

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors of Preecha Group Public Company Limited

I have reviewed the consolidated statement of financial position of Preecha Group Public Company Limited and its subsidiaries as at 30 June 2018, and the related consolidated statements of comprehensive income for the three-month and six-month periods then ended, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements and I have also reviewed the separate statement of financial position of Preecha Group Public Company Limited as at 30 June 2018, and the related separate statements of comprehensive income for the three-month and six-month periods then ended, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to the financial statements. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 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 Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

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

Chompoonuch Saetae

Certified Public Accountant

Registration Number 8382

PV Audit Co., Ltd.

Bangkok, 9 August 2018

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT
FOR THE SECOND QUARTER ENDED 30 JUNE 2018

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2018

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 June 2018	31 December 2017	30 June 2018	31 December 2017
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current assets					
	Cash and cash equivalents	80,662	78,431	57,606	67,503
5	Current investments	55,434	55,151	55,434	55,151
4	Other receivables	3,645	1,776	2,189	1,740
6	Cost of property development	248,145	258,207	240,081	244,888
	Other current assets	1,804	1,538	1,590	1,258
	Total current assets	<u>389,690</u>	<u>395,103</u>	<u>356,900</u>	<u>370,540</u>
Non-current assets					
	Restricted bank deposits	955	955	955	955
4, 7	Investments in subsidiaries	-	-	130,093	130,093
	Land held for development	30,000	30,000	30,000	30,000
8	Investment properties	136,249	141,297	133,883	138,821
	Building and equipment	1,903	2,266	1,903	2,266
	Intangible assets	63	80	63	80
	Deferred tax assets	9,263	9,263	9,196	9,196
4	Other non-current assets	6,567	8,124	6,551	8,081
	Total non-current assets	<u>185,000</u>	<u>191,985</u>	<u>312,644</u>	<u>319,492</u>
	Total assets	<u><u>574,690</u></u>	<u><u>587,088</u></u>	<u><u>669,544</u></u>	<u><u>690,032</u></u>

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 JUNE 2018

		Thousands Baht				
		Consolidated financial statements		Separate financial statements		
		30 June 2018	31 December 2017	30 June 2018	31 December 2017	
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"	
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
	Trade and other payables	4	10,938	9,993	12,960	13,758
	Current portion of liabilities	10	10,029	10,243	10,029	10,243
	Short-term loans from related parties	4	-	-	118,017	118,917
	Income tax payable		1,280	257	-	-
	Estimate project cost		1,704	1,965	1,576	1,848
	Provision	13	19,236	19,236	19,236	19,236
	Other current liabilities	4	9,497	7,547	11,716	10,067
	Total current liabilities		52,684	49,241	173,534	174,069
Non-current liabilities						
	Long-term loans from financial institutions	9	27,448	32,426	27,448	32,426
	Employee benefit obligations		1,808	1,721	1,604	1,525
	Other non-current liabilities		2,569	2,514	2,569	2,514
	Total non-current liabilities		31,825	36,661	31,621	36,465
	Total liabilities		84,509	85,902	205,155	210,534
SHAREHOLDERS' EQUITY						
Share capital						
Authorized share capital						
	336,000,000 ordinary shares, Baht 1 par value		336,000	336,000	336,000	336,000
Issued and paid-up share capital						
	336,000,000 ordinary shares, fully paid-up		336,000	336,000	336,000	336,000
	Premium on share capital		88,751	88,751	88,751	88,751
Retained earnings						
	Appropriated - legal reserve		13,287	13,287	13,287	13,287
	Unappropriated		52,143	63,148	26,351	41,460
	Total shareholders' equity		490,181	501,186	464,389	479,498
	Total liabilities and shareholders' equity		574,690	587,088	669,544	690,032

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

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE THREE-MONTH PERIOD ENDED 30 JUNE 2018

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Revenue from sales and services	20,354	5,643	6,404	5,643
Cost of sales and services	(9,592)	(4,383)	(4,271)	(4,383)
Gross profit	10,762	1,260	2,133	1,260
Other income	316	378	430	396
Distribution costs	(1,980)	(1,757)	(967)	(1,757)
Administrative expenses	(10,548)	(10,200)	(9,461)	(9,261)
Finance costs	(518)	(657)	(518)	(657)
Loss before income tax	(1,968)	(10,976)	(8,383)	(10,019)
Tax expense	(1,419)	-	-	-
Loss for the period	(3,387)	(10,976)	(8,383)	(10,019)
Other comprehensive income (loss):	-	-	-	-
Total comprehensive loss	(3,387)	(10,976)	(8,383)	(10,019)
Loss per share				
Basic loss per share (Baht)	(0.01)	(0.03)	(0.02)	(0.03)
Weighted average number of ordinary shares (shares)	336,000,000	336,000,000	336,000,000	336,000,000

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Note		2018	2017	2018	2017
	Revenue from sales and services	34,801	16,628	20,851	16,628
	Cost of sales and services	(20,515)	(12,695)	(15,194)	(12,695)
	Gross profit	14,286	3,933	5,657	3,933
	Other income	668	836	905	859
	Distribution costs	(3,044)	(2,885)	(2,031)	(2,885)
	Administrative expenses	(20,431)	(20,138)	(18,575)	(18,434)
	Finance costs	(1,065)	(1,342)	(1,065)	(1,342)
	Loss before income tax	(9,586)	(19,596)	(15,109)	(17,869)
	Tax expense	(1,419)	-	-	-
	Loss for the period	(11,005)	(19,596)	(15,109)	(17,869)
	Other comprehensive income (loss):	-	-	-	-
	Total comprehensive loss	(11,005)	(19,596)	(15,109)	(17,869)
	Loss per share				
	Basic loss per share (Baht)	(0.03)	(0.06)	(0.04)	(0.05)
	Weighted average number of ordinary shares (shares)	336,000,000	336,000,000	336,000,000	336,000,000

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

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

" Unaudited "

" Reviewed "

	Thousands Baht				
	Consolidated financial statements				
	Share capital issued and paid-up	Premium on share capital	Retained earnings		Total
		Appropriated	Unappropriated		
Balance as at 1 January 2018	336,000	88,751	13,287	63,148	501,186
Changes in shareholders' equity:					
Loss for the period	-	-	-	(11,005)	(11,005)
Ending balance as at 30 June 2018	336,000	88,751	13,287	52,143	490,181
Balance as at 1 January 2017	336,000	88,751	13,287	104,320	542,358
Changes in shareholders' equity:					
Loss for the period	-	-	-	(19,596)	(19,596)
Ending balance as at 30 June 2017	336,000	88,751	13,287	84,724	522,762

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

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
 FOR THE SIX-MONTH PERIOD ENDED 30 JUNE 2018

" Unaudited "

" Reviewed "

	Thousands Baht				
	Separate financial statements				
	Share capital issued and paid-up	Premium on share capital	Retained earnings		Total
		Appropriated	Unappropriated		
Balance as at 1 January 2018	336,000	88,751	13,287	41,460	479,498
Changes in shareholders' equity:					
Loss for the period	-	-	-	(15,109)	(15,109)
Ending balance as at 30 June 2018	336,000	88,751	13,287	26,351	464,389
Balance as at 1 January 2017	336,000	88,751	13,287	83,590	521,628
Changes in shareholders' equity:					
Loss for the period	-	-	-	(17,869)	(17,869)
Ending balance as at 30 June 2017	336,000	88,751	13,287	65,721	503,759

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