

I&I GROUP PUBLIC COMPANY LIMITED

**INTERIM CONSOLIDATED AND SEPARATE
FINANCIAL INFORMATION
(UNAUDITED)**

31 MARCH 2023

AUDITOR'S REPORT ON THE REVIEW OF THE INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of I&I Group Public Company Limited

I have reviewed the interim consolidated financial information of I&I Group Public Company Limited and its subsidiaries, and the interim separate financial information of I&I Group Public Company Limited. These comprise the consolidated and separate statements of financial position as at 31 March 2023, the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period then ended, and the condensed notes to the interim financial information. Management is responsible for the preparation and presentation of this interim consolidated and separate financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim consolidated and separate financial information based on my review.

Scope of review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim consolidated and separate financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

PricewaterhouseCoopers ABAS Ltd.

Rodjanart Banyatananusard
Certified Public Accountant (Thailand) No. 8435
Bangkok
12 May 2023

I&I Group Public Company Limited
Statement of Financial Position
As at 31 March 2023

	Notes	Consolidated		Separate	
		financial information		financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents		147,938,742	114,474,992	101,330,394	36,295,502
Trade and other receivables, net	8	212,705,165	222,494,214	98,347,958	126,567,548
Unbilled receivables	9.1	394,456,564	354,053,267	243,765,011	222,579,613
Prepaid software license fees	10.1	92,353,283	77,933,781	71,251,867	50,394,581
Short-term loans to related parties	21.3	-	-	16,000,000	17,633,910
Other current assets		24,556,330	9,556,113	20,250,887	9,519,930
Total current assets		872,010,084	778,512,367	550,946,117	462,991,084
Non-current assets					
Deposits at bank used as collateral	11	71,794,950	64,048,750	59,246,450	51,500,250
Investment in subsidiaries	12.1	-	-	604,440,541	281,930,680
Investment in a joint venture	12.2	9,031,610	7,936,461	11,999,952	9,999,960
Equipment, net	13	5,661,654	2,335,229	2,024,765	2,274,579
Right-of-use assets, net	14	4,807,931	4,321,748	3,176,247	3,337,945
Intangible assets, net	15	13,455,762	12,841,757	3,078,004	3,094,502
Goodwill	12.1	540,969,067	251,715,393	-	-
Deferred tax assets, net		15,934,579	4,940,813	10,931,253	2,127,795
Other non-current assets		13,270,294	13,209,484	13,154,825	13,154,825
Total non-current assets		674,925,847	361,349,635	708,052,037	367,420,536
Total assets		1,546,935,931	1,139,862,002	1,258,998,154	830,411,620

Director _____ Director _____

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 Financial Position
As at 31 March 2023

	Notes	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity					
Current liabilities					
Trade and other payables	16	140,226,798	172,816,067	85,974,205	84,337,756
Short-term loans from financial institutions	17	185,000,000	155,794,000	170,000,000	135,000,000
Current portion of deferred income	10.2	222,012,608	130,487,583	177,544,175	88,186,689
Current portion of payable for acquisition of investment in a subsidiary	7	4,800,000	4,800,000	4,800,000	4,800,000
Current portion of lease liabilities	18	2,273,769	1,374,643	1,333,638	1,163,737
Corporate income tax payable		7,370,613	6,178,658	-	-
Derivative liabilities	7	2,956,479	3,500,378	2,956,479	3,500,378
Other current liabilities		31,495,972	16,350,156	23,253,445	7,917,591
Total current liabilities		596,136,239	491,301,485	465,861,942	324,906,151
Non-current liabilities					
Payable for acquisition of investment in a subsidiary	7	16,902,396	16,678,312	16,902,396	16,678,312
Lease liabilities	18	2,162,385	2,518,857	1,707,468	2,009,780
Deferred income	10.2	1,219,815	1,331,883	-	-
Employee benefit obligations		31,893,250	26,024,754	9,378,369	8,447,359
Total non-current liabilities		52,177,846	46,553,806	27,988,233	27,135,451
Total liabilities		648,314,085	537,855,291	493,850,175	352,041,602

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 Financial Position
As at 31 March 2023

	Note	Consolidated financial information		Separate financial information	
		Unaudited	Audited	Unaudited	Audited
		31 March	31 December	31 March	31 December
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital	20				
Authorised share capital					
Ordinary shares, 113,723,684 shares at par value of Baht 0.50 each		56,861,842	56,861,842	56,861,842	56,861,842
Issued and paid-up share capital					
Ordinary shares, 108,724,244 shares paid up at Baht 0.50 each (31 December 2022 : Ordinary shares, 100,000,000 shares paid up at Baht 0.50 each)		54,362,122	50,000,000	54,362,122	50,000,000
Premium on paid-up capital	20	687,745,659	384,580,000	687,745,659	384,580,000
Retained earnings					
Appropriated - legal reserve		5,686,184	5,686,184	5,686,184	5,686,184
Unappropriated		125,688,423	159,123,762	17,354,014	38,103,834
Equity attributable to owners of the parent		873,482,388	599,389,946	765,147,979	478,370,018
Non-controlling interests		25,139,458	2,616,765	-	-
Total equity		898,621,846	602,006,711	765,147,979	478,370,018
Total liabilities and equity		1,546,935,931	1,139,862,002	1,258,998,154	830,411,620

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 Comprehensive Income (Unaudited)
For the three-month period ended 31 March 2023

	Notes	Consolidated		Separate	
		financial information		financial information	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Revenues					
Revenue from subscription and license support		93,142,054	70,309,807	69,641,831	55,064,109
Revenue from rendering of services		153,950,045	138,636,697	34,619,622	65,353,925
Revenue from sales of rights to use software license and computer hardware		684,000	10,121,228	-	-
Dividend income from a subsidiary	21.1	-	-	14,999,550	-
Other income		5,422,415	3,555,436	6,253,864	4,623,790
Total revenues		253,198,514	222,623,168	125,514,867	125,041,824
Expenses					
Cost of subscription and license support		79,938,310	59,713,157	62,417,536	48,401,817
Cost of rendering of services		157,011,955	93,354,633	60,879,995	52,746,392
Cost of sales of rights to use software license and computer hardware		642,192	7,783,699	-	-
Selling expenses		11,753,559	10,366,729	7,336,978	5,610,072
Administrative expenses		36,924,527	15,382,038	23,094,349	11,837,490
Gain from measurement of financial instruments		(543,899)	-	(543,899)	-
Share of loss from investment in a joint venture	12.2	904,843	218,615	-	-
Total expenses		286,631,487	186,818,871	153,184,959	118,595,771
Profit (loss) before finance costs and income tax		(33,432,973)	35,804,297	(27,670,092)	6,446,053
Finance costs		(2,074,284)	(359,724)	(1,883,186)	(349,963)
Profit (loss) before income tax		(35,507,257)	35,444,573	(29,553,278)	6,096,090
Income tax	19	7,054,803	(6,855,774)	8,803,458	(1,209,105)
Profit (loss) for the period		(28,452,454)	28,588,799	(20,749,820)	4,886,985
Other comprehensive income, net of tax		-	-	-	-
Total comprehensive income (expense) for the period		(28,452,454)	28,588,799	(20,749,820)	4,886,985
Profit (loss) attributable to:					
Owners of the parent		(33,435,339)	27,490,574	(20,749,820)	4,886,985
Non-controlling interests		4,982,885	1,098,225	-	-
		(28,452,454)	28,588,799	(20,749,820)	4,886,985
Total comprehensive income (epense) attributable to:					
Owners of the parent		(33,435,339)	27,490,574	(20,749,820)	4,886,985
Non-controlling interests		4,982,885	1,098,225	-	-
		(28,452,454)	28,588,799	(20,749,820)	4,886,985
Earnings (loss) per share					
Basic earnings (loss) per share	5	(0.31)	0.27	(0.19)	0.05

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 three-month period ended 31 March 2023

Consolidated financial information (Unaudited)							
Notes	Attributable to owners of the parent						
	Issued and paid-up share capital Baht	Premium on paid-up capital Baht	Retained earnings		Total owners of the parent Baht	Non-controlling interests Baht	Total equity Baht
			Appropriated - legal reserve Baht	Unappropriated Baht			
Opening balance as at 1 January 2023	50,000,000	384,580,000	5,686,184	159,123,762	599,389,946	2,616,765	602,006,711
Changes in equity for the period							
Increase in share capital	20 4,362,122	303,165,659	-	-	307,527,781	-	307,527,781
Acquisition of a subsidiary	12.1 -	-	-	-	-	17,540,258	17,540,258
Dividends	-	-	-	-	-	(450)	(450)
Total comprehensive income (expense)	-	-	-	(33,435,339)	(33,435,339)	4,982,885	(28,452,454)
Closing balance as at 31 March 2023	<u>54,362,122</u>	<u>687,745,659</u>	<u>5,686,184</u>	<u>125,688,423</u>	<u>873,482,388</u>	<u>25,139,458</u>	<u>898,621,846</u>
Opening balance as at 1 January 2022	50,000,000	384,580,000	5,000,000	113,775,080	553,355,080	594,001	553,949,081
Changes in equity for the period							
Total comprehensive income	-	-	-	27,490,574	27,490,574	1,098,225	28,588,799
Closing balance as at 31 March 2022	<u>50,000,000</u>	<u>384,580,000</u>	<u>5,000,000</u>	<u>141,265,654</u>	<u>580,845,654</u>	<u>1,692,226</u>	<u>582,537,880</u>

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 three-month period ended 31 March 2023

Separate financial information (Unaudited)					
Note	Issued and paid-up share capital Baht	Premium on paid-up capital Baht	Retained earnings		Total equity Baht
			Appropriated - legal reserve Baht	Unappropriated Baht	
Opening balance as at 1 January 2023	50,000,000	384,580,000	5,686,184	38,103,834	478,370,018
Changes in equity for the period					
Increase in share capital	20 4,362,122	303,165,659	-	-	307,527,781
Total comprehensive expense	-	-	-	(20,749,820)	(20,749,820)
Closing balance as at 31 March 2023	<u>54,362,122</u>	<u>687,745,659</u>	<u>5,686,184</u>	<u>17,354,014</u>	<u>765,147,979</u>
Opening balance as at 1 January 2022	50,000,000	384,580,000	5,000,000	55,336,626	494,916,626
Changes in equity for the period					
Total comprehensive income	-	-	-	4,886,985	4,886,985
Closing balance as at 31 March 2022	<u>50,000,000</u>	<u>384,580,000</u>	<u>5,000,000</u>	<u>60,223,611</u>	<u>499,803,611</u>

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 (Unaudited)
For the three-month period ended 31 March 2023

	Notes	Consolidated		Separate	
		financial information		financial information	
		2023	2022	2023	2022
		Baht	Baht	Baht	Baht
Cash flows from operating activities					
Profit (loss) before income tax		(35,507,257)	35,444,573	(29,553,278)	6,096,090
Adjustments for:					
Depreciation and amortisation	13,14,15	1,305,479	1,136,434	639,600	647,110
Finance costs		2,074,284	359,724	1,883,186	349,963
Interest income		(7,684)	(889)	(306,066)	(4,901)
Dividend income from a subsidiary	21.1	-	-	(14,999,550)	-
Employee benefit obligations		2,551,769	1,855,964	931,010	736,999
Unrealised loss (gain) on exchange rates		1,598,031	(472,195)	1,583,762	(494,630)
Unrealised gain from measurement of financial instruments		(543,899)	-	(543,899)	-
Share of loss from investment in a joint venture	12.2	904,843	218,615	-	-
Cash flows before changes in working capital		(27,624,434)	38,542,226	(40,365,235)	7,330,631
Changes in working capital					
Trade and other receivables		49,778,431	(16,010,576)	28,219,590	(18,605,305)
Unbilled receivables		(40,403,297)	(59,469,475)	(21,185,398)	(34,022,644)
Prepaid software license fees		(14,419,502)	(63,556,343)	(20,857,286)	(68,169,210)
Other current assets		2,850,231	(4,942,794)	1,498,442	(4,929,364)
Other non-current assets		(24,610)	(2,532,082)	-	(2,477,423)
Trade and other payable		(44,848,262)	(2,904,028)	1,636,449	(779,751)
Deferred income		90,712,957	76,418,077	89,357,486	79,175,104
Other current liabilities		12,067,903	(2,607,307)	15,511,484	304,974
Cash generated from (used in) operations		28,089,417	(37,062,302)	53,815,532	(42,172,988)
Interest received		7,684	889	69,487	11,944
Income tax paid		(17,594,117)	(6,612,577)	(11,992,820)	(4,657,747)
Net cash generated from (used in) operating activities		10,502,984	(43,673,990)	41,892,199	(46,818,791)

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 (Unaudited)
For the three-month period ended 31 March 2023

		Consolidated financial information		Separate financial information	
		2023 Baht	2022 Baht	2023 Baht	2022 Baht
Notes					
Cash flows from investing activities					
Net cash payment for deposit at bank used as collateral		(7,746,200)	(7,859,250)	(7,746,200)	(6,200,000)
Dividend received from a subsidiary	21.1	-	-	14,999,550	-
Payments for investment in a subsidiary	12.1	-	-	(15,000,000)	-
Proceeds from acquisition of a subsidiary	12.1	8,957,950	-	-	-
Payments for investment in a joint venture	12.2	(1,999,992)	-	(1,999,992)	-
Proceeds from short-term loans to related parties	21.3	-	-	1,633,910	600,000
Payments for short-term loans to related parties		-	-	-	(100,000)
Payments for purchase of equipment	13	(729,039)	(63,499)	(10,400)	(63,499)
Payments for purchase of intangible assets	15	(632,745)	(194,805)	-	(27,638)
Net cash used in investing activities		(2,150,026)	(8,117,554)	(8,123,132)	(5,791,137)
Cash flow from financing activities					
Proceeds from short-term loans from financial institutions	17	75,000,000	-	60,000,000	-
Payments for short-term loans from financial institutions	17	(45,794,000)	-	(25,000,000)	-
Proceeds from issue of ordinary shares	20	17,920	-	17,920	-
Payments for lease liabilities	18	(547,514)	(366,527)	(383,059)	(316,835)
Dividends paid to non-controlling interests		(450)	-	-	-
Interests paid		(1,967,133)	(75,985)	(1,785,274)	(66,224)
Net cash generated from (used in) financing activities		26,708,823	(442,512)	32,849,587	(383,059)
Net increase (decrease) in cash and cash equivalents		35,061,781	(52,234,056)	66,618,654	(52,992,987)
Cash and cash equivalents at the beginning of the period		114,474,992	159,447,003	36,295,502	124,043,657
Effect of exchange rate changes		(1,598,031)	(85,327)	(1,583,762)	(95,807)
Cash and cash equivalents at the end of the period		147,938,742	107,127,620	101,330,394	70,954,863
Supplemental cash flow information					
Non-cash transactions are as follows:					
Additional right-of-use assets under lease agreements	14	201,190	1,980,287	201,190	1,980,287
Payable for acquisition of investment in a subsidiary at the end of period	7	21,702,396	20,889,641	21,702,396	20,889,641
Dividend payable at the end of period		5,100	1,999	5,100	1,999
Acquisition of a subsidiary by share issuance	12.1	307,509,861	-	307,509,861	-

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

1 General information

I&I Group Public Company Limited (“the Company”) is a public limited company which is incorporated, domiciled in Thailand and listed on the Stock Exchange of Thailand. The address of the Company’s registered office is 475, Siripinyo Building, 18th Floor, Unit 1801, Si Ayutthaya Road, Thanon Phaya Thai, Ratchathewi, Bangkok 10400.

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

The interim consolidated and separate financial information are presented in Thai Baht.

The interim consolidated and separate financial information were authorised for issue by the Board of Directors on 12 May 2023.

2 Basis of preparation

The interim consolidated and separated financial information has been prepared in accordance with Thai Accounting Standard 34, Interim Financial Reporting and other financial reporting requirements issued under the securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2022.

An English version of these interim consolidated and separated financial information has been prepared from the interim financial information that is in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language interim financial information shall prevail.

The Group reclassified comparative figures to conform with the current period presentation of the Group as described below.

Statement of comprehensive income for the three-month period ended 31 March 2022.

	Consolidated financial information			Separate financial information		
	Previously reported Baht	Reclassified Baht	As reclassified Baht	Previously reported Baht	Reclassified Baht	As reclassified Baht
Administrative expenses	15,871,133	(489,095)	15,382,038	12,294,778	(457,288)	11,837,490
Net gain on exchange rate	489,095	(489,095)	-	457,288	(457,288)	-

3 Accounting policies

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2022.

Commencing from 1 January 2023, the Group has adopted the revised financial reporting standards effective for annual periods beginning on or after 1 January 2023 and relevant to the Group. The adoption of these standards do not have significant impact on the Group.

4 Estimates

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

5 Basic earnings (loss) per share

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

For the three-month periods ended 31 March	Consolidated financial information		Separate financial information	
	Unaudited 2023	Unaudited 2022	Unaudited 2023	Unaudited 2022
Basic earnings (loss) per share				
Profit (loss) for the period attributable to owners of the Company (Baht)	(33,435,339)	27,490,574	(20,749,820)	4,886,985
Weighted average number of ordinary shares outstanding (Shares)	108,336,021	100,000,000	108,336,021	100,000,000
Basic earnings (loss) per share (Baht per share)	(0.31)	0.27	(0.19)	0.05

The Company does not have any potential dilutive ordinary shares in issue for the three-month periods ended 31 March 2023 and 2022. As a result, no diluted earnings per share was presented.

6 Segment and revenue 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 4 segments which comprise Customer Relationship program (Salesforce), Enterprise Resource Planning program (Oracle), Consulting and digital strategy services and Outsourcing IT Staff.

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

I&I Group Public Company Limited
Condensed notes to the interim financial information (Unaudited)
For the three-month period ended 31 March 2023

Incomes and profits information by business segments for the three-month periods ended 31 March 2023 and 2022 are as follows:

	Consolidated financial information (Unaudited)											
	Customer Relationship program (Salesforce)		Enterprise Resource Planning program (Oracle)		Consulting and digital strategy services		Outsourcing IT Staff		Eliminations		Total	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Revenue from subscription and license support	69,641,831	55,064,109	23,295,952	15,245,698	-	-	204,271	-	-	-	93,142,054	70,309,807
Revenue from rendering of services	34,619,622	65,353,925	37,926,211	67,172,356	16,631,805	6,910,416	64,772,407	-	-	(800,000)	153,950,045	138,636,697
Revenue from sales of rights to use software license and computer hardware	-	-	684,000	10,121,228	-	-	-	-	-	-	684,000	10,121,228
Total revenues	104,261,453	120,418,034	61,906,163	92,539,282	16,631,805	6,910,416	64,976,678	-	-	(800,000)	247,776,099	219,067,732
Cost of subscription and license support	(62,417,536)	(48,401,817)	(17,520,774)	(11,311,340)	-	-	-	-	-	-	(79,938,310)	(59,713,157)
Cost of rendering of services	(60,879,995)	(52,746,392)	(41,737,519)	(38,963,711)	(7,482,767)	(2,444,530)	(46,911,674)	-	-	800,000	(157,011,955)	(93,354,633)
Cost of sales of rights to use software license and computer hardware	-	-	(527,500)	(7,783,699)	-	-	(114,692)	-	-	-	(642,192)	(7,783,699)
Selling expenses	(7,336,978)	(5,610,072)	(3,673,216)	(4,632,453)	(517,815)	(124,204)	(225,550)	-	-	-	(11,753,559)	(10,366,729)
Administrative expenses	(23,094,349)	(11,837,490)	(7,923,632)	(5,621,388)	(1,521,753)	(855,407)	(8,271,869)	-	3,887,076	2,932,247	(36,924,527)	(15,382,038)
Total expenses	(153,728,858)	(118,595,771)	(71,382,641)	(68,312,591)	(9,522,335)	(3,424,141)	(55,523,785)	-	3,887,076	3,732,247	(286,270,543)	(186,600,256)
Net profit (loss) from operation	(49,467,405)	1,822,263	(9,476,478)	24,226,691	7,109,470	3,486,275	9,452,893	-	3,887,076	2,932,247	(38,494,444)	32,467,476
Gross profit (loss) from operation (%)	(47)	2	(15)	26	43	50	15				(16)	15
Other income											5,422,415	3,555,436
Gain from measurement of financial instruments											543,899	-
Share of loss from investment in a joint venture											(904,843)	(218,615)
Profit (loss) before finance costs and income tax											(33,432,973)	35,804,297
Finance costs											(2,074,284)	(359,724)
Income tax											7,054,803	(6,855,774)
Profit (loss) for the period											(28,452,454)	28,588,799
Timing of revenue recognition												
At a point in time	-	-	684,000	10,121,228	1,043,849	365,037	204,271	-	-	-	1,932,120	10,486,265
Over time	104,261,453	120,418,034	61,222,163	82,418,054	15,587,956	6,545,379	64,772,407	-	-	(800,000)	245,843,979	208,581,467
Total revenue	104,261,453	120,418,034	61,906,163	92,539,282	16,631,805	6,910,416	64,976,678	-	-	(800,000)	247,776,099	219,067,732

7 Fair value

The following table presents financial assets and liabilities that are measured at fair value in each level including fair value of financial assets and financial liabilities. The tables exclude financial assets and liabilities measured at amortised cost where their carrying value approximated fair value.

Consolidated and Separate financial information (Unaudited)					
	Fair value level	Fair value through profit or loss Baht	Fair value through other comprehensive income Baht	Amortised cost Baht	Total carrying value Baht
As at 31 March 2023					
Current liabilities					
Current portion of payable for acquisition of investment in a subsidiary	3	4,800,000	-	-	4,800,000
Non-current liabilities					
Derivative liabilities					
- Foreign exchange forward contract	2	2,956,479	-	-	2,956,479
Payable for acquisition of investment in a subsidiary	3	16,902,396	-	-	16,902,396
Total		24,658,875	-	-	24,658,875
As at 31 December 2022					
Current liabilities					
Current portion of payable for acquisition of investment in a subsidiary	3	4,800,000	-	-	4,800,000
Non-current liabilities					
Derivative liabilities					
- Foreign exchange forward contract	2	3,500,378	-	-	3,500,378
Payable for acquisition of investment in a subsidiary	3	16,678,312	-	-	16,678,312
Total		24,978,690	-	-	24,978,690

The fair value hierarchy level 2 of derivatives is determined using forward exchange rates that are quoted in an active market.

The fair value hierarchy level 3 of payable for acquisition of investment in a subsidiary is determined using the expected cash flows to be paid according to the conditions in the agreement and discounted by the rate obtained from observable market data.

Increasing the discount rate by 1% decreases the fair value of payable for acquisition of investment in a subsidiary by Baht 342,049. Decreasing the discount rate by 1% increases the fair value of payable for acquisition of investment in a subsidiary by Baht 354,384.

As at 31 March 2023 and 31 December 2022, financial assets and liabilities measured at amortised cost approximately to fair value.

8 Trade and other receivables, net

As at	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Trade receivables, net - third parties	124,335,975	163,415,752	65,442,686	103,962,970
Other receivables - third parties	2,093,101	4,035,978	731,182	2,950,214
- related parties	-	-	2,360,680	5,562
Accrued income - third parties	77,967,604	47,028,971	18,781,330	12,059,352
- related parties	-	-	5,378,246	2,204,769
Prepaid expenses	8,308,485	7,995,513	5,653,834	5,384,681
Total	212,705,165	222,494,214	98,347,958	126,567,548

Trade receivables can be analysed based on their aging as follows:

As at	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Within due	59,542,143	116,529,921	9,254,046	71,951,130
Up to 3 months	40,428,374	40,180,668	37,576,572	25,870,567
Between 3 - 6 months	18,620,495	6,141,273	13,366,795	6,141,273
Between 6 - 12 months	5,245,273	563,890	5,245,273	-
Over 12 months	606,084	106,394	-	-
	124,442,369	163,522,146	65,442,686	103,962,970
<u>Less</u> Allowance for expected credit loss	(106,394)	(106,394)	-	-
Total	124,335,975	163,415,752	65,442,686	103,962,970

9 Unbilled receivables and contract liabilities

9.1 Unbilled receivables

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Recognised within one year	342,028,851	306,414,308	201,201,189	181,531,745
Recognised more than one year	52,427,713	47,638,959	42,563,822	41,047,868
Total	394,456,564	354,053,267	243,765,011	222,579,613

9.2 Contract liabilities

Contract liabilities is classified as trade and other payables as disclosed in Note 16.

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Recognised within one year	(7,717,353)	(14,890,829)	(6,613,106)	(7,008,362)
Recognised more than one year	-	(198,185)	-	-
Total	(7,717,353)	(15,089,014)	(6,613,106)	(7,008,362)

As at 31 March 2023 and 31 December 2022, the Group has no outstanding retention.

10 Prepaid software license fees and deferred income

10.1 Prepaid software license fees

Movements of prepaid software license fee for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening book value (Audited)	77,933,781	50,394,581
Additions during the period	94,244,119	83,259,705
Recognised as cost of subscription and license support	(79,824,617)	(62,402,419)
Closing book value (Unaudited)	92,353,283	71,251,867

10.2 Deferred income

Movements of deferred income for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening book value (Audited)	131,819,466	88,186,689
Increase from business acquisition (Note 12.1)	700,000	-
Additions during the period	206,386,739	163,462,717
Recognised as revenue from subscription and license support	(92,937,783)	(69,641,831)
Recognised as revenue from rendering of services	(22,735,999)	(4,463,400)
Closing book value (Unaudited)	223,232,423	177,544,175
Recognised as revenue within one year	222,012,608	177,544,175
Recognised as revenue over one year	1,219,815	-
Total deferred income	223,232,423	177,544,175

11 Deposits at bank used as collateral

The Group and the Company had deposits at bank used as collateral as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
As at				
Deposits at bank used as collateral for:				
- Bank guarantees of services for customers	19,596,200	19,350,000	12,246,200	12,000,000
- Short-term loans from financial institutions (Note 17)	48,948,500	41,448,500	43,750,000	36,250,000
- Forward contract facilities	2,300,000	2,300,000	2,300,000	2,300,000
- Service contracts with customers	950,250	950,250	950,250	950,250
Total	71,794,950	64,048,750	59,246,450	51,500,250

12 Investment in subsidiaries and a joint venture

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
As at				
Investment in subsidiaries	-	-	604,440,541	281,930,680
Investment in a joint venture	9,031,610	7,936,461	11,999,952	9,999,960
Total investment in subsidiaries and a joint venture	9,031,610	7,936,461	616,440,493	291,930,640

12.1 Investment in subsidiaries

Movements of investments in subsidiaries for the three-month period ended 31 March 2023 are as follows:

	Separate financial information Investment at cost method Baht
Opening net book value (Audited)	281,930,680
Additional investment	322,509,861
Closing net book value (Unaudited)	604,440,541

Significant changes in investments in subsidiaries during the three-month period ended 31 March 2023 are as follows:

ICE Consulting Co., Ltd.

ICE Consulting Co., Ltd. called for the additional paid-up share capital for 150,000 ordinary shares at Baht 100 per share, totaling Baht 15 million. The Company paid for the additional paid-up share capital on 6 February 2023.

Lansing Business Systems Co., Ltd.

On 5 January 2023, the Company entered into the business transfer agreement with Lansing Business Systems Co., Ltd. (Lansing) which its principal business operation is to provide services related to IT service to acquire 510,000 shares or 51% of the paid-up share capital, using the equity settlement from the Company's ordinary share of 8,723,684 shares. The Company transferred the Company's ordinary shares for the acquisition on 5 January 2023 and the Company registered the issued and paid-up share capital with the Ministry of Commerce on the same day.

The fair value of the Company's ordinary shares is Baht 35.25 per share, totaling Baht 307.51 million. As a result, Lansing Business Systems Co., Ltd. is a subsidiary of the Company because the Company has control over Lansing.

Expenses related to the acquisition of a subsidiary of Baht 3.4 million are recognised as administrative expenses in the statement of comprehensive income for the three-month period ended 31 March 2023.

Purchase consideration at acquisition date are as follow:

	Baht
Ordinary shares (fair value)	307,509,861
Total purchase consideration	307,509,861

Identifiable assets and liabilities acquired at the acquisition date are as follow.

	Baht
Cash and cash equivalents	8,957,950
Trade and other receivables	39,989,382
Other current and other non-current assets	2,375,194
Deferred tax assets, net	664,344
Equipment, net	3,095,993
Intangible assets, net	248,650
Right-of-use assets, net	824,475
Trade and other payables	(12,258,993)
Deferred income	(700,000)
Other current liabilities	(3,254,355)
Employee benefit obligations	(3,316,727)
Lease liabilities	(829,468)
Total net identifiable assets	35,796,445
Non-controlling interest	(17,540,258)
Goodwill	289,253,674
Fair value of purchase consideration	307,509,861

The Group has been under the process of determining fair value of the net assets acquired of Lansing at acquisition date and is expected to be finalised within 12 months from the acquisition date, which was done in accordance with the measurement period of a business combination of TFRS 3, "Business Combinations".

Goodwill 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 Lansing were recognised by using the non-controlling interests' proportionate share of the Lansing's net assets.

12.2 Investment in a joint venture

Movements of investments in a joint venture for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information (Investment at equity method) Baht	Separate financial information (Investment at cost method) Baht
Opening net book value (Audited)	7,936,461	9,999,960
Additional investments	1,999,992	1,999,992
Share of loss from investment in a joint venture	(904,843)	-
Closing net book value (Unaudited)	9,031,610	11,999,952

During the three-month period ended 31 March 2023, I&I Venture Company Limited called for the additional paid-up share capital for 249,999 ordinary shares at Baht 8 per share, totaling Baht 1,999,992 million. The Company paid for the additional paid-up share capital on 30 March 2023.

13 Equipment, net

Movements of equipment for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening net book value (Audited)	2,335,229	2,274,579
Increase from business acquisition (Note 12.1)	3,095,993	-
Additions during the period	729,039	10,400
Depreciation	(498,607)	(260,214)
Closing net book value (Unaudited)	5,661,654	2,024,765

14 Right-of-use assets, net

Movements of right-of-use assets for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening net book value (Audited)	4,321,748	3,337,945
Increase from business acquisition (Note 12.1)	824,475	-
Additions during the period	201,190	201,190
Depreciation	(539,482)	(362,888)
Closing net book value (Unaudited)	4,807,931	3,176,247

15 Intangible assets, net

Movements of intangible assets for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information			
	Software license Baht	Customer relationships Baht	Software under development Baht	Total Baht
Opening net book value (Audited)	4,323,411	990,618	7,527,728	12,841,757
Increase from business acquisition (Note 12.1)	248,650	-	-	248,650
Additions during the period	63,200	-	569,545	632,745
Amortisation	(191,189)	(76,201)	-	(267,390)
Closing net book value (Unaudited)	4,444,072	914,417	8,097,273	13,455,762

	Separate financial information		
	Software license Baht	Software under development Baht	Total Baht
Opening net book value (Audited)	473,152	2,621,350	3,094,502
Amortisation	(16,498)	-	(16,498)
Closing net book value (Unaudited)	456,654	2,621,350	3,078,004

16 Trade and other payables

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
As at				
Trade payables - third parties	15,667,820	37,887,901	3,650,353	19,412,984
Other payables - third parties	15,298,958	7,406,165	11,080,961	2,363,240
- related parties	-	-	1,897,214	11,864
Contract liabilities (Note 9.2)	7,717,353	15,089,014	6,613,106	7,008,362
Accrued bonus	5,390,922	17,363,653	1,556,788	3,022,237
Accrued service cost - third parties	91,156,677	89,025,743	51,252,753	45,563,319
- related parties	-	-	6,585,550	3,116,705
Accrued expenses - third parties	4,995,068	6,043,591	2,109,082	2,481,164
- related parties	-	-	1,228,398	1,358,881
Total	140,226,798	172,816,067	85,974,205	84,337,756

17 Short-term loans from financial institutions

Movements of short-term loans from financial institutions for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening net book value (Audited)	155,794,000	135,000,000
Additions	75,000,000	60,000,000
Repayments	(45,794,000)	(25,000,000)
Closing net book value (Unaudited)	185,000,000	170,000,000

Loans of the Company

As at 31 March 2023, the Company has short-term loans from financial institutions which were promissory notes, totaling Baht 170 million. The loans bear interest at the rate of MLR and MOR minus a certain percentage per annum and 4.00% to 4.50% per annum and shall be repaid within April to June 2023. The loans are guaranteed by ICE Consulting Company Limited (a subsidiary) and pledged by deposits at bank of the Company (Note 11).

Loans of a subsidiary

As at 31 March 2023, a subsidiary has short-term loans from financial institutions which were promissory notes, totaling Baht 15 million. The loans bear interest rates between 4.00% to 4.40% per annum and shall be repaid within June 2023. The loans are pledged by deposits at bank of a subsidiary (Note 11).

18 Lease liabilities

Movements of lease liabilities for the three-month period ended 31 March 2023 are as follows:

	Consolidated financial information Baht	Separate financial information Baht
Opening net book value (Audited)	3,893,500	3,173,517
Other non-cash movement		
Increase from business acquisition (Note 12.1)	829,468	-
Additions during the period	201,190	201,190
Interest paid for lease liabilities	59,510	49,458
Cash flows		
Repayment for lease liabilities	(547,514)	(383,059)
Closing net book value (Unaudited)	4,436,154	3,041,106
Lease liabilities - Current portion	2,273,769	1,333,638
Lease liabilities - Non-current portion	2,162,385	1,707,468
Total	4,436,154	3,041,106

19 Income tax

For the three-month periods ended 31 March (Unaudited)	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Current income tax	3,274,618	7,229,898	-	1,243,626
Deferred income tax	(10,329,421)	(374,124)	(8,803,458)	(34,521)
Total	(7,054,803)	6,855,774	(8,803,458)	1,209,105

During 2023, the weighted average applicable tax rate for the Group and the Company are 19.87% and 29.79%, respectively (2022: 19.34% and 19.83%, respectively).

20 Share capital and warrants

Movements of share capital for the three-month period ended 31 March 2023 are as follows:

	Authorised Share capital		Issued and paid-up Share capital		Premium on Paid-up capital
	Number of Shares Shares	Ordinary Shares Baht	Number of Shares Shares	Ordinary Shares Baht	Amount Baht
At 1 January 2023	113,723,684	56,861,842	100,000,000	50,000,000	384,580,000
Issue of shares	-	-	8,724,244	4,362,122	303,165,659
As at 31 March 2023	113,723,684	56,861,842	108,724,244	54,362,122	687,745,659

On 5 January 2023, the Company acquired Lansing Business Systems Co., Ltd. (Lansing) by issue 8,723,684 ordinary shares at par value of Baht 0.50 per share and registered the issued and paid-up share capital with the Ministry of Commerce on the same day. Since it determined as the business acquisition, using the equity settlement as disclosed in Note 12, the Company has measured the newly issued ordinary shares with fair value. As a result, there was additional paid-up share capital from the acquisition of Lansing totaling Baht 303,148,019.

Warrants

The Company issued warrants on ordinary shares without charge to the Company's existing shareholders which is approved at the Extraordinary Shareholders' Meeting held on 12 October 2022. The first exercise date is on 15 March 2023 and the last exercise date is on 22 January 2025 as follow:

As at 31 December 2022		Decrease during the period					As at 31 March 2023
Outstanding warrant unit	Increase during the period unit	Exercise ratio for ordinary shares per 1 unit	Exercise price Baht	Amount Baht	Outstanding warrant unit		
						Exercise unit	Issue of ordinary shares during the period Share
-	4,999,928	560	1	560	32	17,920	4,999,368

During the three-month period ended 31 March 2023, 560 units of warrants were issued to purchase ordinary shares of the Company (IIG-W1) to purchase 560 ordinary shares at 32 Baht per unit, totaling Baht 17,920. The Company registered the share subscription with the Ministry of Commerce on 23 March 2023.

21 Related-party transactions

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.

21.1 Transactions with related parties

For the three-month periods ended 31 March (Unaudited)	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Subsidiaries				
Dividend income	-	-	14,999,550	-
Management fee income	-	-	2,345,152	2,292,922
Interest income	-	-	306,066	4,901
Cost of rendering of services	-	-	-	800,000
Administrative expenses	-	-	1,618,125	934,639
Joint venture				
Service income	150,000	600,000	150,000	600,000
Management fee income	145,914	196,403	145,914	196,403
Cost of rendering of services	-	291,286	-	291,286
Administrative expenses	-	29,129	-	29,129

21.2 Outstanding balances arising from services with related parties

The outstanding balances at the end of the reporting period with related parties are as follows:

As at	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Subsidiaries				
Other receivables	-	-	2,360,680	5,562
Deferred income	-	-	5,378,246	2,204,769
Accrued service costs	-	-	6,585,550	3,116,705
Accrued expense	-	-	1,228,398	1,358,881
Other payables	-	-	1,897,214	11,864
Joint venture				
Other receivables	701	-	701	-
Trade receivables	160,500	-	160,500	-
Accrued income	490,173	344,249	490,173	344,259
Accrued service cost	-	67,330	-	67,330
Other payables	72,043	-	72,043	-

21.3 Short-term loans to related parties and related interests

As at	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Short-term loans to related parties				
Subsidiaries	-	-	16,000,000	17,633,910
Interest receivables				
Subsidiaries	-	-	881,677	645,098

Movements of short-term loans to related parties for the three-month period ended 31 March 2023 are as follows:

	Separate financial information Baht
Opening book value (Audited)	17,633,910
Cash flows	
Repayment received	(1,633,910)
Closing book value (Unaudited)	16,000,000

Short-term loans to related parties are two short-term loan agreements without collateral. The credit facilities are Baht 40 million with fixed interest rate of 7.50% per annum and Baht 10 million with interest rate at MLR respectively.

21.4 Key management compensation

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

For the three-month periods ended 31 March (Unaudited)	Consolidated financial information		Separate financial information	
	2023 Baht	2022 Baht	2023 Baht	2022 Baht
Salaries and other short-term employee benefits	16,005,693	11,293,252	8,796,900	6,459,352
Other long-term employee benefits	9,385	7,142	3,348	2,409
Post-employment benefits	852,094	533,381	510,462	255,687
Total	16,867,172	11,833,775	9,310,710	6,717,448

22 Contingencies

As at 31 March 2023 and 31 December 2022, the Group and the Company had outstanding bank guarantees of services for customers issued by the financial institutions as follows:

	Consolidated financial information		Separate financial information	
	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht	Unaudited 31 March 2023 Baht	Audited 31 December 2022 Baht
Bank guarantees issued by the financial institutions	65,920,062	64,355,096	47,617,447	48,741,247