

**COMANCHE INTERNATIONAL PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**MARCH 31, 2022**

**1. GENERAL INFORMATION**

- 1.1 Comanche International Public Company Limited (“the Company”) was incorporated as a limited company under the Thai Civil and Commercial Code on January 10, 2003. The Company registered the conversion of a private company into a public company on June 10, 2016 and registered with the Market for Alternative Investments (MAI) on October 19, 2016.

To engage in the business of selling computers and computer software as well as providing maintenance services and other services relating to computer software.

The Company’s registered office is located at 252/118, unit G, 23rd Floor, Muangthai-Phatra Office Tower 2, Ratchadaphisek Road, Khwang Huai Khwang, Khet Huai Khwang, Bangkok.

- 1.2 Coronavirus disease 2019 pandemic

The Coronavirus disease 2019 pandemic is a new wave and continuing to evolve, resulting in an economic slowdown and adversely impacting most businesses and industries as a whole. This situation may affect the results of operations of business. Nevertheless, the management of the Company and its subsidiaries have continuously monitored ongoing developments and regularly assess the financial impact in respect of the valuation of assets, provisions and contingent liabilities.

**2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS**

- 2.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasize on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2021.

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

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

2.2 Basis of consolidated interim financial statements preparation

- a) The consolidated interim financial statements include the interim financial statements of Comanche International Public Company Limited and its subsidiaries are as follows:-

Name of Subsidiaries	Type of business	Head office	Percentage of shareholding (%)	
			As at March 31, 2022	As at December 31, 2021
1. Synature Technology Co., Ltd.	Service for Computer Software	Bangkok	51.00	51.00
2. Win Star Tech Co., Ltd.	Service for Computer Software	Bangkok	99.99	99.99
3. AI Soft Co., Ltd.	Service for Computer Software	Nonthaburi	51.00	51.00
4. Roomz International Co., Ltd.	Consulting for Hotel Revenue Management	Bangkok	51.00	51.00
5. Comanche Gogoji Co., Ltd.	Service for Accommodation Reservation and Other Reservation Related to Tourism	Bangkok	99.99	99.99
6. Coman Crypto Co., Ltd.	Enabling to acquire, buy, sell and/or exchange digital currency by own business or by means of hiring others	Bangkok	99.99	99.99

- b) These consolidated interim financial statements are prepared by including the financial statements of its subsidiaries under control by Comanche International Public Company Limited after eliminating inter-company transactions between Comanche International Public Company Limited and its subsidiaries. Investment in subsidiaries and the shareholders' equity of the subsidiary has been eliminated from the consolidated financial statements.
- c) Accounting policy for subsidiary company will utilize the same policy as the parent company.
- d) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately from the portion of owners of the parent.

The Company prepared the separate interim financial statements for the benefit of the public which presented investments in subsidiaries under the cost method.

2.3 Financial reporting standards that became effective in the current period

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations which are effective for fiscal years beginning on or after January 1, 2022. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The adoption of these financial reporting standards does not have any significant impact on the financial statements in the current period.

**3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2021, except for transaction as follows:

Non-current assets held for sale

Non-current assets are classified as held for sales, if it is highly probable that they will be recovered primarily through sale rather than through continuing use. Such assets are measured at the lower of their carrying amount and fair value less cost to sell.

#### 4. RELATED PARTIES TRANSACTIONS

The Company and its subsidiaries have certain transactions with its related parties. These companies are related through common shareholdings and/or directorships. The effects of these transactions are reflected in the accompanying financial statements on the basis mutual determined by the Company and related parties.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Company and its subsidiaries are as follows:

Related parties	Nature of relationships
1. Subsidiaries	
1.1 Synature Technology Co., Ltd.	51.00% shareholding
1.2 Win Star Tech Co., Ltd.	99.99% shareholding
1.3 AI Soft Co., Ltd.	51.00% shareholding (Since January 21, 2019)
1.4 Roomz International Co., Ltd.	51.00% shareholding (Since May 14, 2019)
1.5 Comanche Gogoji Co., Ltd.	99.99% shareholding (Since June 20, 2019)
1.6 Coman Crypto Co., Ltd.	99.99% shareholding (Since November 5, 2021)
2. Related person	The Company’s directors

The pricing policies for particular types of transactions are explained as follows:

	Pricing Policies
Service fee paid	Market Rates
Interest income	2.5% per annum
Directors and managements remuneration represent meeting allowance, salary, and bonus	The amounts are approved by the Company’s directors and shareholders

Related parties significant transactions in the statements of financial position at the end periods are as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
<b>Trade receivables</b>				
Roomz International Co., Ltd.	-	-	374,179	374,179
<u>Less</u> Allowance for expected credit losses	-	-	(374,179)	(374,179)
Total	-	-	-	-
<b>Other receivables</b>				
Win Star Tech Co., Ltd.	-	-	439,100	439,100
Comanche Gogoji Co., Ltd.	-	-	603,261	441,806
Coman Crypto Co., Ltd.	-	-	105,000	-
Total	-	-	1,147,361	880,906

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	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
<b>Dividend receivables</b>				
Synature Technology Co., Ltd.	-	-	7,650,000	-
AI Soft Co., Ltd.	-	-	1,275,000	-
Total	-	-	8,925,000	-
<b>Short-term loans to</b>				
Win Star Tech Co., Ltd.	-	-	1,500,000	1,500,000
Total	-	-	1,500,000	1,500,000
<b>Prepaid expenses</b>				
Synature Technology Co., Ltd.	-	-	30,675	-
Total	-	-	30,675	-
<b>Trade payables</b>				
Comanche Gogoji Co., Ltd.	-	-	4,101,333	5,385,988
Total	-	-	4,101,333	5,385,988
<b>Other payables</b>				
Comanche Gogoji Co., Ltd.	-	-	7,198,084	7,198,084
Total	-	-	7,198,084	7,198,084
<b>Other unearned income</b>				
Synature Technology Co., Ltd.	-	-	225,000	-
Win Star Tech Co., Ltd.	-	-	135,000	-
Coman Crypto Co., Ltd.	-	-	45,000	-
Total	-	-	405,000	-

As at March 31, 2022 and December 31, 2021, the Company has short-term loans which carried interest rates of 2.5% per annum, were unsecured and due within 12 months from the agreement date.

Related parties' transactions in the statements of comprehensive income for the three-month periods ended March 31, 2022 and 2021 are as follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Other income</b>				
<b>Management income</b>				
Synature Technology Co., Ltd.	-	-	75,000	105,000
Win Star Tech Co., Ltd.	-	-	45,000	15,000
AI Soft Co., Ltd.	-	-	114,000	45,000
Comanche Gogoji Co., Ltd.	-	-	1,096,000	15,000
Coman Crypto Co., Ltd.	-	-	15,000	-
Total	-	-	1,345,000	180,000

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	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
<b>Others</b>				
Comanche Gogoji Co., Ltd.	-	-	877,282	-
Win Star Tech Co., Ltd.	-	-	-	175
Total	-	-	877,282	175
<b>Dividend income</b>				
Synature Technology Co., Ltd.	-	-	11,730,000	5,100,000
AI Soft Co., Ltd.	-	-	1,275,000	510,000
Total	-	-	13,005,000	5,610,000
<b>Interest income</b>				
Win Star Tech Co., Ltd.	-	-	9,375	9,375
Total	-	-	9,375	9,375
<b>Cost of sales and rendering services</b>				
Comanche Gogoji Co., Ltd.	-	-	10,564,668	-
Total	-	-	10,564,668	-
<b>Other expenses</b>				
Synature Technology Co., Ltd.	-	-	9,000	9,000
Total	-	-	9,000	9,000
<b>Directors and key managements remuneration</b>				
Short-term benefits	7,475,853	7,069,860	2,046,477	4,062,025
Long-term benefits	473,373	756,515	121,568	375,051
Total	7,949,226	7,826,375	2,168,045	4,437,076

The Company has entered into service agreement with its subsidiaries. This contract requires the Company to provide services, including management and other business operation support, to the subsidiaries. The Company charged service fees as agreed by both parties based on estimated time spent and cost incurred plus margin. Service fee for the years 2022, are as follows:

		Unit : Baht
Name of companies	Period of contracts	Service fee
Synature Technology Co., Ltd.	January 1 - July 31, 2022	175,000
Win Star Tech Co., Ltd.	January 1 - December 31, 2022	180,000
AI Soft Co., Ltd.	January 1 - April 30, 2022	152,000
Comanche Gogoji Co., Ltd.	January 1 - July 31, 2022	1,990,000
Coman Crypto Co., Ltd.	January 1 - December 31, 2022	60,000

## 5. CASH AND CASH EQUIVALENTS

Cash and cash equivalents consisted of:

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Cash on hand	120,422	223,798	117,131	63,498
Cash at banks - current accounts	369,300	19,243,416	368,925	211,152
Cash at banks - savings accounts	175,433,325	187,934,686	173,776,364	174,449,861
Cheque on hand	-	103,853,034	-	103,853,034
Total cash and cash equivalents	<u>175,923,047</u>	<u>311,254,934</u>	<u>174,262,420</u>	<u>278,577,545</u>

Unit : Baht

As at March 31, 2022 and December 31, 2021, cash at banks has the effective interest rate at 0.05% per annum to 0.45% per annum and 0.05% per annum to 0.45% per annum, respectively.

## 6. OTHER FINANCIAL ASSETS

Other financial assets consisted of :

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Other current financial assets				
Debt instruments at amortized cost				
Time deposit	103,853,034	-	103,853,034	-
Debt instruments at fair value to profit or loss				
Unit trust - mutual funds	-	12,138,813	-	-
Total other current financial assets	<u>103,853,034</u>	<u>12,138,813</u>	<u>103,853,034</u>	<u>-</u>
Other non - current financial assets				
Debt instruments at amortized cost				
Debenture	-	1,096,491	-	-
Equity instruments at fair value to profit or loss				
Preferred stock	-	1,403,333	-	-
Total other non - current financial assets	<u>-</u>	<u>2,499,824</u>	<u>-</u>	<u>-</u>

Unit : Baht

As at March 31, 2022 and December 31, 2021, other financial assets have the effective interest rate at 0.6% per annum and 0.625% per annum to 6% per annum, respectively.

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## 7. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables consisted of:

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Trade receivables, net - other companies	2,748,757	8,722,288	3,085,638	2,296,074
Other receivables - other companies	-	363,797	-	-
Other receivables - related companies (Note 4)	-	-	1,147,361	880,906
Accrued income	1,214,140	2,204,712	1,214,140	1,348,370
Accrued interest receivables	315,049	62,023	315,050	-
Prepaid expenses	568,283	1,062,449	496,567	444,511
Retention receivables	89,850	91,050	89,850	89,850
Deposits	883,554	284,004	883,554	284,004
Post date check	52,439	-	52,439	-
Total trade and other current receivables - net	<u>5,872,072</u>	<u>12,790,323</u>	<u>7,284,599</u>	<u>5,343,715</u>

Unit : Baht

Trade receivables can be classified by age analysis as follows:-

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Trade receivables				
Not yet due	874,273	2,628,272	850,733	1,151,816
Over due less than 3 months	2,287,715	6,215,198	2,262,035	1,162,978
Over due 3 - 6 months	878,336	970,371	878,336	184,395
Over due 6 - 12 months	135,227	1,153,737	135,227	1,099,619
Over due over 12 months	6,762,822	11,130,878	5,201,725	4,675,425
	<u>10,938,373</u>	<u>22,098,456</u>	<u>9,328,056</u>	<u>8,274,233</u>
<u>Less</u> Allowance for expected credit losses	<u>(8,189,616)</u>	<u>(13,376,168)</u>	<u>(6,242,418)</u>	<u>(5,978,159)</u>
Total trade receivables - net	<u>2,748,757</u>	<u>8,722,288</u>	<u>3,085,638</u>	<u>2,296,074</u>

Unit : Baht

Details of accrued income net are as follows:-

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Accrued income	2,807,979	4,170,000	2,807,979	3,313,658
<u>Less</u> Allowance for expected credit losses	<u>(1,593,839)</u>	<u>(1,965,288)</u>	<u>(1,593,839)</u>	<u>(1,965,288)</u>
Accrued income - net	<u>1,214,140</u>	<u>2,204,712</u>	<u>1,214,140</u>	<u>1,348,370</u>

Unit : Baht

As at March 31, 2022 and December 31, 2021, accrued income is expected to be paid within 12 months.

**8. NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALES AND LIABILITIES DIRECTLY ASSOCIATED WITH NON-CURRENT ASSETS CLASSIFIED AS HELD FOR SALES**

As at March 31, 2022, investment in three subsidiaries are presented as assets held for sale following the Board of Directors’ Meeting No.3/2022 dated March 11, 2022, has passed the resolutions to and the investment that expected to be completed within the second quarter of 2022 and there are two agreements under the preparation and another one had been sold completely.

The Company presented investment in three subsidiaries as non-current assets classified as held for sales amounting to Baht 112.63 million and liabilities directly associated with non-current assets classified as held for sales amounting to Baht 44.94 million in the consolidated statement of financial position and non-current assets classified as held for sales amounting to Baht 62.90 million in the separate statement of financial position as at March 31, 2022 and classified the net profit (loss) of such investments as profit (loss) from discontinued operation in the consolidated statements of comprehensive income for the three-month periods ended March 31, 2022 and 2021.

As at March 31, 2022, details of non-current assets held for sales and liabilities directly associated with non-current assets held for sales are as follows:

	Unit : Baht			
	Synature Technology Co., Ltd.	AI Soft Co., Ltd.	Comanche Gogoji Co., Ltd.	Total
Cash and cash equivalents	14,306,464	5,768,395	7,887,095	27,961,954
Trade and other current receivables	8,786,814	2,579,725	392,558	11,759,097
Inventories	1,500,610	480,257	238,857	2,219,724
Other current financial assets	12,157,052	-	-	12,157,052
Other current assets	14,577	335,726	1,087,930	1,438,233
Bank deposits using for guarantee	-	100,000	100,000	200,000
Other non-current financial assets	2,499,824	-	-	2,499,824
Equipment	654,421	143,440	527,005	1,324,866
Right-of-use assets	5,510,005	2,825,038	-	8,335,043
Goodwill	32,811,150	331,937	-	33,143,087
Other intangible assets	2,758,753	2,600,692	-	5,359,445
Deferred tax assets	809,832	1,024,858	3,421,679	5,256,369
Other non-current assets	95,000	607,818	273,878	976,696
Non-current assets classified as held for sales	<u>81,904,502</u>	<u>16,797,886</u>	<u>13,929,002</u>	<u>112,631,390</u>
Trade and other current payables	16,128,280	2,252,304	565,833	18,946,417
Lease liabilities	5,683,063	2,890,307	-	8,573,370
Income tax payable	1,491,714	-	-	1,491,714
Other current liabilities	693,587	402,328	402,273	1,498,188
Provisions for employee benefit	3,398,209	2,858,499	7,917,484	14,174,192
Provision of other non-current liabilities	-	255,005	-	255,005
Liabilities directly associated with non-current assets classified as held for sales	<u>27,394,853</u>	<u>8,658,443</u>	<u>8,885,590</u>	<u>44,938,886</u>

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The consolidated statements of comprehensive income for the three-month periods ended March 31, 2022 and 2021 has been reclassified to present the discontinued operations separately from continuing operations.

Unit : Baht

	Consolidated financial statements	
	2022	2021
Results of discontinued operations		
Revenue	20,855,928	17,798,249
Expenses	36,419,622	17,737,695
Profit (loss) from discontinued operations	<u>(15,563,694)</u>	<u>60,554</u>

## 9. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries consisted of:

Unit : Baht

Name of subsidiaries	Paid up share capital (Baht)		Percentage of shareholding (%)		Separate financial statements	
					Cost method	
	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021	As at March 31, 2022	As at December 31, 2021
1. Synature Technology Co., Ltd.	10,000,000	10,000,000	51.00	51.00	52,020,000	52,020,000
2. Win Star Tech Co., Ltd.	3,300,000	3,300,000	99.99	99.99	14,580,000	14,580,000
3. AI Soft Co., Ltd.	3,000,000	3,000,000	51.00	51.00	10,200,000	10,200,000
4. Roomz International Co., Ltd.	3,750,000	3,750,000	51.00	51.00	1,529,925	1,529,925
5. Comanche Gogoji Co., Ltd.	40,000,000	40,000,000	99.99	99.99	39,999,700	39,999,700
6. Coman Crypto Co., Ltd.	60,000,000	60,000,000	99.99	99.99	59,999,700	59,999,700
Total investment in subsidiaries					<u>178,329,325</u>	<u>178,329,325</u>
<u>Less</u> Provision for impairment of investments						
- Synature Technology Co., Ltd.					(6,120,000)	-
- Win Star Tech Co., Ltd.					(14,580,000)	(14,580,000)
- AI Soft Co., Ltd.					(5,200,000)	-
- Roomz International Co., Ltd.					(1,529,925)	(1,529,925)
- Comanche Gogoji Co., Ltd.					<u>(27,999,700)</u>	<u>-</u>
Total provision for impairment of investments					<u>(55,429,625)</u>	<u>(16,109,925)</u>
Total investment in subsidiaries - net					122,899,700	162,219,400
<u>Less</u> Transfer classified as non-current assets held for sales					<u>(62,900,000)</u>	<u>-</u>
Total investment in subsidiaries - net					<u>59,999,700</u>	<u>162,219,400</u>

During the period 2022, the Company's management has considered recording losses from impairment of investments in Synature Technology Co., Ltd. AI Soft Co., Ltd. and Comanche Gogoji Co., Ltd. in the amount of Baht 39.32 million, in the separate statement of comprehensive income. The management believes that the net realizable value from the disposal of the investment in three subsidiaries are lower than the investment value recorded using the cost method.

Regarding the Board of Director of the Company No. 3/2022 dated March 11, 2022, it had a resolution to approved the disposal of all shares held by the Company of three subsidiaries within the second quarter of 2022 with the details as follows:

To approve the disposal of all shares that the Company held in Synature Technology Co., Ltd. (“Synature”) for 51,000 shares, or 51% of the registered capital of Synature to Asset Agent & Real Estate Co., Ltd. (“A2R”), a subsidiary of Global Service Center Public Co., Ltd. (“GSC”), (GSC held the shares in A2R at 75%) at Baht 900 per share, totaled Baht 45.90 million.

To approve the disposal of all shares that the Company held in Comanche Gogoji Co., Ltd. (“Gogoji”) for 399,996 shares, or 99.99% of the registered capital of Gogoji to Asset Agent & Real Estate Co., Ltd. (“A2R”), a subsidiary of Global Service Center Public Co., Ltd. (“GSC”), (GSC held the shares in A2R at 75%) at Baht 30 per share, totaled Baht 12.00 million.

To approve the disposal of all shares that the Company held in AI Soft Co., Ltd. (“AI Soft”) for 153,000 shares, or 51% of the registered capital of AI Soft to a major shareholder of AI Soft, at Baht 32.6797 per share, totaled Baht 5.00 million.

Therefore, as at March 31, 2022, the Company had classified such investments as non-current assets classified as held for sales in separate statement of financial position.

#### 10. RIGHT-OF-USE ASSETS

Movement of right-of-use assets account for the three-month period ended March 31, 2022, are summarized as follows.

	Consolidated	Unit : Baht Separate
	<u>financial statements</u>	<u>financial statements</u>
<b>Net book value</b>		
As at December 31, 2021	14,856,316	6,242,635
Depreciation for the period	(464,062)	(185,424)
Decreased from the lease termination	(6,057,211)	(6,057,211)
Transferred to non-current assets held for sales	(8,335,043)	-
<b>Net book value</b>		
As at March 31, 2022	<u>-</u>	<u>-</u>

On April 1, 2022, the Company has relocated its office location and therefore terminated the lease agreement previously recorded as right-of-use assets and lease liabilities under the lease agreement (see note 13).

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## 11. DEFERRED TAX ASSETS AND LIABILITIES

Deferred tax assets and liabilities as follows:-

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Deferred tax assets	8,104,090	5,367,858	1,869,181	636,727
Deferred tax liabilities	(630,467)	(805,297)	-	-
Transferred to non-current assets held for sales	(5,256,369)	-	-	-
	<u>2,217,254</u>	<u>4,562,561</u>	<u>1,869,181</u>	<u>636,727</u>

Unit : Baht

Changes for the three-month period ended March 31, 2022, are summarized as follows:

	Consolidated financial statements			As at March 31, 2022
	As at December 31, 2021	Revenue		
		Recognized in profit or loss	Recognized in other comprehensive income	
Deferred tax assets:				
Trade receivables	1,477,360	1,534,216	-	3,011,576
Inventories	23,293	-	-	23,293
Provision for impairment on intangible assets	1,838,182	-	-	1,838,182
Provisions for employee benefit	1,935,461	1,198,376	-	3,133,837
Lease liabilities	93,562	3,640	-	97,202
Total	<u>5,367,858</u>	<u>2,736,232</u>	<u>-</u>	<u>8,104,090</u>
Deferred tax liabilities:				
The difference for fair value adjustment of subsidiary's asset regarding business acquisition	(805,297)	174,830	-	(630,467)
Total	<u>(805,297)</u>	<u>174,830</u>	<u>-</u>	<u>(630,467)</u>

Unit : Baht

	Separate financial statements			As at March 31, 2022
	As at December 31, 2021	Revenue (expenses)		
		Recognized in profit or loss	Recognized in other comprehensive income	
Deferred tax assets:				
Provisions for employee benefit	-	1,248,484	-	1,248,484
Unearned revenue	-	318,768	-	318,768
Provisions for employee benefit	632,901	(330,972)	-	301,929
Lease liabilities	3,826	(3,826)	-	-
Total	<u>636,727</u>	<u>1,232,454</u>	<u>-</u>	<u>1,869,181</u>

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## 12. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as follows:-

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	31, 2022	31, 2021
Trade payables - other companies	5,337,332	1,792,794	-	-
Trade payables - related companies	-	-	4,101,333	5,385,988
Other payables - other companies	95,462	-	50,702	-
Other payables - related companies	-	288,428	7,198,084	7,198,084
Other current payables				
Deposit from customers	-	864,854	-	-
Accrued salary and bonus	-	3,408,447	-	-
Accrued expenses	767,583	1,880,401	699,583	261,516
Current contract liabilities	20,406,064	23,968,496	20,523,093	19,843,687
Others	516,883	640,874	452,870	650,185
Total other current payables	<u>21,690,530</u>	<u>30,763,072</u>	<u>21,675,546</u>	<u>20,755,388</u>
Total trade and other current payables	<u>27,123,324</u>	<u>32,844,294</u>	<u>33,025,665</u>	<u>33,339,460</u>

## 13. LEASE LIABILITIES

Movement of lease liabilities account for the three-month period ended March 31, 2022 are summarized as follows:

	Unit : Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at December 31, 2021	15,266,111	6,450,120
Payments for the period	(375,403)	(132,782)
Decreased from the lease termination	(6,317,338)	(6,317,338)
Transferred to liabilities directly associated with non-current assets held for sales	(8,573,370)	-
Net book value as at March 31, 2022	<u>-</u>	<u>-</u>

The following are the leases related expenses recognized in profit or loss for the periods ended March 31, 2022 and 2021 are follows:

	Unit : Baht			
	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Depreciation of right-of-use assets	464,062	450,698	185,425	185,425
Interest expense on lease liabilities	97,282	102,504	41,158	44,361
Expense relating to short-term leases and leases of low value assets	27,101	27,000	(2,899)	-
	<u>588,445</u>	<u>580,202</u>	<u>223,684</u>	<u>229,786</u>

“UNAUDITED”

“REVIEWED”

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#### 14. PROVISION FOR EMPLOYEE BENEFIT

The statements of financial position

	Consolidated financial statements		Separate financial statements	
	As at March	As at December	As at March	As at December
	31, 2022	31, 2021	30, 2022	31, 2021
Defined benefit obligations at the beginning balance	17,235,650	19,102,926	3,505,110	13,027,769
Gains on actuarial remeasurements	-	(1,961,233)	-	(1,506,621)
Current service costs and interests	519,105	2,189,474	75,453	946,791
Decrease from dismissal of employees of subsidiaries	-	(1,270,767)	-	(1,270,767)
Decrease from employee transferring to subsidiary	-	-	-	(7,692,062)
Transferred to liabilities directly associated with non-current assets held for sales	(14,174,192)	-	-	-
Benefits paid by the plan	(2,070,913)	(824,750)	(2,070,913)	-
Defined benefit obligations at the ending balance	<u>1,509,650</u>	<u>17,235,650</u>	<u>1,509,650</u>	<u>3,505,110</u>

Expenses recognized in statements of income

For the three-month periods ended March 31, 2022 and 2021

	Consolidated financial		Separate financial statements	
	statements		statements	
	2022	2021	2022	2021
Current service costs				
Cost of sales and rendering services	246,910	190,655	5,933	190,655
Distribution costs	34,317	25,568	-	25,568
Administrative expenses	157,605	129,848	61,847	129,848
Interest on obligations	<u>80,273</u>	<u>54,398</u>	<u>7,673</u>	<u>54,398</u>
Total	<u>519,105</u>	<u>400,469</u>	<u>75,453</u>	<u>400,469</u>

The principle of actuarial assumptions

For the three-month periods ended March 31, 2022 and 2021

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
	Discount rate (p.a.)	1.81 - 1.82	1.81 - 1.82	1.81
Expected rate of salary increase (p.a.)	5.00 - 6.00	5.00 - 6.00	6.00	6.00
Voluntary resignation rate (Depended on employee's age) (p.a.)				
- Monthly employees	1.91 - 22.92	1.91 - 22.92	1.91 - 22.92	1.91 - 22.92

## 15. INCOME TAX

Major components of income tax for the three-month periods ended March 31, 2022 and 2021 as follows:-

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Income tax presented in profit or loss:				
Current tax expenses:				
Income tax expenses for the period	(498,693)	3,586	(498,693)	-
Deferred tax expenses:				
Changes in temporary differences relating to the original recognition and reversal	1,235,800	5,655	1,232,454	5,655
Total	<u>737,107</u>	<u>9,241</u>	<u>733,761</u>	<u>5,655</u>

## 16. PREMIUM ON ORDINARY SHARES

Section 51 of the Public Limited Companies Act B.E. 2535 requires a company to set aside share subscription monies received in excess amount of the par value of the shares issued to a reserve account (“share premium”). This share premium is not available for dividend distribution.

## 17. BASIC EARNINGS (LOSS) PER SHARE

Basic earnings (loss) per share is calculated by dividing the profit (loss) for the period attributable to owners of the parent (excluded other comprehensive income) by the weighted average number of ordinary shares which are issued and paid-up during the period.

For the three-month periods ended March 31, 2022 and 2021

	Consolidated financial statements		Separate financial statements	
	2022	2021	2022	2021
Profit (loss) attributable to owners of the parent (Baht)				
From continuing operations	6,188,537	(5,440,468)	(25,904,705)	2,305,004
Basic earnings (loss) per share (Baht per shares)	0.046	(0.041)	(0.193)	0.017
Loss attributable to owners of the parent (Baht)				
From discontinued operations	(15,561,146)	64,293	-	-
Basic loss per share (Baht per shares)	(0.116)	(0.000)	-	-
Number of weighted ordinary shares (Shares)	134,000,000	134,000,000	134,000,000	134,000,000

## 18. DIVIDEND PAID

Synature Technology Co., Ltd.

On March 10, 2022, the Annual General of Shareholders’ Meeting No. 1/2022 has passed the resolutions for approval the dividend payment for 100,000 ordinary shares at Baht 80 each, totaling Baht 8 million. Such dividend paid on March 25, 2022.

On March 23, 2022, the Board of Directors' Meeting No. 2/2022 has passed the resolutions for approval the interim dividend payment for 100,000 ordinary shares at Baht 150 each, totaling Baht 15 million. Such dividend paid on April 20, 2022.

AI Soft Co., Ltd.

On March 29, 2022, the Board of Directors' Meeting No. 2/2022 has passed the resolutions for approval the interim dividend payment for 300,000 ordinary shares at Baht 8.33 each, totaling Baht 2.50 million. Such dividend paid on April 11, 2022.

#### **19. INVESTMENT PROMOTION CERTIFICATE**

On November 20, 2017, the subsidiary was granted the privileges according to the Promotional Certificate No. 60-1302-1-00-2-0 by the Board of Investment for business type 5.7.2 of Enterprise Software and/or Digital Content which is under the Investment Promotion Act B.E. 2520 for the exemption from corporate income tax on profits from the operation was for a period of 5 years, from the first date of that income from the operation is derived from such business which was on January 22, 2021.

On May 17, 2018, the Company was granted the privileges according to the Promotional Certificate No. 61-0565-1-01-2-0 by the Board of Investment for business type 5.7.2 of Enterprise Software and/or Digital Content which is under the Investment Promotion Act B.E. 2520 for the exemption from corporate income tax on profits from the operation was for a period of 7 years, from the first date of that income from the operation is derived from such business which was on June 6, 2018.

In the tax-year 2022, the Company does not use the BOI privileges as the Company anticipates that it will not be able to comply with certain conditions specified in the BOI promotion certificates.

#### **20. OPERATING SEGMENT INFORMATION**

Operating segment information is consistent with the internal report the chief operating decision maker used for making decisions and reviewed regularly about the allocation of resources and assess its performance of the Company and its subsidiaries.

The Company and its subsidiaries operate in only one segment which is in the business of selling computer software which includes installation, and maintenance services and other services relating to computer software.

Geographic segment

Business operation by geographic segment in the consolidated financial statements for the three-month periods ended March 31, 2022 and 2021 are as follow:

	Unit : Baht					
	2022			2021		
	Domestic	Overseas	Total	Domestic	Overseas	Total
Revenue from sales and rendering services	20,301,762	709,229	21,010,991	9,735,945	767,010	10,502,955
Cost of sales and rendering services	9,836,120	-	9,836,120	6,884,672	-	6,884,672
Gross profit	10,465,642	709,229	11,174,871	2,851,273	767,010	3,618,283

Information about major customers

For the three-month periods ended March 31, 2022, and 2021, the Company and its subsidiaries have no revenue from sales and rendering services from each external customer over 10% of total revenue.

**21. COMMITMENTS**

As at March 31, 2022, the Company and its subsidiaries have the lease and service agreements covering the period of 1 - 3 years. The future will be payments service fee are summarized as follows:

	Unit : Baht	
	Consolidated financial statements	Separate financial statements
Within 1 year	1,337,718	870,411
Over 1 year, but less than 5 years	525,722	-
Total	1,863,440	870,411

**22. SIGNIFICANT AGREEMENTS**

The Company has made the distribution agreement to distribute the Company’s computer software in foreign countries which the main objective is to have a distributor to do a distribution, marketing, installation, and customer services. The agreement is for 2 years, and the fee is agreed between the Company and the agents in each country.

**23. FINANCIAL INSTRUMENTS**

Fair value of financial instruments

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

**24. RECLASSIFICATIONS**

The reclassifications have been made to the consolidated statements of comprehensive income for the three-month period ended March 31, 2021, to conform to the classifications used in the consolidated statements of comprehensive income for the three-month period ended March 31, 2021, as follows:

Previous classification	Amount	Current classification
Revenue from sales and rendering services	17,445,445	Profit from discontinued operation, net of income tax
Cost of sales and rendering services	12,019,898	Profit from discontinued operation, net of income tax
Interest income	615	Profit from discontinued operation, net of income tax
Other income	352,189	Profit from discontinued operation, net of income tax
Distribution costs	469,383	Profit from discontinued operation, net of income tax
Administrative expenses	4,072,576	Profit from discontinued operation, net of income tax
Finance costs	58,143	Profit from discontinued operation, net of income tax
Income tax	1,117,694	Profit from discontinued operation, net of income tax

Unit : Baht

**25. SUBSEQUENT EVENT AFTER THE REPORTING DATE**

On April 22, 2022, the 2022 Annual General Meeting of Shareholders has passed the resolutions for approval of the dividend payment for 134,000,000 ordinary shares at Baht 0.0877 each, totaling Baht 11,751,800. Such dividend paid on May 13, 2022.

The Company entered into a share purchase agreement on April 15, 2022, to sell all 153,000 ordinary shares held in AI Soft Co., Ltd., or equivalent to 51% of the issued and fully paid shares, to a shareholder at the offering price of Baht 32.68 per share, equivalent to a value of Baht 5 million, and on April 30, 2022, the Company already received payment for shares from the sale of all ordinary shares held in AI Soft Co., Ltd.

**26. APPROVAL OF INTERIM FINANCIAL STATEMENTS**

These interim financial statements were authorized for issue by the Company’s Board of directors on May 17, 2022.