

**I&I GROUP PUBLIC COMPANY LIMITED**

**CONSOLIDATED AND SEPARATE  
FINANCIAL STATEMENTS**

**31 DECEMBER 2020**

## **Independent Auditor's Report**

To the Shareholders of I&I Group Public Company Limited

### **My opinion**

In my opinion, the consolidated financial statements and the separate financial statements present fairly, in all material respects, the consolidated financial position of I&I Group Public Company Limited (the Company) and its subsidiaries (the Group) and the separate financial position of the Company as at 31 December 2020, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRS).

### **What I have audited**

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2020;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include significant accounting policies and other explanatory information.

### **Basis for opinion**

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

### **Key audit matters**

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key audit matter	How my audit addressed the key audit matter
<p><b>Fair value measurement for the identifiable net assets acquired from the business combination</b></p> <p>Refer to Note 16.2 Business acquisition.</p> <p>In 2019, the Company acquired of the shares of ICE Consulting Company Limited (ICE), a related entity with joint shareholders and directors, but not considered to be an entity under common control. The Company issued additional shares in the amount of Baht 245.71 million in exchange for 99.997% of ICE shares. As a result, ICE became the Company's subsidiary. The Company's management assessed that the acquisition of this shareholding qualifies as a business combination according to the definition in Thai Financial Reporting Standard 3 (TFRS 3), Business Combinations.</p> <p>In 2020, the Company completed the fair value measurement for the identifiable assets acquired and the liabilities assumed at the acquisition date. This was done in accordance with the measurement period of a business combination, according to TFRS 3. Management engaged an independent valuation expert to evaluate the identifiable net assets acquired. They determined the fair value of identifiable net assets acquired of Baht 28.40 million. This mainly consists of accounts receivables and other receivables at Baht 32.49 million, accounts payables and other payables at Baht 12.60 million, customer relationships at Baht 2.13 million and backlog at Baht 1.86 million. Goodwill was recognised at Baht 217.31 million, which was the difference between the total consideration paid and the fair value of the net assets acquired. The fair value measurement acquired was performed as part of the purchase price allocation.</p> <p>I focused on this area due to the significant amount of goodwill, and because the fair value measurement performed by an independent valuation expert for the identified customer relationships and backlog applied the discounted cash flow model, which involved management's significant assumptions and judgement. Assumptions included the revenue forecast from rendering services, as well as from subscription and license support, churn rates, earnings before interest and tax and discount rate applied to future cash flows.</p>	<p>I performed the following procedures to evaluate management's assessment of the business acquisition and fair value of the identifiable assets acquired and the liabilities assumed:</p> <ul style="list-style-type: none"> <li>• Evaluated management's acquisition assessment which determined that it should be accounted for as business combination in accordance with the requirements set out in TFRS 3, Business Combinations. In addition, I consulted my accounting experts on the transaction's analysis.</li> <li>• Read ICE's sales and purchase agreement, the minutes on the acquisition's approval from the Board of Directors' meeting and from the shareholders' Annual General Meeting to understand the transaction with the management.</li> <li>• Assessed the qualifications, competency and independence of the independent valuation expert to evaluate the reliability of the Purchase Price Allocation Report they had prepared.</li> <li>• Assessed the appropriateness of the identifiable assets acquired and the liabilities assumed at the acquisition date and also evaluated management's procedures for determining the fair values of the identifiable net assets acquired.</li> <li>• Tested the customer relationship, backlog and goodwill calculations arising from the acquisition by challenging management's assumptions regarding future cash flows for example revenue forecast from rendering services, as well as from subscription and license support, churn rates and earnings before interest and tax.</li> <li>• Assessed the discount rate by comparing it with independently obtained data from publicly available information of companies in the same industry.</li> <li>• Evaluated the adequacy of disclosures made in the notes to the financial statements.</li> </ul> <p>As a result of the procedures performed, I found that the investment acquisition is a business combination according to the definition set out in TFRS 3. Also, the key assumptions management used to assess the fair value of identifiable net assets acquired were reasonable based on the available evidence. The record of the accounting practice for business combination were appropriate.</p>

Key audit matter	How my audit addressed the key audit matter
<p><b>Goodwill impairment assessment</b></p> <p>Refer to Note 8 Critical accounting estimates, assumptions and judgments and Note 20 Goodwill to the consolidated and separate financial statements.</p> <p>As at 31 December 2020, the Group has goodwill of Baht 217.31 million from acquisition of ICE, which represents 34% of the total assets in the consolidated financial statements. Management tests goodwill for impairment annually. The impairment test is performed at the cash-generating unit (CGU) level and requires the calculation of its recoverable amount using the value-in-use model. The calculation involves management's judgement on future operating results, projected cash flows and the appropriate discount rate to apply to projected cash flows. Key assumptions applied to the value-in-use model included projected revenue from sales and services, growth rate and discount rates applied to future cash flows.</p> <p>Based on 2020's annual impairment test, management concluded that there were no allowances for goodwill impairment recorded in the consolidated financial statements.</p> <p>I focused on this area due to the significant amount of goodwill and because the value-in-use depends on management's significant judgement and assessment of future business plans. There is also a lot of information and assumptions that impact the value of goodwill.</p>	<p>I performed the following procedures to assess management's goodwill impairment testing:</p> <ul style="list-style-type: none"> <li>• Discussed with the management to understand the basis for the assumptions used and assessed whether the impairment testing process and assumptions had been applied appropriately and in line with the nature of the business.</li> <li>• Challenged management's significant assumptions that were used for the goodwill impairment testing, specifically the projected revenue from sales and services, growth rate and discount rate. The procedures also included comparing key assumptions against the loan interest rate, rate of return from external sources and the approved business plan.</li> <li>• Assessed the business plan's reasonableness by comparing the 2020 plan with actual result.</li> <li>• Assessed the discount rate by comparing it with independently obtained data from publicly available information of companies in the same industry. This identified whether the discount rate management used was within an acceptable range.</li> <li>• Tested the sensitivity analysis over management's key assumptions in the model to determine factors that impact on the analysis and any potential impact from changing assumptions.</li> </ul> <p>As a result of the procedures performed, I found that the key assumptions used by management to determine the recoverable amount were reasonable based on the available evidence and within an acceptable range.</p>

### Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

### **Responsibilities of the directors for the consolidated and separate financial statements**

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRS, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group's and the Company'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 the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

### **Auditor's responsibilities for the audit of the consolidated and separate financial statements**

My objectives are to obtain reasonable assurance about whether the consolidated and separate 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 TSAs 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 consolidated and separate financial statements.

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate 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 and the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' 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 and the Company'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 consolidated and separate 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 and the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the consolidated and separate 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 the audit committee 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 the audit committee 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 the audit committee, I determine those matters that were of most significance in the audit of the consolidated and separate 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.

PricewaterhouseCoopers ABAS Ltd.

**Rodjanart Banyatananusard**  
Certified Public Accountant (Thailand) No. 8435  
Bangkok  
24 February 2021

**I&I Group Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2020**

		Consolidated		Separate	
		financial statements		financial statements	
		Restated			
		2020	2019	2020	2019
	Notes	Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	11	158,999,134	34,692,894	140,883,866	8,836,346
Trade and other receivables, net	12	88,879,680	105,708,361	54,855,771	48,856,533
Unbilled receivables	13.1	80,236,117	22,648,357	44,403,542	9,462,080
Prepaid software license fees	14.1	54,848,120	36,160,282	41,022,716	20,552,331
Short-term loans to related parties	32.3	-	-	2,000,000	1,000,000
Dividend receivable	32.2	-	-	-	22,999,310
Other current assets		3,716,606	1,620,974	1,825,897	102,130
Total current assets		386,679,657	200,830,868	284,991,792	111,808,730
Non-current assets					
Deposit at bank used as collateral	15	8,600,000	-	5,000,000	-
Investment in subsidiaries	16.1	-	-	246,709,400	246,709,400
Equipment, net	17	1,055,758	1,014,502	978,755	594,878
Right-of-use assets, net	18	901,741	-	901,741	-
Intangible assets, net	19	5,746,102	5,148,581	1,137,038	10,695
Goodwill	20	217,306,476	217,306,476	-	-
Deferred tax assets, net	25	3,026,751	1,990,126	1,255,009	724,691
Other non-current assets	21	10,596,867	16,846,389	9,764,130	9,767,442
Total non-current assets		247,233,695	242,306,074	265,746,073	257,807,106
Total assets		633,913,352	443,136,942	550,737,865	369,615,836

Director \_\_\_\_\_ Director \_\_\_\_\_

The accompanying notes are an integral part of these consolidated and separate financial statements.

**I&I Group Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2020**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		<b>Restated</b>			
		<b>2020</b>	<b>2020</b>	<b>2020</b>	<b>2019</b>
<b>Notes</b>		<b>Baht</b>	<b>Baht</b>	<b>Baht</b>	<b>Baht</b>
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Trade and other payables	22	39,055,067	60,949,856	18,584,957	16,504,892
Current portion of deferred income	14.2	71,435,190	52,728,837	48,318,181	27,490,265
Current portion of lease liabilities, net	23	998,627	-	998,627	-
Corporate income tax payable		3,936,711	838,550	-	816,204
Other current liabilities	24	8,677,511	12,739,259	5,199,139	6,091,069
<b>Total current liabilities</b>		<b>124,103,106</b>	<b>127,256,502</b>	<b>73,100,904</b>	<b>50,902,430</b>
<b>Non-current liabilities</b>					
Deferred income	14.2	4,090,559	5,037,258	-	-
Employee benefit obligations	26	17,993,732	12,560,049	7,534,801	5,003,477
<b>Total non-current liabilities</b>		<b>22,084,291</b>	<b>17,597,307</b>	<b>7,534,801</b>	<b>5,003,477</b>
<b>Total liabilities</b>		<b>146,187,397</b>	<b>144,853,809</b>	<b>80,635,705</b>	<b>55,905,907</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.



**I&I Group Public Company Limited**  
**Statement of Financial Position**  
**As at 31 December 2020**

	Notes	Consolidated financial statements		Separate financial statements	
		Restated		2020 Baht	2019 Baht
		2020 Baht	2020 Baht		
<b>Liabilities and equity</b>					
<b>Equity</b>					
Share capital	27				
Authorised share capital					
Ordinary shares, 100,000,000 shares at par value of Baht 0.50 each		50,000,000	50,000,000	50,000,000	50,000,000
Issued and paid-up share capital					
Ordinary shares, 100,000,000 shares paid up at Baht 0.50 each (31 December 2019 : ordinary shares, 75,000,000 shares paid up at Baht 0.5 each)		50,000,000	37,500,000	50,000,000	37,500,000
Premium on paid-up capital		384,580,000	235,710,000	384,580,000	235,710,000
Retained earnings					
Appropriated - legal reserve	28	5,000,000	3,750,000	5,000,000	3,750,000
Unappropriated		48,143,506	21,322,592	30,522,160	36,749,929
Equity attributable to owners of the parent		487,723,506	298,282,592	470,102,160	313,709,929
Non-controlling interests		2,449	541	-	-
<b>Total equity</b>		487,725,955	298,283,133	470,102,160	313,709,929
<b>Total liabilities and equity</b>		633,913,352	443,136,942	550,737,865	369,615,836

The accompanying notes are an integral part of these consolidated and separate financial statements.

**I&I Group Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2020**

	Notes	Consolidated financial statements		Separate financial statements	
		Restated		2020 Baht	2019 Baht
		2020 Baht	2019 Baht		
<b>Revenues</b>					
Revenue from subscription and license support		212,655,641	138,431,146	172,731,339	115,162,844
Revenue from rendering of services		333,328,333	246,653,350	177,969,445	129,692,465
Revenue from sales of rights to use software license		3,560,245	9,614,346	-	-
Dividend income from a subsidiary	32.1	-	-	-	31,999,040
Other income		3,565,071	1,305,721	8,041,137	6,602,782
<b>Total revenues</b>		<b>553,109,290</b>	<b>396,004,563</b>	<b>358,741,921</b>	<b>283,457,131</b>
<b>Expenses</b>					
Cost of subscription and license support		172,499,543	113,534,308	141,459,907	95,619,824
Cost of rendering of services		216,111,241	148,438,781	121,293,692	74,421,929
Cost of sales of rights to use software license		2,650,817	7,276,807	-	-
Selling expenses		27,028,409	20,502,224	13,052,362	9,892,600
Administrative expenses		56,262,710	47,722,574	46,586,305	33,248,097
Net gain on exchange rate		(84,837)	(605,000)	(119,159)	(486,982)
<b>Total expenses</b>		<b>474,467,883</b>	<b>336,869,694</b>	<b>322,273,107</b>	<b>212,695,468</b>
<b>Profit before finance costs and income tax</b>		<b>78,641,407</b>	<b>59,134,869</b>	<b>36,468,814</b>	<b>70,761,663</b>
Finance costs		(46,449)	(159,027)	(46,449)	(159,027)
<b>Profit before income tax</b>		<b>78,594,958</b>	<b>58,975,842</b>	<b>36,422,365</b>	<b>70,602,636</b>
Income tax	30	(15,823,618)	(12,893,903)	(7,503,372)	(7,813,702)
<b>Profit for the year</b>		<b>62,771,340</b>	<b>46,081,939</b>	<b>28,918,993</b>	<b>62,788,934</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

**I&I Group Public Company Limited**  
**Statement of Comprehensive Income**  
**For the year ended 31 December 2020**

	Notes	Consolidated financial statements		Separate financial statements	
		2020	2019	2020	2019
		Baht	Baht	Baht	Baht
<b>Other comprehensive income:</b>					
Items that will not be reclassified subsequently to profit or loss					
- Remeasurements of employee benefit obligations	26	(1,504,107)	1,630,416	(501,912)	30,407
- Income tax on item that will not be reclassified subsequently to profit or loss	25	300,821	(326,083)	100,382	(6,081)
<b>Other comprehensive income for the year, net of tax</b>		<b>(1,203,286)</b>	<b>1,304,333</b>	<b>(401,530)</b>	<b>24,326</b>
<b>Total comprehensive income for the year</b>		<b>61,568,054</b>	<b>47,386,272</b>	<b>28,517,463</b>	<b>62,813,260</b>
<b>Profit attributable to:</b>					
Owners of the parent		62,769,408	46,081,629	28,918,993	62,788,934
Non-controlling interests		1,932	310	-	-
		<b>62,771,340</b>	<b>46,081,939</b>	<b>28,918,993</b>	<b>62,788,934</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		61,566,146	47,385,923	28,517,463	62,813,260
Non-controlling interests		1,908	349	-	-
		<b>61,568,054</b>	<b>47,386,272</b>	<b>28,517,463</b>	<b>62,813,260</b>
<b>Earnings per share</b>					
Basic earnings per share	9	0.74	0.91	0.34	1.25

The accompanying notes are an integral part of these consolidated and separate financial statements.

**I&I Group Public Company Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2020**

Consolidated financial statement								
Attributable to owners of the parent								
	Issued and paid-up share capital Baht	Premium on paid-up capital Baht	Retained earning		Total owners of the parent Baht	Non-controlling interests Baht	Total equity Baht	
Notes	Baht	Baht	Appropriated - legal reserve Baht	Unappropriated Baht	Baht	Baht	Baht	
Balance as at 31 December 2018	10,000,000	-	1,000,000	14,154,514	25,154,514	-	25,154,514	
Impact from adoption of new financial reporting standards	-	-	-	(167,845)	(167,845)	-	(167,845)	
Opening balance as at 1 January 2019	10,000,000	-	1,000,000	13,986,669	24,986,669	-	24,986,669	
Changes in equity for the year								
Increase in share capital	27	27,500,000	235,710,000	-	263,210,000	-	263,210,000	
Acquisition of a subsidiary		-	-	-	-	756	756	
Incorporation of a subsidiary		-	-	-	-	300	300	
Legal reserve	28	-	2,750,000	(2,750,000)	-	-	-	
Dividends	29	-	-	(37,300,000)	(37,300,000)	-	(37,300,000)	
Dividend paid from a subsidiary		-	-	-	-	(960)	(960)	
Total comprehensive income for the year		-	-	49,054,715	49,054,715	399	49,055,114	
Balance as at 31 December 2019		37,500,000	235,710,000	3,750,000	22,991,384	299,951,384	495	299,951,879
Balance as at 31 December 2019		37,500,000	235,710,000	3,750,000	22,991,384	299,951,384	495	299,951,879
Restatement of financial statements	3	-	-	(1,668,792)	(1,668,792)	46	(1,668,746)	
Balance as at 31 December 2019 - as restated		37,500,000	235,710,000	3,750,000	21,322,592	298,282,592	541	298,283,133
Impact from adoption of new financial reporting standards	4.3	-	-	(495,232)	(495,232)	-	(495,232)	
Opening balance as at 1 January 2020		37,500,000	235,710,000	3,750,000	20,827,360	297,787,360	541	297,787,901
Changes in equity for the year								
Increase in share capital	27	12,500,000	148,870,000	-	161,370,000	-	161,370,000	
Legal reserve	28	-	-	1,250,000	(1,250,000)	-	-	
Dividends	29	-	-	-	(33,000,000)	(33,000,000)	-	(33,000,000)
Total comprehensive income for the year		-	-	-	61,566,146	61,566,146	1,908	61,568,054
Closing balance as at 31 December 2020		50,000,000	384,580,000	5,000,000	48,143,506	487,723,506	2,449	487,725,955

The accompanying condensed notes to the interim financial information are an integral part of this interim financial information.

**I&I Group Public Company Limited**  
**Statement of Changes in Equity**  
**For the year ended 31 December 2020**

		Separate financial statement			
Notes	Issued and paid-up share capital Baht	Premium on paid-up capital Baht	Retained earnings		Total equity Baht
			Appropriated - legal reserve Baht	Unappropriated Baht	
<b>Balance as at 31 December 2018</b>	10,000,000	-	1,000,000	14,154,514	25,154,514
Impact from adoption of new financial reporting standards	-	-	-	(167,845)	(167,845)
<b>Opening balance as at 1 January 2019</b>	10,000,000	-	1,000,000	13,986,669	24,986,669
<b>Changes in equity for the year</b>					
Increase in share capital	27	27,500,000	235,710,000	-	263,210,000
Legal reserve	28	-	-	2,750,000	(2,750,000)
Dividends	29	-	-	-	(37,300,000)
Total comprehensive income for the year		-	-	62,813,260	62,813,260
<b>Balance as at 31 December 2019</b>	37,500,000	235,710,000	3,750,000	36,749,929	313,709,929
<b>Opening balance as at 1 January 2020</b>	37,500,000	235,710,000	3,750,000	36,749,929	313,709,929
Impact from adoption of new financial reporting standards	4.3	-	-	(495,232)	(495,232)
<b>Openning balance as at 1 January 2020 - as restated</b>	37,500,000	235,710,000	3,750,000	36,254,697	313,214,697
<b>Changes in equity for the year</b>					
Increase in share capital	27	12,500,000	148,870,000	-	161,370,000
Legal reserve	28	-	-	1,250,000	(1,250,000)
Dividends	29	-	-	-	(33,000,000)
Total comprehensive income for the year		-	-	28,517,463	28,517,463
<b>Closing balance as at 31 December 2020</b>	50,000,000	384,580,000	5,000,000	30,522,160	470,102,160

The accompanying condensed notes to the interim financial information are an integral part of this interim financial information.

**I&I Group Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

		Consolidated		Separate	
		financial statements		financial statements	
			Restated		
		2020	2019	2020	2019
Notes		Baht	Baht	Baht	Baht
<b>Cash flows from operating activities</b>					
Profit before income tax		78,594,958	58,975,842	36,422,365	70,602,636
Adjustments for:					
Depreciation and amortisation	17,18,19	2,061,115	2,821,228	995,618	145,584
Allowance for impairment	12	-	106,394	-	-
Finance costs		46,449	159,027	46,449	159,027
Interest income		(114,755)	(126,092)	(237,950)	(78,679)
Dividend income		-	-	-	(31,999,040)
Employee benefit obligations	26	3,929,576	3,925,176	2,029,412	1,419,377
Unrealised gain on foreign exchange rate		(536,769)	(122,601)	(537,650)	(122,601)
Cash flows before changes in working capital		83,980,574	65,738,974	38,718,244	40,126,304
Changes in working capital					
Trade and other receivables		16,823,166	(47,193,434)	(5,991,123)	(16,313,105)
Unbilled receivables		(57,587,760)	(16,403,847)	(34,941,462)	(3,217,572)
Prepaid software license fees		(18,687,838)	(14,563,558)	(20,470,385)	(5,413,710)
Other current assets		(2,095,632)	(1,817,071)	(1,723,767)	(9,347,885)
Other non-current assets		6,249,522	4,137,451	3,312	10,059,590
Trade and other payables		(22,029,929)	41,824,007	1,938,691	4,901,640
Deferred income		17,759,654	23,385,577	20,827,916	6,131,207
Other current liabilities		(4,061,062)	4,765,688	(891,930)	2,736,584
Employee benefit paid		-	(75,045)	-	-
Cash generated from operating activities		20,350,695	59,798,742	(2,530,504)	29,663,053
Interest received		115,992	120,443	229,835	75,804
Income tax paid		(12,429,951)	(13,059,750)	(7,718,204)	(7,230,073)
<b>Net cash generated from (used in) operating activities</b>		<b>8,036,736</b>	<b>46,859,435</b>	<b>(10,018,873)</b>	<b>22,508,784</b>

The accompanying notes are an integral part of these consolidated and separate financial statements.

**I&I Group Public Company Limited**  
**Statement of Cash Flows**  
**For the year ended 31 December 2020**

		Consolidated		Separate	
		financial statements		financial statements	
		Restated			
		2020	2019	2020	2019
Notes		Baht	Baht	Baht	Baht
<b>Cash flows from investing activities</b>					
Cash payment for deposit at bank used as collateral		(8,600,000)	-	(5,000,000)	-
Cash receipt from acquisition of a subsidiary	16.2	-	8,541,997	-	300
Cash payment for incorporation of a subsidiary		-	-	-	(999,700)
Dividend received from a subsidiary	16.3	-	-	22,999,310	8,999,730
Proceeds from short-term loans to related parties	32.3	-	3,922,000	13,500,000	9,922,000
Payments for short-term loans to related parties	32.3	-	-	(14,500,000)	(7,000,000)
Payments for purchase of equipment and intangible assets		(1,927,576)	(223,712)	(1,733,522)	(187,912)
<b>Net cash generated from (used in) investing activities</b>		<b>(10,527,576)</b>	<b>12,240,285</b>	<b>15,265,788</b>	<b>10,734,418</b>
<b>Cash flows from financing activities</b>					
Proceeds from short-term borrowings					
from financial institutions		-	14,000,000	-	14,000,000
Payments for short-term borrowings					
from financial institutions		-	(26,000,000)	-	(26,000,000)
Payment for lease liabilities		(615,446)	-	(615,446)	-
Proceeds from issue of ordinary shares	27	165,000,000	17,500,300	165,000,000	17,500,000
Payment for cost of share issuance	27	(4,537,500)	-	(4,537,500)	-
Dividends paid to shareholders	29	(33,000,000)	(37,300,000)	(33,000,000)	(37,300,000)
Dividends paid to non-controlling interests		(690)	(270)	-	-
Interest paid		(46,449)	(169,568)	(46,449)	(169,568)
<b>Net cash generated from (used in) financing activities</b>		<b>126,799,915</b>	<b>(31,969,538)</b>	<b>126,800,605</b>	<b>(31,969,568)</b>
<b>Net increase in cash and cash equivalents</b>		<b>124,309,075</b>	<b>27,130,182</b>	<b>132,047,520</b>	<b>1,273,634</b>
Cash and cash equivalents at the beginning of the year		34,692,894	7,562,712	8,836,346	7,562,712
Effect of exchange rate changes		(2,835)	-	-	-
<b>Cash and cash equivalents at the end of the year</b>		<b>158,999,134</b>	<b>34,692,894</b>	<b>140,883,866</b>	<b>8,836,346</b>
<b>Non-cash transactions</b>					
Non-cash transactions are as follows:					
Additional right-of-use assets which have not been					
paid under lease agreements		1,614,073	-	1,614,073	-
Payables for purchase of equipment as at 31 December		59,984	-	59,984	-
Acquisition of a subsidiary by increased in share capital		-	245,709,700	-	245,709,700

The accompanying notes are an integral part of these consolidated and separate financial statements.

## 1 General information

I&I Group Public Company Limited (“the Company”) is a public limited company. The Company is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

475, Siripinyo Building, 18th Floor, Unit 1801, Si Ayutthaya Road, Thanon Phaya Thai, Ratchathewi, Bangkok 10400.

The Company is listed on the Stock Exchange of Thailand and registered its share capital on 4 August 2020.

The principal business operations of the Company and its subsidiaries (“the Group”) are to provide consultation on computer systems and sales of subscription and support on computer software license, and provide services related to digital marketing.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 24 February 2021.

## 2 Basis of preparation

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRSs”), and the financial requirements issued under the securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except as disclosed otherwise in the accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 8.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

## 3 Restatement

During the year 2020, the Company completely measured the fair value of identifiable assets acquired and liabilities assumed and allocated cost of ICE Consulting Company Limited to comply with the measurement period for a business combination referred to TFRS 3, “Business Combinations”. The acquirer shall retrospectively adjust the provisional amounts recognised at the acquisition date to reflect additional information based on facts and circumstances that existed as of the acquisition date and, if known, would have affected the measurement of fair value and allocated cost recognised as of that date (as disclosed in Note 16.2).

The impact on the consolidated statement of financial position as at 31 December 2019 was presented as follows:

	<b>Consolidated statement of financial position</b>		
	<b>Previously reported Baht</b>	<b>Adjustments Baht</b>	<b>As restated Baht</b>
<b>Assets</b>			
<b>Non-current assets</b>			
Intangible assets, net	3,243,550	1,905,031	5,148,581
Goodwill	220,499,247	(3,192,771)	217,306,476
Deferred tax assets, net	2,371,132	(381,006)	1,990,126
<b>Total</b>	<b>226,113,929</b>	<b>(1,668,746)</b>	<b>224,445,183</b>
<b>Equity</b>			
Retained earnings - Unappropriated	22,991,384	(1,668,792)	21,322,592
Non-controlling interests	495	46	541
<b>Total</b>	<b>22,991,879</b>	<b>(1,668,746)</b>	<b>21,323,133</b>



**I&I Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2020**

The impact on the consolidated statement of comprehensive income for the year ended 31 December 2019 was presented as follows:

	<b>Consolidated statement of comprehensive Income</b>		
	<b>Previously reported Baht</b>	<b>Adjustments Baht</b>	<b>As restated Baht</b>
<b>Profit or loss</b>			
Administrative expenses	45,636,521	2,086,053	47,722,574
Income tax	(13,311,114)	417,211	(12,893,903)
Profit for the year	47,750,781	(1,668,842)	46,081,939
Comprehensive income for the year	49,055,114	(1,668,842)	47,386,272
<b>Profit attributable to:</b>			
Owners of the parent	47,750,421	(1,668,792)	46,081,629
Non-controlling interests	360	(50)	310
<b>Total comprehensive income attributable to:</b>			
Owners of the parent	49,054,715	(1,668,792)	47,385,923
Non-controlling interests	399	(50)	349
<b>Earnings per share</b>			
Basic earnings per share	0.95	(0.04)	0.91

#### **4 New and amended financial reporting standards**

##### **4.1 New and amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2020 and have significant impacts to the Group.**

###### **a) Financial instruments**

The new financial reporting standards related to financial instruments are as follows:

TAS 32	Financial instruments: Presentation
TFRS 7	Financial Instruments: Disclosures
TFRS 9	Financial Instruments

The new financial reporting standards related to financial instruments introduce new classification and measurement requirements for financial instruments as well as provide derecognition guidance on financial assets and financial liabilities. The new guidance also provides an option for the Group to apply hedge accounting to reduce accounting mismatch between hedged item and hedging instrument. In addition, the new rule provides detailed guidance on financial instruments issued by the Group whether it is a liability or an equity. Among other things, they require extensive disclosure on financial instruments and related risks.

The new classification requirements of financial assets require the Group to assess both i) business model for holding the financial assets; and ii) cash flow characteristics of the asset whether the contractual cash flows represent solely payments of principal and interest (SPPI). The classification affects the financial assets' measurement. The new guidance requires assessment of impairment of financial assets as well as contract assets and recognition of expected credit loss from initial recognition.

On 1 January 2020, the Group has adopted the financial reporting standards related to financial instruments in its financial statements. The impact from the first-time adoption has been disclosed in Note 4.3 a)

###### **b) TFRS 16, Leases**

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the statement of financial position as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

On 1 January 2020, the Group has adopted the new lease standard in its financial statements. The impact from the first-time adoption has been disclosed in Note 4.3 b)

#### 4.2 Amended financial reporting standards that are effective for accounting period beginning on or after 1 January 2021 and 2022 that are related to the Group.

The Group is in the process of assessing the impact of amended financial reporting standards which have not been early adopted by the Group as follows;

- a) **Revised Conceptual Framework for Financial Reporting** added the following key principals and guidance:
- Measurement basis, including factors in considering difference measurement basis
  - Presentation and disclosure, including classification of income and expenses in other comprehensive income
  - Definition of a reporting entity, which maybe a legal entity, or a portion of an entity; and
  - Derecognition of assets and liabilities
- The amendment also includes the revision to the definition of an asset and liability in the financial statements, and clarification to the prominence of stewardship in the objective of financial reporting.
- b) **Amendment to TFRS 3, Business combinations** amended the definition of a business which requires an acquisition to include an input and a substantive process that together significantly contribute to the ability to create outputs. The definition of the term 'outputs' is amended to focus on goods and services provided to customers and to exclude returns in the form of lower costs and other economic benefits.
- c) **Amendment to TFRS 9, Financial instruments and TFRS 7, Financial instruments: disclosures** amended to provide relief from applying specific hedge accounting requirements to the uncertainty arising from interest rate benchmark reform such as IBOR. The amendment also requires disclosure of hedging relationships directly affected by the uncertainty.
- d) **Amendment to TAS 1, Presentation of financial statements and TAS 8, Accounting policies, changes in accounting estimates and errors** amended to definition of materiality. The amendment allows for a consistent definition of materiality throughout the Thai Financial Reporting Standards and the Conceptual Framework for Financial Reporting. It also clarified when information is material and incorporates some of the guidance in TAS 1 about immaterial information.
- e) **Amendment to TFRS 16, Leases** amended to include a practical expedient for leases that are modified as a direct consequence of IBOR reform (e.g. replacement of THBFIX as a benchmark interest rate due to the cancellation of LIBOR) for lessee to remeasure the lease liability by discounting the revised lease payments using a discount rate that reflects the change in the interest rate. An early application of the amendment is permitted.

#### 4.3 Impacts from adoption of new financial reporting standards

The Group has adopted financial reporting standards relating to financial instruments (TAS 32, TFRS 7 and TFRS 9) and leases (TFRS 16) from 1 January 2020 which new accounting policies were disclosed in Note 5.8, 5.13 and 5.14.

The Group recognised the cumulative impact from adoption of the financial reporting standards retrospectively from 1 January 2020 but has not restated comparatives for the 2019 reporting period, as permitted in the standards. The reclassifications and adjustments arising from the new requirements are therefore recognised in the opening statement of financial position on 1 January 2020.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of the financial reporting standards relating to financial instruments (TFRS 9) and leases (TFRS 16).

<b>Consolidated financial statements</b>				
	<b>As at 31 December 2019 As restated (Note 3) Baht</b>	<b>TFRS 9 Adjustments Baht <i>Note 4.3 a.)</i></b>	<b>TFRS 16 Adjustments Baht <i>Note 4.3 b.)</i></b>	<b>As at 1 January 2020 As restated Baht</b>
<b>Assets</b>				
<b>Non - current assets</b>				
Right-of-use assets	-	-	999,455	999,455
Deferred tax assets	1,990,126	123,808	-	2,113,934
<b>Total</b>	<b>1,990,126</b>	<b>123,808</b>	<b>999,455</b>	<b>3,113,389</b>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Derivative liabilities	-	619,040	-	619,040
Current portion of lease liabilities	-	-	471,259	471,259
<b>Non - current liabilities</b>				
Lease liabilities	-	-	528,196	528,196
<b>Equity</b>				
Retained earnings - Unappropriated	21,322,592	(495,232)	-	20,827,360
<b>Total</b>	<b>21,322,592</b>	<b>123,808</b>	<b>999,455</b>	<b>22,445,855</b>
<b>Separate financial statements</b>				
	<b>As at 31 December 2019 Restated (Note 3) Baht</b>	<b>TFRS 9 Adjustments Baht <i>Note 4.3 a.)</i></b>	<b>TFRS 16 Adjustments Baht <i>Note 4.3 b.)</i></b>	<b>As at 1 January 2020 Restated Baht</b>
<b>Assets</b>				
<b>Non - current assets</b>				
Right-of-use assets	-	-	999,455	999,455
Deferred tax assets	724,691	123,808	-	848,499
<b>Total</b>	<b>724,691</b>	<b>123,808</b>	<b>999,455</b>	<b>1,847,954</b>
<b>Liabilities and equity</b>				
<b>Current liabilities</b>				
Derivative liabilities	-	619,040	-	619,040
Current portion of lease liabilities	-	-	471,259	471,259
<b>Non - current liabilities</b>				
Lease liabilities	-	-	528,196	528,196
<b>Equity</b>				
Retained earnings - Unappropriated	36,749,929	(495,232)	-	36,254,697
<b>Total</b>	<b>36,749,929</b>	<b>123,808</b>	<b>999,455</b>	<b>37,873,192</b>

**a) Impact from adoption of financial reporting standards relating to financial instruments**

The Group adopted the financial reporting standards relating to financial instruments from 1 January 2020 by applying the modified retrospective approach.

The adoption of the new financial reporting standards on financial instruments mainly affects the Group's accounting treatment as follows;

*Measurement of derivatives*

The Group initially recognised derivatives at fair value on the date a derivative contract is entered into and are subsequently measured to their fair value at the end of each reporting period. The changes in the fair value is recognised to profit or loss.

As at 1 January 2020, the Group had derivatives which are foreign exchange forward contracts. They were measured to fair value and recognised derivative liabilities amounting to Baht 619,040, net off deferred tax asset of Baht 123,808. This net adjustment was recognised to retained earnings in the consolidated and separate financial information amounting to Baht 495,232.

The fair values of such derivatives are within level 2 of the fair value hierarchy. The fair values of forward foreign exchange contracts are determined using forward exchange rates that are quoted in an active market.

The total impact on the Group's and the Company's unappropriated retained earnings as of 1 January 2020 are as follows:

	<b>Consolidated financial statements Baht</b>	<b>Separate financial statements Baht</b>
Unappropriated retained earnings as of 31 December 2019		
- as previously reported (Note 3)	21,322,592	36,749,929
Fair value adjustments on derivatives	(495,232)	(495,232)
Unappropriated retained earnings as of 1 January 2020 after reflecting TFRS 9 adoption	20,827,360	36,254,697

*Classification and measurements*

As at 1 January 2020, the Group's management assessed the business model using in managing assets and liabilities of the Group's and classified the financial assets and liabilities as follows;

	<b>Consolidated financial statements</b>			
	<b>Fair value through profit or loss Baht</b>	<b>Fair value through other comprehensive income Baht</b>	<b>Amortised cost Baht</b>	<b>Total Baht</b>
<b>Financial assets</b>				
Cash and cash equivalents	-	-	34,692,894	34,692,894
Trade and other receivables, net	-	-	100,618,889	100,618,889
<b>Financial liabilities</b>				
Trade and other payables	-	-	46,889,080	46,889,080
Derivative liabilities	619,040	-	-	619,040
Lease liabilities	-	-	999,455	999,455

	<b>Separate financial statements</b>			
	<b>Fair value through profit or loss Baht</b>	<b>Fair value through other comprehensive income Baht</b>	<b>Amortised cost Baht</b>	<b>Total Baht</b>
<b>Financial assets</b>				
Cash and cash equivalents	-	-	8,836,346	8,836,346
Trade and other receivables, net	-	-	45,805,433	45,805,433
Short-term loans to related parties	-	-	1,000,000	1,000,000
Dividend receivable	-	-	22,999,310	22,999,310
<b>Financial liabilities</b>				
Trade and other payables	-	-	9,007,717	9,007,717
Derivative liabilities	619,040	-	-	619,040
Lease liabilities	-	-	999,455	999,455

Financial assets and liabilities measured at amortised cost approximate fair value.

**b) Impact from adoption of financial reporting standard relating to leases**

On adoption of TFRS 16, the Group recognised lease liabilities in relation to leases which had previously been classified as “operating leases” under the principles of TAS 17, Leases. These liabilities were measured at the present value of the remaining lease payments, discounted using the lessee’s incremental borrowing rate as of 1 January 2020. The weighted average lessee’s incremental borrowing rate applied to the lease liabilities on 1 January 2020 was 4.1% per annum.

	<b>Consolidated financial statements Baht</b>	<b>Separate financial statements Baht</b>
Operating lease commitments as at 31 December 2019	2,499,630	1,597,212
<u>Less</u> discounted using the lessee’s incremental borrowing rate at the date of initial application	(44,545)	(44,545)
<u>Less</u> short-term leases recognised on a straight-line basis as expense	(1,383,030)	(553,212)
<u>Less</u> low-value leases recognised on a straight-line basis as expense	(72,600)	-
<b>Lease liabilities recognised as at 1 January 2020</b>	<b>999,455</b>	<b>999,455</b>
Lease liabilities - Current portion	601,288	601,288
Lease liabilities - Non-current portion	398,167	398,167
<b>Total</b>	<b>999,455</b>	<b>999,455</b>

The Group recognised right-of-use assets were measured at the amount equal to the lease liability, adjusted by the amount of any prepaid or accrued lease payments relating to that lease recognised in the statement of financial position as at 31 December 2019. There were no onerous lease contracts that would have required an adjustment to the right-of-use assets at the date of initial application.

**Practical expedients applied**

In applying TFRS 16 for the first time for the leases before 1 January 2020, the Group has used the following practical expedients permitted by the standard:

- reliance on previous assessments on whether leases are onerous
- the accounting for operating leases with a remaining lease term of less than 12 months as at 1 January 2020 as short-term leases
- the exclusion of initial direct costs for the measurement of the right-of-use asset at the date of initial application, and
- the use of hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

## **5 Accounting policies**

The principle accounting policies applied in the preparation of these consolidated and separate financial statements are set out below;

### **5.1 Principles of consolidation accounting**

#### **a) Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method less allowance for impairment loss (if any).

#### **b) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated unless the transaction provides evidence of an impairment of the asset transferred.

### **5.2 Business Combinations**

The Group applies the acquisition method to account for business combinations with an exception on business combination under common control. The consideration transferred for the acquisition of a subsidiary comprises

- fair value of the assets transferred,
- liabilities incurred to the former owners of the acquiree
- equity interests issued by the Group

Identifiable assets and liabilities acquired and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date.

On an acquisition-by-acquisition basis, the Group initially recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

The excess of the consideration transferred, the amount of any non-controlling interest recognised and the acquisition-date fair value of any previous equity interest in the acquiree (for business combination achieved in stages) over the fair value of the identifiable net assets acquired is recorded as goodwill. In the case of a bargain purchase, the difference is recognised directly in profit or loss.

Acquisition-related costs are recognised as expenses.

Subsequent changes to the fair value of the contingent consideration that is an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured.

### **5.3 Foreign currency translation**

#### **a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's functional currency and the Company's and the Group's presentation currency.

#### **b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Foreign exchange gains and losses resulting from foreign currency transactions of monetary assets and liabilities are recognised in the profit or loss.

Any exchange component of gains and losses on a non-monetary item that recognised in profit or loss, or other comprehensive income is recognised following the recognition of a gain or loss on the non-monetary item.

#### **5.4 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with maturities of three months or less from acquisition date. In the statements of financial position, bank overdrafts (if any) are shown in current liabilities.

#### **5.5 Trade receivables**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business. They are generally due for settlement within 30 - 60 days and therefore are all classified as current.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The Group holds the trade receivables with the objective to collect the contractual cash flows and therefore measures them subsequently at amortised cost.

The impairment of trade receivables are disclosed in Note 5.8 e).

#### **5.6 Prepaid software license fee and deferred income**

Computer software license fee, which has the utilisation period in accordance with the agreements made with the licensor, is recognised as prepaid license fee and amortised as cost of computer software license according to the period specified in the agreements.

Advance receipt on computer software license, which has the utilisation period in accordance with the agreements made with the customer, is recognised as deferred income and amortised as revenue from computer software license according to the period specified in the agreements.

Advance receipt on providing consultation service to a customer, which has the service period in accordance with the agreements made with the customer, is recognised as deferred income and amortised as revenue from rendering of services according to the period specified in the agreements.

#### **5.7 Accrued income**

Except the transactions from revenue from rendering of services which recognised over time, the transactions from revenue which the Group has right to receive the payment from the customer and has not issued the billing document, are recognised as accrued income.

#### **5.8 Financial instruments**

##### **a) Classification and measurement**

From 1 January 2020, the Group classifies its debt instrument financial assets in the following measurement categories depending on i) business model for managing the asset and ii) the cash flow characteristics of the asset whether they represent solely payments of principal and interest (SPPI).

- those to be measured subsequently at fair value (either through other comprehensive income or through profit or loss); and
- those to be measured at amortised cost.

The Group reclassifies debt investments when and only when its business model for managing those assets changes.

For investments in equity instruments, the Group has an irrevocable election at the time of initial recognition to account for the equity investment at fair value through profit or loss (FVPL) or at fair value through other comprehensive income (FVOCI) except those that are held for trading, they are measured at FVPL.

The Group initially recognises a financial asset on trade date at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset, except financial assets that are measured at FVPL whose transaction costs are expensed in profit or loss.

##### **b) Recognition and derecognition**

Regular way purchases, acquires and sales of financial assets are recognised on trade-date, the date on which the Group commits to purchase or sell the asset. Financial assets are derecognised when the rights to receive cash flows from the financial assets have expired or have been transferred and the Group has transferred substantially all the risks and rewards of ownership.

**c) Debt instruments**

Subsequent measurement of debt instruments depends on the Group's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories:

- Amortised cost: Assets that are held for collection of contractual cash flows that represent solely payments of principal and interest (SPPI) are measured at amortised cost. Interest income is included in finance income using the effective interest method. Any gain or loss on derecognition is presented in other gains (losses), together with foreign exchange gains or losses. Impairment losses are presented as separate line item.
- FVOCI: Assets that are held for collection of contractual cash flows that represent SPPI and for selling the financial assets are measured at FVOCI. Movements in the carrying amount are taken through OCI, except impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in profit or loss. Interest revenue is included in finance income. Foreign exchange gains and losses are presented in foreign exchange gains (losses). Impairment losses are presented as separate line item. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified to profit or loss.
- FVPL: Assets that do not meet the criteria for amortised cost or FVOCI are measured at FVPL. A gain or loss on subsequent measurement is presented in gains (losses) from financial instrument.

The Group reclassifies debt instruments only when its business model for managing those assets changes.

**d) Equity instruments**

All equity instruments held must be irrevocably classified to two measurement categories; i) at fair value through profit or loss, or ii) at fair value through other comprehensive income without subsequent recycling to profit or loss. The classification of equity instruments is considered on investment-by-investment basis. Dividends from such investment continue to be recognised in profit or loss as dividend income.

**e) Impairment**

The Group assesses expected credit loss on a forward-looking basis for its financial assets carried at amortised cost. The impairment methodology applied depends on whether there has been a significant increase in credit risk, except trade receivables and contract assets which the Group applies the simplified approach in determining its impairment loss.

Impairment and reversal of impairment losses are recognised in profit or loss and included in administrative expenses.

## **5.9 Equipment**

All equipment is stated at historical cost less accumulated depreciation and accumulated impairment losses. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount, only when it is probable that future economic benefits associated with the item will flow to the Group. The carrying amount of the replaced part is derecognised.

All other repairs and maintenance are charged to profit or loss when incurred.

Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Leasehold improvements	3 years
Office equipment	5 years
Office furniture	5 years



The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

#### **5.10 Intangible assets**

##### *Computer software*

Acquired computer software is measured at cost. These costs are amortised over their estimated useful lives not over than 10 years.

Costs associated with maintaining computer software are recognised as an expense when incurred.

##### *Internally generated intangible asset - Computer Software*

Development expenditure is recognised as an asset when the Group can demonstrate all of the following:

- The expenditure attributable to its development can be measured reliably and that it is technically, financially, commercially, and resourcefully feasible; and
- The Group has intention and has the ability to complete the development for the purpose of using or selling intangible assets.

Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Capitalised development costs are amortised when the asset is ready to use by applying a straight-line method over the period of its expected benefit, not exceeding 10 years.

##### *Intangible assets arising from business combination*

Customer relationships and customer backlog are amortised using the straight-line method based on their estimated useful life 7 years and 6 months, respectively.

#### **5.11 Goodwill**

Goodwill is tested for impairment annually, or more frequently if events or changes in circumstances indicate that it might be impaired, and is carried at cost less accumulated impairment losses.

For the purpose of impairment testing, goodwill is allocated to cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose. The units or groups of units are identified at the lowest level at which goodwill is monitored for internal management purposes.

#### **5.12 Impairment of assets**

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

#### **5.13 Leases - where the Group is the lessee**

##### For the year ended 31 December 2020

Leases are recognised as a right-of-use asset and a corresponding liability at the date at which the leased asset is available for use by the Group. Each lease payment is allocated between the liability and finance cost. The finance cost is charged to profit or loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. The right-of-use asset is depreciated over the shorter of the asset's useful life and the lease term.

The Group allocates the consideration in the contract to the lease and non-lease components based on their relative stand-alone prices. However, for leases of real estate for which the group is a lessee, it has elected not to separate lease and non-lease components and instead accounts for these as a single lease component.

Assets and liabilities arising from a lease are initially measured on a present value basis. Lease liabilities include the net present value of the following lease payments:

- fixed payments (including in-substance fixed payments), less any lease incentives receivable
- variable lease payment that are based on an index or a rate
- amounts expected to be payable by the lessee under residual value guarantees
- the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, and
- payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option.

The lease payments are discounted using the interest rate implicit in the lease. If that rate cannot be determined, the lessee's incremental borrowing rate is used, being the rate that the lessee would have to pay to borrow the funds necessary to obtain an asset of similar value in a similar economic environment with similar terms and conditions.

Right-of-use assets are measured at cost comprising the amount of the initial measurement of lease liability, any lease payments made at or before the commencement date less any lease incentives received, any initial direct costs, and restoration costs. Payments associated with short-term leases and leases of low-value assets are recognised on a straight-line basis as an expense in profit or loss. Short-term leases are leases with a lease term of 12 months or less. The example of low-value assets is office equipment.

#### For the year ended 31 December 2019

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.

### **5.14 Financial liabilities**

#### For the year ended 31 December 2020

##### *a) Classification*

Financial instruments issued by the Group are classified as either financial liabilities or equity securities by considering contractual obligations.

- Where the Group has an unconditional contractual obligation to deliver cash or another financial asset to another entity, it is considered a financial liability unless there is a predetermined or possible settlement for a fixed amount of cash in exchange of a fixed number of the Group's own equity instruments.
- Where the Group has no contractual obligation or has an unconditional right to avoid delivering cash or another financial asset in settlement of the obligation, it is considered an equity instrument.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

##### *b) Measurement*

Financial liabilities are initially recognised at fair value and are subsequently measured at amortised cost.

*c) Derecognition and modification*

Financial liabilities are derecognised when the obligation specified in the contract is discharged, cancelled, or expired.

Where the terms of a financial liability are renegotiated/modified, the Group assesses whether the renegotiation / modification results in the derecognition of that financial liability. Where the modification results in an extinguishment, the new financial liability is recognised based on fair value of its obligation. The remaining carrying amount of financial liability is derecognised. The difference as well as proceed paid is recognised as administrative expense.

Where the modification does not result in the derecognition of the financial liability, the carrying amount of the financial liability is recalculated as the present value of the renegotiated / modified contractual cash flows discounted at its original effective interest rate. The difference is recognised in other gains/(losses) in profit or loss.

**5.15 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

*Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

*Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognised
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

**5.16 Employee benefits**

*a) Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries and allowance that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

*b) Defined contribution plan*

The Group pays contributions to a separate fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

**c) Defined benefit plans**

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated annually by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are included in retained earnings in the statements of changes in equity.

Past-service costs are recognised immediately in profit or loss.

**d) Long-term service awards**

The Group gives money rewards to employees when they have worked for the Group for the length of time as specified in the Corporate policy. The estimated cost from this award is recorded throughout the service period using the same accounting method as the retirement benefits. Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognised in profit or loss in the period in which they arise. The obligation is calculated by the independent actuary.

**5.17 Provisions**

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**5.18 Revenue recognition**

Major revenues include revenue from subscription and license support, revenue from rendering of services and revenue from sales, which result from ordinary business activities. All ancillary income in connection with the rendering of services in the course of the Group's ordinary activities is also presented as revenue.

Multiple element arrangements involving delivery or provision of multiple products or services are separated into distinct performance obligations. Total transaction price of the bundled contract is allocated to each performance obligation based on their relative standalone selling prices or estimated standalone selling prices. Each performance obligation is recognised as revenue on fulfillment of the obligation to the customer.

*Revenue from subscription and license support*

Revenue from subscription and license support with a continuous service provision is recognised as revenue on a straight line basis over the contract term, regardless of the payment pattern.

*Revenue from rendering of services*

- 1) Revenue from rendering of services for the projects under fixed-price and variable-price contracts. Revenue from providing services is recognised in the accounting period in which the services are rendered. For fixed-price contracts, revenue is recognised based on the actual service provided to the end of the reporting period as a proportion of the total services to be provided, because the customer receives and uses the benefits simultaneously. This is determined based on the actual costs spent relative to the total expected costs. For variable-price contracts, the Group entered into the long-term service agreements with the customers, in which the prospective volume discount is provided if the customer's order reaches the volume specified in the contracts. The Group allocates the transaction price to the services based on their relative standalone selling price. However, the Group allocates the transaction price to an option to acquire future services by determining the consideration that it expects to receive in exchange for all the services that it expects to provide.

Revenue from rendering of services for aglited projects which scope of work will be subsequently determined by customers is recognised by each performance obligation using the percentage of completion. The stage of completion is measured by the project manager and customer.

Estimates of revenues, costs or extent of progress toward completion are revised if circumstances change. Any resulting increases or decreases in estimated revenues or costs are reflected in profit or loss in the period in which the circumstances that give rise to the revision become known by management.

- 2) Revenue from rendering of consultancy services with a continuous service provision is recognised as revenue on a straight line basis over the contract term. If the contract includes an hourly fee, revenue is recognised in the amount to which the Group has a right to invoice. Customers are invoiced on a monthly basis and consideration is payable when invoiced.

#### *Revenue from sales*

Revenue from sales of right to use software license, which the Group has no remaining obligations after receiving the payment, is recognised when transferring computer software license password to the customer and the customer can benefit from the right.

#### *Contract assets and contract liabilities*

A contract asset is recognised where the Group recorded revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing. A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets and presented under unbilled receivables or contract liabilities.

#### *Incremental costs of obtaining a contract*

Commission expenses paid to salespeople as an incremental payment in accordance with the contracts made with customers, were recognised as selling expenses. These expenses were the Group's incremental costs of obtaining the contracts made with the customers and were expected to be recovered from the consideration received from contracts made with the customers. They were therefore recognised as contract assets which is presented as part of other current assets and other non-current assets and then amortised to expense to match with revenue recognition pattern.

#### *Interest income*

Interest income is recognised in proportion of time using the effective interest method from point of time to maturity date and using outstanding principal as a based to recognised interest receivable.

#### *Dividend income*

Dividend income is recognised when the right of received occurs.

### **5.19 Dividend distribution**

Dividend distributed to the Company's shareholders is recognised as a liability when interim dividends are approved by the Board of Directors, and when the annual dividends are approved by the shareholders.

## **6 Financial risk management**

### **6.1 Financial risk factors**

The Group exposes to a variety of financial risks: foreign exchange risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group's board of directors provides principles for overall risk management which is carried out by the management, including identification, evaluation and hedge of financial risks in close co-operation with operating units.

#### **6.1.1 Foreign exchange risk**

The Group has foreign exchange risk, mainly from US dollar from purchase of software license. The Group uses forward contracts to hedge their exposure to foreign currency risk as appropriate.

##### *Exposure*

As at 31 December, the Group's exposure to foreign currency risk from US Dollar, expressed in Baht are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Cash and cash equivalents	267,905	-	-	-
Trade and other receivables, net	237,008	-	-	-
Trade and other payables	2,314,844	1,907,384	1,340,148	846,365

##### *Sensitivity*

As shown in the table above, the Group is primarily exposed to changes in Baht and US Dollar exchange rates. The sensitivity of profit or loss to changes in the exchange rates arises mainly from financial assets and financial liabilities denominated in US Dollar.

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>Impact to net profit</b>		<b>Impact to net profit</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
US Dollar to Baht exchange rate - increase 2%	(36,825)	(38,148)	(27,461)	(16,927)
US Dollar to Baht exchange rate - decrease 2%	36,825	38,148	27,461	16,927

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

The Group's income and operating cash flows are substantially independent of changes in market interest rates. The Group is exposed to interest rate risk relates primarily to its deposits at financial institutions, long-term loans to related parties and short-term borrowings from financial institutions. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The Group assesses that the interest rate risk is insignificant.

### **6.1.3 Credit risk**

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that contracts are made with customers who have an appropriate credit history. Derivative counterparties and deposits are limited to high credit quality financial institutions.

#### *Risk management*

Credit risk is managed on a group basis. For banks and financial institutions, only independently reliable parties are accepted.

For customers, risk control assesses the credit quality of the customer, taking into account its financial position, past experience and other factors in accordance with policies set by the board.

The Group has no significant concentrations of credit risk, whether through exposure to individual customers or specific industry sectors.

#### **a) Impairment of financial assets**

The Group has 3 following financial assets that are subject to the expected credit loss model:

- Trade and other receivables
- Unbilled receivables (contract assets)
- Loans to related parties

While cash and cash equivalents are also subject to the impairment requirements of TFRS 9, the identified impairment loss was immaterial.

#### *Trade receivables and contract assets*

The Group applies the TFRS 9 simplified approach to measure expected credit losses which uses a lifetime expected loss allowance for all trade receivables and contract assets.

To measure the expected credit losses, trade receivables and contract assets have been grouped based on shared credit risk characteristics and the days past due. The contract assets relate to unbilled work in progress and have substantially the same risk characteristics as the trade receivables for the same types of contracts. The Group has therefore concluded that the expected loss rates for trade receivables are a reasonable approximation of the loss rates for the contract assets.

The expected loss rates are based on the payment profiles of sales over a period of 36 month before 31 December 2020 and the corresponding historical credit losses experienced within this period. The historical loss rates are adjusted to reflect current and forward-looking.

#### *Loans to related parties*

Loans to related parties measured at amortised cost are considered to have low credit risk, and the loss allowance recognised during the year was therefore limited to 12 months expected losses. Lifetime expected credit losses is recognised for the loans that the credit risk is significantly increased.

#### 6.1.4 Liquidity risk

Liquidity risk is the risk that suitable sources of fund for the Group's business activities may not be available. The Group applies prudent liquidity risk management in which the Group maintains sufficient cash and marketable securities to use for its business activities. The Group's availability of fund is managed through an adequate amount of committed credit facilities provided to the Group.

##### a) Financing arrangements

The Group has access to the following undrawn credit facilities as at 31 December as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
<b>Floating rate</b>				
Expiring within one year				
- Promissory notes	-	18,000,000	-	18,000,000
- Bank overdraft	-	1,000,000	-	1,000,000
- Bank guarantees	37,000,000	12,000,000	37,000,000	12,000,000
	37,000,000	31,000,000	37,000,000	31,000,000

##### b) Maturity of financial liabilities

The tables below analyse the maturity of financial liabilities grouping based on their contractual maturities. The amounts disclosed are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

<b>Consolidated financial statements</b>						
	<b>Current Baht</b>	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
<b>The maturity of financial liabilities as at 31 December 2020</b>						
Trade and other payables	39,055,067	-	-	-	39,055,067	39,055,067
Lease liabilities	-	1,024,421	-	-	1,024,421	998,627
Income tax payable	3,936,711	-	-	-	3,936,711	3,936,711
Other current liabilities	8,677,511	-	-	-	8,677,511	8,677,511
<b>Total financial liabilities that are not derivatives</b>	51,669,289	1,024,421	-	-	52,693,710	52,667,916
<b>Consolidated financial statements</b>						
	<b>Current Baht</b>	<b>Within 1 year Baht</b>	<b>1 - 5 years Baht</b>	<b>Over 5 years Baht</b>	<b>Total Baht</b>	<b>Carrying amount Baht</b>
<b>The maturity of financial liabilities as at 1 January 2020</b>						
Trade and other payables	60,949,856	-	-	-	60,949,856	60,949,856
Lease liabilities	-	504,000	540,000	-	1,044,000	999,455
Income tax payable	838,550	-	-	-	838,550	838,550
Other current liabilities	12,739,259	-	-	-	12,739,259	12,739,259
<b>Total financial liabilities that are not derivatives</b>	74,527,665	504,000	540,000	-	75,571,665	75,527,120
<b>Derivative contracts</b>						
Derivative instruments	-	619,040	-	-	619,040	619,040
<b>Total</b>	74,527,665	1,123,040	540,000	-	76,190,705	76,146,160



Separate financial statements						
	Current Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
<b>The maturity of financial liabilities as at 31 December 2020</b>						
Trade and other payables	18,584,957	-	-	-	18,584,957	18,584,957
Lease liabilities	-	1,024,421	-	-	1,024,421	998,627
Income tax payable	5,199,140	-	-	-	5,199,140	5,199,140
<b>Total financial liabilities that are not derivatives</b>	<b>23,784,097</b>	<b>1,024,421</b>	<b>-</b>	<b>-</b>	<b>24,808,518</b>	<b>24,782,724</b>
Separate financial statements						
	Current Baht	Within 1 year Baht	1 - 5 years Baht	Over 5 years Baht	Total Baht	Carrying amount Baht
<b>The maturity of financial liabilities as at 1 January 2020</b>						
Trade and other payables	16,504,892	-	-	-	16,504,892	16,504,892
Lease liabilities	-	504,000	540,000	-	1,044,000	999,455
Income tax payable	816,204	-	-	-	816,204	816,204
Other current liability	6,091,069	-	-	-	6,091,069	6,091,069
<b>Total financial liabilities that are not derivatives</b>	<b>23,412,165</b>	<b>504,000</b>	<b>540,000</b>	<b>-</b>	<b>24,456,165</b>	<b>24,411,620</b>
<b>Derivative contracts</b>						
Derivative instruments	-	619,040	-	-	619,040	619,040
<b>Total</b>	<b>23,412,165</b>	<b>1,123,040</b>	<b>540,000</b>	<b>-</b>	<b>25,075,205</b>	<b>25,030,660</b>

## 6.2 Capital management

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

In order to maintain or adjust the capital structure, the Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

## 7 Fair value

The following table presents the fair values and carrying amounts of financial assets and liabilities by category.

Consolidated financial statements				
	Fair value through profit or loss Baht	Fair value through other comprehensive income Baht	Fair value through other comprehensive income Baht	Total carrying amount Baht
<b>As at 31 December 2020</b>				
<b>Assets</b>				
Cash and cash equivalents	-	-	158,999,134	158,999,134
Trade and other receivables, net	-	-	85,661,591	85,661,591
Deposit at bank used as collateral	-	-	8,600,000	8,600,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>253,260,725</b>	<b>253,260,725</b>
<b>Liabilities</b>				
Trade and other payables	-	-	25,466,148	25,466,148
Lease liabilities	-	-	998,627	998,627
<b>Total</b>	<b>-</b>	<b>-</b>	<b>26,464,775</b>	<b>26,464,775</b>

Consolidated financial statements				
	Fair value through profit or loss Baht	Fair value through other comprehensive income Baht	Fair value through other comprehensive income Baht	Total carrying amount Baht
<b>As at 1 January 2020</b>				
<b>Assets</b>				
Cash and cash equivalents	-	-	34,692,894	34,692,894
Trade and other receivables, net	-	-	100,618,888	100,618,888
<b>Total</b>	-	-	135,311,782	135,311,782
<b>Liabilities</b>				
Trade and other payables	-	-	46,889,080	46,889,080
Derivative liabilities	619,040*	-	-	619,040
Lease liabilities	-	-	999,455	999,455
<b>Total</b>	619,040	-	47,888,535	48,507,575
Separate financial statements				
	Fair value through profit or loss Baht	Fair value through other comprehensive income Baht	Fair value through other comprehensive income Baht	Total carrying amount Baht
<b>As at 31 December 2020</b>				
<b>Assets</b>				
Cash and cash equivalents	-	-	140,883,866	140,883,866
Trade and other receivables, net	-	-	52,540,561	52,540,561
Short-term loans to related parties	-	-	2,000,000	2,000,000
Deposit at bank used as collateral	-	-	5,000,000	5,000,000
<b>Total</b>	-	-	200,424,427	200,424,427
<b>Liabilities</b>				
Trade and other payables	-	-	12,423,610	12,423,610
Lease liabilities	-	-	998,627	998,627
<b>Total</b>	-	-	13,422,237	13,422,237
<b>As at 1 January 2020</b>				
<b>Assets</b>				
Cash and cash equivalents	-	-	8,836,346	8,836,346
Trade and other receivables, net	-	-	45,805,432	45,805,432
Short-term loans to related parties	-	-	1,000,000	1,000,000
Dividend receivable	-	-	22,999,310	22,999,310
<b>Total</b>	-	-	78,641,088	78,641,088
<b>Liabilities</b>				
Trade and other payables	-	-	9,007,717	9,007,717
Derivative liabilities	619,040*	-	-	619,040
Lease liabilities	-	-	999,455	999,455
<b>Total</b>	619,040	-	10,007,172	10,626,212

\*Fair value of derivative liabilities are within level 2 of the fair value hierarchy. Derivative liabilities are foreign currency forward contracts which fair value is determined using forward exchange rates that are quoted in an active market.

The fair values of financial assets and liabilities measured at amortised cost approximate the carrying amounts.

Fair values are categorised into hierarchy based on inputs used as follows:

- Level 1: The fair value of financial instruments is based on the current bid price by reference to the Stock Exchange of Thailand.
- Level 2: The fair value of financial instruments is determined using significant observable inputs and, as little as possible, entity-specific estimates.
- Level 3: The fair value of financial instruments is not based on observable market data.

## **8 Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

During the year 2020, the Group makes accounting estimates and assumptions concerning the future events. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are as follows:

### **8.1 Revenue from rendering of services for projects**

Revenue from rendering of services for projects is recognised by using the percentage of completion. The stage of completion is measured by reference to the proportion of costs incurred to date and the total estimated costs of the transaction. The total estimated costs of the transaction are assessed by the project manager and project director.

### **8.2 Fair value of the identifiable assets acquired and the liabilities assumed in a business combination with a subsidiary**

The Group assessed the fair value of net assets acquired from business combination which depends on the management making significant judgements. Key assumptions applied in the valuation were the revenue growth rate, future operating expenses and market risk obtained data from available public information.

### **8.3 Impairment of goodwill**

The Group annually tested for impairment of goodwill acquired in business combination by comparing its carrying amount with its recoverable amount of cash-generating units. The recoverable amounts of cash-generating units have been determined based on value-in-use calculations. The calculations use cash flow projections based on financial budget covering a four-year period and discount rate as disclosed in Note 20.

### **8.4 Employee benefits**

The present value of the employee benefits obligations, which comprise retirement benefits and long-term service awards, depends on a number of factors that are determined on an actuarial basis using a number of assumptions, including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of employee benefit obligations.

Additional information of other key assumptions for employee benefit obligations, including the impact from changes in discount rate, are disclosed in Note 26.

## 9 Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to the shareholders of the parent by the weighted average number of ordinary shares in issue during the period.

Basic earnings per share for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020	Restated 2019	2020	2019
<b>Basic earnings per share</b>				
Net profit for the year attributable to owners of the parent (Baht)	62,769,408	46,081,629	28,918,993	62,788,934
Weighted average number of ordinary shares outstanding (Shares)	85,245,902	50,384,615	85,245,902	50,384,615
Basic earnings per share (Baht per share)	0.74	0.91	0.34	1.25

The Company does not have any potential dilutive ordinary shares in issue for the years ended 31 December 2020 and 2019. As a result, no diluted earnings per share was presented.

## 10 Segment information

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker is Chief Executive Officer who is responsible for allocating resources and assessing performance of the operating segments. The chief operating decision maker uses a measure of segment's revenue and margin to assess the performance of the operating segments.

The Group has 3 segments which comprise Customer Relationship program (Salesforce), Enterprise Resource Planning program (Oracle) and Digital Marketing services.

Revenue from external customer reported to the committee are measured consistent with statement of comprehensive income.

**I&I Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2020**

Incomes and profits information by business segments for the year ended 31 December 2020 and 2019 are as follows:

	Consolidated financial statements									
	Customer Relationship program (Salesforce)		Enterprise Resource Planning program (Oracle)		Digital Marketing services		Eliminations		Total	
	2020	2019	2020	2019	2020	2019	2020	2019	2020	2019
	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht
Revenue from subscription and license support	172,731,339	115,162,844	39,924,302	23,268,302	-	-	-	-	212,655,641	138,431,146
Revenue from rendering of services	177,969,445	129,692,465	149,752,643	113,240,885	16,218,502	3,720,000	(10,612,257)	-	333,328,333	246,653,350
Revenue from sales of rights to use software license	-	-	3,560,245	9,614,346	-	-	-	-	3,560,245	9,614,346
<b>Total revenues</b>	<b>350,700,784</b>	<b>244,855,309</b>	<b>193,237,190</b>	<b>146,123,533</b>	<b>16,218,502</b>	<b>3,720,000</b>	<b>(10,612,257)</b>	<b>-</b>	<b>549,544,219</b>	<b>394,698,842</b>
Cost of subscription and license support	(141,459,907)	(95,619,824)	(31,039,636)	(17,914,484)	-	-	-	-	(172,499,543)	(113,534,308)
Cost of rendering of services	(121,293,692)	(74,421,929)	(95,429,944)	(72,487,900)	(9,999,862)	(1,528,952)	10,612,257	-	(216,111,241)	(148,438,781)
Cost of sales of rights to use software license	-	-	(2,650,817)	(7,276,807)	-	-	-	-	(2,650,817)	(7,276,807)
Selling expenses	(13,052,362)	(9,892,600)	(13,918,268)	(10,548,680)	(57,779)	(60,944)	-	-	(27,028,409)	(20,502,224)
Administrative expenses	(46,586,305)	(33,248,097)	(16,212,488)	(19,138,761)	(2,073,046)	(3,254,951)	8,609,129	7,919,235	(56,262,710)	(47,722,574)
<b>Total expenses</b>	<b>(322,392,266)</b>	<b>(213,182,450)</b>	<b>(159,251,153)</b>	<b>(127,366,632)</b>	<b>(12,130,687)</b>	<b>(4,844,847)</b>	<b>19,221,386</b>	<b>7,919,235</b>	<b>(474,552,720)</b>	<b>(337,474,694)</b>
<b>Net profit (loss) from operation</b>	<b>28,308,518</b>	<b>31,672,859</b>	<b>33,986,037</b>	<b>18,756,901</b>	<b>4,087,815</b>	<b>(1,124,847)</b>	<b>8,609,129</b>	<b>7,919,235</b>	<b>74,991,499</b>	<b>57,224,148</b>
Gross profit from operation (%)	8	13	18	13	25	(30)			14	14
Other income									3,565,071	1,305,721
Net gain on exchange rate									84,837	605,000
<b>Profit before finance costs and income tax</b>									78,641,407	59,134,869
Finance costs									(46,449)	(159,027)
Income tax									(15,823,618)	(12,893,903)
<b>Profit for the year</b>									62,771,340	46,081,939
<b>Timing of revenue recognition</b>										
At a point in time	-	-	3,560,245	9,614,346	-	-	-	-	3,560,245	9,614,346
Over time	350,700,784	244,855,309	189,676,945	136,509,187	16,218,502	3,720,000	(10,612,257)	-	545,983,974	385,084,496
<b>Total revenue</b>	<b>350,700,784</b>	<b>244,855,309</b>	<b>193,237,190</b>	<b>146,123,533</b>	<b>16,218,502</b>	<b>3,720,000</b>	<b>(10,612,257)</b>	<b>-</b>	<b>549,544,219</b>	<b>394,698,842</b>

For the year ended 31 December 2020, the Group derived revenue of Baht 121.8 million and 81.3 million from two major customers. This accounted for 22% and 15% of the Group's total revenues, respectively. The major customers are in Customer Relationship program (Salesforce) segment.

For the year ended 31 December 2019, the Group derived revenue of Baht 98.60 million from one major customer. This accounted for 25% of the Group's total revenues. The major customer is in Customer Relationship program (Salesforce) segment.

## 11 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Deposits held in bank - current accounts	620,114	1,125,112	585,305	1,077,495
- savings accounts	158,374,931	33,566,697	140,295,561	7,758,851
- fixed accounts	4,089	1,085	3,000	-
<b>Total</b>	<b>158,999,134</b>	<b>34,692,894</b>	<b>140,883,866</b>	<b>8,836,346</b>

As at 31 December 2020, the interest rates on deposits in saving accounts are 0.05% - 0.125% per annum (2019: 0.30% - 0.50% per annum) and fixed accounts at 0.15% - 0.375% per annum (2019: 0.65% per annum).

## 12 Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade receivables, net	76,282,214	97,043,388	45,312,583	37,896,438
Other receivables - third parties	909,947	843,080	495,038	462,977
- related party	-	-	34,498	3,743,908
Accrued income - third parties	7,960,249	2,732,421	4,537,803	1,969,864
- related party	-	-	1,711,458	1,732,246
Prepaid expenses	3,727,270	5,089,472	2,764,391	3,051,100
<b>Total</b>	<b>88,879,680</b>	<b>105,708,361</b>	<b>54,855,771</b>	<b>48,856,533</b>

Outstanding trade receivables which present in trade and other receivables can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Within due	47,573,079	72,446,352	31,816,210	20,603,526
Up to 3 months	24,796,985	24,391,523	10,333,223	17,087,399
Between 3 - 6 months	3,163,150	205,513	3,163,150	205,513
Between 6 - 12 months	749,000	-	-	-
Over 12 months	106,394	106,394	-	-
	76,388,608	97,149,782	45,312,583	37,896,438
<u>Less</u> Allowance for impairment	(106,394)	(106,394)	-	-
<b>Trade receivables, net</b>	<b>76,282,214</b>	<b>97,043,388</b>	<b>45,312,583</b>	<b>37,896,438</b>

### 13 Unbilled receivables and contract liabilities

#### 13.1 Unbilled receivables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of project work to date	87,492,909	82,302,634	30,968,508	17,837,028
Profit recognised to date	67,380,103	58,871,331	30,117,604	26,512,148
Cost of project work that has been adjusted with profit recognised to date	154,873,012	141,173,965	61,086,112	44,349,176
<u>Less</u> Progress billing to customers	(74,636,895)	(118,525,608)	(16,682,570)	(34,887,096)
<b>Total</b>	<b>80,236,117</b>	<b>22,648,357</b>	<b>44,403,542</b>	<b>9,462,080</b>

Unbilled receivables are transferred to accounts receivable when the right to consideration becomes unconditional. The Group issues invoices according to period or progress defined in the contracts which typically within a year.

As at 31 December 2020, the Group had unbilled receivables which were recognised over a year amounting to Baht 15,956,630 (2019: Baht 11,181,070).

#### 13.2 Contract liabilities

Contract liabilities is classified as trade and other payables as disclosed in Note 22.

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of project work to date	1,071,157	16,707,629	761,695	491,543
Profit recognised to date	426,469	9,337,130	345,929	839,691
Cost of project work that has been adjusted with profit recognised to date	1,497,626	26,044,759	1,107,624	1,331,234
<u>Less</u> Progress billing to customers	(2,276,437)	(35,109,878)	(1,707,150)	(3,406,542)
<b>Total</b>	<b>(778,811)</b>	<b>(9,065,119)</b>	<b>(599,526)</b>	<b>(2,075,308)</b>

As at 31 December 2020 and 31 December 2019, the Group have no outstanding retentions.

For the year ended 31 December 2020, opening book value of contract liabilities were recognised as revenue in consolidated and separated financial statements amounting to Baht 9,065,119 and Baht 2,075,308, respectively (2019: Baht 1,086,398).

## **14 Prepaid software license fees and deferred income**

### **14.1 Prepaid software license fees**

Movements of prepaid software license fees for the years ended 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Opening balance	36,160,283	15,138,621	20,552,331	15,138,621
Increase from business acquisition (Note 16.2)	-	6,458,103	-	-
Additions	190,207,421	127,989,415	161,906,239	100,967,226
Recognised as cost of subscription and license support	(171,519,584)	(113,425,857)	(141,435,854)	(95,553,516)
Ending balance	54,848,120	36,160,282	41,022,716	20,552,331

### **14.2 Deferred income**

Movements of deferred income for the years ended 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Opening balance	57,766,095	21,359,059	27,490,265	21,359,059
Increase from business acquisition (Note 16.2)	-	13,021,459	-	-
Additions	284,804,067	198,387,652	219,253,123	138,459,152
Recognised as revenue from subscription and license support	(211,452,359)	(138,181,396)	(172,731,339)	(114,913,093)
Recognised as revenue from rendering of services	(55,592,054)	(36,820,679)	(25,693,868)	(17,414,853)
Ending balance	75,525,749	57,766,095	48,318,181	27,490,265
Recognised as revenue within one year	71,435,190	52,728,837	48,318,181	27,490,265
Recognised as revenue more than one year	4,090,559	5,037,258	-	-
Total deferred income	75,525,749	57,766,095	48,318,181	27,490,265

Revenue recognised during the year related to opening balance of deferred income for the year ended 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Revenue recognised during the year related to opening balance of deferred income	52,728,837	21,359,059	27,490,265	21,359,059

## **15 Deposit at bank used as collateral**

As at the year ended 31 December 2020, the Group and the Company have deposit at bank used as collateral amounting to Baht 8,600,000 and Baht 5,000,000 ,respectively for bank guarantees of services for customers and forward contract facility with two financial institutions.



## 16 Investment in subsidiaries

### 16.1 Detail of investment in subsidiaries

As at 31 December, investment in subsidiaries are as follows:

Entity name	Country of incorporation	Nature of business	Separate financial statements					
			Percentage of ownership interest		Investment at cost method		Dividend income	
			2020 Percentage	2019 Percentage	2020 Baht	2019 Baht	2020 Baht	2019 Baht
ICE Consulting Company Limited	Thailand	Sales and provide services related to enterprise resource planning program (Oracle)	99.997	99.997	245,709,700	245,709,700	-	31,999,040
I&I Experience Company Limited	Thailand	Provide services related to digital marketing	99.970	99.970	999,700	999,700	-	-
					246,709,400	246,709,400	-	31,999,040

### 16.2 Business acquisition

#### ICE Consulting Company Limited (ICE)

On 27 March 2019, the Company acquired shares of ICE in the proportion of 99.997% of total share capital. The Company's management determined the substance of the transaction to be the business acquisition, using the equity settlement. So, the valuation of the consideration payment for acquisition of ICE is based on the fair value of the Company's newly issued ordinary shares of 10,000 shares, with the fair value of Baht 24,571 per share.

For the year ended 31 December 2020, the Group completed the measurement of the fair value of the acquired identifiable net assets and net liabilities at the acquisition date, which was done in accordance with the measurement period of a business combination of TFRS 3, "Business Combinations". The Group retrospectively adjusted the financial statements as disclosed in Note 3.

Identifiable assets and liabilities acquired at the acquisition date are as follows:

	Notes	Restated Baht
Cash and cash equivalents		8,541,697
Trade and other receivables, net		32,485,899
Prepaid license fee	14	6,458,103
Equipment, net	17	704,624
Intangible assets, net	19	
- Software license		3,501,646
- Customer relationships		2,133,635
- Customer backlog		1,857,449
Deferred tax assets, net	25	813,615
Other current and non-current assets		10,206,464
Trade and other payables		(12,600,040)
Deferred income	14	(13,021,459)
Other current liabilities		(4,618,396)
Employee benefit obligations	26	
- Retirement benefits		(7,599,621)
- Other retirement benefit		(459,540)
Total identifiable net assets		28,404,076
Non-controlling interests		(852)
Goodwill	20	217,306,476
Fair value of consideration paid		245,709,700

The Company has measured fair value of assets and liabilities acquired and consideration payment which is value of the Company's ordinary shares at the acquisition date which was performed by an independent and expert appraiser. The acquired net assets are recorded at their fair value on the date of acquisition. The difference between consideration transferred and fair value of the net assets presented as goodwill in the statement of financial position.

Customer relationships and customer backlog which presented as intangible assets are amortised using the straight-line method based on their estimated useful life 7 years and 6 months, respectively.

Goodwill amount of Baht 217,306,476 is caused by many factors such as efficiency from combining highly skilled workers, the economy of scale and assets that cannot be separately recognised, such as labor. Goodwill is not amortised but is tested for impairment annually.

The non-controlling interests in ICE were recognised by using the non-controlling interests' proportionate share of the ICE's net assets.

Had ICE been consolidated from 1 January 2019, the consolidated statement of comprehensive income for the year ended 31 December 2019 would show revenue of Baht 441,865,397 and net profit of Baht 51,866,949, respectively.

### 16.3 Dividend receivables from a subsidiary

Movements of dividend receivables from a subsidiary are as follows:

	Separate financial statements	
	2020 Baht	2019 Baht
Opening net book amount	22,999,310	-
Dividend declared by a subsidiary	-	31,999,040
Dividend income from a subsidiary	(22,999,310)	(8,999,730)
Closing net book amount	-	22,999,310

## 17 Equipment, net

	Consolidated financial statements			
	Leasehold improvements Baht	Office Equipment Baht	Office Furnitures Baht	Total Baht
<b>As at 1 January 2019</b>				
Cost	-	324,274	392,750	717,024
Less Accumulated depreciation	-	(75,467)	(78,312)	(153,779)
Net book amount	-	248,807	314,438	563,245
<b>For the year ended 31 December 2019</b>				
Opening net book amount	-	248,807	314,438	563,245
Increase from business acquisition (Note 16.2)	552,555	15,900	136,169	704,624
Additions	-	62,587	113,425	176,012
Depreciation charged for the year	(249,103)	(71,016)	(109,260)	(429,379)
Closing net book amount	303,452	256,278	454,772	1,014,502
<b>As at 31 December 2019</b>				
Cost	552,555	402,761	642,344	1,597,660
Less Accumulated depreciation	(249,103)	(146,483)	(187,572)	(583,158)
Net book amount	303,452	256,278	454,772	1,014,502
<b>For the year ended 31 December 2020</b>				
Opening net book amount	303,452	256,278	454,772	1,014,502
Additions	24,520	450,521	169,336	644,377
Depreciation charged for the year	(314,907)	(119,636)	(168,578)	(603,121)
Closing net book amount	13,065	587,163	455,530	1,055,758

**I&I Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2020**

	Consolidated financial statements			
	Leasehold improvements Baht	Office Equipment Baht	Office Furnitures Baht	Total Baht
<b>As at 31 December 2020</b>				
Cost	577,075	853,282	811,680	2,242,037
<u>Less</u> Accumulated depreciation	(564,010)	(266,119)	(356,150)	(1,186,279)
Net book amount	13,065	587,163	455,530	1,055,758
	Separate financial statements			
	Leasehold improvements Baht	Office Equipment Baht	Office Furnitures Baht	Total Baht
<b>As at 1 January 2019</b>				
Cost	-	324,274	392,750	717,024
<u>Less</u> Accumulated depreciation	-	(75,467)	(78,312)	(153,779)
Net book amount	-	248,807	314,438	563,245
<b>For the year ended 31 December 2019</b>				
Opening net book amount	-	248,807	314,438	563,245
Additions	-	62,587	113,425	176,012
Depreciation charged for the year	-	(62,950)	(81,429)	(144,379)
Closing net book amount	-	248,444	346,434	594,878
<b>As at 31 December 2019</b>				
Cost	-	386,861	506,175	893,036
<u>Less</u> Accumulated depreciation	-	(138,417)	(159,741)	(298,158)
Net book amount	-	248,444	346,434	594,878
<b>For the year ended 31 December 2020</b>				
Opening net book amount	-	248,444	346,434	594,878
Additions	24,520	445,280	169,336	639,136
Depreciation charged for the year	(11,455)	(112,267)	(131,537)	(255,259)
Closing net book amount	13,065	581,457	384,233	978,755
<b>As at 31 December 2020</b>				
Cost	24,520	832,141	675,511	1,532,172
<u>Less</u> Accumulated depreciation	(11,455)	(250,684)	(291,278)	(553,417)
Net book amount	13,065	581,457	384,233	978,755

## 18 Right-of-use assets, net

Movements of right-of-use assets for the year ended 31 December 2020 are as follows:

	Consolidated financial statements	Separate financial statements
	Buildings Baht	Buildings Baht
Opening net book value	-	-
Impact from adoption of new financial reporting standard (Note 4.3)	999,455	999,455
Additions during the year	614,618	614,618
Depreciation	(712,332)	(712,332)
Closing net book value	901,741	901,741

**19 Intangible assets, net**

Movements of intangible assets for the year ended 31 December 2020 are as follows:

	Consolidated financial statements (Restated)				
	Software license Baht	Customer relationships Baht	Customer backlog Baht	Software under development Baht	Total Baht
<b>For the year ended 31 December 2019</b>					
Opening net book amount	-	-	-	-	-
Increase from business acquisition (Note 16.2)	3,501,646	2,133,635	1,857,449	-	7,492,730
Additions	47,700	-	-	-	47,700
Amortisation	(305,796)	(228,604)	(1,857,449)	-	(2,391,849)
Closing net book amount	3,243,550	1,905,031	-	-	5,148,581
<b>As at 31 December 2019</b>					
Cost	3,549,346	2,133,635	1,857,449	-	7,540,430
<u>Less</u> Accumulated amortisation	(305,796)	(228,604)	(1,857,449)	-	(2,391,849)
Net book amount	3,243,550	1,905,031	-	-	5,148,581
<b>For the year ended 31 December 2020</b>					
Opening net book amount	3,243,550	1,905,031	-	-	5,148,581
Additions	613,425	-	-	729,758	1,343,183
Amortisation	(440,859)	(304,803)	-	-	(745,662)
Closing net book amount	3,416,116	1,600,228	-	729,758	5,746,102
<b>As at 31 December 2020</b>					
Cost	4,661,125	1,905,031	1,857,449	729,758	9,153,363
<u>Less</u> Accumulated amortisation	(1,245,009)	(304,803)	(1,857,449)	-	(3,407,261)
Net book amount	3,416,116	1,600,228	-	729,758	5,746,102

	Separate financial statements		
	Software license Baht	Software under development Baht	Total Baht
<b>For the year ended 31 December 2019</b>			
Opening net book amount	-	-	-
Additions	11,900	-	11,900
Amortisation	(1,205)	-	(1,205)
Closing net book amount	10,695	-	10,695
<b>As at 31 December 2019</b>			
Cost	11,900	-	11,900
<u>Less</u> Accumulated amortisation	(1,205)	-	(1,205)
Net book amount	10,695	-	10,695
<b>For the year ended 31 December 2020</b>			
Opening net book amount	10,695	-	10,695
Additions	613,425	540,945	1,154,370
Amortisation	(28,027)	-	(28,027)
Closing net book amount	596,093	540,945	1,137,038
<b>As at 31 December 2020</b>			
Cost	625,325	540,945	1,166,270
<u>Less</u> Accumulated amortisation	(29,232)	-	(29,232)
Net book amount	596,093	540,945	1,137,038

## 20 Goodwill

For the year ended 31 December 2020 and 2019 Goodwill amounting to 217,306,476 Baht. Goodwill is allocated to the Group's cash-generating units (CGUs) identified according to business segment.

The Group allocated goodwill to cash-generating units (CGUs), which was Enterprise Resource Planning program (ERP) of Oracle system.

The recoverable amount of a CGU is determined based on value-in-use calculations. These calculations use cash flow projections based on financial budgets approved by management covering a 4 year period. Cash flows beyond the 4 year period are extrapolated using the fixed estimated growth rates of 3% per annum and had the estimated discount rate for impairment test of goodwill arose by 10.27% per annum.

Had the estimated discount rate for impairment test of goodwill arose by 1% per annum, the group would not recognize allowance for impairment of goodwill in the consolidated financial statement for the year ended 31 December 2020.

The management considered and assessed reasonably possible change for other key assumptions and have not identified any instances that could cause the carrying amount of the CGU to exceed its recoverable amount.

## 21 Other non-current assets

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Withholding tax receivable	10,576,867	16,823,077	9,744,130	9,744,130
Others	20,000	23,312	20,000	23,312
<b>Total</b>	<b>10,596,867</b>	<b>16,846,389</b>	<b>9,764,130</b>	<b>9,767,442</b>

## 22 Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Trade payables - third parties	8,928,727	26,619,322	1,340,148	703,739
Other payables - third parties	1,309,848	2,296,621	792,021	2,108,344
- related parties	-	-	2,889,643	-
Contract liabilities (Note 13.2)	778,811	9,065,119	599,526	2,075,308
Accrued bonus	13,412,422	13,990,053	6,037,304	7,456,729
Accrued service cost	11,734,140	4,605,115	4,049,511	662,288
Accrued expenses	2,891,119	4,373,626	2,876,804	3,498,484
<b>Total</b>	<b>39,055,067</b>	<b>60,949,856</b>	<b>18,584,957</b>	<b>16,504,892</b>

## 23 Lease liabilities, net

Movements of lease liabilities for the year ended 31 December 2020 are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
Opening net book value	-	-
Impact from adoption of new financial reporting standard (Note 4.3)	999,455	999,455
<b>Other non-cash movement</b>		
Additions during the period	614,618	614,618
Interest expense for lease liabilities	46,449	46,449
<b>Cash flow</b>		
Repayment for lease liabilities	(661,895)	(661,895)
Closing net book value	998,627	998,627
Lease liabilities - Current portion	998,627	998,627
Lease liabilities - Non-current portion	-	-
<b>Total</b>	<b>998,627</b>	<b>998,627</b>

## 24 Other current liabilities

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Value added tax payable	951,450	1,726,034	360,295	862,293
Withholding tax payable	2,546,381	3,217,497	1,874,469	2,603,164
Undue output value added tax	5,179,680	6,495,038	2,964,375	2,625,612
Revenue department payable	-	1,300,000	-	-
Dividend payable	-	690	-	-
<b>Total</b>	<b>8,677,511</b>	<b>12,739,259</b>	<b>5,199,139</b>	<b>6,091,069</b>

**25 Deferred income taxes, net**

The analysis of deferred tax assets and deferred tax liabilities is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>Restated 2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
<b>Deferred tax assets:</b>				
Deferred tax asset to be recovered within 12 months	19,377	137,370	19,377	-
Deferred tax asset to be recovered more than 12 months	3,332,080	2,243,100	1,240,294	734,029
<b>Total deferred tax assets</b>	<b>3,351,457</b>	<b>2,380,470</b>	<b>1,259,671</b>	<b>734,029</b>
<b>Deferred tax liabilities:</b>				
Deferred tax liabilities to be settled within 12 months	(65,624)	(60,961)	(4,662)	-
Deferred tax liabilities to be settled more than 12 months	(259,082)	(329,383)	-	(9,338)
<b>Total deferred tax liabilities</b>	<b>(324,706)</b>	<b>(390,344)</b>	<b>(4,662)</b>	<b>(9,338)</b>
<b>Deferred tax assets, net</b>	<b>3,026,751</b>	<b>1,990,126</b>	<b>1,255,009</b>	<b>724,691</b>

The movements in deferred tax during the year is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>Restated 2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
At 1 January 2020	1,990,126	456,235	724,691	456,235
Impact from adoption of new financial reporting standard	123,808	41,962	123,808	41,962
Increase from business acquisition (Note 16.2)	-	813,615	-	-
Charged/(credited) to profit or loss	611,996	1,004,397	306,128	232,575
Charged/(credited) to other comprehensive income	300,821	(326,083)	100,382	(6,081)
<b>At 31 December 2020</b>	<b>3,026,751</b>	<b>1,990,126</b>	<b>1,255,009</b>	<b>724,691</b>

**I&I Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2020**

The movements in deferred tax asset is as follows:

	Consolidated financial statements					
	Employee benefit obligations Baht	Loss carry forward Baht	Contract liabilities Baht	Right-of-use assets Baht	Derivatives Baht	Total Baht
<b>Deferred tax assets:</b>						
At 1 January 2019	456,235	-	-	-	-	456,235
Impact from adoption of new financial reporting standard	-	-	41,962	-	-	41,962
Increase from business acquisition	1,611,832	-	-	-	-	1,611,832
Charged/(credited) to profit or loss	501,116	137,370	(41,962)	-	-	596,524
Charged/(credited) to other comprehensive income	(326,083)	-	-	-	-	(326,083)
At 31 December 2019	2,243,100	137,370	-	-	-	2,380,470
At 1 January 2020	2,243,100	137,370	-	-	-	2,380,470
Retrospective adjustments from change in accounting policy	-	-	-	-	123,808	123,808
Charged/(credited) to profit or loss	788,159	(137,370)	-	19,377	(123,808)	546,358
Charged/(credited) to other comprehensive income	300,821	-	-	-	-	300,821
At 31 December 2020	3,332,080	-	-	19,377	-	3,351,457

  

	Separate financial statements				
	Employee benefit obligations Baht	Contract liabilities Baht	Right-of-use assets Baht	Derivatives Baht	Total Baht
<b>Deferred tax assets</b>					
At 1 January 2019	456,235	-	-	-	456,235
Impact from adoption of new financial reporting standard	-	41,962	-	-	41,962
Charged/(credited) to profit or loss	283,875	(41,962)	-	-	241,913
Charged/(credited) to other comprehensive income	(6,081)	-	-	-	(6,081)
At 31 December 2019	734,029	-	-	-	734,029
At 1 January 2020	734,029	-	-	-	734,029
Retrospective adjustments from change in accounting policy	-	-	-	123,808	123,808
Charged/(credited) to profit or loss	405,883	-	19,377	(123,808)	301,452
Charged/(credited) to other comprehensive income	100,382	-	-	-	100,382
At 31 December 2020	1,240,294	-	19,377	-	1,259,671

Deferred tax asset are recognised for tax loss and carry forwards only to extent that realisation of the related tax benefit through the future taxable profit is propable.



The movements in deferred tax liability during the year is as follows:

	<b>Consolidated financial statements (Restated)</b>		
	<b>Contract asset Baht</b>	<b>Customer relationships Baht</b>	<b>Total Baht</b>
<b>Deferred tax liabilities</b>			
At 1 January 2019	-	-	-
Increase from business acquisition	-	(798,217)	(798,217)
Charged/(credited) to profit or loss	(9,338)	417,211	407,873
At 31 December 2019	(9,338)	(381,006)	(390,344)
At 1 January 2020	(9,338)	(381,006)	(390,344)
Charged/(credited) to profit or loss	4,676	60,962	65,638
At 31 December 2020	(4,662)	(320,044)	(324,706)
		<b>Separate financial statements</b>	
		<b>Contract assets Baht</b>	
<b>Deferred tax liabilities</b>			
At 1 January 2019			-
Charged/(credited) to profit or loss			(9,338)
At 31 December 2019			(9,338)
At 1 January 2020			(9,338)
Charged/(credited) to profit or loss			4,676
At 31 December 2020			(4,662)

## 26 Employee benefit obligations

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Employee benefit obligations:				
Retirement benefit	17,245,264	11,938,829	7,302,250	4,864,281
Long service award	748,468	621,220	232,551	139,196
<b>Total</b>	<b>17,993,732</b>	<b>12,560,049</b>	<b>7,534,801</b>	<b>5,003,477</b>

**I&I Group Public Company Limited**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2020**

The movement in retirement benefit during the year is as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Opening balance	11,938,829	2,186,357	4,864,281	2,186,357
Current service cost	3,619,688	2,421,546	1,868,741	1,144,985
Interest expense	182,640	85,794	67,316	51,108
Past service cost	-	1,275,927	-	178,904
Recognised in profit and loss	3,802,328	3,783,267	1,936,057	1,374,997
Remeasurement				
(Gains) losses arising from change in demographic assumption	(269,464)	(961,455)	(256,563)	60,445
Losses arising from change in financial assumption	605,808	224,291	229,498	113,560
(Gains) losses arising from experience adjustment	1,167,763	(893,252)	528,977	(204,412)
Recognised in other comprehensive income	1,504,107	(1,630,416)	501,912	(30,407)
Increase from business acquisition (Note 16.2)	-	7,599,621	-	-
Transferred-in staff	-	-	-	1,333,334
Ending balance	17,245,264	11,938,829	7,302,250	4,864,281

The movement in long service award during the year as is follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Opening balance	621,220	94,816	139,196	94,816
Current service cost	270,358	138,981	86,060	43,612
Remeasurement	(150,421)	-	5,804	-
Interest expense	7,311	2,928	1,491	768
Recognised in profit and loss	127,248	141,909	93,355	44,380
Increase from business acquisition (Note 16.2)	-	459,540	-	-
Paid during the year	-	(75,045)	-	-
Ending balance	748,468	621,220	232,551	139,196

The principal actuarial assumptions of retirement benefit used were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Discount rate	1.06% - 1.86%	1.38% - 2.04%	1.06%	1.38%
Salary growth rate	3.00% - 8.00%	3.00% - 8.00%	8.00%	8.00%
Employee turnover rate	0.00% - 23.00%	0.00% - 20.00%	0.00% - 21.00%	0.00% - 20.00%

	<b>Impact on defined benefit obligation</b>					
	<b>Change in assumption</b>		<b>Increase in assumption</b>		<b>Decrease in assumption</b>	
	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>	<b>2020</b>	<b>2019</b>
Discount rate	1%	1%	(1,698,585)	(1,071,364)	1,960,771	1,253,346
Salary growth rate	1%	1%	1,801,926	1,154,991	(1,597,388)	(1,009,534)
Employee turnover rate	1%	1%	(1,841,032)	(1,170,667)	661,820	487,145

The above sensitivity analysis is based on a change in an assumption while all other assumptions remain constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions, the same method which is the present value of the defined benefit obligation calculated with the projected unit credit method at the end of the reporting period has been applied when calculating the employee benefit obligations recognised in the statements of financial position. The methods and types of assumptions used in preparing the sensitivity analysis did not change when compared to the previous period.

As at 31 December 2020, the weighted average retirement benefit obligations period of the Group are 28 years (2019: 29 years).

## 27 Share capital

Movements of share capital for the year ended 31 December 2020 are as follows:

	<b>Authorised Share capital</b>		<b>Issued and paid-up Share capital</b>		<b>Premium on Paid-up capital</b>
	<b>Number of Shares Shares</b>	<b>Ordinary Shares Baht</b>	<b>Number of Shares Shares</b>	<b>Ordinary Shares Baht</b>	<b>Amount Baht</b>
At 1 January 2019	10,000	10,000,000	10,000	10,000,000	-
Issue of shares	27,500	27,500,000	27,500	27,500,000	235,710,000
Balance before change in per value of ordinary shares	37,500	37,500,000	37,500	37,500,000	235,710,000
Change in par value of ordinary shares	74,962,500	-	74,962,500	-	-
Balance after change in per value of ordinary shares	75,000,000	37,500,000	75,000,000	37,500,000	235,710,000
Issue of shares	25,000,000	12,500,000	-	-	-
As at 31 December 2019	100,000,000	50,000,000	75,000,000	37,500,000	235,710,000
At 1 January 2020	100,000,000	50,000,000	75,000,000	37,500,000	235,710,000
Issue of shares	-	-	25,000,000	12,500,000	152,500,000
Cost of share issuance, net of tax	-	-	-	-	(3,630,000)
As at 31 December 2020	100,000,000	50,000,000	100,000,000	50,000,000	384,580,000

At the extraordinary shareholders' meeting on 25 February 2019, the shareholders passed a resolution to approve an increase in share capital from Baht 10 million to Baht 20 million of ordinary share by issuing 10,000 ordinary shares, with a par value of Baht 1,000 each. The Company received the fully paid-up subscription payment on 27 February 2019 and 27 March 2019 in the amount of Baht 2.50 million and Baht 7.50 million respectively. The Company registered the increase in share capital with the Ministry of Commerce on 5 March 2019.

At the extraordinary shareholders' meeting on 9 August 2019, the shareholders passed a resolution to approve an increase in share capital from Baht 20 million to Baht 37.50 million of ordinary shares by issuing 17,500 ordinary shares, with a par value of Baht 1,000 each. The Company received the fully paid-up subscription payment on 13 August 2019. The Company registered the increase in share capital with the Ministry of Commerce on 14 August 2019.

At the extraordinary shareholders' meeting on 28 August 2019, the shareholders passed a resolution to approve the change of par value of ordinary shares from Baht 1,000 per share to Baht 0.50 per share which has the proportion of 1 original share to 2,000 new shares. After changing par value as above, the Company has increased ordinary shares from 37,500 shares to 75,000,000 shares. In addition, the shareholders approved the increase in share capital from 75,000,000 ordinary shares, with a par value of Baht 0.50 each to 100,000,000 shares, with a par value of Baht 0.50 each. The Company registered the change of par value and increase in share capital with the Ministry of Commerce on 2 September 2019.

On 3 August 2020, the Company received an additional paid-up share capital for 25,000,000 ordinary shares with a par value of Baht 0.50 per share from an initial public offering ("IPO") at IPO price of Baht 6.60 per share, totalling Baht 165 million. The Company registered this additional paid-up share capital with the Department of Business Development on 4 August 2020. The Company's shares traded in the Stock Exchange of Thailand commencing on 6 August 2020.

The Company recorded cost of for issuing ordinary shares amounting to 3,630,000 Baht net with additional paid-up share capital.

## 28 Legal reserve

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Opening book value	3,750,000	1,000,000	3,750,000	1,000,000
Appropriation during the period	1,250,000	2,750,000	1,250,000	2,750,000
Closing book value	5,000,000	3,750,000	5,000,000	3,750,000

Under the Public Companies Act B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered share capital. The legal reserve is non-distributable.

## 29 Dividend paid

At the Board of Directors' Meeting held on 6 June 2019, the Board of Directors approved the payment of interim dividend in respect of retained earnings as at 31 March 2019 of Baht 740 per share for 20,000 shares, totalling Baht 14,800,000. The Company paid such dividend to shareholders on 5 July 2019.

At the Board of Director's Meeting held on 14 November 2019, the Board of Directors approved the payment of interim dividend in respect of retained earnings as at 30 September 2019 of Baht 0.30 per share for 75,000,000 shares totalling Baht 22,500,000. The Company paid such dividend to shareholders using cheque dated on 13 December 2019.

On 24 March 2020, the shareholders' Annual General Meeting 2020 of the Company approved a resolution to pay a dividend to the Company's shareholders from its net profit from operations of the year 2019 of Baht 0.44 per share for 75,000,000 shares, totalling Baht 33,000,000. The Company paid dividend to the shareholders on 2 April 2020.

### 30 Income tax

	Consolidated financial statements		Separate financial statements	
	2020 Baht	Restated 2019 Baht	2020 Baht	2019 Baht
Current tax on profits for the year	16,435,614	13,898,300	7,809,500	8,046,277
Deferred income taxes	(611,996)	(1,004,397)	(306,128)	(232,575)
<b>Total</b>	<b>15,823,618</b>	<b>12,893,903</b>	<b>7,503,372</b>	<b>7,813,702</b>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic tax rate of the home country of the Company as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	Restated 2019 Baht	2020 Baht	2019 Baht
Profit before tax	78,594,958	58,975,842	36,422,365	70,602,636
Tax calculated at a tax rate of 20%	15,718,992	11,795,268	7,284,473	14,120,527
Tax effect of:				
Income not subject to tax	-	(26,332)	-	(6,426,140)
Expenses not deductible for tax purpose	343,360	462,380	252,549	159,800
Expenses deductible for tax purpose	(43,734)	(16,935)	(33,650)	(5,832)
Adjustment in respect of prior year	-	679,622	-	(34,653)
Difference in tax rate	(195,000)	-	-	-
Income tax	15,823,618	12,893,903	7,503,372	7,813,702

The weighted average applicable tax rate for the Group and the Company were 20.13% and 20.60%, respectively (2019: 21.80% and 11.07%).

### 31 Expenses by nature

Expenses that are included in calculating net profit can be classified as follows;

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Cost of subscription and support on computer license	172,074,614	113,534,308	141,435,854	95,619,824
Cost of sales of right to use software license	2,650,817	7,276,807	-	-
Commission expenses	3,298,388	4,122,451	2,179,502	2,885,124
Commission expenses to other parties	-	269,000	-	-
Depreciation and amortisation expense	2,061,115	735,175	995,618	145,584
Salaries and employee benefit	219,834,318	142,241,427	117,456,408	75,272,157
Building rental expense	2,526,725	2,462,038	1,043,810	1,361,900
Professional service fees	7,895,498	9,036,531	6,192,133	6,616,309
Recruitment fee	1,689,662	1,645,440	1,371,642	950,089
Management expenses	-	495,416	3,615,356	2,784,605
Outsourcing expenses	34,679,278	37,140,324	28,685,697	18,765,272

### 32 Related party transactions

Individuals and entities that directly or indirectly control or are controlled by or are under common control with the Company, including investment entities, associates, joint venture and individuals or entities having significant influence over the Company, key management personnel, including directors and officers of the Company and close members of the family of these individuals and entities associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

Mr. Somchai Mekasuvanroj who is the Chief Executive Officer of the Company, and his family hold 36.71% of the total Company's share capital, which is the highest portion.

Individual or other companies that are related to the Company by being the shareholders or having joint shareholders or common directors. As at 31 December 2020, individual or other related companies are as follows:

Name	Relationship
Somchai Mekasuvanroj	Chief Executive Officer
ICE Consulting Company Limited	Subsidiary
I&I Experience Company Limited	Subsidiary

Nature of transactions	Pricing policy
Services	Prices as agreed in the contracts.
Other income	Prices as agreed in the contracts.
Loans	Credit facility and interest rate as agreed in the contracts.

The following are material transactions that were carried out with related parties in an ordinary course of business and in accordance with specific terms and conditions of the contracts:

#### 32.1 Related party transactions

Related party transactions for the year ended 31 December 2020 are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<b>Subsidiaries</b>				
Cost of rendering of services	-	-	10,612,257	-
Dividend income	-	-	-	31,999,040
Management income	-	-	4,993,773	5,630,047
Interest income	-	-	141,113	23,674
Administrative expenses	-	-	3,615,356	2,289,190
<b>Related entities – entities with the same shareholders and directors</b>				
Management income	-	658,753	-	658,753
Administrative expense	-	495,415	-	495,415

### 32.2 Outstanding balances arising from sales and purchases of goods and services

The outstanding balances at 31 December in relation to transactions with related parties are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<b>Subsidiaries</b>				
Other receivables	-	-	20,584	3,736,432
Deferred income	-	-	1,711,458	1,732,246
Dividend receivables	-	-	-	22,999,310
Accrued service costs	-	-	2,328,788	-
Accrued expense	-	-	984,702	934,624
Other payables	-	-	2,889,643	-

### 32.3 Short-term loans to related parties and related interests

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
<b>Short-term loans to related parties</b>				
Subsidiary	-	-	2,000,000	1,000,000
<b>Other receivables - Interest receivables</b>				
Subsidiary	-	-	13,914	7,476

Movements of short-term loans to related parties for the year ended 31 December 2020 are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
Opening book value	-	1,000,000
<b>Cash flow</b>		
Additions	-	14,500,000
Repayment received	-	(13,500,000)
Closing book value	-	2,000,000

Short-term loans to related parties are the short-term loan contracts not exceeding one year without collateral. The credit facility is Baht 40 million with fixed interest of 7.50% per annum.

### 32.4 Key management compensation

Key management includes members of the executive committee (whether management or not). The compensation paid or payable to key management for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2020 Baht	2019 Baht	2020 Baht	2019 Baht
Salaries and other short-term employee benefits	31,968,569	22,732,424	16,993,650	14,035,600
Other long-term benefits	20,902	25,068	7,917	2,663
Post-employment benefits	1,577,846	1,388,215	897,471	443,230
<b>Total</b>	<b>33,567,317</b>	<b>24,145,707</b>	<b>17,899,038</b>	<b>14,481,493</b>

### 33 Commitments

The Group entered into building services agreement. The future payments under these non-cancellable service fee commitments as at 31 December are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Within one year	1,840,272	1,933,120	560,489	523,608
Later than 1 year but not later than 5 years	351,910	919,510	-	154,800
	2,192,182	2,852,630	560,489	678,408

As at 31 December, the Group had guarantees issued by the financial institutions of services for the Group's customers as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2020 Baht</b>	<b>2019 Baht</b>	<b>2020 Baht</b>	<b>2019 Baht</b>
Bank guarantees issued by the financial institutions	14,519,388	6,558,265	12,045,840	3,437,340

### 36 Litigation

In 2016, ICE Consulting Company Limited (a subsidiary) and another company (collectively referred to as the Defendants) were prosecuted in connection to an Enterprise Resource Planning service agreement with an organisation, a customer of the subsidiary (the Plaintiff). The prosecution occurred because the Defendants failed to deliver contractual work to the Plaintiff although they were given consent to extend the project timeline multiple times. As a result, the Plaintiff exercised its right to terminate the service agreement before the termination date and seize collateral according to the service agreement. Also, the Plaintiff requested the Defendants and guarantor pay compensation for damages of Baht 55.72 million.

However, the subsidiary argues that the agreement termination was unfair because the Plaintiff ignored the root cause of the inability to deliver the work, which resulted from uncontrollable factors, and the additional services that were not included in the original agreement. Also, the Plaintiff added extra conditions when the Defendants asked to extend the project timeline. Therefore, the Defendants filed a case with the Administrative Court in the same year as the original prosecution. The subsidiary requested an indemnity of Baht 118.79 million. The judgement in this case depends on the Administrative Court's discretion.

As at 31 December 2020, the Administrative Court's legislative finished fact-finding process for the cases and are considering the evidences. The Group's management assessed that result of the cases was in discretion of the court and the management cannot assess the result of legal process. Therefore, the subsidiary and the Group have not recognised expenses or any contingent liabilities in the financial statements yet.

### 36 Events after the reporting date

At the Company's Board of Directors' meeting dated 24 February 2020, Board of Directors approved a proposal to Annual Shareholders' meeting for the year 2020 held on 27 April 2021 to consider approve the payment of dividends in respect of the operating results for the year ended 31 December 2020 for 100,000,000 shares at Baht 0.15 per share, totalling Baht 15 million.