

TRC Construction Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2015



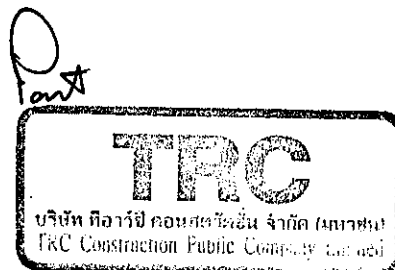
## **Independent Auditor's Report on Review of Interim Financial Information**

To the Shareholders of TRC Construction Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of TRC Construction Public Company Limited and its subsidiaries as at 30 June 2015, and the related consolidated statements of income and comprehensive income for the three-month and six-month periods ended 30 June 2015, and the related consolidated statements of changes in shareholders' equity and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of TRC Construction Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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





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## Conclusion

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

Pimjai Manitkajohnkit

Certified Public Accountant (Thailand) No. 4521

EY Office Limited

Bangkok: 11 August 2015



TRC Construction Public Company Limited and its subsidiaries

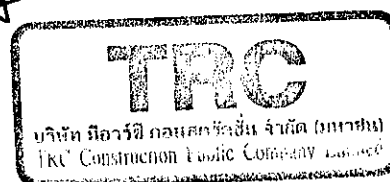
Statement of financial position

As at 30 June 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	3	530,950	606,657	204,033	455,659
Current investments		5,017	37	5,017	37
Trade and other receivables	2, 4	371,125	876,686	298,037	724,579
Unbilled receivable		914,246	396,200	876,156	379,839
Accounts receivable - retention under construction contracts		109,104	77,597	108,814	72,633
Advances paid to subcontractors under construction contracts		36,119	10,791	33,926	8,150
Construction in progress		1,336	16,140	-	16,107
Construction supplies	5	14,324	18,653	14,324	18,653
Short-term loans to related parties	2	-	-	86,938	36,668
Withholding tax deducted at source		32,547	28,666	14,417	14,417
Other current assets		47,619	32,479	40,316	26,934
<b>Total current assets</b>		<b>2,062,387</b>	<b>2,063,906</b>	<b>1,681,978</b>	<b>1,753,676</b>
<b>Non-current assets</b>					
Restricted deposits at financial institutions	6	28,536	34,543	7,250	13,673
Investments in subsidiaries	7	-	-	475,833	175,412
Investments in joint ventures	8	2,376	2,445	2,376	2,376
Other long-term investments	9	100,000	50,000	-	-
Property, plant and equipment	10	611,957	455,000	550,580	425,450
Intangible assets		8,817	8,833	8,525	8,520
Deferred tax assets		32,035	11,800	9,342	8,650
Other non-current assets		7,894	4,086	7,687	3,892
<b>Total non-current assets</b>		<b>791,615</b>	<b>566,707</b>	<b>1,061,593</b>	<b>637,973</b>
<b>Total assets</b>		<b>2,854,002</b>	<b>2,630,613</b>	<b>2,743,571</b>	<b>2,391,649</b>

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



TRC Construction Public Company Limited and its subsidiaries

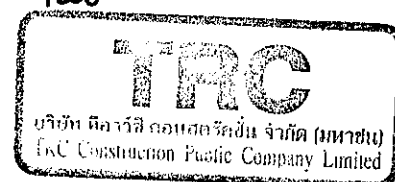
Statement of financial position (continued)

As at 30 June 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Trade and other payables	2, 11	456,352	458,390	417,246	384,016
Unbilled payable		543,887	337,903	533,947	310,510
Unearned construction revenue		-	149,396	-	149,396
Accounts payable - retention under construction contracts		27,611	27,732	21,181	16,722
Advances received from customers under construction contracts		137,203	105,389	133,362	105,307
Short-term loans from related party	2	-	-	40,000	-
Current portion of long-term loans	12	17,500	26,000	17,500	26,000
Provision for liabilities under construction projects	13	29,952	34,323	18,512	19,660
Current portion of liabilities under finance lease agreements	14	3,848	101	-	-
Income tax payable		7,736	8,360	7,736	8,360
Other current liabilities		25,659	55,761	23,587	49,073
Total current liabilities		1,249,748	1,203,355	1,213,071	1,069,044
Non-current liabilities					
Long-term loans - net of current portion	12	-	4,500	-	4,500
Liabilities under finance lease agreements - net of current portion	14	16,859	-	-	-
Provision for long-term employee benefits	15	30,823	25,048	28,195	23,588
Provision for litigation	24.1	20,000	20,000	20,000	20,000
Total non-current liabilities		67,682	49,548	48,195	48,088
Total liabilities		1,317,430	1,252,903	1,261,266	1,117,132

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



TRC Construction Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 June 2015

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		30 June 2015	31 December 2014	30 June 2015	31 December 2014
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>					
Share capital	16				
Registered					
5,242,871,458 ordinary shares of Baht 0.125 each					
(31 December 2014: 851,029,737 ordinary shares					
of Baht 0.50 each)		655,359	425,515	655,359	425,515
Issued and paid-up					
4,152,688,026 ordinary shares of Baht 0.125 each					
(31 December 2014: 822,613,706 ordinary shares of					
Baht 0.50 each)		519,086	411,307	519,086	411,307
Share premium	16	310,112	280,461	310,112	280,461
Capital reserve for share-based payment	17	19,887	25,957	19,887	25,957
Subscription received in advance from					
exercise of warrants	17	12,429	10,723	12,429	10,723
Retained earnings					
Appropriated - statutory reserve					
The Company		41,131	41,131	41,131	41,131
Subsidiary		2,644	2,644	-	-
Unappropriated		633,174	605,991	579,660	504,938
Other components of shareholders' equity		7,253	5,588	-	-
Equity attributable to owners of the Company		1,545,716	1,383,802	1,482,305	1,274,517
Non-controlling interests of the subsidiaries		(9,144)	(6,092)	-	-
<b>Total shareholders' equity</b>		<b>1,536,572</b>	<b>1,377,710</b>	<b>1,482,305</b>	<b>1,274,517</b>
<b>Total liabilities and shareholders' equity</b>		<b>2,854,002</b>	<b>2,630,613</b>	<b>2,743,571</b>	<b>2,391,649</b>

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

Directors



**TRC Construction Public Company Limited and Its subsidiaries**

(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 June 2015

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the period	66,002	52,009	75,499	59,344
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currency	1,827	(1,235)	-	-
Loss on revaluation of investment in subsidiary	-	(2,956)	-	-
Actuarial loss on employee benefit	(1,841)	-	(1,105)	-
Income tax effect	368	-	221	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	354	(4,191)	(884)	-
Other comprehensive income for the period	354	(4,191)	(884)	-
Total comprehensive income for the period	66,356	47,818	74,615	59,344
Total comprehensive income attributable to:				
Equity holders of the Company	67,189	49,591	74,615	59,344
Non-controlling interests of the subsidiaries	(833)	(1,773)	-	-
	66,356	47,818		

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





(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

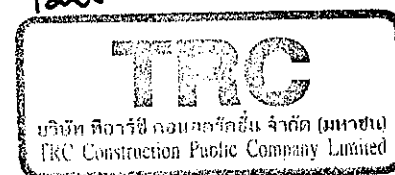
## Income statement

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
Revenues					
Construction services income	2	1,701,345	1,412,587	1,614,642	990,556
Interest income	2	4,346	847	7,363	1,416
Other income	2	29,366	11,293	15,397	9,566
Total revenues		1,735,057	1,424,727	1,637,402	1,001,538
Expenses					
Cost of construction services	2	1,406,608	1,150,387	1,266,399	778,906
Administrative expenses		155,051	157,484	128,869	113,231
Total expenses		1,561,659	1,307,871	1,395,268	892,137
Profit before share of loss from investment in joint venture, finance cost, and income tax expense					
		173,398	116,856	242,134	109,401
Share of loss from investments in joint venture	8	-	(2,298)	-	-
Profit before finance cost and income tax expenses					
		173,398	114,558	242,134	109,401
Finance cost	2	(1,485)	(2,444)	(1,197)	(1,151)
Profit before income tax expenses		171,913	112,114	240,937	108,250
Income tax expenses	18	(30,584)	(26,709)	(49,979)	(24,248)
Profit for the period		141,329	85,405	190,958	84,002
Profit attributable to:					
Equity holders of the Company		144,008	88,678	190,958	84,002
Non-controlling interests of the subsidiaries		(2,679)	(3,273)		
		141,329	85,405		
(Unit: Baht)					
Earnings per share					
19					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.03	0.02	0.05	0.02
Diluted earnings per share					
Profit attributable to equity holders of the Company		0.03	-	0.05	-

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



(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries  
Statement of comprehensive income  
For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Profit for the period	141,329	85,405	190,958	84,002
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent periods:				
Exchange differences on translation of financial statements in foreign currency	1,292	(1,651)	-	-
Loss on revaluation of investment in subsidiary	-	(2,956)	-	-
Actuarial loss on employee benefit	(1,841)	-	(1,105)	-
Income tax effect	368	-	221	-
Net other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax	(181)	(4,607)	(884)	-
Other comprehensive income for the period	(181)	(4,607)	(884)	-
Total comprehensive income for the period	141,148	80,798	190,074	84,002
Total comprehensive income attributable to:				
Equity holders of the Company	144,200	83,932	190,074	84,002
Non-controlling interests of the subsidiaries	(3,052)	(3,134)	-	-
	141,148	80,798		

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



(Unaudited but reviewed)

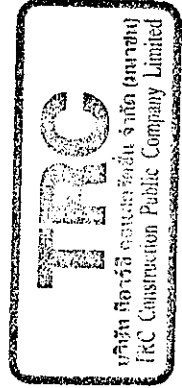
## TRC Construction Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity  
For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to the parent's shareholders													
Other components of equity													
Other comprehensive income													
Exchange differences													
on translation of financial statements in foreign currency													
Deficit on revaluation of investment in subsidiaries													
Total other components of shareholders' equity													
Total equity attributable to shareholders of the Company													
Equity attributable to non-controlling interests of the subsidiaries													
Total shareholders' equity													
Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based payment transactions	Subscription received in advance from exercise of warrants	Appropriated - The Company	Retained earnings - Statutory reserve	Unappropriated	on translation of financial statements in foreign currency	Deficit on revaluation of investment in subsidiaries	Total other components of shareholders' equity	Total equity attributable to shareholders of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	408,293	257,909	8,240	-	38,258	2,214	433,553	9,380	-	9,380	1,157,847	(3,989)	1,153,859
	-	-	-	-	-	-	88,678	(139)	-	(139)	88,539	(3,134)	85,405
	-	-	-	-	-	-	-	(1,651)	(2,956)	(4,607)	(4,607)	-	(4,607)
	-	-	-	-	-	-	88,678	(1,790)	(2,956)	(4,746)	83,932	(3,134)	80,798
	-	-	-	7,414	-	-	-	-	-	-	7,414	-	7,414
	-	-	12,491	-	-	-	-	-	-	-	12,491	-	12,491
	-	-	-	-	-	369	-	-	-	-	369	(369)	-
	-	-	-	-	-	610	(610)	-	-	-	-	-	-
20	-	-	-	-	-	-	(40,815)	-	-	-	(40,815)	-	(40,815)
	408,293	257,909	20,731	7,414	38,258	3,193	480,806	7,590	(2,956)	4,834	1,221,238	(7,491)	1,213,747
	411,307	280,461	25,957	10,723	41,131	2,644	605,991	8,544	(2,956)	5,588	1,383,802	(6,092)	1,377,710
	-	-	-	-	-	-	144,008	373	-	373	144,381	(3,052)	141,329
	-	-	-	-	-	-	(1,473)	1,292	-	1,292	(181)	-	(181)
	-	-	-	-	-	-	142,535	1,665	-	1,665	144,200	(3,052)	141,148
20	103,817	-	-	-	-	-	(103,817)	-	-	-	-	-	-
16	3,962	29,651	(9,603)	(24,010)	-	-	-	-	-	-	-	-	-
	-	-	-	25,716	-	-	-	-	-	-	25,716	-	25,716
	-	-	3,533	-	-	-	-	-	-	-	3,533	-	3,533
20	-	-	-	-	-	-	(11,535)	-	-	-	(11,535)	-	(11,535)
	519,086	310,112	19,887	12,429	41,131	2,644	633,174	10,209	(2,956)	7,253	1,545,716	(9,144)	1,536,572

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

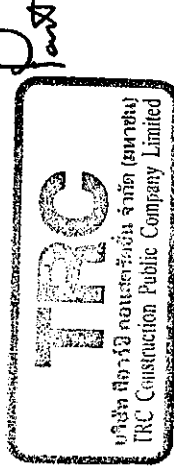


(Unaudited but reviewed)

TRC Construction Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity  
For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

Separate financial statements									
Subscription received in advance from exercise of warrants									
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based transactions		Retained earnings		Total shareholders' equity	
						Appropriated - Statutory reserve	Unappropriated		
Balance as at 1 January 2014		408,293	257,909	8,240	-	38,258	292,958	1,005,658	
Profit for the period		-	-	-	-	-	84,002	84,002	
Total comprehensive income for the period		-	-	-	-	-	84,002	84,002	
Subscription received in advance from exercise of warrants		-	-	-	7,414	-	-	-	7,414
Share-based payment transaction		-	-	12,491	-	-	-	-	12,491
Dividend paid	20	-	-	-	-	-	(40,815)	(40,815)	
Balance as at 30 June 2014		408,293	257,909	20,731	7,414	38,258	336,145	1,068,750	
Balance as at 1 January 2015		411,307	280,461	25,957	10,723	41,131	504,938	1,274,517	
Profit for the period		-	-	-	-	-	190,958	190,958	
Other comprehensive income for the period		-	-	-	-	-	(884)	(884)	
Total comprehensive income for the period		-	-	-	-	-	190,074	190,074	
Increase in capital from share dividend	20	103,817	-	-	-	-	(103,817)	-	
Increase in capital from exercise of warrants	16	3,962	29,651	(9,603)	(24,010)	-	-	-	
Subscription received in advance from exercise of warrants		-	-	-	-	-	-	-	
Share-based payment transactions	17	-	-	-	25,716	-	-	-	25,716
Dividend paid	20	-	-	3,533	-	-	-	-	3,533
Balance as at 30 June 2015		519,086	310,112	19,887	12,429	41,131	(11,535)	(11,535)	1,482,305



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

(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

## Cash flow statement

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Cash flows from operating activities</b>				
Profit before tax	171,913	112,114	240,937	108,250
Adjustments to reconcile profit before tax				
to net cash provided by (paid from) operating activities				
Depreciation and amortisation	31,815	24,613	23,190	13,147
Allowance for doubtful debt	-	(564)	2,043	-
Unrealised gain on exchange rate	(607)	(2,790)	(662)	(2,760)
Gain on disposal of vehicles and office equipments	(8,660)	(112)	(2,778)	(112)
Loss on write-off of tools and equipments	60	374	58	261
Loss on write-off of withholding tax	-	657	-	657
Gain from dissolution of joint venture	(34)	-	-	-
Share of loss from investments in joint venture	-	2,298	-	-
Expense for share - based payment transactions	3,533	12,491	3,112	11,259
Reversal of unbilled payables	-	(7,000)	-	(7,000)
Provision for liabilities under construction projects	6,073	2,900	2,788	900
Provision for long-term employee benefits	4,115	3,230	3,502	2,214
Interest income	(4,346)	(847)	(7,363)	(1,416)
Interest expenses	822	1,200	918	413
Profit from operating activities before changes in				
operating assets and liabilities	204,684	148,564	265,745	125,813
(Increase) decrease in operating assets				
Trade and other receivables	496,326	(228,301)	428,377	(227,667)
Unbilled receivables	(516,541)	424,157	(494,811)	415,710
Accounts receivable - retention	(31,507)	39,969	(36,181)	46,913
Advance paid to subcontractors under construction contracts	(24,227)	(8,837)	(24,676)	(3,918)
Construction in progress	14,804	(120,825)	16,107	(115,910)
Construction supplies	4,329	48,692	4,329	48,692
Other current assets	(15,140)	1,116	(13,382)	(817)
Other non-current assets	(3,808)	1,166	(3,795)	1,243
Increase (decrease) in operating liabilities				
Trade and other payables	(16,924)	91,308	19,170	94,700
Unbilled payables	205,984	223,157	223,437	215,106
Unearned construction revenue	(148,931)	(33,488)	(148,931)	(33,488)
Accounts payable - retention	(121)	4,718	4,459	3,220
Advances received from customers under construction				
contracts	29,721	(132,192)	25,962	(127,602)
Provision for liabilities under construction projects	(10,444)	(1,955)	(3,936)	(1,644)
Other current liabilities	(30,102)	26,222	(25,486)	23,647
Provision for long-term employee benefits	(187)	(955)	-	-
Cash flows from operating activities	157,916	482,516	236,388	463,998
Cash received from withholding tax refund	-	2,854	-	2,854
Cash paid for income tax	(54,956)	(39,834)	(51,075)	(31,102)
<b>Net cash flows from operating activities</b>	<b>102,960</b>	<b>445,536</b>	<b>185,313</b>	<b>435,750</b>

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



(Unaudited but reviewed)

## TRC Construction Public Company Limited and its subsidiaries

## Cash flow statement (continued)

For the six-month period ended 30 June 2015

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
<b>Cash flows from investing activities</b>				
Increase in current investments	(4,980)	-	(4,980)	-
Decrease in restricted deposits at financial institution	6,007	20,646	6,423	20,457
Increase in short-term loans to related party	-	-	(50,260)	(239)
Cash paid for investing in subsidiary	-	-	(300,000)	-
Cash received from dissolution of joint venture	103	-	-	-
Cash paid for investing in joint venture	-	(2,376)	-	(2,376)
Cash paid for purchase of other long-term investment	(50,000)	-	-	-
Interest income	14,161	3,453	3,616	333
Cash received from disposal of vehicles and office equipments	22,130	112	15,945	112
Cash paid for purchase of land, building and equipments	(186,399)	(112,561)	(146,565)	(108,347)
Cash paid for purchase of intangible assets	(1,427)	(847)	(1,427)	(847)
<b>Net cash flows used in investing activities</b>	<b>(200,405)</b>	<b>(91,573)</b>	<b>(477,248)</b>	<b>(90,907)</b>
<b>Cash flows from financing activities</b>				
Decrease in bank overdrafts and short-term loans from banks	-	(26,488)	-	-
Repayment of long-term loans	(13,000)	(6,500)	(13,000)	(6,500)
Cash received from loans from related party	-	-	100,000	170,000
Repayment of loans from related party	-	-	(60,000)	(170,000)
Subscription received in advance from exercise of warrants	12,429	7,414	12,429	7,414
Cash received from increase in capital due to exercise of warrants	13,287	-	13,287	-
Dividend paid	(11,535)	(40,815)	(11,535)	(40,815)
Interest expenses	(826)	(2,629)	(872)	(1,842)
Increase (decrease) in liabilities under finance lease agreements	20,606	(122)	-	-
Decrease in non-controlling interest	-	(369)	-	-
<b>Net cash flows from (used in) financing activities</b>	<b>20,961</b>	<b>(69,509)</b>	<b>40,309</b>	<b>(41,743)</b>
<b>Increase (decrease) in translation adjustment</b>	<b>777</b>	<b>(937)</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(75,707)</b>	<b>283,517</b>	<b>(251,626)</b>	<b>303,100</b>
Cash and cash equivalents at beginning of the period	606,657	195,563	455,659	38,166
<b>Cash and cash equivalents at end of the period (Note 3)</b>	<b>530,950</b>	<b>479,080</b>	<b>204,033</b>	<b>341,266</b>

## Supplemental cash flows information

## Non-cash items consist of

## Purchase of tools, equipments and intangible assets

that have yet to be paid	22,371	12,344	21,419	11,701
Interest expenses recorded as cost of project and construction in progress	-	1,389	-	1,389
Purchase of investments in subsidiaries offset against advance	-	4,016	-	-
Stock dividend	103,817	-	103,817	-

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



**TRC Construction Public Company Limited and its subsidiaries**  
**Notes to interim financial statements**  
**For the three-month and six-month periods ended 30 June 2015**

**1. General information**

**1.1 Corporate information**

TRC Construction Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in construction service and its registered address is No. 8, Soi Sukhapiban 5 Soi 32, Kwang Tha Raeng, Khet Bang Khen, Bangkok.

**1.2 Basis for the preparation of interim financial statements**

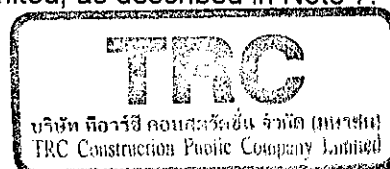
These interim financial statements are prepared in accordance with Thai Accounting Standard 34 (revised 2014) *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

**1.3 Basis of consolidation**

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2014, with there being no changes in the structure of shareholding in subsidiaries during the current period, except for the establishment of CR3 and Sahakarn Joint Venture Company Limited, as described in Note 7.



#### 1.4 New accounting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2015. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements. However, some of these standards involve changes to key principles, which are summarised below:

##### **TAS 19 (revised 2014) Employee Benefits**

This revised standard requires that the entity recognise actuarial gains and losses immediately in other comprehensive income while the former standard allowed the entity to recognise such gains and losses immediately in either profit or loss or other comprehensive income, or to recognise them gradually in profit or loss.

This revised standard does not have any impact on the financial statements as the Company and its subsidiaries already recognise actuarial gains and losses immediately in other comprehensive income.

##### **TFRS 10 Consolidated Financial Statements**

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 *Consolidated and Separate Financial Statements* dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

This standard does not have any impact on the Company's and its subsidiaries' financial statements.



### **TFRS 11 Joint Arrangements**

TFRS 11 supersedes TAS 31 *Interests in Joint Ventures*. This standard 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 recognise 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 at cost in the separate financial statements.

This standard does not have any impact on the financial statements since the Company and its subsidiaries already apply the equity method to account for the investment in a joint venture.

### **TFRS 12 Disclosure of Interests in Other Entities**

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities. This standard therefore has no financial impact on the financial statements of the Company and its subsidiaries.

### **TFRS 13 Fair Value Measurement**

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognised prospectively.

This standard does not have any significant impact on the Company's and its subsidiaries' financial statements.



(Unaudited but reviewed)

## 1.5 Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2014, except for the changes in accounting policies as a result of the adoption of new and revised standards, as discussed in Note 1.4.

## 2. Related party transactions

During the periods, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company, its subsidiaries and those related parties.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	1,828	10	Cost plus margin
Interest income	-	-	2,108	456	At rate of 3.5% - 7.0% p.a.
Other income	-	-	16	46	Cost plus margin
Interest expense	-	-	187	119	At rate of 5.5% p.a. (2014: 3.0% p.a.)

### Transactions with related parties

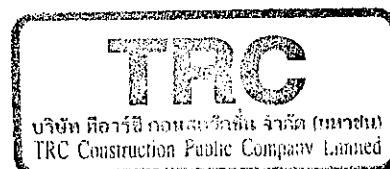
Construction service income	239,602	-	239,602	-	Cost plus margin
Rental income	686	-	686	-	Contract price

(Unit: Thousand Baht)

	For the six-month periods ended 30 June				Transfer Pricing Policy
	Consolidated		Separate		
	financial statements		financial statements		
	2015	2014	2015	2014	
<u>Transactions with subsidiary companies</u>					
(eliminated from the consolidated financial statements)					
Cost of construction services	-	-	1,882	23	Cost plus margin
Interest income	-	-	4,151	904	At rate of 3.5% - 7.0% p.a.
Other income	-	-	42	94	Cost plus margin
Interest expense	-	-	187	413	At rate of 5.5% p.a. (2014: 3.0% p.a.)

### Transactions with related parties

Construction service income	525,269	-	525,269	-	Cost plus margin
Rental income	1,316	-	1,316	-	Contract price



(Unaudited but reviewed)

As at 30 June 2015 and 31 December 2014, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	30	31	30	31
	June	December	June	December
	2015	2014	2015	2014
<b><u>Trade and other receivables - related parties (Note 4)</u></b>				
Subsidiary companies	-	-	7,764	5,784
Joint venture	105,666	298,150	105,666	298,150
Shareholder of subsidiary	24,094	24,094	-	-
Related party (related by co-director)	192	-	192	-
Total	129,952	322,244	113,622	303,934
<b><u>Trade and other payables - related parties (Note 11)</u></b>				
Subsidiary companies	-	-	7,928	5,120
Total	-	-	7,928	5,120

**Short-term loans to related parties**

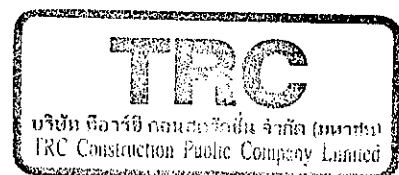
As at 30 June 2015 and 31 December 2014, the balance of loans between the Company and related companies and the movements are as follows:

(Unit: Thousand Baht)

		Separate financial statements				
		Balance as at				Balance as at
		31 December			Exchange rate	30 June
Short-term loans	Related by	2014	Increase	Decrease	adjustment	2015
TRC Investment Limited	Subsidiary company	1,669	260	-	10	1,939
TRC International Limited	Subsidiary company	34,999	50,000	-	-	84,999
TRC Engineering LLC	Subsidiary company	63,068	-	-	-	63,068
Total		99,736	50,260	-	10	150,006
Less: Allowance for doubtful debts		(63,068)	-	-	-	(63,068)
Net		36,668	50,260	-	10	86,938

Short-term loans to related party carry interest at rates of 3.5% - 7.0% per annum (31 December 2014: 3.5% - 7.0% per annum) and due for repayment on demand.

*Paul*



(Unaudited but reviewed)

Short-term loans from related party

As at 30 June 2015 and 31 December 2014, the balance of loans between the Company and this related company and the movement are as follows:

(Unit: Thousand Baht)

Short-term loan	Related by	Separate financial statements			Balance as at 30 June 2015
		Balance as at 31 December 2014	Increase	Decrease	
Sahakarn Wisavakorn Company Limited	Subsidiary company	-	100,000	(60,000)	40,000

As at 30 June 2015, short-term loans from related party carried interests at rate of 5.5% per annum and due for repayment on demand.

Directors and management's benefits

During the three-month and six-month periods ended 30 June 2015 and 2014, the Company and its subsidiaries had employee benefit expenses of their directors and management as below.

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	7,985	5,534	7,835	5,384
Post-employment benefits	658	421	658	421
Share - based payment	216	746	216	746
Total	8,859	6,701	8,709	6,551

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Short-term employee benefits	14,524	11,068	14,224	10,768
Post-employment benefits	1,273	841	1,273	841
Share - based payment	505	1,137	505	1,137
Total	16,302	13,046	16,002	12,746

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 23.4.



(Unaudited but reviewed)

**3. Cash and cash equivalents**

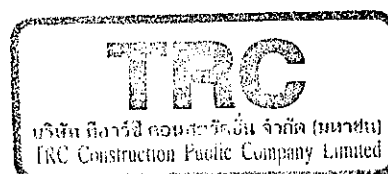
(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Cash	2,865	2,242	450	358
Deposits at financial institutions	528,085	304,415	203,583	205,301
Investment in bill of exchanges	-	300,000	-	250,000
Total	530,950	606,657	204,033	455,659

**4. Trade and other receivables**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
<b><u>Trade accounts receivable - related parties</u></b>				
Aged on the basis of due dates				
Not yet due	23,834	167,900	23,834	167,900
Past due				
Up to 3 months	77,059	125,822	77,059	125,822
<b>Total trade accounts receivable - related parties, net</b>	<b>100,893</b>	<b>293,722</b>	<b>100,893</b>	<b>293,722</b>
<b><u>Trade accounts receivable - unrelated parties</u></b>				
Aged on the basis of due dates				
Not yet due	133,875	519,454	127,237	401,630
Past due				
Up to 3 months	41,996	20,780	32,920	12,817
3 - 6 months	47,485	-	17,013	-
Over 12 months	17,494	17,178	4,383	4,383
<b>Total trade accounts receivable - unrelated parties</b>	<b>240,850</b>	<b>557,412</b>	<b>181,553</b>	<b>418,830</b>
Less: Allowance for doubtful debt	(16,311)	(16,311)	(4,383)	(4,383)
Translation adjustment	(1,183)	(867)	-	-
<b>Total trade accounts receivable - unrelated parties, net</b>	<b>223,356</b>	<b>540,234</b>	<b>177,170</b>	<b>414,447</b>
<b>Total trade accounts receivable - net</b>	<b>324,249</b>	<b>833,956</b>	<b>278,063</b>	<b>708,169</b>

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(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
<b>Other receivables</b>				
Advance to related parties	29,059	28,522	11,930	11,525
Interest receivable from related parties	-	-	15,261	11,106
Others	17,817	14,208	7,245	6,198
<b>Total other receivables</b>	<b>46,876</b>	<b>42,730</b>	<b>34,436</b>	<b>28,829</b>
Less: Allowance for doubtful debt				
- related parties	-	-	(14,462)	(12,419)
<b>Total other receivables - net</b>	<b>46,876</b>	<b>42,730</b>	<b>19,974</b>	<b>16,410</b>
<b>Total trade and other receivables - net</b>	<b>371,125</b>	<b>876,686</b>	<b>298,037</b>	<b>724,579</b>

The Company and the subsidiary transferred rights to receive payment under construction contracts to secure the credit facilities with financial institutions. Pledged trade accounts receivable amounting to Baht 225 million included in the trade accounts receivable balance as at 30 June 2015 (the Company only: Baht 225 million) (31 December 2014: Baht 690 million, the Company only: Baht 623 million).

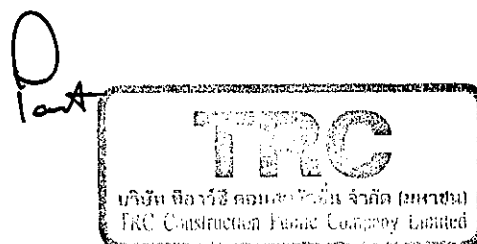
## 5. Construction supplies

(Unit: Thousand Baht)

	Consolidated / Separate financial statements					
	Cost		Reduce cost to net realizable value		Construction supplies - net	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Construction supplies	20,072	24,401	(5,748)	(5,748)	14,324	18,653
<b>Total</b>	<b>20,072</b>	<b>24,401</b>	<b>(5,748)</b>	<b>(5,748)</b>	<b>14,324</b>	<b>18,653</b>

## 6. Restricted deposits at financial institutions

These represent saving deposit and fixed deposits pledged with financial institutions to secure credit facilities and bank guarantee facilities issued by the bank on behalf of the Company and subsidiaries, as described in Note 23.3.



## 7. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
					(%)	(%)	(Baht)	(Baht)
Sahakarn Wisavakorn Company Limited	Construction services - basic infrastructure	Thailand	500,000,000 Baht	200,000,000 Baht	99.99	99.99	620,904,780	320,483,605
TRC Investment Limited*	Holding company	The Republic of Mauritius	1 USD	1 USD	100.00	100.00	32	32
Total							620,904,812	320,483,637
Less: Allowance for loss on impairment of investment							(145,071,416)	(145,071,416)
Total investments in subsidiaries - net							475,833,396	175,412,221

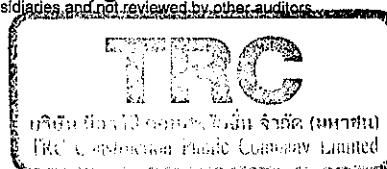
The change in cost of investments in subsidiaries is from the Company issues warrants to purchase ordinary shares to director and/or employees of subsidiary.

On 16 April 2015, the 2015 Annual General Meeting of Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, passed a resolution approving an increase in the registered capital from Baht 200 million to Baht 500 million, through the issuance of an additional 30 million ordinary shares to be offered to existing shareholders at an offer price of Baht 10 each, representing a total investment of Baht 300 million. The subsidiary received the full payment of additional shares on 13 May 2015 and registered the increase in its paid-up share capital with the Ministry of Commerce on 14 May 2015.

Details of investments in subsidiaries which are held by the Company's subsidiaries are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30 June 2015	31 December 2014	30 June 2015	31 December 2014	30 June 2015	31 December 2014
					(%)	(%)	(Baht)	(Baht)
<u>Held by Sahakarn Wisavakorn Company Limited</u>								
CR3 and Sahakarn Joint Venture Company Limited*	Construction services	Thailand	6,000,000 Baht	-	91.83	-	5,509,700	-
<u>Held by TRC Investment Limited</u>								
TRC International Limited*	Investor	Hong Kong	10 HKD	10 HKD	100.00	100.00	33	33
<u>Held by TRC International Limited</u>								
TRC Middle East LLC	Construction services	Sultanate of Oman	150,000 Omani Rial	150,000 Omani Rial	70.00	70.00	12,322,330	12,322,330
TRC Engineering LLC	Construction services	Sultanate of Oman	250,000 Omani Rial	250,000 Omani Rial	70.00	70.00	13,654,506	13,654,506
Total							31,486,569	25,976,869
Less: Allowance for loss on impairment of investment							(13,654,506)	(13,654,506)
Total investments in subsidiaries which are held by the Company's subsidiaries - net							17,832,063	12,322,363

\* The financial statements of these subsidiaries were prepared by the management of the subsidiaries and not reviewed by other auditors.



(Unaudited but reviewed)

On 5 March 2015, Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, established CR3 and Sahakarn Joint Venture Company Limited, holds 51% of the new subsidiary's capital and representing an investment of Baht 0.51 million. On 30 March 2015, the Meeting No. 4/2015 of the Company's Board of Directors passed a resolution approving an increase in the registered capital and the issued and paid-up capital of CR3 and Sahakarn Joint Venture Company Limited from Baht 1 million to Baht 500 million through the issuance of an additional 4.99 million ordinary shares to be offered to existing shareholders at an offer price of Baht 100 each, representing a total investment of Baht 499 million, with Sahakarn Wisavakorn Company Limited entitled to purchase 51% of these, representing an investment of Baht 254.49 million. On 17 April 2015, CR3 and Sahakarn Joint Venture Company Limited arranged the 2015 Annual General Meeting of shareholders to approve the increase in the registered capital and registered the resolution to increase in registered capital with the Ministry of Commerce on 27 April 2015. In May 2015, Sahakarn Wisavakorn Company Limited paid for the new shares of CR3 and Sahakarn Joint Venture Company Limited in the amount of Baht 5 million. As a result, CR3 and Sahakarn Joint Venture Company Limited had issued and paid-up share capital amount of Baht 6 million. The shareholding of Sahakarn Wisavakorn Company Limited in CR3 and Sahakarn Joint Venture Company Limited increased to 91%.

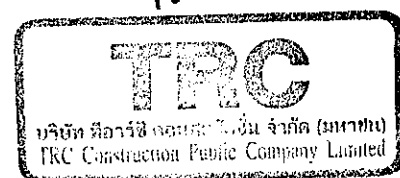
## 8. Investments in joint ventures

Details of investments in joint ventures are as follows:

(Unit: Thousand Baht)

Consolidated financial statements											
Jointly controlled entity	Nature of business	Shareholding percentage		Cost		Carrying amounts based on equity method		Share of loss from investments in joint venture			
		30	31	30	31	30	31	During the three-month periods ended		During the six-month periods ended	
		June	December	June	December	June	December	30 June		30 June	
		2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
		(%)	(%)								
<u>Held by the Company</u>											
Sinopec-TRC Joint Venture	Construction	30	30	2,376	2,376	2,376	2,376	-	(527)	-	(2,298)
<u>Held by Sahakarn Wisavakorn Company Limited</u>											
The Joint Venture of SSP*	Construction	-	40	-	1,092	-	69	-	-	-	-
The Joint Venture of Hydrotech Sahakarn	Construction	49	-	-	-	-	-	-	-	-	-
Total				2,376	3,468	2,376	2,445	-	(527)	-	(2,298)
Less: Allowance for loss on impairment of investment				-	(1,092)	-	-				
Total investment in joint venture - net				2,376	2,376	2,376	2,445				

\* Registered the dissolution with the Revenue Department on 30 April 2015





(Unaudited but reviewed)

The consolidated financial statements for the three-month and six-month periods ended 30 June 2015 do not include share of loss on investment in Sinopec-TRC Joint Venture because, during the period, the Company subcontracts a part of the operation from which the operating income is included in the consolidated financial statements.

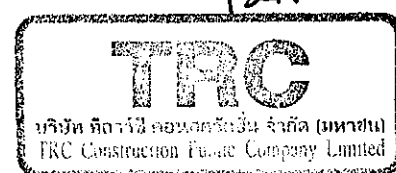
On 17 June 2015, Sahakarn Wisavakorn Company Limited, which is the Company's subsidiary, entered into joint ventures contract with Hydrotek Public Company Limited under the name of "Hydrotek Sahakarn Joint Venture" in order to bid a new project namely "Construction, Improvement and Expansion of Waterworks, Koh Samui Branch, Koh Samui District, Surat Thani Province Phase 1, Part 2" (water pipeline from Don Sak-under the sea-Koh Samui) from Provincial Waterworks Authority. The portion of investment between Sahakarn and Hydrotek was 49% and 51%, respectively. As at 30 June 2015, the Company still did not invest capital, provide financial support, or obtain credit facilities for this joint venture.

## 9. Other long-term investments

Details of other long-term investments as presented in consolidated financial statements are as follows:

Company's name	Nature of business	Country of incorporation	Paid-up capital		Shareholding percentage		Cost method	
			30 June	31 December	30 June	31 December	30 June	31 December
			2015	2014	2015	2014	2015	2014
					(%)	(%)	(Baht)	(Baht)
<u>Held by TRC Investment Limited</u>								
Asia Africa Energy Limited	Holding company	Hong Kong	64 USD	64 USD	5.00	5.00	2,010	2,010
Rainbow Power Integrated Concept Limited	Development and investment in natural gas sector	Nigeria	6,957 USD	6,957 USD	8.00	8.00	243,518	243,518
<u>Held by TRC International Limited</u>								
ASEAN Potash Mining Public Company Limited	Mining Industries	Thailand	1,755,337,300 Baht	1,885,337,300 Baht	4.27	2.97	100,000,000	50,000,000
Total							100,245,528	50,245,528
Less: Allowance for loss on impairment of investment							(245,528)	(245,528)
Total other long-term investments - net							100,000,000	50,000,000

On 6 January 2015, TRC International Limited (TRCI), which is the Company's subsidiary, increased its investment in ASEAN Potash Mining Public Company Limited (APMC) by purchased additional 250,000 ordinary shares from its shareholders at Baht 200 per share, a total of Baht 50 million. As a result, shareholding of TRCI in APMC increased to 4.45% of the Company's paid-up capital. During January to June 2015, APMC issued and offered additional ordinary shares to the shareholders. As a result, the shareholding of TRCI in APMC decreased to 4.27%.



(Unaudited but reviewed)

## 10. Property, plant and equipment

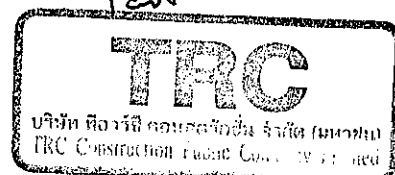
Movements of the property, plant and equipment account during the six-month period ended 30 June 2015 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2015	455,000	425,450
Acquisitions during period - at cost	201,589	160,881
Disposal during period - net book value at disposals date	(13,469)	(13,167)
Write - off during period - net book value at write - off date	(60)	(58)
Depreciation for the period	(31,131)	(22,526)
Translation adjustment	28	-
Net book value as at 30 June 2015	611,957	550,580

As at 30 June 2015 and 31 December 2014, the Company has mortgaged land which has book value amounting to Baht 100 million with banks to be collateral against credit facilities received from the banks.

## 11. Trade and other payables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
Trade accounts payable -				
unrelated parties	341,041	357,265	306,836	294,860
Advances from related parties	-	-	7,877	5,120
Fixed assets payable	22,371	7,939	21,419	7,862
Accrued interest expense -				
related party	-	-	51	-
Accrued expenses	92,940	93,186	81,063	76,174
Total trade and other payables	456,352	458,390	417,246	384,016



(Unaudited but reviewed)

**12. Long-term loan**

(Unit: Thousand Baht)

	Consolidated/Separate financial statements	
	30 June 2015	31 December 2014
Long-term loan from financial institutions	17,500	30,500
Less: Current portion	(17,500)	(26,000)
Long-term loan, net	-	4,500

Long-term credit facilities of the Company are guaranteed by the Company's land, as described in Note 10. The loan was obtained to fund the construction of the new office building of the Company. The loan carried interest at the rate of MLR minus 1.25% per annum. The loan agreement contained covenants as specified in the agreements pertaining to matters such as maintaining certain debt to equity and debt service coverage ratios according to the agreements.

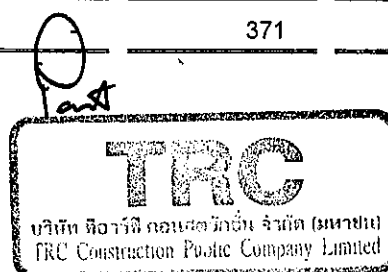
**13. Provision for liabilities under construction projects**

(Unit: Thousand Baht)

	Consolidated financial statements			
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2015	28,911	244	5,168	34,323
Increase during the period	5,600	5,000	371	10,971
Decrease from occurrence of actual expense	(6,076)	-	(4,368)	(10,444)
Reversal of provisions	(3,854)	(244)	(800)	(4,898)
As at 30 June 2015	24,581	5,000	371	29,952

(Unit: Thousand Baht)

	Separate financial statements			
	Warranties	Loss on construction	Penalties	Total
As at 1 January 2015	19,660	-	-	19,660
Increase during the period	5,500	-	371	5,871
Decrease from occurrence of actual expense	(3,936)	-	-	(3,936)
Reversal of provisions	(3,083)	-	-	(3,083)
As at 30 June 2015	18,141	-	371	18,512



(Unaudited but reviewed)

**14. Liabilities under finance lease agreements**

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Liabilities under finance lease agreements	23,172	110	-	-
Less: Deferred interest	(2,465)	(9)	-	-
Total	20,707	101	-	-
Less: Current portion	(3,848)	(101)	-	-
Liabilities under finance lease agreements - net of current portion	16,859	-	-	-

The subsidiary had entered into the finance lease agreements with leasing companies for rental of machine for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally 5 years.

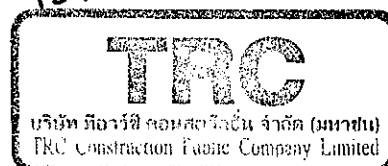
Future minimum lease payments required under the finance lease agreements were as follows.

(Unit: Thousand Baht)

	As at 30 June 2015					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	4,724	18,448	23,172	-	-	-
Deferred interest expenses	(876)	(1,589)	(2,465)	-	-	-
Present value of future minimum lease payments	3,848	16,859	20,707	-	-	-

(Unit: Thousand Baht)

	As at 31 December 2014					
	Consolidated financial statements			Separate financial statements		
	Less than 1 year	1-5 years	Total	Less than 1 year	1-5 years	Total
Future minimum lease payments	110	-	110	-	-	-
Deferred interest expenses	(9)	-	(9)	-	-	-
Present value of future minimum lease payments	101	-	101	-	-	-



(Unaudited but reviewed)

**15. Provision for long-term employee benefits**

Provision for long-term employee benefits, which is compensations on employees' retirement, was as follows:

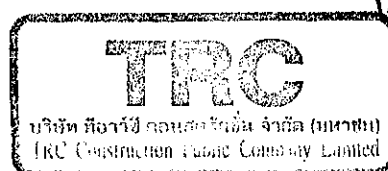
	Consolidated financial statements		(Unit: Thousand Baht) Separate financial statements	
	30 June	31 December	30 June	31 December
	2015	2014	2015	2014
<b>Defined benefit obligation at beginning of period</b>	25,048	23,163	23,588	19,160
Current service cost	3,773	5,902	3,187	3,671
Interest cost	342	828	315	757
Benefits paid during the period	(187)	(3,252)	-	-
Actuarial (gain) loss	1,841	(1,579)	1,105	-
Translation adjustment	6	(14)	-	-
<b>Defined benefit obligation at end of period</b>	<b>30,823</b>	<b>25,048</b>	<b>28,195</b>	<b>23,588</b>

**16. Share capital**

Movements in the number of ordinary shares, the paid-up share capital and premium on ordinary shares are as follows:

Description	Number of shares	Amount	Premium on ordinary shares	Registration date with the Ministry of Commerce
	(Thousand shares)	(Thousand Baht)	(Thousand Baht)	
<b><u>Registered share capital</u></b>				
At the beginning of the period	851,030	425,515		
Increase in number of ordinary shares				
due to change in par value	2,553,089	-		
Increase during the period	1,852,943	231,618		
Decrease during the period	(14,191)	(1,774)		
At the end of the period	5,242,871	655,359		
<b><u>Issued and paid-up share capital</u></b>				
At the beginning of the period	822,614	411,307	280,461	
Increase in number of ordinary shares				
shares due to change in par value	2,467,841	-	-	
Increase in capital from stock dividend	830,537	103,817		
Increase due to exercise of warrants				
ESOP-W2 No. 3*	14,156	1,769	13,243	7 January 2015
ESOP-W2 No. 4*	17,540	2,193	16,408	2 April 2015
At the end of the period	4,152,688	519,086	310,112	

\* After change in par value

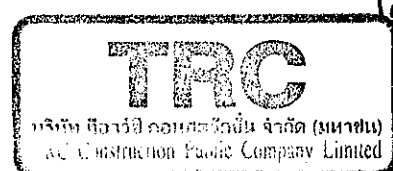


(Unaudited but reviewed)

On 29 April 2015, the Annual General Meeting of the Company's shareholders passed the following significant resolutions regarding the Company's registered share capital.

- 16.1 Approved a change in the par value of the ordinary shares, from Baht 0.50 to Baht 0.125 each, increasing the number of registered ordinary shares from 851.0 million shares to 3,404.1 million shares and the number of the issued and paid-up shares from 830.5 million shares (including 4.4 million newly issued shares due to the 4th Exercise of ESOP-W2) to 3,322.2 million shares. The Company registered the change in the par value and number of shares with the Ministry of Commerce on 6 May 2015.
- 16.2 Paid dividend by the Company's ordinary shares up to 830.5 million shares with a par value of Baht 0.125 per share to be distributed at a rate of 1 dividend share for every 4 existing shares, with a total value of up to Baht 103.8 million or equivalent to a dividend of Baht 0.031250 per share.
- 16.3 Approved a decrease in the registered capital of the Company from Baht 425.5 million to Baht 423.7 million by cancelling the 14.2 million ordinary shares with a par value of Baht 0.125 each which had not yet been issued and were exceeding requirements for the exercise of the ESOP-W2. The Company registered the decrease of its registered capital at the Ministry of Commerce on 7 May 2015.
- 16.4 Approved an increase in the registered capital from Baht 423.7 million to Baht 655.4 million through the issuance of an additional 1,852.9 million ordinary shares with a par value of Baht 0.125 each, to be allocated as follows:
- 830.5 million shares to be reserved for the distribution of the stock dividend, as described in Note 16.2
  - 675.0 million shares to be reserved for the exercise of the warrants.
  - Up to 330.5 million shares to be reserved for the additional capital to be issued by private placement under a general mandate.
  - Up to 16.9 million shares with a par value of Baht 0.125 each to be reserved for the support ESOP-W2's rights adjustment due to the distribution of the stock dividend (total 84.7 million shares reserved for exercise of ESOP-W2).

On 8 May 2015, the Company registered with the Ministry of Commerce the increase in its registered capital to Baht 655.4 million, or 5,242.9 million shares, and in its issued and paid-up capital to Baht 415.3 million, or 3,322.2 million shares.



**17. Warrants / Capital reserve for share - based payment transactions**

On 1 July 2014, the Company issues and allocates of 31,598,200 No. 2 warrants under the Employee Stock Option Plan (ESOP-W2) to the directors and/or employees of the Company and/or its subsidiary. Details are as follows:

Type	: Named and non-transferable
Offering price per unit	: Baht 0.00
Maturity of warrants	: 3 years from the date of issuance of warrants
Exercise price	: Baht 4.70 per share
Conversion ratio	: 1 ordinary share per 1 warrant. The exercise ratio may be changed following the conditions for adjustment of right.
Conditions and period of exercise	: 1) Exercises of the warrants can be made on last day of every quarter, the first exercise date is 30 June 2014 and the final exercise date is 30 June 2016. 2) Each time the warrants are exercised, the warrant holders can exercise not more than 12.5% of their allocated warrants. 3) The unexercised warrants can be accumulated to exercise during the next exercise period, until maturity of the warrants.
Other conditions	: If the warrant holders resign or are otherwise no longer directors and/or employees of the Company and/or its subsidiary, the warrant holders have to return the outstanding warrants to the Company, and the Board of Directors of the Company can re-allot the warrants to other directors and/or employees.

The estimated fair value of each share option granted is Baht 0.88. This was calculated using the Black-Scholes-Merton Model. The model inputs were the share price at price determination date of Baht 3.12, exercise price of Baht 4.70, expected volatility of 65.44%, expected dividend yield of 2.72%, life of share options of 3 years, and a risk-free interest rate of 3.01%.

(Unaudited but reviewed)

On 24 April 2014, the Annual General Meeting of the Company's shareholders for the year 2014 passed a resolution to change the exercise price of warrants from Baht 4.70 per share to Baht 3.03 per share. From the amendment of the exercise price of warrants, the estimated fair value of each share option granted changed to Baht 1.21. This was calculated using the Black-Scholes-Merton Model. The model inputs were the share price at price amendment date of Baht 3.38, exercise price of Baht 3.03, expected volatility of 63.18%, expected dividend yield of 1.65%, life of share options of 2 years, and a risk-free interest rate of 2.22%.

On 29 April 2015, the Annual General Meeting of the Company's shareholders for the year 2015 passed a resolution to pay a stock dividend totaling 830.5 million shares (after change in par value) and change the par value of the shares, as discussed in Note 16. As a result, the Company had to adjust in accordance to the condition of ESOP - W2 as detailed below.

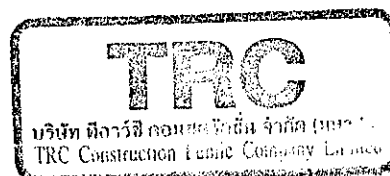
	Exercise ratio (per 1 unit of warrants)		Exercise price (Baht/share)	
	Existing	New	Existing	New
ESOP-W2	1	5	3.03	0.606

During the three-month and six-month periods ended 30 June 2015, the Company and its subsidiary recorded expenses of the ESOP amounting to Baht 1 million and Baht 4 million (The Company only: Baht 1 million and Baht 3 million) (2014: Baht 8 million and Baht 12 million, the Company only: Baht 7 million and Baht 11 million) as personnel expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

Movements in the number of warrants, ESOP during the period are as follows:

At the beginning of the period	21,591,908	Units
Exercised No. 4	(4,384,936)	Units
Exercised No. 5	(4,102,202)	Units
Cancelled	(262,500)	Units
At the end of the period	<u>12,842,270</u>	Units

As at 30 June 2015, the Company cancelled accumulated 702,895 warrants due to the resignation of employees who were warrant holders. According to the conditions of ESOP-W2 allocation, the employees who resigned shall not entitled to exercise the remaining warrants. However, such warrants can be re-allocated by the Management Committee.





(Unaudited but reviewed)

On 31 March 2015, the fourth exercise date, the warrant holders exercised 4,384,936 warrants to purchase 4,384,936 ordinary shares at Baht 3.03 each. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 2 April 2015. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 8 April 2015.

On 30 June 2015, the fifth exercise date, the warrant holders exercised 4,102,202 warrants to purchase 20,511,010 ordinary shares at Baht 0.606 each. The Company recorded the total of Baht 12.4 million received as a result of the exercise of such warrants under the caption "Subscription received in advance from exercise of warrants", presenting it under shareholders' equity in the statement of financial position. The Company registered the above increase in its paid up share capital with the Ministry of Commerce on 8 July 2015. The Stock Exchange of Thailand approved the additional ordinary shares as a listed securities as from 10 July 2015.

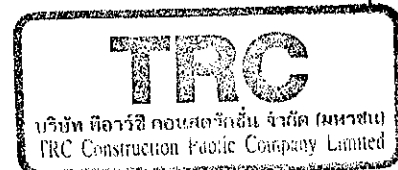
## 18. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and six-month periods ended 30 June 2015 and 2014 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Current income tax:</b>				
Interim corporate income tax charge	20,810	17,072	20,809	16,978
<b>Deferred tax:</b>				
Relating to origination and reversal				
of temporary differences	(9,666)	(370)	(351)	39
<b>Income tax expense reported in the statement of income</b>	<b>11,144</b>	<b>16,702</b>	<b>20,458</b>	<b>17,017</b>



(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
<b>Current income tax:</b>				
Interim corporate income tax charge	50,451	27,401	50,450	24,542
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(19,867)	(692)	(471)	(294)
<b>Income tax expense reported in the statement of income</b>	<b>30,584</b>	<b>26,709</b>	<b>49,979</b>	<b>24,248</b>

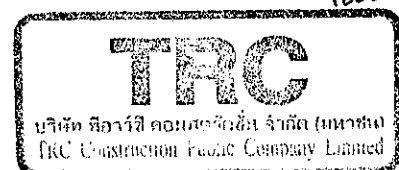
The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2015 and 2014 are as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax relating to actuarial gain on long-term employee benefits	(368)	-	(221)	-
	(368)	-	(221)	-

(Unit: Thousand Baht)

	For the six-month periods ended 30 June			
	Consolidated		Separate	
	financial statements		financial statements	
	2015	2014	2015	2014
Deferred tax relating to actuarial gain on long-term employee benefits	(368)	-	(221)	-
	(368)	-	(221)	-



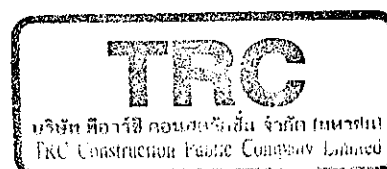
## 19. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, after adjusting the number of ordinary shares in proportion to the change in the number of shares as a result of the change in par value and the distribution of the stock dividend in accordance with the resolutions of the Annual General Meeting of the Company's shareholders held on 29 April 2015, as discussed in Note 16. The number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted in proportion to the change in the number of shares, as if the shares comprising such changes had been issued at the beginning of the earliest period reported.

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

The following table sets forth the computation of basic and diluted earnings per share:

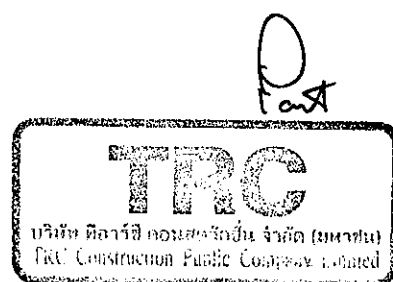
Consolidated financial statements					
For the three-month period ended 30 June					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2015	2014	2015	2014	2015	2014
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht (Restated)
(Restated)					
<b>Basic earnings per share</b>					
Profit attributable to equity holders					
of the parent					
66,302	53,725	4,153,529*	4,083,481	0.02	0.01
<b>Effect of dilute potential ordinary shares</b>					
Warrants (ESOP-W2)					
-		65,026			
<b>Diluted earnings per share</b>					
Profit of ordinary shareholders assuming					
the conversion of diluted potential ordinary					
shares					
66,302		4,218,555		0.02	



(Unaudited but reviewed)

Separate financial statements					
For the three-month period ended 30 June					
Profit for the period		Weighted average number		Earnings per share	
		of ordinary shares			
2015	2014	2015	2014	2015	2014
Thousand	Thousand	Thousand	Thousand	Baht	Baht
Baht	Baht	shares	shares		(Restated)
(Restated)					
<b>Basic earnings per share</b>					
Profit attributable to equity holders					
of the parent					
75,499	59,344	4,153,529*	4,083,481	0.02	0.01
<b>Effect of dilute potential ordinary shares</b>					
Warrants (ESOP-W2)					
-		65,026			
<b>Diluted earnings per share</b>					
Profit of ordinary shareholders assuming					
the conversion of diluted potential ordinary					
shares					
75,499		4,218,555		0.02	

Consolidated financial statements					
For the six-month period ended 30 June					
Profit for the period		Weighted average number		Earnings per share	
		of ordinary shares			
2015	2014	2015	2014	2015	2014
Thousand	Thousand	Thousand	Thousand	Baht	Baht
Baht	Baht	shares	shares		(Restated)
(Restated)					
<b>Basic earnings per share</b>					
Profit attributable to equity holders					
of the parent					
144,008	88,678	4,144,848*	4,083,209	0.03	0.02
<b>Effect of dilute potential ordinary shares</b>					
Warrants (ESOP-W2)					
-		82,929			
<b>Diluted earnings per share</b>					
Profit of ordinary shareholders assuming					
the conversion of diluted potential ordinary					
shares					
144,008		4,227,777		0.03	



(Unaudited but reviewed)

Separate financial statements					
For the six-month period ended 30 June					
Profit for the period		Weighted average number of ordinary shares		Earnings per share	
2015	2014	2015	2014	2015	2014
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht (Restated)
<b>Basic earnings per share</b>					
Profit attributable to equity holders					
of the parent					
190,958	84,002	4,144,848*	4,083,209	0.05	0.02
<b>Effect of dilute potential ordinary shares</b>					
Warrants (ESOP-W2)					
-		82,929			
<b>Diluted earnings per share</b>					
Profit of ordinary shareholders assuming					
the conversion of diluted potential ordinary					
shares					
190,958		4,227,777		0.05	

\* Included ordinary share for exercise warrant as at 30 June 2015

There is no disclosure of diluted earnings per share from the effect of ESOP-W2 warrants in the financial statements for the three-month and six-month period ended 30 June 2014 since the exercise aggregated amounts of price and the fair value of warrants exceeded the fair value of the Company's ordinary shares.

## 20. Dividends / stock dividends

Dividends	Approved by	Total dividends (Thousand Baht)	Dividend per share (Baht)
Dividend from operations of 2014	Annual General Meeting of the shareholders on 29 April 2015	11,535	0.003472
Stock dividend from operations of 2014	Annual General Meeting of the shareholders on 29 April 2015	103,817	0.031250
Total dividend and stock dividend paid in 2015		115,352	0.034722
Dividend from operations of 2013	Annual General Meeting of the shareholders on 24 April 2014	40,815	0.05
Total dividend paid in 2014		40,815	0.05



**21. Contracts in progress**

As at 30 June 2015, the aggregate amount of construction cost incurred and recognised profits or losses to date for contracts in progress of the Company and its subsidiaries was approximately Baht 8,217 million (Separate financial statements: Baht 5,749 million), gross amounts due from customers for contracts in progress were approximately Baht 916 million (Separate financial statements: Baht 876 million), and gross amounts due to customers for contracts in progress were approximately Baht 137 million (Separate financial statements: Baht 133 million).

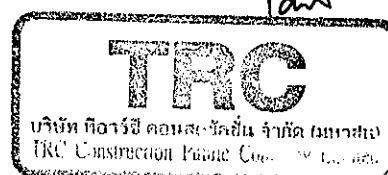
**22. Segment information**

The Company and its subsidiaries are organised into business units based on its products and services. During the current period, the Company and its subsidiaries have not changed the organization of their reportable segments.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments in the consolidated financial statements for the three-month and six-month periods ended 30 June 2015 and 2014, respectively.

(Unit: Thousand Baht)

	For the three-month period ended 30 June 2015						
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	289,764	348,675	48,756	492	687,687	-	687,687
Revenues from Joint Venture	239,602	-	-	-	239,602	-	239,602
Depreciation	(9,436)	(4,290)	(3,595)	(11)	(17,332)	-	(17,332)
Administrator expense	(33,611)	(22,616)	(6,782)	(24)	(63,033)	2	(63,031)
<b>Segment profit (loss)</b>	<b>61,202</b>	<b>15,742</b>	<b>(28,156)</b>	<b>76</b>	<b>48,864</b>	<b>1,844</b>	<b>50,708</b>
Other income							25,406
Interest income							2,077
Interest expense							(1,045)
<b>Profit before income tax expense</b>							<b>77,146</b>
Income tax expense							(11,144)
<b>Profit for the period</b>							<b>66,002</b>



(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 30 June 2014

	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	570,810	-	114,549	766	686,125	-	686,125
Depreciation	(9,021)	(37)	(3,774)	(14)	(12,846)	-	(12,846)
Administrator expense	(70,698)	(7)	(5,501)	(80)	(76,286)	-	(76,286)
<b>Segment profit (loss)</b>	<b>62,949</b>	<b>(139)</b>	<b>(3,645)</b>	<b>679</b>	<b>59,844</b>	<b>56</b>	<b>59,900</b>
Other income							9,633
Interest income							718
Interest expense							(1,013)
Share of loss from investment in joint venture							(527)
<b>Profit before income tax expense</b>							<b>68,711</b>
Income tax expense							(16,702)
<b>Profit for the period</b>							<b>52,009</b>

(Unit: Thousand Baht)

For the six-month period ended 30 June 2015

	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	465,044	623,229	86,651	1,152	1,176,076	-	1,176,076
Revenues from Joint Venture	525,269	-	-	-	525,269	-	525,269
Depreciation	(15,295)	(9,625)	(6,194)	(17)	(31,131)	-	(31,131)
Administrator expense	(77,057)	(48,494)	(12,041)	(86)	(137,678)	2	(137,676)
<b>Segment profit (loss)</b>	<b>215,564</b>	<b>(5,829)</b>	<b>(72,048)</b>	<b>75</b>	<b>137,762</b>	<b>1,924</b>	<b>139,686</b>
Other income							29,366
Interest income							4,346
Interest expense							(1,485)
<b>Profit before income tax expense</b>							<b>171,913</b>
Income tax expense							(30,584)
<b>Profit for the period</b>							<b>414,329</b>



(Unaudited but reviewed)

(Unit: Thousand Baht)

For the six-month period ended 30 June 2014							
	Pipeline system	Engineering system	Civil work	Sales and other services	Total Segments	Adjustments and eliminations	Consolidated
Revenues from external customers	1,120,299	6,930	284,592	766	1,412,587	-	1,412,587
Depreciation	(17,967)	(122)	(6,030)	(14)	(24,133)	-	(24,133)
Administrator expense	(127,299)	(723)	(14,955)	(80)	(143,057)	-	(143,057)
<b>Segment profit (loss)</b>	<b>95,270</b>	<b>(69)</b>	<b>8,720</b>	<b>679</b>	<b>104,600</b>	<b>116</b>	<b>104,716</b>
Other income							11,293
Interest income							847
Interest expense							(2,444)
Share of loss from investment in joint venture							(2,298)
<b>Profit before income tax expense</b>							<b>112,114</b>
Income tax expense							(26,709)
<b>Profit for the period</b>							<b>85,405</b>

Transfer prices between business segments are as set out in Note 2.

## 23. Commitments and contingent liabilities

### 23.1 Purchase construction materials and subcontracted work commitments

As at 30 June 2015, the Company and the subsidiary have outstanding commitments of Baht 911 million and USD 8 million in respect of purchase construction materials and subcontracted work (the Company only: Baht 866 million and USD 8 million) (31 December 2014: Baht 688 million, USD 1 million and Euro 2 million, the Company only: Baht 621 million, USD 1 million and Euro 2 million).

### 23.2 Operating lease commitments

The Company and its subsidiary have entered into lease agreements in respect of the lease of land, machines, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease payments required under these non-cancellable operating lease contracts were as follows.

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Payable:				
In up to 1 year	17	10	17	9
In over 1 and up to 5 years	36	5	36	5



### 23.3 Bank guarantees

The bank guarantees issued by banks on behalf of the Company and the subsidiary in respect of certain performance bonds as required in the normal course of business were as follows.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	30 June 2015	31 December 2014	30 June 2015	31 December 2014
Guarantee of construction contract and bidding	Baht 1,251 million USD 2 million	Baht 934 million USD 5 million	Baht 1,084 million USD 2 million	Baht 779 million USD 5 million
Guarantee of advance payment bond and retention	Baht 124 million	Baht 279 million	Baht 102 million	Baht 261 million
Guarantee of others	Baht 34 million	Baht 31 million	Baht 23 million	Baht 8 million
Total	Baht 1,409 million USD 2 million	Baht 1,244 million USD 5 million	Baht 1,209 million USD 2 million	Baht 1,048 million USD 5 million

### 23.4 Guarantees

As at 30 June 2015, the Company has commitment from guarantee of credit facilities of the subsidiaries totaling USD 1 million (31 December 2014: USD 1 million), and guarantee of liabilities under finance lease agreements of the subsidiary totaling Baht 23 million (31 December 2014: Nil).

## 24. Litigations

24.1 On 6 December 2011, a government agency submitted a letter to a bank to seize the bank guarantee for a tender of Baht 20 million that the Company had placed with that bank, since the government agency considered the Company to have been unable to perform in accordance with the tender.

On 29 December 2011, the Company sued that government agency and its associates (the Party) through the Central Administrative Court, seeking an order to the Party to return the bank guarantee and pay damages amounting to Baht 27.5 million plus interest at a rate of 7.5% per annum and the bank guarantee fees, from the date of the lawsuit until settlement is made. The Company believes that the Company is not to blame for its inability to perform in accordance with the tender since a law prohibited construction in accordance with the tender. In addition, the Company submitted a temporary protection request to the Central Administrative Court, to ask the Court to order protection of the bank guarantee until the Court judges this case.



On 20 May 2015, the Central Administrative Court has judged the government agency to return the bank guarantee for a tender, namely the bank guarantee, dated 31 August 2007 in amount of Baht 20 million, provide that the Company and the Bank were jointly and severally liable in amount of Baht 10 million, with interest at a rate of 7.5% per annum from the date of the lawsuit (29 December 2011) until settlement is completed within 60 days since the final judgment. The other suits, has fully dismissed.

On 19 June 2015, the government agency then submitted an appeal to the decision of the Central Administrative Court. Now, to waiting for the Supreme Administrative Court has an order to send a copy of appeal to the Company in order to resolve the appeal within 30 days. However, with circumspection, the Company recognized provision for contingent liabilities in amount of Baht 20 million in the financial statements as of 30 June 2015 and 31 December 2015.

24.2 On 24 May 2011, a private company (the Party) lodged a civil lawsuit against a subsidiary for breach of an agreement to manufacture goods, claiming damages amounting to Baht 17.5 million, with interest at a rate of 7.5% per annum from the date of the lawsuit until settlement is completed.

On 21 September 2011, the subsidiary provided testimony to the Civil Court, denying the allegations in the lawsuit of the Party and requesting the Court to dismiss the suit and order the Party to pay the subsidiary's billing for work done under the contract, amounting to Baht 10.9 million.

On 21 September 2014, the Civil Court finalised its judgement and ordered the subsidiary to pay damages claimed to the Party at the amount of Baht 11.01 million, with 7.5% interest per annum from the lawsuit date to the final settlement date, and pay Baht 0.1 million of court fee for the Party.

On 8 July 2015, the subsidiary submitted the petition to submit security according to the Civil Court to suspend the execution. And the Civil Court had an order on 21 July 2015 that the subsidiary had already submitted security according to the report of officer, dated on 8 July 2015. Security consisted of the fixed deposit account and the bank statement certificate of Kasikorn Bank in amount of Baht 15.4 million including title deed and certificate of land utilization (N.S. 3), located at Nongkradon Subdistrict, Muang District, Nakorn Sawan Province, totally 7 pieces of land, total 102 rais 9 ngan and 289 square wah as well as certificate of price appraisal of land from Nakorn Sawan Land Office, dated 3 July 2015, totally Baht 3.1 million. The Civil Court has temporarily suspended the execution until the Appeal Court will have an order to the petition of the suspension of execution.

(Unaudited but reviewed)

Since the mentioned suit is not yet finalized. The subsidiary believed that the subsidiary's the fact and the matter of law can defend against the Party. Therefore, the subsidiary has not yet recognized provision for contingent liabilities in its book of account.

- 24.3 On 4 December 2007, a subsidiary lodged a lawsuit with the Central Administrative Court against a government agency (the Party), requesting an order for the Party to settle the Baht 7.7 million that the Party advanced to the subsidiary to perform work under the agreement against damages of Baht 13.4 million, and to pay the subsidiary damages of Baht 6.1 million with interest at a rate of 7.5% per annum, from the date of the lawsuit until settlement is completed. However, the Party submitted its testimony to the Central Administrative Court on 20 August 2008, noting that the damages claimed exceeded actual damage, and that the third claim compensation report, dated 16 July 2008, noted that the board of the Party had approved payment of claims to the subsidiary amounting to Baht 0.8 million, and the subsidiary thus returned an amount of Baht 6.8 million to the Party.

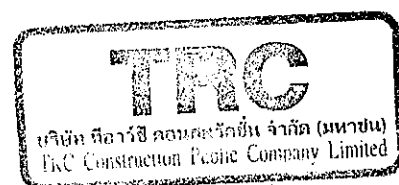
Facts of the case between the subsidiary and the Party have been amended a number of times.

On 20 April 2010, the Party submitted its latest testimony to the Central Administrative Court regarding the bank guarantee fee for the advance payment amounting to Baht 0.1 million, and petitioned the Court to dismiss the lawsuit and order the subsidiary to pay the Baht 7.7 million that the Party advanced to the subsidiary to perform work under the agreement.

On 24 January 2012, the subsidiary lodged its latest amended lawsuit with the Central Administrative Court, petitioning the Court to order the Party to settle the Baht 7.7 million that the Party advanced to the subsidiary against damages of Baht 19.4 million, and to pay the subsidiary damages of Baht 12.5 million, together with interest at a rate of 7.5% per annum calculated from the date of the lawsuit until settlement is completed.

In response, the Party lodged a statement of opposition to the lawsuit brought by the subsidiary and petitioned the Court to dismiss the suit and order the subsidiary to return the advance.

On 31 July 2012, the Central Administrative Court rendered its judgment, whereby the subsidiary is to receive Baht 3.3 million and return an amount of Baht 4.4 million to the Party. The subsidiary appealed the court's decision to the Supreme Administrative Court on 29 August 2012.



(Unaudited but reviewed)

Because the case is not yet finalised, the subsidiary has not yet recorded the transactions in the financial statements.

24.4 On 24 April 2008, a private company and its associates (the Party) lodged the Administrative Court of Instance against the Company and its associates for its infringed, claiming damages amounting to Baht 6 million, with interest at a rate of 7.5% per annum from the date of the lawsuit until settlement is completed.

On 29 May 2012, the Administrative Court of Instance rendered its judgment to dismiss the suit. But on 20 June 2013, the Party submitted an appeal of the decision with the Supreme Administrative Court. On 9 August 2013, the Company submitted its testimony against the appeal and petitioned the Court to dismiss the suit.

The case is still being considered by the Supreme Administrative Court. The Company's management believes that there will be no significant losses to the Company as a result of this litigation and so the Company did not set aside provision for contingent liabilities in its books of account.

## 25. Foreign currency assets and liabilities

The balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements/ Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	30	31	30	31	30	31
	June	December	June	December	June	December
	2015	2014	2015	2014	2015	2014
	(Million)	(Million)	(Million)	(Million)	(Baht per 1 foreign currency unit)	
US dollar	5	3	1	1	33.7768	32.9630
Euro	-	-	1	-	37.7905	40.5030

Foreign exchange contracts outstanding are summarised below.

As at 30 June 2015			
Foreign currency	Bought amount	Contractual exchange rate	Contractual maturity date
	(Million)	(Baht per 1 foreign currency unit)	
US dollar	1	34.08	13 November 2015



## **26. Events after the reporting period**

- 26.1 On 29 April 2015, the 2015 Annual General Meeting of the Company's Shareholders passed a resolution approving the issuance and offering of debentures in an amount not exceeding Baht 500 million. On 12 May 2015, the Meeting No. 6/2015 of the Company's Board of Directors passed a resolution approving the authorization the management for determination the details of the Baht 500 million debenture issuance. During 7 – 8 July 2015, the Company issued unsubordinated and unsecured without a debentureholders' representative and are in the name-registered certificate to be offered by way of private placement of Baht 100 million consisting of 100,000 units of debentures at par value of Baht 1,000 per unit at offering value of Baht 1,000 per unit with 2-year maturity at interest rate of 4.68% per annum with quarterly interest payment. The debentures has been issued since 8 July 2015.
- 26.2 The 7/2015 Board of Directors' Meeting held on 24 July 2015 approved the allotment of new shares to 16 specific investors in the amount of 330 million shares with a par value of Baht 0.125 per share at the offering price of Baht 2.20 per share. During 27 July 2015 to 5 August 2015, the Company received the proceeds from the payment of share capital total of Baht 726 million. The Company registered these new shares with the Ministry of Commerce on 6 August 2015. The Stock Exchange of Thailand ("SET") approved the additional ordinary shares as a listed securities as from 11 August 2015.

## **27. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 August 2015.

