

GREEN RESOURCES PUBLIC COMPANY LIMITED
AND SUBSIDIARIES
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of GREEN RESOURCES PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of GREEN RESOURCES PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2016, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of GREEN RESOURCES PUBLIC COMPANY LIMITED as at December 31, 2016, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Key Audit Matters included Auditing Procedures are as follows:

Presentation of cost of property development project for sale valuation

As stated in notes 12 to financial statements, the Company has property project at the carrying value in the separate financial statements as at December 31, 2016 total amount of Baht 143.75 million (net by provision for impairment amount of Baht 33.12 million) of which this amount is material in the financial statements presented at the lower of cost or net realizable value. Such condominium project has the various units which is located in up-country with long period of no circulation and low amount in sale volume that have been effected from the current economic condition and the financial institution has strictly provided in personal loans (the buyer). The presentation of inventories at the lower of cost or net realizable value must use the substantive judgment and estimation of the Management in measurement. The significant judgment of the Management comprise the determination of selling price, provided discount or sale promotion estimates in order to stimulate sales volume in the future. Such assumptions used by the Management will have the impact on the presentation of inventories valuation and expenses incurred from allowance for devaluation of inventories in the financial statements (if applicable). Accordingly, I have addressed as key audit matter.

The Company led the independent appraiser to appraise such assets and found that net realizable value is lower than cost, therefore, provision for impairment of such assets have been provided.

I have obtained an assurance in respect of the presentation of cost of property development project for sale valuation, included;

- Obtained an understanding of the sale plan and selling price determination policy of the Management and sale promotion policy in order to stimulate sale volume to meet a target as expected by the Management.
- Assessed the significant judgment of the Management related to expected salable price in the future.
- Checked the previous actual selling price of such project to compare with the current selling price.
- Reviewed the appraisal report of assets appraised by the experts of the Management to find out the reason involving assumptions and significant information for supporting the fair value measurement of assets.
- Considered the competence, knowledge and independent of the experts.
- Inquired and obtained an understanding in respect of the source of valuation in appraisal report compared with carrying value of assets.

Allowance for doubtful accounts

The Company has recorded allowance for doubtful accounts total amount of Baht 81 million which consist of deposit purchasing project and land. In determining allowance for doubtful accounts by using various assumptions. Therefore, the Management must make substantive judgment for consideration such assumptions in order to estimate loss possibly incurred when the receivable have defaulted on pay back such deposit. The estimation of allowance for doubtful accounts is significant. It, therefore, may have risk involved allowance for doubtful accounts value.

I have assessed and tested internal control system relating to calculation of allowance for doubtful accounts by enquire the respondent, obtained an understanding and sampling test the control procedures of the Company as designed, and assessed the assumption and methodology used in allowance for doubtful accounts of the Company, by included;

- Obtained an understanding providing allowance for doubtful accounts basis and reviewed the consistency of such basis and found out the reason for providing allowance for doubtful accounts of a specific receivable.
- Analytical review the outstanding period information and movement of trade accounts receivables for indicating the group of receivables who had made delay payment.
- Reviewed the subsequent receipt after the reporting date.
- Considered the legal challenging receivables and breach of related covenants and agreement.
- Send letter to attorney to confirm litigation and responsibility of such receivable and opportunity in receiving payment of such deposit.

Other Matter

The financial statements of GREEN RESOURCES PUBLIC COMPANY LIMITED for the year ended December 31, 2015 were audited by the other auditor whose report dated February 29, 2016, expressed an unqualified opinion on those statements.

Other Information

Management is responsible for the other information. The other information comprises information in the annual report of the Group. The annual report of the Group is expected to be made available to me after that date.

My opinion on the financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the consolidated and separate financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Company Limited



(Mrs. Suvimol Chrityakierne)

C.P.A. Thailand

Registration No. 2982

February 24, 2017

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2016

(Unit : Baht)

Assets	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Current assets					
Cash and cash equivalents	5	222,581,132.76	174,752,499.87	202,289,818.76	160,558,128.81
Current investment	6	100,250,000.00	70,000,000.00	100,000,000.00	70,000,000.00
Trade and other receivables	7	6,699,425.91	9,596,679.57	5,443,363.21	7,203,239.05
Trade and other receivables - related parties	8	0.00	0.00	226,750.00	0.00
Loans and accrued interest income from subsidiaries	9, 22	0.00	0.00	5,022,602.74	0.00
Deposit receivable and project guarantee	10	0.00	35,000,000.00	0.00	35,000,000.00
Share capital payment in advance	11	0.00	117,000,000.00	0.00	117,000,000.00
Costs of property development projects	12	324,153,397.22	162,891,537.38	143,751,612.42	162,891,537.38
Other current assets		0.00	169,916.00	0.00	169,916.00
Total current assets		653,683,955.89	569,410,632.82	456,734,147.13	552,822,821.24
Non-current assets					
Investment in subsidiaries	13	0.00	0.00	170,113,835.91	19,999,960.00
Long-term investment in other companies	14	35,865,000.00	45,000,000.00	35,865,000.00	45,000,000.00
Pledged bank deposits	15	0.00	100,000,000.00	0.00	100,000,000.00
Property, plant and equipment	16	43,357,227.60	51,535,435.79	43,070,550.72	51,259,035.53
Intangible assets	17	48,093.58	85,838.94	48,093.58	85,838.94
Other non-current assets		1,450,178.54	1,017,490.00	164,650.00	270,185.00
Total non-current assets		80,720,499.72	197,638,764.73	249,262,130.21	216,615,019.47
Total assets		734,404,455.61	767,049,397.55	705,996,277.34	769,437,840.71

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2016

(Unit : Baht)

Liabilities and shareholders' equity	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Current liabilities					
Trade and other payables	18	12,800,914.51	15,442,240.51	9,037,010.92	13,640,064.11
Short-term loans from other persons		5,001,865.81	0.00	0.00	0.00
Advance received under agreement to buy and to sell		7,103,233.50	316,915.00	120,915.00	316,915.00
Current portion of financial lease liabilities	19	312,178.68	1,163,218.79	312,178.68	1,163,218.79
Current portion of long-term loans	20	0.00	5,367,354.02	0.00	5,367,354.02
ภาษีเงินได้นิติบุคคลค้างจ่าย		294,650.68	0.00	0.00	0.00
Total current liabilities		25,512,843.18	22,289,728.32	9,470,104.60	20,487,551.92
Non-current liabilities					
Financial lease liabilities	19	883,805.34	4,809,197.92	883,805.34	4,809,197.92
Long-term loans	20	0.00	42,907,447.29	0.00	42,907,447.29
Employee benefit obligations	21	2,396,942.01	1,273,466.00	2,385,095.00	1,173,902.00
Total non-current liabilities		3,280,747.35	48,990,111.21	3,268,900.34	48,890,547.21
Total liabilities		28,793,590.53	71,279,839.53	12,739,004.94	69,378,099.13

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2016

(Unit : Baht)

Liabilities and shareholders' equity (Cont'd)	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Shareholders' equity					
Share capital					
Authorized share capital					
1,149,760,000 common shares of Baht 1 each		1,149,760,000.00	1,149,760,000.00	1,149,760,000.00	1,149,760,000.00
Issued and paid-up share capital					
715,020,835 common shares of Baht 1 each	23	715,020,835.00	0.00	715,020,835.00	0.00
585,496,058 common shares of Baht 1 each		0.00	585,496,058.00	0.00	585,496,058.00
Premium on share capital		624,225,739.00	624,225,739.00	624,225,739.00	624,225,739.00
Retained earnings (Deficit)					
Appropriated					
Legal reserve		9,833,839.02	9,833,839.02	9,833,839.02	9,833,839.02
Unappropriated		(643,471,732.73)	(522,145,825.54)	(655,823,140.62)	(519,495,894.44)
Total owners of the Company		705,608,680.29	697,409,810.48	693,257,272.40	700,059,741.58
Non-controlling interests		2,184.80	(1,640,252.46)	0.00	0.00
Total shareholders' equity		705,610,865.09	695,769,558.02	693,257,272.40	700,059,741.58
Total liabilities and shareholders' equity		734,404,455.62	767,049,397.55	705,996,277.34	769,437,840.71

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Revenues				
Revenues from sales	427,530,505.00	9,347,000.00	7,301,000.00	9,347,000.00
Other income	12,174,713.88	31,155,769.49	6,877,452.29	31,882,763.97
Total revenues	439,705,218.88	40,502,769.49	14,178,452.29	41,229,763.97
Expenses				
Cost of sales	385,886,797.01	11,904,338.30	6,198,286.44	11,904,338.30
(Reversed) Loss on devaluation of costs of property project	28,873,492.84	4,250,282.98	28,873,492.84	4,250,282.98
Selling expenses	20,809,556.38	10,729,773.72	2,537,999.01	10,297,864.66
Administrative expenses	70,461,031.79	67,888,605.54	58,102,573.99	67,987,484.21
Impairment loss investment-subidiaries	9,135,000.00	0.00	19,021,124.09	0.00
Doubtful accounts	35,183,738.41	58,495,304.71	35,229,479.60	47,630,710.46
Doubtful accounts for loans to subsidiaries	0.00	0.00	0.00	7,462,917.82
Finance costs	4,434,910.42	683,855.30	542,742.50	683,855.30
Total expenses	554,784,526.85	153,952,160.55	150,505,698.47	150,217,453.73
Profit (Loss) before income tax	(115,079,307.97)	(113,449,391.06)	(136,327,246.18)	(108,987,689.76)
Income tax expense	(4,498,790.66)	0.00	0.00	0.00
Profit (Loss) for the period	(119,578,098.63)	(113,449,391.06)	(136,327,246.18)	(108,987,689.76)
Profit (Loss) from discontinued operations	13,386,230.32	0.00	0.00	0.00
Actuarial losses	0.00	(619,285.00)	0.00	(619,285.00)
Total comprehensive income (expense) for the period	(106,191,868.31)	(114,068,676.06)	(136,327,246.18)	(109,606,974.76)
Profit (loss) attributable to:				
Owners of the Company	(119,577,776.50)	(114,054,291.21)	(136,327,246.18)	(109,606,974.76)
Non-controlling interests	(322.13)	(14,384.85)	0.00	0.00
Profit (Loss) from discontinued operations	13,386,230.32	0.00	0.00	0.00
	(106,191,868.31)	(114,068,676.06)	(136,327,246.18)	(109,606,974.76)
Total comprehensive income (expense) attributable to:				
Owners of the Company	(106,191,546.18)	(114,054,291.21)	(136,327,246.18)	(109,606,974.76)
Non-controlling interests	(322.13)	(14,384.85)	0.00	0.00
	(106,191,868.31)	(114,068,676.06)	(136,327,246.18)	(109,606,974.76)
Earnings per share				
Basic earnings (loss) per share	(0.182)	(0.280)	(0.208)	(0.269)
Weighted average number of common shares (unit : share)	656,982,410	407,138,000	656,982,410	407,138,000
Diluted earnings (loss) per share	(0.175)	(0.251)	(0.200)	(0.241)
Weighted average number of common shares (unit : share)	682,906,275	454,433,123	682,906,275	454,433,123

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

Consolidated financial statements

		Shareholders' equity of the Company						
	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Equity owners of the Company	Non-controlling interests	Total shareholders' equity
				Appropriated Legal reserve	Unappropriated			
Beginning balance as at January 1, 2015		398,460,250.00	292,176,875.00	9,833,839.02	(408,091,534.33)	292,379,429.69	(1,625,867.61)	290,753,562.08
Changes in shareholders' equity for the nine-month periods :								
Share capital increase during the period		187,035,808.00	332,048,864.00	0.00	0.00	519,084,672.00	0.00	519,084,672.00
Total comprehensive income (expense) for the period		0.00	0.00	0.00	(114,054,291.21)	(114,054,291.21)	(14,384.85)	(114,068,676.06)
Balance as at December 31, 2015		585,496,058.00	624,225,739.00	9,833,839.02	(522,145,825.54)	697,409,810.48	(1,640,252.46)	695,769,558.02
Beginning balance as at January 1, 2016		585,496,058.00	624,225,739.00	9,833,839.02	(522,145,825.54)	697,409,810.48	(1,640,252.46)	695,769,558.02
Changes in shareholders' equity for the nine-month periods :								
Share capital increase during the period	23	129,524,777.00	0.00	0.00	0.00	129,524,777.00	0.00	129,524,777.00
Total comprehensive income (expense)		0.00	0.00	0.00	(119,577,776.50)	(119,577,776.50)	(322.13)	(119,578,098.63)
Non-controlling interests at acquisition date	30.1	0.00	0.00	0.00	0.00	0.00	1,887.78	1,887.78
Profit (Loss) cancellation segment		0.00	0.00	0.00	(1,748,130.69)	(1,748,130.69)	1,640,871.61	(107,259.08)
Balance as at December 31, 2016		715,020,835.00	624,225,739.00	9,833,839.02	(643,471,732.73)	705,608,680.29	2,184.80	705,610,865.09

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

Separate financial statements

	Note	Issued and paid-up share capital	Premium on share capital	Retained earnings (Deficit)		Total shareholders' equity
				Appropriated	Unappropriated	
				Legal reserve		
Beginning balance as at January 1, 2015		398,460,250.00	292,176,875.00	9,833,839.02	(409,888,919.68)	290,582,044.34
Changes in shareholders' equity						
for the nine-month periods :						
Share capital increase during the period		187,035,808.00	332,048,864.00	0.00	0.00	519,084,672.00
Total comprehensive income (expense)						
for the period		0.00	0.00	0.00	(109,606,974.76)	(109,606,974.76)
Balance as at December 31, 2015		585,496,058.00	624,225,739.00	9,833,839.02	(519,495,894.44)	700,059,741.58
Beginning balance as at January 1, 2016		585,496,058.00	624,225,739.00	9,833,839.02	(519,495,894.44)	700,059,741.58
Changes in shareholders' equity						
for the nine-month periods :						
Share capital increase during the period	23	129,524,777.00	0.00	0.00	0.00	129,524,777.00
Total comprehensive income (expense)						
for the period		0.00	0.00	0.00	(136,327,246.18)	(136,327,246.18)
Balance as at December 31, 2016		715,020,835.00	624,225,739.00	9,833,839.02	(655,823,140.62)	693,257,272.40

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from operating activities				
Profit (Loss) for the period	(115,186,567.05)	(113,449,391.06)	(136,327,246.18)	(108,987,689.76)
Loss on cancellation segment operating	107,259.08	0.00	0.00	0.00
Reconciliation of net profit (loss) to cash provided by (used in) from operating activities				
Doubtful accounts (reversed)	34,747,797.27	50,541,611.54	35,229,479.60	47,630,710.46
Amortixation of bad debt	0.00	(16,177,086.08)	0.00	(16,177,086.08)
Doubtful accounts for loans to subsidiary	0.00	0.00	0.00	7,462,917.82
Impairment of assets	0.00	(331,161.62)	0.00	(331,161.62)
(Reversed) Loss on devaluation of costs of property development projects	28,873,492.84	4,250,282.98	28,873,492.84	4,250,282.98
(Gain) Loss on sales of assets	1,271,504.76	0.00	1,223,177.76	0.00
Unrealized (gain) loss on exchange rate	0.00	(1,140,938.73)	0.00	(1,140,938.73)
Impairment loss investment - subsidiaries	9,135,000.00	0.00	9,886,124.09	0.00
Impairment loss investment - other company	0.00	0.00	9,135,000.00	0.00
Write off assets	1,158,930.42	0.00	0.00	0.00
Write off liabilities	(7,814,011.59)	0.00	0.00	0.00
Depreciation and amortization	3,472,821.56	2,702,869.73	3,229,604.55	2,597,425.71
Employee benefit expenses	1,372,936.01	334,678.00	1,245,193.00	235,114.00
Interest income	(5,322,884.73)	(11,406,412.66)	(5,089,152.32)	(12,374,106.39)
Interest expenses	4,351,867.06	683,855.30	542,742.50	683,855.30
Profit from operating activities before changes in assets and liabilities	(43,831,854.37)	(83,991,692.60)	(52,051,584.16)	(76,150,676.31)
(Increase) Decrease in trade and other receivables	1,795,768.58	20,376,413.27	1,502,985.29	15,777,303.35
(Increase) Decrease in trade and other receivable - related parties	0.00	7,973,717.52	(342,026.19)	4,636,025.83
(Increase) Decrease in deposit receivable and project guarantee	0.00	(35,000,000.00)	0.00	(35,000,000.00)

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
(Increase) Decrease in costs of property development projects	362,793,045.42	(1,299,826.08)	(9,733,567.88)	(1,299,826.08)
(Increase) Decrease in other current assets	169,916.00	1,746,261.48	169,916.00	497,691.85
(Increase) Decrease in other non-current assets	1,208,335.00	162,510.00	5,535.00	162,510.00
(Increase) Decrease in trade and other payables	(20,295,738.37)	439,500.05	(9,603,053.19)	1,134,925.65
Increase (Decrease) in trade accounts payable				
from related parties	0.00	(637,663.55)	0.00	0.00
Increase (Decrease) in advance received agreement under				
to buy and to sell	(42,257,401.00)	(252,000.00)	(196,000.00)	(252,000.00)
Increase (Decrease) in other current liabilities	0.00	3,566,272.00	0.00	2,467,225.09
Employee benefit paid - retirement	(249,460.00)	(32,582.00)	(34,000.00)	0.00
Interest paid	(5,565,655.33)	(670,389.30)	(542,742.50)	(670,389.30)
Income tax paid	(4,364,941.47)	(313,017.06)	(155,061.91)	(133,972.72)
Net cash provided by (used in) operating activities	240,267,014.45	(87,932,496.27)	(70,979,599.54)	(88,831,182.64)
Cash flows from investing activities				
(Increase) Decrease in current investment	(30,250,000.00)	(58,460,883.06)	(30,000,000.00)	(58,460,883.06)
Payments for investment in subsidiary	(36,329,900.16)	0.00	(38,000,000.00)	(19,999,960.00)
Payment for prepaid common shares	0.00	(117,000,000.00)	0.00	(117,000,000.00)
(Increase) Decrease in long-term investment to other company	9,135,000.00	0.00	0.00	0.00
Proceeds from short-term to related parties	0.00	0.00	80,000,000.00	2,100,000.00
Payments for short-term loans to related parties	0.00	0.00	(85,000,000.00)	0.00
Pledged bank deposits	100,000,000.00	(100,000,000.00)	100,000,000.00	(100,000,000.00)
Payments for property, plant and equipment acquisition	(1,032,712.50)	(42,955,485.12)	(856,806.50)	(42,955,485.06)
Payments for intangible assets acquisition	(44,512.00)	(65,585.00)	(44,512.00)	(65,585.00)
Proceeds from sales of assets	4,674,766.36	0.00	4,674,766.36	0.00
Interest income	5,742,473.78	10,818,989.19	5,486,138.63	11,199,865.58
Net cash provided by (used in) investing activities	51,895,115.48	(307,662,963.99)	36,259,586.49	(325,182,047.54)

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash flows from financing activities				
Payments for short-term loan from other persons	(9,026,052.29)	0.00	0.00	0.00
Repayment for financial lease liabilities	(4,798,272.69)	(3,285,583.30)	(4,798,272.69)	(3,285,583.30)
Proceeds from long-term loans	0.00	50,000,000.00	(48,274,801.31)	50,000,000.00
Repayment for long-term loans	(360,033,801.31)	(1,725,198.68)	0.00	(1,725,198.68)
Proceeds from share capital income	129,524,777.00	519,084,672.00	129,524,777.00	519,084,672.00
Net cash provided by (used in) financing activities	(244,333,349.29)	564,073,890.02	76,451,703.00	564,073,890.02
Net increase (decrease) in cash and cash equivalents	47,828,780.64	168,478,429.76	41,731,689.95	150,060,659.84
Cash and cash equivalents at the beginning of the year	174,752,499.87	6,274,070.11	160,558,128.81	10,497,468.97
Cash and cash equivalents at the end of cancellation operating	(147.75)	0.00	0.00	0.00
Cash and cash equivalents at the end of the year	222,581,132.76	174,752,499.87	202,289,818.76	160,558,128.81

Note to financial statements are parts of these financial statements.

GREEN RESOURCES PUBLIC COMPANY LIMITED AND SUBSIDIARIES

CONDENSED NOTES TO FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

1. GENERAL INFORMATION

Registration : The Company was registered as a public company limited on April 17, 2005, registration No. 0107548000587 and changed its name to Green Resources Public Company Limited on January 28, 2016. (Formerly named Asia Corporate Development Public Company Limited).

Head office : 405 Soi 13 Bond Street Road, Bang Pood Subdistrict, Pak Kret District, Nonthaburi.

Type of business : The Company engaged in business of real estate development.

2. FINANCIAL STATEMENTS PREPARATION BASIS

2.1 Financial statements preparation basis

The financial statements have been prepared in conformity with Thai Financial Reporting Standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development by Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and the regulations of the Securities and Exchange Commission regarding the preparation and presentation of financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

2.2 These financial statements are consolidated by including the financial statements of Green Resources Public Company Limited and subsidiaries as below :

Name of Companies	Type of business	Percentage of Shareholding (%)	
		2016	2015
Medalist Vision Company Limited	Dissolntion on December 27, 2016	89.00	89.00
Green Plus Assets Company Limited	Providing service for indoor and outdoor events, concerts and marketing activities	99.99	99.99
ACD Energy Co., Ltd	Initiate and develop projects concerning energy	99.99	99.99
Orin Property Co., Ltd.	Real estate development	99.99	0.00

On January 14, 2016, the shareholders' extraordinary meeting approved the Company to invest in a subsidiary, Orin Property Co., Ltd. in the amount of Baht 160 million in the proportion of 99.99%. Such investments had the value over than carrying value of subsidiaries amount of Baht 18.42 million. Such investments represented as assets acquisition which are not subject to business acquisition since such acquisition did not incurred as business. Therefore, such subsidiary's financial

statements are taken to include in the consolidated financial statements since the controllable date as approved by the shareholders' extraordinary meeting on January 14, 2016. Identifiable assets acquired and liabilities assumed at their acquisition date are recognized at the fair value of each item of assets and liability.

2.2.1 Transaction between the Company and subsidiaries have been eliminated under the equity method and investment in subsidiaries was eliminated with the subsidiaries shareholders' equity in preparing consolidated financial statements.

2.2.2 The consolidated financial statements have been prepared in conformity with the same accounting policy for the accounts and accounting events of the Company and subsidiaries.

2.3 Transaction with related companies

Inter-company transactions have been eliminated in the consolidated financial statements.

2.4 The consolidated financial statements have been presented the consolidated financial position and results of operations of Green Resources Public Company Limited and its subsidiaries. The usefulness of transaction of consolidated financial statements for other purposes may be limited due to the difference business of those consolidated companies.

2.5 Measurement of fair values

A number of the Company and subsidiaries' accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Company and subsidiaries have an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including level 3 fair values, and reports directly to CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuation should be classified.

Significant valuation issues are reported to the Company and subsidiaries Audit Committee.

When measuring the fair value of an asset or a liability, the Company and subsidiaries use market observable data as fair as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows :

- Level 1 : quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : inputs other than quoted prices included in Level 1 that are observable for the asset or liabilities, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 : inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company and subsidiaries recognized transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

2.6 Accounting standards adoption during the year

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee which are effective for the financial statements beginning on or after January 1, 2016 as detailed below:

Accounting Standards

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events After the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Venture

Accounting Standards

TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets
TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Financial Reporting Standards

TFRS 2 (Revised 2015)	Share-Based Payments
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Standing Interpretations Committee

TSIC 10 (Revised 2015)	Government Assistance – No Specific Relation to Operating Activities
TSIC 15 (Revised 2015)	Operating Leases - Incentives
TSIC 25 (Revised 2015)	Income Taxes – Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2015)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2015)	Revenue – Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2015)	Intangible Assets - Web Site Costs

Financial Reporting Interpretations Committee

TFRIC 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmers

Financial Reporting Interpretations Committee

TFRIC 14 (Revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015) <i>Employee Benefits</i>
TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non – cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21	Levies

During the year, the Company has adopted the revised and new financial reporting standards and accounting guidance issued by the Federation of Accounting Professions. From aforementioned adoption, these financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.

2.7 Financial Reporting Standards issued and revised which will be effective in the future

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the financial statements for the periods beginning on or after January 1, 2017 onwards, as follows:

Thai Accounting Standards (“TAS”)

TAS 1 (Revised 2016)	Presentation of Financial Statements
TAS 2 (Revised 2016)	Inventories
TAS 7 (Revised 2016)	Statement of Cash Flows
TAS 8 (Revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2016)	Events after the Reporting Period
TAS 11 (Revised 2016)	Construction Contracts
TAS 12 (Revised 2016)	Income taxes
TAS 16 (Revised 2016)	Property, Plant and Equipment
TAS 17 (Revised 2016)	Leases
TAS 18 (Revised 2016)	Revenue
TAS 19 (Revised 2016)	Employee Benefits
TAS 20 (Revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2016)	Borrowing Costs
TAS 24 (Revised 2016)	Related Party Disclosures
TAS 26 (Revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2016)	Separate Financial Statements
TAS 28 (Revised 2016)	Investment in Associates and Joint Ventures
TAS 29 (Revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (Revised 2016)	Earnings Per Share
TAS 34 (Revised 2016)	Interim Financial Reporting
TAS 36 (Revised 2016)	Impairment of Assets
TAS 37 (Revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2016)	Intangible Assets
TAS 40 (Revised 2016)	Investment Property
TAS 41 (Revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Reporting Standards (“TFRS”)

TFRS 2 (Revised 2016)	Share-based Payment
TFRS 3 (Revised 2016)	Business Combinations
TFRS 4 (Revised 2016)	Insurance Contracts
TFRS 5 (Revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2016)	Operating Segments
TFRS 10 (Revised 2016)	Consolidated Financial Statements
TFRS 11 (Revised 2016)	Joint Arrangements
TFRS 12 (Revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2016)	Fair Value Measurement

Thai Accounting Standard Interpretations (“TSIC”)

TSIC 10 (Revised 2016)	Government Assistance-No Specific Relation to Operating Activities
TSIC 15 (Revised 2016)	Operating Leases-Incentives
TSIC 25 (Revised 2016)	Income Taxes-Changes in the Tax Status of and Enterprise or its Shareholders
TSIC 27 (Revised 2016)	Evaluating the Substance of Transactions in the Legal Form of a Lease
TSIC 29 (Revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2016)	Revenue-Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2016)	Intangible Assets-Web Site Costs

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 1 (Revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (Revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016) <i>Financial Reporting in Hyperinflationary Economies</i>
TFRIC 10 (Revised 2016)	Interim Financial Reporting and Impairment

Thai Financial Reporting Standard Interpretations (“TFRIC”)

TFRIC 12 (Revised 2016)	Service Concession Arrangements
TFRIC 13 (Revised 2016)	Customer Loyalty Programmes
TFRIC 14 (Revised 2016)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction, TAS 19 (Revised 2016) <i>Employee Benefits</i>
TFRIC 15 (Revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (Revised 2016)	Transfers of Assets from Customers
TFRIC 20 (Revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (Revised 2016)	Levies

The Company still has not a plan to adopt such financial reporting standards early application and expected that they will have no material impacts on the financial statements in the year in which they are applied.

3. Summary of Significant Accounting Policies

3.1 Income and expenses recognition

3.1.1 Revenue from sales of property

The Company

Revenue from sales of inventory (condominium and land and house) are recognized as income when the construction is completed and the significant risk and rewards of ownership have been transferred to the buyer that the Company retains neither continuing managerial involvement nor effective control over the inventory sold. The recognized amount and cost incurred in respect of the transaction can be measured reliably. The ownership is completely transferred to the buyers.

3.1.2 Interest income

Interest income is recognized on a time proportion basis by reference to the effective rate of the assets.

3.1.3 Other income and expenses are recognized on accrued basis

3.1.4 Cost of sales of land and house, and condominium residence are calculated on area and selling price basis

3.2 Cash and cash equivalents

Cash and cash equivalents include cash on hand and at banks, and investment in bills of exchange which the maturity is less than 3 months and are not subject to restriction on withdrawal.

3.3 Temporary investment

Investments in bills of exchange issued by the financial institution which the remaining period over 3 months but less than 1 year or held to maturity within 3 months but intended to held in the original type, are stated at cost.

3.4 Trade and other receivables

Trade accounts receivable are stated at the net realisable value. The Company and its subsidiaries provided allowances for doubtful accounts for the estimated losses that may incur in collection of receivables. The allowances are generally based on collection experiences and analysis of debtor aging, and the likelihood of settlement of debt, on specific accounts.

3.5 Cost of property development projects

Cost of property development projects are stated at costs or net realizable value whichever is lower . Costs of property development include land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from related loan interest.

The Company recognizes real estate development cost upon the transfer of title ship to the buyer.

3.6 Inventories

3.6.1 Investment in subsidiaries

Investments in subsidiaries in the separate financial statement of the Company are accounted for using the cost method less impairment loss (if any)

3.6.2 Long-term investment in other company

Marketable equity securities held for trading are classified as current assets and are stated at fair value less provision on impairment (if any)

3.7 Property, building and equipment

Property, building and equipment are stated at cost. Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use. Building and equipment in the statement of financial position is stated at costs less accumulated depreciation and allowance for impairment of assets(if any)

The Company and subsidiaries depreciate building and equipment by the straight-line method over the estimated useful lives of assets based on the segregation of components, if each part is significant with different useful lives. Estimated useful lives of the assets are as follows :

	Years
Building and building improvement	20
Equipment	5
Furniture, fixtures and office equipment	3-5
Electricity and communication systems	5
Vehicles	5

Expenditures for expansion, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expense when incurred.

3.8 Intangible Assets

Intangible assets with finite lives are amortized on a systematic basis on a straight-line method over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired.

A summary of the intangible assets with finite useful lives is as follows :

	Years
Computer program	3

3.9 Cost of property development for sale

Cost of property development for sale consists of cost of land, land improvement, design fees, public utilities, construction and direct related interest and expense cost.

In determining the cost of residential condominium unit sold, the anticipated total development costs (taking into account actual costs incurred to date) are attributed to land and houses sold and residential condominium units sold on the basis of the salable area.

Selling expenses directly associated with projects, such as specific business tax and transfer fee are recognized when sale incurred.

3.10 Impairment of assets

The Company and its subsidiaries regularly assess the possible impairment of assets. If any such indication exists, the Company and its subsidiaries make an estimate of the asset recoverable amount. Where the carrying amount of the asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. Impairment losses are recognized in the statement of profit or loss and other comprehensive income. An asset recoverable amount is the higher of fair value less costs to sell and value in use.

3.11 Leases-where the Company and subsidiaries are the lessee

Leases of equipment where the Company and subsidiaries assumes substantially all the benefits and risks of ownership are classified as finance leases. Finance leases are capitalized at the fair value of leases of assets or estimated present value of the underlying lease payments whichever is lower. Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the outstanding lease payment. Lease payments, net of financial charges, are recognized as liabilities under financial lease agreements. The interest expense is charged to statement of profit or loss and other comprehensive income over the lease period. Assets acquired under finance lease agreements are depreciated over the useful lives of the assets. Leases of asset, under which all the risks and benefits of ownership are effectively retained by the lessor, are classified as operating leases. Payments made under operating leases are charged to statements of profit or loss and other comprehensive income on a straight-line basis over the lease period. When an operating lease is terminated before expiry date of the lease period, any payment required to be made to the lessor by way of penalty is recognized as an expense in the period in which termination takes place.

3.12 Provident fund and employee benefits

3.12.1 Provident fund

The Company has established provident fund under the defined contribution plan. The fund's assets are separated entities which are administered by the outsider fund manager. The Company and employees made contribution into such provident fund. The Company's contribution to the provident fund were recorded as expenses in statements of comprehensive income in the period in which they are incurred.

3.12.2 Employee benefits

Post-employment benefit (defined benefit plan)

The Company and its subsidiaries have obligation in respect of the severance payment they must make to employees upon retirement under the labour law. The Company and subsidiaries treat these severance payment obligation as a defined benefit plan.

The Company and subsidiaries account for the obligation for the post - employment benefits by actuary based on actuarial techniques, using the projected unit credit method.

The Company recognizes this obligation in the statement of financial position based on present value of their obligation at the reporting date together with adjustments for actuarial gains or losses and past service costs. Actuarial gains or losses would be recognized in other comprehensive income.

3.13 Financial instruments

Financial assets shown in statement of financial position comprise of cash and cash equivalent, investment, trade account receivable and loan. Financial liabilities shown in statement of financial position comprise of trade account payable and borrowing. The accounting policy of each item is disclosed in separate items.

3.14 Fair value measurement of financial instruments

Financial assets and financial liabilities measured at fair value in the statement of financial position are grouped into three levels of a fair value hierarchy. The three levels are defined based on the observability of significant inputs to the measurement, as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities
- Level 2: Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly
- Level 3: unobservable inputs for the asset or liability

3.15 Basic earnings per share

Basic earning per share is determined by dividing income(loss) for the year by the weighted average number of common shares outstanding during the year.

3.16 Diluted earnings per share

Diluted earnings per share is calculated by dividing the net income for the year by the number of common shares and the number of equivalent common shares (warrant) by weighted according to the period of time as if there were conversion of common shares at the issued date of issuance of equivalent common shares.

A calculation is done to determine the potential number of shares that could have been acquired at market price (determined as the average share price of the Company's share during the year) based on the outstanding warrants to determine the number of potential common shares to be additionally issued. The potential shares are added to the outstanding common shares but no adjustment is made to statement of profit or loss and other comprehensive income

3.17 Income tax expenses

Income tax expenses for the accounting period comprises current tax and deferred tax.

3.17.1 Current tax

The Company and subsidiaries recorded income tax to be paid in each period as expenses in that period and calculated income tax in conditions as prescribed by the Revenue Code.

3.17.2 Deferred tax

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they adjust, using tax rates enacted or substantively enacted at the reporting date.

Deferred tax liabilities are recognized for all taxable temporary differences. Deferred tax assets are recognized for all deductible temporary differences and carry forward of unused tax losses, to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax losses can be utilized.

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

Deferred tax is recognized directly to shareholders' equity, except to the extent that it relates to items recognized directly in equity.

3.18 Related parties

Related parties comprise enterprises and individuals that control, or are controlled by the Company, whether directly, or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.

3.19 Foreign currencies transactions

Transactions in foreign currencies are translated into Baht at the foreign exchange rate ruling at date of transaction. Balances of monetary assets and liabilities, dominated in foreign currencies, at the reporting date are translated into Thai Baht at the foreign exchange rate ruling at that date. Gain or loss arising from translation is recognized in the statement of profit or loss and other comprehensive income.

3.20 Segment reporting

Segment results that are reported to the Group's executive committee(the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis

3.21 Accounting estimates

Preparation of financial statements in conformity with the Financial Reporting Standards required the management to make several estimation and assumption which affect the reported amounts in the financial statements and notes related thereto. Consequent actual results may differ from these estimates.

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3.22 Provision for liabilities and expenses,and contingent assets

Provision are recognized in the financial statement when the Company and its subsidiaries have legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent asset will be recognized as separate asset only when the realization is virtually certain. The amount recognized should not exceed the amount of the provision

5. CASH AND CASH EQUIVALENTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	54,505.00	43,007.75	45,738.00	37,865.00
Current accounts	446,307.71	68,123.18	10,000.00	476.57
Savings deposit	222,080,320.05	174,641,368.94	202,234,080.76	160,519,787.24
Total	<u>222,581,132.76</u>	<u>174,752,499.87</u>	<u>202,289,818.76</u>	<u>160,558,128.81</u>

6. CURRENT INVESTMENT

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed deposits 5 months	100,250,000.00	70,000,000.00	100,000,000.00	70,000,000.00
(interest 1.50% per annum)				

7. TRADE AND OTHER RECEIVABLES

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
7.1 Trade accounts receivable	2,392,677.15	2,622,526.67	2,392,677.15	2,622,526.67
7.2 Other receivables	4,306,748.76	6,974,152.90	3,050,686.06	4,580,712.38
Total	6,699,425.91	9,596,679.57	5,443,363.21	7,203,239.05

7.1 Trade accounts receivable, consist of

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade accounts receivable	46,256,979.03	46,619,589.83	42,989,067.23	43,218,916.75
Less Allowance for doubtful accounts	(43,864,301.88)	(43,997,063.16)	(40,596,390.08)	(40,596,390.08)
Trade accounts receivable - net	2,392,677.15	2,622,526.67	2,392,677.15	2,622,526.67

As at December 31, 2016 and, 2015, the Company and subsidiaries have outstanding trade accounts receivable separated on aging, counting from the due date as follows :

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Undue	2,392,677.15	2,622,526.67	2,392,677.15	2,622,526.67
Overdue exceed 12 months	43,864,301.88	43,997,063.16	40,596,390.08	40,596,390.08
Total	46,256,979.03	46,619,589.83	42,989,067.23	43,218,916.75

7.2 Other receivables, consist of

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Prepaid expenses	814,523.05	1,492,846.70	787,152.51	1,416,099.37
Prepaid income tax	1,605,297.00	1,532,287.00	1,605,297.00	1,532,287.00
Others	1,886,928.71	3,949,019.20	658,236.55	1,632,326.01
Total	4,306,748.76	6,974,152.90	3,050,686.06	4,580,712.38

8. TRADE AND OTHER RECEIVABLES - RELATED PARTIES

(Unit: Baht)

	Separate financial statements	
	2016	2015
Trade accounts receivable	226,750.00	0.00
Other receivables	375,286.08	489,771.73
	602,036.08	489,771.73
Less Allowance for doubtful accounts	(375,286.08)	(489,771.73)
Total	226,750.00	0.00

9. LOANS AND ACCRUED INTEREST INCOME FROM SUBSIDIARIES

(Unit: Baht)

	Separate financial statements	
	2016	2015
Loans	44,350,000.00	52,472,954.10
Accrued interest income	1,785,520.56	3,627,704.19
Total	46,135,520.56	56,100,658.29
Less Allowance for doubtful accounts	(41,112,917.82)	(56,100,658.29)
Loans and accrued interest income from subsidiaries - net	5,022,602.74	0.00

As at December 31, 2016 and 2015, the Company has loan to 3 subsidiaries as details

Loan 1. Loan and accrued interest amount of Baht 41.26 million since the Company has operation on loss and ceased it business.

The Company are provided the allowance for doubtful accounts in full amount and stoped interest bearing

Loan 2. Loan and accrued interest amount of Baht 14.99 million since the Company has operation on loss and ceased it business.

The Company are provided the allowance for doubtful accounts in full amount and stoped interest bearing. Such subsidiary has registered the dissolution on December 27, 2016. At present, is under the liquilidation and no any assets. The Company are recorded the written off bad debt and interest in full amount

Loan 3. Loan and accrued interest amount of Baht 5.02 million which loan in 2016,are charged interest rate at 3-5 % per amount.

10. DEPOSIT RECEIVABLE AND PROJECT GUARANTEE

(Unit: Baht)

	Separate financial statements	
	2016	2015
10.1 Deposit for land acquisition receivable	46,000,000.00	46,000,000.00
10.2 Project study guarantee	35,000,000.00	35,000,000.00
Total	81,000,000.00	81,000,000.00
Less Allowance for doubtful accounts	(81,000,000.00)	(46,000,000.00)
Deposit receivable and project guarantee - net	0.00	35,000,000.00

10.1 Deposit for land acquisition receivable

As at December 31, 2016 and 2015, the Company has deposit receivable amount of Baht 46 million arose from the transfer of right to claim deposit of land to a company which is matured in June 2015. Such company did not settle debt on due and negotiated with the Company for changing the repayment condition to be made by installment with interest as concerned by relevant company. At present, the Company has not yet received the repayment. In 2015, the Company has provided allowance for doubtful accounts in full amount.

10.2 Project study guarantee

On July 29, 2015, the Company entered into covenant with a project owner to study the residence building for rent in Chiang Mai Province. On August 3, 2015, the Company has paid deposit against such project amount of Baht 35 million. The project owner has to return deposit in full amount where the Company intended not to joint investment. According to minutes of Board of directors' meeting held on February 9, 2016, passed the resolution to deny the joint investment in such project and the Company has sued for calling the return of guarantee. As at December 31, 2016, allowance for doubtful accounts is provided in full.

11. SHARE CAPITAL PAYMENT IN ADVANCE

On November 3, 2015, the Company entered into the agreement to buy and to sell share capital of Orin Property Co., Ltd., with a seller. Such company belongs to the condominium project for which is under construction to be completed for sale. The Company made the first installment for this acquisition amount of Baht 117 million from total share value amount of Baht 160 million on November 5, 2015. The acquisition of investment was approved by the extraordinary meeting of shareholders on January 14, 2016, the controllable date. In the first quarter of 2016, the Company has made payment for the remaining and recorded investment in subsidiary in the amount of Baht 160 million.

12. COSTS OF PROPERTY DEVELOPMENT PROJECTS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land and buildings	151,938,667.61	122,466,173.11	118,279,791.61	122,466,173.11
Construction and other costs	205,338,505.43	44,675,647.25	58,595,596.63	44,675,647.25
Total	357,277,173.04	167,141,820.36	176,875,388.24	167,141,820.36
Less Provision for decline in valuation	(33,123,775.82)	(4,250,282.98)	(33,123,775.82)	(4,250,282.98)
Net	324,153,397.22	162,891,537.38	143,751,612.42	162,891,537.38

Movements in cost of project developments for the year ended December 31, 2016 are as follows :

(Unit: Baht)

	Consolidated	Separate
	financial statements	financial statements
Beginning balance	162,891,537.38	162,891,537.38
Increase during the period	22,685,812.09	15,523,914.82
Increase in acquire of investment in subsidiary	552,928,398.10	0.00
Decrease in sales of condominium units during the period	(385,478,857.51)	(5,790,346.94)
Reversed provision for decline in valuation	(28,873,492.84)	(28,873,492.84)
Ending balance	324,153,397.22	143,751,612.42

13. INVESTMENTS IN SUBSIDIARIES

As at December 31, 2016 and 2015, the Company has investments in subsidiaries as follows:

	Paid-up capital		Company's shareholding proportion	
	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Percent	Percent
Medalist Vision Company Limited	0.00	20,000.00	0.00	89.00
Green Plus Assets Company Limited	30,000.00	30,000.00	99.99	99.99
ACD Energy Co., Ltd.	20,000.00	20,000.00	99.99	99.99
Orin Property Co., Ltd.	150,000.00	0.00	99.99	99.99

(Unit: Baht)

	Separate financial statements					
	Cost		Provision for impairment of investment		Net	
	2016	2015	2016	2015	2016	2015
Medalist Vision Company Limited	0.00	17,800,000.00	0.00	(17,800,000.00)	0.00	0.00
Green Plus Assets Company Limited	29,999,960.00	29,999,960.00	(29,999,960.00)	(29,999,960.00)	0.00	0.00
ACD Energy Co., Ltd.	19,999,960.00	19,999,960.00	(9,886,124.09)	0.00	10,113,835.91	19,999,960.00
Orin Property Co., Ltd.	160,000,000.00	0.00	0.00	0.00	160,000,000.00	0.00
	<u>209,999,920.00</u>	<u>67,799,920.00</u>	<u>(39,886,084.09)</u>	<u>(47,799,960.00)</u>	<u>170,113,835.91</u>	<u>19,999,960.00</u>

As at December 31, 2016 and 2015, the Company has the provision for impairment of investment in two subsidiaries since such companies have capital deficiency and temporary ceased their business.

In the first quarter of 2016, the Company has investment in ordinary shares of Orin Property Co., Ltd. as stated in note 11.

14. LONG-TERM INVESTMENTS IN OTHER COMPANIES

As at December 31, 2016 and 2015, investment in other companies consist of investments in the Company's ordinary shares as following :

	Paid-up capital		Company's shareholding proportion	
	2016	2015	2016	2015
	Thousand Baht	Thousand Baht	Percent	Percent
Phuket Peninsula Company Limited	600,000.00	600,000.00	20.00	20.00
Aura Dream Company Limited	500,000.00	500,000.00	9.00	9.00
Medalist Vision Company Limited	17,800.00	0.00	89.00	0.00
				(Unit: Baht)
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of investment :-				
Phuket Peninsula Company Limited	140,000,000.00	138,060,000.00	140,000,000.00	140,000,000.00
Aura Dream Company Limited	45,000,000.00	45,000,000.00	45,000,000.00	45,000,000.00
Medalist Vision Company Limited (equity method) Dissolution	0.00	0.00	17,800,000.00	0.00
Total	185,000,000.00	183,060,000.00	202,800,000.00	185,000,000.00
Less Provision for impairment	(149,135,000.00)	(138,060,000.00)	(166,935,000.00)	(140,000,000.00)
Long-term investments in other companies - net	35,865,000.00	45,000,000.00	35,865,000.00	45,000,000.00

As at December 31, 2016, a subsidiary has registered to dissolution on December 27, 2016. The Company recorded to transfer investment in such subsidiary amount of Baht 17.80 million to be long-term loan to other company which recognized as equity method in the consolidated financial statements

15. PLEDGED BANK DEPOSITS

As at December 31, 2015, the Company used bank deposit amount of Baht 100 million as guarantee overdrafts line and short-term loans from a local bank as stated in note 20. As at December 31,2016, the Company has redeemed such deposits since the loans were fully made repayment

16. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

	Separate financial statements						
	Land	Building and improvement	Furniture, fixture and office equipment	Equipment	Electricity and communication system	Vehicles	Total
Cost :-							
Beginning of 2015	0.00	0.00	1,634,535.04	8,427,791.01	361,959.50	0.00	10,424,285.55
Acquisition	12,000,000.00	28,000,000.00	2,874,058.06	0.00	81,427.00	9,258,000.00	52,213,485.06
As at December 31,2015	12,000,000.00	28,000,000.00	4,508,593.10	8,427,791.01	443,386.50	9,258,000.00	62,637,770.61
Acquisition	0.00	385,630.00	471,176.50	0.00	0.00	0.00	856,806.50
Disposal/Write off	0.00	0.00	(33,656.60)	0.00	0.00	(6,560,000.00)	(6,593,656.60)
As at December 31,2016	12,000,000.00	28,385,630.00	4,946,113.00	8,427,791.01	443,386.50	2,698,000.00	56,900,920.51
Accumulated depreciation :-							
Beginning of 2015	0.00	0.00	(743,223.82)	(8,096,629.39)	(101,348.63)	0.00	(8,941,201.84)
Depreciation for the year	0.00	(571,506.85)	(742,993.69)	(331,084.62)	(83,992.46)	(707,955.62)	(2,437,533.24)
As at December 31,2015	0.00	(571,506.85)	(1,486,217.51)	(8,427,714.01)	(185,341.09)	(707,955.62)	(11,378,735.08)
Depreciation for the year	0.00	(1,400,000.00)	(922,829.46)	0.00	(88,677.30)	(735,840.43)	(3,147,347.19)
Transfer in	0.00		6,058.34	0.00		689,654.14	695,712.48
Disposal/Write off	0.00	(1,971,506.85)	(2,402,988.63)	(8,427,714.01)	(274,018.39)	(754,141.91)	(13,830,369.79)
As at December 31,2016							
Net book value :-	12,000,000.00	26,414,123.15	2,543,124.37	77.00	169,368.11	1,943,858.09	43,070,550.72
As at December 31,2016	12,000,000.00	27,428,493.15	3,022,375.59	77.00	258,045.41	8,550,044.38	51,259,035.53
As at December 31,2015							
Depreciation presented in statement of comprehensive income							3,147,347.19
For the year ended December 31,2016							2,437,533.24
For the year ended December 31,2015							

17. INTANGIBLE ASSETS

	(Unit : Baht)
	<u>Computer software</u>
	Consolidated and Separate financial statements
Cost :	
As at January 1, 2015	115,739,060.00
Acquisition	65,585.00
Transfer in	(84,120.00)
As at December 31, 2015	<u>115,720,525.00</u>
Acquisition	44,512.00
As at December 31, 2016	<u><u>115,765,037.00</u></u>
Accumulate amortization :	
As at January 1, 2015	(96,194,299.05)
Amortization for the year	(159,892.47)
Transfer out / decrease	84,120.00
As at December 31, 2015	<u>(96,270,071.52)</u>
Depreciation for the year	(82,257.36)
As at December 31, 2016	<u><u>(96,352,328.88)</u></u>
Provision on impairment of asset	
As at January 1, 2015	(19,364,614.54)
Acquisition	0.00
As at December 31, 2015	<u>(19,364,614.54)</u>
Acquisition	0.00
As at December 31, 2016	<u><u>(19,364,614.54)</u></u>
Net book value :	
As at December 31, 2016	<u><u>48,093.58</u></u>
As at December 31, 2015	<u><u>85,838.94</u></u>
Amortization presentation statement of comprehensive income	
For the year ended December 31, 2016	82,257.36
For the year ended December 31, 2015	159,892.47

18. TRADE AND OTHER PAYABLES

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade accounts payable	428,733.95	6,114,437.65	428,733.95	5,459,187.37
Other payables				
Accrued expenses	3,118,170.97	4,100,442.20	506,550.92	3,623,767.48
Retention	6,712,997.76	2,652,250.00	5,912,215.00	2,652,250.00
Others	2,541,011.83	2,575,110.66	2,189,511.05	1,904,859.26
Total	12,800,914.51	15,442,240.51	9,037,010.92	13,640,064.11

19. FINANCIAL LEASE LIABILITIES

Details of leased assets under financial lease are as follows :

(Unit: Baht)

	Consolidated and Separate financial statements	
	2016	2015
Vehicles	2,698,000.00	9,258,000.00
Accumulated depreciation	(754,141.92)	(707,955.62)
Net book value	1,943,858.08	8,550,044.38

The minimum amounts to be paid under financial lease are as follows :

(Unit: Baht)

	Consolidated and Separate financial statements	
	2016	2015
Within 1 year	365,820.00	1,546,524.00
Over 1 year less than 3 years	731,640.00	4,639,572.00
Over 3 years	213,395.00	803,747.00
	1,310,855.00	6,989,843.00
Less Future interest of financial lease	(114,870.98)	(1,017,426.29)
Total	1,195,984.02	5,972,416.71

Financial lease liabilities excluding future interest are as follows :

(Unit: Baht)

	Consolidated and Separate financial statements	
	2016	2015
	Financial lease liabilities	1,195,984.02
Less Financial lease liabilities due within 1 year	(312,178.68)	(1,163,218.79)
Financial lease liabilities - net	883,805.34	4,809,197.92

20. LONG-TERM LOANS

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	Long-term loans from banks	0.00	48,274,801.31	0.00
Less Current portion of long-term loans	0.00	(5,367,354.02)	0.00	(5,367,354.02)
Long-term loans - net	0.00	42,907,447.29	0.00	42,907,447.29

As at December 31, 2016 and 2015, the Company and subsidiaries have loans from a local bank with the details following :

The Company

As at December 31, 2015, the Company entered into long-term loans agreement with a local bank dated August 20, 2015 for the credit line amount of Baht 50 million at the interest rate of 2.5%. The principal and interest is repayable on a monthly basis in the amount of Baht 543,000 each through 120 installments within 10 years, commenced in September 2015. The Company has fully paid such loans before maturity and closed credit line in April 2016.

Subsidiary

On February 3, 2014, the Company entered into loans agreement with a local bank for the credit line amount of Baht 312 million at the interest rate at MLR-1% per annum (the first year at MLR-1.25%). The principal repayment is granted for redemption of condominium units in the project for transfer to the buyer at least 75% of selling price of each unit under agreement to buy and to sell which is not less than Baht 40,000 per square metre. Such loans are guaranteed by land and building under construction of the project. In the third quarter of 2016, subsidiary has fully repaid such loans in full and redeemed the collateral.

21. EMPLOYEE BENEFIT OBLIGATIONS

The Company has obligations on payment the post-employment benefits, retirement benefits and pension in accordance with regulation of the Labor Protection Act B.E. 2541. The employee is entitled retirement benefits and other long-term benefits base on right and length of services.

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Changes in provisions which presented				
in statements of financial position				
Employee benefit beginning of the year	1,273,466.00	306,037.00	1,173,902.00	306,037.00
Current costs of service	1,312,209.00	334,678.00	1,188,495.00	235,114.00
Interest costs	60,727.01	13,466.00	56,698.00	13,466.00
Add Changes in provisions of the Actuary	0.00	619,285.00	0.00	619,285.00
Less Decrease from employees resignation	(249,460.00)	0.00	(34,000.00)	0.00
Employee benefit obligations recorded				
in statements of financial position	<u>2,396,942.01</u>	<u>1,273,466.00</u>	<u>2,385,095.00</u>	<u>1,173,902.00</u>

	<u>Parent Company</u>	<u>Subsidiary</u>
Discount rate	2.40% per annum	2.30% per annum
Mortality	according to TMO 2008 male and female tab	
Salary increase rate	5.00% per annum	
Retirement	60 years	
Number of employee (person)	44	2

Sensitivity analysis

Reasonable possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below :

(Unit : Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	0.00	0.00	0.00	0.00
Discount rate				
(Increase rate of 0.50% per annum movement)	(337,720.00)	(24,188.00)	(332,095.00)	(22,096.00)
(Decrease rate of 0.50% per annum movement)	39,387.00	25,299.00	33,607.00	23,141.00
Salary increase rates				
(Increase rate of 0.50% per annum movement)	47,070.00	24,536.00	39,791.00	22,445.00
(Decrease rate of 0.50% per annum movement)	(45,486.00)	(23,710.00)	(38,354.00)	(21,662.00)
Turnover rates				
(Increase rate of 0.50% per annum movement)	(51,978.00)	(27,126.00)	(43,911.00)	(24,809.00)
(Decrease rate of 0.50% per annum movement)	54,170.00	28,270.00	45,904.00	25,895.00

22. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, and expenses of the Company was derived from its related parties. These companies are related to the Company through the co-shareholders and/or co-directors. The financial statements are reflected the effects of these transactions on the basis determined by the normal course of business with related parties at the same rate applicable to other parties.

	<u>Relationship</u>
Medalist Vision Company Limited	Subsidiary and co-director (Dissolution 27/12/16)
Green Plus Assets Company Limited	Subsidiary and co-director
ACD Energy Co., Ltd.	Subsidiary and co-director
Orin Property Co., Ltd.	Subsidiary and co-director

The Company has pricing policy as follows :

<u>Type of transaction</u>	<u>Pricing policy</u>
Rental and service income	As agreed contract
Interest income	Since July 2015, no interest baring and the existing loans charged at 3-5% per annum (loan to Orin Property Co., Ltd.)

Significant transactions with related parties as at December 31, 2016 and 2015, are as follows :

	(Unit: Baht)	
	<u>Separate financial statements</u>	
	2016	2015
Trade accounts receivable		
Orin Property Co., Ltd.	226,750.00	0.00
Total	<u>226,750.00</u>	<u>0.00</u>
Other receivables		
Medalist Vision Company Limited	0.00	160,226.84
Green Plus Assets Company Limited	375,286.08	329,544.89
Orin Property Co., Ltd.	0.00	0.00
Total	<u>375,286.08</u>	<u>489,771.73</u>
Less Allowance for doubtful accounts	<u>(375,286.08)</u>	<u>(489,771.73)</u>
Net	<u>0.00</u>	<u>0.00</u>

(Unit: Baht)

	Separate financial statements			2016
	2015	Increase	Decrease	
Medalist Vision Company Limited				
Loans	13,122,954.10	0.00	(13,122,954.10)	0.00
Accrued interest income	1,864,786.37	0.00	(1,864,786.37)	0.00
Green Plus Assets Company Limited				
Loans	39,350,000.00	0.00	0.00	39,350,000.00
Accrued interest income	1,762,917.82	0.00	0.00	1,762,917.82
Orin Property Co., Ltd.				
Loans	0.00	85,000,000.00	(80,000,000.00)	5,000,000.00
Accrued interest income	0.00	1,162,191.78	(1,139,589.04)	22,602.74
Total	56,100,658.29	86,162,191.78	(96,127,329.51)	46,135,520.56
Allowance for doubtful accounts for loans to a subsidiary and accrued interest income	(56,100,658.29)	0.00	14,987,740.47	(41,112,917.82)
Net	0.00	86,162,191.78	(81,139,589.04)	5,022,602.74

Significant revenues and expenses in statements of comprehensive income for the year ended December 31, 2016 and 2015 are as follows :

(Unit: Baht)

	Separate financial statements	
	2016	2015
Green Plus Assets Company Limited		
Other income - rental	0.00	20,000.00
Interest income	0.00	1,011,500.00
ACD Energy Co., Ltd.		
Other income - rental	240,000.00	200,000.00
Orin Property Co., Ltd.		
Other income - rental	80,000.00	0.00
Service income	1,121,495.32	0.00
Interest income	1,162,191.78	0.00

23. SHARE CAPITAL AND WARRANTS

Share capital

At the Annual General Meeting held on April 30, 2015, the shareholders passed resolutions as follow:

1. To reduce the registered share capital from Baht 1,275,000,000 (1,275,000,000 shares) to Baht 576,300,000 (576,300,000 shares) by reducing unissued registered share capital of 698,700,000 shares, par value at Baht 1.
2. To increase the registered share capital from Baht 576,300,000 to Baht 1,149,760,250 by issuing new 573,460,250 shares, par value at Baht 1 as the follow;
 - 2.1 Allot to existing shareholders for 199,230,125 shares at the ratio of 2 existing common shares to 1 newly issued share at offering price of Baht 3 per share.
 - 2.2 Allot 199,230,125 shares to support exercisable warrants, which have been issued to existing shareholders.
 - 2.3 Allot to specific investors by way of private placement not exceeding 170,000,000 shares at the offering price not lower than 90 percent of the market price.
 - 2.4 Allot 5,000,000 shares to support the right adjustment from the offering price lower than 90 percent of the market price.
3. In the second quarter of 2016, there is exercise of warrants to purchase ordinary shares for 100,542,552 shares by changing the exercise ratio from 1 unit of warrant for 1 ordinary share to 1 unit of warrant for 1.2886 ordinary shares of Baht 1 each, amounting to Baht 129.52 million which was registered with the Department of Business Development on June 13, 2016.

Warrants

Details of unexercise and unexpired of warrants remains as at December 31, 2016 and 2015 consist of

	Unit	
	Separate financial statements	
	2016	2015
Warrants No. 2	0.00	144,428,067
Warrants No. 3 (Private Placement)	0.00	17,100,000
Warrants No. 4	165,974,332	165,974,332
Total	165,974,332	327,502,399

Warrants No. 2, the exercise ratio of 1 unit of warrant can be purchased 1.28826 ordinary shares in the price of Baht 1 each, the last exercise date is on May 31, 2016.

Warrants No. 3, offer to the Private Placement that the exercise ratio of 1 unit of warrant can be purchased 1 ordinary share in the price of Baht 1 each, the exercise period is 3 years from June 7, 2013 to June 7, 2016.

Warrants No. 4, the exercise ratio of 1 unit of warrant can be purchased 1 ordinary shares in the price of Baht 1 each, the exercise period is 3 years from June 19, 2015 to June 19, 2018.

24. BASIC LOSS PER SHARE AND DILUTED LOSS PER SHARE

Loss per share and diluted loss per share for for the year ended December 31, 2016 and 2015 are as follow:

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Loss attributable to ordinary share holders of the Company (basic)	(106,191,546.19)	(114,054,291.21)	(136,327,246.18)	(109,606,974.76)
Weighted average number of ordinary shares (basic)	656,982,410	407,138,000	656,982,410	407,139,000
Basic loss per share	(0.162)	(0.280)	(0.208)	(0.269)

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Loss attributable to ordinary share holders of the Company (diluted which not differ from basic)	(106,191,546.19)	(114,054,291.21)	(136,327,246.18)	(109,606,974.76)
Weighted average number of ordinary shares (basic)	656,982,410	407,138,000	656,982,410	407,139,000
Potential ordinary shares from convertible of warrants	25,923,864.54	47,295,123.03	25,923,864.54	47,295,123.03
Weighted average number of ordinary shares	682,906,274.54	454,433,123.03	682,906,274.54	454,434,123.03
Diluted loss per share	(0.16)	(0.25)	(0.20)	(0.24)

25. PRESENTATION OF FINANCIAL INFORMATION BY SEGMENT

Operating segment information is reported in a manner consistent with the internal reports of the Company and subsidiaries 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 chief operating decision maker of the Company and subsidiaries have been identified as the Company's Managing director.

The segment financial information for the year ended December 31, 2016 and 2015 are as follows :

	Consolidated financial statements				(Unit : Million Baht)	
	<u>Consulting service for marketing</u>		<u>Income from sales of</u>		<u>Total</u>	
	<u>and communication activities</u>		<u>properties development</u>			
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues from sales and services	0.00	0.54	427.53	9.35	427.53	9.88
Cost of sales and services	0.00	(0.30)	(385.89)	(11.90)	(385.89)	(12.20)
Gross profit					41.64	(2.32)
Other income					11.81	30.62
Selling and administrative expenses					(129.00)	(90.82)
Doubtful accounts					(28.87)	(50.54)
Finance costs					(4.35)	(0.68)
Income tax expenses					(4.49)	0.00
Profit (Loss) for the year					(113.26)	(113.74)

	Separate financial statements				(Unit : Million Baht)	
	<u>Income from sales of</u>		<u>Total</u>			
	<u>properties development</u>					
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Revenues from sales and services	7.30	9.35	7.30	9.35		
Cost of sales and services	(35.07)	(11.90)	(35.07)	(11.90)		
Gross profit					(27.77)	(2.56)
Other income					6.88	31.88
Selling and administrative expenses					(79.66)	(82.55)
Doubtful accounts					(35.11)	(47.63)
Doubtful accounts for loans to subsidiaries					(0.12)	(7.46)
Finance costs					(0.54)	(0.67)
Profit (Loss) for the year					(136.32)	(108.99)

As at December 31, 2016 and 2015, the Company has not presented assets by business segment since those assets were commonly used as follow :

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Fixed assets	43.36	51.54	43.07	51.26
Other assets	691.05	715.51	662.93	718.18
Total assets	734.41	767.05	706.00	769.44

26. COMMITMENT AND CONTINGENT LIABILITIES

As at December 31, 2016, the Company is liable on payment under construction agreement, lease assets and other service agreements with the amount of Baht 5.10 million.

27. LITIGATION

As at December 31, 2016, the Company and subsidiaries were sued in the various cases, the significant is as follows :

The Company

As at December 31, 2016 and 2015, the Company was sued by two ex-employees for claiming indemnity from unjustified lay-off in the amount of Baht 4.68 million. The Company has already made payment for lay-off employees in accordance with the Labour law, therefore, the Company has filed to contend the plaint. At present, the case is still pending the Court's trial.

As at December 31, 2016, the Company has sued the counterparty for claiming indemnity against return of guarantee as stated in note 10 and on August 17, 2016, the Company was sued for counterclaim in the amount of Baht 50 million by such counterparty. At present, the prosecution is still pending the Court's trial.

As at December 31, 2016, the Company was sued by existing shareholders of a subsidiary for claiming indemnity against the remaining shares amount of Baht 5 million as the Company has deducth for guarantee of damage or expense for condominium project that the Company has acquisition from purchasing all shares in subsidiary. At present, the Company was sued to contend the plaint amount of Baht 41.33 million. At present, the case is still pending the Court's trial.

Subsidiary

As at December 31, 2016, a subsidiary has sued a company for claiming indemnity from an agent providing the Korean Superstar to show in the concert of which subsidiary has already made some portion of payment in the amount of Baht 1.88 million. Since the political mob issue that the concert could not be performed. Such company filed the counter-claim since it fully conducted in accordance with agreement without breach of agreement and the Korean Superstar cancelled the show caused by the careless concerned. Besides, the counterparty has not returned the money and also claimed the remaining performance expenses for another Baht 1.88 million. The Court of First Instance has judged the subsidiary to make payment, thus, the subsidiary provide the additional of performance expenses in full. At present, the Company is being filed the appeal.

As at December 31, 2016, another subsidiary was sued by two receivables relating to the breach of conditions of ownership transferring under agreement to buy and to sell of condominium and called for subscription payment including interest for the amount of Baht 1.45 million. At present, the case is still pending the Court's trial.

28. FINANCIAL INSTRUMENTS

Risk on exchange rate

Exchange rates risk exposed to the Company and subsidiaries have the long-past outstanding overseas trade accounts receivable which denominated in foreign currencies. As at December 31, 2016 and 2015, the Company and subsidiaries assets and liabilities denominated in foreign currencies were not entered into the forward contract to hedge against exchange rates risk. However, such trade accounts receivable was provided allowance for doubtful accounts in full.

	Consolidated and Separate		Consolidated and Separate	
	financial statements		financial statements	
	<u>Trade accounts receivable</u>		<u>Trade accounts payable</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
JPY	45,128,500.00	45,128,500.00	0.00	0.00

29. EXPENSES ANALYZED BY NATURE

The significant expenses analyzed by nature for the year ended December 31, 2016 and 2015 as follow :

(Unit : Baht)

	2016	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Changes in costs of property project	385,478,857.51	5,790,346.94
Depreciation and amortization	3,852,377.54	3,559,408.16
Doubtful accounts	34,951,929.91	35,229,479.60
(Reversed) loss on devaluation of costs of property project	28,873,492.84	28,873,492.84
Management benefit expenses	14,502,800.00	13,592,380.00
Employees benefit expenses	22,919,696.48	19,902,736.61
Specific business tax	14,113,508.00	240,933.42

(Unit : Baht)

	2015	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Changes in costs of property project	1,301,333.08	1,301,333.08
Depreciation and amortization	2,774,207.72	2,670,189.13
Doubtful accounts	50,542,815.16	55,093,628.28
Loss on devaluation of costs of property project	4,250,282.98	4,250,282.98
Management benefit expenses	11,634,285.00	11,634,285.00
Employees benefit expenses	26,533,171.05	23,870,552.39
Specific business tax	313,535.00	313,535.00

30. SUPPLEMENTAL DISCLOSURE OF CASH FLOWS INFORMATION

30.1 Investment in ordinary shares of subsidiary

On January 14, 2016, the Company has acquired investment in a subsidiary, Orin Property Co., Ltd. in the proportion of 99.99%. Such investment represented as assets acquisition which are not subject to business acquisition since such acquisition did not incur as business. The financial statements of subsidiary are taken to include in the consolidated financial statements since the acquisition date. Identifiable assets acquired and liabilities assumed at their acquisition date are recognized at the carrying value closed to fair value of each item of assets and liability other than the excess of the value of investment in subsidiary over than fair value of net assets of subsidiary amount of Baht 18.42 million as at the acquisition date will be allocated to property project in the consolidated financial statements.

The details of cash flows used in net acquisition are as follows :

	(Unit: Baht)
	Consolidated
	<u>financial statements</u>
Cash and cash equivalents	6,670,099.84
Trade and other receivables	263,500.58
Costs of property development projects	534,510,834.21
Property, plant and equipment	127,340.00
Other non-current assets	1,741,023.54
Trade and other payables	(20,125,352.18)
Short-term loan from related persons	(14,027,918.10)
Amounts received in advance under agreement to buy and to sell	(55,816,204.00)
Long-term loans	<u>(311,759,000.00)</u>
Net carrying value of net assets before non-controlling interests	141,584,323.89
Non-controlling interests	<u>(1,887.78)</u>
Net carrying value of net assets acquired	141,582,436.11
Excess of acquisition price over then carrying value allocated to costs of	
property development project	18,417,563.89
Less Cash and cash equivalents existed in subsidiary at the acquisition date	(6,670,099.84)
Less Share subscription paid in advance in 2015	<u>(117,000,000.00)</u>
Payments for acquisition of identifiable assets and liabilities of subsidiary net of	
by cash existed in subsidiary	<u><u>36,329,900.16</u></u>

30.2 Significant non-cash transaction

In the separate financial statements as at December 31, 2016, the Company has increased of retentions in the amount of Baht 5 million derived from deducting acquisition price of investment in subsidiary from the seller in order to guarantee the completion of subsidiary's condominium project to be transferred to customers.

31. Approval of financial statements

These interim financial statements were approved and authorized for issue by the Company's Board of directors on February 24, 2017.