

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 31 March 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. I have also reviewed the separate statement of financial position of Preecha Group Public Company Limited as at 31 March 2018, and the separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-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, 10 May 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 FIRST QUARTER ENDED 31 MARCH 2018

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current assets					
	Cash and cash equivalents	78,454	78,431	67,856	67,503
5	Current investments	55,290	55,151	55,290	55,151
4	Other receivables	2,214	1,776	2,217	1,740
6	Cost of property development	252,606	258,207	239,287	244,888
	Other current assets	1,891	1,538	1,619	1,258
	Total current assets	<u>390,455</u>	<u>395,103</u>	<u>366,269</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	138,787	141,297	136,366	138,821
	Building and equipment	2,088	2,266	2,088	2,266
	Intangible assets	72	80	72	80
	Deferred tax assets	9,263	9,263	9,196	9,196
4	Other non-current assets	6,429	8,124	6,387	8,081
	Total non-current assets	<u>187,594</u>	<u>191,985</u>	<u>315,157</u>	<u>319,492</u>
	Total assets	<u><u>578,049</u></u>	<u><u>587,088</u></u>	<u><u>681,426</u></u>	<u><u>690,032</u></u>

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2018

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
		"Reviewed"	"Audited"	"Reviewed"	"Audited"
	Note				
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Trade and other payables	4	10,234	9,993	14,329	13,758
Current portion of liabilities	10	10,137	10,243	10,137	10,243
Short-term loans from related parties	4	-	-	118,517	118,917
Income tax payable		156	257	-	-
Estimate project cost		1,722	1,965	1,642	1,848
Provision	12	19,236	19,236	19,236	19,236
Other current liabilities	4	8,715	7,547	10,712	10,067
Total current liabilities		<u>50,200</u>	<u>49,241</u>	<u>174,573</u>	<u>174,069</u>
Non-current liabilities					
Long-term loans from financial institutions	9	29,937	32,426	29,937	32,426
Employee benefit obligations		1,765	1,721	1,565	1,525
Other non-current liabilities		2,579	2,514	2,579	2,514
Total non-current liabilities		<u>34,281</u>	<u>36,661</u>	<u>34,081</u>	<u>36,465</u>
Total liabilities		<u>84,481</u>	<u>85,902</u>	<u>208,654</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		55,530	63,148	34,734	41,460
Total shareholders' equity		<u>493,568</u>	<u>501,186</u>	<u>472,772</u>	<u>479,498</u>
Total liabilities and shareholders' equity		<u>578,049</u>	<u>587,088</u>	<u>681,426</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 31 MARCH 2018

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Revenue from sales and services		14,447	10,985	14,447	10,985
Cost of sales and services		(10,923)	(8,312)	(10,923)	(8,312)
Gross profit		3,524	2,673	3,524	2,673
Other income	4	352	458	475	463
Distribution costs		(1,064)	(1,128)	(1,064)	(1,128)
Administrative expenses	4	(9,883)	(9,938)	(9,114)	(9,173)
Finance costs		(547)	(685)	(547)	(685)
Loss for the period		(7,618)	(8,620)	(6,726)	(7,850)
Other comprehensive income (loss):		-	-	-	-
Total comprehensive loss		(7,618)	(8,620)	(6,726)	(7,850)
Loss per share					
Basic loss per share (Baht)		(0.02)	(0.03)	(0.02)	(0.02)
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 THREE-MONTH PERIOD ENDED 31 MARCH 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	-	-	-	(7,618)	(7,618)
Ending balance as at 31 March 2018	336,000	88,751	13,287	55,530	493,568
Balance as at 1 January 2017	336,000	88,751	13,287	104,320	542,358
Changes in shareholders' equity:					
Loss for the period	-	-	-	(8,620)	(8,620)
Ending balance as at 31 March 2017	336,000	88,751	13,287	95,700	533,738

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 THREE-MONTH PERIOD ENDED 31 MARCH 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	-	-	-	(6,726)	(6,726)
Ending balance as at 31 March 2018	336,000	88,751	13,287	34,734	472,772
Balance as at 1 January 2017	336,000	88,751	13,287	83,590	521,628
Changes in shareholders' equity:					
Loss for the period	-	-	-	(7,850)	(7,850)
Ending balance as at 31 March 2017	336,000	88,751	13,287	75,740	513,778

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

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities:				
Loss before income tax	(7,618)	(8,620)	(6,726)	(7,850)
Adjustments to reconcile loss before income tax to net cash provided by				
(used in) operating activities				
Depreciation and amortization	2,726	2,720	2,671	2,669
Interest income	(244)	(195)	(241)	(192)
Interest expenses	547	685	547	685
Gain on disposal of assets	-	(90)	-	(90)
Employee benefit obligations	44	49	40	44
Loss from operating activities before changes in operating assets				
and liabilities	(4,545)	(5,451)	(3,709)	(4,734)
Changes in operating assets (increase) decrease				
Trade and other receivables	(438)	193	(477)	177
Cost of property development	5,601	3,508	5,601	3,508
Other current assets	(353)	(331)	(361)	(311)
Other non-current assets	(9)	(19)	(9)	(19)
Changes in operating liabilities increase (decrease)				
Trade and other payables	253	48	583	245
Estimate project cost	(243)	(3,520)	(206)	(3,352)
Other current liabilities	1,168	(86)	645	(258)
Other non-current liabilities	65	312	65	312
Cash generated from (used in) operations	1,499	(5,346)	2,132	(4,432)
Interest received	244	6	241	2
Income tax paid	(336)	(174)	(236)	(174)
Proceed from income tax refund	1,939	-	1,939	-
Net cash provided by (used in) operating activities	3,346	(5,514)	4,076	(4,604)

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

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2018

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities:				
Increase in current investments	(139)	-	(139)	-
Purchases of equipment	(30)	(193)	(30)	(193)
Purchases of intangible assets	-	(48)	-	(48)
Proceeds from sales of assets	-	90	-	90
Net cash used in investing activities	(169)	(151)	(169)	(151)
Cash flows from financing activities:				
Repayments of short-term loans from related parties	-	-	(400)	-
Repayment of loans from financial institutions	(2,485)	(2,483)	(2,485)	(2,483)
Repayment of liability under finance lease	(110)	(105)	(110)	(105)
Interest paid	(559)	(926)	(559)	(926)
Net cash used in financing activities	(3,154)	(3,514)	(3,554)	(3,514)
Net increase (decrease) in cash and cash equivalents	23	(9,179)	353	(8,269)
Cash and cash equivalents at the beginning of period	78,431	79,286	67,503	73,025
Cash and cash equivalents at the end of period	78,454	70,107	67,856	64,756