

The logo for Platt Nera, featuring the text "platt nera" in white lowercase letters on an orange rectangular background, which is partially overlapped by a larger green square.

platt nera

# PLATT NERA INTERNATIONAL LIMITED

(Incorporated in the Cayman Islands with limited liability)

**STOCK CODE : 1949**

The background features a complex network of thin, light green lines connecting various circular nodes. A large circle is centered in the upper half of the page, with several lines radiating from its center to other nodes. The nodes themselves are small circles in shades of green and orange, some solid and some hollow. The overall aesthetic is clean, modern, and technical.

**INTERIM REPORT**  
**2019**

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## Corporate Information

### Board of Directors

#### Executive Directors

Mr. Prapan Asvaplungprohm  
Mr. Wison Archadechopon

#### Independent Non-executive Directors

Mr. Tong Yee Ming  
Mr. Cheung Pan  
Mr. Julapong Vorasontharosoht

### Audit Committee

Mr. Tong Yee Ming (*chairman*)  
Mr. Cheung Pan  
Mr. Julapong Vorasontharosoht

### Remuneration Committee

Mr. Julapong Vorasontharosoht  
(*chairman*)  
Mr. Prapan Asvaplungprohm  
Mr. Cheung Pan  
Mr. Tong Yee Ming

### Nomination Committee

Mr. Cheung Pan (*chairman*)  
Mr. Prapan Asvaplungprohm  
Mr. Tong Yee Ming  
Mr. Julapong Vorasontharosoht

### Company Secretary

Ms. Cheung Chit San (*ACIS, ACS*)

### Registered Office in Cayman Islands

Cricket Square, Hutchins Drive  
PO Box 2681,  
Grand Cayman, KY1-1111  
Cayman Islands

### Principal Place of Business in Hong Kong

Rooms 911-912  
Wing On Centre  
111 Connaught Road Central  
Hong Kong

### Headquarters and Principal Place of Business in Thailand

170/9-10 Ocean Tower 1, 4th Floor,  
Soi Sukhumvit 16 (Sammit)  
Ratchadapisek Road, Klongtoey  
Bangkok 10110, Thailand  
Tel: (66) 2661 9922  
Website: <http://www.plattnera.com>

## Auditors

Ernst & Young  
*Certified Public Accountants*

## Authorised Representatives

Mr. Prapan Asvaplungprohm  
Ms. Cheung Chit San

## Legal Advisers

*As to Hong Kong law:*  
Wong Heung Sum & Lawyers

*As to Cayman Islands law:*  
Conyers Dill & Pearman

## Principal Bankers

*In Hong Kong:*  
Hang Seng Bank Limited

*In Thailand:*  
Bangkok Bank Public Company  
Limited

Government Savings Bank

Kasikorn Bank Public Company  
Limited

## Listing Information

Listed on the Hong Kong Stock  
Exchange (Main Board)  
Stock short name: Platt Nera  
Stock code: 1949  
Board lot: 2,000 shares  
Listing date: 16 July 2019

## Hong Kong Branch Share Registrar

Tricor Investor Services Limited  
Level 54, Hopewell Centre  
183 Queen's Road East  
Hong Kong

## Principal Share Registrar and Transfer Office in Cayman Islands

Conyers Trust Company (Cayman)  
Limited  
Cricket Square, Hutchins Drive  
PO Box 2681,  
Grand Cayman KY1-1111  
Cayman Islands

## Compliance Adviser

Altus Capital Limited  
21 Wing Wo Street  
Central,  
Hong Kong



## Cautionary Statement Regarding Forward Looking Statements

This interim report contains certain forward-looking statements with respect to the financial conditions, results of operations and business of Platt Nera International Limited. These forward-looking statements represent the Group's expectations or beliefs concerning future events and involve known and unknown risks and uncertainties that could cause actual results, performance or events to differ materially from those expressed or implied in such statements. Certain statements, that include wordings like "potential", "estimated", "expects", "anticipates", "objective", "intends", "plans", "believes", "estimates", and similar expressions or variations on such expressions may be considered "forward-looking statements". Forward-looking statements involve inherent risks and uncertainties. Readers should be cautioned that a number of factors could cause actual results to differ in some instances materially, from those anticipated or implied in any forward-looking statement. Forward-looking statements speak only at the date they are made, and it should not be assumed that they have been reviewed or updated in the light of new information or future events. Trends and factors that are expected to affect the Group's results of operations are described in the section headed "Management discussion and analysis" below.

## Management Discussion And Analysis

The board (the "**Board**") of directors ("**Directors**" and each a "**Director**") of Platt Nera International Limited (the "**Company**", "**we**", "**us**" or "**our**") is pleased to announce the unaudited condensed consolidated results of the Company and its subsidiaries (collectively, the "**Group**") for the six months ended 30 June 2019 with comparative figures for the corresponding period in 2018.

All terms in this report shall have the same meanings as defined in the prospectus of the Company dated 28 June 2019 ("**Prospectus**"), unless otherwise defined.



## Summary

The Group provides IT solutions to Thai financial institutions, government departments and agencies predominantly in administrative, telecommunications and utilities sectors. Since our establishment in 2004, we have secured a number of sizable projects including the ATM Project in 2006, tsunami detection system in 2010 and satellite system project in 2014. Our top customer is BAAC, a government-owned bank established in 1966 that focuses on providing banking services in the rural area of Thailand, where we provided an ATM IT solutions that allowed BAAC to set up and thereafter operate its ATM network to serve their unique rural customer base.

The shares of the Company (the “**Shares**”) have been successfully listed on the Main Board of The Stock Exchange of Hong Kong Limited (the “**Stock Exchange**”) since 16 July 2019.



## Business Review

In the first half of 2019, we completed eight projects with BAAC, GISTDA, MOI, Customer C and Customer D. We also secured four new projects with BAAC, Customer B and Customer D. As at 30 June 2019, we have 12 on-going projects with an outstanding contract value of approximately THB288.0 million. We also secured the extension of the ATM Project by another seven years (from June 2020), which is a testament to the close and mutually beneficial working relationship between BAAC and the Company.

## Business Outlook

We occupy a unique market position for the ATM Project with BAAC, as most of the industry players primarily only serve certain aspects of the ATM IT solutions but none of them offer the same level of integrated ATM IT solutions as us. This provides us with a robust base in expanding our services to the banking and financial sector. In this regard, Customer F has formally announced the ATM/CDM project for the building or replacement of 5,030 machines (including 2,900 ATMs and 2,130 CDMs). The Company is currently making preparations for the submission of the project tender as well as undertaking negotiations with banks and equipment suppliers. The Group expects the project to commence and the recognition of revenues and profits for this project to take place from the fourth quarter of 2019.

Similarly, we aim to capture potential opportunities arising from the white-label ATM project, a current proposal of the Central Bank of Thailand that proposes the open up of the ATM market to non-bank institutes. Our Executive Directors expect such proposal, if implemented, would increase the demand of ATM IT solutions and benefit our Group accordingly. Besides, our Group also intends to continuously cooperate closely with BAAC to develop new banking and financial solutions, such as the cardless ATM mobile banking applications and debit cards system.



## Financial Review

### Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

#### Revenue

For the six months ended 30 June 2019 (“**1H 2019**”), the Group’s total revenue increased by around 20.6%, or THB31.2 million from approximately THB151.2 million in 1H 2018 to approximately THB182.4 million in 1H 2019. The increase was mainly driven by an increase in IT integrated solutions on projects such as relocate Base24 system and development of the cardless ATM mobile banking application for BAAC, and developing video conference system for MOI.

#### Gross profit and gross profit margin

The Group’s gross profit for 1H 2019 decreased by approximately 18.5% from approximately THB94.1 million in the six months ended 30 June 2018 (“**1H 2018**”) to approximately THB76.7 million during 1H 2019 and the Group’s gross profit margins declined from 62.2% in 1H 2018 to 42.0% during 1H 2019. The decrease in gross profit margins in 1H 2019 compared to 1H 2018 reflects the change in our customer mix and our efforts in securing new projects of different nature from new customers from the second half of 2018 onwards as we sought to expand and diversify our customer base. Such diversification in projects and customers include our project with MOI to develop a video conference system, and our project with Customer D relating to the security system project. Hence, due to the different mix of customers and project types from time to time, it may cause volatility to our gross profit and gross profit margin from period to period.

#### Other income and gains

Our Group’s other income primarily includes interest income and miscellaneous income. During 1H 2019, our interest income, which came from our fixed deposit, remained relatively stable.



## **Selling and distribution expenses**

Our selling and distribution expenses mainly consist of salaries and bonuses of our sales division, and advertising and marketing expenses.

## **Administrative expenses**

Administrative expenses mainly consist of employee salaries and benefits for the management, administrative and financial personnel, administrative costs, project bidding costs, office rental and services and common fee charge, audit and consultancy fees, depreciation of leasehold improvement and equipment, utilities, and other administrative expenses.

The Group's general and administrative expenses decreased by 12.7%, from approximately THB22.9 million in 1H 2018 to approximately THB20.0 million in 1H 2019.

## **Other expenses and Listing expenses**

Our other expenses during 1H 2018 represented compensation of approximately THB1.1 million paid to our consortium partner resulting from the Bank Concluded Case, and Listing expenses amounting to approximately THB30.6 million in 1H 2019.

## **Finance costs**

Our Group's finance costs during 1H 2019 included interest on bank and other borrowings. Our finance costs amounted to approximately THB10.1 million during 1H 2019 and approximately THB11.2 million in 1H 2018.

## **Income tax expenses**

During 1H 2019, income tax expenses amounted to approximately THB8.9 million, representing a decrease of 23.0% as compared to 1H 2018, which was mainly in line with the decrease in profit before tax.

## **Profit for 1H 2019**

As a result of the above factors, the Group's profit after tax for 1H 2019 decreased by approximately 91.5% from approximately THB43.8 million for 1H 2018 to approximately THB3.7 million for 1H 2019. Without considering the Listing expenses, the Group's profit after tax for 1H 2019 would have been approximately THB34.3 million. This represents a decline of approximately THB9.5 million or 21.7% compared to 1H 2018, which is in line with the decline in gross profit and gross profit margins over the same period.

## **Condensed Consolidated Statement of Financial Position**

### **Inventories**

The increase in inventories from approximately THB6.9 million at 31 December 2018 to THB27.0 million at 30 June 2019 was mainly due to the higher levels of debit cards' and chip cards' inventories built up for the replacement of magnetic cards.

### **Prepayments, deposits and other receivables**

The increase in prepayments, deposits and other receivables' balance from approximately THB18.9 million at 31 December 2018 to approximately THB49.1 million at 30 June 2019 was mainly due to Listing expenses.

### **Other payables and accruals**

The decline in other payables and accruals from approximately THB99.3 million as at 31 December 2018 to approximately THB76.7 million at 30 June 2019 was mainly due to the settlement of interest payable on loans from a director of approximately THB39.7 million in 1H 2019. Further, an amount due to a director of approximately THB3.3 million as at 30 June 2019 was settled prior to the Listing.

## Liquidity, Financial Resources and Capital Structure

During 1H 2019, the Group continued to maintain a satisfactory and healthy liquidity position. As at 30 June 2019, the Group recorded net current assets of approximately THB65.6 million, which is similar to the net current assets position of approximately THB69.1 million as at 31 December 2018.

As at 30 June 2019, the total interest-bearing bank borrowings of the Group repayable within one year were approximately THB152.0 million which is an improvement over the approximately THB213.4 million as at 31 December 2018.

As at 30 June 2019, the debt to equity ratio of the Group (consolidated net debt/total equity) was 170.0% (31 December 2018: 283.4%). The Group's operations were mainly financed by internal resources including but not limited to existing cash and cash equivalents and anticipated cash flow from its operating activities. With the strengthening of the Group's financial and liquidity position following from the Listing, the Group shall be in better position to expand in accordance with its business strategy.

## Employee Information

As at 30 June 2019, the Group had 51 employees (30 June 2018: 50 employees). The Group's labor costs (including salaries, bonuses, social security and provident fund) were approximately THB19.9 million, equivalent to 10.9% of the Group's revenue in 1H 2019.

Our numbers of employees and staff costs were broadly stable during 1H 2019. This reflected our strategy to focus predominantly in serving our customers in the banking and financial industries. Since the beginning of 2018, we have adopted a new strategy for diversification and have successfully expanded our business and customer base during the year. In extension of this strategy, we expect our staff force and related costs, especially in sales, marketing and technical, to increase going forward.



## Remuneration policy and training schemes

In order to attract and retain talents, we offer our employees competitive wages and benefits, comprehensive training and internal promotion opportunities. Our employees are remunerated according to their job scopes and responsibilities, and are entitled to annual bonuses, payment to pension schemes and social insurance. We also offer performance incentives and sales commissions to our sales employees based on their work performance and contribution to our business. The Listing also represents an effort to widen the scope of employment remuneration to equity linked payment.

Our administrative division provides orientation training programme to new employees, followed by inclusive on job training supervised by the management. For each employee we assign a trainer with longer experience in our Group, and the on job training includes generic and specific trainings covering both technical and soft skills. The division heads and our management periodically review the performances of our employees and adjust the training program according to each employee's self-development as necessary. Further, we also sponsor continuous training courses related to our actual works for employees designated by each division.

## Interim Dividend

The Board does not recommend the payment of interim dividend for the six months ended 30 June 2019.

## Use of Net Proceeds from the Listing

The Shares were listed on the Stock Exchange on 16 July 2019 with net proceeds received by the Group from the Share Offer amounting to approximately HK\$92.4 million (after deducting the underwriting commission, fees and all related expenses), which will be utilised for the purposes set out in the Prospectus.

## Purchase, Sale or Redemption of the Company's Listed Securities

Since the Shares were not listed on the Stock Exchange during 1H 2019, neither the Company nor any of its subsidiaries had purchased, sold or redeemed any of the listed securities of the Company during 1H 2019.

## OTHER INFORMATION

### Substantial Shareholders' Interests and Short Positions in Shares and Underlying Shares

Since the Shares were listed on the Stock Exchange on 16 July 2019, Divisions 2 and 3 of Part XV of the Securities and Futures Ordinance (the "SFO") and section 336 of the SFO were not applicable to the Company and the substantial shareholders as at 30 June 2019.

As at the date of this report, the following persons (other than the interests of the Directors or chief executives of the Company as disclosed below) have interests or short positions in the shares of the Company or underlying shares as recorded in the register required to be kept by the Company pursuant to section 336 of the SFO:

Name of Shareholder	Nature of Interest	Number of Shares held <sup>(1)</sup>	Approximate shareholding percentage (%)
Pynk Holding Limited ("Pynk")	Beneficial owner	300,000,000 (L)	75%
Ms. Aranya Talomsin ("Ms. Talomsin")	Interest held jointly with other persons; interest in a controlled corporation <sup>(2)</sup>	300,000,000 (L)	75%

Notes:

1. The letter "L" denotes a long position of the shareholder's interest in the share capital of our Company.
2. Pynk is beneficially owned as to 96% by Mr. Prapan Asvaplunghroh, 2% by Mr. Wison Archadechopon and 2% by Ms. Talomsin. Mr. Prapan Asvaplunghroh, Mr. Wison Archadechopon and Ms. Talomsin together control all the Shares held by Pynk.

## Directors' and Chief Executive's Interests and Short Positions in Shares, Underlying Shares and Debentures

Since the Shares were listed on the Stock Exchange on 16 July 2019, the Company was not required to keep any register under Part XV of the SFO as at 30 June 2019.

As at the date of this report, the interests and short positions of the Directors and chief executive of the Company in the shares, underlying shares and debentures of the Company or its associated corporations (within the meaning of Part XV of the SFO), as recorded in the register required to be kept by the Company pursuant to section 352 of the SFO, or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code for securities Transactions by Directors of Listed Issuers (the "**Model Code**") as set out in Appendix 10 to the Listing Rules, are as follows:

### (A) Interests in the Shares, the Underlying Shares and Debentures of the Company

Name of Director	Nature of Interest	Number of Shares held <sup>(1)</sup>	Approximate shareholding percentage (%)
Mr. Prapan Asvaplungprohm ("Mr. Asvaplungprohm")	Interest held jointly with other persons; interest in a controlled corporation	300,000,000 (L)	75%
Mr. Wison Archadechopon ("Mr. Archadechopon")	Interest held jointly with other persons; interest in a controlled corporation	300,000,000 (L)	75%

Notes:

- The letter "L" denotes long position of the shares.
- Mr. Asvaplungprohm, Mr. Archadechopon and Ms. Talomsin own 96%, 2% and 2% of Pynk (being corporate Controlling Shareholder), respectively, and Mr. Asvaplungprohm, Mr. Archadechopon and Ms. Talomsin together control all the Shares held by Pynk.

## (B) Interests in the Shares and Underlying Shares of Associated Corporations

Name of Director	Name of associated corporation	Nature of interest	Number and class of securities in the associated corporation <sup>(Note 1)</sup>	Percentage of interest in the associated corporation
Mr. Asvaplungprohm	Pynk	Beneficial owner	96 ordinary shares (L)	96%
Mr. Archadechopon	Pynk	Beneficial owner	2 ordinary shares (L)	2%
Mr. Asvaplungprohm	Info Asset Holding (Thailand) Co., Ltd. ("IAH")	Beneficial owner	347,208 preference shares (L) (Note 2)	46.92%
Mr. Asvaplungprohm	IAH	Beneficiary of a trust (other than a discretionary interest)	15,096 preference shares (L) (Note 2)	2.04%
Mr. Archadechopon	IAH	Beneficial owner	7,548 preference shares (L) (Note 2)	1.02%

### Notes:

1. The letter "L" denotes a long position in the shareholder's interest in the share capital of the relevant associated corporation.
2. The holders of preference shares of IAH have one vote for every ten preference shares held on any resolution of IAH.

Save as disclosed above, as at the date of this report, neither the Directors nor the chief executive of the Company had any interests or short positions in the shares, underlying shares or debentures of the Company or any of its associated corporations (within the meaning of Part XV of the SFO) as recorded in the register required to be kept under Section 352 of the SFO or as otherwise notified to the Company and the Stock Exchange pursuant to the Model Code.

## Corporate Governance

The Shares were listed on the Stock Exchange on 16 July 2019 (the “**Listing Date**”). Therefore, the code provisions of the Corporate Governance Code (the “**CG Code**”) as set out in Appendix 14 of the Rules Governing the Listing of Securities on the Stock Exchange (the “**Listing Rules**”) were not applicable to the Company during 1H2019 which is prior to the Listing Date. In the opinion of the Directors, the Company has complied with the applicable code provisions as set out in the CG Code throughout the period from the Listing Date up to the date of this report, save for code provision A.2.1 of the CG Code.

Code provision A.2.1 of the CG Code provides that the roles of chairman and chief executive should be separate and should not be performed by the same individual. However, in view of the present composition of the Board, Mr. Asvaplungprohm’s in-depth knowledge of the operations of the Group and of the industry, his involvement in the formulation of business strategies and determination of the overall direction of the Group and his extensive business network and influence in the sector and the scope of operations of the Group, the Board believes that vesting the roles of the chairman and chief executive officer in Mr. Asvaplungprohm would enable the Company to achieve higher responsiveness, efficiency and effectiveness when formulating business strategies and provide strong and consistent leadership for the development of the Group. The Board also believes that this structure is in the best interest of the Company and will not impair the balance of power and authority of the Board and such arrangement will be subject to review from time to time.

The Company will continue to review regularly its corporate governance policies and compliance with the CG Code to ensure operations are in line with the good corporate governance practices as set out in the CG Code and aligned with the latest developments.



## Model Code for Securities Transactions

The Company has adopted the Securities Dealing Code on terms no less exacting than the Model Code as set out in Appendix 10 to the Listing Rules.

Specific enquiry has been made of all the Directors and they have confirmed that they have complied with the required standard set out in the Model Code throughout the period from the Listing Date to the date of this report.

## Competing Interests

As at 30 June 2019, none of the Directors, substantial shareholders and their respective associates (as defined in the Listing Rules) has any interest in a business which competes or is likely to compete, either directly or indirectly, with the business of the Group.

## Audit Committee Review

The Company has established an audit committee which is accountable to the Board and the primary duties of which include the review and supervision of the Group's financial reporting process and internal control measures. For 1H2019, the audit committee comprised three independent non-executive Directors, namely, Mr. Tong Yee Ming, Mr. Cheung Pan and Mr. Julapong Vorasontharoso. Mr. Tong Yee Ming serves as the chairman of the audit committee of the Company, who has the professional qualification and experience in financial matters in compliance with the requirements of the Listing Rules.

The audit committee has reviewed with management the accounting principles and practices adopted by the Group and discussed internal control and financial reporting matters including the review of the unaudited interim financial statements of the Group for 1H2019. The audit committee considered that the unaudited interim financial information of the Group for 1H2019 are in compliance with the relevant accounting standards, rules and regulations and that appropriate disclosures have been made.

# Condensed Consolidated Statement of Profit or Loss and Other Comprehensive Income

For the six months ended 30 June 2019

		<b>Six months ended 30 June</b>	
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Unaudited)
	<i>Notes</i>	<b>THB'000</b>	THB'000
<b>REVENUE</b>	5	<b>182,416</b>	151,237
Cost of sales		<b>(105,732)</b>	(57,150)
<hr/>			
Gross profit		<b>76,684</b>	94,087
Other income and gain, net		<b>639</b>	643
Selling and distribution expenses		<b>(4,005)</b>	(4,174)
Administrative expenses		<b>(20,035)</b>	(22,947)
Other expenses		<b>—</b>	(1,075)
Listing expenses		<b>(30,606)</b>	—
Finance costs		<b>(10,074)</b>	(11,195)
<hr/>			
<b>PROFIT BEFORE TAX</b>	6	<b>12,603</b>	55,339
Income tax	7	<b>(8,888)</b>	(11,548)
<hr/>			
<b>PROFIT FOR THE PERIOD AND TOTAL COMPREHENSIVE INCOME FOR THE PERIOD ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>		<b>3,715</b>	43,791
<hr/>			
<b>EARNINGS PER SHARE ATTRIBUTABLE TO SHAREHOLDERS OF THE COMPANY</b>	9		
Basic and diluted (THB cents)		<b>1.24</b>	14.60
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# Condensed Consolidated Statement of Financial Position

As at 30 June 2019

		<b>As at</b>	
		<b>30 June</b>	31 December
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Audited)
	<i>Notes</i>	<b>THB'000</b>	THB'000
<b>NON-CURRENT ASSETS</b>			
Leasehold improvements and equipment	10	<b>2,988</b>	4,030
Computer software		<b>373</b>	424
Right-of-use assets		<b>3,948</b>	—
Prepayments, deposits and other receivables	12	<b>1,393</b>	1,360
Pledged bank deposits	13	<b>52,142</b>	61,848
Deferred tax assets		<b>9,261</b>	18,149
		<hr/>	
<b>Total non-current assets</b>		<b>70,105</b>	85,811
<b>CURRENT ASSETS</b>			
Inventories		<b>27,044</b>	6,917
Contract assets	5	<b>319,762</b>	442,106
Trade receivables	11	<b>123,282</b>	41,181
Prepayments, deposits and other receivables	12	<b>47,680</b>	17,530
Cash and cash equivalents	13	<b>1,905</b>	17,395
		<hr/>	
		<b>519,673</b>	525,129
Non-current assets held for sale		—	57,309
		<hr/>	
<b>Total current assets</b>		<b>519,673</b>	582,438
		<hr/>	

## Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2019

		As at	
		30 June 2019 (Unaudited) THB'000	31 December 2018 (Audited) THB'000
	Notes		
<b>CURRENT LIABILITIES</b>			
Contract liabilities	5	—	796
Trade payables	14	219,162	193,707
Other payables and accruals	15	76,723	99,323
Income tax payable		2,318	6,160
Bank and other borrowings	16	151,967	213,352
Lease liabilities		3,906	—
<b>Total current liabilities</b>		<b>454,076</b>	513,338
<b>NET CURRENT ASSETS</b>		<b>65,597</b>	69,100
<b>TOTAL ASSETS LESS CURRENT LIABILITIES</b>		<b>135,702</b>	154,911
<b>NON-CURRENT LIABILITIES</b>			
Bank and other borrowings	16	3,756	37,000
Lease liabilities		106	—
Defined benefit obligations		3,598	3,080
Preference shares of a subsidiary		37,740	32,640
<b>Total non-current liabilities</b>		<b>45,200</b>	72,720
<b>Net assets</b>		<b>90,502</b>	82,191

## Condensed Consolidated Statement of Financial Position (Continued)

As at 30 June 2019

		<b>As at</b>	
		<b>30 June</b>	31 December
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Audited)
	<i>Notes</i>	<b>THB'000</b>	THB'000
<b>EQUITY</b>			
<b>Equity attributable to shareholders of the Company</b>			
Issued capital	17	<b>59</b>	—
Reserves		<b>90,443</b>	82,191
		<hr/>	<hr/>
<b>Total equity</b>		<b>90,502</b>	82,191
		<hr/>	<hr/>

# Condensed Consolidated Statement of Changes in Equity

For the six months ended 30 June 2019

	Issued capital (Unaudited) THB'000	Merger reserve (Unaudited) THB'000	Defined benefit plan reserve (Unaudited) THB'000	Accumulated losses (Unaudited) THB'000	Total equity (Unaudited) THB'000
<b>At 1 January 2019</b>	—	177,363*	(598)*	(94,574)*	82,191
Profit for the period and total comprehensive income for the period	—	—	—	3,715	3,715
Increase in share capital of a subsidiary	—	4,537	—	—	4,537
Issued shares of the Company credited as fully paid (note 17(b))	59	—	—	—	59
<b>At 30 June 2019</b>	<b>59</b>	<b>181,900*</b>	<b>(598)*</b>	<b>(90,859)*</b>	<b>90,502</b>

For the six months ended 30 June 2018

	Issued capital (Unaudited) THB'000	Merger reserve (Unaudited) THB'000	Defined benefit plan reserve (Unaudited) THB'000	Accumulated losses (Unaudited) THB'000	Deficiency in assets (Unaudited) THB'000
<b>At 1 January 2018</b>	—	150,000	125	(208,119)	(57,994)
Profit for the period and total comprehensive income for the period	—	—	—	43,791	43,791
<b>At 30 June 2018</b>	<b>—</b>	<b>150,000</b>	<b>125</b>	<b>(164,328)</b>	<b>(14,203)</b>

\* These reserve accounts comprise the consolidated reserves of THB90,443,000 (31 December 2018: THB82,191,000) in the condensed consolidated statement of financial position as at 30 June 2019.

## Condensed Consolidated Statement of Cash Flows

For the six months ended 30 June 2019

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	THB'000	THB'000
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Cash generated from operations	59,276	32,107
Income tax paid	(6,292)	(3,447)
	<hr/>	<hr/>
<b>Net cash flows generated from operating activities</b>	<b>52,984</b>	<b>28,660</b>
	<hr/>	<hr/>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchases of items of leasehold improvements and equipment	(115)	(134)
Purchase of computer software	—	(33)
Advance payments for the acquisition of a distribution right and related equipment	—	(12,755)
Proceeds from the transfer of a distribution right and related equipment	57,309	—
	<hr/>	<hr/>
<b>Net cash flows from/(used in) investing activities</b>	<b>57,194</b>	<b>(12,922)</b>
	<hr/>	<hr/>

## Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2019

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of new shares by the Company	<b>59</b>	—
Proceeds from issue of new shares by a subsidiary	<b>9,637</b>	—
New bank and other borrowings	<b>5,349</b>	78,874
Repayment of bank and other borrowings	<b>(110,159)</b>	(169,635)
Gross decrease in pledged bank deposits	<b>10,103</b>	38,709
Gross increase in pledged bank deposits	<b>(396)</b>	(18,497)
Interest received	<b>412</b>	445
Interest paid	<b>(48,823)</b>	(9,756)
	<hr/>	<hr/>
<b>Net cash flows used in financing activities</b>	<b>(133,818)</b>	(79,860)
	<hr/>	<hr/>
<b>NET DECREASE IN CASH AND CASH EQUIVALENTS</b>		
Cash and cash equivalents at beginning of period	<b>(23,640)</b>	(64,122)
	<b>10,535</b>	54,630
	<hr/>	<hr/>
<b>CASH AND CASH EQUIVALENTS AT END OF PERIOD</b>	<b>(13,105)</b>	(9,492)
	<hr/>	<hr/>

## Condensed Consolidated Statement of Cash Flows (Continued)

For the six months ended 30 June 2019

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
<b>ANALYSIS OF BALANCES OF CASH AND CASH EQUIVALENTS</b>		
Cash and bank balances	<b>54,047</b>	67,211
Less: Pledged bank deposits	<b>(52,142)</b>	(62,549)
<hr/>		
Cash and cash equivalents as stated in the condensed consolidated statement of financial position	<b>1,905</b>	4,662
Less: Bank overdrafts	<b>(15,010)</b>	(14,154)
<hr/>		
Cash and cash equivalents as stated in the condensed consolidated statement of cash flows	<b>(13,105)</b>	(9,492)
<hr/>		

# Notes to Condensed Consolidated Interim Financial Statements

## 1. Corporate and Group Information

Platt Nera International Limited is a limited liability company incorporated in the Cayman Islands on 23 November 2018. The registered office of the Company is located at Cricket Square, Hutchins Drive, PO Box 2681, Grand Cayman, KY1-1111, Cayman Islands and the principal place of business of the Company in Thailand is located at 170/9-10 Ocean Tower 1, 4th Floor, Soi Sukhumvit 16 (Sammit), Ratchadapisek Road, Klongtoey, Bangkok 10110, Thailand. The shares of the Company ("**Shares**") were listed on the Main Board of The Stock Exchange of Hong Kong Limited (the "**Stock Exchange**") on 16 July 2019 ("**Listing**").

The Company is an investment holding company. During the six months ended 30 June 2019, the Group was principally engaged in the provision of IT integrated solutions and IT support services.

In the opinion of the Directors, the immediate holding company and the ultimate holding company of the Company is Pynk Holding Limited, which is incorporated in the British Virgin Islands.

## 2. Basis of Presentation and Preparation

The unaudited interim condensed consolidated financial information of the Group for the six months ended 30 June 2019 set out in this interim report has been prepared in accordance with the applicable disclosure requirements of Appendix 16 to the Rules Governing the Listing of Securities on the Stock Exchange.

The unaudited interim condensed consolidated financial information does not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's financial statements for the year ended 31 December 2018, as included in Appendix I to the prospectus of the Company dated 28 June 2019 (the "**Prospectus**").

## 2. Basis of Presentation and Preparation (Continued)

The accounting policies and basis of preparation adopted in the preparation of this interim condensed consolidated financial information are consistent with those adopted in the Group's financial statements for the year ended 31 December 2018, as included in Appendix I to the Prospectus, which have been prepared in accordance with International Financial Reporting Standards ("**IFRSs**"), which comprise all standards and interpretations approved by the International Accounting Standards Board, except for the adoption of the new and revised IFRSs as disclosed in note 3 below.

This interim condensed consolidated financial information is presented in Thai Baht ("**THB**") and all values are rounded to the nearest thousand (THB'000) except when otherwise indicated.

This interim condensed consolidated financial information has not been audited, but has been reviewed by the Company's audit committee.

## 3. Changes in Accounting Policies and Disclosures

The Group has adopted the following new and revised IFRSs for the first time for the current period's interim condensed consolidated financial information:

Amendments to IFRS 9	<i>Prepayment Features with Negative Compensation</i>
IFRS 16	<i>Leases</i>
Amendments to IAS 19	<i>Plan Amendment, Curtailment or Settlement</i>
Amendments to IAS 28	<i>Long-term Interests in Associates and Joint Ventures</i>
IFRIC 23	<i>Uncertainty over Income Tax Treatments</i>
Annual Improvements 2015–2017 Cycle	Amendments to IFRS 3, IFRS 11, IAS 12 and IAS 23

### 3. Changes in Accounting Policies and Disclosures (Continued)

Other than as explained below regarding the impact of IFRS 16 *Leases* and IFRIC 23 *Uncertainty over Income Tax Treatments*, the new and revised standards are not relevant to the preparation of the Group's interim condensed consolidated financial information. The nature and impact of the new and revised IFRSs are described below:

- (a) IFRS 16 replaces IAS 17 *Leases*, IFRIC 4 *Determining whether an Arrangement contains a Lease*, SIC 15 *Operating Leases — Incentives* and SIC 27 *Evaluating the Substance of Transactions Involving the Legal Form of a Lease*. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model. Lessor accounting under IFRS 16 is substantially unchanged from IAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles as in IAS 17. Therefore, IFRS 16 did not have any financial impact on leases where the Group is the lessor.

The Group adopted IFRS 16 using the modified retrospective method of adoption with the date of initial application of 1 January 2019. Under this method, the standard is applied retrospectively with the cumulative effect of initial adoption as an adjustment to the opening balance of accumulated losses at 1 January 2019, and the comparative information for 2018 was not restated and continues to be reported under IAS 17.

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***New definition of a lease***

Under IFRS 16, a contract is, or contains a lease if the contract conveys a right to control the use of an identified asset for a period of time in exchange for consideration. Control is conveyed where the customer has both the right to obtain substantially all of the economic benefits from use of the identified asset and the right to direct the use of the identified asset. The Group elected to use the transition practical expedient allowing the standard to be applied only to contracts that were previously identified as leases applying IAS 17 and IFRIC 4 at the date of initial application. Contracts that were not identified as leases under IAS 17 and IFRIC 4 were not reassessed. Therefore, the definition of a lease under IFRS 16 has been applied only to contracts entered into or changed on or after 1 January 2019.

At inception or on reassessment of a contract that contains a lease component, the Group allocates the consideration in the contract to each lease and non-lease component on the basis of their stand-alone prices. A practical expedient is available to a lessee, which the Group has adopted, not to separate non-lease components and to account for the lease and the associated non-lease components as a single lease component.

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***As a lessee — Leases previously classified as operating leases***

##### *Nature of the effect of adoption of IFRS 16*

The Group has lease contracts for an office and equipment. As a lessee, the Group previously classified leases as either finance leases or operating leases based on the assessment of whether the lease transferred substantially all the rewards and risks of ownership of assets to the Group. Under IFRS 16, the Group applies a single approach to recognise and measure right-of-use assets and lease liabilities for all leases, except for two elective exemptions for leases of low value assets (elected on a lease by lease basis) and short-term leases (elected by class of underlying asset). The Group has elected not to recognise right-of-use assets and lease liabilities for (i) leases of low-value assets; and (ii) leases, that at the commencement date, have a lease term of 12 months or less. Instead, the Group recognises the lease payments associated with those leases as an expense on the straight-line basis over the lease term.

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***As a lessee — Leases previously classified as operating leases (Continued)***

##### *Impacts on transition*

Lease liabilities at 1 January 2019 were recognised based on the present value of the remaining lease payments, discounted using the incremental borrowing rate at 1 January 2019 and separately disclosed on the face of the condensed consolidated statement of financial position.

The right-of-use assets were measured at the amount of the lease liabilities, adjusted by the amount of any prepaid or accrued lease payments relating to the lease recognised in the condensed consolidated statement of financial position immediately before 1 January 2019. The Group elected to present the right-of-use assets separately in the condensed consolidated statement of financial position.

The Group has used the following elective practical expedients when applying IFRS 16 at 1 January 2019:

- Applied the short-term lease exemptions to leases with a lease term that ends within 12 months from the date of initial application
- Used hindsight in determining the lease term where the contract contains options to extend/terminate the lease

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***As a lessee — Leases previously classified as operating leases (Continued)***

*Impacts on transition (Continued)*

The impacts arising from the adoption of IFRS 16 as at 1 January 2019 are as follows:

	(Unaudited) THB'000
<b>Assets</b>	
Increase in right-of-use assets	6,042
Increase in total assets	6,042
<b>Liabilities</b>	
Increase in lease liabilities	6,042
Increase in total liabilities	6,042

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***Summary of new accounting policies***

The accounting policy for leases as disclosed in the financial statements for the year ended 31 December 2018 is replaced with the following new accounting policies upon adoption of IFRS 16 from 1 January 2019:

#### *Right-of-use assets*

Right-of-use assets are recognised at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and any impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, and lease payments made at or before the commencement date less any lease incentives received. Unless the Group is reasonably certain to obtain ownership of the leased asset at the end of the lease term, the recognised right-of-use assets are depreciated on the straight-line basis over the shorter of the estimated useful life and the lease term.

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***Summary of new accounting policies (Continued)***

##### *Lease liabilities*

Lease liabilities are recognised at the commencement date of the lease at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed lease payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Group and payments of penalties for termination of a lease, if the lease term reflects the Group exercising the option to terminate. The variable lease payments that do not depend on an index or a rate are recognised as an expense in the period in which the event or condition that triggers the payment occurs.

In calculating the present value of lease payments, the Group uses the incremental borrowing rate at the lease commencement date if the interest rate implicit in the lease is not readily determinable. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in future lease payments arising from change in an index or rate, a change in the lease term, a change in the in-substance fixed lease payments or a change in assessment to purchase the underlying asset.

### 3. Changes in Accounting Policies and Disclosures (Continued)

(a) (Continued)

#### ***Summary of new accounting policies (Continued)***

*Significant judgement in determining the lease term of contracts with renewal options*

The Group determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

The Group has the option, under some of its leases, to lease equipment for additional terms of three years. The Group applies judgement in evaluating whether it is reasonably certain to exercise the option to renew. It considers all relevant factors that create an economic incentive for it to exercise the renewal. After the lease commencement date, the Group reassesses the lease term if there is a significant event or change in circumstances that is within the control of the Group and affects its ability to exercise the option to renew.

The Group included the renewal period as part of the lease term for leases of machinery due to the significance of these assets to its operations. These leases have a short non-cancellable period and there will be a significant negative effect on production if a replacement is not readily available.

### 3. Changes in Accounting Policies and Disclosures (Continued)

- (b) IFRIC 23 addresses the accounting for income taxes (current and deferred) when tax treatments involve uncertainty that affects the application of IAS 12 (often referred to as “**uncertain tax positions**”). The interpretation does not apply to taxes or levies outside the scope of IAS 12, nor does it specifically include requirements relating to interest and penalties associated with uncertain tax treatments. The interpretation specifically addresses (i) whether an entity considers uncertain tax treatments separately; (ii) the assumptions an entity makes about the examination of tax treatments by taxation authorities; (iii) how an entity determines taxable profits or tax losses, tax bases, unused tax losses, unused tax credits and tax rates; and (iv) how an entity considers changes in facts and circumstances. The interpretation did not have any significant impact on the Group’s interim condensed consolidated financial information.

### 4. Segment Information

#### *Operating segment information*

No operating segment information is presented as the Group’s revenue and reported results during each of the six months ended 30 June 2019 and 2018, and the Group’s total assets as at the end of the reporting period were derived from or attributable to one single operating segment, i.e., provision of IT integrated solutions and IT support services.

#### 4. Segment Information (Continued)

##### ***Geographical information***

The Group's revenue during each of the six months ended 30 June 2019 and 2018 were all derived from external customers based in Thailand, and the Group's non-current assets, excluding financial assets, as at the end of each of the reporting period, were all located in Thailand.

##### ***Information about major customers***

The revenue generated from sales to customers which individually contributed more than 10% of the Group's total revenue during the six months ended 30 June 2019 and 2018 is set out below:

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
Customer I	<b>123,547</b>	141,065
Customer II	<b>37,259</b>	—
	<hr/>	
	<b>160,806</b>	141,065
	<hr/>	

## 5. Revenue from Contracts with Customers

### (a) Disaggregated revenue information

	Six months ended 30 June	
	2019	2018
	(Unaudited)	(Unaudited)
	THB'000	THB'000
By type of goods or services:		
IT integrated solutions	79,089	26,149
IT support services	103,327	125,088
	<hr/>	<hr/>
Total revenue from contracts with customers	182,416	151,237
	<hr/>	<hr/>
By timing of revenue recognition:		
Transferred at a point in time	11,683	5,078
Transferred over time	170,733	146,159
	<hr/>	<hr/>
Total revenue from contracts with customers	182,416	151,237
	<hr/>	<hr/>

## 5. Revenue from Contracts with Customers (Continued)

### (b) Contract balances

		<b>As at</b>	
		<b>30 June</b>	31 December
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Audited)
	<i>Notes</i>	<b>THB'000</b>	THB'000
Contract assets	<i>(i)</i>	<b>319,762</b>	442,106
Trade receivables	<i>11</i>	<b>123,282</b>	41,181
Contract liabilities	<i>(ii)</i>	<b>—</b>	(796)

Notes:

- (i) Contract asset is an entity's right to consideration in exchange for goods or services that the entity has transferred to a customer when that right is conditioned on something other than the passage of time. Contract assets are transferred to trade receivables when the rights to consideration become unconditional.

The expected timing of recovery or settlement of contract assets as at the end of the reporting period is as follows:

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Within one year	<b>319,762</b>	391,472
More than one year	<b>—</b>	50,634
	<b>319,762</b>	442,106

- (ii) Contract liabilities are the Group's obligations to transfer goods or services to customers for which the Group has received consideration from customers, including progress billings received from customers for services in progress and upfront deposits collected from customers prior to the commencement of the provision of services or delivery of products. Contract liabilities are recognised as revenue when the Group performs under the contract.

## 6. Profit before Tax

The Group's profit before tax is arrived at after charging/(crediting):

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
Cost of inventories sold	<b>14,900</b>	12,534
Cost of services rendered	<b>90,832</b>	44,616
Depreciation of leasehold improvements and equipment	<b>1,157</b>	1,132
Depreciation of right-of-use assets	<b>2,093</b>	—
Amortisation of computer software*	<b>51</b>	69
Employee benefit expense (including directors' remuneration):		
Salaries, allowances and benefits in kind	<b>19,295</b>	17,279
Defined contribution schemes contributions	<b>638</b>	561
Net benefit expenses of a defined benefit plan	<b>518</b>	167
	<hr/>	<hr/>
Total employee benefit expense	<b>20,451</b>	18,007
Less: Amount included in cost of services rendered	<b>(5,719)</b>	(4,175)
	<hr/>	<hr/>
	<b>14,732</b>	13,832
	<hr/>	<hr/>
Provision for a litigation**	<b>—</b>	1,075
	<hr/>	<hr/>

\* The amortisation of computer software is included in "Administrative expenses" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

\*\* The provision for a litigation is included in "Other expenses" on the face of the condensed consolidated statement of profit or loss and other comprehensive income.

## 7. Income Tax

An analysis of the Group's income tax is as follows:

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
Current:		
Charge for the period	—	—
Deferred tax	<b>8,888</b>	11,548
Total tax expense for the period	<b>8,888</b>	11,548

No provision for Hong Kong profits tax has been made as the Group did not generate any assessable profits arising in Hong Kong during the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

Thailand income tax has been provided at the rate of 20% on the estimated assessable profits arising in Thailand during the six months ended 30 June 2019 (six months ended 30 June 2018: 20%).

## 8. Interim Dividend

The Board does not recommend the payment of an interim dividend for the six months ended 30 June 2019 (six months ended 30 June 2018: Nil).

## 9. Earnings Per Share Attributable to Shareholders of the Company

The calculation of the basic earnings per share of the Company amount for the period is based on the unaudited profit for the period attributable to shareholders of the Company of THB3,715,000 (Period ended 30 June 2018: THB43,791,000), and the weighted average number of ordinary shares of the Company in issue of 300,000,000 (Period ended 30 June 2018: 300,000,000) during the period as if the changes in issued number of ordinary shares of the Company as detailed in notes 17 and 20(a) had been completed on 1 January 2018.

No adjustment has been made to the basic earnings per share amounts presented for each of the six months ended 30 June 2019 and 2018 in respect of a dilution as the Group had no potentially dilutive ordinary shares of the Company in issue during each of these periods.

## 10. Leasehold Improvements and Equipment

During the six months ended 30 June 2019, the Group acquired leasehold improvements and equipment with a total cost of THB115,000 (six months ended 30 June 2018: THB134,000).

## 11. Trade Receivables

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Trade receivables	<b>123,282</b>	41,181

Notes:

- (a) The Group's trading terms with its customers are mainly on credit. The credit period is generally 7 to 30 days. Each customer has a maximum credit limit. The Group seeks to maintain strict control over its outstanding receivables to minimise the credit risk. Overdue balances are reviewed regularly by senior management. In view of the aforementioned and the fact that the Group's trade receivables relate to certain customers with good reputation, in the opinion of the directors of the Company, there is no significant credit risk. Trade receivables are non-interest-bearing.
- (b) An ageing analysis of the trade receivables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Within 1 month	<b>59,515</b>	5,313
1 to 3 months	<b>56,241</b>	35,868
Over 3 months	<b>7,526</b>	—
	<b>123,282</b>	41,181

## 12. Prepayments, Deposits and Other Receivables

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Prepayments	<b>39,549</b>	15,985
Interest receivables	<b>399</b>	474
Prepaid corporate income tax	<b>2,450</b>	—
Deposits and other receivables	<b>2,344</b>	1,634
Others	<b>4,331</b>	797
	<b>49,073</b>	18,890
Portion classified as current assets	<b>(47,680)</b>	(17,530)
Non-current portion	<b>1,393</b>	1,360

### 13. Pledged Bank Deposits and Cash Equivalents

		<b>As at</b>	
		<b>30 June</b>	31 December
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Audited)
<i>Notes</i>		<b>THB'000</b>	THB'000
Cash and bank balances			
other than time deposits		<b>1,905</b>	17,395
Time deposits		<b>52,142</b>	61,848
		<hr/>	
Total cash and bank			
balances	<i>(a)</i>	<b>54,047</b>	79,243
Less: Pledged bank deposits	<i>(b)</i>	<b>(52,142)</b>	(61,848)
		<hr/>	
Cash and cash equivalents		<b>1,905</b>	17,395
		<hr/>	

*Notes:*

- (a) Cash at banks earns interest at floating rates based on daily bank deposit rates. Time deposits are made for one year as the security for letters of guarantee issued by banks in favour of the Group and the Group's bank borrowings and overdrafts. The bank balances and pledged deposits are deposited with creditworthy banks with no recent history of default.
- (b) At the end of the reporting period, certain bank deposits of the Group were pledged to banks for letters of guarantee, bank loans and bank overdrafts. The pledged deposits bore interest rates ranging from 0.85% to 1.25% per annum as at 30 June 2019 and 31 December 2018.

## 14. Trade Payables

Trade payables of the Group are unsecured, interest-free, and are normally settled on 30 to 120 days terms, except that the Group is required to pay interest at 2% per month for an overdue trade payable balance.

An ageing analysis of the trade payables as at the end of the reporting period, based on the invoice date, is as follows:

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Within 1 month	<b>22,508</b>	21,414
1 to 2 months	<b>15,056</b>	10,621
2 to 3 months	<b>8,973</b>	1,588
Over 3 months	<b>36,905</b>	26,334
	<hr/>	
	<b>83,442</b>	59,957
Unbilled	<b>135,720</b>	133,750
	<hr/>	
	<b>219,162</b>	193,707
	<hr/>	

## 15. Other Payables and Accruals

	As at	
	30 June 2019 (Unaudited) THB'000	31 December 2018 (Audited) THB'000
Accruals	36,676	21,396
Other payables	23,977	14,665
Interest-bearing other payable	—	9,270
Amount due to a director	3,332	—
Interest payable on loans from a director ( <i>note</i> )	—	39,705
Other tax payables	12,738	14,287
	<hr/>	<hr/>
	76,723	99,323

*Note:* The balance represented the interest payable to a director of the Company in respect of the loans from the director which bear interest at a fixed rate of 6% per annum. The balance was unsecured and repayable on demand.

## 16. Bank and Other Borrowings

		<b>As at</b>	
		<b>30 June</b>	31 December
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Audited)
<i>Notes</i>		<b>THB'000</b>	THB'000
Bank overdrafts:			
Secured	<i>(a)</i>	<b>15,010</b>	6,860
Bank loans:			
Secured	<i>(b)</i>	<b>77,584</b>	144,712
Other loans:			
Secured	<i>(c)</i>	<b>63,129</b>	92,000
Unsecured	<i>(d)</i>	<b>—</b>	6,780
		<b>63,129</b>	98,780
Total bank and other borrowings		<b>155,723</b>	250,352

## 16. Bank and Other Borrowings (Continued)

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
<i>Notes</i>	<b>THB'000</b>	THB'000
Analysed into:		
Bank loans and overdrafts repayable:		
Within one year or on demand	<b>88,838</b>	147,079
In the second year	<b>1,522</b>	1,491
In the third to fifth years, inclusive	<b>2,234</b>	3,002
	<b>92,594</b>	151,572
Other loans repayable		
Within one year or on demand	<b>63,129</b>	66,273
In the second year	<b>—</b>	32,507
	<b>63,129</b>	98,780
Total bank and other borrowings	<b>155,723</b>	250,352
Portion classified as current liabilities	<b>(151,967)</b>	(213,352)
Non-current portion	<b>3,756</b>	37,000

## 16. Bank and Other Borrowings (Continued)

Notes:

- (a) The secured bank overdrafts of the Group as at 30 June 2019 and 31 December 2018 bore annual interest rate at the minimum overdraft rate ("**MOR**") promulgated by the banks and are repayable on demand.
- (b) A secured bank loan of the Group amounted to THB5,216,000 (31 December 2018: THB5,926,000) as at 30 June 2019, bore a fixed interest rate at 4% per annum.

Other secured bank loans of the Group with an aggregate amount of THB64,368,000 (31 December 2018: THB130,786,000) as at 30 June 2019, bore interest at rates ranging from the minimum lending rate ("**MLR**") promulgated by the banks to MLR plus 1% per annum. In addition, the Group has a promissory note of THB8,000,000 (31 December 2018: THB8,000,000) as at 30 June 2019, which bore annual interest rate at MOR per annum and is repayable within one year.

As at 30 June 2019 and 31 December 2018, the Group's secured bank overdrafts and loans were guaranteed by a third party credit guarantee corporation and two directors of the Company and a director of a subsidiary, and secured by:

- (i) certain bank deposits of the Company; and
  - (ii) right of receiving payment from projects.
- (c) The Group's secured other loan as at 30 June 2019 and 31 December 2018 represented loan from a third party company bore interest at 6.5% per annum and is repayable within 18 months. The loan was secured by right of receiving payment from a project which had a total contract sum of THB92,000,000.
  - (d) As at 31 December 2018, the Group's unsecured other loans represented loans from a director with an aggregate amount of THB6,780,000, which bore interest at 6.0% per annum, and are repayable on demand.

## 17. Share Capital

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
Authorised:		
10,000,000,000 (2018: 38,000,000)		
ordinary shares of HK\$0.01		
each ( <i>note (a)</i> )	<b>HK\$100,000,000</b>	HK\$380,000

	<b>As at</b>	
	<b>30 June</b>	31 December
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Audited)
	<b>THB'000</b>	THB'000
Issued and nil paid:		
1,500,000 ordinary shares of		
HK\$0.01 each	<b>N/A</b>	—
Issued and fully paid:		
1,500,000 ordinary shares of		
HK\$0.01 each ( <i>note (b)</i> )	<b>59</b>	N/A

### Notes:

- (a) The Company was incorporated in the Cayman Islands as an exempted company with limited liability on 23 November 2018 with an authorised share capital of HK\$380,000 divided into 38,000,000 ordinary shares. The authorised share capital of the Company was increased to HK\$100,000,000 divided into 10,000,000,000 ordinary shares of HK\$0.01 each by the creation of an additional 9,962,000,000 ordinary shares of HK\$0.01 each on 17 June 2019.
- (b) 1,500,000 ordinary shares were allotted and issued nil paid to its then shareholders on 23 November 2018, which were then transferred to the immediate holding company and credited as fully paid on 17 June 2019.

## 18. Related Party Disclosures

- (a) The Group entered into the following material transactions with related parties during the period:

		<b>Six months ended 30 June</b>	
		<b>2019</b>	2018
		<b>(Unaudited)</b>	(Unaudited)
<i>Notes</i>		<b>THB'000</b>	THB'000
Transactions with a director of the Company			
Interest expenses	<i>(i)</i>	—	2,745
Transaction with a related company controlled by a director of the Company			
Transfer of a distribution right and related equipment	<i>(ii)</i>	<b>57,309</b>	—

*Notes:*

- (i) The interest expenses were paid and payable to a director of the Company in respect of certain loans granted to the Group.
- (ii) The transaction was conducted based on terms and conditions set out in the novation agreement dated 15 October 2018 and the memorandum of agreement dated 28 December 2018 mutually agreed between the parties.
- (b) Details of the balances with a Director are set out in notes 15 and 16(d) to the interim condensed consolidated financial information.
- (c) Details of the guarantees given by the Directors in respect of the Group's bank loans are set out in note 16 to the interim condensed consolidated financial information.

## 18. Related Party Disclosures (Continued)

- (d) The compensation of the key management personnel of the Group is summarised as follows:

	<b>Six months ended 30 June</b>	
	<b>2019</b>	2018
	<b>(Unaudited)</b>	(Unaudited)
	<b>THB'000</b>	THB'000
Short term employee benefits	<b>7,587</b>	6,244
Post-employee benefits	<b>727</b>	326
Total compensation paid and payable to key management personnel	<b>8,314</b>	6,570

## 19. Contingent Liabilities

### ***Bank guarantees***

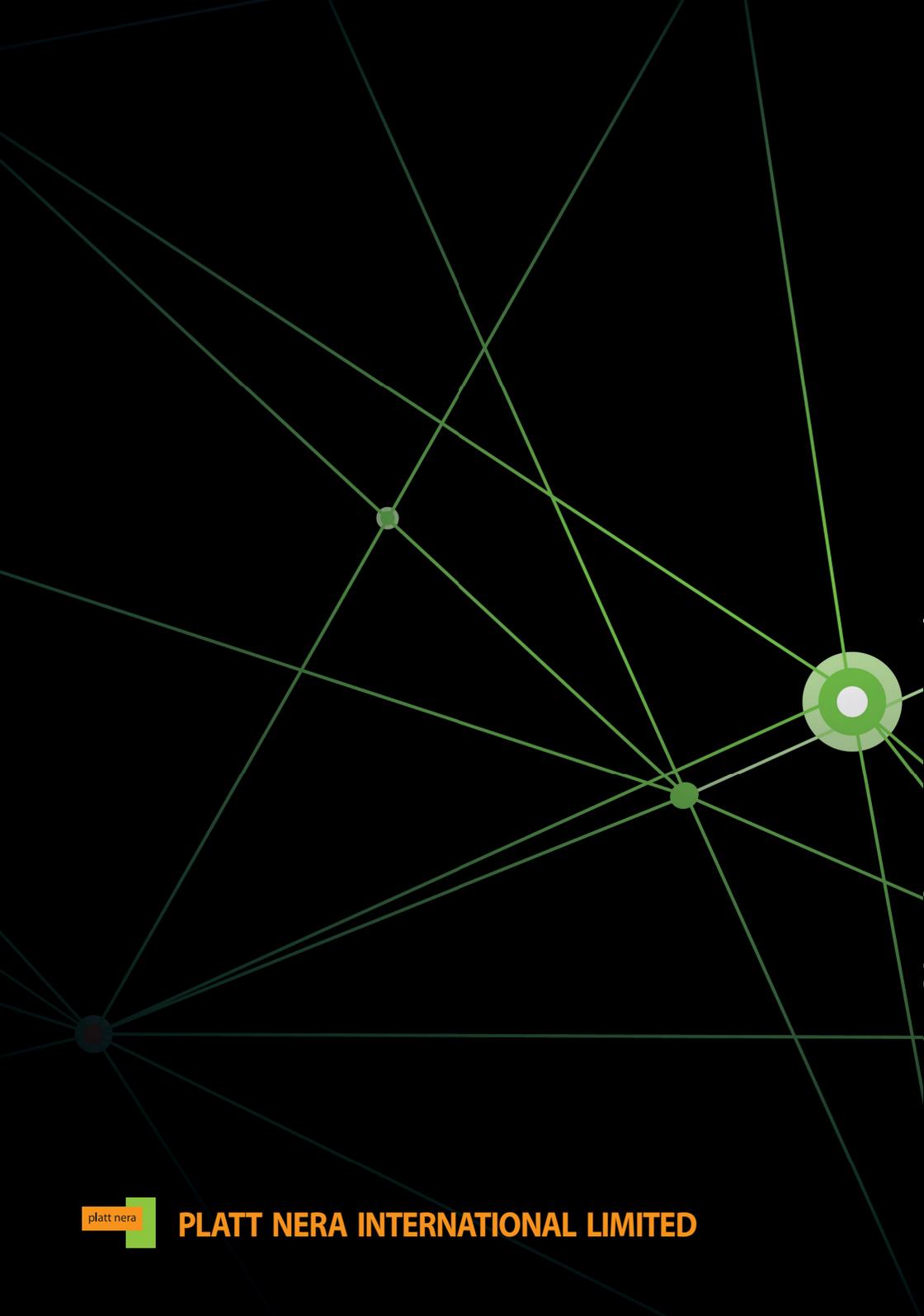
As at 30 June 2019, there were outstanding bank guarantees of THB115,936,000 (31 December 2018: THB102,000,000) issued by banks on behalf of the Group in respect of certain performance obligation as required in the normal course of business of the Group.

## 20. Events after the Reporting Period

- (a) Pursuant to the written resolutions passed by the sole shareholder of the Company on 17 June 2019, the directors of the Company were authorised to capitalise HK\$2,985,000 standing to the credit of the share premium of the Company by paying up in full at par 298,500,000 ordinary shares of HK\$0.01 each for allotment and issue to the shareholders whose names appear on the register of members of the Company at the close of business of the business day immediately preceding the Listing in proportion to their then existing shareholdings in the Company and so that the shares to be allotted and issued pursuant to this resolution shall rank pari passu in all respects with the then existing issued shares (the "**Capitalisation Issue**"). The Capitalisation Issue had been completed on 16 July 2019.
- (b) On 16 July 2019, 100,000,000 ordinary shares of par value HK\$0.01 each were issued at a price of HK\$1.25 per share in connection with the Listing for a total gross proceeds of HK\$125 million. The shares of the Company have been listed on the Main Board of the Stock Exchange since 16 July 2019.

## 21. Approval of the Interim Condensed Consolidated Financial Information

The interim condensed consolidated financial information was approved and authorised for issue by the Board on 22 August 2019.



**PLATT NERA INTERNATIONAL LIMITED**