

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

**Financial Statements
For the Year Ended December 31, 2018
and Independent Auditor's Report**

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INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Unique Engineering and Construction Public Company Limited

Opinion

I have audited the consolidated and separate financial statements of Unique Engineering and Construction Public Company Limited and its subsidiaries ("the Group"), and of Unique Engineering and Construction Public Company Limited ("the Company"), which comprise the consolidated and separate statements of financial position as at December 31, 2018, and the consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the consolidated and separate financial positions of the Group and the Company as at December 31, 2018, and their consolidated and separate financial performance and their consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Other Matter

The consolidated and separate financial statements of Unique Engineering and Construction Public Company Limited and its subsidiaries, and of Unique Engineering and Construction Public Company Limited for the year ended December 31, 2017 were audited by another auditor in my firm whose report dated February 27, 2018, expressed an unqualified opinion on those statements.

Key Audit Matter

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



| Key Audit Matter Details | Auditor's Approach |
|---|---|
| <p data-bbox="193 331 804 398">Recognition of revenue, costs and related profit on construction contracts</p> <p data-bbox="193 427 804 680">Revenue and related profit are recognized based on the percentage of completion of individual construction contracts and frameworks, calculated on the proportion of actual costs of work incurred to date and the estimated total costs expected to be spent until completion of the project. The estimated total costs are determined by the Group's project engineers, which are subject to change and such change could be material to the consolidated and separate financial statements.</p> <p data-bbox="193 710 804 1003">The extents of revenue, costs and related profit to recognize on the percentage of completion of each construction contract represent an area of significant judgment and assumption of the management in the assessment on the appropriation of information using in the estimation on related service rendered according to construction contracts which may be due to error or management bias and may have significant effect to revenue, costs and related profit recognized by the Group and the Company.</p> <p data-bbox="193 1032 804 1122">Accordingly, the management has to review the estimated revenues and construction costs throughout the contract period regularly and adjust such estimation as necessary.</p> | <ul data-bbox="831 412 1437 1084" style="list-style-type: none"> • Examined construction contracts and challenged the risk on recognition of revenue and estimated construction costs with the management. • Tested internal control over costs of subcontractors, costs of construction materials and the procurement according to the construction contracts during the year. • Tested the integrity and correctness of the process and data used in preparation the report and budget in determination the percentage of completion of construction projects. • Tested the integrity of estimated construction costs and assessed the reasonableness of estimated construction costs with actual construction costs incurred whether represented the actual progress of construction projects. • Compared gross margin of construction projects from the beginning of the construction projects to the present for assessment on the reasonableness of estimated construction costs. • Tested the completeness and correctness of the actual costs incurred and the estimated costs to be incurred to complete the construction of projects. |

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

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



Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

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

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

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



(Ms. Waleerat Akkarasrisawad)
Certified Public Accountant, Registration No. 4411
Baker Tilly Audit and Advisory Services (Thailand) Ltd.
Bangkok
February 26, 2019

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED

AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

ASSETS

| | Notes | In Baht | | | |
|--|--------------------------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | Consolidated Financial Statements | | Separate Financial Statements | |
| | | 2018 | 2017 | 2018 | 2017 |
| CURRENT ASSETS | | | | | |
| Cash and cash equivalents | | 455,498,081 | 268,541,994 | 392,430,270 | 183,551,074 |
| Short-term investments | 5 | 212,115 | 209,933 | 211,050 | 208,879 |
| Trade and other current receivables - net | 4, 6, 13, 20 | 1,618,066,538 | 1,056,154,739 | 2,449,734,507 | 1,853,313,459 |
| Unbilled trade receivables | 13, 17, 24 | 15,280,895,188 | 16,332,561,713 | 14,754,290,443 | 15,781,405,008 |
| Advance payments to subsidiaries | 4 | - | - | 10,232,441,370 | 7,222,655,132 |
| Advance payments to joint operator | | 52,637,611 | 52,112,960 | 52,637,611 | 52,112,960 |
| Inventories - net | 7, 11, 13 | 4,538,596,072 | 2,093,887,610 | 4,241,339,950 | 1,686,762,951 |
| Current portion of receivable under finance lease contract | 8 | 2,620,062 | 2,466,598 | - | - |
| Advance payments to contractors - net | 6, 20 | 119,480,122 | 131,865,863 | 113,202,776 | 125,219,263 |
| Retention receivables | 24 | 346,877,015 | 186,088,914 | 346,846,155 | 186,088,914 |
| Current tax assets | | 174,535,213 | 103,390,662 | 138,825,158 | 73,403,315 |
| Other current assets | | | | | |
| - Prepaid expenses | 4 | 114,554,299 | 125,242,512 | 85,047,542 | 97,510,892 |
| - Others | | 26,837,485 | 23,706,021 | 17,799,705 | 11,910,422 |
| Total Current Assets | | 22,730,809,801 | 20,376,229,519 | 32,824,806,537 | 27,274,142,269 |
| NON-CURRENT ASSETS | | | | | |
| Investments in restricted deposits at financial institutions | 9, 13 | 561,806,715 | 483,194,323 | 561,450,815 | 482,841,583 |
| Receivable under finance lease contract - net | 8 | 1,603,185 | 4,223,247 | - | - |
| Investments in subsidiaries - net | 2, 10, 17 | - | - | 972,595,920 | 988,895,920 |
| Property, plant and equipment - net | 4, 7, 11, 12, 13, 17, 19 | 4,824,211,122 | 5,396,228,486 | 1,646,808,802 | 1,703,339,313 |
| Other intangible assets - net | 11, 12 | 19,030,023 | 17,273,239 | 18,934,185 | 17,114,842 |
| Deferred income tax assets | 27 | 147,322,019 | 54,177,363 | 91,410,582 | 24,522,749 |
| Other non-current assets | | | | | |
| - Withholding income tax deducted at sources | | 114,191,792 | 135,566,713 | 77,127,526 | 53,636,837 |
| - Value added tax receivable | | 927,827,229 | 1,080,853,708 | 542,259,167 | 719,865,335 |
| - Others | | 13,250,408 | 13,616,086 | 12,897,492 | 13,097,670 |
| Total Non-Current Assets | | 6,609,242,493 | 7,185,133,165 | 3,923,484,489 | 4,003,314,249 |
| TOTAL ASSETS | | 29,340,052,294 | 27,561,362,684 | 36,748,291,026 | 31,277,456,518 |

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED

AND ITS SUBSIDIARIES

STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2018

LIABILITIES AND SHAREHOLDERS' EQUITY

| | Notes | In Baht | | | |
|--|-------------------------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | Consolidated Financial Statements | | Separate Financial Statements | |
| | | 2018 | 2017 | 2018 | 2017 |
| CURRENT LIABILITIES | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | 6, 7, 9, 10, 11, 13, 17 | 5,993,231,190 | 5,085,061,907 | 5,940,660,729 | 5,029,180,485 |
| Short-term borrowings - net | 14 | - | 444,923,387 | - | 444,923,387 |
| Trade and other current account and note payables - net | 4, 6, 20 | 8,262,157,396 | 8,430,355,872 | 18,611,052,335 | 15,247,135,202 |
| Advances received from subsidiaries | 4 | - | - | 113,312,718 | 113,371,626 |
| Advances received from joint operators | | - | 866,708 | - | 866,708 |
| Current portion of long-term borrowings from financial institutions | 6, 10, 11, 13, 17 | 298,100,000 | 353,040,000 | 97,200,000 | 26,640,000 |
| Current portion of debentures | 18 | 435,588,675 | - | 435,588,675 | - |
| Current portion of liabilities under finance lease contracts | 11, 19 | 511,892,041 | 479,051,689 | 227,824,156 | 139,532,798 |
| Current portion of retention payables to contractors | | 85,634,908 | - | 62,361,158 | - |
| Advances received from customers - net | 6, 20, 24 | 2,916,678,065 | 2,981,407,099 | 2,916,677,167 | 2,981,407,099 |
| Current provision for other employee benefit | 15 | 7,817,560 | 7,909,061 | - | - |
| Current income tax payable | | 8,812,416 | 12,167,039 | 1,146,715 | 11,043,842 |
| Accrued dividend | 21 | 4,951,157 | 4,421,377 | 4,951,157 | 4,421,377 |
| Other current liabilities | | 445,000,373 | 452,655,187 | 310,352,857 | 327,723,233 |
| Total Current Liabilities | | 18,969,863,781 | 18,251,859,326 | 28,721,127,667 | 24,326,245,757 |
| NON-CURRENT LIABILITIES | | | | | |
| Long-term borrowings from financial institutions - net | 6, 10, 11, 13, 17 | 397,475,116 | 451,009,302 | 207,075,116 | 59,709,302 |
| Debentures - net | 18 | 495,082,891 | - | 495,082,891 | - |
| Liabilities under finance lease contracts - net | 11, 19 | 1,096,329,519 | 1,048,670,390 | 519,274,147 | 397,339,749 |
| Retention payables to contractors - net | 6 | 509,677,928 | 399,278,076 | 416,726,703 | 304,311,060 |
| Non-current provision for employee retirement benefit | 16 | 99,261,305 | 85,156,154 | 53,804,812 | 46,699,685 |
| Other non-current liabilities | 11 | 32,286,835 | 28,633,655 | 2,190,038 | 2,722,191 |
| Total Non-Current Liabilities | | 2,630,113,594 | 2,012,747,577 | 1,694,153,707 | 810,781,987 |
| Total Liabilities | | 21,599,977,375 | 20,264,606,903 | 30,415,281,374 | 25,137,027,744 |
| SHAREHOLDERS' EQUITY | | | | | |
| Share capital | | | | | |
| - Authorized share capital, ordinary share 1,081,016,253 shares, at Baht 1 par value | | 1,081,016,253 | 1,081,016,253 | 1,081,016,253 | 1,081,016,253 |
| - Issued and paid-up share capital, ordinary share 1,081,016,253 shares, at Baht 1 per share | | 1,081,016,253 | 1,081,016,253 | 1,081,016,253 | 1,081,016,253 |
| Share premium on ordinary shares | | 2,462,874,146 | 2,462,874,146 | 2,462,874,146 | 2,462,874,146 |
| Retained earnings | | | | | |
| - Appropriated for legal reserve | 23 | 108,150,857 | 108,150,857 | 108,150,857 | 108,150,857 |
| - Unappropriated | | 4,087,929,400 | 3,644,580,005 | 2,680,968,396 | 2,488,387,518 |
| Equity Attributable to Owners of the Parent | | 7,739,970,656 | 7,296,621,261 | 6,333,009,652 | 6,140,428,774 |
| Non-controlling interests | | 104,263 | 134,520 | - | - |
| Total Shareholders' Equity | | 7,740,074,919 | 7,296,755,781 | 6,333,009,652 | 6,140,428,774 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 29,340,052,294 | 27,561,362,684 | 36,748,291,026 | 31,277,456,518 |

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

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED DECEMBER 31, 2018

| | | In Baht | | | |
|---|-----------|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | | Consolidated Financial Statements | | Separate Financial Statements | |
| Notes | | 2018 | 2017 | 2018 | 2017 |
| REVENUES | | | | | |
| | 24 | 12,875,474,291 | 12,588,759,611 | 12,800,160,427 | 12,481,879,361 |
| | 4, 7 | 47,000,000 | - | 47,000,000 | - |
| | 4 | 60,844,943 | 86,361,046 | 95,902,166 | 130,677,124 |
| | | <u>12,983,319,234</u> | <u>12,675,120,657</u> | <u>12,943,062,593</u> | <u>12,612,556,485</u> |
| Total Revenues | | | | | |
| EXPENSES | | | | | |
| | 4, 24, 26 | 10,373,630,925 | 10,167,407,459 | 10,848,073,412 | 10,750,897,758 |
| | 4, 7, 26 | 35,578,952 | - | 35,578,952 | - |
| | 4, 26 | 922,774,918 | 900,712,705 | 837,608,683 | 804,756,223 |
| | 4, 26 | 34,388,103 | 41,207,199 | 34,388,103 | 39,921,099 |
| | | 610,690,988 | 444,864,652 | 492,595,428 | 321,037,323 |
| | | <u>11,977,063,886</u> | <u>11,554,192,015</u> | <u>12,248,244,578</u> | <u>11,916,612,403</u> |
| | | | | <u>1,006,255,348</u> | <u>1,120,928,642</u> |
| | | | | 694,818,015 | 695,944,082 |
| | 27 | 209,643,526 | 230,823,435 | 145,703,212 | 146,170,415 |
| | | | | <u>796,611,822</u> | <u>890,105,207</u> |
| | | | | 549,114,803 | 549,773,667 |
| PROFIT FOR THE YEAR | | | | | |
| Other comprehensive income: | | | | | |
| Item that will not be reclassified subsequently to profit or loss : | | | | | |
| | 16 | 4,303,349 | 19,238,890 | 251,797 | 10,537,128 |
| | | (860,670) | (3,847,778) | (50,359) | (2,107,426) |
| | | <u>3,442,679</u> | <u>15,391,112</u> | <u>201,438</u> | <u>8,429,702</u> |
| Other comprehensive income for the year - net of tax | | | | | |
| | | <u>800,054,501</u> | <u>905,496,319</u> | <u>549,316,241</u> | <u>558,203,369</u> |
| TOTAL COMPREHENSIVE INCOME FOR THE YEAR | | | | | |
| Profit for the year attributable to: | | | | | |
| | | 796,642,079 | 890,090,123 | 549,114,803 | 549,773,667 |
| | | (30,257) | 15,084 | - | - |
| | | <u>796,611,822</u> | <u>890,105,207</u> | <u>549,114,803</u> | <u>549,773,667</u> |
| Profit for the Year | | | | | |
| Total comprehensive income for the year attributable to: | | | | | |
| | | 800,084,758 | 905,481,235 | 549,316,241 | 558,203,369 |
| | | (30,257) | 15,084 | - | - |
| | | <u>800,054,501</u> | <u>905,496,319</u> | <u>549,316,241</u> | <u>558,203,369</u> |
| Total Comprehensive Income for the Year | | | | | |
| Basic Earnings per Share Attributable | | | | | |
| | 28 | <u>0.737</u> | <u>0.823</u> | <u>0.508</u> | <u>0.509</u> |
| to Owners of the Parent | | | | | |

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

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2018

| | | Consolidated Financial Statements (In Baht) | | | | | | |
|------|-------------------------------|---|--------------------------------|----------------|---------------|---|---------------------------|----------------------------|
| Note | Issued and paid share capital | Share premium on ordinary shares | Retained earnings | | | Equity attributable to owners of the parent | Non-controlling interests | Total shareholders' equity |
| | | | Appropriated for legal reserve | Unappropriated | | | | |
| | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 3,095,834,133 | 6,747,875,389 | 120,194 | 6,747,995,583 | |
| | - | - | - | 905,481,235 | 905,481,235 | 15,084 | 905,496,319 | |
| | - | - | - | - | - | (758) | (758) | |
| 21 | - | - | - | (356,735,363) | (356,735,363) | - | (356,735,363) | |
| | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 3,644,580,005 | 7,296,621,261 | 134,520 | 7,296,755,781 | |
| | - | - | - | 800,084,758 | 800,084,758 | (30,257) | 800,054,501 | |
| 21 | - | - | - | (356,735,363) | (356,735,363) | - | (356,735,363) | |
| | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 4,087,929,400 | 7,739,970,656 | 104,263 | 7,740,074,919 | |

BALANCE AS AT JANUARY 1, 2017

Total comprehensive income for the year

Decrease in non-controlling interests

Dividend payments

BALANCE AS AT DECEMBER 31, 2017

Total comprehensive income for the year

Dividend payments

BALANCE AS AT DECEMBER 31, 2018

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY (Continued)

FOR THE YEAR ENDED DECEMBER 31, 2018

| | Separate Financial Statements (In Baht) | | | | | |
|---|---|-------------------------------------|--|--------------------------------------|----------------|----------------------------------|
| | Note | Issued and paid share capital | Share premium on ordinary shares | Retained earnings | | Total shareholders' equity |
| | | | | Appropriated for legal reserve | Unappropriated | |
| BALANCE AS AT JANUARY 1, 2017 | | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 2,286,919,512 | 5,938,960,768 |
| Total comprehensive income for the year | | - | - | - | 558,203,369 | 558,203,369 |
| Dividend payments | 21 | - | - | - | (356,735,363) | (356,735,363) |
| BALANCE AS AT DECEMBER 31, 2017 | | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 2,488,387,518 | 6,140,428,774 |
| Total comprehensive income for the year | | - | - | - | 549,316,241 | 549,316,241 |
| Dividend payments | 21 | - | - | - | (356,735,363) | (356,735,363) |
| BALANCE AS AT DECEMBER 31, 2018 | | 1,081,016,253 | 2,462,874,146 | 108,150,857 | 2,680,968,396 | 6,333,009,652 |

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

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED DECEMBER 31, 2018

In Baht

| | Consolidated Financial Statements | | Separate Financial Statements | |
|--|-----------------------------------|----------------------|-------------------------------|------------------------|
| | 2018 | 2017 | 2018 | 2017 |
| CASH FLOWS FROM OPERATING ACTIVITIES: | | | | |
| Profit for the year | 796,611,822 | 890,105,207 | 549,114,803 | 549,773,667 |
| Adjustments to reconcile profit for the year to net cash provided by (used in) operating activities: | | | | |
| Depreciation, depletion and amortization | 1,207,080,146 | 1,185,440,443 | 386,341,939 | 345,514,199 |
| Write-off fixed assets | 4,771,907 | 53,625 | 4,422,216 | 52,918 |
| Gain on disposals of fixed assets | (5,869,146) | (29,580,063) | (4,308,265) | (4,086,594) |
| Unrealized loss (gain) on foreign exchange | 1,423,129 | (92,011) | 1,436,534 | (92,011) |
| Write-off withholding tax deducted at sources | 4,460,586 | 957,986 | 549,863 | 345,995 |
| Allowance for doubtful account | 2,500,000 | 1,450,000 | 2,500,000 | 1,450,000 |
| Allowance for impairment of investments | - | - | 16,300,000 | 34,900,000 |
| Allowance for impairment of fixed assets | 16,868,087 | 25,900,000 | - | - |
| Allowance for impairment of inventories | 850,000 | - | 850,000 | - |
| Bad debt from advance payment to joint operator | - | 35,144,550 | - | 35,144,550 |
| Provision for employee retirement benefit | 18,408,500 | 31,422,433 | 7,356,924 | 16,433,836 |
| Provision for other employee benefit | - | 3,414,004 | - | - |
| Interest income | (8,608,724) | (7,674,976) | (7,950,599) | (6,827,356) |
| Finance costs | 610,690,988 | 444,864,652 | 492,595,428 | 321,037,323 |
| Tax expense | 209,643,526 | 230,823,435 | 145,703,212 | 146,170,415 |
| Decrease (increase) in operating assets : | | | | |
| Trade and other current receivables | (564,411,799) | 290,322,359 | (598,921,048) | 254,214,091 |
| Unbilled trade receivables | 1,051,666,525 | (2,756,239,799) | 1,027,114,565 | (2,986,077,517) |
| Advance payments to subsidiaries | - | - | (3,009,786,238) | (3,037,753,560) |
| Advance payments to joint operator | (524,651) | (56,445,852) | (524,651) | (56,445,852) |
| Inventories | (2,445,558,462) | (1,502,346,474) | (2,555,426,999) | (1,117,647,999) |
| Advance payments to contractors | 12,385,741 | (63,153,651) | 12,016,487 | (63,813,664) |
| Retention receivables | (160,788,101) | 10,280,955 | (160,757,241) | 10,280,955 |
| Value added tax receivable | 87,201,832 | (242,459,233) | 111,781,520 | (140,995,999) |
| Refunded valued added tax receivable | 65,824,648 | 45,595,534 | 65,824,648 | 44,412,273 |
| Other current assets | 7,724,890 | (23,661,103) | 6,742,208 | (28,038,698) |
| Other non-current assets | 365,678 | 8,001,306 | 200,178 | 8,262,928 |
| Increase (decrease) in operating liabilities : | | | | |
| Trade and other current and note payables | 176,913,628 | 1,110,223,514 | 3,709,015,832 | 4,062,439,028 |
| Advances received from subsidiaries | - | - | (58,908) | 301,852 |
| Advances received from joint operators | (866,708) | (9,724,038) | (866,708) | (9,724,038) |
| Advances received from customers | (64,729,034) | 317,746,368 | (64,729,932) | 317,746,368 |
| Other current liabilities | (44,251,386) | 88,911,193 | (45,150,998) | 69,360,251 |
| Other non-current liabilities | 3,653,180 | 28,166,365 | (532,153) | 2,722,191 |
| Retention payable to contractors | 196,034,760 | 92,009,072 | 174,776,801 | 68,424,272 |
| Payment of other employee benefit | (91,500) | (25,332,746) | - | - |
| Refunded withholding tax deducted at sources | 120,304,887 | 12,790,636 | 49,362,654 | 3,902,707 |
| Tax paid | (481,538,688) | (343,230,682) | (361,363,689) | (221,596,500) |
| Net Cash Provided by (Used in) Operating Activities | 818,146,261 | (206,316,991) | (46,371,617) | (1,380,209,969) |

UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
STATEMENT OF CASH FLOWS (Continued)
FOR THE YEAR ENDED DECEMBER 31, 2018

In Baht

| | Consolidated Financial Statements | | Separate Financial Statements | |
|--|-----------------------------------|----------------------|-------------------------------|----------------------|
| | 2018 | 2017 | 2018 | 2017 |
| CASH FLOWS FROM INVESTING ACTIVITIES: | | | | |
| Increase in investments in restricted deposits at financial institutions | (78,612,392) | (36,379,075) | (78,609,232) | (36,376,987) |
| Increase in short-term investments | (2,182) | (209,933) | (2,171) | (208,879) |
| Decrease in investments in subsidiaries | - | - | - | 4,999,700 |
| Proceeds from receivable under finance lease contract | 2,466,598 | 2,322,123 | - | - |
| Proceeds from disposals of fixed assets | 38,326,350 | 80,315,403 | 32,854,489 | 7,482,246 |
| Purchases of fixed assets | (403,475,913) | (417,113,828) | (285,827,995) | (237,178,115) |
| Purchases of other intangible assets | (5,452,856) | (10,910,619) | (5,426,956) | (10,910,619) |
| Decrease in non-controlling interests | - | (758) | - | - |
| Interest received | 8,440,690 | 7,368,756 | 7,782,567 | 6,521,132 |
| Net Cash Used in Investing Activities | (438,309,705) | (374,607,931) | (329,229,298) | (265,671,522) |
| CASH FLOWS FROM FINANCING ACTIVITIES: | | | | |
| Increase in bank overdraft and short-term borrowings from financial institutions | 1,040,319,283 | 2,060,300,452 | 1,043,630,244 | 2,006,828,288 |
| Repayments of short-term borrowings | (444,923,387) | - | (444,923,387) | - |
| Payments of liabilities under finance lease contracts | (545,988,774) | (886,608,891) | (209,653,737) | (138,018,717) |
| Proceeds from long-term borrowings from financial institutions | 130,000,000 | 91,350,000 | 130,000,000 | 91,350,000 |
| Repayments of long-term borrowings from financial institutions | (370,624,186) | (367,204,893) | (44,224,186) | (27,604,893) |
| Proceeds from issuance of debentures | 940,000,000 | - | 940,000,000 | - |
| Payment of debenture underwriting fee | (9,328,434) | - | (9,328,434) | - |
| Dividend paid | (356,205,583) | (356,359,451) | (356,205,583) | (356,359,451) |
| Finance costs paid | (576,129,388) | (446,936,789) | (464,814,806) | (319,614,632) |
| Net Cash Provided by (Used in) Financing Activities | (192,880,469) | 94,540,428 | 584,480,111 | 1,256,580,595 |
| NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS | 186,956,087 | (486,384,494) | 208,879,196 | (389,300,896) |
| CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR | 268,541,994 | 754,926,488 | 183,551,074 | 572,851,970 |
| CASH AND CASH EQUIVALENTS AT END OF YEAR | 455,498,081 | 268,541,994 | 392,430,270 | 183,551,074 |
| SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION: | | | | |
| 1. Cash and cash equivalents consisted of: | | | | |
| - Cash on hand | 3,364,074 | 3,109,765 | 2,162,851 | 2,099,547 |
| - Cash at financial institutions - current accounts | 9,828,768 | 7,898,045 | 9,817,768 | 7,857,045 |
| - Cash at financial institutions - savings accounts | 437,877,531 | 252,871,176 | 376,027,150 | 168,936,638 |
| - Short-term investments in fixed deposits | 4,427,708 | 4,663,008 | 4,422,501 | 4,657,844 |
| Total | 455,498,081 | 268,541,994 | 392,430,270 | 183,551,074 |
| 2. Fixed assets increased from: | | | | |
| - Finance lease contracts | 279,953,022 | 756,634,451 | 73,344,260 | 343,734,004 |
| - Transfer from inventory | - | 271,301,161 | - | 271,301,161 |
| - Cash payment | 403,475,913 | 417,113,828 | 285,827,995 | 237,178,115 |
| Total | 683,428,935 | 1,445,049,440 | 359,172,255 | 852,213,280 |
| 3. Interest charge from borrowings capitalized as a part of fixed assets | 2,034,973 | 3,521,821 | - | - |
| 4. In February 2018, the Company entered into various sale and purchase agreements with a local leasing company for payment of payable for purchase of machinery totalling Baht 346.5 million. | | | | |
| 5. In June 2018, the Company drewdown long-term borrowings from a financial institution totalling Baht 132.2 million in order to repay notes payable. | | | | |

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

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements
December 31, 2018

1. GENERAL

The Company

Unique Engineering and Construction Public Company Limited (“the Company”) was incorporated as a limited company in Thailand on July 29, 1994 and was transformed to be the Public Company on June 23, 2005. Subsequently on March 30, 2007, the Company’s ordinary shares have been approved to be a listed security in the Stock Exchange of Thailand. The Company engaged in the business of construction, land development and construction of real estate for sales. The registered office address of the Company is located at 200 Jasmine International Tower, 15th Floor, Moo 4, Chaengwattana Road, Tumbol Pakkred, Amphur Pakkred, Nonthaburi 11120, Thailand.

As at December 31, 2018 and 2017, the Company’s shareholders are summarized as follows:

| Shareholders | Percentage of shareholding | |
|-------------------------------|----------------------------|---------|
| | 2018 | 2017 |
| Mrs. Thanomsri Soodto | 23.046 | 23.046 |
| Mr. Kriengsak Suviwattanachai | 12.706 | 12.724 |
| State Street Europe Limited | 7.088 | 5.713 |
| Mr.Tawat Sermkodchasri | 4.072 | 5.478 |
| Thai NVDR Co., Ltd. | 1.884 | 4.155 |
| Others | 51.204 | 48.884 |
| Total | 100.000 | 100.000 |

Subsidiaries

| Company’s Name | Country of Registration | Date of incorporated | Type of Business | Percentage of Ownership |
|--|-------------------------|----------------------|--|-------------------------|
| Unique Real Estate and Development Co., Ltd. | Thailand | September 1, 1993 | Construction, land development and construction of real estate for sales | 99.99 |
| UQ-SRC Joint Venture Co., Ltd. | Thailand | May 12, 2011 | Bidding certain projects in the future. Up to the present, this company has not yet started any commercial operations. | 89.99 |
| Unique Machinery Company Limited | Thailand | October 3, 2012 | Leasing service of machinery | 99.99 |
| Unique Foundation Company Limited | Thailand | October 8, 2012 | Manufacture of materials to be used in the construction | 99.99 |
| Unique Tunnelling Company Limited | Thailand | November 2, 2012 | Construction | 99.99 |
| Unique Built Co., Ltd. | Thailand | March 14, 2013 | Building construction | 99.99 |
| Golden Estate Plus Co., Ltd. | Thailand | March 22, 2013 | Selling of sand | 99.99 |

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

| <u>Company's Name</u> | <u>Country of Registration</u> | <u>Date of incorporated</u> | <u>Type of Business</u> | <u>Percentage of Ownership</u> |
|---|--------------------------------|-----------------------------|--|--------------------------------|
| Unique System Co., Ltd. | Thailand | March 22, 2013 | Service of infrastructure and system | 99.99 |
| Unique Innovation Co., Ltd. | Thailand | April 17, 2013 | Produce concrete readymix and precast concrete | 99.99 |
| Unique Metal Company Limited | Thailand | September 4, 2013 | Steel fabrication service | 99.97 |
| Unique Practiga Company Limited | Thailand | September 4, 2013 | Assembly service | 99.97 |
| Unique Exploration Company Limited | Thailand | September 4, 2013 | Survey service | 99.97 |
| Unique Equipment Service Company Limited | Thailand | October 3, 2013 | Repairing and maintenance of machinery and equipment service | 99.97 |
| Sun Technology and Construction Co., Ltd. | Thailand | May 19, 2014 | Bidding certain projects in the future. Up to the present, this company has not yet started any commercial operations. | 99.99 |

Joint Operations

| <u>Entity's Name</u> | <u>Country of Registration</u> | <u>Date of incorporated</u> | <u>Type of Business</u> | <u>Proportionate of Share (%)</u> |
|------------------------------|--------------------------------|-----------------------------|--|--|
| Unique-Chun Wo Joint Venture | Thailand | December 19, 2008 | Construction for State Railway of Thailand Commuter Train Project (Red Line) Bang Sue - Taling Chan Section with the State Railway of Thailand | Chun Wo Construction & Engineering Co., Ltd. (share 15%) and the Company (share 85%) |
| UN - SG Joint Venture | Thailand | October 5, 2010 | Construction of veer water from the east Chaopraya-Bangpra reservoir, Chonburi province with the Royal Irrigation Department | Summit Grade Ltd., Part. (share 50%) and the Company (share 50%) |

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

| <u>Entity's Name</u> | <u>Country of Registration</u> | <u>Date of incorporated</u> | <u>Type of Business</u> | <u>Proportionate of Share (%)</u> |
|----------------------------|--------------------------------|-----------------------------|---|--|
| SH - UN Joint Venture | Thailand | November 17, 2010 | Construction for Contract 3: Elevated Civil Works: Tao Pun - Tha Phra Section of the MRT Blue Line Extension Project: Hua Lamphong - Bang Khae and Bang Sue - Tha Phra Sections with Mass Rapid Transit Authority of Thailand | Sinohydro Corporation Limited (share 50%) and the Company (share 50%) |
| ITD - UNIQUE Joint Venture | Thailand | November 25, 2010 | Construction for Klong - Yai Port in Trad Province with the Marine Department | Italian-Thai Development Public Company Limited (share 60%) and the Company (share 40%) |
| S U Joint Venture | Thailand | September 13, 2012 | Construction for State Railway of Thailand Commuter Train Project (Red Line) Contract 1: Civil Works for Bang Sue Grand Station and Depots with the State Railway of Thailand | Sino-Thai Engineering and Construction Public Company Limited (share 60%) and the Company (share 40%) |
| UN-SH-CH Joint Venture | Thailand | March 27, 2015 | Construction for State Railway of Thailand Commuter Train Project Green Line (North) Contract 2 : Civil Works Saphan Mai-Khu Khot Section with Mass Rapid Transit Authority of Thailand | Sinohydro Corporation Limited (share 25%), China Harbour Engineering Company Limited (share 25%) and the Company (share 50%) |
| UA Joint Venture | Thailand | January 11, 2016 | Construction for Ratch Phruek - Kanchanaphisek Road Extension Project (The North-South Direction): - Section I - Section II - Section III - Section CD Road | Asitakij Co., Ltd. (share for Section I, Section II, Section III and Section CD Road are 60%, 50%, 50% and 70%, respectively.) and the Company (share for Section I, Section II, Section III and Section CD Road are 40%, 50%, 50% and 30%, respectively.) |

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

| <u>Entity's Name</u> | <u>Country of Registration</u> | <u>Date of incorporated</u> | <u>Type of Business</u> | <u>Proportionate of Share (%)</u> |
|---------------------------------|--------------------------------|-----------------------------|---|---|
| UNIQUE - ASITAKIJ Joint Venture | Thailand | February 18, 2016 | Up to present, this joint venture has not yet started any commercial operations. | Asitakij Co., Ltd. (share 50%) and the Company (share 50%) |
| UN - SH Joint Venture | Thailand | December 12, 2017 | Construction for State Railway of Thailand Track Doubling Project Section: Lop Buri - Pak Nam Pho. Contract 1: Ban Klab - Khok Kathiam (Elevated Railway) | Sinohydro Corporation Limited (share 49%) and the Company (share 51%) |

The registered office of these subsidiaries and joint ventures (except ITD-UNIQUE Joint Venture) is located at 200 Jasmine International Tower, 15th Floor, Moo 4, Chaengwattana Road, Tumbol Pakkred, Amphur Pakkred, Nonthaburi 11120, Thailand.

The registered office address of ITD-UNIQUE Joint Venture is located at 2034/132-161 Italthai Tower, 37th Floor, New Petchburi Road, Bangkapi, Huaykwang, Bangkok 10310, Thailand.

The Company and its subsidiaries are referred to as "the Unique Group".

2. BASIS FOR PREPARATION OF FINANCIAL STATEMENTS AND PRINCIPLES OF CONSOLIDATION

- a) The statutory financial statements are prepared in Thai Baht and in the Thai language in conformity with Thai Financial Reporting Standards. Accordingly, the consolidated and separate financial statements are intended solely to present the financial position, financial performance and cash flows in accordance with Thai Financial Reporting Standards.

The accompanying financial statements are prepared under the historical cost convention except for those specified in the notes to the financial statements.

For the convenience of the readers, an English translation of the financial statements has been prepared from the Thai language statutory financial statements, which are issued solely for domestic financial reporting purposes.

- b) The consolidated financial statements comprise the financial statements of the Company and its subsidiaries.

Subsidiaries

Subsidiaries are entities controlled by the Unique Group. The Unique Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Loss of Control

When the Unique Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any gain or loss on loss of control over a subsidiary is recognized in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

Joint Arrangements

TFRS 11 “Joint Arrangements” requires an entity investing in any other entity to determine whether the entity and other investors have joint control in the investment. When joint control exists, there is deemed to be a joint arrangement and the entity then needs to apply judgement to assess whether the joint arrangement is a joint operation or a joint venture and to account for the interest in the investment in a manner appropriate to the type of joint arrangement. If it is a joint operation, the entity is to recognize its shares of assets, liabilities, revenue and expenses of the joint operation in proportion to its interest, in its separate financial statements. If it is a joint venture, the entity is to account for its investment in the joint venture using the equity method in the financial statements in which the equity method is applied or the consolidated financial statements (if any), and either at cost or at the equity method in the separate financial statements.

The management of the Company determined that investments in jointly controlled entities are joint operations (between the Company and other joint operators) in accordance with this standard. The Company, therefore, recognizes the assets, liabilities, revenue and expenses related to the Company’s interest in the joint operations in both the consolidated and separate financial statements.

The accompanying consolidated financial statements included the accounts of the Company and its subsidiaries as follows:

| | Proportionate of Share (%) | |
|--|----------------------------|-------|
| | 2018 | 2017 |
| Subsidiaries | | |
| Unique Real Estate and Development Co., Ltd. | 99.99 | 99.99 |
| UQ-SRC Joint Venture Co., Ltd. | 89.99 | 89.99 |
| Unique Machinery Company Limited | 99.99 | 99.99 |
| Unique Foundation Company Limited | 99.99 | 99.99 |
| Unique Tunnelling Company Limited | 99.99 | 99.99 |
| Unique Built Co., Ltd. | 99.99 | 99.99 |
| Golden Estate Plus Co., Ltd. | 99.99 | 99.99 |
| Unique System Co., Ltd. | 99.99 | 99.99 |
| Unique Innovation Co., Ltd. | 99.99 | 99.99 |
| Unique Metal Company Limited | 99.97 | 99.97 |
| Unique Practiga Company Limited | 99.97 | 99.97 |
| Unique Exploration Company Limited | 99.97 | 99.97 |
| Unique Equipment Service Company Limited | 99.97 | 99.97 |
| Sun Technology and Construction Co., Ltd. | 99.99 | 99.99 |

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

| | Proportionate of Share (%) | |
|---|----------------------------|-------|
| | 2018 | 2017 |
| Joint Operations | | |
| Chun Wo Construction & Engineering Co., Ltd. and Unique Engineering and Construction Public Company Limited (the registered name is "Unique-Chun Wo Joint Venture") | 85.00 | 85.00 |
| Summit Grade Ltd., Part. and Unique Engineering and Construction Public Company Limited (the registered name is "UN-SG Joint Venture") | 50.00 | 50.00 |
| Sinohydro Corporation Limited and Unique Engineering and Construction Public Company Limited (the registered name is "SH-UN Joint Venture") | 50.00 | 50.00 |
| Italian - Thai Development Public Company Limited and Unique Engineering and Construction Public Company Limited (the registered name is "ITD-UNIQUE Joint Venture") | 40.00 | 40.00 |
| Sino-Thai Engineering and Construction Public Company Limited and Unique Engineering and Construction Public Company Limited (the registered name is "S U Joint Venture") | 40.00 | 40.00 |
| Sinohydro Corporation Limited, China Harbour Engineering Company Limited and and Unique Engineering and Construction Public Company Limited (the registered name is "UN-SH-CH Joint Venture") | 50.00 | 50.00 |
| Asitakij Co., Ltd. and Unique Engineering and Construction Public Company Limited (the registered name is "UA Joint Venture") | | |
| Construction for Ratcha Phruet - Kanchanaphisek Road Extension Project (The North-South Direction) Section I | 40.00 | 40.00 |
| Construction for Ratcha Phruet - Kanchanaphisek Road Extension Project (The North-South Direction) Section II | 50.00 | 50.00 |
| Construction for Ratcha Phruet - Kanchanaphisek Road Extension Project (The North-South Direction) Section III | 50.00 | 50.00 |
| Construction for Ratcha Phruet - Kanchanaphisek Road Extension Project (The North-South Direction) Section CD Road | 30.00 | 30.00 |
| Asitakij Co., Ltd. and Unique Engineering and Construction Public Company Limited (the registered name is "UNIQUE - ASITAKIJ Joint Venture") | 50.00 | 50.00 |
| Sinohydro Corporation Limited and Unique Engineering and Construction Public Company Limited (the registered name is "UN - SH Joint Venture") | 51.00 | 51.00 |

Significant transactions among the Unique Group have been eliminated in the consolidated financial statements.

As at December 31, 2018 and 2017, balances of joint operations, which were included in the separate statements of financial position, were as follows:

| | In Thousand Baht | |
|-------------------------------------|------------------|-----------|
| | 2018 | 2017 |
| Current assets | 8,717,521 | 8,832,025 |
| Property, plant and equipment - net | 4,401 | 1,155 |
| Other non-current assets | 308,187 | 410,831 |
| Current liabilities | 3,469,428 | 4,337,945 |
| Non-current liabilities | 36,928 | 38,883 |

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

Transactions of joint operations, which were included in the separate statements of comprehensive income for each of the years ended December 31, 2018 and 2017, were as follows:

| | In Thousand Baht | |
|----------|------------------|-----------|
| | 2018 | 2017 |
| Revenues | 4,500,301 | 8,273,315 |
| Expenses | 962,850 | 1,316,355 |

3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Cash and Cash Equivalents

Cash on hand is kept for general use within the Unique Group. Cash equivalents are savings deposits, current accounts and fixed deposits, highly liquid investment that are readily convertible to known amount of cash and that are subject to an insignificant risk of change in value.

Accounts Receivable and Allowance for Doubtful Accounts

Accounts receivable are carried at original invoice amount net of allowance for doubtful accounts. Bad debts are written off when identified.

The Unique Group provides an allowance for doubtful accounts equal to the estimated collection losses that may be incurred in the collection of all receivables. The estimated losses are based on historical collection experience and a review of the current status of the existing receivables.

Inventory Valuation

The Unique Group values its inventories at the lower of cost and net realizable value by the following methods:

| | | |
|--|---|---|
| Construction-in-progress - real estate project | - | Cost method (comprises the costs of land, materials, labor, contractor charges, services, related interest charges and overheads) |
| Construction-in-progress - construction projects | - | Cost method (comprises the costs of materials, labor, contractor charges, services, related interest charges and overheads) |
| Construction materials | - | At cost, first-in, first-out method |
| Supplies | - | At cost, first-in, first-out method |

Receivable under Finance Lease Contract

Receivable under finance lease contract is carried at outstanding amount, net of unearned finance income less allowance for doubtful accounts, if any.

Investments in Subsidiaries

Investments in subsidiaries are stated under the cost method of accounting in the separate financial statements.

Property, Plant and Equipment and Depreciation and Depletion

Land is stated at cost net of allowance for loss on impairment. Plant and equipment are stated at cost less accumulated depreciation and depletion and allowance for loss on impairment. When assets are sold or retired, their costs and accumulated depreciations and depletions are eliminated from the accounts and any gain or loss resulting from these transactions are included in the statement of comprehensive income.

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

The Unique Group depreciates its plant and equipment by the straight-line method over the following estimated useful lives:

| | <u>Years</u> |
|--|--------------|
| Buildings and improvements | 5, 10, 20 |
| Machinery and equipment | 5, 20 |
| Furniture, fixtures and office equipment | 5 |
| Vehicles | 5 |

Sand pits are stated at cost less accumulated depletion and allowance for loss on impairment based on the physical unit-of-production method.

Intangible Assets

Intangible assets that are acquired by the Unique Group are stated at cost less accumulated amortization and allowance for loss on impairment (if any).

Amortization is charged to the statement of comprehensive income on a straight-line basis over the estimated useful lives of the intangible assets, unless such lives are indefinite. Intangible assets with an indefinite useful life are not amortized but are systematically tested for impairment at each statement of financial position date. The estimated useful lives are as follows:

| | <u>Years</u> |
|-------------------|--------------|
| Software licenses | 3 and 5 |

Impairment of Assets

The Unique Group reviews the impairment of assets whenever events or changes in circumstances indicate that the recoverable amount (the higher of asset's selling price or value in use) of assets is below the carrying amount. The review is made for individual assets or for the cash-generating unit.

If the carrying value of an asset exceeds its recoverable amount, the Unique Group recognizes the impairment losses by reducing the carrying value of the asset to its recoverable amount and recording the devaluation in statements of comprehensive income or reducing revaluation increment in assets in case that those assets were previously revalued. The reversal of impairment losses recognized in prior years is recorded as part of other income or as a revaluation increment in assets, when there is an indication that the impairment losses recognized for the assets no longer exist or are decreased. Such a reversal should not exceed the carrying amount that would have been determined (net of the associated depreciation or amortization).

Interest-Bearing Liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

Provision

A provision is recognized when the Unique Group has a present legal or constructive obligation as a result of a past event and it is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made. A provision is reviewed at the statement of financial position date and adjusted to reflect the current best estimate. Where the effect of the time value of money is material, the amount of a provision is the present value of the expenditures expected to be required to settle the obligation.

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**
Notes to Financial Statements (Continued)
December 31, 2018

Provisions for Employee Benefits

Employee Retirement Benefit

The Unique Group's employee retirement benefit obligation is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods by the projected unit credit method determined by a professionally qualified independent actuary. The projected unit credit method considers each period of service as giving rise to an additional unit of benefit entitlement and measures each unit separately to build up the final obligation. Past service costs and gains or losses on the curtailment are recognized immediately in profit or loss. The Unique Group recognizes gains or losses on the settlement of pension benefits when the curtailment or settlement occurs. Actuarial gains or losses are recognized immediately to other comprehensive income. The defined benefit obligations are measured at the present value of estimated future cash flows using a discount rate that is similar to the government bonds.

Other Employee Benefit

The Unique Group's net obligation in respect of other employee benefit (other than employee retirement benefit plan) is the amount of future benefit that the eligible employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value. In the statement of financial position, the obligations represent the present value of the other employee benefit.

Use of Judgements and Estimates

In order to prepare financial statements in conformity with Thai Financial Reporting Standards in Thailand, the management needs to make estimates and set assumptions that affect income, expenditure, assets and liabilities in order to disclose information on the valuation of assets, liabilities and contingent liabilities. Actual outcomes may, therefore, differ from the estimates used.

The estimates and underlying assumptions used in the preparation of these financial statements are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future periods if the revision affects both current and future periods.

Judgements

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements consists of the following:

- Classification of the joint arrangements
- Consolidation: whether the Unique Group has de facto control over an investee
- Lease classification

Assumptions and estimation uncertainties

Information about significant areas of estimation uncertainties that have a significant risk of resulting in material adjustments to the amounts recognized in the financial statements consists of the following:

- Percentage of completion
- Current and deferred taxation
- Utilization of tax losses
- Key assumptions used in discounted cash flow projections
- Measurement of provision for employee retirement benefit
- Provisions and contingencies
- Valuation of financial instruments
- Determination of impairment of assets

**UNIQUE ENGINEERING AND CONSTRUCTION PUBLIC COMPANY LIMITED
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Revenue Recognition and Expenses

The Unique Group recognizes revenue from construction contracts by the percentage of completion method. The percentage of completion is computed based on the estimation of the project engineer together with the consideration of actual cost of work performed and the estimated total cost of the project. The estimated total cost is determined by the Unique Group's project engineers or its responsible person, which is subject to change. The related actual costs are taken up as incurred on an accrual basis. Expected loss on each project is provided and charged as expense in the period when the estimated total costs of the project exceed its total contracted income.

Revenue from the sale of real estate is recognized in the statements of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the consideration due, associated costs, the probable return of goods or the continuing management involvement with the goods.

Revenue from the sale of goods is recognized in the statement of comprehensive income when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognized if there are significant uncertainties regarding recovery of the condition due, associated costs, the probable return of goods or the continuing management involvement with the goods.

Service income is recognized as services are provided on an accrual basis.

Interest income is recognized on a time proportion basis that reflects the effective yield on the asset.

Other income is recorded based on an accrual basis.

Expenses are recorded based on an accrual basis.

Income from Finance Lease Contract

The Company has recognized the income from finance lease contract by using the effective interest rate method.

Repair and Maintenance

Expenditures on repair and maintenance are charged to expense at the expenditures are incurred. Expenditures of a capital nature are added to the related plant and equipment.

Finance Lease

Leases in terms of which the Unique Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Assets acquired by way of finance leases are capitalized at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the statement of comprehensive income.

Operating Lease

Leases of assets under which all the risks and rewards of ownership are effectively retained by the lessor are classified as operating leases. Lease payments under an operating lease are recognized as an expense in the statement of comprehensive income on a straight-line basis over the lease term.

Finance Costs

Interest expenses and similar costs are charged to the statement of comprehensive income for the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

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Foreign Currency Transactions

Foreign currency transactions throughout the year are recorded in the accounts at the rates prevailing at the dates of transactions. Monetary assets and liabilities denominated in foreign currencies at the end of the years are translated into Baht at the prevailing rates at that date. Gains or losses from translations are credited or charged to the statement of income.

Income Taxes

The income tax charge is based on profit for the year and considers deferred income taxation. Deferred income taxes reflect the net tax effects of temporary differences between the tax basis of an asset or liability and its carrying amount in the statement of financial position. Deferred income tax assets and liabilities are measured using the tax rates expected to apply to taxable income in the periods in which those temporary differences are expected to be recovered or settled. The measurement of deferred income tax assets and deferred income tax liabilities reflects the tax consequences that would follow from the manner in which the Unique Group expects, at the statement of financial position date, to recover or settle the carrying amount of their assets and liabilities.

Deferred income tax assets are recognized when it is probable that sufficient taxable profits will be available against which the deferred income tax assets can be utilized. At each statement of financial position date, the Unique Group re-assesses unrecognized deferred income tax assets. The Unique Group recognizes a previously unrecognized deferred income tax asset to the extent that it has become probable that future taxable profit will allow the deferred income tax asset to be recovered. The Unique Group conversely reduces the carrying amount of a deferred income tax asset to the extent that it is no longer probable that sufficient taxable profit will be available to allow the benefit of part or all of these deferred income tax assets to be utilized.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets against current tax liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

Basic Earnings per Share Attributable to Owners of The Parent

Basic earnings per share attributable to owners of the parent are determined by dividing the profit for the year attributable to owners of the parent by the weighted average number of shares outstanding during the year.

4. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues and expenses arose from transactions with related parties. These parties are related through common shareholdings and/or directorships. The accompanying financial statements reflect the effects of these transactions.

The pricing policies for transactions with related parties are explained further below:

| Transactions | Pricing policies |
|--|--|
| Sales of fixed assets | Approximate market prices |
| Sales of real estate | Contractually agreed prices |
| Sales of construction materials and supplies | Cost plus margin |
| Purchases of construction materials and supplies | Cost plus margin and contractually agreed prices |
| Subcontractor | Cost plus margin and contractually agreed prices |
| Rental and service expenses | Contractually agreed prices |
| Oil and service expenses | Cost plus margin and approximate prices charged by third parties |
| Management benefit expenses | As defined by the nomination and remuneration committee |

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Significant transactions with the related parties for each of the years ended December 31, 2018 and 2017 are as follows:

| | Relationship | In Thousand Baht | | | |
|--|--------------|-----------------------------------|------|-------------------------------|-----------|
| | | Consolidated Financial statements | | Separate Financial Statements | |
| | | 2018 | 2017 | 2018 | 2017 |
| Other income | | | | | |
| Unique Foundation Company Limited | Subsidiary | - | - | 3,078 | 2,937 |
| Unique Tunnelling Company Limited | Subsidiary | - | - | 2,277 | 2,013 |
| Unique Innovation Co., Ltd. | Subsidiary | - | - | 12,948 | 14,937 |
| Golden Estate Plus Co., Ltd. | Subsidiary | - | - | 7 | 11 |
| Unique Machinery Company Limited | Subsidiary | - | - | 1,443 | 3,993 |
| Unique Practiga Company Limited | Subsidiary | - | - | 19,709 | 24,974 |
| Unique Metal Company Limited | Subsidiary | - | - | 13,151 | 18,914 |
| Unique Equipment Service Company Limited | Subsidiary | - | - | 988 | 776 |
| Unique Built Co., Ltd. | Subsidiary | - | - | 26,369 | 34,311 |
| Unique Exploration Company Limited | Subsidiary | - | - | 424 | 453 |
| Unique System Co., Ltd. | Subsidiary | - | - | 259 | 138 |
| Cost of construction services | | | | | |
| Unique Foundation Company Limited | Subsidiary | - | - | 342,120 | 287,962 |
| Golden Estate Plus Co., Ltd. | Subsidiary | - | - | 445,734 | 399,490 |
| Unique Machinery Company Limited | Subsidiary | - | - | 1,026,038 | 628,416 |
| Unique Innovation Co., Ltd. | Subsidiary | - | - | 1,412,939 | 1,558,670 |
| Unique System Co., Ltd. | Subsidiary | - | - | 71,927 | 136,300 |
| Unique Built Co., Ltd. | Subsidiary | - | - | 614,205 | 636,558 |
| Unique Exploration Company Limited | Subsidiary | - | - | 122,051 | 96,367 |

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| | Relationship | In Thousand Baht | | | |
|--|--|-----------------------------------|--------|-------------------------------|-----------|
| | | Consolidated Financial statements | | Separate Financial Statements | |
| | | 2018 | 2017 | 2018 | 2017 |
| Unique Practiga Company Limited | Subsidiary | - | - | 1,221,402 | 1,169,269 |
| Unique Metal Company Limited | Subsidiary | - | - | 638,306 | 819,654 |
| Unique Equipment Service Company Limited | Subsidiary | - | - | 112,316 | 83,526 |
| Unique Tunnelling Company Limited | Subsidiary | - | - | 163,856 | 94,290 |
| Rental and other expenses | | | | | |
| Unique Real Estate and Development Co., Ltd. | Subsidiary | - | - | 15,682 | 15,859 |
| Insurance expense | | | | | |
| ThaiSri Insurance Public Company Limited | Related company (Same directorship) | 30,547 | 26,631 | 18,283 | 14,214 |

The monetary management benefit expenses for each of the years ended December 31, 2018 and 2017 are as follows:

| Description | In Thousand Baht | | | |
|--|-----------------------------------|---------------|-------------------------------|---------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Salaries | 24,315 | 24,848 | 24,315 | 23,768 |
| Bonus | 3,110 | 7,810 | 3,110 | 7,810 |
| Employee retirement benefit | 813 | 2,236 | 813 | 2,236 |
| Meeting allowances | 1,500 | 1,500 | 1,500 | 1,500 |
| Contribution to the Group's provident fund | 486 | 488 | 486 | 466 |
| Others | 4,164 | 4,325 | 4,164 | 4,141 |
| Total | 34,388 | 41,207 | 34,388 | 39,921 |

Balances with related parties as at December 31, 2018 and 2017 are as follows:

| | Consolidated Financial Statements (In Thousand Baht) | | | |
|--|--|----------|----------|---------------------------------------|
| | Balance as at December 31, 2017 | Increase | Decrease | Balance as at December 31, 2018 |
| | Prepaid expense | | | |
| ThaiSri Insurance Public Company Limited | 26,422 | 26,470 | 30,547 | 22,345 |
| Trade account payables | | | | |
| Work Team Management Co., Ltd. | 21,224 | - | 21,224 | - |

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| | Separate Financial Statements (In Thousand Baht) | | | Balance as at December 31, 2018 |
|--|--|---------------|---------------|---------------------------------------|
| | Balance as at December 31, 2017 | Increase | Decrease | |
| Trade account receivables | | | | 617,763 |
| Unique Foundation Company Limited | 617,763 | - | - | 49,088 |
| Unique Tunnelling Company Limited | 49,088 | - | - | 666,851 |
| Total trade account receivables | 666,851 | - | - | |
| Other current receivables | | | | 11,323 |
| Unique Tunnelling Company Limited | 11,757 | 2,437 | 2,871 | 44,352 |
| Unique Built Co., Ltd. | 25,065 | 28,215 | 8,928 | 40,770 |
| Unique Metal Company Limited | 32,453 | 14,072 | 5,755 | 27,149 |
| Unique Innovation Co., Ltd. | 23,539 | 13,855 | 10,245 | 8,513 |
| Unique Foundation Company Limited | 9,220 | 3,293 | 4,000 | 91 |
| Golden Estate Plus Co., Ltd. | 86 | 8 | 3 | 20,853 |
| Unique Machinery Company Limited | 21,306 | 1,544 | 1,997 | 29,113 |
| Unique Practiga Company Limited | 27,201 | 21,089 | 19,177 | 1,622 |
| Unique Equipment Service Company Limited | 1,345 | 1,058 | 781 | 771 |
| Unique Exploration Company Limited | 557 | 454 | 240 | 273 |
| Unique System Co., Ltd. | 198 | 278 | 203 | 184,830 |
| Total other current receivables | 152,727 | 86,303 | 54,200 | 851,681 |
| Total | 819,578 | 86,303 | 54,200 | |
| Advance payments to | | | | 1,731,211 |
| Unique Machinery Company Limited | 1,092,904 | 638,894 | 587 | 699,199 |
| Unique Foundation Company Limited | 615,604 | 83,596 | 1 | 1,559,272 |
| Golden Estate Plus Co., Ltd. | 1,036,363 | 529,908 | 6,999 | 1,820,984 |
| Unique Metal Company Limited | 1,385,497 | 435,488 | 1 | 668,926 |
| Unique Practiga Company Limited | 447,445 | 221,486 | 5 | 247,240 |
| Unique Tunnelling Company Limited | 169,970 | 92,279 | 15,009 | 675,179 |
| Unique Built Co., Ltd. | 492,502 | 203,843 | 21,166 | 150,114 |
| Unique Exploration Company Limited | 101,411 | 48,703 | - | 252,207 |
| Unique System Co., Ltd. | 226,243 | 27,965 | 2,001 | 52,373 |
| Unique Equipment Service Company Limited | 38,930 | 15,338 | 1,895 | 2,272,589 |
| Unique Innovation Co., Ltd. | 1,504,523 | 804,874 | 36,808 | 103,147 |
| Unique Real Estate and Development Co., Ltd. | 111,263 | 5,005 | 13,121 | 10,232,441 |
| Total | 7,222,655 | 3,107,379 | 97,593 | |
| Trade account payables | | | | 999,683 |
| Unique Foundation Company Limited | 730,445 | 341,932 | 72,694 | 374,800 |
| Unique Tunnelling Company Limited | 251,846 | 163,856 | 40,902 | 1,207,738 |
| Unique Machinery Company Limited | 375,030 | 1,025,968 | 193,260 | 2,658,217 |
| Unique Innovation Co., Ltd. | 2,105,551 | 1,410,563 | 857,897 | 1,014,755 |
| Golden Estate Plus Co., Ltd. | 563,756 | 476,936 | 25,937 | 1,115,962 |
| Unique Built Co., Ltd. | 734,635 | 614,205 | 232,878 | 285,542 |
| Unique System Co., Ltd. | 255,034 | 71,927 | 41,419 | 2,134,241 |
| Unique Metal Company Limited | 1,677,176 | 638,306 | 181,241 | 155,526 |
| Unique Exploration Company Limited | 104,060 | 122,051 | 70,585 | 974,287 |
| Unique Practiga Company Limited | 829,846 | 1,221,402 | 1,076,961 | 64,846 |
| Unique Equipment Service Company Limited | 46,773 | 112,316 | 94,243 | - |
| Work Team Management Co., Ltd. | 21,224 | - | 21,224 | 10,985,597 |
| Total trade account payables | 7,695,376 | 6,199,462 | 2,909,241 | |

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| | Separate Financial Statements (In Thousand Baht) | | | Balance as at December 31, 2018 |
|--|--|------------------|------------------|---------------------------------------|
| | Balance as at December 31, 2017 | Increase | Decrease | |
| Other current payables | | | | |
| Unique Real Estate and Development Co., Ltd. | 4,074 | 15,958 | 15,033 | 4,999 |
| Unique Machinery Company Limited | 70 | 75 | 75 | 70 |
| Unique Innovation Co., Ltd. | 2,373 | 2,543 | 1,273 | 3,643 |
| Unique Foundation Company Limited | 581 | 201 | 550 | 232 |
| Unique Tunnelling Company Limited | 828 | - | 164 | 664 |
| Total other current payables | <u>7,926</u> | <u>18,777</u> | <u>17,095</u> | <u>9,608</u> |
| Total | <u>7,703,302</u> | <u>6,218,239</u> | <u>2,926,336</u> | <u>10,995,205</u> |
| Advances received from | | | | |
| Sun Technology and Construction Co., Ltd. | 24,542 | - | 46 | 24,496 |
| Unique Built Co., Ltd. | 88,483 | - | - | 88,483 |
| Unique Tunnelling Company Limited | 334 | - | - | 334 |
| Unique Foundation Company Limited | 13 | - | 13 | - |
| Total | <u>113,372</u> | <u>-</u> | <u>59</u> | <u>113,313</u> |
| Prepaid expense | | | | |
| ThaiSri Insurance Public Company Limited | <u>20,263</u> | <u>14,607</u> | <u>18,283</u> | <u>16,587</u> |

The Company has a rental agreement covering a subsidiary's real estate project and warehouse for keeping the Unique Group's construction parts and materials for the construction projects of the Unique Group for a period of 3 years expiring on December 31, 2019, whereby, the Company has an option to renew the rental agreement upon the expiry date. Total rental charges under this agreement amounted to Baht 11.7 million per year.

5. SHORT-TERM INVESTMENTS

| | Interest Rates (% p.a.) | | In Thousand Baht | | | |
|-------------------------------|-------------------------|-------------|-----------------------------------|------------|-------------------------------|------------|
| | | | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Investments in fixed deposits | 1.00 - 1.05 | 1.00 - 1.35 | <u>212</u> | <u>210</u> | <u>211</u> | <u>209</u> |

6. TRADE AND OTHER CURRENT RECEIVABLES, TRADE AND OTHER CURRENT AND NOTE PAYABLES - Net

As at December 31, 2018 and 2017, the trade and other current receivables were detailed as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|------------------|-------------------------------|------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Trade account receivables | | | 666,851 | 666,851 |
| - Related parties | - | - | | |
| - Other companies | <u>1,670,987</u> | <u>1,285,672</u> | <u>1,670,987</u> | <u>1,285,672</u> |
| Total trade account receivables | <u>1,670,987</u> | <u>1,285,672</u> | <u>2,337,838</u> | <u>1,952,523</u> |
| Less: Advances received from customers | <u>(107,333)</u> | <u>(279,489)</u> | <u>(107,333)</u> | <u>(279,489)</u> |
| Trade account receivables - net | <u>1,563,654</u> | <u>1,006,183</u> | <u>2,230,505</u> | <u>1,673,034</u> |

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| | In Thousand Baht | | | |
|---|-----------------------------------|-----------|-------------------------------|-----------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Other current receivables | - | - | 184,830 | 152,727 |
| - Related parties | 66,363 | 59,422 | 46,350 | 37,002 |
| - Other companies | 66,363 | 59,422 | 231,180 | 189,729 |
| Total other current receivables | (11,950) | (9,450) | (11,950) | (9,450) |
| Less: Allowance for doubtful accounts | 54,413 | 49,972 | 219,230 | 180,279 |
| Other current receivables - net | 1,618,067 | 1,056,155 | 2,449,735 | 1,853,313 |
| Trade and other current receivables - net | | | | |
| Doubtful debts expenses during the year | 2,500 | 1,450 | 2,500 | 1,450 |

As at December 31, 2018 and 2017, the aging analysis of trade and other current receivables were detailed as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------|-------------------------------|-----------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| • Within credit-term | 971,569 | 711,613 | 990,089 | 729,852 |
| • Periods over credit-term | | | | |
| - Not over 3 months | 720,233 | 591,655 | 736,349 | 616,695 |
| - Over 3 months to 6 months | 2,988 | 1,277 | 20,660 | 21,779 |
| - Over 6 months to 12 months | 1,413 | 6,646 | 43,739 | 44,315 |
| - Over 12 months | 41,147 | 33,903 | 778,181 | 729,611 |
| Total | 1,737,350 | 1,345,094 | 2,569,018 | 2,142,252 |
| Less: Advances received from customers | (107,333) | (279,489) | (107,333) | (279,489) |
| Less: Allowance for doubtful accounts | (11,950) | (9,450) | (11,950) | (9,450) |
| Net | 1,618,067 | 1,056,155 | 2,449,735 | 1,853,313 |

Except account receivables which were set up allowance for doubtful accounts of Baht 12.0 million, the management believes that these receivables will be collectible in full since most receivables are government agencies which are virtually certain that they are collectible without significant loss.

The Unique Group presented trade account receivables net of advances received from customers according to the condition of cash receipt from construction specified in the agreements as discussed in Note 20.

The Company and the Unique Group transferred the right on cash collection from the installment payments of the construction projects of the Company and the Unique Group for guarantee credit facilities from various local financial institutions as discussed in Notes 13 and 17.

As at December 31, 2018 and 2017, the trade and other current and note payables were detailed as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------|-------------------------------|------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Trade account payables | - | 21,224 | 10,985,597 | 7,695,376 |
| - Related parties | 2,660,535 | 4,455,889 | 2,070,935 | 3,580,090 |
| - Other companies | - | - | 9,608 | 7,926 |
| Other current payables - related parties | 5,730,062 | 4,052,976 | 5,662,737 | 4,052,976 |
| Note payables - other companies | 8,390,597 | 8,530,089 | 18,728,877 | 15,336,368 |
| Total | (128,440) | (99,733) | (117,825) | (89,233) |
| Less: Advances payment to contractors | 8,262,157 | 8,430,356 | 18,611,052 | 15,247,135 |
| Net | | | | |

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The Unique Group presented trade and other current and note payables net of advances payment to contractors according to the condition of cash payment for construction specified in the agreements as discussed in Note 20. According to the term of the above agreements, the Unique Group withholds retention deposits from the contractors for their compliance with the conditions in the agreements at the certain percentages of the each invoice billed by the contractors. The Unique Group will release such retention deposits to the contractors when the construction projects complete and the contractors do not breach any conditions specified in the agreements.

7. INVENTORIES - Net

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------|-------------------------------|-----------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Construction-in-progress - real estate project | 149,444 | 182,461 | 149,444 | 182,461 |
| Construction-in-progress - construction projects | 3,458,200 | 148,720 | 3,579,013 | 153,793 |
| Construction materials | 602,880 | 1,489,978 | 497,742 | 1,331,094 |
| Supplies | 328,922 | 272,729 | 15,991 | 19,415 |
| Total | 4,539,446 | 2,093,888 | 4,242,190 | 1,686,763 |
| Less : Allowance for impairment loss | (850) | - | (850) | - |
| Net | 4,538,596 | 2,093,888 | 4,241,340 | 1,686,763 |

At the Board of Directors' meeting held on December 14, 2017, the Board approved to change the objective of land recorded in this construction-in-progress for real estate project totalling Baht 271.3 million to be used for construction of the office building of the Unique Group, Hence, the Company transferred construction-in-progress for real estate projects totalling Baht 271.3 million to be a part of property, plant and equipment as at December 31, 2017.

Subsequently, at the Board of Directors' meeting held on December 27, 2017, the Board approved the Company to sell a part of land recorded in this construction-in-progress for real estate projects which cost value amounted to Baht 33.0 million to Supankeeree Co., Ltd, whose major shareholder is also the major shareholder of the Company, at the selling price amounting to Baht 47.0 million. The Company entered into a purchase and sell land agreement on January 5, 2018.

As at December 31, 2018 and 2017, the construction-in-progress for real estate projects (included land) of the Company, which had carrying value in the consolidated financial statements and the separate financial statements totalling Baht 149.4 million and Baht 182.5 million, respectively, the certain land title deeds of the Company are mortgaged as guarantee for short-term borrowings from financial institutions as discussed in Note 13.

As at December 31, 2018, cost of land in this real estate project of the Company is Baht 149.4 million, whereby, the appraised value (fair market value) based on the report of an independent appraiser firm (Accurate Advisory Co., Ltd.) dated December 28, 2018 amounted to Baht 176.3 million. However, the Company provided an allowance for impairment loss of a land for construction-in-progress - real estate project, which appraisal value lower than cost of Baht 0.85 million as at December 31, 2018.

8. RECEIVABLE UNDER FINANCE LEASE CONTRACT - Net

As at December 31, 2018 and 2017, receivable under finance lease contract has a term of 58 months and is receivable in monthly equal installments. The balance of receivable under finance lease contract is classified by due date per the contract, as follows:

| For the year ended December 31, | Consolidated Financial Statements (In Thousand Baht) | |
|--|--|---------|
| | 2018 | 2017 |
| 2018 | - | 2,804 |
| 2019 | 2,804 | 2,804 |
| 2020 | 1,635 | 1,635 |
| Total minimum lease payments receivable | 4,439 | 7,243 |
| Less: Unearned finance income | (216) | (553) |
| Present value of net minimum lease payments receivable | 4,223 | 6,690 |
| Less: current portion due within one year - net of unearned finance income | (2,620) | (2,467) |
| Net | 1,603 | 4,223 |

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9. INVESTMENTS IN RESTRICTED FIXED DEPOSITS

These represented investments in fixed deposits of the Company and the Unique Group with certain local financial institutions, which bear interest at the rates of 0.375% per annum to 1.05% per annum as at December 31, 2018 and at the rates of 0.375% per annum to 1.50% per annum as at December 31, 2017.

As at December 31, 2018 and 2017, the Company's fixed deposits amounting to approximately Baht 561.4 million and Baht 482.8 million, respectively, were pledged as collateral for credit facilities of various local financial institutions as discussed in Note 13.

As at December 31, 2018 and 2017, the subsidiaries' fixed deposits totalling approximately Baht 0.4 million were pledged as collateral for credit facilities of a local financial institution as discussed in Note 13.

10. INVESTMENTS IN SUBSIDIARIES - Net

As at December 31, 2018 and 2017, the investments in subsidiaries were as follows:

| | Paid-up Share Capital | | Percentage of | | In Thousand Baht | |
|--|-----------------------|------|---------------|-------|------------------|----------------|
| | (In Million Baht) | | Ownership | | Cost Value | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| • Unique Innovation Co., Ltd. | 400 | 400 | 99.99 | 99.99 | 400,000 | 400,000 |
| • Unique Real Estate and Development Co., Ltd. | 550 | 550 | 99.99 | 99.99 | 338,000 | 338,000 |
| • Golden Estate Plus Co., Ltd. | 200 | 200 | 99.99 | 99.99 | 200,000 | 200,000 |
| • Sun Technology and Construction Co., Ltd. | 25 | 25 | 99.99 | 99.99 | 24,999 | 24,999 |
| • Unique Foundation Company Limited | 20 | 20 | 99.99 | 99.99 | 20,000 | 20,000 |
| • Unique Tunnelling Company Limited | 20 | 20 | 99.99 | 99.99 | 20,000 | 20,000 |
| • Unique Machinery Company Limited | 5 | 5 | 99.99 | 99.99 | 5,000 | 5,000 |
| • Unique System Co., Ltd. | 5 | 5 | 99.99 | 99.99 | 5,000 | 5,000 |
| • Unique Built Co., Ltd. | 5 | 5 | 99.99 | 99.99 | 5,000 | 5,000 |
| • UQ-SRC Joint Venture Co., Ltd. | 2 | 2 | 89.99 | 89.99 | 1,799 | 1,799 |
| • Unique Metal Company Limited | 1 | 1 | 99.97 | 99.97 | 1,000 | 1,000 |
| • Unique Practiga Company Limited | 1 | 1 | 99.97 | 99.97 | 1,000 | 1,000 |
| • Unique Exploration Company Limited | 1 | 1 | 99.97 | 99.97 | 999 | 999 |
| • Unique Equipment Service Company Limited | 1 | 1 | 99.97 | 99.97 | 999 | 999 |
| Total | | | | | 1,023,796 | 1,023,796 |
| Less: Allowance for impairment of investment | | | | | (51,200) | (34,900) |
| Net | | | | | <u>972,596</u> | <u>988,896</u> |

During the years 2018 and 2017, the Company additionally provided an allowance for impairment of investment in a subsidiary of Baht 16.3 million and Baht 34.9 million, respectively.

The Company is a guarantor for long-term borrowings from a local financial institution of subsidiaries as discussed in Note 17.

A subsidiary is a guarantor for long-term borrowings from a local financial institution of the Company as discussed in Note 17.

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11. PROPERTY, PLANT AND EQUIPMENT - Net

| Consolidated Financial Statements (In Thousand Baht) | | | | | | | | |
|---|------------------|---------------|-----------------------------------|-------------------------------|---|----------------|-----------------------------|-------------------|
| | Land | Sand Pits | Buildings, and Improvements | Machinery and Equipment | Furniture, Fixtures and Office Equipment | Vehicles | Construction in Progress | Total |
| Cost | | | | | | | | |
| As at January 1, 2017 | 1,303,047 | 82,160 | 962,515 | 5,354,882 | 185,546 | 425,907 | 488,368 | 8,802,425 |
| Additions | 93,415 | - | 126,787 | 777,821 | 39,777 | 93,967 | 45,503 | 1,177,270 |
| Disposals | - | - | (44) | (98,141) | (2,851) | (6,201) | - | (107,237) |
| Write-off | - | - | - | - | (30) | (100) | (1) | (131) |
| Transfer from inventories (Note 7) | 271,301 | - | - | - | - | - | - | 271,301 |
| Transfer to other intangible assets (Note 12) | - | - | - | - | - | - | (794) | (794) |
| Transfers in (out) | - | - | 37,122 | 450,424 | 27 | - | (487,573) | - |
| As at December 31, 2017 | 1,667,763 | 82,160 | 1,126,380 | 6,484,986 | 222,469 | 513,573 | 45,503 | 10,142,834 |
| Additions | 133,541 | - | 123,152 | 336,707 | 30,984 | 49,143 | 11,937 | 685,464 |
| Disposals | - | - | - | (34,302) | (75) | (19,252) | - | (53,629) |
| Write-off | - | - | - | (4,106) | (65) | (5,045) | - | (9,216) |
| Transfers in (out) | - | - | 15,045 | 22,555 | - | - | (37,600) | - |
| As at December 31, 2018 | 1,801,304 | 82,160 | 1,264,577 | 6,805,840 | 253,313 | 538,419 | 19,840 | 10,765,453 |
| Accumulated Depreciation and Depletion | | | | | | | | |
| As at January 1, 2017 | - | 38,772 | 187,524 | 3,003,216 | 109,246 | 240,892 | - | 3,579,650 |
| Depreciation and depletion charges for the year | - | 620 | 91,308 | 989,102 | 30,363 | 71,241 | - | 1,182,634 |
| Disposals | - | - | (14) | (47,692) | (2,790) | (6,005) | - | (56,501) |
| Write-off | - | - | - | - | (25) | (52) | - | (77) |
| As at December 31, 2017 | - | 39,392 | 278,818 | 3,944,626 | 136,794 | 306,076 | - | 4,705,706 |
| Depreciation and depletion charges for the year | - | - | 106,864 | 988,166 | 34,427 | 73,927 | - | 1,203,384 |
| Disposals | - | - | - | (1,879) | (41) | (19,252) | - | (21,172) |
| Write-off | - | - | - | (3,656) | (34) | (754) | - | (4,444) |
| As at December 31, 2018 | - | 39,392 | 385,682 | 4,927,257 | 171,146 | 359,997 | - | 5,883,474 |
| Allowance for Impairment Loss | | | | | | | | |
| As at January 1, 2017 | 15,000 | - | - | - | - | - | - | 15,000 |
| Additions | - | 25,900 | - | - | - | - | - | 25,900 |
| As at December 31, 2017 | 15,000 | 25,900 | - | - | - | - | - | 40,900 |
| Additions | - | 16,868 | - | - | - | - | - | 16,868 |
| As at December 31, 2018 | 15,000 | 42,768 | - | - | - | - | - | 57,768 |
| Net Book Value | | | | | | | | |
| Owned assets | 1,652,763 | 16,868 | 838,409 | 1,247,284 | 85,675 | 51,977 | 45,503 | 3,938,479 |
| Assets under finance leases | - | - | 9,153 | 1,293,076 | - | 155,520 | - | 1,457,749 |
| As at December 31, 2017 | 1,652,763 | 16,868 | 847,562 | 2,540,360 | 85,675 | 207,497 | 45,503 | 5,396,228 |
| Owned assets | 1,786,304 | - | 854,416 | 577,810 | 82,167 | 9,869 | 19,840 | 3,330,406 |
| Assets under finance leases | - | - | 24,479 | 1,300,773 | - | 168,553 | - | 1,493,805 |
| As at December 31, 2018 | 1,786,304 | - | 878,895 | 1,878,583 | 82,167 | 178,422 | 19,840 | 4,824,211 |

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| | Separate Financial Statements (In Thousand Baht) | | | | | | Total |
|--|--|-----------------------------------|-------------------------------|---|----------------|-----------------------------|------------------|
| | Land | Buildings, and Improvements | Machinery and Equipment | Furniture, Fixtures and Office Equipment | Vehicles | Construction in Progress | |
| Cost | | | | | | | |
| As at January 1, 2017 | 55,898 | 254,633 | 1,684,232 | 164,564 | 395,759 | 372,276 | 2,927,362 |
| Additions | 93,414 | 63,722 | 280,726 | 36,214 | 90,877 | 15,959 | 580,912 |
| Disposals | - | (44) | (9,711) | (2,793) | (6,201) | - | (18,749) |
| Write-off | - | - | - | (30) | (100) | - | (130) |
| Transfer from inventories (Note 7) | 271,301 | - | - | - | - | - | 271,301 |
| Transfer to other intangible assets (Note 12) | - | - | - | - | - | (794) | (794) |
| Transfers in (out) | - | 12,090 | 359,392 | - | - | (371,482) | - |
| As at December 31, 2017 | 420,613 | 330,401 | 2,314,639 | 197,955 | 480,335 | 15,959 | 3,759,902 |
| Additions | 133,542 | 75,999 | 66,513 | 27,523 | 48,783 | 6,813 | 359,173 |
| Disposals | - | - | (28,885) | (70) | (19,252) | - | (48,207) |
| Write-off | - | - | (3,124) | (61) | (5,046) | - | (8,231) |
| Transfers in (out) | - | 12,844 | 423 | - | - | (13,267) | - |
| As at December 31, 2018 | 554,155 | 419,244 | 2,349,566 | 225,347 | 504,820 | 9,505 | 4,062,637 |
| Accumulated Depreciation | | | | | | | |
| As at January 1, 2017 | - | 111,476 | 1,279,977 | 99,729 | 223,017 | - | 1,714,199 |
| Depreciation charge for the year | - | 34,039 | 217,721 | 25,864 | 65,170 | - | 342,794 |
| Disposals | - | (14) | (6,591) | (2,743) | (6,005) | - | (15,353) |
| Write-off | - | - | - | (25) | (52) | - | (77) |
| As at December 31, 2017 | - | 145,501 | 1,491,107 | 122,825 | 282,130 | - | 2,041,563 |
| Depreciation charge for the year | - | 44,747 | 239,171 | 29,535 | 69,281 | - | 382,734 |
| Disposals | - | - | (370) | (39) | (19,252) | - | (19,661) |
| Write-off | - | - | (3,024) | (31) | (753) | - | (3,808) |
| As at December 31, 2018 | - | 190,248 | 1,726,884 | 152,290 | 331,406 | - | 2,400,828 |
| Allowance for Impairment Loss | | | | | | | |
| As at January 1, 2017 | 15,000 | - | - | - | - | - | 15,000 |
| As at December 31, 2017 | 15,000 | - | - | - | - | - | 15,000 |
| As at December 31, 2018 | 15,000 | - | - | - | - | - | 15,000 |
| Net Book Value | | | | | | | |
| Owned assets | 405,613 | 175,747 | 630,141 | 75,130 | 45,587 | 15,959 | 1,348,177 |
| Assets under finance leases | - | 9,153 | 193,391 | - | 152,618 | - | 355,162 |
| As at December 31, 2017 | 405,613 | 184,900 | 823,532 | 75,130 | 198,205 | 15,959 | 1,703,339 |
| Owned assets | 539,155 | 204,517 | 144,315 | 73,057 | 7,411 | 9,505 | 977,960 |
| Assets under finance leases | - | 24,479 | 478,367 | - | 166,003 | - | 668,849 |
| As at December 31, 2018 | 539,155 | 228,996 | 622,682 | 73,057 | 173,414 | 9,505 | 1,646,809 |

The Company and the Unique Group have various finance lease contracts with several leasing companies covering various machinery and vehicles as discussed in Note 19.

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On March 29, 2017, the Company and a subsidiary entered into various sale and purchase agreements with a local leasing company for selling their certain machineries totalling Baht 6.3 million and Baht 33.9 million, respectively, which exceed their carry values at the agreement date. On the same date, the Company and such subsidiary entered into hire-purchase contracts with such leasing company to purchase back those machineries at the same prices plus interest at the specified rate by having down payments and monthly equal installment payments for a period of 60 months. The ownership of those machineries will be automatically transferred to the Company and such subsidiary when the Company and the subsidiary make the last installment payments. In this regard, the Company and such subsidiary incurred gains on sales of such assets of Baht 3.2 million and Baht 18.4 million, respectively, which were recognized as deferred revenue and presented as other non-current liabilities in the statements of financial position. The Company and the subsidiary will recognize deferred revenue as income over the lease term.

On March 29, 2017, another subsidiary entered into a sale and purchase agreement with a local leasing company for selling its certain machineries totalling Baht 8.9 million, which were lower than their carry values at the agreement date. At the same date, such subsidiary entered into hire-purchase contracts with such leasing company to purchase back those machineries at the same prices plus interest at the specified rate by having down payments and monthly equal installment payments for a period of 60 months. The ownership of those machineries will be automatically transferred to such subsidiary when the subsidiary makes the last installment payment. In this regard, such subsidiary incurred loss on sales of such assets of Baht 38,456, which was recognized as an expense in the consolidated statement of comprehensive income for the year ended December 31, 2017.

On June 15, 2017, another two subsidiaries entered into various sale and purchase agreements with a local leasing company for selling their certain tools and equipment totalling Baht 6.9 million, which equal to their carrying values at the agreement date. At the same date, two subsidiaries entered into hire-purchase contracts with such leasing company to purchase back those tools and equipment at the same selling prices plus interest at the specified rate by having down payments and monthly equal installment payments for a period of 60 months. The ownership of those tools and equipment will be automatically be transferred to such subsidiaries when the subsidiaries make the last installment payments.

On July 25, 2018, the Company and a subsidiary entered into various sale and purchase agreements with a local leasing company for selling their certain machineries totalling Baht 4.2 million and Baht 21.2 million, respectively, which exceed their carry values at the agreement date. On the same date, the Company and such subsidiary entered into hire-purchase agreements with such leasing company to purchase back those machineries at the same prices plus interest at the specified rate by having down payments and monthly equal installment payments for a period of 60 months. The ownership of those machineries will be automatically transferred to the Company and such subsidiary when the Company and the subsidiary make the last installment payments. In this regard, the Company and such subsidiary incurred gains on sales of such assets of Baht 0.2 million and Baht 1.4 million, respectively, which were recognized as deferred revenue and presented as other non-current liabilities in the statements of financial position. The Company and the subsidiary will recognize deferred revenue as income over the lease term.

During the years ended December 31, 2018 and 2017, a subsidiary capitalized interest charge from borrowings as a part of such subsidiary's yard project of Baht 2.0 million and Baht 3.5 million, respectively.

Land, building and machinery of the Company with the net carrying value totalling Baht 357.8 million and Baht 251.8 million (and of the Unique Group with the net carrying value totalling Baht 2,373.8 million and Baht 2,292.2 million) as at December 31, 2018 and 2017, respectively, have been mortgaged/pledged as collateral for credit facilities obtained from various financial institutions as discussed in Notes 13 and 17. In addition, the benefits of the insurance coverage for machinery and building have been assigned to the lenders.

The gross carrying amounts of the Company's certain plant and equipment totalling approximately Baht 1,404.6 million and Baht 1,186.3 million (and of the Unique Group's plant and equipment totalling approximately Baht 2,822.4 million and Baht 1,313.0 million) were fully depreciated as at December 31, 2018 and 2017, respectively, but these items are still in active use.

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12. OTHER INTANGIBLE ASSETS - Net

| | Consolidated Financial Statements (In Thousand Baht) | | |
|--|--|---------------------------|---------------|
| | Software Licenses | Assets under Installation | Total |
| Cost | | | |
| As at January 1, 2017 | 18,589 | - | 18,589 |
| Additions | 10,639 | 272 | 10,911 |
| Transfer from property, plant and equipment (Note 11) | 794 | - | 794 |
| As at December 31, 2017 | 30,022 | 272 | 30,294 |
| Additions | 3,351 | 2,102 | 5,453 |
| As at December 31, 2018 | 33,373 | 2,374 | 35,747 |
| Accumulated Amortization | | | |
| As at January 1, 2017 | 10,215 | - | 10,215 |
| Amortization charge for the year | 2,806 | - | 2,806 |
| As at December 31, 2017 | 13,021 | - | 13,021 |
| Amortization charge for the year | 3,696 | - | 3,696 |
| As at December 31, 2018 | 16,717 | - | 16,717 |
| Net Book Value | | | |
| As at December 31, 2017 | 17,001 | 272 | 17,273 |
| As at December 31, 2018 | 16,656 | 2,374 | 19,030 |
| | | | |
| | Separate Financial Statements (In Thousand Baht) | | |
| | Software Licenses | Assets under Installation | Total |
| Cost | | | |
| As at January 1, 2017 | 18,158 | - | 18,158 |
| Additions | 10,639 | 272 | 10,911 |
| Transfer from property, plant and equipment (Note 11) | 794 | - | 794 |
| As at December 31, 2017 | 29,591 | 272 | 29,863 |
| Additions | 3,325 | 2,102 | 5,427 |
| As at December 31, 2018 | 32,916 | 2,374 | 35,290 |
| Accumulated Amortization | | | |
| As at January 1, 2017 | 10,028 | - | 10,028 |
| Amortization charge for the year | 2,720 | - | 2,720 |
| As at December 31, 2017 | 12,748 | - | 12,748 |
| Amortization charge for the year | 3,608 | - | 3,608 |
| As at December 31, 2018 | 16,356 | - | 16,356 |
| Net Book Value | | | |
| As at December 31, 2017 | 16,843 | 272 | 17,115 |
| As at December 31, 2018 | 16,560 | 2,374 | 18,934 |

The gross carrying amounts of the Company's and of the Unique Group's certain other intangible assets totalling approximately Baht 8.8 million and Baht 7.9 million, respectively, were fully amortized as at December 31, 2018 and 2017, but these items are still in active use.

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13. BANK OVERDRAFTS AND SHORT-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

| | Interest Rates (% p.a.) | | In Thousand Baht | | | |
|----------------------------------|-------------------------|---------------|-----------------------------------|-----------|-------------------------------|-----------|
| | | | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Bank overdrafts | 6.120 - 7.125 | 6.120 - 7.125 | 48,714 | 54,193 | 21,758 | 36,614 |
| Liabilities under trust receipts | | | 239,955 | 212,595 | 239,955 | 212,595 |
| Notes payable | 4.200 - 7.120 | 5.025 - 7.120 | 5,704,562 | 4,818,274 | 5,678,948 | 4,779,971 |
| Total | | | 5,993,231 | 5,085,062 | 5,940,661 | 5,029,180 |

In June 2018, the Company drewdown long-term borrowings from a financial institution totalling Baht 132.2 million in order to repay notes payables according to the agreement as discussed in Note 17.

As at December 31, 2018, the Company and the Unique Group obtained overdraft credit lines from various local financial institutions totalling Baht 74.7 million and Baht 119.7 million, respectively. The Company and the Unique Group obtained other credit facility lines from various local financial institutions totalling Baht 74,376.2 million and Baht 76,460.5 million, respectively. These credit facilities are collateralized by fixed deposits of the Company and the Unique Group totalling Baht 561.4 million and Baht 561.8 million, respectively, as discussed in Note 9 and by transferring the right on cash collection from the installment payments of the construction projects of the Company and the Unique Group as discussed in Note 6, the Company's construction in progress - real estate projects amounting to Baht 149.4 million as discussed in Note 7 and certain fixed assets of the Company and the Unique Group as discussed in Note 11 including additionally guaranteed by a subsidiary as discussed in Note 10.

As at December 31, 2017, the Company and the Unique Group obtained overdraft credit lines from various local financial institutions totalling Baht 49.7 million and Baht 94.7 million, respectively. The Company and the Unique Group obtained other credit facility lines from various local financial institutions totalling Baht 69,585.1 million and Baht 71,744.3 million, respectively. These credit facilities are collateralized by fixed deposits of the Company and the Unique Group totalling Baht 482.8 million and Baht 483.2 million, respectively, as discussed in Note 9 and by transferring the right on cash collection from the installment payments of the construction projects of the Company and the Unique Group as discussed in Note 6, the Company's construction in progress - real estate projects amounting to Baht 182.5 million as discussed in Note 7 and certain fixed assets of the Company and the Unique Group as discussed in Note 11 including additional guarantee by a subsidiary as discussed in Note 10.

Under the terms of the trust receipt agreements, certain imported raw materials and assets have been released to the Unique Group in trust for the financial institution. The Unique Group is accountable to the financial institution for the trusted raw materials and assets or their sales proceeds.

14. SHORT-TERM BORROWINGS - Net

| | Interest Rates (% p.a.) | | In Thousand Baht | | | |
|------------------------|-------------------------|------|-----------------------------------|---------|-------------------------------|---------|
| | | | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| Bills of exchange | - | 3.70 | - | 450,000 | - | 450,000 |
| Less: Prepaid interest | | | - | (5,077) | - | (5,077) |
| Net | | | - | 444,923 | - | 444,923 |

As at December 31, 2017, borrowings of Baht 450 million are unsecured bills of exchange and repayable in 2018.

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15. CURRENT PROVISIONS FOR OTHER EMPLOYEE BENEFIT

Current provision for other employee benefit as at December 31, 2018 and 2017 was as follows:

| | Consolidated Financial Statements (In Thousand Baht) |
|--|---|
| Current provision for other employee benefit as at December 31, 2017 | 7,909 |
| Benefit paid during the year | (91) |
| Current provision for other employee benefit as at December 31, 2018 | <u>7,818</u> |

16. NON-CURRENT PROVISION FOR EMPLOYEE RETIREMENT BENEFIT

Non-current provision for employee retirement benefit as at December 31, 2018 and 2017 was as follows:

| | In Thousand Baht | |
|--|--------------------------------------|----------------------------------|
| | Consolidated Financial Statements | Separate Financial Statements |
| Employee retirement benefit obligation as at January 1, 2017 | 72,973 | 40,803 |
| Current service cost | 29,721 | 15,440 |
| Interest cost | 1,701 | 994 |
| Actuarial gains | <u>(19,239)</u> | <u>(10,537)</u> |
| Employee retirement benefit obligation as at December 31, 2017 | 85,156 | 46,700 |
| Current service cost | 16,937 | 6,556 |
| Interest cost | 1,471 | 801 |
| Actuarial gains | <u>(4,303)</u> | <u>(252)</u> |
| Employee retirement benefit obligation as at December 31, 2018 | <u>99,261</u> | <u>53,805</u> |

Expenses recognized in the statements of comprehensive income for each of the years ended December 31, 2018 and 2017 were as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------------|-------------------------------|-----------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| In profit for the year : | | | | |
| Current service cost | 16,937 | 29,721 | 6,556 | 15,440 |
| Interest cost | 1,471 | 1,701 | 801 | 994 |
| In other comprehensive income for the year : | | | | |
| Actuarial gains | <u>(4,303)</u> | <u>(19,239)</u> | <u>(252)</u> | <u>(10,537)</u> |
| Total | <u>14,105</u> | <u>12,183</u> | <u>7,105</u> | <u>5,897</u> |

Actuarial assumptions

| | 2018 | 2017 |
|------------------------|----------------|----------------|
| Discount rate | 2.50% | 2.30% |
| Inflation rate | 2.75% | 2.75% |
| Future salary increase | 5.00% | 5.00% |
| Employee turnover | 7.00% - 30.00% | 7.00% - 30.00% |
| Mortality rate | 105% of TMO17 | 105% of TMO17 |

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Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the provision for employee retirement benefit by the amounts shown below.

| | Increase (decrease) (In Thousand Baht) | | | |
|---|--|---------|-------------------------------|---------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Effect on the non-current provisions for employee retirement benefit at December 31, | | | | |
| Discount rate | | | | |
| 0.5% increase | (2,482) | (2,185) | (1,337) | (1,179) |
| 0.5% decrease | 2,630 | 2,312 | 1,417 | 1,247 |
| Salary increase rate | | | | |
| 1.0% increase | 5,020 | 4,422 | 2,661 | 2,352 |
| 1.0% decrease | (4,569) | (4,037) | (2,421) | (2,147) |
| Employee turnover rate | | | | |
| 20.0% increase | (8,643) | (6,593) | (4,655) | (3,563) |
| 20.0% decrease | 11,159 | 8,771 | 5,987 | 4,727 |

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

On December 13, 2018, the National Legislative Assembly approved a bill the Labor Protection Act, that will become effective 30 days after its publication in the Government Gazette, to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. When the labor law come into force, the Company and the Unique Group will recognize the increase in the non-current provision for employee retirement benefit of approximately Baht 7.7 million and Baht 9.3 million, respectively, resulting in the decrease in net profit of approximately Baht 6.2 million and Baht 7.4 million, respectively.

17. LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS - Net

| | Interest Rates (% p.a.) | | In Thousand Baht | | | |
|---|-------------------------|-------|-----------------------------------|-----------|-------------------------------|----------|
| | | | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 | 2018 | 2017 |
| The Company | | | | | | |
| - The second borrowing | - | 5.525 | - | 12,240 | - | 12,240 |
| - The third borrowing | 5.025 | 5.025 | 52,100 | 74,300 | 52,100 | 74,300 |
| - The fourth borrowing | 5.525 | - | 128,910 | - | 128,910 | - |
| - The fifth borrowing | 5.000 | - | 123,400 | - | 123,400 | - |
| The first subsidiary | 5.525 | 5.525 | 348,300 | 633,300 | - | - |
| The second subsidiary | 6.025 | 6.025 | 43,000 | 84,400 | - | - |
| Total | | | 695,710 | 804,240 | 304,410 | 86,540 |
| Less : Deferred borrowing arrangement fee | | | (135) | (191) | (135) | (191) |
| | | | 695,575 | 804,049 | 304,275 | 86,349 |
| Less: current portion | | | (298,100) | (353,040) | (97,200) | (26,640) |
| Net | | | 397,475 | 451,009 | 207,075 | 59,709 |

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The Company

On October 18, 2016, the Company obtained credit facilities from a local financial institution totalling Baht 192.7 million, which consisted of:

| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|---|---------------------------------------|---|---|
| a) - Term loan (for land) | 175.2 | - Minimum Loan Rate minus 0.75% per annum | The Company can drawdown the short-term borrowing, by issuing promissory notes - amounting to Baht 43 million with the final maturity date within 6 months, and - amounting to Baht 132.2 million with the final maturity date within 24 months and when the due date, the Company can drawdown the term loan (for land) to fully repay promissory note. The repayment term will be at 36 monthly installments not less than Baht 3.68 million per month, commencing from October 2018. |
| - Credit facility for Acceptance/Aval note (for land) | | - Fee 1.00% per annum | |
| b) Term loan (for land development) | 17.5 | Minimum Loan Rate per annum | At 60 monthly installments not less than Baht 0.37 million per month, commencing from October 2017 |
| Total | <u>192.7</u> | | |

This borrowing is secured by the mortgage of land of a subsidiary as discussed in Note 11 including additionally guaranteed by a subsidiary as discussed in Note 10. In addition, the Company should not change the core business, merge and acquire with other party, decrease the Company's authorized share capital or dissolution and liquidation of the Company.

On November 1, 2017, the Company obtained credit facility from a local financial institution totalling Baht 78.0 million, which consisted of:

| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|----------------------------------|---------------------------------------|---|---|
| Term loan (for land) | 78.0 | - Minimum Loan Rate minus 1.25% per annum | - At 43 monthly installments not less than Baht 1.85 million per month, commencing from November 2017 |
| Total | <u>78.0</u> | | |

This borrowing is secured by the mortgage of land of the Company as discussed in Note 11. In addition, the Company transferred the right on cash collection from the installment payments of Elevated Civil Works: Khlong Ban Ma - Suwinthawong Section of the MRT Orange Line (East Section) Project : Thailand Cultural Centre – Min Buri (Suwinthawong) (Contract 4) and Trackwork of the MRT Orange Line (East Section) Project: Thailand Cultural Centre – Min Buri (Suwinthawong) (Contract 6) of the Company regarding to the transferred right of claim agreement as discussed in Note 6 and

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the business security agreement dated May 4, 2017, according to the Business Security Act B.E. 2558 as collateral for credit facility obtained from such financial institution.

On October 1, 2018, the Company obtained credit facility from another local financial institution totalling Baht 130.0 million, which consisted of:

| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|----------------------------------|---------------------------------------|--|--|
| Term loan (for land) | 130.0 | - Minimum Loan Rate minus 1.25% per annum | - At 60 monthly installments at Baht 2.2 million per month in periods 1 - 59 and Baht 0.2 million in period 60, commencing from November 2018 |
| Total | <u>130.0</u> | | |

This borrowing is secured by the mortgage of land of the Company as discussed in Note 11.

Subsidiaries

On January 28, 2014, a subsidiary obtained credit facilities from a local financial institution totalling Baht 1,898 million for the subsidiary's operation to sell ready-mixed concrete and cast concrete. Subsequently on September 15, 2015, such subsidiary entered into the amendment agreement with such financial institution. The credit facilities are as follows:

| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|--|---------------------------------------|--|---|
| a) Term loan (for land) (to drawdown at 75% of value based on sale and purchase land agreement not exceeding the amount of term loan) | 211 | Minimum Loan Rate minus 0.75% per annum | At 96 monthly installments not less than Baht 2.25 million per month in periods 1 - 19 and not less than Baht 2.35 million in periods 20 - 96 |
| b) Term loan (for land development and infrastructure) (to drawdown at 60% of the actual value based on report of an outside appraisal firm registered with the financial institution not exceeding the amount of term loan) | 413 | Minimum Loan Rate minus 0.75% per annum | At 96 monthly installments not less than Baht 4.5 million per month in periods 1 - 19 and not less than Baht 5.4 million in periods 20 - 96 |
| c) Term loan (for construct thereon and system) (to drawdown at 75% of the actual value based on report of an outside appraisal firm registered with the financial institution not exceeding the amount of term loan) | 137 | Minimum Loan Rate minus 0.75% per annum | At 84 monthly installments not less than Baht 2.2 million per month |
| d) Term loan (for purchases of machinery/equipment/component) (to drawdown at 75% of the actual value based on report of an outside appraisal firm registered with the financial institution) | 957 | Minimum Loan Rate minus 0.75% per annum | At 84 monthly installments not less than Baht 12.2 million per month in periods 1 - 19 and not than Baht 13.8 million in periods 20 - 84 |
| e) Overdraft | 30 | Minimum Overdraft Rate | Review credit line every 12 months |

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| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|---|---------------------------------------|--|------------------------------------|
| f) Letter of guarantee | 100 | - 1% per annum for letter of guarantee - 1.8% per annum for letter of credit - MOR for promissory note and trust receipt | Review credit line every 12 months |
| g) Credit facility for forward contract | 50 | Determined by financial institution | Review credit line every 12 months |
| Total | <u>1,898</u> | | |

On January 29, 2014, another subsidiary obtained credit facilities from a local financial institution totalling Baht 324.2 million for the subsidiary's operation dredge and sale sand, which consisted of:

| <u>Type of Credit Facilities</u> | <u>Credit Line (Million Baht)</u> | <u>Interest Rate</u> | <u>Repayment Term</u> |
|---|---------------------------------------|---|--|
| a) Term loan (for port) (to drawdown at 75% of value based on sale and purchase land agreement as at transfer of ownership date) | 236.2 | - Minimum Loan Rate minus 0.75% per annum in the first year - Minimum Loan Rate minus 0.25% per annum in the following years | At 72 monthly installments not less than Baht 3.45 million per month |
| b) Term loan (for sand pit's land) (to drawdown at 50% of value based on sale and purchase land agreement as at transfer of ownership date) | 50.0 | - Minimum Loan Rate minus 0.75% per annum in the first year - Minimum Loan Rate minus 0.25% per annum in the following years | At 48 monthly installments not less than Baht 1.15 million per month |
| c) Credit facility for purchases of machinery and equipment (to drawdown at 50% of the actual value of construction of bucket sand washing machine and/or sand mining dredging boat completed 100% based on report of an outside appraisal firm registered with the financial institution) | 18.0 | - Minimum Loan Rate minus 0.75% per annum in the first year - Minimum Loan Rate minus 0.25% per annum in the following years | At 36 monthly installments not less than Baht 0.58 million per month |
| d) Overdraft | 15.0 | Minimum Overdraft Rate | Review credit line every 12 months |
| e) Letter of guarantee | 5.0 | 1% per annum | Review credit line every 12 months |
| Total | <u>324.2</u> | | |

The subsidiaries' borrowings are secured by the mortgage of land and construction thereon and machinery, and land and building of such subsidiaries to be constructed thereon as discussed in Note 11 and additionally guaranteed by the Company as discussed in Note 10. In addition, the subsidiaries have to maintain the condition in accordance with the loan agreements.

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18. DEBENTURES - Net

| | Consolidated/Separate Financial Statements (In Thousand Baht) | |
|---|---|------|
| | 2018 | 2017 |
| Debentures | 940,000 | - |
| Less: Deferred debenture underwriting fee | (9,328) | - |
| | 930,672 | - |
| Less: Portion due within one year | (435,589) | - |
| Net | 495,083 | - |

Such debentures represented unsubordinated and unsecured debentures in registered name. The details are as follows:

| Issuance and offering date | Amount (In Thousand Baht) | | Term of debenture | Maturity date | Fixed interest rate (% per annum) |
|-------------------------------|---------------------------|------|-------------------|-------------------|--------------------------------------|
| | 2018 | 2017 | | | |
| August 29, 2018 | 500,000 | - | 3 years | August 29, 2021 | 3.70 |
| December 21, 2018 | 440,000 | - | 1 year | December 21, 2019 | 3.40 |
| Total | 940,000 | - | | | |

On February 15, 2019 the Company issued debentures amounting to Baht 2,000 million, such debentures represented unsubordinated and unsecured debentures in registered name. The debentures will be due on February 15, 2022. These debentures bear interest at the fixed rate at 4.20% per annum.

The Company is committed to comply with certain conditions as indicated in the prospectus such as maintaining financial ratio and others.

19. LIABILITIES UNDER FINANCE LEASE CONTRACTS - Net

The Company and the Unique Group have various finance lease contracts with several leasing companies covering various fixed assets as discussed in Note 11. The contracts have the term for certain periods expiring up to 2023. The ownerships of the assets under finance lease contracts will be transferred to the Company and the Unique Group when all payments are made to the leasing companies, which are summarized as follows:

| For the year ended December 31, | In Thousand Baht | | | |
|--|-----------------------------------|-----------|-------------------------------|-----------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| 2018 | - | 528,464 | - | 157,252 |
| 2019 | 566,202 | 402,343 | 254,572 | 141,849 |
| 2020 | 504,000 | 342,317 | 238,978 | 126,779 |
| 2021 | 444,448 | 282,694 | 223,814 | 111,575 |
| 2022 | 166,182 | 83,816 | 74,260 | 41,747 |
| 2023 | 37,119 | - | 9,331 | - |
| Total minimum lease payments | 1,717,951 | 1,639,634 | 800,955 | 579,202 |
| Less: Deferred interest | (109,729) | (111,912) | (53,857) | (42,329) |
| Present value of net minimum lease payments | 1,608,222 | 1,527,722 | 747,098 | 536,873 |
| Less: current portion due within one year - net deferred interest | (511,892) | (479,052) | (227,824) | (139,533) |
| Net | 1,096,330 | 1,048,670 | 519,274 | 397,340 |

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20. ADVANCE PAYMENTS TO CONTRACTORS AND ADVANCES RECEIVED FROM CUSTOMERS

Advance payments to contractors represent cash payments to contractors at various percentages of total construction prices. These advance payments to contractors will be deducted at the agreed percentages from the progress billings from the contractors.

Advances received from customers represent cash advances from customers, who are government agencies, at various percentages of total construction contract prices. These advances received from customers will be deducted at the agreed percentages from the progress billings to the customers.

21. DIVIDEND PAYMENTS

Payments of dividends during the years ended December 31, 2018 and 2017 are as follows:

| | <u>Approved by</u> | <u>Dividend per Share (In Baht)</u> | <u>Number of Common Shares (In Shares)</u> | <u>Total Dividends (In Thousand Baht)</u> | <u>Payment Date</u> |
|----------------------------|--|-------------------------------------|--|---|---------------------|
| 2018 | | | | | |
| Dividends on 2017 earnings | 2018 Annual General Shareholders' Meeting held on April 12, 2018 | 0.33 | 1,081,016,253 | <u>356,735</u> | May 11, 2018 |
| 2017 | | | | | |
| Dividends on 2016 earnings | 2017 Annual General Shareholders' Meeting held on April 7, 2017 | 0.33 | 1,081,016,253 | <u>356,735</u> | May 4, 2017 |

22. REGISTERED PROVIDENT FUND

The Company and its subsidiaries have contributory provident funds for their employees in accordance with the terms and conditions prescribed in the Provident Fund Act B.E. 2530. Membership to the funds is voluntarily. Contributions are made monthly by the employees and by the Company and its subsidiaries at 2% of the employees' basic salaries. The provident funds are managed by a Fund Manager in accordance with the terms and conditions prescribed in the Ministerial Regulation No. 2 (B.E. 2532) issued under the Provident Fund Act B.E. 2530.

The Company and its subsidiaries contributed to the fund totalling approximately Baht 12.1 million and Baht 9.5 million for each of the years ended December 31, 2018 and 2017, respectively (of the Company amounting to approximately Baht 5.8 million and Baht 4.6 million, respectively).

23. LEGAL RESERVE

Under the provision of the Public Company Limited Act B.E. 2535, the Company is required to set aside as reserve fund at least 5% of its annual net profit after deduction of the deficit brought forward (if any) until the reserve reaches 10% of authorized share capital. The reserve is not available for dividend distribution.

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24. AGREEMENTS

The Company and joint ventures entered into significant construction agreements with government agencies as follows:

• The Company

| <u>Agreement No.</u> | <u>Date</u> | <u>Description</u> | <u>Parties to the Contract</u> | <u>Period (Date of) Completion</u> | <u>Retention</u> | <u>Performance Security</u> |
|---------------------------------|-------------------|--|--|--|------------------|--|
| HNP_P2-02/2014 | April 1, 2014 | Suvarnabhumi Airport, Hydrant Network Project - Phase 2 Contract for supplementary engineering design, supply, construction, commissioning and start-up of Aviation Fuel Hydrant Network | Thai Aviation Refuelling Co., Ltd. | Commencing within 1,090 days after signing the contract within February 28, 2017 | 10% | Bank guarantee amounting to Baht 40.9 million |
| Kor Jor. 29/2558 (Kor Sor Por.) | April 10, 2015 | Construction for water tunnel and building with components Mae Ngad - Mae Kuang Section Contract 2: Increasing water volume in Mae Kuang Udom Tara Project, Chiangmai Province | Royal Irrigation Department, Ministry of Agriculture and Cooperative | Commencing within 1,440 days after signing the contract | 10% | Bank guarantee No. 00019/108342/0097/58 amounting to Baht 94.04 million |
| 207/2559 | May 10, 2016 | Construction for NY.3001 Road TR.305 Junction - Ban Bangnampreaw Nakorn nayok, Chachoengsao Distance 32.975 Km. | Bureau of Bridges Construction Department of Rural Roads | Commencing within 900 days From June 23, 2016 to December 9, 2018 | - | Bank guarantee No. 00019/108342/0106/59 amounting to Baht 105.83 million |
| - | February 9, 2017 | Elevated Civil Works: Khlong Ban Ma - Suwinthawong Section of the MRT Orange Line (East Section) Project : Thailand Cultural Centre - Min Buri (Suwinthawong) (Contract 4) | Mass Rapid Transit Authority of Thailand | Completion within 1,980 days commencing from the letter of notice to proceed | 10% | Bank guarantee No. 00019/108342/0022/60 amounting to Baht 999 million |
| - | February 9, 2017 | Trackwork of the MRT Orange Line (East Section) Project: Thailand Cultural Centre - Min Buri (Suwinthawong) (Contract 6) | Mass Rapid Transit Authority of Thailand | Completion within 1,980 days commencing from the letter of notice to proceed | 10% | Bank guarantee No. 00019/108342/0023/60 amounting to Baht 369 million |
| For Bor Kor. Kor.25/2560 | November 17, 2017 | Construction of Manholes and electrical conduits in conjunction with Civil Works Contract 4: Elevated Civil Works; Khlong Ban Ma - Suwinthawong Section of the MRT Orange Line (East Section) Project : Thailand Cultural Centre - Min Buri (Suwinthawong) | Metropolitan Electricity Authority | Commencing within 1,741 days from November 27, 2017 to September 2, 2022 | 10% | Bank guarantee No. 00019/108342/0252/60 amounting to Baht 144.50 million |
| KorSor.13/Tor.kor./2017 | December 28, 2017 | Construction of Track Doubling Project Section: Lop Buri - Pak Nam Pho. Contract 2 (Tha Kae-Pak Nam Pho | The State Railway of Thailand | Commencing within 1,440 days after signing the contract. | 10% | Bank guarantee No. 00019/108342/0279/60 amounting to Baht 864.90 million |

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• SH - UN Joint Venture

| Date | Description | Parties to the Contract | Period (Date of) Completion | Retention | Performance Security |
|-------------------|---|--|--|-----------|---|
| February 17, 2011 | Construction of the state railway of Thailand known as the MRT (blue line) Hua Lamphong-Bang Kae and Bang Sue-Thapra (contract 3) section project | Mass Rapid Transit Authority of Thailand | Completion within 1,640 days commencing from the letter of notice to proceed | 10% | Bank guarantee No. Kor.00019/108066/0057/54 amounting to Baht 1,128 million |

• S U Joint Venture

| Date | Description | Parties to the Contract | Period (Date of) Completion | Retention | Performance Security |
|------------------|---|-------------------------------|--|-----------|--|
| January 18, 2013 | Construction of the State Railway of Thailand Commuter Train Project (Red Line) Contract 1: Civil Works for Bang Sue Grand Station and Depots | The State Railway of Thailand | Commencing within 1,440 days after sign the contract | 10% | Bank Guarantee no. Kor. 00019/108066/0013/56 amounting to Baht 2,982.7 million |
| April 9, 2015 | Civil Works For Bang Sue Grand Station and Depots (Red Line Contract 1) | The State Railway of Thailand | Commencing within 1,440 days after signing the contract Ref. Contract No. Kor Sor.01/Ror For For/2556 dated January 18, 2013 | 10% | Bank guarantee No. Kor. 00019/108342/0098/58 amounting to Baht 429.14 million |

• UN-SH-CH Joint Venture

| Date | Description | Parties to the Contract | Period (Date of) Completion | Retention | Performance Security |
|--------------------|--|--|---|-----------|--|
| April 3, 2015 | Civil Works Saphan Mai - Khu Khot Section The MRT Green Line (North) Project Contract 2: Mo Chit - Saphan Mai - Khu Khot Section | Mass Rapid Transit Authority of Thailand | Commencing within 1,280 days since June 1, 2015 to December 2, 2018 | 10% | - Bank guarantee No. 00019/108342/0084/58 amounting to Baht 332.50 million - Bank guarantee No. 00019/108342/0085/58 amounting to Baht 199.71 million - Bank guarantee No. 00019/108342/0086/58 amounting to Baht 133.14 million |
| September 28, 2015 | Construction of Manholes and Election Conduits in Conjunction with Civil Works Saphan Mai - Khu Khot Section The MRT Green Line (North) Project: Saphan Mai - Khu Khot Section | Metropolitan Electricity Authority | Commencing within 1,198 days since October 1, 2015 to January 10, 2019 | 10% | Bank guarantee No. 00019/108342/0332/58 amounting to Baht 16.35 million |
| May 24, 2017 | Construction of Manholes and electrical conduits in conjunction with Civil Works Saphan Mai - Khu Khot Section The MRT Green Line (North) Project: Saphan Mai - Khu Khot Section | Metropolitan Electricity Authority | Commencing within 1,198 days, after signing the contract Ref. Contract No. For Or Nor. Kor 19/2555 dated September 28, 2015 | 10% | Bank guarantee No. 00019/108342/0095/60 00019/108342/0269/60 |
| September 29, 2017 | Construction of plumbing pipe domain and the work involved in Phaholyothin Road (Sukorn Nakseni Bridge) in conjunction with Civil Works Saphan Mai - Khu Khot Section The MRT Green Line (North) Project Contract 2: Saphan Mai - Khu Khot Section | Metropolitan Water work Authority | Completion within 300 days commencing from the letter of notice to proceed | 10% | Bank guarantee No. 00019/108342/0217/60 |

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• UA Joint Venture

| <u>Date</u> | <u>Description</u> | <u>Parties to the Contract</u> | <u>Period (Date of) Completion</u> | <u>Retention</u> | <u>Performance Security</u> |
|--------------------|--|--|--|------------------|---|
| May 16, 2016 | Construction for Ratcha Phruek - Kanchanapisek Road Extension Project The North - South Direction Section NS-1 Distance 5.200 Km. | Bureau of Bridges Construction Department of Rural Roads | Commencing within 900 days since June 1, 2016 to November 17, 2018 | - | Bank guarantee No. 00019/108342/0074/59 amounting to Baht 80.23 million |
| August 29, 2017 | Construction of Manholes and electrical conduits in conjunction with Civil Works Construction for Ratcha Phruek - Kanchanapisek Road Extension Project The North - South Direction Section NS-1 of Department of Rural Roads | Metropolitan Electricity Authority | Commencing within 416 days since August 29, 2017 to October 18, 2018 | 10% | Bank guarantee No. 00019/108342/0189/60 amounting to Baht 22.13 million |

• UN - SH Joint Venture

| <u>Date</u> | <u>Description</u> | <u>Parties to the Contract</u> | <u>Period (Date of) Completion</u> | <u>Retention</u> | <u>Performance Security</u> |
|----------------------|--|----------------------------------|--|------------------|---|
| December 28, 2017 | The Construction of Track Doubling Project Section: Lop Buri - Pak Nam Pho. Contract 1: Ban Klab - Khok Kathiam (Elevated Railway) | The State Railway of Thailand | Completion within 1,440 days commencing from the letter of notice to proceed | 10% | - Bank guarantee No. 00019/108342/0278/60 amounting to Baht 512.55 million - Bank guarantee No. 175233 amounting to Baht 492.55 million |

According to condition of the above agreements, the Unique Group is responsible for the deficiency of the construction projects for one or two years after the completion dates. Based on the management's experience, however, the loss for possible deficiency is minimal.

According to the term of the above agreements, the Unique Group is withheld retention deposits by the customers for the compliance with the conditions in the agreements at the certain percentages of the each invoice billed by the Unique Group. The customers will release such retention deposits to the Unique Group when the construction projects complete and the Unique Group does not breach any conditions specified in the agreements.

The significant information of the construction contracts, which are in progress as at December 31, 2018 and 2017, were as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Construction revenues recognized as revenue up to December 31, | <u>68,554,258</u> | <u>55,543,910</u> | <u>68,554,258</u> | <u>55,543,910</u> |
| Construction costs recognized as cost up to December 31, | <u>64,940,193</u> | <u>53,432,487</u> | <u>64,940,193</u> | <u>53,432,487</u> |
| Gross amount due from customers for construction works (unbilled receivables and construction in progress - construction projects) | <u>18,739,095</u> | <u>16,481,282</u> | <u>18,333,304</u> | <u>15,935,198</u> |

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25. DISCLOSURE OF FINANCIAL INSTRUMENTS

Financial assets and financial liabilities carried on the separate and consolidated statements of financial position include cash and cash equivalents, short-term investments, advance payment to subsidiaries and joint operator, trade and other current receivables, retention receivables, investments in restricted deposits at financial institutions, receivable under finance lease contract, advance payments to contractors, investments in subsidiaries, bank overdraft and short-term and long-term borrowings, debentures, trade and other current and note payables, advances received from subsidiaries and joint operators, retention payables to contractors, liabilities under finance lease contracts and advance received from customers. The accounting policies on recognition and measurement of these items are disclosed in the respective accounting policies in Note 3.

Liquidity Risk

Liquidity risk arises from the problem in raising funds adequately and in time to meet commitments as indicated in the financial statements. Based on the assessment of the Unique Group's current financial position and results of operations, the Unique Group does not face liquidity risk.

Foreign Currency Risk

The Unique Group has commercial transactions in foreign currency, giving rise to exposure risk from changes in foreign exchange rates. Hence, the management considers using forward exchange contracts to mitigate this risk from time to time as appropriate.

Credit Risk

Credit risk is the risk that a counterparty is unable or unwilling to meet a commitment that it entered into with the Unique Group. The risk is controlled by the application of credit approvals and monitoring procedures.

The carrying amount of accounts receivable recorded in the separate and consolidated statements of financial position net of allowance for doubtful accounts, if any, represents the maximum exposure to credit risk.

Interest Rate Risk

Interest rate risk arises from the fluctuation of market interest rates, which may have an impact to current and future operations of the Unique Group. The Unique Group's exposure to interest rate risk relates primarily to its deposits at financial institutions and short-term and long-term borrowings, debentures and liabilities under finance lease contracts.

However, since most of the Unique Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The management considers that the interest rate risk is minimal, hence, the Unique Group has no hedging contract to protect against such risk.

Significant financial assets and liabilities as at December 31, 2018 and 2017, classified by type of interest rates are summarised in the table below, with those financial assets that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

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| Consolidated Financial Statements | | | | | | | |
|--|------------------|------------------|-----------------|---------------------------|-------------------------|-------------------|--|
| 2018 (In Thousand Baht) | | | | | | | |
| Fixed interest rates | | | | | | | |
| | Within 1 year | 1- 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% p.a.) |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 4,428 | - | - | 437,877 | 13,193 | 455,498 | 0.125 - 1.100 |
| Short-term investments | 212 | - | - | - | - | 212 | 1.000 - 1.050 |
| Trade and other current receivables - net | - | - | - | - | 1,618,067 | 1,618,067 | - |
| Advance payments | - | - | - | - | 52,638 | 52,638 | - |
| Advance payments to contractors - net | - | - | - | - | 119,480 | 119,480 | - |
| Retention receivables | - | - | - | - | 346,877 | 346,877 | - |
| Investments in restricted deposits at financial institutions | 561,807 | - | - | - | - | 561,807 | 0.375 - 1.050 |
| Receivable under finance lease contract | <u>2,620</u> | <u>1,603</u> | - | - | - | <u>4,223</u> | 6.275 |
| Total | <u>569,067</u> | <u>1,603</u> | - | <u>437,877</u> | <u>2,150,255</u> | <u>3,158,802</u> | |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | 5,944,517 | - | - | 48,714 | - | 5,993,231 | 4.200 - 7.125 |
| Trade and other current and note payables | - | - | - | - | 8,262,157 | 8,262,157 | - |
| Advance received from customers - net | - | - | - | - | 2,916,678 | 2,916,678 | - |
| Retention payables to contractors | - | - | - | - | 595,313 | 595,313 | - |
| Long-term borrowings from financial institutions | - | - | - | 695,575 | - | 695,575 | 5.000 - 6.025 |
| Debentures - net | 435,589 | 495,083 | - | - | - | 930,672 | 3.400 - 3.700 |
| Liabilities under finance lease contracts | <u>511,892</u> | <u>1,096,330</u> | - | - | - | <u>1,608,222</u> | 3.500 - 4.000 |
| Total | <u>6,891,998</u> | <u>1,591,413</u> | - | <u>744,289</u> | <u>11,774,148</u> | <u>21,001,848</u> | |

| Consolidated Financial Statements | | | | | | | |
|---|------------------|---------------|-----------------|---------------------------|-------------------------|------------------|--|
| 2017 (In Thousand Baht) | | | | | | | |
| Fixed interest rates | | | | | | | |
| | Within 1 year | 1- 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% p.a.) |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 4,384 | - | - | 253,150 | 11,008 | 268,542 | 0.125 - 1.100 |
| Short-term investments | 210 | - | - | - | - | 210 | 1.000 - 1.350 |
| Trade and other current receivables - net | - | - | - | - | 1,056,155 | 1,056,155 | - |
| Advance payments | - | - | - | - | 52,113 | 52,113 | - |
| Advance payments to contractors - net | - | - | - | - | 131,866 | 131,866 | - |
| Retention receivables | - | - | - | - | 186,089 | 186,089 | - |
| Investments in restricted deposits at financial institutions | 483,194 | - | - | - | - | 483,194 | 0.375 - 1.500 |
| Receivable under finance lease contract | <u>2,467</u> | <u>4,223</u> | - | - | - | <u>6,690</u> | 6.275 |
| Total | <u>490,255</u> | <u>4,223</u> | - | <u>253,150</u> | <u>1,437,231</u> | <u>2,184,859</u> | |

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| Consolidated Financial Statements | | | | | | | |
|---|------------------|------------------|-----------------|---------------------------|-------------------------|-------------------|--|
| 2017 (In Thousand Baht) | | | | | | | |
| Fixed interest rates | | | | | | | |
| | Within 1 year | 1- 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% p.a.) |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | 5,030,869 | - | - | 54,193 | - | 5,085,062 | 5.025 - 7.125 |
| Short-term borrowings - net | 444,923 | - | - | - | - | 444,923 | 3.700 |
| Trade and other current and note payables | - | - | - | - | 8,430,356 | 8,430,356 | - |
| Advance received | - | - | - | - | 867 | 867 | - |
| Advance received from customers - net | - | - | - | - | 2,981,407 | 2,981,407 | - |
| Retention payables to contractors | - | - | - | - | 399,278 | 399,278 | - |
| Long-term borrowings from financial institutions | - | - | - | 804,049 | - | 804,049 | 5.025 - 6.025 |
| Liabilities under finance lease contracts | <u>479,052</u> | <u>1,048,670</u> | - | - | - | <u>1,527,722</u> | 3.500 - 4.000 |
| Total | <u>5,954,844</u> | <u>1,048,670</u> | - | <u>858,242</u> | <u>11,811,908</u> | <u>19,673,664</u> | |
| Separate Financial Statements | | | | | | | |
| 2018 (In Thousand Baht) | | | | | | | |
| Fixed interest rates | | | | | | | |
| | Within 1 year | 1- 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | Effective interest rate (% p.a.) |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 4,422 | - | - | 376,027 | 11,981 | 392,430 | 0.125 - 1.100 |
| Short-term investments | 211 | - | - | - | - | 211 | 1.000 - 1.050 |
| Trade and other current receivables - net | - | - | - | - | 2,449,735 | 2,449,735 | - |
| Advance payments | - | - | - | - | 10,285,079 | 10,285,079 | - |
| Advance payments to contractors - net | - | - | - | - | 113,203 | 113,203 | - |
| Retention receivables | - | - | - | - | 346,846 | 346,846 | - |
| Investments in restricted deposits at financial institutions | <u>561,451</u> | - | - | - | - | <u>561,451</u> | 0.375 - 1.050 |
| Total | <u>566,084</u> | - | - | <u>376,027</u> | <u>13,206,844</u> | <u>14,148,955</u> | |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | 5,918,903 | - | - | 21,758 | - | 5,940,661 | 4.200 - 7.120 |
| Trade and other current and note payables | - | - | - | - | 18,611,052 | 18,611,052 | - |
| Advance received | - | - | - | - | 113,313 | 113,313 | - |
| Advance received from customers - net | - | - | - | - | 2,916,677 | 2,916,677 | - |
| Retention payables to contractors | - | - | - | - | 479,088 | 479,088 | - |
| Long-term borrowings from financial institutions | - | - | - | 304,275 | - | 304,275 | 5.000 - 5.525 |
| Debentures - net | 435,589 | 495,083 | - | - | - | 930,672 | 3.400 - 3.700 |
| Liabilities under finance lease contracts | <u>227,824</u> | <u>519,274</u> | - | - | - | <u>747,098</u> | 3.500 - 4.000 |
| Total | <u>6,582,316</u> | <u>1,014,357</u> | - | <u>326,033</u> | <u>22,120,130</u> | <u>30,042,836</u> | |

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| | Separate Financial Statements | | | | | | Effective interest rate (% p.a.) |
|--|-------------------------------|----------------|-----------------|---------------------------|-------------------------|-------------------|--|
| | 2017 (In Thousand Baht) | | | | | | |
| | Fixed interest rates | | | | | | |
| | Within 1 year | 1- 5 years | Over 5 years | Floating interest rate | Non-interest bearing | Total | |
| Financial assets | | | | | | | |
| Cash and cash equivalents | 4,379 | - | - | 169,215 | 9,957 | 183,551 | 0.125 - 1.100 |
| Short-term investments | 209 | - | - | - | - | 209 | 1.350 |
| Trade and other current receivables - net | - | - | - | - | 1,853,313 | 1,853,313 | - |
| Advance payments | - | - | - | - | 7,274,768 | 7,274,768 | - |
| Advance payments to contractors - net | - | - | - | - | 125,219 | 125,219 | - |
| Retention receivables | - | - | - | - | 186,089 | 186,089 | - |
| Investments in restricted deposits at financial institutions | <u>482,842</u> | - | - | - | - | <u>482,842</u> | 0.375 - 1.500 |
| Total | <u>487,430</u> | - | - | <u>169,215</u> | <u>9,449,346</u> | <u>10,105,991</u> | |
| Financial liabilities | | | | | | | |
| Bank overdrafts and short-term borrowings from financial institutions | 4,992,566 | - | - | 36,614 | - | 5,029,180 | 5.025 - 7.125 |
| Short-term borrowings - net | 444,923 | - | - | - | - | 444,923 | 3.700 |
| Trade and other current and note payables | - | - | - | - | 15,247,135 | 15,247,135 | - |
| Advance received | - | - | - | - | 114,238 | 114,238 | - |
| Advance received from customers - net | - | - | - | - | 2,981,407 | 2,981,407 | - |
| Retention payables to contractors | - | - | - | - | 304,311 | 304,311 | - |
| Long-term borrowings from financial institutions | - | - | - | 86,349 | - | 86,349 | 5.025 - 6.025 |
| Liabilities under finance lease contracts | <u>139,533</u> | <u>397,340</u> | - | - | - | <u>536,873</u> | 3.500 - 4.000 |
| Total | <u>5,577,022</u> | <u>397,340</u> | - | <u>122,963</u> | <u>18,647,091</u> | <u>24,744,416</u> | |

Fair Value of Financial Instruments

Fair value is defined as the amount at which the instrument could be exchanged in a current transaction between knowledgeable willing parties in an arm's length transaction. The following methods and assumptions are used to estimate the fair value of each class of financial instruments.

Cash and cash equivalents, short-term investments, trade and other current receivables, advance payment to subsidiaries and joint operator and advance payments to contractors - the carrying values approximate their fair values due to the relatively short-term maturity of these financial instruments.

Investments in restricted deposits at financial institutions carrying at market floating rate - the carrying values approximate their fair values.

Investments in subsidiaries for which there are no quoted market prices - a reasonable estimate of fair value, which has been calculated, based on the underlying net asset base for such investments, approximate their values base on equity method.

Retention receivables and payables : fair value cannot be calculated since there is no appropriate interest rate to be determined.

Receivable under finance lease contract, which bears interest at the fixed rate; - the aggregate carrying value is insignificantly different from it aggregate fair value because the fixed interest rate approximates market rate.

Bank overdrafts and short-term borrowings from financial institution, short-term borrowings, trade and others account and note payables, advances received from subsidiaries and joint operators and advance received from customers - the carrying amounts of these financial liabilities approximate their fair values due to the relatively short-term maturity of these financial instruments.

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Debentures and liabilities under finance lease contracts, which bear interest at the fixed rates; - the aggregate carrying values are insignificantly different from their aggregate fair value because the fixed interest rates approximate market rates.

Long-term borrowings from financial institution carrying interest at floating rate, which are considered to be market rate - the carrying value approximates the fair value.

26. EXPENSES BY NATURE

Significant expenses by nature for each of the years ended December 31, 2018 and 2017 are as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Changes in inventories | (2,445,558) | (1,502,347) | (2,555,427) | (1,117,648) |
| Purchase of construction materials | 4,029,927 | 4,409,135 | 4,158,516 | 3,046,897 |
| Direct labor and subcontractor | 4,360,700 | 3,647,201 | 6,766,257 | 6,371,251 |
| Other construction expenses | 2,478,415 | 1,501,424 | 2,133,672 | 2,173,790 |
| Employee benefit expenses | 1,433,750 | 1,538,418 | 616,209 | 552,217 |
| Management benefit expenses | 34,388 | 41,207 | 34,388 | 39,921 |
| Allowance for doubtful account | 2,500 | 1,450 | 2,500 | 1,450 |
| Depreciation, depletion and amortization | 1,207,080 | 1,185,440 | 386,342 | 345,514 |
| Allowance for impairment of inventories | 850 | - | 850 | - |
| Allowance for impairment of investment | - | - | 16,300 | 34,900 |
| Allowance for impairment of fixed asset | 16,868 | 25,900 | - | - |
| Other expenses | 247,453 | 261,499 | 196,042 | 147,283 |
| Total expenses | <u>11,366,373</u> | <u>11,109,327</u> | <u>11,755,649</u> | <u>11,595,575</u> |

27. DEFERRED INCOME TAX ASSETS

Tax expense for each of the years ended December 31, 2018 and 2017 consisted of:

| | In Thousand Baht | | | |
|---|-----------------------------------|----------------|-------------------------------|----------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Tax expense - current tax | 303,649 | 242,644 | 212,641 | 158,530 |
| Add (Less) : Tax effect from deferred income tax of temporary differences | | | | |
| - Tax benefit on loss carry-forwards | (59,632) | 2,292 | (59,815) | 33 |
| - Allowance for impairment of fixed asset | (3,374) | (5,180) | - | - |
| - Allowance for impairment of inventories | (170) | - | (170) | - |
| - Allowance for doubtful account | (500) | (290) | (500) | (290) |
| - Allowance for impairment of investment | - | - | (3,260) | (6,980) |
| - Write-off investment in subsidiary | - | (367) | - | (367) |
| - Liabilities under finance lease contracts | (3,620) | (2,707) | (1,828) | (925) |
| - Provision for employee retirement benefit | (3,682) | (6,284) | (1,471) | (3,287) |
| - Provision for other employee benefit | 18 | 4,384 | - | - |
| - Inventories | (23,516) | - | - | - |
| - Depreciation | (372) | - | - | - |
| - Other non-current liability | 842 | (3,669) | 106 | (544) |
| Tax expense | <u>209,643</u> | <u>230,823</u> | <u>145,703</u> | <u>146,170</u> |

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Reconciliations between tax expense and accounting income multiplied by the applicable tax rate for each of the years ended December 31, 2018 and 2017 are as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------|-------------------------------|---------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Accounting profit before tax | 1,006,255 | 1,120,929 | 694,818 | 695,944 |
| Income tax rate at 20% | 201,251 | 224,186 | 138,964 | 139,188 |
| Add (Less): Tax effect on | | | | |
| - non-utilized tax benefit on loss carry-forwards | (547) | (1,907) | (750) | (3,578) |
| - utilized previous tax benefit on loss carry-forwards | 38 | - | 38 | - |
| - non-deductible expenses | 8,901 | 8,544 | 7,451 | 10,560 |
| Tax expense | 209,643 | 230,823 | 145,703 | 146,170 |

The details of deferred income tax assets as at December 31, 2018 and 2017 are as follows:

| | Consolidated Financial Statements (In Thousand Baht) | | | |
|---|--|-------------------------|--|----------------------|
| | December 31, 2017 | (Charged) / Credited to | | December 31, 2018 |
| | | Profit for the year | Other comprehensive income for the year | |
| Loss carry-forwards | 183 | 59,632 | - | 59,815 |
| Allowance for impairment of fixed asset | 8,180 | 3,374 | - | 11,554 |
| Allowance for impairment of inventories | - | 170 | - | 170 |
| Allowance for doubtful account | 1,890 | 500 | - | 2,390 |
| Write-off investment in subsidiary | 367 | - | - | 367 |
| Liabilities under finance lease contracts | 21,276 | 3,620 | - | 24,896 |
| Provision for employee retirement benefit | 17,031 | 3,682 | (861) | 19,852 |
| Provision for other employee benefit | 1,581 | (18) | - | 1,563 |
| Inventories | - | 23,516 | - | 23,516 |
| Depreciation | - | 372 | - | 372 |
| Other non-current liability | 3,669 | (842) | - | 2,827 |
| Total | 54,177 | 94,006 | (861) | 147,322 |

| | Separate Financial Statements (In Thousand Baht) | | | |
|---|--|-------------------------|--|----------------------|
| | December 31, 2017 | (Charged) / Credited to | | December 31, 2018 |
| | | Profit for the year | Other comprehensive income for the year | |
| Loss carry-forwards | - | 59,815 | - | 59,815 |
| Allowance for impairment of fixed asset | 3,000 | - | - | 3,000 |
| Allowance for impairment of inventories | - | 170 | - | 170 |
| Allowance for doubtful account | 1,890 | 500 | - | 2,390 |
| Allowance for impairment of investment | 6,980 | 3,260 | - | 10,240 |
| Write-off investment in subsidiary | 367 | - | - | 367 |
| Liabilities under finance lease contracts | 2,402 | 1,828 | - | 4,230 |
| Provision for employee retirement benefit | 9,340 | 1,471 | (50) | 10,761 |
| Other non-current liability | 544 | (106) | - | 438 |
| Total | 24,523 | 66,938 | (50) | 91,411 |

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Unrecognized Deferred Income Tax Asset

As at December 31, 2018 and 2017, the Unique Group did not recognize deferred income tax asset from loss carry forward totalling Baht 1.6 million and Baht 8.5 million, respectively, since it is not probable that future taxable profit will be available against which certain joint operations can utilize the benefit therefore.

28. EARNINGS PER SHARE ATTRIBUTABLE TO OWNERS OF THE PARENT

Basic earnings per share attributable to owners of the parent are determined by dividing the profit for each of the years attributable to owners of the parent by the weighted average number of shares outstanding during the years.

Weighted average number of shares (basic) for each of the years ended December 31, 2018 and 2017 are as follows:

| | In Million Shares | |
|--|-------------------|----------------|
| | 2018 | 2017 |
| Number of shares outstanding as at January 1 | 1,081.0 | 1,081.0 |
| Effect of shares issued during the year | - | - |
| Weighted average number of shares (basic) | <u>1,081.0</u> | <u>1,081.0</u> |

29. OPERATING SEGMENT

The operations of the Unique Group principally involve construction contracting and real estate development, and are mostly carried on in the single geographic area of Thailand.

The segment financial information of the Unique Group in the consolidated financial statements for the year ended December 31, 2018, was as follows:

| | December 31, 2018 (In Million Baht) | | | | |
|---------------------------------|---|---|--------------|----------------------------|----------------|
| | Revenue from construction services | Revenue from sales of real estate | Total | Eliminated transactions | Net |
| Revenue from sales and services | 21,980.9 | 47.0 | 22,027.9 | (9,105.4) | 12,922.5 |
| Costs of sales and services | (21,466.1) | (35.6) | (21,501.7) | 11,092.5 | (10,409.2) |
| Gross margin | <u>514.8</u> | <u>11.4</u> | <u>526.2</u> | <u>1,987.1</u> | 2,513.3 |
| Other income | | | | | 60.8 |
| Administrative expenses | | | | | (922.8) |
| Management benefit expenses | | | | | (34.4) |
| Finance costs | | | | | (610.7) |
| Tax expense | | | | | <u>(209.6)</u> |
| Profit for the year | | | | | <u>796.6</u> |

During the year ended December 31, 2017, there were no significant activities pertaining to the real estate development segment. Hence, no operating segments have been presented in the interim financial statements for the year ended December 31, 2017.

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30. LONG-TERM LEASE AGREEMENTS

As at December 31, 2018 and 2017, The Company has various lease agreements covering its land and offices, which will expire during 2018 to 2020. The totals of future minimum lease payments under non-cancellable operating leases for each period are as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|--------|-------------------------------|--------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| Not later than 1 year | 27,823 | 28,593 | 27,639 | 28,471 |
| Later than 1 year and not later than 5 years | 6,220 | 29,362 | 5,915 | 29,362 |
| Total | 34,043 | 57,955 | 33,554 | 57,833 |

31. OTHERS

a) As at December 31, 2018 and 2017, the Company and the Unique Group had:

| | In Million Baht | | | |
|---|-----------------------------------|----------|-------------------------------|----------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2018 | 2017 | 2018 | 2017 |
| (a) Commitments under the agreement to purchase machinery and equipment and consultation under construction projects and service agreements and purchase orders of construction materials | 13,560.2 | 12,097.8 | 15,212.8 | 10,638.1 |
| (b) Letters of guarantee and other credit facilities issued by local financial institutions to various government agencies and local companies | 21,799.1 | 21,107.5 | 21,796.1 | 21,089.5 |
| (c) Unused letters of credit | 743.1 | 108.8 | 742.1 | 108.8 |

b) The Company had forward exchange contracts with a local financial institution covering its foreign currency import payables. Details are as follows:

| | 2018 | 2017 |
|------------------------|-----------|-----------|
| (a) U.S. Dollars | 3,973,853 | 1,094,268 |
| (b) Chinese Yuan (CNY) | - | 255,689 |

c) As at December 31, 2018 and 2017, the Company may be seized BID bond of Baht 61.3 million by Public Works Department, Bangkok Metropolitan Administration because the Company did not participate in the E-Auction project Hatairaj road (Suwintawong-Saimai) on February 26, 2008 according to the E-Auction's regulation since the representative of the Company who was assigned to participate in this auction being injured in a car accident. Subsequently on December 25, 2017, the Company paid to the Department of Public Works amounting to Baht 2 million, which was determined by the Administrative Court. Currently, the case is being considered by the Supreme Administrative Court. The ultimate outcome of this case cannot presently be determined.

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- d) As at December 31, 2018 and 2017, the Company had a legal case sued for the advance payment according to the agreement of Baht 217.2 million. The Court of Appeals determined that the Company had to pay to the plaintiff amounting to Baht 205.4 million and the plaintiff had to provide a bank guarantee with no expiry date to the Company on the date receiving money. This case is being determined by the Supreme Court. The ultimate outcome of this case cannot presently be determined. However, the Company has not recorded a provision for loss on this case based on the opinion of an independent legal advisor that no loss would incur from the determination of the Court of Appeals. As the amount to be paid by the Company determined by the Court of Appeals does not damage but it represents advances payment to subcontractor according to the agreement. Vice versa, the subcontractor has to provide a bank guarantee to the Company which is in line with normal contract.
- e) As at December 31, 2018 and 2017, the Company had a criminal case. On May 18, 2018, the Criminal Court of First Instance sentenced for dismissal. This case is being determined by the Court of Appeals. The ultimate outcome of this case cannot presently be determined.
- f) As at December 31, 2018, the Unique Group had 2 litigation cases, which the ultimate outcome cannot presently be determined. The details are as follows:

| | Amount (Million Baht) | Status of the Cases | Remark |
|--------|--------------------------|---|---|
| Case 1 | 0.7 | This case is being determined by the Court of First Instance. | A subsidiary company was sued for the damages. The ultimate outcome of this case cannot presently be determined. Hence, the subsidiary company has not recorded any provision for loss for this case. |
| Case 2 | 90.6 | This case is being determined by the Court of First Instance. | The Company was sued for the service fee and opportunity loss from a subcontractor. The ultimate outcome of this case cannot presently be determined. Hence, the Company has not recorded any provision for loss for this case. |

32. CAPITAL MANAGEMENT

The primary objective of the Unique Group's capital management is to ensure that they have sustained good cash flows management and preserves the ability to continue their businesses as a going concern.

As at December 31, 2018 and 2017, debt-to-equity ratios were as follows:

| | Consolidated Financial Statements | | Separate Financial Statements | |
|----------------------|-----------------------------------|----------------|-------------------------------|----------------|
| | 2018 | 2017 | 2018 | 2017 |
| Debt-to-equity ratio | <u>2.8 : 1</u> | <u>2.8 : 1</u> | <u>4.8 : 1</u> | <u>4.1 : 1</u> |

Debt represented total liabilities and equity represented total equity.

No changes were made in the Unique Group's objectives, policies or processes during the years ended December 31, 2018 and 2017.

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33. EVENT AFTER REPORTING PERIOD

At the Board of Directors' meeting no. 1/2562 held on February 26, 2019, the Board unanimously passed resolutions to propose of cash dividend from the net profit of the Company for the year ended December 31, 2018 of Baht 324 million (at Baht 0.30 per share of 1,081,016,253 shares).

34. THAI FINANCIAL REPORTING STANDARDS NOT YET ADOPTED

The Unique Group has not adopted revised Thai Financial Reporting Standards (TFRS) that have been issued but are not yet effective at the reporting date only these are relevant to business of the Unique Group as follows:

| TFRS | Topic | Effective date |
|-------------------------|--|----------------|
| TFRS 1 | First-time Adoption of International Financial Reporting Standards | 2019 |
| TFRS 2 (revised 2018) | Share-based Payment | 2019 |
| TFRS 3 (revised 2018) | Business Combinations | 2019 |
| TFRS 5 (revised 2018) | Non-current Assets Held for Sale and Discontinued Operations | 2019 |
| TFRS 7 | Financial Instruments: Disclosures | 2020 |
| TFRS 8 (revised 2018) | Operating Segments | 2019 |
| TFRS 9 | Financial Instruments | 2020 |
| TFRS 10 (revised 2018) | Consolidated Financial Statements | 2019 |
| TFRS 11 (revised 2018) | Joint Arrangements | 2019 |
| TFRS 12 (revised 2018) | Disclosure of Interests in Other Entities | 2019 |
| TFRS 13 (revised 2018) | Fair Value Measurement | 2019 |
| TFRS 15 | Revenue from Contracts with Customers | 2019 |
| TAS 1 (revised 2018) | Presentation of Financial Statements | 2019 |
| TAS 2 (revised 2018) | Inventories | 2019 |
| TAS 7 (revised 2018) | Statement of Cash Flows | 2019 |
| TAS 8 (revised 2018) | Accounting Policies, Changes in Accounting Estimates and Errors | 2019 |
| TAS 10 (revised 2018) | Events after the Reporting Period | 2019 |
| TAS 12 (revised 2018) | Income Taxes | 2019 |
| TAS 16 (revised 2018) | Property, Plant and Equipment | 2019 |
| TAS 17 (revised 2018) | Leases | 2019 |
| TAS 19 (revised 2018) | Employee Benefits | 2019 |
| TAS 21 (revised 2018) | The Effects of Changes in Foreign Exchange Rates | 2019 |
| TAS 23 (revised 2018) | Borrowing Costs | 2019 |
| TAS 24 (revised 2018) | Related Party Disclosures | 2019 |
| TAS 26 (revised 2018) | Accounting and Reporting by Retirement Benefit Plans | 2019 |
| TAS 27 (revised 2018) | Separate Financial Statements | 2019 |
| TAS 28 (revised 2018) | Investments in Associates and Joint Ventures | 2019 |
| TAS 29 (revised 2018) | Financial Reporting in Hyperinflationary Economies | 2019 |
| TAS 32 | Financial Instruments: Presentation | 2020 |
| TAS 33 (revised 2018) | Earnings per Share | 2019 |
| TAS 34 (revised 2018) | Interim Financial Reporting | 2019 |
| TAS 36 (revised 2018) | Impairment of Assets | 2019 |
| TAS 37 (revised 2018) | Provisions, Contingent Liabilities and Contingent Assets | 2019 |
| TAS 38 (revised 2018) | Intangible Assets | 2019 |
| TAS 40 (revised 2018) | Investment Property | 2019 |
| TFRIC 1 (revised 2018) | Changes in Existing Decommissioning, Restoration and Similar Liabilities | 2019 |
| TFRIC 4 (revised 2018) | Determining whether an Arrangement contains a Lease | 2019 |
| TFRIC 5 (revised 2018) | Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds | 2019 |
| TFRIC 7 (revised 2018) | Applying the Restatement Approach under TAS 29 (revised 2018) Financial Reporting in Hyperinflationary Economies | 2019 |
| TFRIC 10 (revised 2018) | Interim Financial Reporting and Impairment | 2019 |

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| <u>TFRS</u> | <u>Topic</u> | <u>Effective date</u> |
|-------------------------|--|-----------------------|
| TFRIC 14 (revised 2018) | TAS 19 (revised 2018) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction | 2019 |
| TFRIC 16 | Hedges of a Net Investment in a Foreign Operation | 2020 |
| TFRIC 17 (revised 2018) | Distributions of Non-cash Assets to Owners | 2019 |
| TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments | 2020 |
| TFRIC 22 | Foreign Currency Transactions and Advance Consideration | 2019 |
| TSIC 15 (revised 2018) | Operating Leases - Incentives | 2019 |
| TSIC 25 (revised 2018) | Income Taxes - Changes in the Tax Status of an Entity or its Shareholders | 2019 |
| TSIC 27 (revised 2018) | Evaluating the Substance of Transactions Involving the Legal Form of a Lease | 2019 |
| TSIC 32 (revised 2018) | Intangible Assets - Web Site Costs | 2019 |

Management expects to adopt and apply these revised TFRSs, which are relevant to their businesses in accordance with the TFAC's announcement and is presently considering the potential impact on the Unique Group's financial statements of these revised TFRSs.

35. APPROVAL OF FINANCIAL STATEMENTS

The Company's directors have authorized these financial statements for issue on February 26, 2019.