

Advanced Information Technology Public Company Limited
Review report and interim financial information
For the three-month and six-month periods ended
30 June 2023

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Advanced Information Technology Public Company Limited

I have reviewed the accompanying statement of financial position in which equity method is applied of Advanced Information Technology Public Company Limited as at 30 June 2023, the related statements of comprehensive income for the three-month and six-month periods then ended, and the related statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the interim financial statements. I have also reviewed the separate financial information of Advanced Information Technology Public Company Limited for the same period (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*.

Khitsada Lerdwana

Certified Public Accountant (Thailand) No. 4958

EY Office Limited

Bangkok: 10 August 2023

Advanced Information Technology Public Company Limited

Statement of financial position

As at 30 June 2023

(Unit: Thousand Baht)

	Financial statements				
	<u>Note</u>	in which equity method is applied		Separate financial statements	
		<u>30 June 2023</u>	<u>31 December 2022</u>	<u>30 June 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Assets					
Current assets					
Cash and cash equivalents		1,069,811	1,486,595	1,069,811	1,486,595
Trade and other receivables	3	2,302,662	1,890,678	2,302,662	1,890,678
Contract assets	4	1,128,910	1,130,658	1,128,910	1,130,658
Inventories		812,753	882,718	812,753	882,718
Other current financial assets		4,396	-	4,396	-
Other current assets		285,070	203,126	285,070	203,126
Total current assets		<u>5,603,602</u>	<u>5,593,775</u>	<u>5,603,602</u>	<u>5,593,775</u>
Non-current assets					
Other non-current financial assets	5	3,000	3,000	3,000	3,000
Investments in joint venture	6	-	-	4,000	4,000
Property, plant and equipment	7	217,299	96,231	217,299	96,231
Right-of-use assets		13,552	16,246	13,552	16,246
Equipment for lease		337,378	358,511	337,378	358,511
Intangible assets		42,799	41,699	42,799	41,699
Biological assets		7,077	-	7,077	-
Deferred tax assets		134,517	138,030	134,517	138,030
Other non-current assets		85,035	93,670	85,035	93,670
Total non-current assets		<u>840,657</u>	<u>747,387</u>	<u>844,657</u>	<u>751,387</u>
Total assets		<u><u>6,444,259</u></u>	<u><u>6,341,162</u></u>	<u><u>6,448,259</u></u>	<u><u>6,345,162</u></u>

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

Advanced Information Technology Public Company Limited

Statement of financial position (continued)

As at 30 June 2023

(Unit: Thousand Baht)

	Financial statements				
	in which equity method is applied		Separate financial statements		
	<u>Note</u>	<u>30 June 2023</u>	<u>31 December 2022</u>	<u>30 June 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables		1,091,426	921,043	1,091,426	921,043
Unbilled payables		681,086	837,329	681,086	837,329
Current portion of liabilities under financial arrangement agreements		72,144	93,799	72,144	93,799
Current portion of lease liabilities		8,154	8,751	8,154	8,751
Income tax payable		12,132	53,319	12,132	53,319
Contract liabilities	4	273,808	272,939	273,808	272,939
Provision for penalty on projects delay		80,687	81,585	80,687	81,585
Other current financial liabilities		-	11,717	-	11,717
Other current liabilities		93,812	66,748	93,812	66,748
Total current liabilities		<u>2,313,249</u>	<u>2,347,230</u>	<u>2,313,249</u>	<u>2,347,230</u>
Non-current liabilities					
Liabilities under financial arrangement agreements - net of current portion		76,430	124,579	76,430	124,579
Lease liabilities - net of current portion		5,705	5,210	5,705	5,210
Provision for long-term employee benefits		134,224	126,438	134,224	126,438
Total non-current liabilities		<u>216,359</u>	<u>256,227</u>	<u>216,359</u>	<u>256,227</u>
Total liabilities		<u>2,529,608</u>	<u>2,603,457</u>	<u>2,529,608</u>	<u>2,603,457</u>

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

Advanced Information Technology Public Company Limited

Statement of financial position (continued)

As at 30 June 2023

(Unit: Thousand Baht)

	Financial statements				
	<u>Note</u>	in which equity method is applied		Separate financial statements	
		<u>30 June 2023</u>	<u>31 December 2022</u>	<u>30 June 2023</u>	<u>31 December 2022</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Shareholders' equity					
Share capital					
Registered					
1,547,406,727 ordinary shares of Baht 1 each	1,547,407	1,547,407	1,547,407	1,547,407	
Issued and fully paid-up	8				
1,431,373,734 ordinary shares of Baht 1 each (31 December 2022: 1,331,125,351 ordinary shares of Baht 1 each)	1,431,373	1,331,125	1,431,373	1,331,125	
Share premium	703,206	602,958	703,206	602,958	
Retained earnings					
Appropriated - statutory reserve	10	154,741	150,003	154,741	
Unappropriated		1,622,765	1,629,331	1,657,619	
Other components of shareholders' equity		2,566	-	-	
Total shareholders' equity		<u>3,914,651</u>	<u>3,737,705</u>	<u>3,918,651</u>	
Total liabilities and shareholders' equity		<u>6,444,259</u>	<u>6,341,162</u>	<u>6,448,259</u>	
		-	-	-	

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

Directors

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited**Statement of comprehensive income****For the three-month period ended 30 June 2023**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Financial statements				
	<u>Note</u>	<u>in which equity method is applied</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues					
Sales and service income		1,611,206	1,641,027	1,611,206	1,641,027
Rental income from equipment for lease		80,909	55,220	80,909	55,220
Other income		10,930	15,555	10,930	15,555
Total revenues		<u>1,703,045</u>	<u>1,711,802</u>	<u>1,703,045</u>	<u>1,711,802</u>
Expenses					
Cost of sales and service		1,348,243	1,366,023	1,348,243	1,366,023
Cost of equipment for lease		44,213	31,318	44,213	31,318
Selling and distribution expenses		81,263	64,412	81,263	64,412
Administrative expenses		80,814	95,886	80,814	95,886
Total expenses		<u>1,554,533</u>	<u>1,557,639</u>	<u>1,554,533</u>	<u>1,557,639</u>
Operating profit		<u>148,512</u>	<u>154,163</u>	<u>148,512</u>	<u>154,163</u>
Finance income		2,197	1,530	2,197	1,530
Finance cost		(454)	(762)	(454)	(762)
Profit before income tax expenses		<u>150,255</u>	<u>154,931</u>	<u>150,255</u>	<u>154,931</u>
Income tax expenses	11	(27,260)	(33,321)	(27,260)	(33,321)
Profit for the period		<u>122,995</u>	<u>121,610</u>	<u>122,995</u>	<u>121,610</u>
Other comprehensive income for the period		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period		<u><u>122,995</u></u>	<u><u>121,610</u></u>	<u><u>122,995</u></u>	<u><u>121,610</u></u>
Earnings per share					
12					
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.09</u>	<u>0.12</u>	<u>0.09</u>	<u>0.12</u>
Diluted earnings per share					
Profit attributable to equity holders of the Company		<u>0.08</u>	<u>0.09</u>	<u>0.08</u>	<u>0.09</u>

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

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited**Statement of comprehensive income****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht except earnings per share expressed in Baht)

	Financial statements				
	<u>Note</u>	<u>in which equity method is applied</u>		<u>Separate financial statements</u>	
		<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Revenues					
Sales and service income		2,801,218	2,857,863	2,801,218	2,857,863
Rental income from equipment for lease		161,497	109,727	161,497	109,727
Gain from sales of investment		-	108,627	-	63,476
Other income		37,044	34,802	37,044	34,802
Total revenues		2,999,759	3,111,019	2,999,759	3,065,868
Expenses					
Cost of sales and service		2,302,097	2,381,388	2,302,097	2,381,388
Cost of equipment for lease		86,829	55,856	86,829	55,856
Selling and distribution expenses		163,009	129,666	163,009	129,666
Administrative expenses		177,443	189,921	177,443	189,921
Total expenses		2,729,378	2,756,831	2,729,378	2,756,831
Operating profit		270,381	354,188	270,381	309,037
Finance income		3,807	1,929	3,807	1,929
Finance cost		(960)	(1,615)	(960)	(1,615)
Profit before income tax expenses		273,228	354,502	273,228	309,351
Income tax expenses	11	(53,446)	(66,715)	(53,446)	(66,715)
Profit for the period		219,782	287,787	219,782	242,636
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		219,782	287,787	219,782	242,636
Earnings per share					
12					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.16	0.28	0.16	0.24
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.15	0.21	0.15	0.18

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

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited

Statement of changes in shareholders' equity

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

Financial statements in which equity method is applied

	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity	Total shareholders' equity
			Appropriated	Unappropriated	Share of other comprehensive income from joint venture	
Balance as at 1 January 2022	1,031,604	303,437	128,778	1,594,854	2,566	3,061,239
Profit for the period	-	-	-	287,787	-	287,787
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	287,787	-	287,787
Dividend paid (Note 13)	-	-	-	(309,480)	-	(309,480)
Balance as at 30 June 2022	<u>1,031,604</u>	<u>303,437</u>	<u>128,778</u>	<u>1,573,161</u>	<u>2,566</u>	<u>3,039,546</u>
Balance as at 1 January 20223	1,331,125	602,958	150,003	1,651,053	2,566	3,737,705
Profit for the period	-	-	-	219,782	-	219,782
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	219,782	-	219,782
Increase in share capital from exercise warrants (Note 8)	100,248	100,248	-	-	-	200,496
Dividend paid (Note 13)	-	-	-	(243,332)	-	(243,332)
Transfer to legal reserve (Note 10)	-	-	4,738	(4,738)	-	-
Balance as at 30 June 2023	<u>1,431,373</u>	<u>703,206</u>	<u>154,741</u>	<u>1,622,765</u>	<u>2,566</u>	<u>3,914,651</u>

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

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited

Statement of changes in shareholders' equity (continued)

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

Separate financial statements

	Issued and paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2022	1,031,604	303,437	128,778	1,718,571	3,182,390
Profit for the period	-	-	-	242,636	242,636
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	242,636	242,636
Dividend paid (Note 13)	-	-	-	(309,480)	(309,480)
Balance as at 30 June 2022	<u>1,031,604</u>	<u>303,437</u>	<u>128,778</u>	<u>1,651,727</u>	<u>3,115,546</u>
Balance as at 1 January 2023	1,331,125	602,958	150,003	1,657,619	3,741,705
Profit for the period	-	-	-	219,782	219,782
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	219,782	219,782
Increase in share capital from exercise warrants (Note 8)	100,248	100,248	-	-	200,496
Dividend paid (Note 13)	-	-	-	(243,332)	(243,332)
Transfer to legal reserve (Note 10)	-	-	4,738	(4,738)	-
Balance as at 30 June 2023	<u>1,431,373</u>	<u>703,206</u>	<u>154,741</u>	<u>1,629,331</u>	<u>3,918,651</u>

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

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited

Cash flow statement

For the six-month period ended 30 June 2023

(Unit: Thousand Baht)

	Financial statements		Separate financial statements	
	in which equity method is applied			
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from operating activities				
Profit before tax	273,228	354,502	273,228	309,351
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities				
Depreciation and amortisation	82,666	62,645	82,666	62,645
Reversal of impairment loss on financial assets	(3,615)	(4,333)	(3,615)	(4,333)
Gain on sales of investment	-	(108,627)	-	(63,476)
Provision for penalty on project delay	5,195	5,892	5,195	5,892
Provision for long-term employee benefits	7,786	9,018	7,786	9,018
Unrealised loss on exchange	7,112	2,845	7,112	2,845
Loss (gain) on fair value adjustments of financial instruments	(16,113)	14,850	(16,113)	14,850
Finance cost	960	1,615	960	1,615
Profit from operating activities before changes in operating assets and liabilities	357,219	338,407	357,219	338,407
Operating assets (increase) decrease				
Trade and other receivables	(411,772)	70,805	(411,772)	70,805
Contract assets	5,159	(385,342)	5,159	(385,342)
Inventories	69,965	(446,445)	69,965	(446,445)
Other current assets	(81,944)	(54,060)	(81,944)	(54,060)
Biological assets	(7,077)	-	(7,077)	-
Other non-current assets	8,635	610	8,635	610
Operating liabilities increase (decrease)				
Trade and other payables	158,321	460,602	158,321	460,602
Unbilled payables	(156,243)	100,477	(156,243)	100,477
Contract liabilities	869	(56,389)	869	(56,389)
Cash paid for penalty on project delay	(6,093)	(443)	(6,093)	(443)
Cash paid for long-term employee benefits	-	(947)	-	(947)
Other current liabilities	27,193	(74,353)	27,193	(74,353)
Cash used in operating activities	(35,768)	(47,078)	(35,768)	(47,078)
Interest paid	(960)	(1,615)	(960)	(1,615)
Income tax paid	(91,120)	(64,413)	(91,120)	(64,413)
Net cash used in operating activities	(127,848)	(113,106)	(127,848)	(113,106)

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

(Unaudited but reviewed)

Advanced Information Technology Public Company Limited**Cash flow statement (continued)****For the six-month period ended 30 June 2023**

(Unit: Thousand Baht)

	Financial statements			
	in which equity method is applied		Separate financial statements	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Cash flows from investing activities				
Cash received from sales of unit trust in open-end mutual funds - debt instruments	-	719,999	-	719,999
Cash received from sales of investment in joint venture	-	125,976	-	125,976
Decrease in short-term loans to related party	-	13,000	-	13,000
Cash payment for purchase of building improvement and equipment	(130,723)	(9,312)	(130,723)	(9,312)
Cash payment for purchase of equipment for lease	(35,789)	(79,955)	(35,789)	(79,955)
Cash payment for purchase of computer software	(4,034)	(3,994)	(4,034)	(3,994)
Net cash from (used in) investing activities	(170,546)	765,714	(170,546)	765,714
Cash flows from financing activities				
Increase (decrease) in liabilities under finance arrangement agreements	(69,804)	12,132	(69,804)	12,132
Cash payment for lease liabilities	(5,621)	(6,374)	(5,621)	(6,374)
Cash received from share subscriptions from exercise of warrants	200,496	-	200,496	-
Dividend paid	(243,461)	(309,092)	(243,461)	(309,092)
Net cash used in financing activities	(118,390)	(303,334)	(118,390)	(303,334)
Net increase (decrease) in cash and cash equivalents	(416,784)	349,274	(416,784)	349,274
Cash and cash equivalents at beginning of period	1,486,595	378,502	1,486,595	378,502
Cash and cash equivalents at end of period	1,069,811	727,776	1,069,811	727,776
Supplemental cash flows information				
Non-cash transactions				
Purchase of building improvement and equipment for which no cash has been paid	4,442	1,310	4,442	1,310
Purchase of equipment for lease for which no cash has been paid	-	98,889	-	98,889
Purchase of computer software for which no cash has been paid	500	500	500	500
Additions to right-of-use assets and lease liabilities	5,519	2,063	5,519	2,063
Transfer deposits to offset with cash received from sales of investment in joint venture	-	7,500	-	7,500

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

Advanced Information Technology Public Company Limited

Notes to interim financial statements

For the three-month and six-month periods ended 30 June 2023

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements are 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 statements.

The interim financial statements are 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. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.2 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2022.

The revised financial reporting standards which are effective for fiscal years beginning on or after 1 January 2023, do not have any significant impact on the Company's financial statements.

2. Related party transactions

During the periods, the Company had significant business transactions with the 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 related parties.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month		For the six-month		Transfer pricing policy
	periods ended 30 June		periods ended 30 June		
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>	
<u>Transactions with the related parties</u>					
Sales of goods and services	-	1	1	4	Market price
Purchase of goods and services	53	-	53	-	Market price

The balance of the accounts between the Company and those related parties as at 30 June 2023 and 31 December 2022 are as follow.

(Unit: Million Baht)

	<u>30 June 2023</u>	<u>31 December 2022</u>
<u>Trade receivables - related party (Note 3)</u>		
Related company (common director)	-	2
Total trade receivables - related party	<u>-</u>	<u>2</u>
<u>Trade payables - related party</u>		
Related company (common director)	50	-
Total trade payables - related party	<u>50</u>	<u>-</u>

Directors and management's remuneration

During the three-month and six-month periods ended 30 June 2023 and 2022, the Company has employee benefit expenses payable to its directors and management as below.

(Unit: Million Baht)

	For the three-month		For the six-month	
	periods ended 30 June		periods ended 30 June	
	<u>2023</u>	<u>2022</u>	<u>2023</u>	<u>2022</u>
Short-term employee benefits	17.2	16.4	44.9	46.7
Post-employment benefits	0.7	0.7	1.3	1.3

3. Trade and other receivables

(Unit: Thousand Baht)

	<u>30 June 2023</u>	<u>31 December 2022</u>
<u>Trade receivables - related party</u>		
Aged on the basis of due dates		
Not yet due	-	2,407
Total trade receivables - related party	<u>-</u>	<u>2,407</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	30 June 2023	31 December 2022
<u>Trade receivables - unrelated parties</u>		
Aged on the basis of due dates		
Not yet due	813,969	652,033
Past due		
Up to 3 months	895,662	811,127
Over 3 - 6 months	458,471	311,741
Over 6 - 12 months	76,022	87,023
Over 12 months	157,764	127,588
Total	2,401,888	1,989,512
Less: Allowance for expected credit losses	(109,362)	(109,566)
Total trade receivables - unrelated parties, net	2,292,526	1,879,946
Total trade receivable - net	2,292,526	1,882,353
<u>Other receivables</u>		
Other receivables	53,178	51,367
Less: Allowance for expected credit losses	(43,042)	(43,042)
Total other receivables - net	10,136	8,325
Total trade and other receivables - net	2,302,662	1,890,678

4. **Contract assets / Contract liabilities**

(Unit: Thousand Baht)

	30 June 2023	31 December 2022
Contract assets		
Unbilled receivables	1,236,663	1,262,467
Retention receivables	21,118	19,630
Total	1,257,781	1,282,097
Less: Allowance for expected credit losses	(128,871)	(151,439)
Total contract assets - net	1,128,910	1,130,658
Contract liabilities		
Advances received from hirers	36,823	25,539
Construction revenue received in advance	236,985	247,400
Total contract liabilities	273,808	272,939

As at 30 June 2023, the balance of unbilled receivables of Baht 1,039 Million (31 December 2022: Baht 1,041 million) is expected to be billed within one year and Baht 198 million (31 December 2022: Baht 221 million) is expected to be billed after one year.

(Unaudited but reviewed)

During the period, the Company write-off unbilled receivables and allowance for expected credit losses amounting to Baht 19 million.

5. Other non-current financial assets

	(Unit: Million Baht)	
	30 June 2023	31 December 2022
<u>Debt instrument at amortised cost</u>		
Convertible loan	10	10
Less: Allowance for impairment losses	(10)	(10)
Convertible loan - net	-	-
<u>Financial assets at FVTPL</u>		
Non-listed equity instruments		
Campana Group Pte. Ltd.	140	140
Fair value adjustments financial assets	(140)	(140)
	-	-
Blue Green Solution Co., Ltd.	3	3
Total financial assets at FVTPL	3	3
Total other non-current financial assets - net	3	3

Convertible loan is loan to Campana Group Pte. Ltd. which is a related party (related by common director) and designated at amortised cost. It represents a US dollar loan of USD 318,058. The loan is unsecured and carries interest at the rate of 9.125% per annum. It is repayable in September 2025 or convertible into share capital of such company at a price of USD 50 per share.

The fair value of non-listed equity instruments has been determined using a discounted future cash flow model that take into account the credit risk and liquidity of these instruments.

6. Investments in joint venture

The Company recognised share of losses from investment in Loxley & AIT Holding Co., Ltd., until the value of the investments approached zero. Subsequent losses incurred by this joint venture have not been recognised in the Company's accounts since the Company has no obligations, whether legal or constructive, to make any payments on behalf of this joint venture.

7. Property, plant and equipment

	(Unit: Thousand Baht)
Net book value as at 1 January 2023	96,231
Acquisitions during the period - at cost	135,165
Depreciation for the period	(14,097)
Net book value as at 30 June 2023	217,299

On 24 January 2023, the Company entered into a land purchase agreement amounting to Baht 118.5 million for operating in the Economic Teak Plantation and Carbon Credit Trading. The Company made a full payment and obtained the ownership in January 2023.

8. Share capital

In March 2023, the existing shareholders subscribed for 100,248,383 units of new ordinary shares based on a warrant ratio of 1:1 at a price of Baht 2 per share, totaling Baht 200 million. As a result, the Company had additional issued and paid-up share capital of Baht 100 million, the increase from Baht 1,331 million to Baht 1,431 million and share premium of Baht 100 million, the increase from Baht 603 million to Baht 703 million. The Company registered such issued and paid-up share capital with the Ministry of Commerce on 5 April 2023.

9. Warrants

On 21 December 2021, the extraordinary meeting of the Company No. 1/2021 approved the issuance of warrants to purchase the Company's ordinary shares No.2 (AIT-W2) allocated to the existing shareholders in proportion to their shareholdings without charge. The Company determined the shareholders who had the rights to receive the warrants on 10 January 2022, at the ratio of 2 existing shares to 1 warrant (any fraction shall be discarded). The term of warrants is not over 2 years from the date of issuance (13 January 2022). The exercise ratio is 1 warrant per 1 ordinary share at an exercise price of Baht 2. Such warrants can be exercised from 30 September 2022 to 12 January 2024.

Movements in number of warrants during the period are as follows:

	AIT-W2 warrants
	(Thousand units)
Balance as at 31 December 2022	216,267
Number of warrants exercised	(100,248)
Balance as at 30 June 2023	<u>116,019</u>

10. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

11. 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 and six-month periods ended 30 June 2023 and 2022 are made up as follows:

	(Unit: Thousand Baht)			
	For the three-month		For the six-month	
	periods ended 30 June		periods ended 30 June	
	2023	2022	2023	2022
Current income tax:				
Interim corporate income tax charge	23,474	37,485	49,933	71,473
Deferred tax:				
Relating to origination and reversal of temporary differences	3,786	(4,164)	3,513	(4,758)
Income tax expense reported in profit and loss	27,260	33,321	53,446	66,715

12. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, and the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued.

(Unaudited but reviewed)

The following tables set forth the computation of basic and diluted earnings per share:

Financial statements in which equity method is applied						
For the three-month periods ended 30 June						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
2023	2022	2023	2022	2023	2022	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
122,995	121,610	1,431,374	1,031,604	0.09	0.12	
Effect of dilutive potential ordinary shares						
AIT-W2 (Note 9)						
-	-	75,607	362,068			
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>122,995</u>	<u>121,610</u>	<u>1,506,981</u>	<u>1,393,672</u>	0.08	0.09	
Financial statements in which equity method is applied						
For the six-month periods ended 30 June						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
2023	2022	2023	2022	2023	2022	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
219,782	287,787	1,381,526	1,031,604	0.16	0.28	
Effect of dilutive potential ordinary shares						
AIT-W2 (Note 9)						
-	-	108,091	337,317			
Diluted earnings per share						
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares						
<u>219,782</u>	<u>287,787</u>	<u>1,489,617</u>	<u>1,368,921</u>	0.15	0.21	

(Unaudited but reviewed)

Separate financial statements					
For the three-month periods ended 30 June					
Profit for the periods		Weighted average number of ordinary shares		Earnings per share	
2023	2022	2023	2022	2023	2022
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
122,995	121,610	1,431,374	1,031,604	0.09	0.12
Effect of dilutive potential ordinary shares					
AIT-W2 (Note 9)					
-	-	75,607	362,068		
Diluted earnings per share					
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares					
<u>122,995</u>	<u>121,610</u>	<u>1,506,981</u>	<u>1,393,672</u>	0.08	0.09

Separate financial statements					
For the six-month periods ended 30 June					
Profit for the periods		Weighted average number of ordinary shares		Earnings per share	
2023	2022	2023	2022	2023	2022
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Basic earnings per share					
Profit attributable to equity holders of the Company					
219,782	242,636	1,381,526	1,031,604	0.16	0.24
Effect of dilutive potential ordinary shares					
AIT-W2 (Note 9)					
-	-	108,091	337,317		
Diluted earnings per share					
Profit attributable to ordinary shareholders assuming the conversion of warrants to ordinary shares					
<u>219,782</u>	<u>242,636</u>	<u>1,489,617</u>	<u>1,368,921</u>	0.15	0.18

(Unaudited but reviewed)

13. Dividend paid

Dividends	Approved by	Total dividends	Dividend per share
		(Million Baht)	(Baht)
Final dividends of 2021	Annual General Meeting of the Company's shareholders held on 11 April 2022	309.5	0.30
Final dividends of 2022	Annual General Meeting of the Company's shareholders held on 11 April 2023	243.3	0.17

14. Segment information

Operating segment information is reported in a manner consistent with the internal reports of the Company that are regularly reviewed by the chief operating decision maker in order to make decisions about allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the Company's Board of Directors.

The Company's business operations involve 2 principal segments: (1) sales and service and (2) rental of equipment. These operations are mainly carried on in geographical area of Thailand. The Company measured segment performance based on operating profit or loss, on a basis consistent with that used to measure operating profit or loss in the financial statements. During the three-month and six-month periods ended 30 June 2023 and 2022, there were no material activities pertaining to rental segment. For this reason, financial information has not been presented by either industry segment or geographical area.

15. Commitments and contingent liabilities

15.1 Obligations to sales and services in accordance with contracts

1. The Company has engaged in undelivered and unrendered contracts of selling goods and rendering services to its customers of Baht 4,100 million (31 December 2022: Baht 5,605 million). The Company expects to satisfy the performance obligations within 5 years (31 December 2022: 5 years).
2. The Company has engaged in various rental contracts with companies of which the government is a major shareholder, government agencies and private companies, with a total contract value for future services rendering as follows:

(Unaudited but reviewed)

	(Unit: Million Baht)	
	30 June 2023	31 December 2022
In up to 1 year	253	294
In over 1 year and up to 5 years	210	322

The Company has obliged to complete the equipment installation and render maintenance services of these equipment in accordance with conditions stipulated in the contracts.

15.2 Guarantees

As at 30 June 2023, there were outstanding bank guarantees, guaranteed by the Company of Baht 1,728 million (31 December 2022: Baht 1,562 million) on behalf of the Company and consortium, in respect of certain performance bonds as required in the ordinary course of its business. These included letters of guarantee amounting to Baht 1,726 million (31 December 2022: Baht 1,560 million) to guarantee contractual performance and Baht 2 million (31 December 2022: Baht 2 million) to guarantee payments due to creditors.

15.3 Litigation

During the current period, there have been no significant changes with respect to the litigation as disclosed in Notes 32.3 to the financial statements for the year 2022.

16. Financial instruments

16.1 Fair value of financial instruments

Since the majority of the Company's financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

16.2 Fair value hierarchy

As at 30 June 2023, the Company had the assets that were measured at fair value using different levels of inputs as follows.

	(Unit: Million Baht)		
	Level 2	Level 3	Total
Assets measured at fair value			
Financial assets measured at FVTPL			
Foreign currency forward contracts	4	-	4
Equity investments	-	3	3

During the current period, there were no changes in the methods and the assumptions used to estimate the fair value of financial instruments and there were no transfers between the levels of the fair value hierarchy.

17. Event after the reporting period

On 10 August 2023, the Company's Board of Directors' meeting approved an interim dividend of Baht 0.15 per share is to be paid to the shareholders in respect of the profit for six-month period ended 30 June 2023. Such dividend will be paid and record in the third quarter of the year 2023.

18. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 10 August 2023.