

One to One Contacts Public Company Limited  
and its subsidiaries  
Report and consolidated financial statements  
31 December 2019

## **Independent Auditor's Report**

To the Shareholders of One to One Contacts Public Company Limited

### **Opinion**

I have audited the accompanying consolidated financial statements of One to One Contacts Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2019, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of One to One Contacts Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of One to One Contacts Public Company Limited and its subsidiaries and of One to One Contacts Public Company Limited as at 31 December 2019, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

### **Basis for Opinion**

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

### **Key Audit Matter**

Key audit matter is a matter that, in my professional judgement, was of most significance in my audit of the financial statements of the current period. This matter was addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on this matter.

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements section of my report, including in relation to this matter. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matter below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matter and how audit procedures respond for this matter are described below.

*Revenue recognition relating to long-term service contracts*

The Group has disclosed its policies on revenue recognition for service provided under long-term contracts in Note 4.1 to the financial statements. The amount of revenue that the Group recognised revenue from such service contracts in each period forms a significant portion of the Group's total revenue and directly affect profit or loss of the Group. In addition, the service contracts side terms are varied. There are therefore risks with respect to amount and timing of the recognition of revenue for long-term service contracts.

I assessed and tested the internal controls of the Group with respect to the revenue cycle, including contract process, by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I selected long-term service contracts made with customers in order to read the contracts to consider the conditions relating to revenue recognition, including making enquiry of the management about the terms of these contracts relevant to revenue recognition. I also examined, on a sampling basis, the accounting transactions related to service revenue accounts during the year and near the end of the accounting period with supporting documents and reviewed credit notes issued after the period-end. In addition, I performed analytical procedures on disaggregated data to detect any irregularities in service revenue throughout the period, particularly for accounting entries made through journal vouchers, and reviewed the disclosures made in the notes to the financial statements with respect to the basis of revenue.

## **Other Information**

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

## **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

## **Auditor's Responsibilities for the Audit of the Financial Statements**

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Siriwan Suratepin

Certified Public Accountant (Thailand) No. 4604

EY Office Limited

Bangkok: 21 February 2020

**One to One Contacts Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 31 December 2019**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	77,543,038	439,147,288	71,915,087	433,472,379
Current investment	8	475,736,832	970,000	475,736,832	970,000
Trade and other receivables	6, 9	168,157,702	226,960,252	171,415,912	229,224,628
Short-term loans to related parties	6	-	-	6,000,000	-
Accrued income	6, 10	74,087,599	100,004,381	73,916,200	100,004,381
Inventories	11	3,251,587	4,539,247	3,201,376	4,539,247
Other current assets	12	67,668,395	46,836,338	66,351,564	46,715,168
<b>Total current assets</b>		<u>866,445,153</u>	<u>818,457,506</u>	<u>868,536,971</u>	<u>814,925,803</u>
<b>Non-current assets</b>					
Investment in subsidiaries	13	-	-	24,690,467	19,786,467
Equipment	14	61,353,420	80,403,365	59,224,013	79,858,190
Intangible assets	15	29,593,110	24,396,743	24,956,631	24,072,162
Deferred tax assets	22	6,800,276	8,519,016	6,633,085	8,519,016
Other non-current assets		<u>10,845,076</u>	<u>10,471,045</u>	<u>10,441,133</u>	<u>10,036,348</u>
<b>Total non-current assets</b>		<u>108,591,882</u>	<u>123,790,169</u>	<u>125,945,329</u>	<u>142,272,183</u>
<b>Total assets</b>		<u>975,037,035</u>	<u>942,247,675</u>	<u>994,482,300</u>	<u>957,197,986</u>

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

**One to One Contacts Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 31 December 2019**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Trade and other payables	6, 16	73,631,081	52,822,293	73,056,815	51,874,629
Income tax payable		3,989	4,218	-	-
Other current liabilities	17	15,878,618	21,436,390	16,113,582	21,329,772
<b>Total current liabilities</b>		<u>89,513,688</u>	<u>74,262,901</u>	<u>89,170,397</u>	<u>73,204,401</u>
<b>Non-current liabilities</b>					
Provision for long-term employee benefits	18	16,976,940	13,639,878	16,140,983	13,639,878
Other non-current liabilities		1,039,761	2,580,278	1,037,761	2,578,278
<b>Total non-current liabilities</b>		<u>18,016,701</u>	<u>16,220,156</u>	<u>17,178,744</u>	<u>16,218,156</u>
<b>Total liabilities</b>		<u>107,530,389</u>	<u>90,483,057</u>	<u>106,349,141</u>	<u>89,422,557</u>
<b>Shareholders' equity</b>					
Share capital					
Registered					
280,000,000 ordinary shares of Baht 1 each		<u>280,000,000</u>	<u>280,000,000</u>	<u>280,000,000</u>	<u>280,000,000</u>
Issued and fully paid up					
280,000,000 ordinary shares of Baht 1 each		280,000,000	280,000,000	280,000,000	280,000,000
Share premium		304,418,692	304,418,692	304,418,692	304,418,692
Retained earnings					
Appropriated - statutory reserve	19	27,100,000	25,200,000	27,100,000	25,200,000
Unappropriated		255,955,706	242,112,361	276,614,467	258,156,737
Other components of shareholders' equity		<u>32,248</u>	<u>33,565</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u>867,506,646</u>	<u>851,764,618</u>	<u>888,133,159</u>	<u>867,775,429</u>
<b>Total liabilities and shareholders' equity</b>		<u>975,037,035</u>	<u>942,247,675</u>	<u>994,482,300</u>	<u>957,197,986</u>

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

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Directors  
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**One to One Contacts Public Company Limited and its subsidiaries**

**Statement of comprehensive income**

**For the year ended 31 December 2019**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Profit or loss:</b>				
<b>Revenues</b>				
Services income	744,515,561	695,969,378	738,747,806	690,666,329
Revenues from contract work	11,768,090	13,865,098	10,748,890	13,865,098
Revenues from sales	-	1,022,351	-	-
Other income	34,244,393	7,415,305	34,617,587	7,920,702
<b>Total revenues</b>	<u>790,528,044</u>	<u>718,272,132</u>	<u>784,114,283</u>	<u>712,452,129</u>
<b>Expenses</b>	21			
Cost of services	662,020,296	588,762,614	658,137,404	584,760,107
Cost of contract work	10,052,445	12,579,362	9,483,624	12,579,362
Cost of sales	-	202,873	-	-
Selling and services expenses	2,510,409	2,001,923	2,510,409	2,001,923
Administrative expenses	78,958,229	84,592,509	72,959,356	80,474,361
Other expenses	1,300,370	2,075,959	1,300,369	2,075,959
<b>Total expenses</b>	<u>754,841,749</u>	<u>690,215,240</u>	<u>744,391,162</u>	<u>681,891,712</u>
<b>Profit before finance cost</b>				
<b>and income tax expenses</b>	35,686,295	28,056,892	39,723,121	30,560,417
Finance cost	(126,005)	(111,062)	(100,816)	(98,708)
<b>Profit before income tax expenses</b>	35,560,290	27,945,830	39,622,305	30,461,709
Income tax expenses	22 (2,551,423)	(7,336,937)	(2,530,153)	(7,273,544)
<b>Profit for the year</b>	<u>33,008,867</u>	<u>20,608,893</u>	<u>37,092,152</u>	<u>23,188,165</u>

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

**One to One Contacts Public Company Limited and its subsidiaries**

**Statement of comprehensive income (continued)**

**For the year ended 31 December 2019**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Other comprehensive income:</b>					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		(1,317)	(25,499)	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods		(1,317)	(25,499)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss) on defined benefit plan		2,918,096	(1,860,935)	3,581,972	(1,860,935)
Less: Income tax effect		(583,619)	372,187	(716,395)	372,187
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		2,334,477	(1,488,748)	2,865,577	(1,488,748)
<b>Other comprehensive income for the year</b>		<b>2,333,160</b>	<b>(1,514,247)</b>	<b>2,865,577</b>	<b>(1,488,748)</b>
<b>Total comprehensive income for the year</b>		<b>35,342,027</b>	<b>19,094,646</b>	<b>39,957,729</b>	<b>21,699,417</b>
<b>Basic earnings per share</b>					
	23				
Profit attributable to equity holders of the Company		0.12	0.07	0.13	0.08
Weighted average number of ordinary share (shares)		280,000,000	280,000,000	280,000,000	280,000,000

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

One to One Contacts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2019

(Unit: Baht)

<b>Consolidated financial statements</b>						
	Issued and paid up		Retained earnings Appropriated -		Other components of equity Exchange differences on translation of financial statements	Total shareholders' equity
	share capital	Share premium	statutory reserve	Unappropriated	in foreign currency	equity
<b>Balance as at 1 January 2018</b>	280,000,000	304,418,692	24,000,000	254,992,213	59,064	863,469,969
Profit for the year	-	-	-	20,608,893	-	20,608,893
Other comprehensive income for the year	-	-	-	(1,488,748)	(25,499)	(1,514,247)
Total comprehensive income for the year	-	-	-	19,120,145	(25,499)	19,094,646
Dividend paid (Note 24)	-	-	-	(30,799,997)	-	(30,799,997)
Transferred retained earnings to statutory reserve (Note 19)	-	-	1,200,000	(1,200,000)	-	-
<b>Balance as at 31 December 2018</b>	<u>280,000,000</u>	<u>304,418,692</u>	<u>25,200,000</u>	<u>242,112,361</u>	<u>33,565</u>	<u>851,764,618</u>
<b>Balance as at 1 January 2019</b>	280,000,000	304,418,692	25,200,000	242,112,361	33,565	851,764,618
Profit for the year	-	-	-	33,008,867	-	33,008,867
Other comprehensive income for the year	-	-	-	2,334,477	(1,317)	2,333,160
Total comprehensive income for the year	-	-	-	35,343,344	(1,317)	35,342,027
Dividend paid (Note 24)	-	-	-	(19,599,999)	-	(19,599,999)
Transferred retained earnings to statutory reserve (Note 19)	-	-	1,900,000	(1,900,000)	-	-
<b>Balance as at 31 December 2019</b>	<u>280,000,000</u>	<u>304,418,692</u>	<u>27,100,000</u>	<u>255,955,706</u>	<u>32,248</u>	<u>867,506,646</u>

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

One to One Contacts Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2019

(Unit: Baht)

	<b>Separate financial statements</b>				Total shareholders' equity
	Issued and paid up share capital	Share premium	Retained earnings		
			Appropriated - statutory reserve	Unappropriated	
<b>Balance as at 1 January 2018</b>	280,000,000	304,418,692	24,000,000	268,457,317	876,876,009
Profit for the year	-	-	-	23,188,165	23,188,165
Other comprehensive income for the year	-	-	-	(1,488,748)	(1,488,748)
Total comprehensive income for the year	-	-	-	21,699,417	21,699,417
Dividend paid (Note 24)	-	-	-	(30,799,997)	(30,799,997)
Transferred retained earnings					
to statutory reserve (Note 19)	-	-	1,200,000	(1,200,000)	-
<b>Balance as at 31 December 2018</b>	<u>280,000,000</u>	<u>304,418,692</u>	<u>25,200,000</u>	<u>258,156,737</u>	<u>867,775,429</u>
<b>Balance as at 1 January 2019</b>	280,000,000	304,418,692	25,200,000	258,156,737	867,775,429
Profit for the year	-	-	-	37,092,152	37,092,152
Other comprehensive income for the year	-	-	-	2,865,577	2,865,577
Total comprehensive income for the year	-	-	-	39,957,729	39,957,729
Dividend paid (Note 24)	-	-	-	(19,599,999)	(19,599,999)
Transferred retained earnings					
to statutory reserve (Note 19)	-	-	1,900,000	(1,900,000)	-
<b>Balance as at 31 December 2019</b>	<u>280,000,000</u>	<u>304,418,692</u>	<u>27,100,000</u>	<u>276,614,467</u>	<u>888,133,159</u>

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

**One to One Contacts Public Company Limited and its subsidiaries**

**Cash flows statement**

**For the year ended 31 December 2019**

(Unit: Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities</b>					
Profit before tax		35,560,290	27,945,830	39,622,305	30,461,709
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:					
Depreciation and amortisation	14, 15	37,346,487	34,763,694	36,856,748	33,467,056
Allowance for doubtful accounts		940,370	1,835,960	940,370	1,835,960
(Gain) loss on disposal and write-off of equipment		(411,805)	28,244	(383,798)	28,244
Loss on change in value of temporary investment in trading securities	8	360,000	240,000	360,000	240,000
Write-off on withholding tax deduct at source		73	-	-	-
Provision for long-term employee benefits	18	6,255,158	1,277,550	6,083,077	1,277,550
Provision for project loss		1,222,973	-	1,222,973	-
Unrealised (gain) loss on exchange		6,456	(3,829)	(20,023)	13,344
Interest income		<u>(31,323,372)</u>	<u>(5,758,798)</u>	<u>(31,320,886)</u>	<u>(5,742,413)</u>
Profit from operating activities before changes in operating assets and liabilities		49,956,630	60,328,651	53,360,766	61,581,450
Operating assets (increase) decrease					
Trade and other receivables		58,464,098	(8,892,208)	57,511,328	(8,803,068)
Accrued income		25,916,782	(17,509,877)	26,088,181	(17,466,377)
Inventories		1,287,660	14,749	1,337,871	14,749
Other current assets		(3,079,305)	162,784	(1,912,791)	204,314
Other non-current assets		(374,031)	(636,999)	(404,785)	(636,500)
Operating liabilities increase (decrease)					
Trade and other payables		24,463,192	1,272,506	24,637,073	923,798
Other current liabilities		(6,780,745)	(901,829)	(6,439,163)	(981,268)
Other non-current liabilities		<u>(1,540,517)</u>	<u>(59,144)</u>	<u>(1,540,517)</u>	<u>(59,144)</u>
Cash flows from operating activities		148,313,764	33,778,633	152,637,963	34,777,954
Cash received from refundable withholding tax deduct at source		38,505	52,885	-	-
Cash paid for income tax		<u>(19,207,908)</u>	<u>(15,771,319)</u>	<u>(19,084,222)</u>	<u>(15,707,656)</u>
<b>Net cash flows from operating activities</b>		<u>129,144,361</u>	<u>18,060,199</u>	<u>133,553,741</u>	<u>19,070,298</u>

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

**One to One Contacts Public Company Limited and its subsidiaries**

**Cash flows statement (continued)**

**For the year ended 31 December 2019**

(Unit: Baht)

	<u>Note</u>	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
		<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from investing activities</b>					
Cash paid for current investment in fixed deposit with bank	8	(475,126,832)	-	(475,126,832)	-
Cash paid for short-term loans to related parties	6	-	-	(6,000,000)	-
Cash received from interest income		30,721,454	5,758,798	30,704,383	5,742,413
Cash paid from purchase temporary investmet in trading securities	8	-	(600,000)	-	(600,000)
Proceeds from disposals of equipment		430,083	3,117	2,091,932	3,117
Cash paid for acquisition of equipment and intangible assets		(27,213,826)	(39,780,688)	(22,276,517)	(39,642,881)
Cash paid for investment in subsidiary	13	-	-	(4,904,000)	(3,999,970)
<b>Net cash flows used in investing activities</b>		<u>(471,189,121)</u>	<u>(34,618,773)</u>	<u>(475,511,034)</u>	<u>(38,497,321)</u>
<b>Cash flows from financing activities</b>					
Dividend paid	24	<u>(19,599,999)</u>	<u>(30,799,997)</u>	<u>(19,599,999)</u>	<u>(30,799,997)</u>
<b>Net cash flows used in financing activities</b>		<u>(19,599,999)</u>	<u>(30,799,997)</u>	<u>(19,599,999)</u>	<u>(30,799,997)</u>
<b>Increase in translation adjustments</b>		<u>40,509</u>	<u>11,084</u>	<u>-</u>	<u>-</u>
<b>Net decrease in cash and cash equivalents</b>		<u>(361,604,250)</u>	<u>(47,347,487)</u>	<u>(361,557,292)</u>	<u>(50,227,020)</u>
Cash and cash equivalents at beginning of year		<u>439,147,288</u>	<u>486,494,775</u>	<u>433,472,379</u>	<u>483,699,399</u>
<b>Cash and cash equivalents at end of year</b>	7	<u><u>77,543,038</u></u>	<u><u>439,147,288</u></u>	<u><u>71,915,087</u></u>	<u><u>433,472,379</u></u>

**Supplement disclosures of cash flows information**

Non-cash item

Increase (decrease) in equipment and intangible assets payables

(3,461,343) 3,983,424 (3,461,343) 3,983,424

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

# One to One Contacts Public Company Limited and its subsidiaries

## Notes to consolidated financial statements

For the year ended 31 December 2019

### 1. General information

One to One Contacts Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its parent company is Samart Corporation Public Company Limited which was incorporated in Thailand. The Company is principally engaged in providing customer contact center services. Its registered address is at 99/19, Moo 4, Software Park Building, 17th Floor, Chaengwattana Road, Klong Glur, Pak-Kred, Nonthaburi.

### 2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

### 2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of One to One Contacts Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019 Percent	2018 Percent
One to One Professional Company Limited	Provide company personnel to perform work regarding providing information, news and information center on-site and off-site and cleaning service	Thailand	100	100
One to One (Cambodia) Company Limited	Provide customer contact center services	Cambodia	100	100
Inno Hub Company Limited	Provide research and development related to software program, robot, equipment, tooling and artefact innovation	Thailand	100	100

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
  - c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
  - d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
  - e) The assets and liabilities in the financial statements of overseas subsidiary company are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
  - f) Material balances and transactions between the Group has been eliminated from the consolidated financial statements.
- 2.3 The separate financial statements present investments in subsidiaries under the cost method.

### **3. New financial reporting standards**

#### **(a) Financial reporting standards that became effective in the current year**

During the year, the Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for use of the standards. The adoption of these financial reporting standards and interpretations does not have any significant impact on the Company’s and its subsidiaries’ financial statements. However, the new standard involves changes to key principles, which are summarised below.



## **TFRS 15 Revenue from Contracts with Customers**

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

This standard does not have any significant impact on the Group's financial statements.

### **(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards except the following new standards which involve changes to key principles, which are summarised below.

## **Financial reporting standards related to financial instruments**

A set of TFRSs related to financial instruments consists of five accounting standards and interpretations as follows:

Financial Reporting Standards:

TFRS 7                      Financial Instruments: Disclosures

TFRS 9                      Financial Instruments

Accounting Standard:

TAS 32                      Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16                    Hedges of a Net Investment in a Foreign Operation

TFRIC 19                    Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Group expects the adopting of these accounting standards to result in the following adjustments.

- Recognition of credit loss - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The management of the Group is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

## **IFRS 16 Leases**

IFRS 16 supersedes TAS 17 Leases together with related interpretations. The standard set out the principles of the recognition, measurement, presentation and disclosure of leases and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under IFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify all leases as either operating or finance leases using similar principles to those under TAS 17.

The management of the Group is currently finalising the impact of this standard to the financial statements in the year when it is adopted.

## **4. Significant accounting policies**

### **4.1 Revenue recognition**

#### *Revenues from construction contracts*

The Group accounts for a contract with a customer when it has entered into an agreement between counter parties that creates enforceable rights and obligations. The Group has to identify its performance obligations and allocate a transaction price to each obligation on an appropriate basis.

Revenue from contracts with customers is recognised when control of the goods or services is transferred to the customer at an amount that reflects the consideration to which the Group expects to be entitled in exchange for those goods or services, net of value added tax ("VAT"). Depending on the terms of the contract and the laws that apply to the contract, control of the asset may be transferred over time or at a point in time.

The Group principally earns revenue are as follows:

#### *Revenue from customer contact center services*

Customer contact center services comprise a comprehensive range of services, from project design and planning of customer contact center services and installation of hardware and/or software which are treated as a single performance obligation. Revenue is recognised over time when services have been rendered taking into account the stage of completion, using an input method, based on comparison of actual costs incurred up to the end of the period and total anticipated costs to be incurred to completion.

### *Rendering of service*

Service income is recognised when services have been rendered taking into account the stage of completion.

Facility rental service and customer service representative outsource are recognised as revenue on a monthly basis, as stipulated in the agreement.

### *Sales of goods*

Sales of goods are recognised at the point in time when control of the goods is transferred to the customer, generally upon delivery of the goods. Sales is measured at the amount of consideration received or receivable, excluding value added tax, of goods supplied after deducting returns, discounts and allowances to customers.

### *Interest income*

Interest income is recognised on an accrual basis based on the effective interest rate.

## **4.2 Costs to fulfil contracts with customers**

The Group recognises costs to fulfil a customer contract as an asset provided that the costs generate or enhance resources of the entity that will be used in satisfying performance obligations in the future and the costs are expected to be recovered. The asset recognised is amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs.

## **4.3 Balances of contracts with customers**

### *Contract assets*

A contract asset is the excess of cumulative revenue earned over the billings to date. Allowance for impairment loss is provided for the estimated losses that may be incurred in customer collection. Contract assets are transferred to receivables when the rights become unconditional (i.e. services are completed and delivered to customer).

### *Trade receivables*

Trade receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

### *Contract liabilities*

A contract liability is recognised when the billings to date exceed the cumulative revenue earned and the Group has an obligation to transfer goods or services to a customer. Contract liabilities are recognised as revenue when the Group fulfils its performance obligations under the contracts.

#### **4.4 Cash and cash equivalents**

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### **4.5 Investment**

- a) Investment in securities held for trading is stated at fair value. Changes in the fair value of these securities, which is based on the latest bid price of the last working day of the year as quoted on the Stock Exchange of Thailand, are recorded in profit or loss.

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

- b) Investment in subsidiaries is accounted for in the separate financial statements using the cost method.

#### **4.6 Equipment and depreciation**

Equipment is stated at cost less accumulated depreciation and allowances for loss on impairment of assets (if any).

Depreciation of equipment is calculated by reference to its cost on the straight-line basis over the following estimated useful lives:

Tools and equipment	-	3 years and 5 years
Office equipment and computer	-	3 years 5 years and 10 years
Motor vehicles	-	5 years

Depreciation is included in determining income.

No depreciation is provided on equipment under installation.

An item of equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

#### **4.7 Intangible asset**

Intangible asset with finite life is amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible asset is reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

Intangible asset, which is computer software, has useful life of 3 years, 5 years and 10 years.

No amortization is provided on computer software under installation.

#### **4.8 Related party transactions**

Related parties comprise individuals and enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

#### **4.9 Long-term leases**

Leases of building which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

#### **4.10 Foreign currencies**

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of the reporting period.

Gains and losses on exchange are included in determining income.

#### **4.11 Impairment of assets**

At the end of each reporting period, the Group performs impairment reviews in respect of the equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in profit or loss.

#### **4.12 Employee benefits**

##### ***Short-term employee benefits***

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

##### ***Post-employment benefits***

###### *Defined contribution plans*

The Group and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Group. The fund's assets are held in a separate trust fund and the Group's contributions are recognised as expenses when incurred.

###### *Defined benefit plans*

The Group has obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Group treats these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from defined benefit plans are recognised immediately in other comprehensive income.

##### ***Provision for vacation***

The Group has set up provision for vacation which is calculated in accordance with the Group's policy and formula, taking into consideration the employee's salary, the number of service years and the unused vacation days.

#### **4.13 Provisions**

Provisions are recognised when the Group has a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

#### **4.14 Income tax**

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

##### **Current tax**

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

##### **Deferred tax**

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Group recognises deferred tax liabilities for all taxable temporary differences while it recognises deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Group reviews and reduces the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.



#### **4.15 Fair value measurement**

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Group applies a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measures fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

- Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities
- Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly
- Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Group determines whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

### **5. Significant accounting judgements and estimates**

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures and actual results could differ. Significant judgements and estimates are as follows:

#### **5.1 Identification of performance obligations**

In identifying performance obligations relating to the provision of Customer contract center services, the management is required to use judgement regarding whether each promise to deliver goods or services is considered distinct, taking into consideration terms and conditions of the arrangement. In other words, if a good or service is separately identifiable from other promises in the contract and if the customer can benefit from it, it is accounted for separately.

## **5.2 Measurement of the stage of completion of the contract**

The Group recognises contract revenue by reference to the stage of completion of the contract activity, when the outcome of a construction contract can be estimated reliably. The stage of completion is measured by reference to the proportion that contract costs incurred for work performed to date bear to the estimated total contract costs. Significant assumptions are required to estimate the total contract cost and the recoverable variation works that will affect the stage of completion. The management is required to make judgement and estimates based on past experience and knowledge of the project engineers.

## **5.3 Allowance for doubtful accounts**

In determining an allowance for doubtful accounts, the management needs to make judgements and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

## **5.4 Equipment and depreciation**

In determining depreciation of equipment, the management is required to make estimates of the useful lives and residual values of the Group's equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review equipment for allowance for diminution in value on a periodical basis and record losses on diminution in value in the period when it is determined that their recoverable amount is lower than the carrying cost. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

## **6. Related party transactions**

During the years, the Group had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties. The pricing policies for these related party transactions are summarised as follows:

1. Sales and service prices are determined at market price, if there is unknown market price, sales and service prices will be determined at cost plus a margin not over 15 percent. However, the pricing policy is subject to change depending on the type of business and market competition at the time being.
2. Outsourced Contact Center Services are determined at cost plus a margin not less than 10 percent.

3. IT service fees expenses to parent company are charged at the amount stated in the agreement which parent company sets base on cost plus a margin not over 5 percent.
4. Management fees and rental expenses are charged at the amount stated in the agreement.
5. Other service income and expenses are charged at a mutually agreed price.
6. Guarantee fee is charged between the parties at a rate of 0.3 percent per annum.
7. Directors and management's benefit expenses are charged as approved by shareholders' meeting or contractually agreed price.

Significant business transactions between the Company and its related parties were summarised as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Transactions with subsidiary company</u>				
(eliminate from the consolidated financial statements)				
Revenue from contract work	-	-	0.4	-
Other income	-	-	0.1	1.0
Cost of contract work	-	-	0.5	-
Cost of service	-	-	0.4	-
Purchase of fixed assets	-	-	1.6	-
Disposal of fixed assets and intangibles assets	-	-	1.7	-
<u>Transactions with parent company</u>				
Service income	14.3	6.0	14.3	6.0
Cost of service	0.3	0.4	0.3	0.4
Management fee expenses	4.8	5.0	4.8	5.0
Rental and utility expenses	6.5	-	6.5	-
IT service fee expenses	15.4	15.0	15.4	15.0
Other expenses	4.9	0.1	4.9	0.1
<u>Transactions with related companies</u>				
Revenue from contract work	2.2	-	0.8	-
Sales and service income	14.0	19.0	14.0	19.0
Purchase of goods and service	4.3	5.0	4.3	5.0
Purchase of fixed assets	-	0.1	-	0.1
Rental and utility expenses	25.7	10.0	25.7	10.0
Other expenses	1.1	2.0	1.1	2.0

The balances of the accounts as at 31 December 2019 and 2018 between the Company and its related parties were as follows:

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade accounts receivable - related parties</u> (Note 9)				
Parent company	31	32	31	32
Related companies (related by shareholders and/or directors)	2,292	7,984	2,292	7,984
Total trade accounts receivable - related parties	<u>2,323</u>	<u>8,016</u>	<u>2,323</u>	<u>8,016</u>
<u>Other receivables - related parties</u> (Note 9)				
Subsidiary companies	-	-	3,819	2,729
Total other receivables - related parties	<u>-</u>	<u>-</u>	<u>3,819</u>	<u>2,729</u>
<u>Accrued income - related parties</u> (Note 10)				
Parent company	-	5,516	-	5,516
Subsidiary companies	163	-	163	-
Related companies (related by shareholders and directors)	994	1,272	994	1,272
Total accrued income - related parties	<u>1,157</u>	<u>6,788</u>	<u>1,157</u>	<u>6,788</u>
<u>Deposit - related parties</u>				
Parent company	2,105	-	2,105	-
Related companies (related by shareholders and/or directors)	4,292	1,630	4,292	1,630
Total deposit - related parties	<u>6,397</u>	<u>1,630</u>	<u>6,397</u>	<u>1,630</u>
<u>Trade accounts payable - related parties</u> (Note 16)				
Parent company	69	46	69	46
Subsidiary companies	-	-	567	-
Related companies (related by shareholders and directors)	12,093	4,061	12,093	4,061
Total trade accounts payable - related parties	<u>12,162</u>	<u>4,107</u>	<u>12,729</u>	<u>4,107</u>
<u>Other payables - related parties</u> (Note 16)				
Parent company	18,161	3,509	18,147	3,509
Subsidiary companies	-	-	214	-
Related companies (related by shareholders and directors)	214	25	214	25
Total other payables - related parties	<u>18,375</u>	<u>3,534</u>	<u>18,575</u>	<u>3,534</u>

	(Unit: Thousand Baht)			
	Consolidated financial		Separate financial	
	statements		statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Customer deposit - related parties</u>				
Related companies				
(related by shareholders and directors)	505	505	505	505
Total customer deposit - related parties	505	505	505	505
<u>Short-term loan to related parties</u>				
Subsidiary companies	-	-	6,000	-
Total short-term loan to related parties	-	-	6,000	-

### Short-term loans to related parties

The movements of the above loans were as follows:

	(Unit: Thousand Baht)			
	Separate financial statements			
	Subsidiary companies	2018	During the year	
Increase			Decrease	
Inno Hub Company Limited	-	5,000	-	5,000
One to One Professional Co., Ltd.	-	1,000	-	1,000
Total	-	6,000	-	6,000

### Directors and management's benefits

During the years ended 31 December 2019 and 2018, the Company had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated and	
	Separate	
	financial statements	
	<u>2019</u>	<u>2018</u>
Short-term employee benefits	21,998	15,626
Post-employment benefits	576	95
Total	22,574	15,721

## Agreements with related parties

### *Long-term rental and service agreements with related companies*

- a) The Company entered into office space rental and facility service agreements with the parent company and a related company for its operation. These contracts were expired in April 2020. The Company has to pay a monthly rental and service fee totalling Baht 3.2 million. (2018: Baht 1.3 million)

The commitment under the operating lease agreements with the related parties are disclosed in Note 27.1 to the financial statements.

### *Service and management agreements with the parent company*

- b) In January 2019, the Company entered into a one-year management agreement with Smart Corporation Public Company Limited, the parent company under which the Company has to pay a monthly service fee of Baht 0.4 million (2018: Baht 0.4 million). Subsequently, on 1 January 2020, the Company extended the service contract for a period of 1 year, expiring on 31 December 2020. The Company has to pay a monthly service fee approximately Baht 0.4 million.
- c) In May 2019, the Company entered into one-year information technology management agreement with Smart Corporation Public Company Limited, the parent company. The Company has to pay a monthly service fee of Baht 1.3 million (2018: Baht 1.3 million).

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cash	111	151	100	131
Bank deposits	77,432	438,996	71,815	433,341
Total	<u>77,543</u>	<u>439,147</u>	<u>71,915</u>	<u>433,472</u>

As at 31 December 2019, bank deposits carried interests between 0.10 and 1.30 percent per annum (2018: between 0.10 and 1.30 percent per annum).

## 8. Current investments

	(Unit: Thousand Baht)	
	Consolidated and Separate financial statements	
	<u>2019</u>	<u>2018</u>
Trading securities (Note 8.1)	610	970
Fixed deposit with bank	475,127	-
<b>Total</b>	<u>475,737</u>	<u>970</u>

As at 31 December 2019, maturity of 3 - 12 months fixed deposits with a bank carried interests between 1.35 and 1.70 percent per annum (2018: nil).

### 8.1 Current investment in trading securities

	Consolidated and separate financial statements					
	2019			2018		
	Shares	Cost	Fair value	Shares	Cost	Fair value
Common stock	(Thousand Shares)	(Thousand Baht)	(Thousand Baht)	(Thousand Shares)	(Thousand Baht)	(Thousand Baht)
Samart Digital Plc.	3,000	4,430	570	3,000	4,430	900
Less: Change in value		(3,860)			(3,530)	
<b>Total</b>		<u>570</u>			<u>900</u>	
Samart Digital Plc. (SDC-W1)	500	30	40	500	30	70
Add: Change in value		10			40	
<b>Total</b>		<u>40</u>			<u>70</u>	

Movements of the current investment in trading securities account for the year ended 31 December 2019 and 2018 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2019</u>	<u>2018</u>
<b>Balance at beginning of the year</b>	970	610
Purchase	-	600
Loss on change in value	(360)	(240)
<b>Balance as at end of the year</b>	<u>610</u>	<u>970</u>

## 9. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Trade accounts receivable - related parties</u>				
(Note 6)				
Aged on the basis of due dates				
Not yet due	833	1,503	833	1,503
Past due				
Up to 3 months	152	2,011	152	2,011
3 - 6 months	21	3,031	21	3,031
6 - 12 months	1,317	1,471	1,317	1,471
Total trade accounts receivable - related parties	<u>2,323</u>	<u>8,016</u>	<u>2,323</u>	<u>8,016</u>
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	57,712	60,244	57,182	59,780
Past due				
Up to 3 months	57,192	63,838	57,147	63,838
3 - 6 months	27,908	5,741	27,908	5,741
6 - 12 months	22,302	15,245	22,302	15,245
Over 12 months	2,890	75,541	2,890	75,541
Total trade accounts receivable - unrelated parties	<u>168,004</u>	<u>220,609</u>	<u>167,429</u>	<u>220,145</u>
Total trade accounts receivable	<u>170,327</u>	<u>228,625</u>	<u>169,752</u>	<u>228,161</u>
Less: Allowance for doubtful debts	<u>(2,776)</u>	<u>(1,836)</u>	<u>(2,776)</u>	<u>(1,836)</u>
Total trade accounts receivable - net	<u>167,551</u>	<u>226,789</u>	<u>166,976</u>	<u>226,325</u>
<u>Other receivables</u>				
Accrued interest income	602	-	616	-
Other receivables - related parties (Note 6)	-	-	3,819	2,729
Other receivables	5	171	5	171
Total other receivables	<u>607</u>	<u>171</u>	<u>4,440</u>	<u>2,900</u>
<b>Total trade and other receivables - net</b>	<b><u>168,158</u></b>	<b><u>226,960</u></b>	<b><u>171,416</u></b>	<b><u>229,225</u></b>



On 2 November 2015, the Company filed a lawsuit with the Civil Court, seeking settlement of a government agency as a trade account receivable (unrelated party) that was past due totaling approximately Baht 78.4 million (included accrued income amounted to approximately Baht 3.7 million) for contact center service. On 21 November 2016, the Civil Court ordered that such government agency has to repay the full amount of debt, with interest charged, to the Company. Later, on 19 January 2017, the government agency appealed against the Civil Court's verdict and on 15 August 2017, the Appeal Court affirmed the judgment of the Court of First Instance and such government agency is to repay the full amount of debt, with interest charged, to the Company. However, on 13 September 2017, the government agency appealed against the Appeal Court's verdict and filed an appeal with the Supreme Court.

Finally on 2 August 2019, the Supreme Court affirmed the judgment of the Appeal Court and such government agency is to repay the full amount of debt with interest and court fees totaling of Baht 104.5 million which include the interest charged by Baht 25.6 million on 13 September 2019, to the Company.

#### 10. Accrued income

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<u>Accrued income - related parties</u> (Note 6)				
Aged on the basis of record dates				
Up to 3 months	1,157	6,724	1,157	6,724
6 - 12 months	-	64	-	64
Total accrued income - related parties	<u>1,157</u>	<u>6,788</u>	<u>1,157</u>	<u>6,788</u>
<u>Accrued income - unrelated parties</u>				
Aged on the basis of record dates				
Up to 3 months	67,563	82,107	67,391	82,107
3 - 6 months	3,538	7,080	3,538	7,080
6 - 12 months	1,830	287	1,830	287
Over 12 months	-	3,742	-	3,742
Total accrued income - unrelated parties	<u>72,931</u>	<u>93,216</u>	<u>72,759</u>	<u>93,216</u>
Total	<u><u>74,088</u></u>	<u><u>100,004</u></u>	<u><u>73,916</u></u>	<u><u>100,004</u></u>

## 11. Inventories

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Service contracts in process	3,252	4,539	3,201	4,539
Total	<u>3,252</u>	<u>4,539</u>	<u>3,201</u>	<u>4,539</u>

## 12. Other current assets

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Withholding tax deducted at source	50,392	32,639	50,324	32,600
Prepaid expenses	13,478	10,650	13,390	10,630
Undue input value added tax	1,028	990	1,076	990
Others	<u>2,770</u>	<u>2,557</u>	<u>1,562</u>	<u>2,495</u>
Total	<u>67,668</u>	<u>46,836</u>	<u>66,352</u>	<u>46,715</u>

The Group has regarded withholding tax deducted at source as an asset since it intends to request and has the right to claim for refund of it. However, the net realisable value of tax is subject to the exercise of the claim right by the Group and the results of the Group's tax audit by the Revenue officials.

However, the management has used judgement to assess the outcome of the refund claims and believes that no loss will result. Therefore, no allowance for diminution in value of withholding tax deducted at sources is recorded as at the end of reporting period.

### 13. Investment in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Paid-up capital		Shareholding percentage		Cost		(unit: Thousand Baht) Allowance for impairment of investment		Carrying amounts based on cost method-net	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
			(%)	(%)						
One to One Professional Company Limited	Baht 2 Million	Baht 2 Million	100	100	2,000	2,000	(35)	(35)	1,965	1,965
One to One (Cambodia) Company Limited	600,000 USD	440,000 USD	100	100	19,725	14,821	-	-	19,725	14,821
Inno Hub Company Limited	Baht 3 Million	Baht 3 Million	100	100	3,000	3,000	-	-	3,000	3,000
<b>Total</b>					<b>24,725</b>	<b>19,821</b>	<b>(35)</b>	<b>(35)</b>	<b>24,690</b>	<b>19,786</b>

#### 13.1 Establishment of new company

On 23 February 2018 a meeting of the Board of Director of the Company passed a resolution to approve the establishment of a new subsidiary under the name "Inno Hub Company Limited", to provide research and development related to software program, robot, equipment, tooling and artefact innovation, with a registered share capital totalling Baht 3 million (consisting of 300,000 ordinary shares of Baht 10 each) in which, the Company hold a 100 percent interest. The Company registered the establishment of the new subsidiary company with the Ministry of Commerce on 6 March 2018. The share capital was fully paid in May 2018.

#### 13.2 Addition registered share capital

On 27 April 2018, a meeting of Annual General Meeting of One to One Professional Company Limited, a subsidiary company, passed a resolution to approve the increase of its share capital from Baht 1 million (100,000 ordinary shares of Baht 10 each) to Baht 2 million (200,000 ordinary shares of Baht 10 each) through an issuance of addition 100,000 ordinary shares of Baht 10 each. The subsidiary company registered the addition share capital with the Ministry of Commerce on 9 May 2018. The Company share capital was fully paid in May 2018.

On 8 August 2018, a meeting of the Board of Director of the Company pass a resolution to approve the increase of One to One (Cambodia) Company Limited, a subsidiary company, share capital from USD 440,000 (88,000 ordinary shares of USD 5 each) to USD 600,000 (120,000 ordinary shares of USD 5 each) through an issuance of addition 32,000 ordinary shares of USD 5 each. The Company fully paid in July 2019. The subsidiary company registered the addition share capital with the Ministry of Commerce on 9 September 2019.

## 14. Equipment

(Unit: Thousand Baht)

	Consolidated financial statements					Total
	Office equipment	Tools and equipment	Computer	Motor vehicles	Equipment under installation	
<b>Cost</b>						
1 January 2018	45,025	690,264	208,996	4,858	-	949,143
Additions	6,066	12,943	11,643	-	9,712	40,364
Disposals and write-off	(11,662)	(5)	-	-	-	(11,667)
Transfer in/(Transfer out)	262	-	-	-	(262)	-
Translation adjustment	(12)	(20)	(19)	-	-	(51)
31 December 2018	39,679	703,182	220,620	4,858	9,450	977,789
Additions	7,600	1,923	3,199	-	-	12,722
Disposals and write-off	(3,306)	(47,188)	(24)	(2,617)	-	(53,135)
Transfer in/(Transfer out)	-	9,450	-	-	(9,450)	-
Translation adjustment	(126)	(190)	(191)	-	-	(507)
31 December 2019	43,847	667,177	223,604	2,241	-	936,869
<b>Accumulated depreciation</b>						
1 January 2018	39,477	650,208	185,562	4,407	-	879,654
Depreciation for the year	2,011	15,623	11,303	451	-	29,388
Accumulated depreciation on disposals and write-off	(11,635)	(1)	-	-	-	(11,636)
Translation adjustment	(4)	(4)	(12)	-	-	(20)
31 December 2018	29,849	665,826	196,853	4,858	-	897,386
Depreciation for the year	3,690	17,059	10,983	-	-	31,732
Accumulated depreciation on disposals and write-off	(3,294)	(47,187)	(19)	(2,617)	-	(53,117)
Translation adjustment	(118)	(177)	(190)	-	-	(485)
31 December 2019	30,127	635,521	207,627	2,241	-	875,516
<b>Net book value</b>						
31 December 2018	9,830	37,356	23,767	-	9,450	80,403
31 December 2019	13,720	31,656	15,977	-	-	61,353
<b>Depreciation for the year</b>						
2018 (Baht 26.8 million included in cost of services, and the balance in selling and administrative expenses)						29,388
2019 (Baht 29.2 million included in cost of services, and the balance in selling and administrative expenses)						31,732

(Unit: Thousand Baht)

	Separate financial statements					Total
	Office equipment	Tools and equipment	Computer	Motor vehicles	Equipment under installation	
<b>Cost</b>						
1 January 2018	43,265	687,381	205,585	4,858	-	941,089
Additions	6,066	12,943	11,505	-	9,712	40,226
Disposals and write-off	(11,662)	(5)	-	-	-	(11,667)
Transfer in/(Transfer out)	262	-	-	-	(262)	-
31 December 2018	37,931	700,319	217,090	4,858	9,450	969,648
Additions	7,356	1,923	3,163	-	-	12,442
Disposals and write-off	(3,152)	(47,187)	(1,714)	(2,617)	-	(54,670)
Transfer in/(Transfer out)	-	9,450	-	-	(9,450)	-
31 December 2019	42,135	664,505	218,539	2,241	-	927,420
<b>Accumulated depreciation</b>						
1 January 2018	38,118	648,177	182,452	4,407	-	873,154
Depreciation for the year	1,679	15,096	11,046	451	-	28,272
Accumulated depreciation on disposals and write-off	(11,635)	(1)	-	-	-	(11,636)
31 December 2018	28,162	663,272	193,498	4,858	-	889,790
Depreciation for the year	3,626	16,847	10,895	-	-	31,368
Accumulated depreciation on disposals and write-off	(3,139)	(47,187)	(19)	(2,617)	-	(52,962)
31 December 2019	28,649	632,932	204,374	2,241	-	868,196
<b>Net book value</b>						
31 December 2018	9,769	37,047	23,592	-	9,450	79,858
31 December 2019	13,486	31,573	14,165	-	-	59,224
<b>Depreciation for the year</b>						
2018 (Baht 25.8 million included in cost of services, and the balance in selling and administrative expenses)						28,272
2019 (Baht 28.9 million included in cost of services, and the balance in selling and administrative expenses)						31,368

As at 31 December 2019, certain equipment items of the Group has been fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 807 million (2018: Baht 822 million) and separate financial statements: Baht 801 million (2018: Baht 820 million).

## 15. Intangible assets

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements		
	Computer software	Computer software under installation	Total	Computer software	Computer software under installation	Total
<b>Cost</b>						
1 January 2018	75,700	353	76,053	74,484	353	74,837
Additions	2,611	788	3,399	2,611	788	3,399
Transfer in/(Transfer out)	1,036	(1,036)	-	1,036	(1,036)	-
Translation adjustment	(8)	-	(8)	-	-	-
31 December 2018	79,339	105	79,444	78,131	105	78,236
Additions	4,935	5,896	10,831	4,935	1,439	6,374
Transfer in/(Transfer out)	4,044	(4,044)	-	-	-	-
Translation adjustment	(86)	-	(86)	-	-	-
31 December 2019	88,232	1,957	90,189	83,066	1,544	84,610
<b>Accumulated amortisation</b>						
1 January 2018	49,674	-	49,674	48,969	-	48,969
Amortisation for the year	5,376	-	5,376	5,195	-	5,195
Translation adjustment	(3)	-	(3)	-	-	-
31 December 2018	55,047	-	55,047	54,164	-	54,164
Amortisation for the year	5,614	-	5,614	5,489	-	5,489
Translation adjustment	(65)	-	(65)	-	-	-
31 December 2019	60,596	-	60,596	59,653	-	59,653
<b>Net book value</b>						
31 December 2018	24,292	105	24,397	23,967	105	24,072
31 December 2019	27,636	1,957	29,593	23,413	1,544	24,957

As at 31 December 2019, certain intangible assets items have been fully amortised but are still in use. The gross carrying amount before deducting accumulated amortisation of those assets amounted to approximately Baht 43.7 million (2018: Baht 38.8 million) and Baht 43.1 million (2018: Baht 38.8 million).

**16. Trade and other payables**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Trade accounts payable - unrelated parties	4,144	4,337	4,144	4,337
Trade accounts payable - related parties (Note 6)	12,162	4,107	12,729	4,107
Other payables - unrelated parties	3,054	7,109	2,656	6,992
Other payables - related parties (Note 6)	18,375	3,534	18,575	3,534
Accrued project cost	420	1,365	420	1,181
Accrued expenses	35,476	32,370	34,533	31,724
Total trade and other payables	<u>73,631</u>	<u>52,822</u>	<u>73,057</u>	<u>51,875</u>

**17. Other current liabilities**

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Undue output VAT	10,534	14,552	10,658	14,560
Value added tax payable	2,580	4,955	2,793	4,913
Others	2,765	1,929	2,663	1,857
Total other current liabilities	<u>15,879</u>	<u>21,436</u>	<u>16,114</u>	<u>21,330</u>

## 18. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Provision for long-term employee</b>				
<b>benefits at beginning of year</b>	13,640	10,501	13,640	10,501
Included in profit or loss:				
Current service cost	1,159	993	1,159	993
Interest cost	370	285	370	285
Past service cost	4,726	-	4,726	-
Transfer employees	-	-	(172)	-
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(2,841)	-	(2,563)	-
Financial assumptions changes	1,682	(1,652)	1,529	(1,652)
Experience adjustments	(1,759)	3,513	(2,548)	3,513
<b>Provision for long-term employee</b>				
<b>benefits at end of year</b>	<u>16,977</u>	<u>13,640</u>	<u>16,141</u>	<u>13,640</u>

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Group has additional long-term employee benefit liabilities of Baht 4.7 million (The Company: Baht 4.7 million) as a result. The Group reflected the effect of the change by recognising past service costs as expenses in the comprehensive income statement of the current year.



Line items in profit or loss under which long-term employee benefit expenses are recognised are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cost of service	5,207	1,033	5,081	1,033
Selling expenses	38	5	38	5
Administrative expenses	1,010	240	964	240
Total expenses recognised in profit or loss	<u>6,255</u>	<u>1,278</u>	<u>6,083</u>	<u>1,278</u>

The Group expects, that there is no long-term employee benefits payment during the next year.

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 14 years (2018: 15 years).

Significant actuarial assumptions are summarised below:

	Consolidated and Separate	
	financial statements	
	<u>2019</u>	<u>2018</u>
	(% per annum)	(% per annum)
Discount rate	1.6	2.7
Salary increase rate	2.5 - 5.5	3 - 6
Turnover rate	0 - 32	0 - 30

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

	(Unit: million Baht)			
	Consolidated and Separate financial statements			
	Increase 1 %		Decrease 1%	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Discount rate	(1.7)	(1.4)	1.9	1.7
Salary increase rate	1.8	1.6	(1.6)	(1.4)
	Increase 20%		Decrease 20%	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Turnover rate	(2.8)	(1.9)	3.3	2.6

## 19. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to 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.

During the year 2019, the Company set aside an additional statutory reserve of its net profit of Baht 1.9 million (2018: Baht 1.2 million).

## 20. Revenue from contracts with customers

### 20.1 Revenue recognised in relation to contract balances

	(Unit: Thousand Baht) Consolidated and Separate financial statements
	<u>2019</u>
Revenue recognised in during the year that was included in contract liabilities at the beginning of the year	<u>134</u>
	<u><u>134</u></u>

### 20.2 Revenue to be recognised for the remaining performance obligations

As at 31 December 2019, revenue of the Group totaling Baht 673.8 million is expected to be recognised in the future in respect of performance obligations under contracts with customers that are incompleting which the Group expects to respect of the performance obligations under contracts within 4 years.

## 21. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Salaries and wages and other employee benefits	560,159	499,911	554,460	497,596
Depreciation	31,734	29,388	31,371	28,272
Purchase equipment and service of project for sales	2,346	9,610	1,960	9,407
Rental expenses from operating lease agreements	41,235	35,341	39,239	32,965
Repair and maintenance expenses	28,671	33,653	28,220	33,364
Changes in work in process	1,288	15	1,338	15
Amortisation expenses	5,614	5,376	5,488	5,195

## 22. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Current income tax charge	1,416	63	1,361	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	1,135	7,274	1,169	7,274
<b>Income tax expense reported in the statement of comprehensive income</b>	<u>2,551</u>	<u>7,337</u>	<u>2,530</u>	<u>7,274</u>

The reconciliation between accounting profit and income tax expenses was shown below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Accounting profit before tax	35,560	27,946	39,622	30,462
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by applicable tax rate	7,112	5,589	7,924	6,092
Effects of:				
Non-deductible expenses	63	17	63	17
Additional expense deductions allowed	(1,822)	(2,488)	(1,822)	(2,488)
Unrecognised tax losses from the Group	777	4,156	-	3,653
Utilisation of tax loss carried forward	(3,635)	-	(3,635)	-
Others	56	63	-	-
Total	(4,561)	1,748	(5,394)	1,182
Income tax expenses reported in the statement of comprehensive income	<u>2,551</u>	<u>7,337</u>	<u>2,530</u>	<u>7,274</u>

The components of deferred tax assets and deferred tax liabilities are as follows:

(Unit: Thousand Baht)

	Statements of financial position			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Deferred tax assets</b>				
Unrealised loss from revaluation of temporary investment	770	698	770	698
Accrued project cost	84	236	84	236
Provision for long-term employee benefits	3,395	2,728	3,228	2,728
Accrued vacation leave	149	141	149	141
Depreciation difference from tax rate	1,027	3,842	1,027	3,842
Allowance for doubtful debts	555	367	555	367
Others	820	507	820	507
<b>Total deferred tax assets</b>	<u>6,800</u>	<u>8,519</u>	<u>6,633</u>	<u>8,519</u>

As at 31 December 2019, the Group had unused tax losses of USD 0.47 million (equivalent to Baht 16 million) and Baht 3.66 million (2018: USD 0.44 million (equivalent to Baht 14.97 million) and Baht 19.36 million) on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow unused tax losses. The unused tax losses will expire by 2024.

### 23. Earnings per share

Basic earnings per share is calculated by dividing profit for the year (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

## 24. Dividends

	Approved by	Total dividends (Million)	Dividends per share (Baht)	Paid on
<b>2019</b>				
Dividends from 2018 earnings	Annual General Meeting of the shareholders on 26 April 2019	22.4	0.08	
Less: Interim dividend on earnings for the period as from January to June 2018	A meeting of Board of Directors on 8 August 2018	(11.2)	(0.04)	6 September 2018
Dividends from earnings for the year 2018 paid in 2019		11.2	0.04	22 May 2019
Add: Interim dividend on earnings for the period as from January to June 2019	A meeting of Board of Directors on 6 August 2019	8.4	0.03	5 September 2019
Total dividends for 2019		<u>19.6</u>	<u>0.07</u>	
<b>2018</b>				
Dividends from 2017 earnings	Annual General Meeting of the shareholders on 27 April 2018	42.0	0.15	
Less: Interim dividend on earnings for the period as from January to June 2017	A meeting of Board of Directors on 8 August 2017	(22.4)	(0.08)	5 September 2017
Dividends from earnings for the year 2017 paid in 2018		19.6	0.07	21 May 2018
Add: Interim dividend on earnings for the period as from January to June 2018	A meeting of Board of Directors on 8 August 2018	11.2	0.04	6 September 2018
Total dividends for 2018		<u>30.8</u>	<u>0.11</u>	

## 25. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

For management purposes, the Group is organised into business units based on its products and services and have 2 reportable segments as follows:

1. Outsourced Contact Center Services and System Maintenance. Outsourced Contract Center Services consists of fully outsource contact center management service, customer service representative outsourcing service and contact center facility outsourcing service.
2. Turnkey Total Solutions provides convergent and ready-made systems for organizations that want to invest and install systems that are compatible with their businesses in order to improve efficiency in customer service.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and on a basis consistent with that used to measure operating profit or loss in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue and profit information regarding the Group' operating segments for the year ended 31 December 2019 and 2018.

(Unit: Thousand Baht)

	Outsourced Contact Center Services and System Maintenance		Turnkey Total Solutions		Total reportable segments		Adjustments and eliminations		Consolidated	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	Revenue from contracts with customers									
Revenue from external customers	725,843	671,002	9,513	14,888	735,356	685,890	-	-	735,356	685,890
Revenue from related parties	18,672	24,967	4,744	-	23,416	24,967	(2,489)	-	20,927	24,967
Total revenue from contracts with customers	744,515	695,969	14,257	14,888	758,772	710,857	(2,489)	-	756,283	710,857
Cost of sales, contract work and services	(662,902)	(588,763)	(11,628)	(12,782)	(674,530)	(601,545)	2,457	-	(672,073)	(601,545)
Segment profit	81,613	107,206	2,629	2,106	84,242	109,312	(32)	-	84,210	109,312
Other income									34,244	7,416
Selling and services expenses									(2,510)	(2,002)
Administrative expenses									(78,958)	(84,593)
Other expenses									(1,300)	(2,076)
Finance cost									(126)	(111)
Profit before income tax expense									35,560	27,946
Income tax expenses									(2,551)	(7,337)
Profit for the year									33,009	20,609
<b>Timing of revenue recognition:</b>										
Revenue recognised at a point in time									-	1,022
Revenue recognised over time									756,283	709,835
Total revenue from contracts with customers									756,283	710,857

### Geographic information

Revenue from external customers is based on locations of the customers.

(Unit: Thousand Baht)

	<u>2019</u>	<u>2018</u>
<i>Revenue from external customers</i>		
Thailand	750,773	704,532
Cambodia	5,510	6,325
Total	756,283	710,857
<i>Non-current assets (Other than financial instruments and deferred tax assets)</i>		
Thailand	100,818	114,101
Cambodia	974	1,170
Total	101,792	115,271



### Major customers

For the year 2019, the Company obtained revenue from one major customer in an amount of Baht 66.5 million, arising from Outsourced Contact Center Services and System Maintenance (2018: One major customer in an amount of Baht 58.4 million, arising from Outsourced Contact Center Services and System Maintenance)

### **26. Provident fund**

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group contributed to the fund monthly at the rate of 3 percent to 10 percent of basic salary, and the employees contributed to the fund monthly at the rate 3 percent to 15 percent of basic salary, the fund, which is managed by Bangkok Bank Public Company Limited, will be paid to the employees upon termination in accordance with the fund rules. During the year 2019, the Group contributed amounting to Baht 6.4 million (2018: Baht 5.7 million) were recognised as expenses.

### **27. Commitments and contingent liabilities**

The Group has commitments and contingent liabilities other than those disclosed in other notes as follow:

#### **27.1 Operating lease and services commitments**

The Group has entered into several lease agreements in respect of the rental and services. The terms of agreements are generally between 1 and 3 years.

As at 31 December 2019 and 2018, future minimum lease payments required under these non-cancellable operating leases contracts were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Currency: Baht				
Payable within				
1 year	30.6	34.9	30.6	34.9
2 - 3 years	15.2	19.1	15.2	19.1
	<u>45.8</u>	<u>54.0</u>	<u>45.8</u>	<u>54.0</u>

	(Unit: Million)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Currency: US dollar				
Payable within				
1 year	0.04	0.05	0.04	-

## 27.2 Guarantees

As at 31 December 2019, there were outstanding bank guarantees of approximately Baht 92 million (2018: Baht 88.8 million) issued by banks on behalf of the Company in respect of certain performance bonds as required in the normal course of business. The details of bank guarantees are as follows:

	(Unit: Million Baht)	
	Consolidated and Separate	
	financial statements	
	<u>2019</u>	<u>2018</u>
Performance guarantees	91.7	88.5
Guarantee electricity use	0.3	0.3
	<u>92.0</u>	<u>88.8</u>

## 28. Fair value hierarchy

As at 31 December 2019 and 2018, the Company had the assets that were measured at fair value using different levels of inputs as follows:

	(Unit: Million Baht)	
	Consolidated and Separate	
	financial statements	
	Level 1	
	<u>2019</u>	<u>2018</u>
<b>Assets measured at fair value</b>		
Held for trade investments		
Equity instruments	0.61	0.97

## **29. Financial instruments**

### **29.1 Financial risk management**

The Group 's financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, short-term loan to related parties, accrued income, investments, and trade and other payables. The financial risks associated with these financial instruments and how they are managed is described below.

#### ***Credit risk***

The Group is exposed to credit risk primarily with respect to its trade and other accounts receivables and accrued income. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the majority of sales and services of the Group are supplied to creditworthy customers such as state enterprises, government agencies and financial institutions. In addition, it has a large customer base. The Group does not anticipate material losses from its debt collection. The maximum exposure to credit risk is limited to the carrying amounts of trade and other accounts receivables and accrued income as stated in the statement of financial position.

#### ***Interest rate risk***

The Group's exposure to interest rate risk relates primarily to its deposit with financial institutions and short-term loan to related parties. However, since most of the Group's financial assets and liabilities bears floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2019 and 2018, significant financial assets and liabilities classified by type of interest rate are summarised in the table below.

(Unit: Million Baht)

## Consolidated financial statements

	Fixed interest rates						Total		Effective interest rate	
	within 1 year		Floating interest rate		Non- interest bearing				(% per annum)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Financial Assets</b>										
Cash and cash equivalent	-	379.0	77.4	59.9	0.1	0.1	77.5	439.0	0.10 - 1.30	0.10 - 1.30
Fixed deposits	475.1	-	-	-	-	-	475.1	-	1.35 - 1.70	-
Current investment in trading securities	-	-	-	-	1.0	1.0	1.0	1.0	-	-
Trade and other receivables	-	-	-	-	168.2	227.0	168.2	227.0	-	-
Accrued income	-	-	-	-	74.1	100.0	74.1	100.0	-	-
	<u>475.1</u>	<u>379.0</u>	<u>77.4</u>	<u>59.9</u>	<u>243.4</u>	<u>328.1</u>	<u>795.9</u>	<u>767.0</u>		
<b>Financial liabilities</b>										
Trade and other payables	-	-	-	-	73.6	52.8	73.6	52.8	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73.6</u>	<u>52.8</u>	<u>73.6</u>	<u>52.8</u>		

(Unit: Million Baht)

## Separate financial statements

	Fixed interest rates						Total		Effective interest rate	
	within 1 year		Floating interest rate		Non- interest bearing				(% per annum)	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
<b>Financial Assets</b>										
Cash and cash equivalent	-	379.1	71.8	54.3	0.1	0.1	71.9	433.5	0.10 - 1.30	0.10 - 1.30
Fixed deposits	475.1	-	-	-	-	-	475.1	-	1.35 - 1.70	
Current investment in trading securities	-	-	-	-	1.0	1.0	1.0	1.0	-	-
Trade and other receivables	-	-	-	-	171.4	229.2	171.4	229.2	-	-
Short-term loans to related parties	-	-	-	-	-	-	6.0	-	1.95	-
Accrued income	-	-	-	-	73.9	100.0	73.9	100.0	-	-
	<u>475.1</u>	<u>379.0</u>	<u>71.8</u>	<u>54.3</u>	<u>246.4</u>	<u>330.3</u>	<u>799.3</u>	<u>763.7</u>		
<b>Financial liabilities</b>										
Trade and other payables	-	-	-	-	73.1	51.9	73.1	51.9	-	-
	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>73.1</u>	<u>51.9</u>	<u>73.1</u>	<u>51.9</u>		

### **Foreign currency risk**

The Group's exposure to foreign currency risk arises mainly from advance to subsidiaries and trading transactions that are denominated in foreign currencies.

The balances of financial assets and liabilities denominated in foreign currencies as at 31 December 2019 and 2018 are summarised below.

Foreign currency	Consolidated		Separate		Exchange rate as at	
	financial statements		financial statements		31 December	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
	(Million)		(Million)		(Baht per 1 foreign currency unit)	
<b>Financial assets</b>						
US dollar	-	-	-	0.08	-	32.2848
<b>Financial liabilities</b>						
US dollar	0.09	0.01	0.09	0.01	30.3313	32.6148

### **29.2 Fair values of financial instruments**

Since the majority of the Group's financial instruments are short-term in nature or carrying interest at rates closed 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.

### **30. Capital management**

The primary objectives of the Company's capital management is to ensure that it has an appropriate financing structure in order to support its business and maximise shareholder value. As at 31 December 2019, the Group's debt-to-equity ratio was 0.1:1 (2018: 0.1:1) and the Company's debt-to-equity ratio was 0.1:1 (2018: 0.1:1).

### **31. Approval of financial statements**

These financial statements were authorised for issue by the Company's authorised directors on 20 February 2020.