

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2014**

AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To The Shareholders and Board of Directors of
N.C. Housing Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of N.C. Housing Public Company Limited and its subsidiaries as at June 30, 2014 and the related consolidated statements of comprehensive income for the three-month and six-month periods as at June 30, 2014, changes in shareholders' equity and cash flows for the six-month period then ended and selected explanatory notes, and I have also reviewed the statement of financial position of N.C. Housing Public Company Limited as at June 30, 2014 and the related statement of comprehensive income for the three-month and six-month periods as at June 30, 2014, changes in shareholders' equity and cash flows for the six-month period then ended and selected explanatory notes. Management is responsible for the preparation and presentation of this interim financial information in accordance with the accounting standards No. 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 auditing 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 Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

CONCLUSION

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with the accounting standards No. 34 "Interim Financial Reporting".

(Miss Wannisa Ngambuathong)
Certified Public Accountant
Registration No. 6838

Dharmniti Auditing Company Limited
Bangkok, Thailand
August 14, 2014
2014/883/0274

“UNAUDITED”

“REVIEWED”

- 2 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT JUNE 30, 2014

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at June	As at December	As at June	As at December
Note		30, 2014	31, 2013	30, 2014	31, 2013
CURRENT ASSETS					
	Cash and cash equivalents	29,997	30,638	27,518	26,860
	Short-term investments	675	670	675	670
5	Trade accounts receivable	132	24,683	-	-
4	Short-term loan to related parties	-	-	20,500	19,300
6, 16	Inventories	321,166	403,886	315,250	394,878
7, 16	Property development costs	2,523,030	2,546,147	2,523,555	2,547,515
8, 16	Land held for development	1,248,128	1,211,563	1,179,272	1,211,207
	Deposit from purchase land	-	1,800	-	1,800
	Other current assets	35,124	33,186	32,215	30,809
	Total current assets	4,158,252	4,252,573	4,098,985	4,233,039
NON-CURRENT ASSETS					
9	Deposit pledged as collateral	9,015	9,012	8,787	8,785
10	Investment in associated company	-	-	-	-
10	Investment in subsidiaries	-	-	11,864	11,864
11	Investment property	215,881	-	215,881	-
12	Property, plant and equipment	157,647	164,471	153,211	159,883
13	Intangible assets	4,413	4,073	4,413	4,073
22	Deferred tax assets	12,353	10,450	12,334	10,438
	Other non-current assets	8,159	6,687	5,473	4,533
	Total non-current assets	407,468	194,693	411,963	199,576
TOTAL ASSETS		4,565,720	4,447,266	4,510,948	4,432,615

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 4 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENTS OF FINANCIAL POSITION (CONT.)
AS AT JUNE 30, 2014

LIABILITIES AND SHAREHOLDERS' EQUITY (CONT.)

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at June	As at December	As at June	As at December
Note		30, 2014	31, 2013	30, 2014	31, 2013
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
1,200,000,000 ordinary shares					
of Baht 1.00 each					
		1,200,000	1,200,000	1,200,000	1,200,000
Issued and paid-up share capital					
1,185,985,052 ordinary shares					
capital of Baht 1.00 each					
		1,185,985	1,185,985	1,185,985	1,185,985
Paid-in capital					
		577,530	577,530	577,530	577,530
Retained earnings					
	19	54,350	54,350	54,350	54,350
		476,612	478,865	459,594	461,055
Total equity attributable to					
company's shareholders					
		2,294,477	2,296,730	2,277,459	2,278,920
Non-controlling interests					
		-	-	-	-
Other components of equity					
		-	-	-	-
TOTAL SHAREHOLDER'S EQUITY		2,294,477	2,296,730	2,277,459	2,278,920
TOTAL LIABILITIES AND					
SHAREHOLDER'S EQUITY					
		4,565,720	4,447,266	4,510,948	4,432,615

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 5 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2014

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2014	2013	2014	2013
REVENUES					
	Sales	480,356	477,412	480,356	477,412
	Construction income	-	8,777	-	-
	Service income	1,072	959	-	-
	Other income	4	2,848	3,013	2,244
	Total Revenues	484,276	489,345	483,369	479,656
EXPENSES					
	Cost of sales	4	322,833	327,335	322,834
	Cost of construction	-	7,818	-	-
	Cost of service	923	1,008	-	-
	Selling expenses	54,651	58,595	54,651	58,595
	Administrative expenses	4	42,916	39,697	42,121
	Management benefit expenses	4	7,706	7,939	7,662
	Finance costs	4	15,056	7,820	14,475
	Total Expenses	444,085	450,212	441,743	440,047
	Share of profit from investment in an associated company	-	-	-	-
	Income (loss) before tax expenses	40,191	39,133	41,626	39,609
	Tax expenses (income)	8,340	7,154	8,343	7,068
	Profit (loss) for the period	31,851	31,979	33,283	32,541
	Other comprehensive income	-	-	-	-
	Total comprehensive income for the period	31,851	31,979	33,283	32,541
Profit (loss) attributable to					
	Shareholders' equity of the parent company	31,851	31,979	33,283	32,541
	Non-controlling interests	-	-	-	-
		31,851	31,979	33,283	32,541
Total comprehensive income attributable to					
	Shareholders' equity of the parent company	31,851	31,979	33,283	32,541
	Non-controlling interests	-	-	-	-
		31,851	31,979	33,283	32,541
BASIC EARNINGS PER SHARE OF					
THE PARENT COMPANY					
21	Profit (loss) for the period (Baht per share)	0.027	0.027	0.028	0.027

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 6 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

THE STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2014	2013	2014	2013
REVENUES					
	Sales	803,278	840,272	803,278	840,272
	Construction income	-	15,243	-	-
	Service income	2,199	2,090	-	-
	Other income	4,348	4,159	4,618	4,200
	Total Revenues	809,825	861,764	807,896	844,472
EXPENSES					
	Cost of sales	537,277	571,897	538,641	571,664
	Cost of construction	-	14,114	-	-
	Cost of service	2,010	1,975	-	-
	Selling expenses	94,828	107,063	94,828	107,063
	Administrative expenses	84,253	77,545	82,873	75,892
	Management benefit expenses	15,432	15,998	15,345	15,917
	Finance costs	27,989	13,375	27,374	13,154
	Total Expenses	761,789	801,967	759,061	783,690
	Share of profit from investment in an associated company	-	-	-	-
	Income (loss) before tax expenses	48,036	59,797	48,835	60,782
	Tax expenses (income)	9,968	12,541	9,975	12,385
	Profit (loss) for the period	38,068	47,256	38,860	48,397
	Other comprehensive income	-	-	-	-
	Total comprehensive income for the period	38,068	47,256	38,860	48,397
Profit (loss) attributable to					
	Shareholders' equity of the parent company	38,068	47,256	38,860	48,397
	Non-controlling interests	-	-	-	-
		38,068	47,256	38,860	48,397
Total comprehensive income attributable to					
	Shareholders' equity of the parent company	38,068	47,256	38,860	48,397
	Non-controlling interests	-	-	-	-
		38,068	47,256	38,860	48,397
BASIC EARNINGS PER SHARE OF					
THE PARENT COMPANY					
	Profit (loss) for the period (Baht per share)	0.032	0.040	0.033	0.041

Notes to interim financial statements form an integral part of these statement

“UNAUDITED”

“REVIEWED”

- 7 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

In Thousand Baht

		Consolidated Financial Statements							
		Shareholders' equity of the parent company				Total	Non-Controlling interests	Total	
		Share capital issued and paid-up	Premium on share capital	Retained earnings Appropriated legal reserve	Unappropriated	Other components of equity			
Note									
	Balance as at January 1, 2014	1,185,985	577,530	54,350	478,865	-	2,296,730	-	2,296,730
	Dividend paid	-	-	-	(40,321)	-	(40,321)	-	(40,321)
	Total comprehensive income for the period 2014	-	-	-	38,068	-	38,068	-	38,068
	Balance as at June 30, 2014	1,185,985	577,530	54,350	476,612	-	2,294,477	-	2,294,477
	Balance as at January 1, 2013	1,185,985	577,530	48,850	420,596	-	2,232,961	-	2,232,961
	Dividend paid	-	-	-	(41,506)	-	(41,506)	-	(41,506)
	Total comprehensive income for the period 2013	-	-	-	47,256	-	47,256	-	47,256
	Balance as at June 30, 2013	1,185,985	577,530	48,850	426,346	-	2,238,711	-	2,238,711

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 8 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

In Thousand Baht						
Separate Financial Statements						
Note	Shareholders' equity of the parent company					Total
	Share capital issued and paid-up	Premium on share capital	Retained earnings Appropriated legal reserve	Unappropriated	Other components of equity	
Balance as at January 1, 2014	1,185,985	577,530	54,350	461,055	-	2,278,920
Dividend paid	-	-	-	(40,321)	-	(40,321)
Total comprehensive income for the period 2014	-	-	-	38,860	-	38,860
Balance as at June 30, 2014	<u>1,185,985</u>	<u>577,530</u>	<u>54,350</u>	<u>459,594</u>	<u>-</u>	<u>2,277,459</u>
Balance as at January 1, 2013	1,185,985	577,530	48,850	401,810	-	2,214,175
Dividend paid	-	-	-	(41,506)	-	(41,506)
Total comprehensive income for the period 2013	-	-	-	48,397	-	48,397
Balance as at June 30, 2013	<u>1,185,985</u>	<u>577,530</u>	<u>48,850</u>	<u>408,701</u>	<u>-</u>	<u>2,221,066</u>

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 9 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) for the period	38,068	47,256	38,860	48,397
<u>Add</u> (less) Adjustments to reconcile profit (loss) for the period to net cash provided by (used in) operating activities :				
Depreciation and amortization	8,422	7,896	7,810	7,449
Reversal allowance for doubtful accounts	-	(28)	-	(28)
Unrealized gain from trading securities	(5)	(6)	(5)	(6)
Gain from sale of fixed assets	(368)	(300)	(368)	(300)
Loss from transfer land and clubhouse to juristic person of village	5,005	-	5,005	-
Loss from written-off assets	363	39	40	-
Gain from written-off accounts payable and accrued expenses	(407)	(938)	(149)	(916)
Provision for compensation for housing estate juristic persons	1,302	1,245	1,302	1,245
Employee benefit expenses	1,957	2,913	1,851	2,653
Interest income	(32)	(42)	(320)	(50)
Interest expenses	26,010	11,848	25,108	11,602
Tax expenses (income)	9,968	12,541	9,975	12,385
Income from operating activities before changes in operating assets and liabilities	90,283	82,424	89,109	82,431
Decrease (increase) in operating assets				
Trade accounts receivable	24,551	(16,366)	-	28
Inventories	82,720	10,508	79,628	12,737
Property development costs	(89,276)	(108,479)	(88,433)	(109,781)
Land held for development	(87,365)	(161,012)	(18,865)	(161,012)
Deposit from purchase land	1,800	(43,716)	1,800	(43,716)
Other current assets	(1,938)	1,700	(1,394)	382
Other non-current assets	(941)	(643)	(940)	(643)

Notes to interim financial statements form an integral part of these statements.

“UNAUDITED”

“REVIEWED”

- 10 -

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Increase (decrease) in operating liabilities				
Trade notes payable	(22,377)	(15,482)	(22,377)	(14,227)
Trade accounts payable and other payable	9,718	42,099	11,686	40,720
Payable to related parties	6,742	(13,624)	3,904	(8,951)
Accrued expenses	(11,054)	(18,479)	(9,387)	(17,325)
Advance received from customers	17,922	22,241	17,922	22,241
Retention from contractors	5,400	4,374	5,375	4,406
Other current liabilities	144	(169)	(82)	(169)
Liabilities from purchasing the real estate project	(1,620)	(15,330)	(1,620)	(15,330)
Cash receivable (paid) from the operations	24,709	(229,954)	66,326	(208,209)
Cash received from interest income	32	42	308	50
Withholding taxes refunded from Revenue department	303	80	-	-
Income tax expense paid	(14,620)	(23,804)	(13,463)	(23,271)
Net cash provided by (used in) operating activities	10,424	(253,636)	53,171	(231,430)
CASH FLOWS FROM INVESTING ACTIVITIES				
Short-term Investments	-	1	-	1
Cash paid for short-term loan to related parties	-	-	(1,200)	(28,000)
Increase in deposit pledged as collateral	(3)	(7,798)	(2)	(7,796)
Investment property	(23,877)	-	(23,877)	-
Proceeds from sales of fixed assets	670	300	670	300
Cash paid for purchase of fixed assets	(6,474)	(5,408)	(6,014)	(2,113)
Cash paid for purchase of intangible assets	(811)	(169)	(811)	(169)
Net cash provided by (used in) investing activities	(30,495)	(13,074)	(31,234)	(37,777)
CASH FLOWS FROM FINANCING ACTIVITIES				
Cash paid for liabilities under finance lease agreement	(311)	(229)	(311)	(229)
Increase (decrease) in bank overdrafts and short-term loans				
from the financial institutions	(11,328)	(23,972)	(11,328)	(23,972)
Cash received from short-term loan from related parties	-	71,000	-	62,800
Cash paid for short-term loan from related parties	-	(71,000)	(1,000)	(62,800)
Cash received from short-term loan from the director	75,000	48,000	35,000	43,000
Cash paid for loan from short-term loan the director	(110,000)	(48,000)	(110,000)	(43,000)

Notes to interim financial statements form an integral part of these statements.

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONT.)

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2014

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2014	2013	2014	2013
Cash received from long-term loans	579,635	713,913	579,635	713,913
Cash paid for long-term loans	(417,623)	(343,473)	(417,623)	(343,473)
Interest paid	(55,622)	(34,394)	(55,331)	(34,378)
Dividend paid	(40,321)	(41,506)	(40,321)	(41,506)
Net cash provided by (used in) financing activities	19,430	270,339	(21,279)	270,355
Net increase (decrease) in cash and cash equivalents	(641)	3,629	658	1,148
Cash and cash equivalents, beginning of period	30,638	45,115	26,860	38,363
Cash and cash equivalents, end of period	29,997	48,744	27,518	39,511

Supplemental disclosures of cash flows information

1) Cash and cash equivalents consisted of :-

Cash on hand	672	767	672	732
Cash at bank	29,325	47,977	26,846	38,779
Total	29,997	48,744	27,518	39,511

2) In period 2014 and 2013, the Company had transferred land held for development as part of property development costs in value of Baht 49.00 million and Baht 181.69 million, respectively.

3) In period 2014, the Company had transferred property development costs as part of investment property in value of Baht 192.00 million.

4) In period 2013, the Company acquired vehicle with an aggregate cost of Baht 1.16 million. The purchase of Baht 0.87 million was made by hire-purchase agreement. The remaining portion of Baht 0.29 million was paid by cash.

Notes to interim financial statements form an integral part of these statements.

N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
NOTES TO INTERIM FINANCIAL STATEMENTS
JUNE 30, 2014

1. GENERAL INFORMATION

(a) Legal status and address of the Company

The Company was registered to be a limited company on February 2, 1994 and converted to be The Public Company Limited under the Limited Public Company Act with the Ministry of Commerce on November 27, 2003, and the Company name was changed to N.C. Housing Public Company Limited.

The address of its registered office is as follows:

1/765 Moo 17, Soi Amporn Paholyotin Rd. K.M. 26, Tambol Kukod, Aumpur Lumlookka, Patumtanee, 12130, Thailand.

(b) Nature of the Company’s business

The Company and subsidiaries operate its principal business as a real estate developer for trade in various areas such as house for sell including the land development, providing construction services, condominium for sell, providing rental space in club house, etc.

(c) Parent company

The major shareholder company is NCH 2555 Holding Company Limited represented 51% shareholding.

2. Basis of interim consolidated financial statements and operations

2.1 The accompanying interim consolidated financial statements include the accounts of N.C. Housing Public Company Limited and the following subsidiaries and associated company which are owned directly and indirectly by the Company :-

	Percentage of		Nature of Business
	direct and indirect holding		
	As at June 30, 2014	As at December 31, 2013	
<u>Subsidiaries</u>			
N.C. Property Management Co., Ltd.	100.00	100.00	Contractor and project management
Quality Living Management Co., Ltd.	100.00	100.00	Property management service
<u>Associated company</u>			
Ensure Home Co., Ltd.			
(Under liquidation process)	40.00	40.00	Real estate brokers
TPKS Real Estate Co., Ltd.	40.00	40.00	Real estate
(Associated company held by Ensure Home Co., Ltd.) (Under liquidation process)			

2.2 These consolidated interim financial statements included the financial statements of N.C. Housing Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2013. There has been no change in the composition of its subsidiaries during the period.

3. PRINCIPLES OF PREPARATION AND PRESENTATIONS OF FINANCIAL STATEMENTS

3.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with the Accounting Standard No. 34 (revised 2012) Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). 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 situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2013.

The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

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 financial statements in Thai language version.

3.2 Accounting standards effective for using in current year

The Federation of Accounting Professions (FAP) has issued Notifications to mandate the use of the revised 2012, and the new issued of accounting standards, financial reporting standards, the interpretations and accounting treatment guidance of which they are effective for using in the periods beginning on or after January 1, 2014, as follows.

TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible assets
TFRS 2 (revised 2012)	Share-based Payment

TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Right to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economics
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
TSIC 15	Operating Leases - Incentives
TSIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosure
TSIC 32	Intangible Assets - Web Site Costs

The management of the Company believes that these accounting standards do not have any significant impact on the financial statements for the current year.

3.3 Significant accounting policies

The Company and its subsidiaries prepared the interim financial statements with same accounting policies used in the preparation of annual financial statements for the year ended December 31 2013.

4. TRANSACTIONS WITH RELATED PARTIES AND COMPANIES

The Company has certain transactions with its related parties and companies. A portion of the Company's assets, liabilities, revenues, cost and expenses arose from the transactions with the related parties and companies which are related through common shareholdings and/or directors. The effects of these transactions, which are in the normal course of business, were reflected in the accompanying interim financial statements on the basis determined by the related parties and companies.

“UNAUDITED”

“REVIEWED”

- 15 -

Detail of relation between the Company and its related parties and companies are summarized as follow :

<u>Company's name</u>	<u>Country of incorporation</u>	<u>Type of relation</u>
NCH 2555 Holding Co., Ltd.	Thailand	Parent company
N.C. Property Management Co., Ltd.	Thailand	Subsidiary
Quality Living Management Co., Ltd.	Thailand	Subsidiary
S.C. Construction And Decoration Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Trading Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Homemart (1999) Co., Ltd.	Thailand	Co-shareholder and director
Sap Namchai Pattana Co., Ltd.	Thailand	Co-shareholder and director
Namchai Golf Management Co., Ltd.	Thailand	Co-shareholder and director
Namchai Property Development Co., Ltd.	Thailand	Co-shareholder and director
Tanyacart Management Co., Ltd.	Thailand	Co-shareholder and director
Sathaporn Wattana Transport Partnership	Thailand	Co-shareholder and director
Precast station Co., Ltd.	Thailand	Director's relative
Mr. Somchao Tanthathoedtham	Thailand	Director
Mrs. Patcharin Tanthathoedtham	Thailand	Director's relative
Ensure Home Co., Ltd.	Thailand	Co-shareholder and director at 40%
TPKS Real Estate Co., Ltd.	Thailand	Co-shareholder and director at 40%

The significant transactions between the Company and its related parties and companies for the three-month and six-month periods ended June 30, 2014 and 2013 are summarized as follows.

	Pricing basis	In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the three-month periods ended June 30,		For the three-month periods ended June 30,	
		2014	2013	2014	2013
<u>Transaction during the period</u>					
<u>Subsidiaries</u>					
Other income - office rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	15	15
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	4	4
Other income-interest income					
N.C. Property Management Co., Ltd.	At the rate of 3.00% p.a.	-	-	154	35
Construction cost					
N.C. Property Management Co., Ltd.	At cost plus 10%	-	-	8,360	14,985
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 20,000 per project	-	-	775	638
Utility charges					
N.C. Property Management Co., Ltd.	At cost	-	-	-	1
Interest expenses					
Quality Living Management Co., Ltd.	At the rate of 3.00% p.a.	-	-	-	13

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the three-month periods ended June 30,		For the three-month periods ended June 30,	
Pricing basis		2014	2013	2014	2013
<u>Related parties</u>					
Other income - office rental					
Precast station Co., Ltd.	Baht 10,000 per month	30	-	30	-
Construction cost					
Precast station Co., Ltd.	At cost plus 10%	10,936	-	10,936	-
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	9,784	24,585	6,174	15,662
S.C. Construction And Decoration Co., Ltd.	Market price	303	10	1	10
Land rental expense					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	165	165	165	165
Golf club membership					
Namchai Management Co., Ltd.	Market price	897	-	897	-
Rental a golf cart					
Tanyacart Management Co., Ltd.	Market price	4	-	4	-
Interest expenses					
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	1,559	136	986	67
NCH 2555 Holding Co., Ltd.	At the rate of 5.75% p.a.	-	981	-	846

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the six-month periods ended June 30,		For the six-month periods ended June 30,	
Pricing basis		2014	2013	2014	2013
<u>Transaction during the period</u>					
<u>Subsidiaries</u>					
Other income - office rental					
Quality Living Management Co., Ltd.	Baht 5,000 per month	-	-	30	30
Other income - utility charges					
Quality Living Management Co., Ltd.	Baht 1,401.87 per month	-	-	8	8
Other income-interest income					
N.C. Property Management Co., Ltd.	At the rate of 3.00% p.a.	-	-	297	35
Construction cost					
N.C. Property Management Co., Ltd.	At cost plus 10%	-	-	13,426	25,030
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 20,000 per project	-	-	1,520	1,213
Utility charges					
N.C. Property Management Co., Ltd.	At cost	-	-	-	2
Interest expenses					
Quality Living Management Co., Ltd	At the rate of 3.00% p.a.	-	-	4	19
<u>Related parties</u>					
Other income-office rental					
Precast station Co., Ltd.	Baht 10,000 per month	60	-	60	-
Construction cost					
Precast station Co., Ltd.	At cost plus 10%	41,684	-	41,684	-

“UNAUDITED”

“REVIEWED”

- 17 -

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		For the six-month periods ended June 30,		For the six-month periods ended June 30,	
Pricing basis		2014	2013	2014	2013
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	21,407	48,078	16,809	31,712
S.C. Construction And Decoration Co., Ltd.	Market price	449	25	3	25
Land rental expense					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	330	330	330	330
Golf club membership					
Namchai Management Co., Ltd.	Market price	897	-	897	-
Rental a golf cart					
Tanyacart Management Co., Ltd.	Market price	4	-	4	-
Interest expenses					
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	2,919	167	2,314	72
NCH 2555 Holding Co., Ltd.	At the rate of 5.75% p.a.	-	1,387	-	1,252

The significant outstanding balance as at June 30, 2014 and December 31, 2013 are as follow:-

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
		As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
Short-term loan to related parties					
- N.C. Property Management Co., Ltd.					
Balance, beginning of period		-	-	19,300	-
Addition during the period		-	-	1,200	33,000
Deduction during the period		-	-	-	(13,700)
Balance, ending of period		-	-	20,500	19,300
Accrued interest					
- N.C. Property Management Co., Ltd.					
		-	-	153	141
Payable to related parties					
- Quality Living Management Co., Ltd.		-	-	262	364
- N.C. Property Management Co., Ltd.		-	-	8,952	12,165
- S.C. Construction And Decoration Co., Ltd.		402	761	78	244
- Sathaporn Wattana Trading Co., Ltd.		22,249	25,994	18,368	21,829
- Sathaporn Wattana Transport Partnership		4	4	4	4
- Precast station Co., Ltd.		13,949	4,004	13,949	4,004
- Namchai management Co., Ltd.		897	-	897	-
- Tanyacart Management Co., Ltd.		4	-	4	-
		37,505	30,763	42,514	38,610
Rental fee payable					
- Mrs. Patcharin Tanthathoedtham					
		330	-	330	-

“UNAUDITED”

“REVIEWED”

- 18 -

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
Short-term loan from related parties				
- Quality Living Management Co., Ltd.				
Balance, beginning of period	-	-	1,000	-
Addition during the period	-	-	-	4,700
Deduction during the period	-	-	(1,000)	(3,700)
Balance, ending of period	-	-	-	1,000
- NCH 2555 Holding Co., Ltd.				
Balance, beginning of period	-	-	-	-
Addition during the period	-	71,000	-	61,000
Deduction during the period	-	(71,000)	-	(61,000)
Balance, ending of period	-	-	-	-
	-	-	-	1,000
Short-term loan from director				
- Mr. Somchao Tanthathoedtham				
Balance, beginning of period	75,000	-	75,000	-
Addition during the period	75,000	143,800	35,000	138,800
Deduction during the period	(110,000)	(68,800)	(110,000)	(63,800)
Balance, ending of period	40,000	75,000	-	75,000
Accrued interest				
- Quality Living Management Co., Ltd.	-	-	-	6
- Mr. Somchao Tanthathoedtham	2,700	1,109	2,095	1,109
	2,700	1,109	2,095	1,115

COLLATERAL WITH RELATED COMPANIES

As at June 30, 2014, the Company had contingent liability from letters of guarantee issued by a bank on behalf of the subsidiary for electricity usage amounting to Baht 0.40 million.

MANAGEMENT BENEFIT EXPENSES

Management benefit expenses represents the benefits paid to the Company's management, such as salaries and related benefit including the benefit paid by other means. The Company's management is the persons who are defined under the Securities and Exchange Act. The management is comprised the managing director, deputy managing directors and senior managers.

Management benefit expenses for the three-month and six-month periods ended June 30, 2014 and 2013.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month periods ended June 30,		For the three-month periods ended June 30,	
	2014	2013	2014	2013
<u>Management</u>				
Management benefit expenses				
Short-term employee benefits	7,498	7,643	7,455	7,604
Post-employment benefits	208	296	207	295
Total	<u>7,706</u>	<u>7,939</u>	<u>7,662</u>	<u>7,899</u>

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the six-month periods ended June 30,		For the six-month periods ended June 30,	
	2014	2013	2014	2013
<u>Management</u>				
Management benefit expenses				
Short-term employee benefits	15,015	15,405	14,930	15,327
Post-employment benefits	417	593	415	590
Total	<u>15,432</u>	<u>15,998</u>	<u>15,345</u>	<u>15,917</u>

5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
Real Estate				
Receivable from installment	298	298	298	298
Contractor				
Receivable contractor	-	24,492	-	-
Property manager services				
Management receivable	132	191	-	-
Total	430	24,981	298	298
<u>Less</u> Allowance for doubtful accounts	(298)	(298)	(298)	(298)
Trade accounts receivable-net	<u>132</u>	<u>24,683</u>	<u>-</u>	<u>-</u>

Trade accounts receivable were classified by aging as follows:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2014	31, 2013	30, 2014	31, 2013
Not yet due	-	191	-	-
Over 0 month to 3 months	132	-	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 12 months	-	24,492	-	-
Over 12 months	298	298	298	298
Total	430	24,981	298	298

6. INVENTORIES

Inventories consist of

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2014	31, 2013	30, 2014	31, 2013
Cost of houses for sales	330,736	410,364	330,736	410,364
Work in construction	5,916	9,008	-	-
Total	336,652	419,372	330,736	410,364
<u>Less allowance for declining value of inventories</u>	<u>(15,486)</u>	<u>(15,486)</u>	<u>(15,486)</u>	<u>(15,486)</u>
Inventories - net	321,166	403,886	315,250	394,878

The Company has commitment under the signed purchase and sale contract as follow:-

	Consolidated Financial Statements / Separate Financial Statements			
	As at June 30, 2014		As at December 31, 2013	
	Unit	In Million Baht	Unit	In Million Baht
	House for sales	115	330.74	98
House for sale - under signed purchase and sale contract	(35)	(74.81)	(36)	(79.47)
House for sale - balance carry forward not under signed purchase and sale contract	80	255.93	62	330.89

As at June 30, 2014 and December 31, 2013, some inventories of the Company in the amount of Baht 296.30 million and Baht 359.03 million, respectively, are mortgaged as a part of collateral for long-term loans with local commercial bank, as discussed in Note 16.

7. PROPERTY DEVELOPMENT COSTS

7.1 Actual property development costs consist of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2014	31, 2013	30, 2014	31, 2013
Land and land development costs	3,385,146	3,620,852	3,385,146	3,620,852
Utilities development costs	819,686	808,205	819,686	808,205
Construction in progress	4,273,383	4,696,354	4,273,908	4,697,722
Interest capitalization	388,226	374,947	388,226	374,947
Total	8,866,441	9,500,358	8,866,966	9,501,726
<u>Less</u> transfer to inventory	(330,736)	(410,364)	(330,736)	(410,364)
transfer to accumulated cost of sale	(5,820,671)	(6,543,847)	(5,820,671)	(6,543,847)
transfer to investment property	(192,004)	-	(192,004)	-
Property development costs	2,523,030	2,546,147	2,523,555	2,547,515
<u>Less</u> allowance for declining value of				
property development costs	-	-	-	-
Property development costs - net	2,523,030	2,546,147	2,523,555	2,547,515

As at June 30, 2014, the Company had transferred the cost of land development in the amount of Baht 192.00 million to the account of investment property because during the period the management has changed its plan from condominium construction for sale to residential building for lease.

As at June 30, 2014 and December 31, 2013, most of Company's land and construction in the projects are mortgaged as collateral against credit facilities for long-term loans with local commercial bank, as discussed in Note 16.

For the three-month periods ended June 30, 2014 and 2013, the Company recorded the related interest expense amounting approximately to Baht 15.15 million and Baht 12.70 million, respectively, as part of property development costs. The capitalization rate for calculate interest is 6.50% and 6.08%, respectively, and six-month periods ended June 30, 2014 and 2013, the Company recorded the related interest expense amounting approximately to Baht 30.61 million and Baht 23.86 million, respectively, as part of property development cost. The capitalization rate for calculate interest is 6.52% and 5.81%, respectively.

“UNAUDITED”

“REVIEWED”

- 22 -

7.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated Financial Statements / Separate Financial Statements	
	As at June 30, 2014	As at December 31, 2013
	(For the six-month)	(For the year)
Number of operating projects, beginning of period	21	15
Number of closing projects	3	2
Number of projects transferred to investment property	1	-
Number of newly open projects	1	8
Number of operating projects, ending of period	18	21
Total current projects value		
Contracted sales value (In million Baht)	9,453.27	9,324.72
As percentage of total current projects value	64.54	74.18

As at June 30, 2014 and December 31, 2013, the Company has the obligation to complete the public utility development project for operating projects in the amount of Baht 190.69 million and Baht 91.06 million, respectively.

8. LAND HELD FOR DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
Beginning balance	1,211,563	1,780,965	1,211,207	1,780,609
<u>Add</u> during the period	87,365	156,856	18,865	156,856
Total	1,298,928	1,937,821	1,230,072	1,937,465
<u>Less</u> - transfer to property development costs	(49,000)	(717,858)	(49,000)	(717,858)
- decrease for reversal of liabilities from purchasing the real estate project (as discussed in note 18)	(1,800)	(8,400)	(1,800)	(8,400)
Land held for development	1,248,128	1,211,563	1,179,272	1,211,207

During the period, a subsidiary has acquired the land at the amount of Baht 68.50 million as there will be property development plan in the future.

As at June 30, 2014 and December 31, 2013, some parts of Company's land held for development as collateral against credit facilities for long-term loans with local commercial bank, as discussed in note 16.

9. DEPOSIT PLEDGED AS COLLATERAL

As at June 30, 2014 and December 31, 2013, the Company had fixed deposit amounting to Baht 8.79 million and Baht 8.79 million, respectively, which are pledged as collateral for maintenance to public utilities, customer’s loan and gasoline.

As at June 30, 2014 and December 31, 2013, the subsidiary had fixed deposit amounting to Baht 0.23 million and Baht 0.22 million, respectively, which are pledged as collateral for bank overdrafts limit.

Bank deposits are carried interest at the floating rate specified by the bank.

10. INVESTMENTS IN ASSOCIATED COMPANY AND SUBSIDIARIES

	Paid up shares		Ownership		Amount		Dividend	
	(In Thousand Baht)		(%)		(In Thousand Baht)		(In Thousand Baht)	
	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
AT COST								
<u>Associated company</u>								
Ensure Home Co., Ltd.	2,000	2,000	40	40	240	240	-	-
<u>Less</u> Allowance for declining value of investment					(240)	(240)		
Investments in associated company - net					-	-		
<u>Subsidiaries</u>								
N.C. Property								
Management Co., Ltd.	10,000	10,000	100	100	11,864	11,864	-	-
Quality Living								
Management Co., Ltd.	1,000	1,000	100	100	-	-	-	-
					11,864	11,864	-	-
<u>Less</u> Allowance for declining value of investment					-	-		
Investments in subsidiaries- net					11,864	11,864		

On October 2012, Ensure Home Company Limited, a Company’s associate and TPKS Real Estate Company Limited, associated company held by Ensure Home Company Limited, has been closed down and was registered liquidation with the Ministry of Commerce on December 26, 2012, which is now in the process of liquidation. During the year 2012, the Company received investment of Baht 160,000. The Company’s management expect the outstanding amount will not be repaid the investment from this associate. Therefore, they set the allowance for loss on impairment of the investment at the total amount of Baht 240,000.

11. INVESTMENT PROPERTY

Movements of the investment property account for the six-month period ended June 30, 2014 are summarized as follows.

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
At cost		
Balance as at December 31, 2013	-	-
Transfer from property development costs (as discussed in note 7.1)		
- Land and land development costs	41,934	41,934
- Utilities development costs	13,177	13,177
- Residential building in progress	134,869	134,869
- Interest capitalization	2,024	2,024
Additional cost during the period	192,004	192,004
Residential building in progress	18,339	18,339
Furniture and fixtures	5,538	5,538
Balance as at June 30, 2014	<u>215,881</u>	<u>215,881</u>

As at June 30, 2014, total amount of Company’s investment property are mortgaged as collateral against facilities for long-term loans with local commercial bank, as discussed in note 16.

For the three-month period ended June 30, 2014, the Company recorded the related interest expense amounting approximately to Baht 0.79 million, as part of property investment. The capitalization rate for calculate interest is 6.25%, and six-month period ended June 30, 2014, the Company recorded the related interest expense amounting approximately to Baht 1.57 million, as part of property investment. The capitalization rate for calculate interest is 6.25%

12. PROPERTY, PLANT AND EQUIPMENT

Movements of the property, plant and equipment account for the six-month period ended June 30, 2014 are summarized as follows.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
At cost		
Balance as at December 31, 2013	344,595	334,722
Acquisitions during the period	6,474	6,014
Disposals and write-off during the period	(9,991)	(9,991)
Balance as at June 30, 2014	341,078	330,745
Accumulated depreciation		
Balance as at December 31, 2013	(177,824)	(172,539)
Depreciation for the period	(7,951)	(7,339)
Accumulated depreciation on disposals and write-off	4,644	4,644
Balance as at June 30, 2014	(181,131)	(175,234)
Allowance for declining value		
Balance as at December 31, 2013	(2,300)	(2,300)
Allowance for declining value for the period	-	-
Balance as at June 30, 2014	(2,300)	(2,300)
Net book value		
Balance as at December 31, 2013	164,471	159,883
Balance as at June 30, 2014	157,647	153,211

As at June 30, 2014 and December 31, 2013, some part of land and the clubhouse building in the total amount of Baht 100.52 million (net book value amount of Baht 59.53 million and Bath 61.51 million, respectively) are mortgaged as collateral against the overdrafts from a commercial bank in the total amount of Baht 25 million.

“UNAUDITED”

“REVIEWED”

- 26 -

13. INTANGIBLE ASSETS

Movements of the intangible assets account for the six-month period ended June 30, 2014 are summarized as follows.

	<u>In Thousand Baht</u>
	<u>Consolidated financial statements/Separate financial statements</u>
At cost	
Balance as at December 31, 2013	6,751
Acquisitions during the period	811
Disposals and write-off during the period	-
Balance as at June 30, 2014	<u>7,562</u>
Accumulated amortization	
Balance as at December 31, 2013	(2,678)
Amortization for the period	(471)
Accumulated amortization on disposals and write-off	-
Balance as at June 30, 2014	<u>(3,149)</u>
Net book value	
Balance as at December 31, 2013	<u>4,073</u>
Balance as at June 30, 2014	<u>4,413</u>

14. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consist of :-

	<u>In Thousand Baht</u>			
	<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
	<u>As at June 30, 2014</u>	<u>As at December 31, 2013</u>	<u>As at June 30, 2014</u>	<u>As at December 31, 2013</u>
Bank overdrafts from the financial institutions	32,546	43,874	32,546	43,874
Short-term loans from the financial institutions	<u>129,927</u>	<u>129,927</u>	<u>129,927</u>	<u>129,927</u>
Total	<u>162,473</u>	<u>173,801</u>	<u>162,473</u>	<u>173,801</u>

	Credit line (Million Baht)		Rate	Due Date	Guarantee
	As at June	As at December			
	30, 2014	31, 2013			
Bank Overdraft					
The parent company					
- The first bank	25.00	25.00	MOR per annum	At call	- By the mortgage of the Company's land and construction thereon. - By some directors.
- The second bank	20.00	20.00	6 months fix deposit plus 1.15% per annum	At call	- By some directors and the fixed accounts of some directors.
- The third bank	15.00	-	MOR less 0.50% per annum	At call	- By the mortgage of the project's land and construction thereon and construction in the future.
Total Credit line	<u>60.00</u>	<u>45.00</u>			
Short-term loans					
The parent company					
- The first bank	35.00	35.00	MLR less 0.25% per annum	July 18, 2014	- By the mortgage of the director's land and construction thereon.
- The second bank	56.93	56.93	MLR less 0.50% per annum	August 7, 2014 and October 9, 2014	- By the mortgage of the project's land and construction thereon and construction in the future.
- The third bank	38.00	38.00	MLR per annum	December 16, 2014	- By the mortgage of the Company's land.
	<u>129.93</u>	<u>129.93</u>			
Total Credit line	<u>189.93</u>	<u>174.93</u>			

15. LIABILITIES UNDER FINANCE LEASE AGREEMENT

Liabilities under finance lease agreements consisted of :

	Consolidated Financial Statements / Separate Financial Statements (In Thousand Baht)					
	As at June 30, 2014			As at December 31, 2013		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due within one year	573	75	648	592	95	687
Current portion due after one year not over three years	747	35	782	1,039	68	1,107
Total	<u>1,320</u>	<u>110</u>	<u>1,430</u>	<u>1,631</u>	<u>163</u>	<u>1,794</u>

“UNAUDITED”

“REVIEWED”

- 28 -

As at June 30, 2014 and December 31, 2013, the Company has two and four hire-purchase agreements, respectively, with the local leasing company to purchase vehicles in the amount of Baht 2,214,750 and Baht 3,087,750 (Included VAT) , respectively, with a term of repayment of 36 months at Baht 20,535 - 39,496 per month (Included VAT).

Under the term of lease agreement referred to above, the Company shall have to comply with certain conditions and restrictions as specified in the lease agreement.

Liabilities under finance lease agreement is guaranteed by the director of the Company.

Liabilities under finance lease agreement for the portion due within one year are presented under “current liabilities” in the statement of financial position.

16. LONG-TERM LOANS FROM THE FINANCIAL INSTITUTIONS

This account consists of :

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2014	As at December 31, 2013	As at June 30, 2014	As at December 31, 2013
Long-term loans from local banks				
The first bank	821,685	762,784	821,685	762,784
The second bank	737,570	634,459	737,570	634,459
Total	1,559,255	1,397,243	1,559,255	1,397,243
Less Current portion due within one year	(376,636)	(429,572)	(376,636)	(429,572)
Long-term loans from the financial institutions - net	1,182,619	967,671	1,182,619	967,671

Movements in the long-term loans account during the six-month period ended June 30, 2014 are summarized below.

	In Thousand Baht
	Consolidated financial statements / Separate financial statements
Balance as at 1 January 2014	1,397,243
Less: Repayment during the period	(417,623)
Add: Additional borrowings during the period	579,635
Balance as at 30 June, 2014	1,559,255

	Credit line (Million Baht)		Interest rate	Guarantee
	As at June 30, 2014	As at December 31, 2013		
<u>Long-term loans</u>				
Parent company				
<u>The first bank</u>				
- The first credit line	168.57	534.77	MLR, MLR less 0.50-1.00% per annum	By the mortgage of some of the project's land and construction thereon.
- The second credit line	139.47	139.47	MLR less 0.50% per annum	
- The third credit line	277.50	307.20	MLR less 0.50% per annum	
- The fourth credit line	296.00	296.00	MLR less 0.50% per annum	
- The fifth credit line	271.00	271.00	MLR less 0.50% per annum	
- The sixth credit line	267.95	267.95	MLR less 0.50% per annum	
- The seventh credit line	20.00	20.00	MLR less 0.50% per annum	
- The eighth credit line	46.10	46.10	MLR less 0.50% per annum	
- The ninth credit line	-	37.17	MLR less 0.50% per annum	
- The tenth credit line	88.00	-	MLR less 0.50% per annum	
<u>The second bank</u>				
- The first credit line	456.12	456.12	MLR per annum	By the mortgage of some of the project's land and construction thereon.
- The second credit line	65.00	65.00	MLR plus 0.50% per annum	
- The third credit line	80.00	40.00	MLR plus 0.50% per annum	
- The fourth credit line	229.34	229.34	MLR plus 0.50% per annum	
- The fifth credit line	189.12	189.12	MLR per annum	
- The sixth credit line	140.50	-	MLR per annum	
- The seventh credit line	65.00	-	MLR per annum	
- The eighth credit line	92.22	-	MLR per annum	
	<u>2,891.89</u>	<u>2,899.24</u>		

The Company has condition to repay, in case of loan agreement, when received payment from its customers as at the transfer date of assets sold to customers. In this portion, the Company does not estimate the loan amount which is expected to be repaid within one year in order to classify under the current liabilities in the statement of financial position. In case of some portion of loan that is specified in the agreement about the amount to be repaid in each period and the schedule of the year ended in the agreement, the Company has classified the liabilities under the account of current portion of long-term loan from the financial institution.

In addition, the Company has to comply with the terms and conditions as specified in the loan agreement, such as (1) not to sell, dispose, transfer, give rent, pledge, or mortgage the Company's loan collaterals, (2) not to commit any obligation that would result in letting other persons have control or rights in the Company's assets, (3) not to engage into any liability or obligation over Baht 10 million per time except approved by the bank, (4) to maintain debt-to-equity ratio, (5) not to pay dividend except the lender assess the payment not affect the ability of loan repayment, (6) not to decrease registered capital and to grant beneficiary of the asset protection from the insurance to policy the lender, etc.

17. EMPLOYEE BENEFIT OBLIGATIONS

Movement of employee benefit obligations for the six-month period ended June 30, 2014 shown as follow :-

The statements of financial position

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Employee benefit obligations, beginning of the period	28,860	28,166
Current service costs	1,515	1,423
Interest cost	442	428
Employee benefit obligations, ending of the period	30,817	30,017

Expense recognized in the statements of comprehensive income

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month periods ended June 30		For the three-month periods ended June 30	
	2014	2013	2014	2013
Current service costs	758	795	712	752
Interest on obligation	221	227	213	222
Total	979	1,022	925	974
Current service costs				
Cost of service	39	38	-	-
Selling expenses	246	229	246	229
Administrative expenses	264	232	258	228
Management benefit expenses	209	296	208	295
Finance costs	221	227	213	222
Total	979	1,022	925	974

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the six-month periods ended June 30		For the six-month periods ended June 30	
	2014	2013	2014	2013
Current service costs	1,515	1,578	1,423	1,491
Interest on obligation	442	453	428	444
Loss estimation under actuarial principles	-	882	-	718
Total	1,957	2,913	1,851	2,653
Current service costs				
Cost of service	77	76	-	-
Selling expenses	492	455	492	455
Administrative expenses	528	1,337	516	1,164
Management benefit expenses	418	592	415	590
Finance costs	442	453	428	444
Total	1,957	2,913	1,851	2,653

18. LIABILITIES FROM PURCHASING THE REAL ESTATE PROJECT

The Company had an obligation under the contract to buy and sell land of a real estate project with a company under the buy and sale agreement dated December 16, 2004. The contract to buy and to sell land requires the Company has to pay for the land, including the debt burden owing to the existing customers of the project.

Movements in the liabilities from purchasing the real estate project account during the three-month periods ended June 30, 2014 and December 31, 2013 are summarized below.

	In Thousand Baht	
	Consolidated Financial Statements/ Separate Financial Statements	Separate Financial Statements
	As at June 30, 2014 (six-month period)	As at December 31, 2013 (annual period)
Beginning balance	80,719	104,449
<u>Less</u> decrease (reversal) during the period	(3,420)	(23,730)
Liabilities from purchasing the real estate project	<u>77,299</u>	<u>80,719</u>

As at June 30, 2014, liabilities from purchasing the real estate project which is presented as part of property development cost amount of Baht 12.10 million and land held for development amount of Baht 65.20 million.

19. LEGAL RESERVE

According to the resolution on the Board of Directors Meeting No. 1/2014 held on February 21, 2014, the Company had appropriated its legal reserve in the amount of Baht 5.50 million of annual net income in 2013, and approval at the Annual General Meeting of the shareholders on April 24, 2014.

20. DIVIDEND

At the ordinary shareholder’s meeting of year 2014 held on April 24, 2014, the shareholders approved a dividend payment for profit for the year of 2013 to all shareholders at Baht 0.034 per share amounting to Baht 40.32 million. The Company paid the dividend on May 19, 2014.

21. EARNINGS PER SHARE

Basic earning per share is calculated by dividing the profit for the period by the weighted average number of ordinary shares, which issued and paid-up during the period.

		Consolidated Financial Statements		Separate Financial Statements	
		For the three-month periods		For the three-month periods	
		ended June 30,		ended June 30,	
		2014	2013	2014	2013
Profit for the period	(Thousand Baht)	31,851	31,979	33,283	32,541
Weighted average number of ordinary shares	(Thousand Shares)	1,185,985	1,185,985	1,185,985	1,185,985
Basic earnings per share	(Baht per share)	0.027	0.027	0.028	0.027

		Consolidated Financial Statements		Separate Financial Statements	
		For the six-month periods		For the six-month periods	
		ended June 30,		ended June 30,	
		2014	2013	2014	2013
Profit for the period	(Thousand Baht)	38,068	47,256	38,860	48,397
Weighted average number of ordinary shares	(Thousand Shares)	1,185,985	1,185,985	1,185,985	1,185,985
Basic earnings per share	(Baht per share)	0.032	0.040	0.033	0.041

22. DEFERRED TAX ASSETS AND DEFERRED TAX LIABILITIES

22.1 Changes in deferred tax assets and deferred tax liabilities for the six-month period ended June 30, 2014 are summarized as follows:

	Thousand Baht			
	Consolidated financial statements			Balance as at June 30, 14
	Balance as at Dec. 31, 13	Revenue (expenses) during the period		
	In profit or loss	In other comprehensive income		
Deferred tax assets:				
Investment in associated company	48	-	-	48
Advance received from customers	532	1,265	-	1,797
Allowance for declining value-clubhouse	460	-	-	460
Provisions for employee benefits	5,645	378	-	6,023
Provisions for compensation for housing estate juristic persons	3,765	260	-	4,025
Total	<u>10,450</u>	<u>1,903</u>	<u>-</u>	<u>12,353</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(10)	(1)	-	(11)
Property development costs and inventories	(8,784)	(196)	-	(8,980)
Total	<u>(8,794)</u>	<u>(197)</u>	<u>-</u>	<u>(8,991)</u>

“UNAUDITED”

“REVIEWED”

- 33 -

	Thousand Baht			
	Separate financial statements			
	Balance as at	Revenue (expenses) during the period		Balance as at
	Dec. 31, 13	In profit or loss	In other comprehensive income	June 30, 14
Deferred tax assets:				
Investment in associated company	48	-	-	48
Advance received from customers	532	1,265	-	1,797
Allowance for declining value-clubhouse	460	-	-	460
Provisions for employee benefits	5,633	371	-	6,004
Provisions for compensation for housing estate juristic persons	3,765	260	-	4,025
Total	<u>10,438</u>	<u>1,896</u>	<u>-</u>	<u>12,334</u>
Deferred tax liabilities:				
Unrealized gain on remeasuring available-for-sale Investments	(10)	(1)	-	(11)
Property development costs and inventories	<u>(8,712)</u>	<u>(196)</u>	<u>-</u>	<u>(8,908)</u>
Total	<u>(8,722)</u>	<u>(197)</u>	<u>-</u>	<u>(8,919)</u>

22.2 Tax expense (income)

22.2.1 Major components of tax expense (income)

For the six-month periods ended June 30, 2014 and 2013 consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the period	11,674	18,604	11,674	18,442
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	<u>(1,706)</u>	<u>(6,063)</u>	<u>(1,699)</u>	<u>(6,057)</u>
Total	<u>9,968</u>	<u>12,541</u>	<u>9,975</u>	<u>12,385</u>

22.2.2 A numerical reconciliation between account expense (income) and the product of accounting profit multiplied by the applicable tax rate

For the six-month periods ended June 30, 2014 and 2013 which are summarized as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Accounting profit (loss) for the period	48,036	59,797	48,835	60,782
The applicable tax rate (%)	15 - 20%	15 - 23%	20%	20%
Tax expense (income) at the applicable tax rate	9,429	12,310	9,767	12,156
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	539	231	208	229
Total reconciliation items	539	231	208	229
Total tax expense (income)	9,968	12,541	9,975	12,385

22.2.3 A numerical reconciliation between the average effective tax rate and the applicable tax rate

For the six-month periods ended June 30, 2014 and 2013 are summarized as follows:

	Consolidated financial statements			
	2014		2013	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the period	48,036		59,797	
Tax expense (income) at the applicable tax rate	9,429	19.63	12,310	21.00
Reconciliation items	539	1.12	231	(0.03)
Tax expense (income) at the average effective tax rate	9,968	20.75	12,541	20.97

	Separate financial statements			
	2014		2013	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the period	48,835		60,782	
Tax expense (income) at the applicable tax rate	9,767	20.00	12,156	20.00
Reconciliation items	208	0.43	229	0.38
Tax expense (income) at the average effective tax rate	9,975	20.43	12,385	20.38

23. SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

The business operation of the Company and its subsidiaries mainly involve real estate, contractor and property management services, which has main geographical operation in Thailand. Segment performance is considered by revenue and profit in each unit, and is also measured based on the group operating profit or loss, on a basis consistent with used to measure operating profit or loss in the financial statement. The Company and its subsidiaries information for the six-month periods ended June 30, 2014 and 2013 by segments are as follow.

“UNAUDITED”

“REVIEWED”

- 36 -

For the three-month period ended June 30, 2014 (In Thousand Baht)

	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	480,356	-	-	480,356	-	-	480,356
Construction income	-	8,360	-	8,360	(8,360)	-	-
Service income	-	-	1,827	1,827	(755)	-	1,072
Other income	3,013	-	7	3,020	(172)	-	2,848
Total revenues	483,369	8,360	1,834	493,563			484,276
Expenses							
Cost of sales	322,834	-	-	322,834	-	(1)	322,833
Cost of construction	-	7,770	-	7,770	-	(7,770)	-
Cost of service	-	-	923	923	-	-	923
Selling expenses	54,651	-	-	54,651	-	-	54,651
Administrative expenses	42,121	673	896	43,690	-	(774)	42,916
Management benefit expenses	7,662	-	44	7,706	-	-	7,706
Finance cost	14,475	727	7	15,209	-	(153)	15,056
Total expenses	441,743	9,170	1,870	452,783			444,085
Income (loss) by segments	41,626	(810)	(36)	40,780	-	-	40,191
Tax expenses (income)	8,343	(3)	-	8,340			8,340
Profit (loss) for the period	33,283	(807)	(36)	32,440			31,851

“UNAUDITED”

“REVIEWED”

- 37 -

For the three-month period ended June 30, 2013 (In Thousand Baht)

	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	477,412	-	-	477,412	-	-	477,412
Construction income	-	23,762	-	23,762	(14,985)	-	8,777
Service income	-	-	1,597	1,597	(638)	-	959
Other income	2,244	3	18	2,265	(68)	-	2,197
Total revenues	479,656	23,765	1,615	505,036			489,345
Expenses							
Cost of sales	326,967	-	-	326,967	368	-	327,335
Cost of construction	-	22,459	-	22,459	-	(14,641)	7,818
Cost of service	-	-	1,008	1,008	-	-	1,008
Selling expenses	58,595	-	-	58,595	-	-	58,595
Administrative expenses	38,962	633	759	40,354	-	(657)	39,697
Management benefit expenses	7,899	-	40	7,939	-	-	7,939
Finance cost	7,624	240	4	7,868	-	(48)	7,820
Total expenses	440,047	23,332	1,811	465,190			450,212
Income (loss) by segments	39,609	433	(196)	39,846			39,133
Tax expenses (income)	7,068	86	-	7,154	-	-	7,154
Profit (loss) for the period	32,541	347	(196)	32,692			31,979

“UNAUDITED”

“REVIEWED”

- 38 -

	For the six-month period ended June 30, 2014 (In Thousand Baht)						
	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	803,278	-	-	803,278	-	-	803,278
Construction income	-	13,426	-	13,426	(13,426)	-	-
Service income	-	-	3,719	3,719	(1,520)	-	2,199
Other income	4,618	35	34	4,687	(339)	-	4,348
Total revenues	807,896	13,461	3,753	825,110			809,825
Expenses							
Cost of sales	538,641	-	-	538,641	-	(1,364)	537,277
Cost of construction	-	12,904	-	12,904	-	(12,904)	-
Cost of service	-	-	2,010	2,010	-	-	2,010
Selling expenses	94,828	-	-	94,828	-	-	94,828
Administrative expenses	82,873	1,345	1,593	85,811	-	(1,558)	84,253
Management benefit expenses	15,345	-	87	15,432	-	-	15,432
Finance costs	27,374	903	13	28,290	-	(301)	27,989
Total expenses	759,061	15,152	3,703	777,916			761,789
Income (loss) by segments	48,835	(1,691)	50	47,194			48,036
Tax expenses (income)	9,975	(7)	-	9,968	-	-	9,968
Profit (loss) for the period	38,860	(1,684)	50	37,226			38,068
As at June 30, 2014							
Property, plant and equipment	153,211	4,308	128	157,647			157,647

“UNAUDITED”

“REVIEWED”

- 39 -

For the six-month period ended June 30, 2013 (In Thousand Baht)

	Real Estate	Contractor	Property manager services	Total	Elimination		Consolidated
					DR.	CR.	
Revenues							
Sales	840,272	-	-	840,272	-	-	840,272
Construction income	-	40,273	-	40,273	(25,030)	-	15,243
Service income	-	-	3,303	3,303	(1,213)	-	2,090
Other income	4,200	7	46	4,253	(94)	-	4,159
Total revenues	844,472	40,280	3,349	888,101			861,764
Expenses							
Cost of sales	571,664	-	-	571,664	233	-	571,897
Cost of construction	-	38,074	-	38,074	-	(23,960)	14,114
Cost of service	-	-	1,975	1,975	-	-	1,975
Selling expenses	107,063	-	-	107,063	-	-	107,063
Administrative expenses	75,892	1,172	1,734	78,798	-	(1,253)	77,545
Management benefit expenses	15,917	-	81	15,998	-	-	15,998
Finance costs	13,154	266	9	13,429	-	(54)	13,375
Total expenses	783,690	39,512	3,799	827,001			801,967
Income (loss) by segments	60,782	768	(450)	61,100			59,797
Tax expenses (income)	12,385	156	-	12,541	-	-	12,541
Profit (loss) for the period	48,397	612	(450)	48,559			47,256
As at June 30, 2013							
Property, plant and equipment	160,139	5,080	176	165,395			165,395

24. COMMITMENT AND CONTINGENT LIABILITIES

24.1 The Company has entered into lease for the commercial buildings, sale office building, land and other services.

As at June 30, 2014, the Company is obligated to pay the rent and service as follows:

<u>Payable within:</u>	<u>Million Baht</u>
1 year	5.72
More than 1 year to 3 years	3.70

24.2 As at June 30, 2014, the Company and its subsidiaries had contingent liabilities from letters of guarantees issued by three banks to government agency and third parties, are as follows:

	<u>In Thousand Baht</u>	
	<u>Consolidated</u>	<u>Separate</u>
	<u>Financial Statements</u>	<u>Financial Statements</u>
- Guarantee for electricity, water and others	13.17	12.77
- Guarantee fund for maintenance to public utilities	170.69	170.69

24.3 As at June 30, 2014, the Company had contingent liabilities to a bank from the guarantee on the customer’s loan amounting to Baht 0.65 million and gasoline amounting to Baht 0.23 million (see note 9).

24.4 As at June 30, 2014, the Company has contingent liabilities arising from lawsuits as follows:

- (a) A financial institution had filed one civil lawsuits demanding the Company as the loan guarantor to repay the loan with the principal borrowers who were the clients of the Company in the total amount of Baht 0.60 million along with interest at 7.5% per annum to be calculated from the date of the filing of lawsuit until the date of full settlement (Baht 0.31 million calculated up to June 30, 2014). The financial institution above alleged the borrowers for default on payments of the principal and interest under the terms of the loan agreement. Therefore, the Company as on behalf of the loan guarantor was then charged as the 2nd defendant co-borrower.

As at June 30, 2014, the case has ended and the Court has ordered the principal loan and the guarantor to co-payment at the total amount of Baht 0.60 million with the interest rate 7.5 percent per year of the capital amount of Baht 0.50 million. If the holder fails to pay, the Court will order to seize the land and building to the auction for plaintiff. If the money is not enough to pay the debt, the plaintiff has the eligible on compulsory execution against other assets of the 2 defendants. The management has estimated the damage that expected to be demanded for such case until June 30, 2014 in the amount of Baht 0.18 million, which is recorded under caption of other current liabilities. The management has expected that the damage will not more than the amount expected.

25. AUTHORIZATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by Company’s directors on August 14, 2014.