

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 September 2018, and the related consolidated statements of comprehensive income for the three-month and nine-month periods then ended, changes in shareholders' equity and cash flows for the nine-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 September 2018, and the related separate statements of comprehensive income for the three-month and nine-month periods then ended, changes in shareholders' equity and cash flows for the nine-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, 8 November 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 THIRD QUARTER ENDED 30 SEPTEMBER 2018

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2018

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		30 September 2018	31 December 2017	30 September 2018	31 December 2017
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current assets					
	Cash and cash equivalents	96,507	78,431	74,899	67,503
5	Current investments	55,607	55,151	55,607	55,151
4	Other receivables	3,911	1,776	2,470	1,740
6	Cost of property development	229,405	258,207	221,341	244,888
	Other current assets	1,707	1,538	1,454	1,258
	Total current assets	<u>387,137</u>	<u>395,103</u>	<u>355,771</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	133,899	141,297	131,589	138,821
	Building and equipment	1,701	2,266	1,700	2,266
	Intangible assets	54	80	54	80
	Deferred tax assets	9,263	9,263	9,196	9,196
4	Other non-current assets	7,101	8,124	7,086	8,081
	Total non-current assets	<u>182,973</u>	<u>191,985</u>	<u>310,673</u>	<u>319,492</u>
	Total assets	<u><u>570,110</u></u>	<u><u>587,088</u></u>	<u><u>666,444</u></u>	<u><u>690,032</u></u>

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 30 SEPTEMBER 2018

Thousands Baht					
Consolidated financial statements					
Separate financial statements					
30 September 2018 31 December 2017 30 September 2018 31 December 2017					
"Unaudited"					
"Unaudited"					
Note	"Reviewed"	"Audited"	"Reviewed"	"Audited"	
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other payables	4	11,501	9,993	14,046	13,758
Current portion of liabilities	10	9,958	10,243	9,958	10,243
Short-term loans from related parties	4	-	-	117,717	118,917
Income tax payable		723	257	-	-
Estimate project cost		1,711	1,965	1,583	1,848
Provision	13	19,236	19,236	19,236	19,236
Other current liabilities	4	10,577	7,547	12,647	10,067
Total current liabilities		<u>53,706</u>	<u>49,241</u>	<u>175,187</u>	<u>174,069</u>
Non-current liabilities					
Long-term loans from financial institutions	9	24,957	32,426	24,957	32,426
Employee benefit obligations		1,852	1,721	1,644	1,525
Other non-current liabilities		3,000	2,514	3,000	2,514
Total non-current liabilities		<u>29,809</u>	<u>36,661</u>	<u>29,601</u>	<u>36,465</u>
Total liabilities		<u>83,515</u>	<u>85,902</u>	<u>204,788</u>	<u>210,534</u>
SHAREHOLDERS' EQUITY					
Share capital					
Authorized share capital					
336,000,000 ordinary shares, Baht 1 par value		<u>336,000</u>	<u>336,000</u>	<u>336,000</u>	<u>336,000</u>
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		48,557	63,148	23,618	41,460
Total shareholders' equity		<u>486,595</u>	<u>501,186</u>	<u>461,656</u>	<u>479,498</u>
Total liabilities and shareholders' equity		<u>570,110</u>	<u>587,088</u>	<u>666,444</u>	<u>690,032</u>

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 SEPTEMBER 2018

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Revenue from sales and services	32,385	24,953	32,385	24,953
Cost of sales and services	(24,306)	(19,248)	(24,306)	(19,248)
Gross profit	8,079	5,705	8,079	5,705
Other income	279	689	440	590
Distribution costs	(1,968)	(1,417)	(1,968)	(1,417)
Administrative expenses	(9,513)	(9,864)	(8,796)	(9,229)
Finance costs	(488)	(630)	(488)	(630)
Loss before income tax	(3,611)	(5,517)	(2,733)	(4,981)
Tax income (expense)	25	(68)	-	(69)
Loss for the period	(3,586)	(5,585)	(2,733)	(5,050)
Other comprehensive income (loss)	-	-	-	-
Total comprehensive loss	(3,586)	(5,585)	(2,733)	(5,050)
Loss per share				
Basic loss per share (Baht)	(0.01)	(0.02)	(0.01)	(0.02)
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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 2018

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Note		2018	2017	2018	2017
	Revenue from sales and services	67,186	41,581	53,236	41,581
	Cost of sales and services	(44,821)	(31,943)	(39,500)	(31,943)
	Gross profit	22,365	9,638	13,736	9,638
	Other income	947	1,525	1,345	1,449
	Distribution costs	(5,012)	(4,302)	(3,999)	(4,302)
	Administrative expenses	(29,944)	(30,002)	(27,371)	(27,663)
	Finance costs	(1,553)	(1,972)	(1,553)	(1,972)
	Loss before income tax	(13,197)	(25,113)	(17,842)	(22,850)
	Tax expense	(1,394)	(68)	-	(69)
	Loss for the period	(14,591)	(25,181)	(17,842)	(22,919)
	Other comprehensive income (loss)	-	-	-	-
	Total comprehensive loss	(14,591)	(25,181)	(17,842)	(22,919)
	Loss per share				
	Basic loss per share (Baht)	(0.04)	(0.07)	(0.05)	(0.07)
	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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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	-	-	-	(14,591)	(14,591)
Ending balance as at 30 September 2018	<u>336,000</u>	<u>88,751</u>	<u>13,287</u>	<u>48,557</u>	<u>486,595</u>
Balance as at 1 January 2017	336,000	88,751	13,287	104,320	542,358
Changes in shareholders' equity:					
Loss for the period	-	-	-	(25,181)	(25,181)
Ending balance as at 30 September 2017	<u>336,000</u>	<u>88,751</u>	<u>13,287</u>	<u>79,139</u>	<u>517,177</u>

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 NINE-MONTH PERIOD ENDED 30 SEPTEMBER 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	-	-	-	(17,842)	(17,842)
Ending balance as at 30 September 2018	336,000	88,751	13,287	23,618	461,656
Balance as at 1 January 2017	336,000	88,751	13,287	83,590	521,628
Changes in shareholders' equity:					
Loss for the period	-	-	-	(22,919)	(22,919)
Ending balance as at 30 September 2017	336,000	88,751	13,287	60,671	498,709

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