

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

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 2019, 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 and I have also reviewed the separate statement of financial position of Preecha Group Public Company Limited as at 31 March 2019, and the related 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, 9 May 2019

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
INTERIM FINANCIAL STATEMENTS AND
INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION
FOR THE FIRST QUARTER ENDED 31 MARCH 2019

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2019

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current assets					
	Cash and cash equivalents	54,212	54,880	43,170	43,463
	Current investments	95,884	95,636	95,884	95,636
4	Other receivables	3,508	5,443	2,113	4,017
5	Cost of property development	210,953	218,849	202,889	210,785
	Other current assets	3,740	1,422	3,554	1,222
	Total current assets	<u>368,297</u>	<u>376,230</u>	<u>347,610</u>	<u>355,123</u>
Non-current assets					
	Restricted bank deposits	955	955	955	955
4, 6	Investments in subsidiaries	-	-	128,423	128,423
	Land held for development	30,000	30,000	30,000	30,000
7	Investment properties	129,808	132,371	127,605	130,117
	Building and equipment	1,423	1,590	1,423	1,590
	Intangible assets	44	53	44	53
	Deferred tax assets	195	195	195	195
4	Other non-current assets	7,691	7,355	7,675	7,339
	Total non-current assets	<u>170,116</u>	<u>172,519</u>	<u>296,320</u>	<u>298,672</u>
	Total assets	<u><u>538,413</u></u>	<u><u>548,749</u></u>	<u><u>643,930</u></u>	<u><u>653,795</u></u>

PREECHA GROUP PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT 31 MARCH 2019

Thousands Baht						
		Consolidated financial statements		Separate financial statements		
		31 March 2019	31 December 2018	31 March 2019	31 December 2018	
		"Unaudited"		"Unaudited"		
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"	
LIABILITIES AND SHAREHOLDERS' EQUITY						
Current liabilities						
	Trade and other payables	4	10,278	11,911	13,224	14,165
	Current portion of liabilities	8	9,965	9,961	9,965	9,961
	Short-term loans from related parties	4	-	-	126,817	127,417
	Income tax payable		732	698	-	-
	Estimate project cost		2,021	1,895	1,893	1,767
	Provision	10	18,883	20,223	18,120	19,460
	Other current liabilities	4	6,042	5,563	7,808	7,484
	Total current liabilities		47,921	50,251	177,827	180,254
Non-current liabilities						
	Long-term loans from financial institutions	8	19,973	22,465	19,973	22,465
	Employee benefit obligations		1,407	1,376	1,017	977
	Other non-current liabilities		2,632	2,849	2,632	2,849
	Total non-current liabilities		24,012	26,690	23,622	26,291
	Total liabilities		71,933	76,941	201,449	206,545
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		28,442	33,770	4,443	9,212
	Total shareholders' equity		466,480	471,808	442,481	447,250
	Total liabilities and shareholders' equity		538,413	548,749	643,930	653,795

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 2019

"Unaudited"

"Reviewed"

		Thousands Baht			
		Consolidated financial statements		Separate financial statements	
Note		2019	2018	2019	2018
	Revenue from sales and services	18,296	14,447	18,296	14,447
	Cost of sales and services	(12,801)	(10,923)	(12,801)	(10,923)
	Gross profit	5,495	3,524	5,495	3,524
	Other income	1,523	352	1,223	475
	Distribution costs	(1,512)	(1,064)	(1,512)	(1,064)
	Administrative expenses	(10,389)	(9,883)	(9,564)	(9,114)
	Finance costs	(411)	(547)	(411)	(547)
	Loss before income tax	(5,294)	(7,618)	(4,769)	(6,726)
	Tax expense	(34)	-	-	-
	Loss for the period	(5,328)	(7,618)	(4,769)	(6,726)
	Other comprehensive income (loss)	-	-	-	-
	Total comprehensive loss	(5,328)	(7,618)	(4,769)	(6,726)
	Loss per share				
	Basic loss per share (Baht)	(0.02)	(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 CHANGES IN SHAREHOLDERS' EQUITY

FOR THE THREE-MONTH PERIOD ENDED 31 MARCH 2019

" Unaudited "

" Reviewed "

Thousands Baht					
Consolidated financial statements					
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
			Appropriated	Unappropriated	
Beginning balance as at 1 January 2019	336,000	88,751	13,287	33,770	471,808
Changes in shareholders' equity:					
Loss for the period	-	-	-	(5,328)	(5,328)
Ending balance as at 31 March 2019	336,000	88,751	13,287	28,442	466,480
Beginning 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

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 2019

" Unaudited "

" Reviewed "

Thousands Baht					
Separate financial statements					
	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total
			Appropriated	Unappropriated	
Beginning balance as at 1 January 2019	336,000	88,751	13,287	9,212	447,250
Changes in shareholders' equity:					
Loss for the period	-	-	-	(4,769)	(4,769)
Ending balance as at 31 March 2019	336,000	88,751	13,287	4,443	442,481
Beginning 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

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 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from operating activities:				
Loss before income tax	(5,294)	(7,618)	(4,769)	(6,726)
Adjustments to reconcile loss before income tax to net cash provided by				
(used in) operating activities				
Bad debt	508	-	492	-
Depreciation and amortization	2,771	2,726	2,720	2,671
Interest income	(310)	(244)	(306)	(241)
Interest expenses	411	547	411	547
Income from written-off liabilities	(1,196)	-	(736)	-
Employee benefit obligations	31	44	40	40
Loss from operating activities before changes in operating assets				
and liabilities	(3,079)	(4,545)	(2,148)	(3,709)
Changes in operating assets (increase) decrease				
Other receivables	1,919	(438)	1,903	(477)
Cost of property development	7,896	5,601	7,896	5,601
Other current assets	(2,810)	(353)	(2,824)	(361)
Other non-current assets	(13)	(9)	(13)	(9)
Changes in operating liabilities increase (decrease)				
Trade and other payables	(289)	253	(56)	583
Estimate project cost	126	(243)	126	(206)
Provisions	(1,340)	-	(1,340)	-
Other current liabilities	479	1,168	324	645
Other non-current liabilities	(217)	65	(217)	65
Cash generated from operations	2,672	1,499	3,651	2,132
Interest received	311	244	307	241
Income tax paid	(323)	(336)	(323)	(236)
Proceeds from income tax refund	-	1,939	-	1,939
Net cash provided by operating activities	2,660	3,346	3,635	4,076

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 2019

"Unaudited"

"Reviewed"

	Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
Cash flows from investing activities:				
Increase in current investments	(248)	(139)	(248)	(139)
Purchases of investment properties	-	(30)	-	(30)
Purchases of equipment	(32)	-	(32)	-
Net cash used in investing activities	(280)	(169)	(280)	(169)
Cash flows from financing activities:				
Repayments of short-term loans from related parties	-	-	(600)	(400)
Repayment of loans from financial institutions	(2,488)	(2,485)	(2,488)	(2,485)
Repayment of liability under finance lease	-	(110)	-	(110)
Interest paid	(560)	(559)	(560)	(559)
Net cash used in financing activities	(3,048)	(3,154)	(3,648)	(3,554)
Net increase (decrease) in cash and cash equivalents	(668)	23	(293)	353
Cash and cash equivalents at the beginning of period	54,880	78,431	43,463	67,503
Cash and cash equivalents at the end of period	54,212	78,454	43,170	67,856