baht 11.39 million. The Civil Court had ordered to accept testimony and sued for counterclaim. Later, the Court appointed the mediation of the case. On March 29, 2018, the parties could not agree together and accept to return the case to the court consideration process. The Civil Court had ordered to take evidence on October 16 - 18, 2018 and on November 27, 2018, the court rendered its judgement to order the Company to make payment to sub-contractor and return letter of guarantee. The case is currently being considered by the Appeal Court. Provision for loss on litigations as at December 31, 2018 is Baht 3.25 million.

Subsequently, during May 2019, the Company received the rights to claim sequestered notice from Legal Execution Department to sequester the rights of some cash at bank of the Company of Baht 0.99 million and the bank has already withdrawn such cash to the Legal Execution Department, resulting in provision for loss on litigations as at June 30, 2019 is Baht 2.26 million. The management believes that the resultant losses will not significantly differ from the provision that is recognized in the financial statements.

28.4 The Company has been sued by other companies as defendants for breach of contracts relating to construction, hire-of-work, rental, purchase of goods, services, breach, borrowing and others as follows:

28.4.1 The cases that the Civil Court has rendered the judge compulsions to for 4 cases to order the Company to make compensation in amount of Baht 13.21 million. As at June 30, 2019, the Company has outstanding claim amount to be paid of Baht 10.18 million that were recorded as liabilities in the related account in the financial statements.

28.4.2 The Company was sued for 4 cases relating to services, purchase of goods and borrowing with the claims of Baht 20.03 million. The Company has recorded as liabilities in the related accounts as at June 30, 2019 of Baht 13.57 million. The Company's management believes that the resultant losses will not significantly differ from the liabilities recognized in the financial statements.

Accordingly, the Company recorded provisions for losses on litigations (see Notes 28.1, 28.2 and 28.3) as at June 30, 2019 and December 31, 2018, are Baht 77.46 million and Baht 78.46 million, respectively.

29. FAIR VALUE MEASUREMENT OF FINANCIAL INSTRUMENTS

Some financial assets of the Company that were measured at fair value in the statement of financial position as at the reporting period as follows:

As at June 30, 2019 and December 31, 2018, the Company has financial assets which are investments held as available for sale - equity securities and held-for-trading investments - equity securities with fair value equally to its carrying amount which is measured using fair value hierarchy level 1. The fair value is determined based on last bidding price of the Stock Exchange of Thailand at the last working date of accounting period.

30. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements have been approved for issuing by the Company's Board of Directors on August 13, 2019.