

**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

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**REVIEWED REPORT AND INTERIM FINANCIAL INFORMATION  
FOR THE THREE-MONTH AND SIX-MONTH PERIODS ENDED JUNE 30, 2015**

## **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, 2015 and the related consolidated statements of comprehensive income for the three-month and six-month periods ended June 30, 2015, 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, 2015 and the related statement of comprehensive income for the three-month and six-month periods ended June 30, 2015, 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".

(Mr. Peradate Pongsathiansak)  
Certified Public Accountant  
Registration No. 4752

Dharmniti Auditing Company Limited  
Bangkok, Thailand  
August 13, 2015  
2015/893/0357

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION**

**AS AT JUNE 30, 2015**

		<u>ASSETS</u>			
		In Thousand Baht			
		<u>Consolidated Financial Statements</u>		<u>Separate Financial Statements</u>	
		<u>As at June</u>	<u>As at December</u>	<u>As at June</u>	<u>As at December</u>
Note		<u>30, 2015</u>	<u>31, 2014</u>	<u>30, 2015</u>	<u>31, 2014</u>
<b>CURRENT ASSETS</b>					
	Cash and cash equivalents	16,326	12,021	14,529	8,819
23	Short-term investments	686	682	686	682
5	Trade accounts receivable	42	21	-	-
4	Short-term loan to related parties	-	-	21,500	20,500
6, 16	Inventories	597,916	408,096	593,579	400,880
7, 14, 16	Property development costs	2,938,318	2,647,272	2,937,865	2,649,384
8, 16	Land held for development	1,190,812	1,722,045	1,117,405	1,653,189
4	Other current assets	15,045	28,563	13,752	26,281
	<b>Total current assets</b>	<b>4,759,145</b>	<b>4,818,700</b>	<b>4,699,316</b>	<b>4,759,735</b>
<b>NON-CURRENT ASSETS</b>					
9	Deposit pledged as collateral	9,206	9,109	8,975	8,879
10	Investment in associated company	-	-	-	-
10	Investment in subsidiaries	-	-	11,864	11,864
11	Investment property	228,509	227,773	228,509	227,773
12	Property, plant and equipment	138,591	145,542	135,390	141,686
13	Intangible assets	3,588	4,042	3,588	4,042
22	Deferred tax assets	3,522	-	2,791	-
	Other non-current assets	8,084	7,940	4,471	4,688
	<b>Total non-current assets</b>	<b>391,500</b>	<b>394,406</b>	<b>395,588</b>	<b>398,932</b>
	<b>TOTAL ASSETS</b>	<b>5,150,645</b>	<b>5,213,106</b>	<b>5,094,904</b>	<b>5,158,667</b>

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONT.)**

**AS AT JUNE 30, 2015**

**LIABILITIES AND SHAREHOLDERS' EQUITY**

		In Thousand Baht				
		Consolidated Financial Statements		Separate Financial Statements		
		As at June	As at December	As at June	As at December	
Note		30, 2015	31, 2014	30, 2015	31, 2014	
<b>CURRENT LIABILITIES</b>						
	Bank overdrafts and short-term loans					
	from the financial institutions	14	386,099	247,807	386,099	247,807
	Trade notes payable		87,867	91,777	87,867	91,777
	Trade accounts payable and other payable		141,350	123,061	137,904	121,072
	Trade payable to related parties	4	65,817	62,066	75,910	67,148
	Accrued expenses	4	58,428	71,669	56,064	68,812
	Corporate income tax payable		18,117	5,777	18,117	5,777
	Current portion of liabilities under					
	the finance lease agreement	15	614	593	614	593
	Current portion of long-term loans from					
	the financial institutions	16	794,892	598,924	794,892	598,924
	Short-term loan from related parties	4	-	-	-	-
	Short-term loan from the director	4	340,000	157,000	300,000	117,000
	Advance received from customers		53,978	79,985	53,978	79,985
	Retention from contractors		82,900	76,667	82,299	76,168
	Other current liabilities		20,436	821	20,436	821
	Total current liabilities		<u>2,050,498</u>	<u>1,516,147</u>	<u>2,014,180</u>	<u>1,475,884</u>
<b>NON-CURRENT LIABILITIES</b>						
	Liabilities under the finance lease agreement	15	133	445	133	445
	Long-term loans from the financial institutions	16	570,292	1,206,440	570,292	1,206,440
	Employee benefit obligations	17	32,809	30,602	31,770	29,698
	Provision for compensation for					
	housing estate juristic persons		22,420	21,683	22,420	21,683
	Liabilities from purchasing the real estate project	18	71,576	67,174	67,174	67,174
	Deferred tax liabilities	22	-	140	-	571
	Total non-current liabilities		<u>697,230</u>	<u>1,326,484</u>	<u>691,789</u>	<u>1,326,011</u>
	<b>TOTAL LIABILITIES</b>		<u>2,747,728</u>	<u>2,842,631</u>	<u>2,705,969</u>	<u>2,801,895</u>

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF FINANCIAL POSITION (CONT.)**

**AS AT JUNE 30, 2015**

**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, 2015	31, 2014	30, 2015	31, 2014
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					
of Baht 1.00 each					
		1,185,985	1,185,985	1,185,985	1,185,985
	Premium on share capital	577,530	577,530	577,530	577,530
Retained earnings					
	Appropriated - legal reserve	60,250	60,250	60,250	60,250
19					
	Unappropriated	579,152	546,710	565,170	533,007
Total equity attributable to					
company's shareholders					
		2,402,917	2,370,475	2,388,935	2,356,772
	Other components of equity	-	-	-	-
	Non-controlling interests	-	-	-	-
TOTAL SHAREHOLDER'S EQUITY		2,402,917	2,370,475	2,388,935	2,356,772
TOTAL LIABILITIES AND					
SHAREHOLDER'S EQUITY					
		5,150,645	5,213,106	5,094,904	5,158,667

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

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N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED JUNE 30, 2015

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2015	2014	2015	2014
<b>REVENUES</b>					
	Sales	604,177	480,356	604,177	480,356
	Rental income and service	2,151	1,072	1,068	-
	Other income	2,124	2,848	2,301	3,013
	Total Revenues	608,452	484,276	607,546	483,369
<b>EXPENSES</b>					
	Cost of sales	408,306	322,833	408,306	322,834
	Cost for rent and service	4,973	923	3,979	-
	Selling expenses	63,575	54,651	63,575	54,651
	Administrative expenses	45,759	42,916	45,368	42,121
	Management benefit expenses	7,460	7,706	7,458	7,662
	Finance costs	21,762	15,056	21,180	14,475
	Total Expenses	551,835	444,085	549,866	441,743
	Share of profit from investment in an associated company	-	-	-	-
	Income (loss) before tax expenses	56,617	40,191	57,680	41,626
	Tax expenses (income)	11,824	8,340	11,975	8,343
	Profit (loss) for the period	44,793	31,851	45,705	33,283
<b>Other comprehensive income</b>					
	Items that will not be reclassified to profit or loss	-	-	-	-
	Items that may be reclassified subsequently to profit or loss	-	-	-	-
	Total comprehensive income for the period	44,793	31,851	45,705	33,283
<b>Profit (loss) attributable to</b>					
	Shareholders' equity of the parent company	44,793	31,851	45,705	33,283
	Non-controlling interests	-	-	-	-
	Total comprehensive income attributable to	44,793	31,851	45,705	33,283
<b>Total comprehensive income attributable to</b>					
	Shareholders' equity of the parent company	44,793	31,851	45,705	33,283
	Non-controlling interests	-	-	-	-
	Total comprehensive income attributable to	44,793	31,851	45,705	33,283
<b>BASIC EARNINGS PER SHARE OF</b>					
<b>THE PARENT COMPANY</b>					
21	Profit (loss) for the period (Baht per share)	0.038	0.027	0.039	0.028

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

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N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015

		In Thousand Baht			
		Consolidated Financial Statements		Separate Financial Statements	
Note		2015	2014	2015	2014
<b>REVENUES</b>					
	Sales	1,089,718	803,278	1,089,718	803,278
	Rental income and service	3,548	2,199	1,353	-
	Other income	3,968	4,348	4,243	4,618
	<b>Total Revenues</b>	<b>1,097,234</b>	<b>809,825</b>	<b>1,095,314</b>	<b>807,896</b>
<b>EXPENSES</b>					
	Cost of sales	727,150	537,277	729,260	538,641
	Cost of for rent and service	9,440	2,010	7,431	-
	Selling expenses	119,525	94,828	119,525	94,828
	Administrative expenses	86,228	84,253	85,392	82,873
	Management benefit expenses	15,014	15,432	14,966	15,345
	Finance costs	43,897	27,989	42,739	27,374
	<b>Total Expenses</b>	<b>1,001,254</b>	<b>761,789</b>	<b>999,313</b>	<b>759,061</b>
	Share of profit from investment in an associated company	-	-	-	-
	Income (loss) before tax expenses	95,980	48,036	96,001	48,835
	Tax expenses (income)	19,657	9,968	19,957	9,975
	Profit (loss) for the period	76,323	38,068	76,044	38,860
<b>Other comprehensive income</b>					
	Items that will not be reclassified to profit or loss	-	-	-	-
	Items that may be reclassified subsequently to profit or loss	-	-	-	-
	<b>Total comprehensive income for the period</b>	<b>76,323</b>	<b>38,068</b>	<b>76,044</b>	<b>38,860</b>
<b>Profit (loss) attributable to</b>					
	Shareholders' equity of the parent company	76,323	38,068	76,044	38,860
	Non-controlling interests	-	-	-	-
		<b>76,323</b>	<b>38,068</b>	<b>76,044</b>	<b>38,860</b>
<b>Total comprehensive income attributable to</b>					
	Shareholders' equity of the parent company	76,323	38,068	76,044	38,860
	Non-controlling interests	-	-	-	-
		<b>76,323</b>	<b>38,068</b>	<b>76,044</b>	<b>38,860</b>
<b>BASIC EARNINGS PER SHARE OF</b>					
<b>THE PARENT COMPANY</b>					
	Profit (loss) for the period (Baht per share)	0.064	0.032	0.064	0.033

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

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		Other components of equity			
Note				Appropriated legal reserve	Unappropriated				
Balance as at January 1, 2015		1,185,985	577,530	60,250	546,710	-	2,370,475	-	2,370,475
Dividend paid	20	-	-	-	(43,881)	-	(43,881)	-	(43,881)
Total comprehensive income for the period 2015		-	-	-	76,323	-	76,323	-	76,323
Balance as at June 30, 2015		1,185,985	577,530	60,250	579,152	-	2,402,917	-	2,402,917
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

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

In Thousand Baht						
Separate Financial Statements						
Shareholders' equity of the parent company						Total
Note	Share capital issued and paid-up	Premium on share capital	Retained earnings		Other components of equity	
			Appropriated legal reserve	Unappropriated		
Balance as at January 1, 2015	1,185,985	577,530	60,250	533,007	-	2,356,772
Dividend paid	-	-	-	(43,881)	-	(43,881)
Total comprehensive income for the period 2015	-	-	-	76,044	-	76,044
Balance as at June 30, 2015	<u>1,185,985</u>	<u>577,530</u>	<u>60,250</u>	<u>565,170</u>	<u>-</u>	<u>2,388,935</u>
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>

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>				
Profit (loss) for the period	76,323	38,068	76,044	38,860
<u>Add</u> (less) Adjustments to reconcile profit (loss) for the period to net cash provided by (used in) operating activities :				
Depreciation and amortization	13,306	8,422	12,651	7,810
Unrealized gain from trading securities	(4)	(5)	(4)	(5)
Allowance for declining in value of inventories	2,923	-	2,923	-
Loss from disposal and written-off fixed assets	3	5,000	3	4,677
Allowance for declining value of property, plant and equipment	1,089	-	1,089	-
Gain from written-off accounts payable and accrued expenses	(1,214)	(407)	(1,155)	(149)
Provision for compensation for housing estate juristic persons	1,271	1,302	1,271	1,302
Employee benefit expenses	1,693	1,957	1,576	1,851
Interest income	(132)	(32)	(425)	(320)
Interest expenses	43,897	27,989	42,739	27,374
Tax expenses (income)	19,657	9,968	19,957	9,975
Income from operating activities before changes in operating assets and liabilities	158,812	92,262	156,669	91,375
Decrease (increase) in operating assets				
Trade accounts receivable	(21)	24,551	-	-
Inventories	(192,743)	82,720	(195,622)	79,628
Property development costs	274,622	(89,276)	277,186	(88,433)
Land held for development	(1,222)	(87,365)	(1,223)	(18,865)
Deposit from purchase land	-	1,800	-	1,800
Other current assets	13,518	(1,938)	12,842	(1,394)
Other non-current assets	217	(941)	217	(940)

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Increase (decrease) in operating liabilities				
Trade notes payable	(3,910)	(22,377)	(3,910)	(22,377)
Trade accounts payable and other payable	18,336	9,718	16,879	11,686
Trade accounts payable to related parties	3,751	6,742	8,762	3,904
Accrued expenses	(22,219)	(13,033)	(20,644)	(11,653)
Advance received from customers	(26,007)	17,922	(26,007)	17,922
Retention from contractors	6,233	5,400	6,131	5,375
Other current liabilities	19,615	144	19,615	(82)
Cash receivable (paid) from the operations	248,982	26,329	250,895	67,946
Cash received from interest income	132	32	112	308
Withholding taxes refunded from Revenue Department	-	303	-	-
Cash paid for income tax expense	(11,340)	(14,620)	(10,979)	(13,463)
Cash paid for provision for compensation for housing estate juristic persons	(534)	-	(534)	-
Cash paid for liabilities from purchasing the real estate project	(150)	(1,620)	-	(1,620)
Net cash provided by (used in) operating activities	237,090	10,424	239,494	53,171
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>				
Cash paid for short-term loan to related parties	-	-	(1,000)	(1,200)
Increase in deposit pledged as collateral	(97)	(3)	(96)	(2)
Increase in investment property	(5,756)	(23,877)	(5,756)	(23,877)
Proceeds from sales of fixed assets	5	670	5	670
Cash paid for purchase of fixed assets	(1,951)	(6,474)	(1,951)	(6,014)
Cash paid for purchase of intangible assets	(27)	(811)	(27)	(811)
Net cash provided by (used in) investing activities	(7,826)	(30,495)	(8,825)	(31,234)
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>				
Cash paid for liabilities under finance lease agreement	(291)	(311)	(291)	(311)
Increase (decrease) in bank overdrafts and short-term loans				
from the financial institutions	138,292	(11,328)	138,292	(11,328)
Cash paid for short-term loan from related parties	-	-	-	(1,000)
Cash received from short-term loan from the director	183,000	75,000	183,000	35,000
Cash paid for loan from short-term loan from the director	-	(110,000)	-	(110,000)

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

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**N.C. HOUSING PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES**

**STATEMENTS OF CASH FLOWS (CONT.)**

**FOR THE SIX-MONTH PERIOD ENDED JUNE 30, 2015**

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	2015	2014	2015	2014
Cash received from long-term loans	395,722	579,635	395,722	579,635
Cash paid for long-term loans	(835,902)	(417,623)	(835,902)	(417,623)
Interest paid	(61,899)	(55,622)	(61,899)	(55,331)
Dividend paid	(43,881)	(40,321)	(43,881)	(40,321)
Net cash provided by (used in) financing activities	(224,959)	19,430	(224,959)	(21,279)
Net increase (decrease) in cash and cash equivalents	4,305	(641)	5,710	658
Cash and cash equivalents, beginning of period	12,021	30,638	8,819	26,860
Cash and cash equivalents, ending of period	16,326	29,997	14,529	27,518
Supplemental disclosures of cash flows information				
1) Cash and cash equivalents consisted of :-				
Cash on hand	572	672	572	672
Cash at bank	15,754	29,325	13,957	26,846
Total	16,326	29,997	14,529	27,518

2) In periods 2015 and 2014, the Company had transferred land held for development as part of property development costs in value of Baht 537.01 million and Baht 49.00 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.

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, 2015**

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, 2015	As at December 31, 2014	
<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 2014. 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 2014) 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, 2014.

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 New accounting standards

Accounting standards that became effective in the current accounting year

The Company and its subsidiaries has disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for the fiscal years beginning on or after January 1, 2015 in the notes to financial statements for the year ended December 31, 2014.

The management of the Company and its subsidiaries has assessed the effects of the above accounting standards, financial reporting standard, accounting standard interpretations and financial reporting standard interpretations, and believes that they do not have a significant impact on the financial statements.

Accounting standards that will become effective in the future

The Company and its subsidiaries has disclosed the financial reporting standards that will be effective in the future in the notes to financial statements for the year ended December 31, 2014.

The management of the Company and its subsidiaries has assessed the effects of the above financial reporting standard and believes that they are not relevant to the business of the Company and its subsidiaries.

#### 3.3 Significant accounting polices

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 2014.

**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.

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
Mr. Rungsarn Nuntakawong	Thailand	Director
Mrs. Patcharin Tanthathoedtham	Thailand	Director’s relative
Ensure Home Co., Ltd.	Thailand	Associated company at 40%
TPKS Real Estate Co., Ltd.	Thailand	Associated company, indirect holding 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, 2015 and 2014 are summarized as follows.

		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		2015	2014	2015	2014
<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.	-	-	153	154
	Quality Living Management Co., Ltd. At the rate of 3.00% p.a.	-	-	7	-
Construction cost					
	N.C. Property Management Co., Ltd. At per agreement	-	-	10,647	8,360
Management fee					
	Quality Living Management Co., Ltd. Minimum Baht 20,000 per project	-	-	810	755
<u>Related parties</u>					
Other income - office rental					
	Precast station Co., Ltd. Baht 10,000 per month and Baht 20,000 per month	90	30	90	30
Construction cost					
	Precast station Co., Ltd. At per agreement	18,620	10,936	18,620	10,936
Purchase construction materials					
	Sathaporn Wattana Trading Co., Ltd. Market price	15,066	9,784	11,990	6,174
	S.C. Construction And Decoration Co., Ltd. Market price	49	303	4	1
Land rental expense					
	Mrs. Patcharin Tanthathoedtham Baht 55,000 per month	165	165	165	165
Golf club membership					
	Namchai Golf Management Co., Ltd. Market price	268	897	268	897
Rental a golf cart					
	Tanyacart Management Co., Ltd. Market price	3	4	3	4
Interest expenses					
	Mr. Somchao Tanthathoedtham At the rate of 5.75% p.a.	4,512	1,559	3,940	986

		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		2015	2014	2015	2014
<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.	-	-	305	297
Quality Living Management Co., Ltd.	At the rate of 3.00% p.a.	-	-	8	-
Construction cost					
N.C. Property Management Co., Ltd.	At per agreement	-	-	21,265	13,426
Management fee					
Quality Living Management Co., Ltd.	Minimum Baht 20,000 per project	-	-	1,455	1,520
Interest expenses					
Quality living management Co., Ltd.	At the rate of 3.00% p.a.	-	-	-	4
<u>Related parties</u>					
Sales					
Mr.Rungsarn Nuntakawong	Market price	1,329	-	1,329	-
Other income - office rental					
Precast station Co., Ltd.	Baht 10,000 per month and Baht 20,000 per month	180	60	180	60
Construction cost					
Precast station Co., Ltd.	At per agreement	43,020	41,684	43,020	41,684
Purchase construction materials					
Sathaporn Wattana Trading Co., Ltd.	Market price	35,293	21,407	28,564	16,809
S.C. Construction And Decoration Co., Ltd.	Market price	212	449	130	3
Land rental expense					
Mrs. Patcharin Tanthathoedtham	Baht 55,000 per month	330	330	330	330
Golf club membership					
Namchai Golf Management Co., Ltd.	Market price	723	897	723	897
Rental a golf cart					
Tanyacart Management Co., Ltd.	Market price	6	4	6	4
Interest expenses					
Mr. Somchao Tanthathoedtham	At the rate of 5.75% p.a.	7,903	2,919	6,763	2,314

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The significant outstanding balance as at June 30, 2015 and December 31, 2014 are as follow:-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014
Short-term loan to related parties				
- N.C. Property Management Co., Ltd.				
Balance, beginning of period	-	-	20,500	19,300
Addition during the period	-	-	-	1,200
Deduction during the period	-	-	-	-
Balance, ending of period	-	-	20,500	20,500
- Quality Living Management Co., Ltd.				
Balance, beginning of period	-	-	-	-
Addition during the period	-	-	1,000	-
Deduction during the period	-	-	-	-
Balance, ending of period	-	-	1,000	-
	-	-	21,500	20,500
Accrued interest				
- Quality Living Management Co., Ltd.	-	-	8	-
- N.C. Property Management Co., Ltd.	-	-	615	310
	-	-	623	310
Account payable to related parties				
- Quality Living Management Co., Ltd.	-	-	289	374
- N.C. Property Management Co., Ltd.	-	-	16,697	8,493
- S.C. Construction And Decoration Co., Ltd.	193	350	140	324
- Sathaporn Wattana Trading Co., Ltd.	25,752	25,466	18,912	21,707
- Sathaporn Wattana Transport Partnership	4	4	4	4
- Precast station Co., Ltd.	39,660	35,462	39,660	35,462
- Namchai Golf management Co., Ltd.	208	784	208	784
	65,817	62,066	75,910	67,148
Rental fee payable				
- Mrs. Patcharin Tanthathoedtham	330	-	330	-
Short-term loan from related parties				
- Quality Living Management Co., Ltd.				
Balance, beginning of period	-	-	-	1,000
Addition during the period	-	-	-	-
Deduction during the period	-	-	-	(1,000)
Balance, ending of period	-	-	-	-

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	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014
Short-term loan from director				
- Mr. Somchao Tanthathoedtham				
Balance, beginning of period	157,000	75,000	117,000	75,000
Addition during the period	183,000	300,000	183,000	260,000
Deduction during the period	-	(218,000)	-	(218,000)
Balance, ending of period	<u>340,000</u>	<u>157,000</u>	<u>300,000</u>	<u>117,000</u>
Accrued interest				
- Mr. Somchao Tanthathoedtham	<u>10,356</u>	<u>2,453</u>	<u>8,056</u>	<u>1,294</u>

#### COLLATERAL WITH RELATED COMPANIES

As at June 30, 2015, 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, 2015 and 2014.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month periods ended June 30, 2015	For the three-month periods ended June 30, 2014	For the three-month periods ended June 30, 2015	For the three-month periods ended June 30, 2014
<u>Management</u>				
Management benefit expenses				
Short-term employee benefits	7,234	7,498	7,233	7,455
Post-employment benefits	226	208	225	207
Total	<u>7,460</u>	<u>7,706</u>	<u>7,458</u>	<u>7,662</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,	
	2015	2014	2015	2014
<u>Management</u>				
Management benefit expenses				
Short-term employee benefits	14,561	15,015	14,516	14,930
Post-employment benefits	453	417	450	415
Total	<u>15,014</u>	<u>15,432</u>	<u>14,966</u>	<u>15,345</u>

## 5. TRADE ACCOUNTS RECEIVABLE

Trade accounts receivable consist of the following:

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2015	31, 2014	30, 2015	31, 2014
Real Estate				
Receivable from installment	298	298	298	298
Contraction				
Receivable contraction	-	-	-	-
Property manager services				
Management receivable	42	21	-	-
Total	<u>340</u>	<u>319</u>	<u>298</u>	<u>298</u>
<u>Less</u> Allowance for doubtful accounts	<u>(298)</u>	<u>(298)</u>	<u>(298)</u>	<u>(298)</u>
Trade accounts receivable-net	<u>42</u>	<u>21</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, 2015	31, 2014	30, 2015	31, 2014
Not yet due	-	-	-	-
Over 0 month to 3 months	42	21	-	-
Over 3 months to 6 months	-	-	-	-
Over 6 months to 12 months	-	-	-	-
Over 12 months	298	298	298	298
Total	<u>340</u>	<u>319</u>	<u>298</u>	<u>298</u>

## 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, 2015	31, 2014	30, 2015	31, 2014
Cost of houses and condominiums for sales	611,988	416,366	611,988	416,366
Work in construction	4,337	7,216	-	-
Total	616,325	423,582	611,988	416,366
<u>Less</u> allowance for declining value of inventories	(18,409)	(15,486)	(18,409)	(15,486)
Inventories - net	597,916	408,096	593,579	400,880

Changes in the allowance for declining value of inventories during the periods are as follows :-

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2015	31, 2014	30, 2015	31, 2014
	(For the six-month)	(For the year)	(For the six-month)	(For the year)
Beginning balance	15,486	15,486	15,486	15,486
Increase	2,923	-	2,923	-
Decrease	-	-	-	-
Ending balance	18,409	15,486	18,409	15,486

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

	Consolidated Financial Statements / Separate Financial Statements			
	As at June 30, 2015		As at December 31, 2014	
	Unit	In Million Baht	Unit	In Million Baht
House and condominiums for sales	400	611.99	171	416.37
House and condominiums for sales - under signed purchase and sale contract	(257)	(281.19)	(49)	(86.62)
House and condominium for sales - balance carry forward not under signed purchase and sale contract	143	330.80	122	329.75

As at June 30, 2015 and December 31, 2014, some inventories of the Company in the amount of Baht 590.61 million and Baht 394.99 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, 2015	31, 2014	30, 2015	31, 2014
Land and land development costs	3,402,015	3,432,493	3,402,015	3,432,493
Utilities development costs	858,091	951,953	858,091	951,953
Construction in progress	4,407,225	4,938,448	4,406,772	4,940,560
Interest capitalization	358,332	416,949	358,332	416,949
Total	9,025,663	9,739,843	9,025,210	9,741,955
<u>Less</u> transfer to inventory	(611,988)	(416,366)	(611,988)	(416,366)
transfer to accumulated cost of sale	(5,475,357)	(6,484,201)	(5,475,357)	(6,484,201)
transfer to investment property	-	(192,004)	-	(192,004)
Property development costs	2,938,318	2,647,272	2,937,865	2,649,384
<u>Less</u> allowance for declining value of				
property development costs	-	-	-	-
Property development costs - net	2,938,318	2,647,272	2,937,865	2,649,384

As at June 30, 2015 and December 31, 2014, most of Company’s land and construction in the projects are mortgaged as collateral against credit facilities for loans with local commercial bank, as discussed in Note 14 and 16.

For the three-month periods ended June 30, 2015 and 2014, the Company recorded the related interest expense amounting approximately to Baht 12.39 million and Baht 15.15 million, respectively, as part of property development costs. The capitalization rate for calculation of interest is 6.45% and 6.50%, respectively, and six-month periods ended June 30, 2015 and 2014, the Company recorded the related interest expense amounting approximately to Baht 28.66 million and Baht 30.61 million, respectively, as part of property development costs. The capitalization rate for calculation of interest is 6.64% and 6.52%, respectively.

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## 7.2 OBLIGATION AND COMMITMENT UNDER REAL ESTATE PROJECTS

	Consolidated Financial Statements / Separate Financial Statements	
	As at June 30, 2015 (For the six-month)	As at December 31, 2014 (For the year)
Number of operating projects, beginning of period	22	21
Number of closing projects	-	3
Number of newly open projects	2	4
Number of operating projects, ending of period	24	22
Total current projects value	12,027.33	14,868.85
Contracted sales value (In million Baht)	8,719.22	10,836.42
As percentage of total current projects value	72.50	72.88

As at June 30, 2015 and December 31, 2014, the Company has the obligation to complete the public utility development project for operating projects in the amount of Baht 230.63 million and Baht 278.69 million, respectively.

## 8. LAND HELD FOR DEVELOPMENT

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014
Beginning balance	1,722,045	1,211,563	1,653,189	1,211,207
Add during the period	5,774	619,040	1,223	550,540
Total	1,727,819	1,830,603	1,654,412	1,761,747
Less - transfer to property development costs	(537,007)	(100,533)	(537,007)	(100,533)
- decrease for reversal of liabilities from purchasing the real estate project (as discussed in note 18)	-	(8,025)	-	(8,025)
Land held for development	1,190,812	1,722,045	1,117,405	1,653,189

As at June 30, 2015 and December 31, 2014, 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, 2015 and December 31, 2014, the Company had fixed deposit amounting to Baht 8.98 million and Baht 8.88 million, respectively, which are pledged as collateral for maintenance to public utilities, customer’s loan and gasoline, as discussed in note 25.

As at June 30, 2015 and December 31, 2014, the subsidiary had fixed deposit amounting to Baht 0.23 million and Baht 0.23 million, respectively, which are pledged as collateral for electricity and water, as discussed in note 25.

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

## 10. INVESTMENTS IN ASSOCIATED COMPANY AND SUBSIDIARIES

	Paid up shares (In Thousand Baht)		Ownership (%)		Amount (In Thousand Baht)		Dividend (In Thousand Baht)	
	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014
<b>AT COST</b>								
<u>Associated company</u>								
Ensure Home Co., Ltd.	2,000	2,000	40	40	240	240	-	-
<u>Less</u> Allowance for loss on impairment 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 loss on impairment 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, which the associate companies have been terminated and closed down and registered liquidation with the Ministry of Commerce on December 26, 2012. 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.

As at June 30, 2015, the two associated companies have been in liquidation process.

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## 11. INVESTMENT PROPERTY

Movements of the investment property in residential building for lease account for the six-month period ended June 30, 2015 are summarized as follows.

	<u>In Thousand Baht</u>
	<u>Consolidated financial statements/ Separate financial statements</u>
<b>At cost</b>	
Balance as at December 31, 2014	227,773
Acquisitions during the period	5,756
Disposals and write-off during the period	-
Balance as at June 30, 2015	<u>233,529</u>
<b>Accumulated depreciation</b>	
Balance as at December 31, 2014	-
Depreciation for the period	(5,020)
Accumulated depreciation on disposals and write-off	-
Balance as at June 30, 2015	<u>(5,020)</u>
<b>Net book value</b>	
Balance as at December 31, 2014	<u>227,773</u>
Balance as at June 30, 2015	<u>228,509</u>

As at June 30, 2015, 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 investment property. The capitalization rate for calculation of interest is 6.25%. And for the six-month period ended June 30, 2014, the Company recorded the related interest expense amounting approximately to Baht 1.57 million, as part of investment property. The capitalization rate for calculation of 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, 2015 are summarized as follows.

	In Thousand Baht	
	Consolidated financial statements	Separate financial statements
<b>At cost</b>		
Balance as at December 31, 2014	333,619	323,202
Acquisitions during the period	1,951	1,951
Disposals and write-off during the period	(33)	(33)
Balance as at June 30, 2015	<u>335,537</u>	<u>325,120</u>
<b>Accumulated depreciation</b>		
Balance as at December 31, 2014	(186,477)	(179,916)
Depreciation for the period	(7,805)	(7,150)
Accumulated depreciation on disposals and write-off	25	25
Balance as at June 30, 2015	<u>(194,257)</u>	<u>(187,041)</u>
<b>Allowance for declining value</b>		
Balance as at December 31, 2014	(1,600)	(1,600)
Allowance for declining value for the period	(1,089)	(1,089)
Balance as at June 30, 2015	<u>(2,689)</u>	<u>(2,689)</u>
<b>Net book value</b>		
Balance as at December 31, 2014	<u>145,542</u>	<u>141,686</u>
Balance as at June 30, 2015	<u><u>138,591</u></u>	<u><u>135,390</u></u>

As at June 30, 2015 and December 31, 2014, some part of land and the clubhouse building in the total amount of Baht 100.52 million (net book value amount of Baht 55.54 million and Bath 57.53 million, respectively) are mortgaged as collateral against the overdrafts from a commercial bank in the credit limited amount of Baht 25 million, as discussed in note 14.

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### 13. INTANGIBLE ASSETS

Movements of the intangible assets account for the six-month period ended June 30, 2015 are summarized as follows.

	<u>In Thousand Baht</u>
	<u>Consolidated financial statements/Separate financial statements</u>
<b>At cost</b>	
Balance as at December 31, 2014	7,673
Acquisitions during the period	27
Disposals and write-off during the period	-
Balance as at June 30, 2015	<u>7,700</u>
<b>Accumulated amortization</b>	
Balance as at December 31, 2014	(3,631)
Amortization for the period	(481)
Accumulated amortization on disposals and write-off	-
Balance as at June 30, 2015	<u>(4,112)</u>
<b>Net book value</b>	
Balance as at December 31, 2014	<u>4,042</u>
Balance as at June 30, 2015	<u>3,588</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, 2015</u>	<u>As at December 31, 2014</u>	<u>As at June 30, 2015</u>	<u>As at December 31, 2014</u>
Bank overdrafts from the financial institutions	87,669	41,027	87,669	41,027
Short-term loans from the financial institutions	298,430	206,780	298,430	206,780
Total	<u>386,099</u>	<u>247,807</u>	<u>386,099</u>	<u>247,807</u>

	Credit line (Million Baht)		Rate	Due Date	Guarantee
	As at June 30, 2015	As at December 31, 2014			
<b>Bank Overdraft</b>					
The parent company					
- The first bank	25.00	25.00	MOR per annum	At call	- By the mortgage of the Company's land and the clubhouse building. - 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	15.00	MOR less 0.50% per annum	At call	- By the mortgage of the director's relatives land.
- The fourth bank	5.00	-	MOR per annum	1 year (revised annually)	- By the mortgage of the project's land.
Total Credit line	65.00	60.00			
<b>Short-term loans</b>					
The parent company					
- The first bank	35.00	35.00	MLR less 0.25% per annum	October 16, 2015	- By the mortgage of the director's land and construction thereon.
- The second bank	10.43	13.78	MLR less 0.50% per annum	August 6, 2015	- By the mortgage of the project's land and construction thereon and construction in the future.
- The third bank	-	38.00	MLR per annum	-	- By the mortgage of the Company's land.
- The fourth bank	120.00	120.00	MLR less 0.25% per annum	July 29, 2015	- By the mortgage of the director's relatives land.
- The fifth bank	133.00	-	MOR per annum	September 15, 2015 and December 11, 2015	- By the mortgage of the project's land and construction thereon and construction in the future.
	298.43	206.78			
Total Credit line	363.43	266.78			

## 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, 2015			As at December 31, 2014		
	Principal	Deferred interest	Payment	Principal	Deferred interest	Payment
Current portion due within one year	614	33	647	593	54	647
Current portion due after one year not over three years	133	2	135	445	14	459
Total	747	35	782	1,038	68	1,106

As at June 30, 2015 and December 31, 2014, the Company has two and two hire-purchase agreements, respectively, with the local leasing company to purchase vehicles in the amount of Baht 2,214,750 and Baht 2,214,750 (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.

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## 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, 2015	As at December 31, 2014	As at June 30, 2015	As at December 31, 2014
Long-term loans from local banks				
The first bank	926,668	1,190,252	926,668	1,190,252
The second bank	438,516	615,112	438,516	615,112
Total	1,365,184	1,805,364	1,365,184	1,805,364
Less Current portion due within one year	(794,892)	(598,924)	(794,892)	(598,924)
Long-term loans from the financial institutions - net	570,292	1,206,440	570,292	1,206,440

Movements in the long-term loans account during the six-month period ended June 30, 2015 are summarized below.

	In Thousand Baht Consolidated financial statements / Separate financial statements
Balance as at 1 January 2015	1,805,364
Less: Repayment during the period	(835,902)
Add: Additional borrowings during the period	395,722
Balance as at June 30, 2015	1,365,184

	Credit line (Million Baht)		Interest rate	Guarantee
	As at June 30, 2015	As at December 31, 2014		
<u>Long-term loans</u>				
Parent company				
<u>The first bank</u>				
- The first credit line	139.47	139.47	MLR less 0.50% per annum	By the mortgage of some of the project's land and construction thereon.
- The second credit line	23.29	17.25	MLR less 0.50% per annum	
- The third credit line	29.23	68.11	MLR less 0.50% per annum	
- The fourth credit line	85.00	254.19	MLR less 0.50% per annum	
- The fifth credit line	118.39	219.05	MLR less 0.50% per annum	
- The sixth credit line	90.23	41.25	MLR less 0.50% per annum	
- The seventh credit line	46.10	46.10	MLR less 0.50% per annum	
- The eighth credit line	80.96	90.83	MLR less 0.50% per annum	
- The ninth credit line	264.00	264.00	MLR less 0.50% per annum	
- The tenth credit line	50.00	50.00	MLR per annum	

	Credit line (Million Baht)		Interest rate	Guarantee
	As at June 30, 2015	As at December 31, 2014		
<u>The second bank</u>				
- The first credit line	12.06	183.82	MLR per annum	By the mortgage of some of the project's land and construction thereon and investment property. And by the land of relatives of director.
- The second credit line	40.28	46.34	MLR plus 0.50% per annum	
- The third credit line	79.93	79.93	MLR plus 0.50% per annum	
- The fourth credit line	103.89	111.61	MLR plus 0.50% per annum	
- The fifth credit line	-	6.72	MLR per annum	
- The sixth credit line	82.25	65.00	MLR per annum	
- The seventh credit line	120.11	121.68	MLR per annum	
	<u>1,365.19</u>	<u>1,805.35</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 (7) 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, 2015 shown as follow :-

##### The statements of financial position

	In Thousand Baht	
	Consolidated Financial Statements	Separate Financial Statements
Employee benefit obligations, beginning of the period	30,602	29,698
Current service costs	1,693	1,576
Interest cost	514	496
Employee benefit obligations, ending of the period	<u>32,809</u>	<u>31,770</u>

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**Expense recognized in the statements of comprehensive income**

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the three-month periods		For the three-month periods	
	ended June 30,		ended June 30,	
	2015	2014	2015	2014
Current service costs	846	758	788	712
Interest on obligation	257	221	248	213
Total	1,103	979	1,036	925
Current service costs				
Cost of service	49	39	-	-
Selling expenses	275	246	275	246
Administrative expenses	296	264	288	258
Management benefit expenses	226	209	225	208
Finance costs	257	221	248	213
Total	1,103	979	1,036	925

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	For the six-month periods		For the six-month periods	
	ended June 30,		ended June 30,	
	2015	2014	2015	2014
Current service costs	1,693	1,515	1,576	1,423
Interest on obligation	514	442	496	428
Total	2,207	1,957	2,072	1,851
Current service costs				
Cost of service	98	77	-	-
Selling expenses	549	492	549	492
Administrative expenses	593	528	577	516
Management benefit expenses	453	418	450	415
Finance costs	514	442	496	428
Total	2,207	1,957	2,072	1,851

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, and its subsidiary 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 March 3, 2014. 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 six-month periods ended June 30, 2015 and December 31, 2014 are summarized below.

	In Thousand Baht			
	Consolidated Financial Statements		Separate Financial Statements	
	As at June	As at December	As at June	As at December
	30, 2015	31, 2014	30, 2015	31, 2014
	(For the six-month)	(For the year)	(For the six-month)	(For the year)
Beginning balance	67,174	80,719	67,174	80,719
<u>Add</u> increase during the period	4,552	-	-	-
<u>Less</u> decrease (reversal) during the period	(150)	(13,545)	-	(13,545)
Liabilities from purchasing the real estate project	<u>71,576</u>	<u>67,174</u>	<u>67,174</u>	<u>67,174</u>

As at June 30, 2015, the Company and its subsidiaries had 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 59.48 million.

19. LEGAL RESERVE

In 2014, According to the resolution on the Board of Directors Meeting No. 1/2015 held on February 26, 2015, the Company had appropriated its legal reserve in the amount of Baht 5.90 million of annual net income in 2014, and approval at the Annual General Meeting of the shareholders on April 23, 2015.

20. DIVIDEND

At the ordinary shareholder’s meeting of year 2015 held on April 23, 2015, the shareholders approved a dividend payment for profit for the year of 2014 to all shareholders at Baht 0.037 per share amounting to Baht 43.88 million. The Company paid the dividend on May 11, 2015.

## 21. EARNINGS PER SHARE

Basic earnings 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,	
		2015	2014	2015	2014
Profit for the period	(Thousand Baht)	44,793	31,851	45,705	33,283
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)	0.038	0.027	0.039	0.028

  

		Consolidated Financial Statements		Separate Financial Statements	
		For the six-month periods		For the six-month periods	
		ended June 30,		ended June 30,	
		2015	2014	2015	2014
Profit for the period	(Thousand Baht)	76,323	38,068	76,044	38,860
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)	0.064	0.032	0.064	0.033

## 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, 2015 are summarized as follows:

		Thousand Baht			
		Consolidated financial statements			
		Balance as at	Revenue (expenses) during the period		Balance as at
		Dec. 31, 14	In profit or loss	In other comprehensive income	Jun. 30, 15
Deferred tax assets:					
Investment in associated company		48	-	-	48
Allowance for declining value-clubhouse		320	217	-	537
Provisions for employee benefits		5,967	425	-	6,392
Provisions for compensation for housing estate juristic persons		4,337	147	-	4,484
Total		10,672	789	-	11,461
Deferred tax liabilities:					
Unrealized gain on remeasuring available-for-sale Investments					
		(12)	(1)	-	(13)
Property development costs and inventories		(10,800)	2,874	-	(7,926)
Total		(10,812)	2,873	-	(7,939)
Net		(140)			3,522

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	Thousand Baht				
	Separate financial statements				
	Balance as at	Revenue (expenses) during the period			Balance as at
	Dec. 31, 14	In profit or loss	In other comprehensive income		Jun. 30, 15
Deferred tax assets:					
Investment in associated company	48	-	-	48	
Allowance for declining value-clubhouse	320	217	-	537	
Provisions for employee benefits	5,939	415	-	6,354	
Provisions for compensation for housing estate juristic persons	4,337	147	-	4,484	
Total	10,644	779	-	11,423	
Deferred tax liabilities:					
Unrealized gain on remeasuring available-for-sale Investments	(12)	(1)	-	(13)	
Property development costs and inventories	(11,203)	2,584	-	(8,619)	
Total	(11,215)	2,583	-	(8,632)	
Net	(571)			2,791	

## 22.2 Tax expense (income)

### 22.2.1 Major components of tax expense (income)

For the six-month periods ended June 30, 2015 and 2014 consisted of:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Income tax expense (income) shown in profit or loss :				
Current tax expense:				
Income tax expense for the period	23,319	11,674	23,319	11,674
Deferred tax expense (income):				
Changes in temporary differences relating to the original recognition and reversal	(3,662)	(1,706)	(3,362)	(1,699)
Total	19,657	9,968	19,957	9,975

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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, 2015 and 2014 which are summarized as follows:

	Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Accounting profit (loss) for the period	95,980	48,036	96,001	48,835
The applicable tax rate (%)	15 - 20%	15 - 20%	20%	20%
Tax expense (income) at the applicable tax rate	18,700	9,429	19,200	9,767
Reconciliation items:				
Tax effect of expenses that are not deductible in determining tax profit:				
- Expenses not allowed as expenses in determining taxable profit	957	539	757	208
Total reconciliation items	957	539	757	208
Total tax expense (income)	19,657	9,968	19,957	9,975

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, 2015 and 2014 are summarized as follows:

	Consolidated financial statements			
	2015		2014	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the period	95,980		48,036	
Tax expense (income) at the applicable tax rate	18,700	19.48	9,429	19.63
Reconciliation items	957	1.00	539	1.12
Tax expense (income) at the average effective tax rate	19,657	20.48	9,968	20.75

	Separate financial statements			
	2015		2014	
	Tax amount (Thousand Baht)	Tax rate (%)	Tax amount (Thousand Baht)	Tax rate (%)
Accounting profit (loss) before tax expense for the period	96,001		48,835	
Tax expense (income) at the applicable tax rate	19,200	20.00	9,767	20.00
Reconciliation items	757	0.79	208	0.43
Tax expense (income) at the average effective tax rate	19,957	20.79	9,975	20.43

As at June 30, 2015, its subsidiary has the accumulated tax losses that have not been used from year 2010 at the amount of Baht 3.34 million which its subsidiary does not record such deferred tax assets from losses as there is uncertainty that its subsidiary will have sufficient taxable profits enough to be utilized of deferred tax assets.

### 23. FAIR VALUE OF FINANCIAL INSTRUMENTS

The Company uses the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

#### Fair value hierarchy

Level 1 - Use of quoted prices (unadjusted) in active markets for identical assets or liabilities.

Level 2 - Use of inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (e.g. prices) or indirectly (e.g. derived from prices).

Level 3 - Use of unobservable inputs such as estimates of future cash flows.

As at June 30, 2015, the Company had the following assets and liabilities that were measured at fair value using different levels of inputs as follows :-

	Thousand Baht			
	Consolidated financial statements / Separate financial statements			
	Level 1	Level 2	Level 3	Total
<b>Assets measured at fair value</b>				
Current investments				
- Unit trust	-	564	-	564
Total	-	564	-	564

During the current period, there were no transfers within the fair value hierarchy.

#### Valuation techniques and inputs to level 2

The fair value of investments in unit trusts that not listed on the Stock Exchange of Thailand has been determined by using the net assets value per unit as announced by fund manager.

24. 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, rental and services, 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 three-month and six-month periods ended June 30, 2015 and 2014 by segments are as follow.



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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)	-	-
Rental income and service	-	-	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
Unallocated expense :							
Tax expenses (income)							8,340
Profit (loss) for the period							31,851

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For the six-month period ended June 30, 2015 (In Thousand Baht)

	Real Estate		Rental and services	Contractor	Property manager services	Total	Elimination		Consolidated
	Low - rise segment	High - rise segment					DR.	CR.	
Revenues									
Sales	891,669	198,049	-	-	-	1,089,718	-	-	1,089,718
Construction income	-	-	-	21,265	-	21,265	(21,265)	-	-
Rental income and service	-	-	1,353	-	3,650	5,003	(1,455)	-	3,548
Other income	3,272	971	-	62	14	4,319	(351)	-	3,968
Total revenues	894,941	199,020	1,353	21,327	3,664	1,120,305			1,097,234
Expenses									
Cost of sales	595,455	133,805	-	-	-	729,260	-	(2,110)	727,150
Cost of construction	-	-	-	21,719	-	21,719	-	(21,719)	-
Cost for rent and service	-	-	7,431	-	2,009	9,440	-	-	9,440
Selling expenses	92,390	27,135	-	-	-	119,525	-	-	119,525
Administrative expenses	77,991	6,147	1,254	659	1,670	87,721	-	(1,493)	86,228
Management benefit expenses	14,966	-	-	-	48	15,014	-	-	15,014
Finance cost	36,597	3,096	3,046	1,449	22	44,210	-	(313)	43,897
Total expenses	817,399	170,183	11,731	23,827	3,749	1,026,889			1,001,254
Income (loss) by segments	77,542	28,837	(10,378)	(2,500)	(85)	93,416			95,980
Unallocated expense :									
Tax expenses (income)									19,657
Profit (loss) for the period									76,323
As at June 30, 2015									
Investment property	-	-	228,509	-	-	228,509			228,509
Property, plant and equipment	133,479	1,374	537	3,114	87	138,591			138,591

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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
Unallocated expense :							
Tax expenses (income)							9,968
Profit (loss) for the period							38,068
As at June 30, 2014							
Property, plant and equipment	153,211	4,308	128	157,647			157,647

25. COMMITMENT AND CONTINGENT LIABILITIES

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

As at June 30, 2015, the Company is obligated to pay the rent and service as follows:

<u>Payable within:</u>	<u>Million Baht</u>
1 year	2.47
More than 1 year to 3 years	2.92

25.2 As at June 30, 2015, the Company and its subsidiaries had contingent liabilities from letters of guarantees issued by three banks to government agency and third parties (see note 9), 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	12.06	11.66
- Guarantee fund for maintenance to public utilities	172.41	172.41

25.3 As at June 30, 2015, 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).

26. EVENTS AFTER THE REPORTING PERIOD

According to the resolution on the Board of Directors’ Meeting No. 3/2015 held on July 23, 2015, they authorized the Company to issue treasury securities in the offering to institutional investors or major investors at the amount not over Baht 600 million in order to be used as working capital of the Company.

On August 8, 2015, the Company issued the bill of exchange in the offering to a financial institution amounting to Baht 200 million at the discount interest rate 5.50% per annum which will be due on February 2, 2016.

27. AUTHORIZATION FOR ISSUE OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company’s directors on August 13, 2015.