

DEVELOPMENT/ENGINEERING/  
CONSTRUCTION/INVESTMENT

ANNUAL REPORT  
2014

**Focus**

FOCUS DEVELOPMENT AND  
CONSTRUCTION PUBLIC COMPANY LIMITED





# Focus

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Remarks: Investors may study more information of the Company from its Annual Registration Statement (Form 56-1) posted on the website [www.set.or.th](http://www.set.or.th) or the Company's website [www.focus-pcl.com](http://www.focus-pcl.com)



# Focus

## VISION

To be professional in construction and property development businesses with the participation of all stakeholders and with the responsibilities to community, society and environment in order to develop the Company for sustainable growth.

## MISSION

1. Develop the Company's working systems and personnel in order to be professional in construction and property development businesses
2. Support and encourage the rights and duties of all relevant stakeholders in participating in business operations of the Company
3. Support and encourage the Company's personnel to be responsible to community, society and environment

## VALUE

- F** = Focus on Customers' Satisfaction  
**O** = Outperform the Market as Professional  
**C** = Corporate Social Responsibility for Community, Society and Environment  
**U** = Understand the Roles and Participation of All Stakeholders  
**S** = Sustainable Development for Sustainable Growth of the Company



## MESSAGE FROM CHAIRMAN



In the second half of year 2014, the clarity of political situation boosted the private sector's confidence and investment climate of the country, making the second half of the year grew by 2.3% which translates into the annual growth of approximately 0.8% for 2014.

In 2015, it is expected that the government will spend in the infrastructure projects approximately 55 Billion Baht in 2015 and 550 Billion Baht each year during 2017-2019. This would expectedly make the Thai economy in 2015 will continue to recover at the growth rate between 3-3.5% and would make the construction and property development businesses perform better than last year.

The Company's Board of Directors has adjusted the strategic direction to meet the current business environment. Concentration has been given to projects with quality and improvement of service to gain more confidence from our existing and new customers. In addition, we continue to emphasize in managing our direct costs and cash flow in order to grow with quality. We have been very careful in mitigating our risks under the current volatile economic situation and managing our business to meet our company's objectives. This also includes the improvement of the Company's corporate governance policy and guidelines in order to enhance the confidence to all stakeholders, including to support the CSR in Process activities to be in line with our commitment and our responsibility to our stakeholders, community, society and environment.

On behalf of the Board of Directors, I would like to thank our shareholders, customers, business partners and those who have given us their continued support. I also would like to thank all of our management and staff for their dedication and hard working. Finally, I am confident that the Company has potential to expand and continue to grow further with continued support and cooperation from all parties concerned.

A handwritten signature in red ink, likely of Mr. Anucha Sihanatkathakul.

**Mr. Anucha Sihanatkathakul**  
Chairman of the Board

## Report of the Audit and Corporate Governance Committee to Shareholders

### To Shareholders of Focus Development and Construction Public Company Limited

The Company's Audit and Corporate Governance Committee comprises three independent directors as follows:

- |  |  |
|--|--|
| 1. Mr. Phasunsook Ayanaputra           | Chairman of Audit and Corporate Governance Committee |
| 2. Mr. Pol.Maj.Gen. Sunthorn Boonruang | Audit and Corporate Governance Committee             |
| 3. Mr. Thomas C. Thompson              | Audit and Corporate Governance Committee             |

The term of appointment is two years from 30 April 2014 to 30 April 2016.

The Audit and Corporate Governance Committee are full of knowledge, abilities, specialized experiences and possess the qualifications as required by the Stock Exchange of Thailand and have independence in performing their duties.

In 2014, the Audit and Corporate Governance Committee held four meetings with the Company's auditors, provided that, three meetings with the participation of the Company's Management and one meeting only with the Company's auditors without the Company's Management. The Audit and Corporate Governance Committee submitted their report of every meeting to the Board of Directors, the substance of which can be summarized as follows:

- Reviewing the disclosure of related party transactions and issues that may cause the conflict of interest
- Reviewing the appropriateness of the internal control system of the Company and giving advice on the sufficient internal and assets control
- Considering, suggesting and advising on the annual audit plan proposed by the internal audit department
- Reviewing the operations and suggestions of the internal audit department
- Reviewing the performance of the auditors during the past year and giving advice on the appointment of auditors and their remuneration

The Auditor and Corporate Governance Committee has concluded that the Company's financial statements which have been reviewed and audited by the certified public accountants are prepared in accordance with the generally accepted accounting principles, and the financial information has been sufficiently disclosed without nothing to believe that the said financial statements are significantly incorrect. In addition, the Audit and Corporate Governance Committee also agreed with the appointment of the certified public accounts of PV Audit Co., Ltd. as the Company's auditors for the year 2015 with the remuneration of 800,000 Baht per year

(Mr. Phasunsook Ayanaputra)  
Chairman of Audit and Corporate Governance Committee

## Board of Directors



01



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09

- 01 Mr. Anucha Sihanatkathakul**  
Chairman of the Board of Directors  
(Authorized Director)
- 02 Mr. Jeremy Lechemere King**  
Vice Chairman of the Board of Directors  
(Authorized Director)
- 03 Mr. Michael de Santiesteban**  
Director

- 04 Mr. Phasunsook Ayanaputra**  
Director and Chairman of the Audit and Corporate Governance Committee and the Chairman of the Nomination and Remuneration Committee
- 05 Mr. Nontawat Thongmee**  
Director and Managing Director  
(Authorized Director)
- 06 Pol.Maj.Gen. Sunthorn Boonruang**  
Director and the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee

- 07 Mr. Thomas C. Thompson**  
Director and the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee
- 08 Mr. Patrick Michael Davenport**  
Director
- 09 Mr. Tanakorn Leelasiri**  
Director



01

## Audit and Corporate Governance Committee



02



03

- 01 **Mr. Phasunsook Ayanaputrat**  
Chairman of the Audit and  
Corporate Governance Committee
- 02 **Mr. Thomas C. Thompson**  
Director of the Audit and  
Corporate Governance Committee
- 03 **Pol.Maj.Gen. Sunthorn Boonruang**  
Director of the Audit and  
Corporate Governance Committee



01

- 01 **Mr. Anucha  
Sihanatkathakul**  
Executive Chairman



02



03

- 02 **Mr. Nontawat Thongmee**  
Managing Director
- 03 **Mr. Tanakorn Leelasiri**  
Assistant Managing Director  
Administration Division



04

- 04 **Mrs. Wilaiporn  
Siripoorikan**  
Assistant Managing  
Director  
Finance & Accounting  
Division



# Focus

DEVELOPMENT/  
ENGINEERING/  
CONSTRUCTION/  
INVESTMENT

PROJECT :  
FOCUS PLOENCHIT  
(CONDOMINIUM)

PROJECT : DUSIT D2 KHAOYAI

PROJECT : SUCRE KHAOYAI





PROJECT : PHUPHATARA KHAOYAI



PROJECT : EQUINOX PHAHOL-VIBHA









Part

1

## Business Operations

## 1.1 BUSINESS POLICY AND OVERVIEW

Focus Development and Construction Public Company Limited operates construction business since 1989 in various types of construction, e.g. office buildings, condominiums, hotels, resorts, etc. In 2012, we have expanded our business to the property development with “Focus on Saladaeng” as our first development project and Focus Ploenchit as our second development project. The construction of Focus Ploenchit project is expected to be completed and the condo unit ownership could be transferred to our customers in the second quarter of this year 2015.

### 1.1.1 Vision, Mission and Value of the Company

In order to develop the Company for sustainable growth, the Board of Directors’ Meeting No. 3/2014, held on 13 August 2014 has approved the new Vision, Mission and Value of the Company and the New Corporate Governance Policy 2014 in order to improve the Corporate Governance Policy 2004 and include new policies to be in line with the Principles on Good Corporate Governance 2012 of the Stock of Exchange of Thailand and the Guidelines on Corporate Social Responsibility of the Stock of Exchange of Thailand 2012, in particular, the Policy on Anti-Fraud and Corruption, Non-Violation of Intellectual Property, Non-Violation of Human Rights, etc.

We do hope that the New Corporate Governance Policy 2014 would be the important mechanism to help develop the Company for sustainable growth with its continuing responsibilities to community, society and environment.

#### VISION

To be professional in construction and property development businesses with the participation of all stakeholders and with the responsibilities to community, society and environment in order to develop the Company for sustainable growth.

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#### VALUE

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## 1.1.2 Significant Changes and Development

### 1989

Focus Development and Construction Public Co., Ltd. was established on 30 March 1989 under the name of "Pasuput Co., Ltd." operating general construction projects for both public and private sectors.

### 2002 - 2004

On 4 November 2002, the Company was converted into a public limited Company and was listed in the Stock Exchange of Thailand on 5 October 2004 under the registered securities name of "FOCUS".

### 2008

5 November 2008 at the extraordinary general meeting of shareholders agreed to change the Company's name from Focus Engineering and Construction Public Co., Ltd. to Focus Development and Construction Public Co., Ltd. by registering the change of the Company's name with the Ministry of Commerce on 19 November 2008.

### 2009

April The extraordinary general meeting of shareholders agreed and approved to take the exceeded value of the stocks' price to cover the existing loss with the amount of 31,145,372 Baht., and the remaining loss was 52,973,155 Baht on 23 April 2009.

May: The meeting of board of directors on May 29 2009 agreed to set the offer for sale and the right offering warrant date for the existing shareholders and the ESOP warrant date for directors and employees as the detail listed below;

1. Right Offering Warrant for the existing shareholders:
  - Offer for sale date 16 June 2009
  - Initial right exercising date 31 July 2009
  - Final right exercising date 15 June 2014
2. ESOP Warrant for directors and employees:-
  - Offer for sale date 16 June 2009
  - Initial right exercising date 31 July 2010
  - Final right exercising date 15 June 2014

June The Company provided the right offering warrant for the existing shareholders with the total of 62,499,638 units, and the remaining of them was 362 units. However, the Company will process cancellation for those remaining units and provide the ESOP warrant for directors and employees with the total of 12,500,000 units.

July On 3 July 2009, the Company's right offering warrants with the total of 62,499,638 units were approved by the Securities and Exchange Commission to begin trading in the Market for Alternative investment or MAI.

August The Company signed a construction contract with Bangkok Mass Transit System Public Company Limited to construct the station building in the area of Bangkok Metropolitan Region: Red Line Project covered from Bang Sue district to Taling Chan district in cooperated with Unique Engineering and Construction Public Co., Ltd. with the value of 482.36 Million Baht.

#### October

- 12 October 2009, the Extraordinary General Meeting of Shareholders No. 1/2009, held on 12 October 2009 (EGM No.1/2009) passed a resolution to make a change of the share price for the private placement of 200,000,000 shares from 3 Baht per share to 2 Baht per share.
- The EGM No.1/2009 also passed a resolution to change Article 14 of the Company's Articles of Association on the number of directors from 5-11 directors to 5-12 directors and appointed two new directors, i.e. Mr. Tanakorn Leelasiri and Mr. Tanavich Jindapradis who were registered with the Ministry of Commerce on 26 October 2009.

December The Company was approved by the ISO 9001: 2008 from United Registrar of System (Thailand) Co., Ltd. (URS).

- The Company entered into construction contract amendments No. 7-26 of the Private Residence Bangkok with the value of 42.63 Million Baht.

## 2010

January The Company signed a construction contract with Department of Rural Roads under the project of building a bridge across Klong Luang canal at Meuang district, Samutsakhon with the value of 55.70 Million Baht.

May: The Company worked on the 14-storey condominium project in cooperated with Wilailuck Development Co., Ltd. with the value of 49.37 Million Baht.

July: The Company signed a design contract and constructed the apartment for the athletes at National Tennis Development Center with the value of 20 Million Baht.

September: The Company obtained the contract of swimming pool construction under the Rayong Marriott Resort & Spa project in cooperated with Puphatara Co., Ltd. with the value of 36.38 Million Baht.

#### October

- The Company signed a construction contract of building the rice godown and building component in cooperated with Pathum Rice Mill and Granary Public Co., Ltd. with the value of 34.24 Million Baht.
- The Company held the grand opening for the first project of the property development business under the name of "Focus on Saladaeng Condominium" at Dusitthani Hotel.
- The Company entered into another amendment to construction agreement of the Private Residence Bangkok with the value of 17.12 Million Baht.



## 2011

February The Company signed a construction contract of the 8-storey residential building and 2-storey basement under the Collezio (Sathorn-Pipat) project with the value of 84 Million Baht. On July, the Company also signed a construction contract of the architecture project with the value of 49.80 Million Baht. Therefore, the total value turned out as 133.80 Million Baht in cooperated with Major Development Public Co., Ltd.

May: The Company signed a construction contract of the structure and the system project at Thaksina Business Administration School in cooperated with M.P. Education Co., Ltd. with the value of 202.10 Million Baht.

August: The Company signed a construction contract of structure and architecture project under the Equinox (Phahol-Vibha) project, which is 42-storey residential building in cooperated with Major Development Public Co., Ltd. with the value of 578 Million Baht.

December: The Company agreed to sign the agreement to buy of Sukhumvit Soi 2 land, Khlongtun, Prakanhong district, Bangkok as of the total area of 345 square wah with the value of 180 Million Baht for the future development of the real estate business.

## 2012

March The Company signed a construction contract of the structure, architecture, and engineering system project for the 8-storey residential building and one basement under the project “The Nest” in cooperated with The Nest Property Co., Ltd. with the value of 103, 50 Million Baht.

### June

- The Company signed a construction contract of the structure, architecture, and sanitary system project for the food and beverage production plant, Nakhonpathom in cooperated with General Beverage Co., Ltd. with the value of 125 Million Baht.
- The Company signed a construction contract of the structure, architecture, and electrical, water supply, and air-conditioning system project for Kanyarat Lakeview Condominium which is 14-storey building, Khonkan in cooperated with Kanyarat Property Co., Ltd. with the value of 302.50 Million Baht.
- The Company signed a construction contract of the structure, architecture, and electrical, water supply, and sanitary system, and road project for the car showroom, repair and maintenance building which is located in Rama II Rd., Bangkok in cooperated with Siam Nissan Rod Dee Rama II Co., Ltd. with the value of 51.36 Million Baht.

October Both directors and employees brought the right offering warrant to be using in buying the common stock with the total of 579,000 stocks with is valued 3 Baht per stock the Ministry of Commerce on 7 November 2012. Such capital stocks started to be trading in MAI on 12 November 2012.

December: The Company signed a construction contract of the structure, architecture, and engineering system project for the W District Trunc C, Prakanong in cooperation with Centerland Co., Ltd. with the value of 83.50 Million Baht.

## 2013

January

- The Company signed a construction contract of the structure, architecture, and building components system project for the H2O Condominium, Pakchong district, Nakornratchasima in cooperated with Puphatara Kaoyai Co., Ltd. with the value of 136 Million Baht.
- Both directors and employees brought the right offering warrant to buy altogether of 192,000 common stocks with 3 Baht per stock. Also, the Company registered for the increasing capital from 125,579,000 Baht to 125,771,000 Baht with the Ministry of Commerce on 6 February 2013. Such capital stocks started to be trading in MAI Stock Market of the Securities Exchange of Thailand on 8 February 2013.

February The Company signed a construction contract of the mill and silo (Package 1) under the Rice Complex project, Thukfah, Chaiyo district, Ang Thong in cooperated with Siam Par Boilrice Co., Ltd. with the value of 97.50 Million Baht.

April: Both directors and employees brought the right offering warrant to be using in buying the common stock with the total of 949,000 stocks which is valued 3 Baht per stocks. Also, the Company registered for the increasing capital from 125,771,000 Baht to 126,720,000 Baht with the Ministry of Commerce on 8 May 2013. Such capital stocks started to be trading in MAI Stock Market of the Securities Exchange of Thailand on 13 May 2013.

May

- The Company signed a construction contract of the multi-residential building, Sucre Khaoyai Building A and B, Pakchong, Nakornratchasima in cooperated with Sucre Asset Co., Ltd. with the value of 173.91 Million Baht.
- The Company signed a construction contract of the mill and silo (Package 2) under the Rice Complex project, Lhuckfah, Siyo district, Ang Thong in cooperated with Siam Par Boilrice Co., Ltd. with the value of 87.28 Million Baht.

June The Company signed a construction contract of the structure, architecture, and building components system project for 3-storey office building on Ploenchit Rd., Bangkok in cooperated with Proud Group Holding Co., Ltd. with the value of 36.95 Million Baht.

July: The Company signed a construction contract of the Villa Work Phase No.3 for four units and this is under the Phupatara project, Khaoyai, Nakornratchasima in cooperated with Phuphatara Khaoyai Co., Ltd. with the value of 18.28 Million Baht.

August: The Company signed a construction contract of the structure, architecture, and building components system project for ten houses under the V Huahin project, Huahin district, Prachuap Khiri Khan in cooperated with V Huahin Co., Ltd. with the value of 42.36 Million Baht.

November: The Company signed a construction contract with On-nuch Construction Co., Ltd. for the structure and sanitary system works of 6-storey hotel building called "Splendid Resort Hotel", Amphur Pakchong, Changwad Nakornratchasima with the value of 33.50 Million Baht.

**2014**

January The Company signed a construction contract of structural and architectural works for The Phyll Project, Soi Sukhumvit 54, Sukhumvit Road, Bangkok with Saranrat Development Co., Ltd. with the value of 290 Million Baht.

April – The Company signed a construction contract with Le Votel Khao Yai Co., Ltd. for structural and architectural works of DusitD2 Hotel, Khao Yai, Tambol Moosi, Amphur Pakchong, Changwad Nakornratchsima with the value of 177 Million Baht.

May – The Company signed a construction contract with On-nuch Construction Co., Ltd. for the architectural and electrical and air-conditioning works for a 6-storey hotel, Gudkla-Parnsuek Road, Tambol Moosi, Amphur Pakchong, Changwad Nakornratchsima with the value of 66.5 Million Baht.

June - The unexercised warrants to buy ordinary shares of the existing shareholders or RO Warrants in the amount of 62,499,958 units (from the total 62,500,000 units) and the unexercised warrants to buy ordinary shares of the directors and staff or ESOP Warrants in the amount of 10,780,000 units (from the total 12,500,000 units) had expired since 16 June 2014. The paid-up capital of the Company as of 19 June 2014 is 126,720,042 Baht.

July - The CSR Task Force chaired by the Managing Director was set up with all department heads of the Company acting as members of the task force. The key function of this task force is to develop and follow up CSR in Process activities of the Company.

August – The Board of Directors' Meeting No.3/2014, held on 13 August 2014 approved the Vision, Mission, Value of the Company and the new Corporate Governance Policy 2014 with 11 Chapters, including new CG policies, e.g. the Anti-Fraud and Corruption Policy, Non-Violation of Intellectual Property Policy and the Non-Violation of Human Rights Policy, etc.



## 1.2 Nature of the Business Operations

### 1.2.1 Business Overview

The Company itself is considered a medium construction company operating general construction projects, including private and public sector projects. Our construction is diversified in various types of construction works, for example, factories, office buildings, residential buildings, condominiums, hotels, schools, hospitals, infrastructure, etc. However, the Company mainly focuses on potential and credible customers who are in a good financial position. The Company acts as the main contractor and subcontractor. Furthermore, the Company also cooperates with other specialized contractors in joint bidding or joint working as a joint venture or consortium for a high value project. With the track records from its past experiences, the Company is able to expand to construction works with higher value.

Since 2012 we have expanded our business to the property development with “Focus on Saladaeng” as our first development project and Focus Ploenchit as our second development project. The construction of Focus Ploenchit project is expected to be completed and the condo unit ownership could be transferred to our customers in the second quarter of this year 2015.

### 1.2.2 Revenue Structure of the Company

The revenue structure of the Company during the year 2012-2014.

Product line / Business Group	Year 2014		Year 2013 (Restated)		Year 2012	
	Revenue (Million Baht)	%	Revenue (Million Baht)	%	Revenue (Million Baht)	%
1. Revenue from construction	532.63	97.01	1,077.85	96.74	894.49	80.88
2. Revenue from property development	-	-	22.90	2.06	207.10	18.72
3. Other income	16.40	2.99	13.40	1.20	4.39	0.40
Total	549.03	100.00	1,114.15	100.00	1,105.98	100.00

### 1.2.3 Business Goal

The Company supports all public sector's, private sector's, and state enterprises' projects by considering those customers who are qualified and credible or have a good financial condition. The Company accepts to work on many kinds of businesses such as condominium, factory, office building, hotel, education institution, car showroom, repair and maintenance building, department store, and silo.

In order to expand the Company's revenue and not to rely only on the construction business, the Company has expanded its business to property development.

However, the Company aims to develop its professionalism in construction and property development businesses on an ongoing basis in order to reduce the risks and variations of income derived only from the construction business.

## 1.3 Risk Factors

### 1.3.1 Business Operational Risk

#### 1.3.1.1 Economic and Political Uncertainty

After the political situation has been back to normal in the second half of the year 2014, the Bank of Thailand indicated in its report on the economic trends, inflation and the fiscal policy in December 2014 that Thai economy in 2014 grew by 0.8% since the private sector spending was expanding gradually due to the limitation of the farmers' income and household debts, including delayed government spending which caused certain parts of the private sector postponed their investment for a period of time waiting for the clarity of the government policy and the progress of the government projects.

In 2015, the Economic Intelligence Center (EIC) of Siam Commercial Bank stated in its Outlook Quarter 1/2015 report that Thai economy is expected to recover continuously being driven by the private sector consumption and the government transport infrastructure projects on It is projected that Thai economy will grow by 3-3.5% due to the investment recovery of the private sector and the expedition of the government expense budget. It is also expected that the government investment will expand by 13.6% if the spending can reach 87%. According to the infrastructure development master plan of 2.4 Trillion Baht, it is expected that an investment of approximately 55 Billion Baht will be injected into Thai economy in 2015 and 550 Billion Baht each year during 2017-2019 respectively.

For the property development, the business was hit by the political turmoil in the first half of the year 2014 but was picked up in the second half of the year as the political situation started stabilizing and Thai economy is heading, helping improve business sentiment and consumer confidence. It is believed that the government infrastructure projects would help boost demand in Bangkok's property sectors. Colliers International (Thailand) Co., Ltd. projected in December 2014 that more than 50,000 condo units will be launched in 2015 with increases by 20% compared to 2014 with the better purchasing power than in 2014. In Bangkok, the location along the sky trains and their expansions is still popular among the business operators, including several routes of sky trains away from the inner Bangkok which the overnment has a plan to open a bid will also help boost the housing market because the business operators can better control their selling price than the inner Bangkok which is becoming more expensive these days up to 200,000 Baht per square meter. In terms of demand and supply, the Real Estate Information Center of the Government Housing Bank indicated that the average housing demand in Bangkok and its parameters is about 110,000-120,000 units per year while the Ministry of Finance indicated that the housing stock still remains at 165,000 units with low demand and high household debts.

The office building market still continue to expand from 2014 with continuing higher rent due to the ongoing demand while there are not many supplies at present and in the future. Especially, grade A buildings in the central business district where the land price is too high and not worth for investment.

The retail sale area market still depends mainly on the domestic purchasing power. More major players expand their revenue generating channel by going upcountry continuously, especially, big cities and border provinces in order to support the purchasing power from neighbor countries when Thailand enters into the Asian Economic Community by end of 2015.

The Company's strategies in construction business is to diversify in various types of construction, e.g. residential buildings, shopping malls, manufacturing plants, office buildings, hotels, resorts, etc. For the property development business, the Company will carefully study the location, reasonable cost of land and customer segmentation for a new project in order to achieve the sales target.

### 1.3.1.2 Competitive Risk

If the investment projects of the public sector are delayed in withdrawing the expense budget, it will affect the large construction companies being hired by the government to change and work for the public sector instead. This will result in fiercer competition in the market because projects of the private sector do not compete only with the price but also the reliability of the construction company and price.

However, there are a lot of construction entrepreneurs, resulting to the high competition and the risk of earning revenue. In the meantime, when the project is awarded, the construction management could be a risk factor of achieving the targets set in the contract, which results from various factors. However, the Company has established the guidelines to reduce such risks by setting up a function to be responsible for new construction projects which will participate in auctions or negotiations, which will help the Company to have the stable performance and revenue, including the follow-up of the cost control in accordance with the plan set by the Company.

### 1.3.1.3 Property Development Risk

For the overall picture of the property business in 2014, large and small scale property developers have faced various risk factors, including labour costs and material costs, etc.

In 2015, the risk factors which would give an impact to the property business still include the problem of labor shortage and key personnel of the project, such as engineers and architects which results from the expansion of public utility infrastructure investment regarding to transportation, contractors and labors are required in high level and the construction and materials costs are expected to be higher adjusted according to the higher demand in the market.

The risk management in the property development which will directly affect the business operation of the Company is as follows:

- (1) Risk of land acquisition: The Company will purchase potential land for development at a reasonable price. For the development of residential condominium project, the Company will choose the location situated in the city center by focusing mainly on the BTS skytrain line and MRT line. The Company has reduced the risk by creating a network for searching potential locations.
- (2) Risk of changes in laws and regulations concerning property development business: The Company operates the property business for residential purpose under the relevant laws and regulations. Therefore, the risk issues will include limitation of land utilization in constructing some types of building, setback distance of buildings, land border disputes with neighbors, problems of complaints during the construction, etc. the Company has an approach to reduce such risks by inspecting and examining legal limitations and regulations of relevant government agencies relating to the land utilization before purchasing any land for development. The Company will consider what limitation affects the plan of land development and study the feasibility of the project.



- (3) Risk from being unable to achieve sales target of condominium unit: The Company will establish the size and quantity of unit required development in each project to meet the demand of the target customers. The estimated sales derive from the sale and the marketing and the Company also intimately follows up the market situation. However, if the economic situation does not support, it may affect the sales which will not be in accordance with the estimation and will not reach the break-even point, possibly causing an impact to the financial position of the Company. The Company has reduced the risk from the remain stock of condominium units by establishing the marketing strategy and promoting sales focusing on the target customers and also controlling expenses effectively.

## 1.3.2 Management and Operational Risk

### 1.3.2.1 Accepting New Projects Risk and Contract Compliance Risk

Most revenue of the Company derives from the construction works awarded by both government and private sectors as the main contractors and sub-contractors as the case maybe. However, the quantity of accepted projects depends on the economic conditions, competition, price and so on. Therefore, the estimation for new projects accepted by the Company cannot be expected since each project takes time for the auction process, including the complex of contractor selection process. Therefore, performance of the Company will vary on the timing of awarding new projects. The company's recognised revenue will depend on the value of the project award duration of construction of the project, and procedures of the construction, including the construction site hand-over of project owner and the modification of the project design. The Company has established the measure to reduce such risks by assigning a function to be responsible for providing new construction projects and the Construction and Risk Management Committee shall be responsible for planning, making a decision and solving the problems throughout the operation period under the construction contracts.

### 1.3.2.2 Risk of Construction Material Price Variations

It the prices of construction materials increase in 2015 following the higher demand in the market, it would directly affect the cost of projects. The Company has preventive measures and approaches, including special supervision, by collecting purchase orders from several projects before placing an order in a large quantity for bargaining power, providing partial deposit for pre-ordering materials, and setting fixed prices, etc. The Company begins to consider such risk at the stage of proposing a new project. The price calculation will depend on the risk of construction material price variations. In addition, the Company also enhances the efficiency of the procurement section in order to provide reliable suppliers who can offer us appropriate terms of payment.

### 1.3.2.3 Risk of Labor Shortage

The daily minimum wage adjustment to 300 Baht all over the country since 1 January 2013 does not classify the age group and occupation group. Therefore, the workers tend to change their workplaces for higher wages, resulting in the labor shortage, especially skilled labors, and higher labors wages and higher sub-contractors labor costs. However, the Company has the approach to reduce the risk of labor shortage by increasing the proportion of subcontractor employment to be sufficient to the existing work quantity and preparing the legal Thai and alien manpower, including developing existing labors efficiently and adapting the construction plan with the owners to be in line with the possibility of the projects and construction methods by using machineries and finished work pieces, as well as new techniques in order to decrease the production process and save the labor cost.

### **1.3.2.4 Risk of Relying on Experienced Engineers and Architects**

Construction business requires knowledge and capability of personnel, especially at the level of project directors, project managers, engineers and architects who have the ability of controlling work and managing the projects to achieve the target. Lack of qualified engineers and architects causes an impact to the ability of accepting works and performance of the Company in the future. As a result, the Company has the policy of personnel's quality management and development by providing appropriate remuneration and welfare, including supporting personnel to participating in additional trainings in order to retain these personnel with the Company.

### **1.3.3 Financial Risk**

#### **1.3.3.1 Risk of Non – Payment under Construction Contracts**

The Company has the risk of non- payment under construction contracts in case the owners have some financial difficulties or lack of liquidity. The Company is aware of such risk so we consider accepting only construction projects from competent or reliable owners with good financial position.

#### **1.3.3.2 Working Risk of Capital**

As being a construction and property development company, we must have sufficient working capital for purchasing construction materials and wage payment. Such working capital derives from the working capital of the Company and the support of financial institutes. In addition, the Company has negotiated on the strict terms of payment with any owners before entering into an agreement of each project, such as, requesting for the advance payment at the rate of 10-15% of the contract value, offering appropriate credit term, etc., including the efficient tracking and collection of revenue so that the Company will not lack of its liquidity.

### **1.3.4 Investors Risk**

Due to the Company's loss of 33.14 Million Baht for the operating results of the year 2014 with the accumulated loss of 51.35 Million Baht, the company is not in the position to pay dividend to the shareholders as per the Company's dividend policy until the Company has a profit after clearing all accumulated loss as required by law.



## 1.4 Assets for Business Operations

### Head Office of the Company

The Company has leased an office space to be used as its head office for business operations on 9<sup>th</sup> Floor, Alma Link Building, No. 25 Soi Chidlom, Ploenchit Road, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330 from B. Grimm Alma Link Building Co., Ltd. and B. Grimm Alma Link Building Services Co., Ltd. as per the following details

Floor	Area	Leased Term	Rental Rate for buildings and services
9	545 square meters	15 August 2014 – 14 August 2017	359,700 Baht/Month

### Other Assets

Apart from the Company's Head Office, the Company also has other assets for the business operations as per the following details:

(Unit : One Thousand Baht)

Details	Cost Price	Accumulated Depreciation	Book Value
Buildings	751	751	-
Machinery and Equipment	76,951	56,072	20,879
Furniture and Office Equipment	14,428	9,614	4,814
Vehicles	11,360	7,809	3,551
<b>Total</b>	<b>103,490</b>	<b>74,246</b>	<b>29,244</b>

The Company has entered into the financial lease agreements for purchasing vehicles and machinery by monthly instalment payment, totaling 48 months. As of 31 December 2014, the remaining monthly instalment payments for vehicles and machinery are as follows:

#### Vehicle Instalment Payment

- 1 car x 9 instalments x 11,092 Baht per month
- 2 cars x 17 instalments x 36,040 Baht per month
- 1 car x 24 instalments x 8,804 Baht per month

#### Machinery Instalment Payment

- 1 car x 14 instalments x 128,478.38 Baht per month  
(and 188,398.38 Baht for the final instalment payment)
- 1 car x 19 instalments x 96,371.79 Baht per month  
(and 131,371.79 Baht for the final instalment payment)

## 1.5 Legal Disputes

As at 31 December 2014, the Company has no legal disputes which would give rise to significant impact on the business operations and assets of the Company by more than 5 percent of the shareholders' equity.



## 1.6 General Information and Other Important Information

Company's Name	Focus Development and Construction Public Company Limited
Subsidiaries	- None -
Registration Number	0107545000331 (formerly, 40854500706)
Head Office	25 Almalink Building, 9 <sup>th</sup> Floor, Soi Chidlom, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330 Tel: 0-2650-3105-9, 0-2650-3063-4 Fax: 0-2650-3065-6 Email: info@focus-pcl.com Website: www.focus-pcl.com
Type of Business	Construction and Property Development
Registered Capital	THB 400,000,000 divided into 400,000,000 ordinary shares with a par value of 1 Baht each
Paid-Up Capital	126,720,042 Baht divided into 126,720,042 ordinary shares with a par value of 1 Baht each
Listed on the MAI	5 October 2004
Securities Registrar	Thailand Security Depository Company Limited.  62 The Stock Exchange of Thailand Building, Ratchadaphisek Road, Klongtoey, Bangkok 10110 Tel. 0 2229 2888 Fax 0 2654 5427
Auditor	Mr. Prawit Viwanthanant  CPA Registration No. 4917 PV Audit Company Limited 100/19, 14 <sup>th</sup> Floor, Wong Wanich B Building Rama IX Road, Kwaeng Huay Kwang, Khet Huay Kwang, Bangkok 10310 Tel: 0-2645-0080 Fax: 0-2645-0020 www.pvaudit.co.th
Membership	Listed Companies Association
Legal Consultant	- None -





Part

2

## Management and Corporate Governance



## 2.1 INFORMATION ON SECURITIES AND SHAREHOLDERS

### 2.1.1 Registered and Paid-Up Capital as of 31 December 2014

Registered Capital : 400,000,000 Baht divided into 400,000,000 ordinary shares with a par value of 1 Baht each.

Paid-Up Capital: 126,720,042 Baht divided into 126,720,042 ordinary shares with a par value of 1 Baht each.

Since the Company has no other types of shares apart from the said ordinary shares, all shareholders shall have the equal voting rights of one share one vote.

### 2.1.2 Ten Major Shareholders as of 17 March 2015

No.	List of Shareholders	No. of Shares	Shareholding (%)
1.	Mrs. Naparat Sihanatkathakul	43,385,800	34.24
2.	Mr. Arkom Kijvanitparsertkul	3,700,200	2.92
3.	Thai NVDR Co., Ltd.	3,111,400	2.46
4.	Mr. Jakkrapol Thongcharoen	3,000,000	2.37
5.	Mr. Sinchoke Piriyothisakul	2,835,000	2.24
6.	Mr. Prachuab Iamrum	2,710,000	2.14
7.	Mr. Charnchai Thongcharoen	2,410,000	1.90
8.	Mr. Apidej Sukumsawad	2,224,500	1.76
9.	Mrs. Supan Suramethakul	2,125,000	1.68
10.	Mr. Saratpong Benjachinaporn	1,196,500	0.94

Remarks: (1) Mrs. Naparat Sihanatkathakul is a sister of Mr. Anucha Sihanatkathakul who is the Chairman and Executive Chairman of the Company

(2) Mrs. Naparat Sihanatkathakul does not participate in the management of the Company.

### 2.1.3 Registered Capital Increase from 125,000,000 Baht to 400,000,000 Baht

According to the resolutions of the Extraordinary General Meeting of Shareholders No.1/2008, held on 5 November 2008, the registered capital of the Company was increased from 125,000,000 Baht to 400,000,000 Baht by issuing 275,000,000 new ordinary shares with a par value of 1 Baht each in order to reserve for the conversion of warrants issued to shareholders, directors and employees and for the private placement as follows:

- (1) 62,500,000 shares for the Right Offering to shareholders (RO)
- (2) 12,500,000 shares for Employee Stock Option Plan for directors and employees of the Company (ESOP)
- (3) 200,000,000 shares for private placement (PP)

The registration of the changes on the Company's paid-up capital due to the exercise to convert warrants into ordinary shares during 2008-2014 is as follows:

Registration Date	Changes on the Paid-Up Capital	Exercise to Convert Warrants into Ordinary Shares
7 November 2012	From 125,000,000 Baht to 125,579,000 Baht	Directors and employees exercised to convert warrants into 579,000 ordinary shares
6 February 2013	From 125,579,000 Baht to 125,771,000 Baht	Directors and employees exercised to convert warrants into another 192,000 ordinary shares
8 May 2013	From 125,771,000 Baht to 126,720,000 Baht	Directors and employees exercised to convert warrants into another 949,000 ordinary shares
19 June 2014	From 126,720,000 to 126,720,042 Baht	Shareholders exercised to convert warrants into 42 ordinary shares

Remarks (1) No private placement (PP) has been made during 2008-2014.

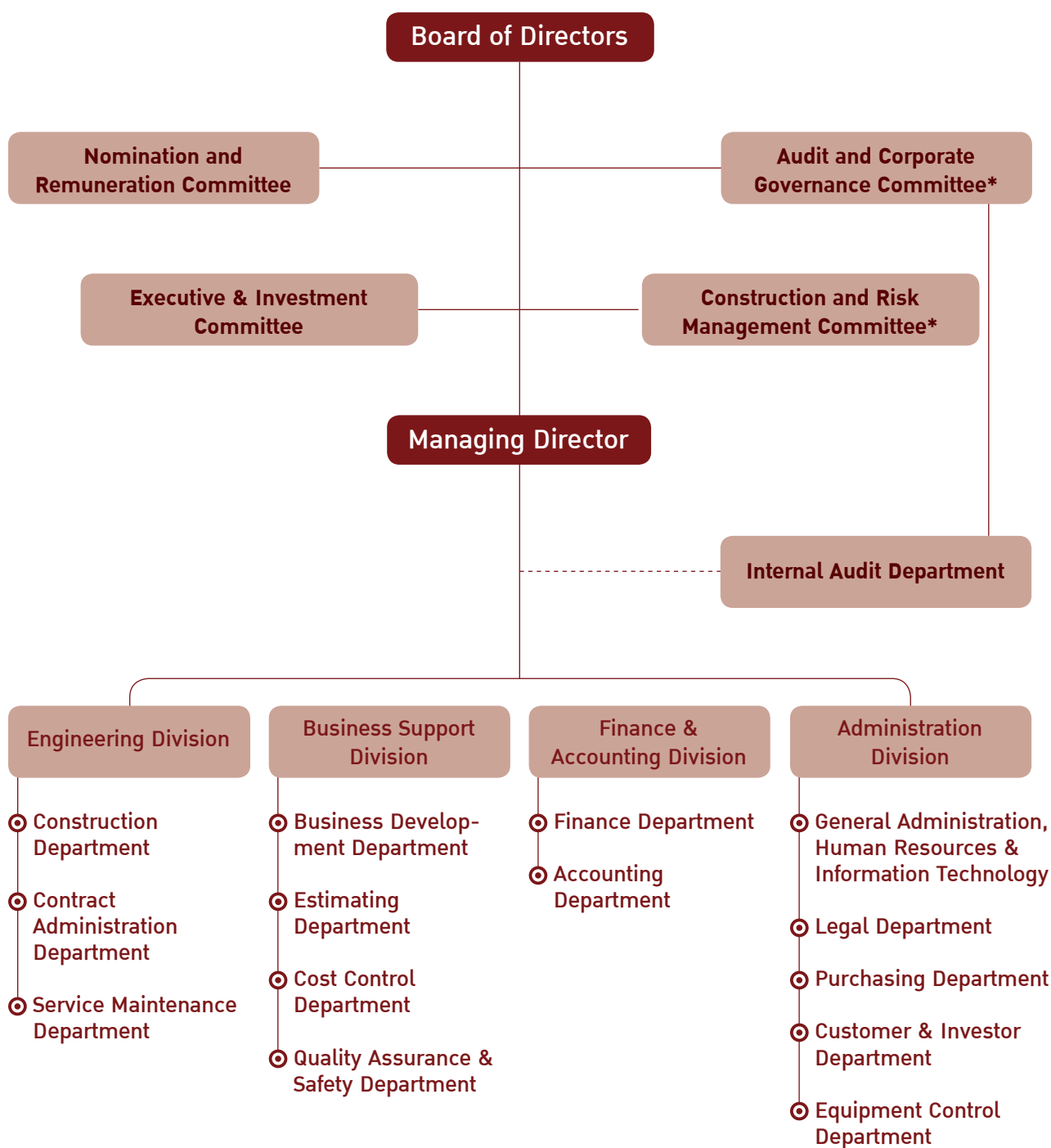
(2) The warrants had expired on 16 June 2014.

(3) The current paid-up capital of the Company is 126,720,042 Baht divided into 126,720,042 ordinary shares with a par value of 1 Baht each.

#### 2.1.4 Dividend Payment Policy

The Company has a policy to pay dividend to shareholders at the rate not less than 40 percent of the net profit after tax with an approval from the shareholders' meeting. However, the Company has the accumulated loss of 51.35 Million Baht as at 31 December 2014, no dividend can then be paid to shareholders as required by law.

## 2.2 Management Structure



\*Remarks: The name change was approved by the Board of Directors' Meeting No.1/2015, held on 26 February 2015.



## 2.2.1 Structure of Company Directors and Sub-Committees

The structure of company directors consists of the Board of Directors, the Audit and Corporate Governance Committee, the Nomination and Remuneration Committee, the Executive & Investment Committee, and the Construction and Risk Management Committee as follows:

### 2.2.1.1 The Board of Directors

As of 31 December 2014, the Company's Board of Directors consists of 9 directors whose meeting attendance records in 2014 are as follows

	Name - Surname		Position	Attendance
1.	Mr. Anucha	Sihanatkathakul	Chairman of the Board of Directors	4/4
2.	Mr. Jeremy Lechemere	King	Vice Chairman of the Board of Directors	2/4
3.	Mr. Michael de	Santiesteban	Director	2/4
4.	Mr. Phasunsook	Ayanaputra	Director	4/4
5.	Mr. Nontawat	Thongmee	Director and Managing Director	4/4
6.	Pol.Maj.Gen. Sunthorn	Boonruang	Director	4/4
7.	Mr. Thomas C.	Thompson	Director	4/4
8.	Mr. Patrick Michael	Davenport	Director	4/4
9.	Mr. Tanakorn	Leelasiri	Director	3/4

- Notes :
- Authorized directors who can sign to bind the Company include Mr. Anucha Sihanatkathakul, Mr. Nontawat Thongmee, Mr. Jeremy Lechemere King, any two of these three directors can sign with the Company's seal affixed.
  - The Annual General Meeting of Shareholders for the year 2014 on 29 April 2014 passed the resolution for an re-election of the following 4 directors who retired by rotation as directors for another term of appointment:
    - Mr. Anucha Sihanatkathakul
    - Mr. Nontawat Thongmee
    - Pol.Maj.Gen. Sunthorn Boonruang
    - Mr. Thomas C. Thompson

#### Roles and Responsibilities of Board of Directors

- Director must perform the duties in accordance with laws, objectives, and regulations of the Company, including resolutions of Shareholders' Meetings.
- Director must not be one of the shareholders in partnerships or one of the Boards members of private companies, which conduct similar business and compete with the Company except that director has informed in Shareholders' Meeting before appointment.

3. Director must inform the Company immediately in case that director has any interests in the contract done with the Company or in case that director holds increasing or decreasing number of shares or debentures of the Company or subsidiaries.
4. Board of Directors has power to delegate the authorities to or appoint certain number of directors to be directors in certain committee in order to perform one or more duties. However, Board of Directors may empower authorized directors to act on behalf of the Company to perform any duties for the Company except the following duties which could be done after the approval from Shareholders' Meeting.
  - (1) Anything that could be done after the approval from Shareholders' Meeting according to laws.
  - (2) Transactions that director has conflict of interest and those are in the scope of laws or regulations of Securities and Exchange Commission that requires the approval from Shareholders' Meeting.

The following matters must be approved by the Board of Directors' Meeting and the Shareholders' Meeting with the votes of not less than  $\frac{3}{4}$  of the total votes of shareholders who attend and have the right to vote at the meeting. Namely, capital increase, capital reduction, issuance of debentures, sale or transfer of business to other persons whether in whole or in substantial part, purchase or acceptance of transfer of businesses from other companies to the Company, amendment to the Company's Articles of Association or Memorandum of Association, etc.

Provided, however, that any directors or persons who have any interests or conflict of interests in any matters shall not have the right to approve such transactions.

#### 2.2.1.2 Audit and Corporate Governance Committee

[formerly, the Audit Committee; the name change was approved by the Board of Directors' Meeting No.1/2015, held on 26 February 2015]

As of 31 December 2014, the Company's Audit and Corporate Governance Committee consists of 3 members whose meeting attendance records in 2014 are as follows:

	Name - Surname		Position	Attendance
1.	Mr. Phasunsook	Ayanaputra	Chairman of the Audit and Corporate Governance Committee	4/4
2.	Pol.Maj.Gen Sunthorn	Boonruang	Audit and Corporate Governance Committee	4/4
3.	Mr. Thomas C.	Thompson	Audit and Corporate Governance Committee	3/4

#### Term of the Audit and Corporate Governance Committee

Term of the Audit and Corporate Governance Committee is 2 years from 30 April 2014 to 30 April 2016, and must hold meeting at least 4 times a year

**Roles and Responsibilities of Audit and Corporate Governance Committee**

1. To review that the Company has accurate and adequate financial reporting.
2. To review that the Company has suitable and efficient internal control system and internal audit system.
3. To determine independence of an internal audit office including agreement of appointment, transfer and dismissal of the chief of the internal audit office or any other unit in charge of internal audit.
4. To review that the Company comply with laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business.
5. To consider, select and nominate independent persons to be the Company's auditor, and propose such person's fees, as well as to attend a non-management meeting with the auditor at least once a year.
6. To consider that connected transactions or transactions that may have conflicts of interests are complied with the laws and the regulations of the Stock Exchange of Thailand in order to ensure that they are reasonable and for the best benefit of the Company.
7. To prepare the Report of the Audit and Corporate Governance Committee and have it disclosed in the Company's Annual Report, to which must be signed by the Chairperson of the Audit and Corporate Governance Committee which contains at least the following information
  - a. An opinion on the accuracy, completeness and reliability of the Company's financial report.
  - b. An opinion on the adequacy of the Company's internal control system.
  - c. An opinion on compliance with the laws concerning securities and exchange, the regulations of the Stock Exchange of Thailand, or other laws related to the Company's business.
  - d. An opinion on the suitability of the auditor.
  - e. An opinion on transactions that may have conflicts of interests.
  - f. The number of the Audit and Corporate Governance Committee Meetings, and its attendance record of each committee member.
  - g. An opinion or overview comment that the Audit and Corporate Governance Committee perceived from its performance under the charter.
  - h. Other transactions that the shareholders and general investors should know under its scope of duties and responsibilities assigned by the Board of Directors.
8. In carrying out the Audit and Corporate Governance Committee's duties, if it found or has any suspects that there are transactions or the following doings which may have a considerable impact on the Company's financial status and performance; it should report them to the Board of Directors in order to correct them within a suitable time frame set by the Audit and Corporate Governance Committee;
  - a. Transactions causing conflicts of interests.
  - b. Fraud or irregularity or have key mistakes in the internal control system
  - c. Breach of laws concerning securities and exchange, regulations of the Stock Exchange of Thailand, and other laws related to the Company's business If the Board of Directors or its executives failed to arrange to have them corrected within due course, any member of the Audit and Corporate Governance Committee may report such transactions or doings to the Securities and Exchange Commission or the Stock Exchange of Thailand.

9. To support and follow up that the Company has effective risk management system.
10. To improve the Charter of the Audit and Corporate Governance Committee and present it to the Board of Directors for approvals.
11. To propose and review the Corporate Governance Policy of the Company annually and make recommendations for consideration of the Board;
12. To make recommendations on the best practice of the corporate governance for consideration of the Board;
13. To oversee the compliance with relevant laws and regulations of the Company; and
14. To perform any other matters as assigned by the Board of Directors with the Audit and Corporate Governance Committee's concensus under the Company's Articles of Association and laws.

### Independent Directors

Presently, the Company has 5 independent directors from the total 9 directors which is more than 1/3 of the total number of directors. The independent directors are as follows:

1. Mr. Michael de Santiesteban
2. Mr. Phasunsook Ayanaputra
3. Pol. Maj. Gen Sunthorn Bung Ruang
4. Mr. Thomas C. Thompson
5. Mr. Patrick Michael Davenport

### Qualifications of Independent Directors

- (a) holding shares not exceeding one per cent of the total number of shares with voting rights of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, including shares held by related persons of such independent director;
- (b) neither being nor used to be an executive director, employee, staff, advisor who receives salary, or controlling person of the Company, its parent company, subsidiary company, associate company, same-level subsidiary company, major shareholder or controlling person, unless the foregoing status has ended not less than two years prior to the date of filing an application with the SEC Office. Such prohibited characteristic shall not include the case where the independent director used to be a government official or advisor of a government unit which is a major shareholder or controlling person of the Company;
- (c) not being a person related by blood or legal registration as father, mother, spouse, sibling, and child, including spouse of child, executive, major shareholder, controlling person, or person to be nominated as executive or controlling person of the Company or its subsidiary company;
- (d) neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder



The term 'business relationship' under the first paragraph shall include any normal business transaction, rental or lease of immovable property, transaction relating to assets or services or granting or receipt of financial assistance through receiving or extending loans, guarantee, providing assets as collateral, and any other similar actions, which result in the Company or his counterparty being subject to indebtedness payable to the other party in the amount of three percent or more of the net tangible assets of the Company or twenty million baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the method for calculation of value of connected transactions under the Notification of the Capital Market Supervisory Board governing rules on connected transactions mutatis mutandis. The consideration of such indebtedness shall include indebtedness occurred during the period of one year prior to the date on which the business relationship with the person commences;

- (e) neither being nor used to be an auditor of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person, or partner of an audit firm which employs auditors of the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the SEC Office;
- (f) neither being nor used to be a provider of any professional services including those as legal advisor or financial advisor who receives service fees exceeding two million baht per year from the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, and not being a significant shareholder, controlling person or partner of the provider of professional services, unless the foregoing relationship has ended not less than two years prior to the date of filing an application with the SEC Office;
- (g) not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
- (h) not undertaking any business in the same nature and in competition to the business of the Company or its subsidiary company or not being a significant partner in a partnership or being an executive director, employee, staff, advisor who receives salary or holding shares exceeding one per cent of the total number of shares with voting rights of other company which undertakes business in the same nature and in competition to the business of the Company or its subsidiary company;
- (i) not having any other characteristics which cause the inability to express independent opinions with regard to the Company's business operations.

### 2.2.1.3 Nomination and Remuneration Committee

As of 31 December 2014, the Company's Nomination and Remuneration Committee consists of 3 members whose meeting attendance records in 2014 are as follows:

Name - Surname		Position	Attendance
1. Mr. Phasunsook	Ayanaputra	Chairman of the Nomination and Remuneration Committee	1/1
2. Pol.Maj.Gen Sunthorn	Bungruang	Nomination and Remuneration Committee	1/1
3. Mr. Thomas C.	Thompson	Nomination and Remuneration Committee	0/1

#### Qualifications and Constituents of Nomination and Remuneration Committees

1. The members of Nomination and Remuneration Committees shall be the Company's directors who have been appointed by the Company Committees.
2. The number of Nomination and Remuneration Committees shall consist of at least 3 people and consist of no less than half of its total members who are qualified as independent committees, in which the Chairman of Nomination and Remuneration Committees shall also be the independent committee.
3. The Nomination and Remuneration Committees shall be qualified as Non-Executive Directors in order to prevent the conflict of interest and devote themselves for the duty of Nomination and Remuneration committees.
4. The Nomination and Remuneration Committees shall nominate any member of Nomination and Remuneration Committees or any employee to be the secretary of Nomination and Remuneration Committees

#### Term of the Nomination and Remuneration Committee

Term of Nomination and Remuneration Committee is 3 years commencing from 9 May 2014 to 9 May 2017

#### Scope of Authority and Responsibilities of Nomination and Remuneration Committees

1. Providing the guideline and reviewing any method of remuneration payment, including the annual bonus and the meeting allowance, whether it is monetary or not, any fringe benefits provided to any committee, managing director, chief executive officer and any sets of subcommittees appointed by the Board of Committees and offering it to the Board of Committees for consideration.
2. Determining the criteria for assessing the performance of the Chairman, managing director for purpose of setting their remuneration before offering to the Board of Committees for annual consideration.
3. Considering any conditions if there are any securities (or share subscription warrant) offered to any committee and officer, including considering the appropriateness and giving the resolution if any committee or officer is allocated the securities more than 5% of total allocated securities, provided no any member of the Nomination and Remuneration Committees shall be allocated the securities more than 5% and then they are entitled to pass any resolution.

4. Reporting any progress and performance to the Board of Committees all the times after holding the Nomination and Remuneration Committees' meeting and reporting the performance of the last year to the shareholders through the Company's annual report and the annual ordinary shareholder meeting.
5. Reviewing the Charter of the Nomination and Remuneration Committees and offering it to the Board of Committees for the approval for purpose of proper adjustment and update.
6. Performing of any other duties assigned by the Board of Committees; According to the duty performance under the scope of their power and authority, the Nomination and Remuneration Committees are able to invite the Management Division, heads of any working units or relevant officers to give their opinion, related and necessary information in the meeting. Besides, for performing the duties under the scope of their power and authority specified herein, the Nomination and Remuneration Committees can ask for any advice from the independent consultants or other specialists if, in their opinion, it is necessary and proper to do so. However, the Company shall be responsible for all expenses.
7. Determining criteria and policy in nominating director of the Board and Director in other committee of Company.
8. Considering appropriate person to propose to be member of Board of Directors and/ or propose to Shareholder to appointment.
9. Considering appropriate person to propose to be Executive Chairman Managing Director in case vacancy.

#### 2.2.1.4 Executive & Investment Committee

As of 31 December 2014, the Company's Executive & Investment Committee consists of 5 members as follows:

Name - Surname			Position
1.	Mr. Anucha	Sihanatkathakul	Chairman of the Executive & Investment Committee
2.	Mr. Jeremy Lechemere	King	Vice Chairman of the Executive & Investment Committee
3.	Mr. Nontawat	Thongmee	Executive & Investment Committee
4.	Mr. Tanakorn	Leelasiri	Executive & Investment Committee
5.	Mrs. Wilaiporn	Siripoorikan	Executive & Investment Committee

#### Executive & Investment Committee's Responsibility

1. Set forth method and strategy on investment.
2. Consider and approve investment on instruments and securities of each type under the Investment Procedure required by Company.
3. Consider and select the instruments and security that are invest able in accordance with the Investment Procedure required by Company.
4. Consider acquisition and distribution of the invest able securities under the Investment Procedure required by Company
5. Handle report on investment situation.
6. Handle other matters as assigned.

**Scope of Executive & Investment Committee**

1. Make an investment on short-term security or trading portfolio amounted not exceeding 25 Million Baht under amount limit of not exceeding 50 Million Baht.
2. Make an investment on long-term security or stock security amounted not exceeding 25 Million Baht or accounted for 5% of paid-up capital under amount limit of not exceeding 50 Million Baht.
3. Make an investment on large-scale and costly properties under make amount limit of not exceeding 50 Million Baht.

**2.2.1.5 Construction and Risk Management Committee**

[formerly, the Construction Committee; the name change was approved by the Board of Directors' Meeting No.1/2015, held on 26 February 2015]

As of 31 December 2014, the Company's Construction and Risk Management Committee consists of 4 members as follows:

	<b>Name - Surname</b>		<b>Position</b>
1.	Mr. Anucha	Sihanatkathakul	Chairman of the Construction and Risk Management Committee
2.	Mr. Nontawat	Thongmee	Construction and Risk Management Committee
3.	Mr. Tanakorn	Leelasiri	Construction and Risk Management Committee
4.	Mrs Wilaiporn	Siripoorikan	Construction and Risk Management Committee

**Roles and Responsibilities of Construction and Risk Management Committee**

Board of Directors delegated the authorities to Construction and Risk Management Committee as an authorized person, to work on behalf of the Company within the scope and conditions as follow;

1. To operate and manage the Company's operation in accordance with the objectives, rules, and resolutions undertaken at Shareholders Meeting and Management Committee Meeting in all cases.
2. To examine and authorize general operations of the Company, for example, purchase of vehicles, sales of properties, and to approve of purchase of disposable office stationary, equipment with the value not exceeding 5 Million Baht.
3. To authorize the approval of project operations with the value not exceeding 700 Million Baht Baht such as construction contracts including approval of projects, purchase of construction materials, and hire of sub-contractors not exceeding 20 Million Baht.
4. To set organization, management and Construction and Risk Management Committee structure to cover all details of selection, training, recruitment, and lay off of engineers and other employees of the Company.
5. To prepare, propose, and recommend business directions and strategies of the Company to Board of Directors for approval.
6. To set business plans and management authority, to approve annual budget and expenditure for business operation, to implement business plans and strategies in accordance with the policies and business directions approved by Board of Directors.



7. Executive Committee does not have authority to approve or to involve in or to undertake any businesses or transactions that the executive committee member or other persons may have any conflicts, interests, or conflicts of interests with the Company.
8. To propose and review the risk management policies and procedures for consideration of the Board;
9. To oversee the implementation of the risk management policies and procedures;
10. To make recommendations concerning the risk factors and mitigation measures to the Company's business for consideration of the Board;
11. To perform any other duties as assigned by the Board of Directors.

### **Roles and Responsibilities of the Managing Director**

Managing Director has authority as manager to manage and control normal business operation of the Company and has authority to approve normal transactions of the Company. However, the approval of bidding of construction projects must be in accordance with scope of authority under authority table, which is approved by Board of Directors of the Company. Besides, Managing Director also has authorities to perform any duties that are assigned by according to the Company's structure. Managing Director is able to assign other persons who are considered appropriate to undertake necessary and appropriate management or operation duties for Managing Director according to judgment of Managing Director.

However, the Managing Director or any persons authorized by the Managing Director shall have no authority to approve or to involve in or to undertake any businesses or transactions that Managing Director or other persons may have any conflicts, interests, or conflicts of interests with the Company.

### **Company Secretary**

Mr. Sombat Tipyananukul was appointed by the Board of Directors' Meeting No.2/2014, held on 12 May 2014 to act as the Company's Secretary due to his appropriate qualifications and experiences with the following key roles and responsibilities:

- (1) To act as Secretary to the Board of Directors Meetings, Shareholders Meetings, Audit and Corporate Governance Committee Meetings, Nomination and Remuneration Committee Meetings, Construction and Risk Management Committee Meetings and all other committees as may be assigned by the Company;
- (2) To arrange meetings and prepare agenda and documents of the Board of Directors, Shareholders, Audit and Corporate Governance Committee, Nomination and Remuneration Committee, Construction and Risk Management Committee and all other committees as may be assigned by the Company;
- (3) To prepare Minutes of the Board of Directors Meetings, Shareholders' Meetings, Audit and Corporate Governance Committee Meetings, Nomination and Remuneration Committee Meetings, Construction and Risk Management Committee Meetings and all other committees as may be assigned by the Company;
- (4) To ensure that the Company complies with the SEC and SET laws and regulations and all other laws relating the Company's business; and
- (5) To perform any other related duties in accordance with the Company's policies

## 2.2.2 Remuneration of Directors and Management

### 2.2.2.1 Monetary Remuneration

Remuneration of the Company's Directors, Audit and Corporate Governance Committee and Remuneration Committee

The Company's directors consists of 9 members and the Company has paid the monetary remuneration to directors, the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee in 2014 as follows:

Name-Surname	Position	Board of Directors Meeting Fee	Audit and Corporate Governance Committee Meeting Fee	Nomination and Remuneration Committee Meeting Fee	Directors Bonus
1. Mr.Anucha Sihanatkathakul	Chairman of the Board	60,000	-	-	100,000
2. Mr. Jeremy Lechemere King	Vice Chairman	24,000	-	-	100,000
3. Mr. Michael de Santiesteban	Director	24,000	-	-	25,000
4. Mr. Phasunsook Ayanaputra	Director and Chairman of the Audit and Corporate Governance Committee and Chairman of the Nomination and Remuneration Committee	48,000	60,000	15,000	100,000
5. Mr. Nontawat Thongmee	Director and Managing Director	48,000	-	-	100,000
6. Pol MajGen.Sunthorn Boonruang	Director and Audit and Corporate Governance Committee and Nomination and Remuneration Committee	48,000	48,000	12,000	100,000
7. Mr. Thomas C. Thompson	Director and Audit and Corporate Governance Committee and Nomination and Remuneration Committee	48,000	36,000	-	100,000
8. Mr. Patrick M. Davenport	Director	48,000	-	-	100,000
9. Mr.Tanakorn Leelasiri	Director	36,000	-	-	100,000
Total		384,000	144,000	27,000	825,000

## Management's Remuneration

In 2014, the remuneration and benefits after retirement of the Company's Management is 8,876,947 Baht.

### 2.2.2.2 Other Remuneration

#### Objectives Allocation of ESOP Warrant

The Company was approved by the Extraordinary General Meeting of shareholders no. 1/2008 to allocate the warrant to its directors, executives and employees for 12,500,000 units with the offering price of 0 Baht per unit, at the exercise price of 3.00 Baht per unit. The warrants shall be valid for 5 years from the issuing and offering date.

#### Objectives

Providing the opportunity to any directors, executives and employees to jointly own the Company, motivating, and rewarding their performance and benefits provided to the Company by them.

#### Qualification of Company's directors and employees who were to be allocated Warrants

1. Any directors and/or regular employees of the Company, excluding any contract employees.
2. Any exception other than clause 1, shall be offered to the Management Team and/or the Remuneration Committees for consideration as the special case.
3. Number of warrants allocated to each of the Company's committees and/or officers under the Management Team

Determination do not have to be equal, however it depends on:

- Position
- Work experience
- Working performance and potential
- Benefits contributed to the Company

#### Details of Warrant to purchase ordinary shares of the Company to directors and employees;

- Offering Date of Warrants      16 June 2009
- The First Exercise Date      31 July 2010
- The Final Exercise Date      15 June 2014

- Offering Period :
- At the end of the 1st year, the accumulated conversion rights amount not to exceed 20%.
  - At the end of the 2nd year, the accumulated conversion rights amount not to exceed 40%.
  - At the end of the 3rd year, the accumulated conversion rights amount not to exceed 60%.
  - At the end of the 4th year, the accumulated conversion rights amount not to exceed 80%.
  - At the end of the 5th year, the accumulated conversion rights amount not to exceed 100%.

## Number of Warrants Allocated to Directors and Management on 2 October 2008

Name - surname		Position	Number of Warrants Allocated
Mr. Anucha	Sihanatkathakul	Chairman of the Board	2,080,000
Mr. Jeremy	Lechemere King	Vice Chairman	2,080,000
Mr. Nontawat	Thongmee	Managing Director	1,080,000
Pol.Maj. Gen. Sunthorn	Boonruang	Director	480,000
Lt.Gen. Thavalaya	Prapapant	Director	480,000
Mr. Pornsanong	Tuchinda	Director	480,000
Mr. Phasunsook	Ayanaputra	Director	480,000
Mr. Michael De	Santiesteban	Director	280,000
Mr. Thomas C.	Thompson	Director	280,000
Mr. Patrick M.	Davenport	Director	280,000
Mr. Tanakorn	Leelasiri	Assistant Managing Director of Administration Division	800,000
Mrs. Wilaiporn	Siripoorikan	Assistant Managing Director Finance and Accounting Division	800,000

- Notes:
1. Two executives, namely Mr. Anucha Sihanatkathakul (Chairman of the Board) and Mr. Nontawat Thongmee (Managing Director) are allocated the warrants as directors.
  2. Mr. Tanakorn Leelasiri was appointed and registered with the Ministry of Commerce as a director on 26 October 2009 after being allocated the warrants as management.
  3. As of 8 May 2013, the Company has the paid-up capital at 126,720,000 Baht since the directors and employees exercised their rights to convert their ESOP Warrants into ordinary shares.
  4. As of 19 June 2014, the Company has the paid-up capital at 126,720,042 Baht since the existing shareholders exercised their rights to convert their RO Warrants into 42 shares in total.
  5. Both ESOP Warrants and RO Warrants had expired since 16 June 2014.



## 2.2.3 Personnel

As of 31 December 2014, the Company has 150 employees as follows:

Description	Regular Employee (persons)	Contract Employees (persons)	Total (persons)
Engineers	35	-	35
Architects	4	-	4
Head Office	40	-	40
Field	69	2	71
Total	148	2	150

**Note:** As of 31 December 2014, the Company has 442 daily paid workers

During the past 3 years, the Company has no any significant labor disputes. The total remuneration for 2012, 2013 and 2014 provided to the employees was in the amount of 65.72 Million Baht, 78.26 Million Baht and 67.02 Million Baht respectively. The said remuneration consists of salary, overtime, bonus and other remuneration.

The Company's policy enhances to continuously improve its personnel of all levels regarding the aspects of knowledge and competence, both engineer and any staff of other positions. Moreover, the Management Division is aware that its personnel are deemed as a value and vital resource, so that the Company's policy determines to enhance and support its personnel at all levels to the improvement of knowledge, skill and positive attitude towards their working.

Previously, the Company sent its personnel to attend the training courses in various fields which conform to their function, both inside and outside of the Company, whether they are provided by the public or private agency, such as the project of construction danger acknowledging enhancement and protection measures under the law regarding working safety, project of construction risk management for reducing any loss, and construction planning and period determination project, etc. Accordingly, such projects can increase the competence and effectiveness for their working, decrease any mistakes or trial and error, and enhance any personnel to gain more knowledge, vocational progress and working satisfactoriness leading to the corporate development and achievement of the operative objectives under the state of technology change and fierce business competition.

## 2.3 CORPORATE GOVERNANCE

The Company has realized the importance of the good corporate governance all along since 11 March 2004, the date on which the Board of Directors' Meeting No.2/2004 of the Company had passed a resolution approving the first good corporate governance policy. However, in order to develop the Company for sustainable growth, the Board of Directors' Meeting No. 3/2014, held on 13 August 2014 has approved the new Vision, Mission and Value of the Company and the New Corporate Governance Policy 2014 in order to be in line with the Principles on Good Corporate Governance 2012 of the Stock Exchange of Thailand and the Guidelines on Corporate Social Responsibility of the Stock Exchange of Thailand 2012, in particular, the Policy on Anti-Fraud and Corruption, the Non-Violation of Intellectual Property, the Non-Violation of Human Rights, etc. Our staff have signed to acknowledge and comply with the said new Corporate Governance Policy.

The Company's New Corporate Governance Policy 2014 covers policies and guidelines of 11 Chapters as follows:

- Chapter 1 Policy on Shareholders' Rights and Equitable Treatment to Shareholders
- Chapter 2 Policy on the Roles of Stakeholders
- Chapter 3 Policy on Disclosure of Information and Transparency
- Chapter 4 Policy on the Responsibilities of the Board of Directors
- Chapter 5 Policy on Human Resource Management
- Chapter 6 Policy on Accounting and Finance
- Chapter 7 Policy on Internal Control
- Chapter 8 Policy on Related Party Transactions
- Chapter 9 Policy on Anti-Fraud and Corruption
- Chapter 10 Policy on Non-Violation of Intellectual Property
- Chapter 11 Policy on Non-Violation of Human Rights

\* For more details of the Company's New Corporate Governance Policy 2014, please see the Annual Registration Statement (Form 56-1) of the Company on the website [www.set.or.th](http://www.set.or.th) or on the website of the Company [www.focus-pcl.com](http://www.focus-pcl.com)

## 2.4 CORPORATE SOCIAL RESPONSIBILITY

### 2.4.1 Company Policy on Corporate Social Responsibility

According to the new CG Policy of the Company 2014, approved by the Board of Directors' Meeting No.3/2014 on 13 August 2014, the Company has realized the importance of the social responsibility by providing the participation of all related stakeholders, responsibilities to the community, society and environment in the Company's vision, mission and value for sustainable development of the Company.

**Stakeholders shall mean shareholders, employees, customers, creditors, suppliers, competitors, community, society and environment.** The Company's policy is to treat all stakeholders according to their rights as required by law and agreements. The Company shall encourage and support the participation of all stakeholders for sustainable growth of the Company and shall disclose sufficiently the key information and news to stakeholders. Therefore, the Company's CSR policy and practice for the benefits of our stakeholders is as follows

#### 2.4.1.1 Responsibilities to Shareholders

- (1) The Company shall carry out the business according to the laws, objectives, Articles of Association, resolutions of the shareholders' meetings and Board meetings.
- (2) The Company shall carry out the business in good faith and in a transparent and fair manner. Any decisions shall be made carefully taking into account the highest benefits of shareholders.
- (3) The Company is committed to creation of the sustainable growth to the Company's business with quality and stability for the long term performance of the Company.
- (4) The Company shall respect the shareholders' rights to receive news and information equally and shall completely and correctly disclose the important information of the Company, both financial and non-financial information in a timely and transparent manner through the online news of the SET and/or the Company's website [www.focus-pcl.com](http://www.focus-pcl.com)

#### Our practice in 2014

The Annual General Meeting for the Year 2014, held on 29 April 2014 was duly convened and the Minutes of the meeting were completely recorded and reported to the shareholders via the online news of the Stock Exchange of Thailand within 14 days from the meeting day as required by law

#### 2.4.1.2 Responsibilities to Customers

- (1) The Company is committed to develop and provide quality service in order to respond the customers' requirements with the safety and standards at reasonable price and shall hand over the work to customers within a specified period of time for the customers' satisfaction.
- (2) The Company shall strictly comply with the terms and conditions of agreements. If any contract terms cannot be complied with, the parties shall consult with each other to prevent any possible damage which may occur.
- (3) The Company shall not take any advantage from customers or gain too much profits and shall determine fair trade terms.
- (4) The Company shall deal with customers in a polite, speedy and efficient manner with customers' trustworthiness and shall provide customers complaint system to solve customers' problems and improve the quality of service.
- (5) The Company shall listen to opinion or suggestion of customers on a regular basis in order to improve its service.

- (6) The Company shall give a service warranty under specified conditions.
- (7) The Company shall keep confidential information of customers as secret under the terms and conditions of agreement and shall not disclose the same to any third party without prior written consent from the customers.

#### **Our Practice in 2014**

Eventhough there were some delays in our construction projects due to various factors, an agreement with our customers can be reached to compensate each other for such delays in the ordinary course of business of the construction industry

#### **2.4.1.3 Responsibilities to Suppliers**

- (1) The Company shall strictly comply with agreements and guidelines on procurement. If any contract terms or guidelines cannot be complied with, the parties shall consult with each other to prevent any possible damage which may occur.
- (2) The negotiation on procurement shall be conducted in a transparent and auditable manner by comparing the quality and price.
- (3) The Company shall not demand, receive and give any benefits in return which is not in good faith or not in the ordinary course of business.

#### **Our Practice in 2014**

There was no complaint on any give or take of any other benefits apart from the ordinary course of business.

#### **2.4.1.4 Responsibilities to Creditors**

- (1) The Company shall strictly comply with the conditions of agreements made with creditors in a transparent and equitable manner. If any contract terms cannot be complied with, the parties shall consult with each other to prevent any possible damage which may occur.
- (2) The Company shall disclose its complete and correct financial position to creditors in good faith.

#### **Our Practice in 2014**

The repayment of debts to our financial institutions and creditors has been made within the period of time as agreed by the parties.

#### **2.4.1.5 Responsibilities to Trade Competitors**

- (1) The Company shall support the trade competition for the benefits of customers and shall comply with the free and fair trade competition laws and regulations.
- (2) The Company shall not seek for any confidential information of competitors which is not in good faith or not in a proper manner.
- (3) The Company shall not ruin the reputation of the trade competitors with an unfair trade competition.
- (4) The Company shall not tackle the trade competitors or make them lose their trade opportunity in an unfair manner.

#### **Our Practice in 2014**

The Company complied with the relevant laws and regulations regarding the free and fair trade competition.



#### 2.4.1.6 Responsibilities to Community, Society and Environment

- (1) The Company shall carry out the business with the responsibilities to community, society and environment.
- (2) The Company shall support and encourage the conservation and optimization of the use of natural resource and energy in the work process.
- (3) The Company shall support and encourage the staff of all levels to jointly create and participate in activities or projects for community, society and environment.
- (4) The Company shall strictly comply with the laws on natural resource and environment and all other relevant laws.

##### Our Practice in 2014

The Company conducted CSR in Process activities as part of our responsibilities to the community, society and environment including hiring the local sub-contractors and purchasing construction materials from the local suppliers where our construction sites were located in order to promote and support their business in such community.

#### 2.4.1.7 Responsibilities to Staff

- (1) The Company shall provide reasonable and fair remuneration to staff, based on their knowledge, competency, experience, responsibility and performance.
- (2) The Company shall take care of the working environment for the safety of life and property of the staff.
- (3) The Company shall promote, transfer, give a reward or do any act to the staff in good faith, taking into account their knowledge, competency, experience, responsibility and performance.
- (4) The Company shall support and encourage the staff to educate themselves for additional knowledge in order to develop and improve themselves to be competent in knowledge and capability and working experience in order for the better efficiency and effectiveness.
- (5) The Company shall strictly comply with the labour laws and regulations and all other relevant laws.
- (6) The Company shall listen to the opinion and suggestion of staff of all levels on an equal basis.
- (7) The Company shall treat staff in a polite manner and shall respect the human dignity.
- (8) The Company shall provide staff complaint system in order to provide fairness to all staff.

##### Our Practice in 2014

- (1) Apart from the monthly remuneration received by the staff, the Company also provides the following welfares to our staff subject to the specified conditions:
  - the provident fund
  - health insurance
  - life insurance
  - accident insurance
  - per diem for working upcountry and at the construction sites
  - travelling and accommodation allowances, etc.
- (2) The Company provided in-house trainings for our construction workers, sub-contractors, office staff, etc. in order to enhance their knowledge and experiences for the sustainable growth of the Company as part of our CSR in Process activities.

## 2.4.2 CSR in Process

CSR in Process means the CSR activities inside the organization which relate to the process of business operations which are closely related to stakeholders of the organization e.g. shareholders, customers, suppliers, creditors, staff, etc. While CSR after Process means the CSR activities outside the organization and are not related to the process of business operations. For example, blood donation, book donation, plantation, etc.

The Company has well recognized all along that our business operations must also take into account the stakeholders' participation in parallel with an effort to avoid any acts which may cause any negative impact to the society, community and environment for sustainable growth of the Company. In 2014, the Company, therefore, set up the CSR Task Force to develop and follow up the CSR in Process activities of the Company.

### Samples of the Company's CSR in Process Activities in 2014



#### Sample 1 - On-the-Job-Training for Construction Workers

The Company provided on-the-job training on brick foundation and plaster work for our construction workers in order to develop unskilled labour to be skilled labour for higher efficiency to the Company's construction work and also for higher income for construction workers which is a win-win situation for a long-term development and sustainability of the Company.



#### Sample 2 - Tree Cutting Around Construction Project for Better Vision of Road Users and Accident Prevention



**Sample 3 - Drain Cleaning and Cleaning Around the Construction Project for Better Environment and Better Water Flow**



**Sample 4 - Clearing Around the Construction Project Site for Better Environment and Prevention of Undesirable Animals**



**Sample 5 - Safety Standards Training for Construction Workers**



**Sample 6 - Training on Tax and Accounting for Sub-Contractors**

For the sub-contractors who would like to set up a company or would like to understand more on the tax and accounting matters, the Finance and Accounting Department of the Company is prepared to share with them the knowledge on these fields for the purpose of business development and tax and accounting planning.

## 2.5 Internal Control and Risk Management

### 2.5.1 Conclusion of the Board's Opinion on the Internal Control

The Board of Directors continuously realizes the significance of the internal control system to prevent and minimize potential risks by assigning the Audit Committee and Corporate Governance Committee comprising 3 independent directors to review the evaluation of the internal control system for the purpose of ensuring that the work performance is efficient and effective, that the Company's resources are used cost efficiently, that the financial reporting is properly controlled to ensure correctness, reliability and timeliness, that it complies with the policy in accordance with the provisions of the laws and regulations of the relevant authorities and agencies, and that the efficiency of the internal control system is regularly reviewed, to ensure the best interest of the shareholders on the basis of fair returns to all stakeholders.

In addition, the Audit and Corporate Governance Committee also has the duty to consider selecting and nominating the auditor, including the audit fee; and consider disclosing the Company's correct and complete information in case of connected transactions and transactions which may have conflict of interest. In 2014, the Audit and Corporate Governance Committee convened 4 meetings, in which the Company's management attended each and every meeting. However, there was one meeting with the auditor without the management's presence for consideration of the financial statements for 2014 so as to independently make inquiries on the audit plan and other matters found during the audit.

The Board of Directors' Meeting No. 1/2015, held on 26 February 2015 has evaluated the adequacy and suitability of the Company's internal control system as per the evaluation report by the Audit and Corporate Governance Committee in various aspects as per the internal control adequacy evaluation form, comprising five elements, namely, organization and environment; risk management; operational control of the management; information technology and communications system; and monitoring system. The Board concluded that the Company's internal control system is adequate and suitable to the business operations without any material fault, which would prevent the Company's assets from misuse or unauthorized use by the Management.

### 2.5.2 Head of the Internal Audit Department

The appointment, removal or transfer of the Head of the Internal Audit Department must be approved by the Audit and Corporate Governance Committee of the Company. At present, Mrs. Anchana Samohsaman is the Head of the Internal Audit Department of the Company.

## 2.6 Connected Transactions

There was one related party transaction for the year end 31 December 2014 in launching Focus Ploenchit Condominium of the Company, whereby the price and conditions were determined in the ordinary course of business as follows:

Name of Person who may have conflict of interests	Relationship	Type/size of Transaction	Necessity and Reasonableness of the Transaction
Perasia (Thailand) Limited	Mr. Jeremy Lechemere King is an authorized director of Focus and of Perasia (Thailand) Limited	Perasia (Thailand) Limited purchased two units of 'Focus Plenchit' condominium which is one of Focus's projects at 6,190,844 Baht and 7,561,573 Baht respectively	Perasia (Thailand) Limited purchased the condo units at the same rate that Focus offered to any other customers.

In addition, there was another related party transaction for the year ended 31 December 2014 which the Company purchased the copyrighted software at the price and under the conditions in the ordinary course of business as follows:

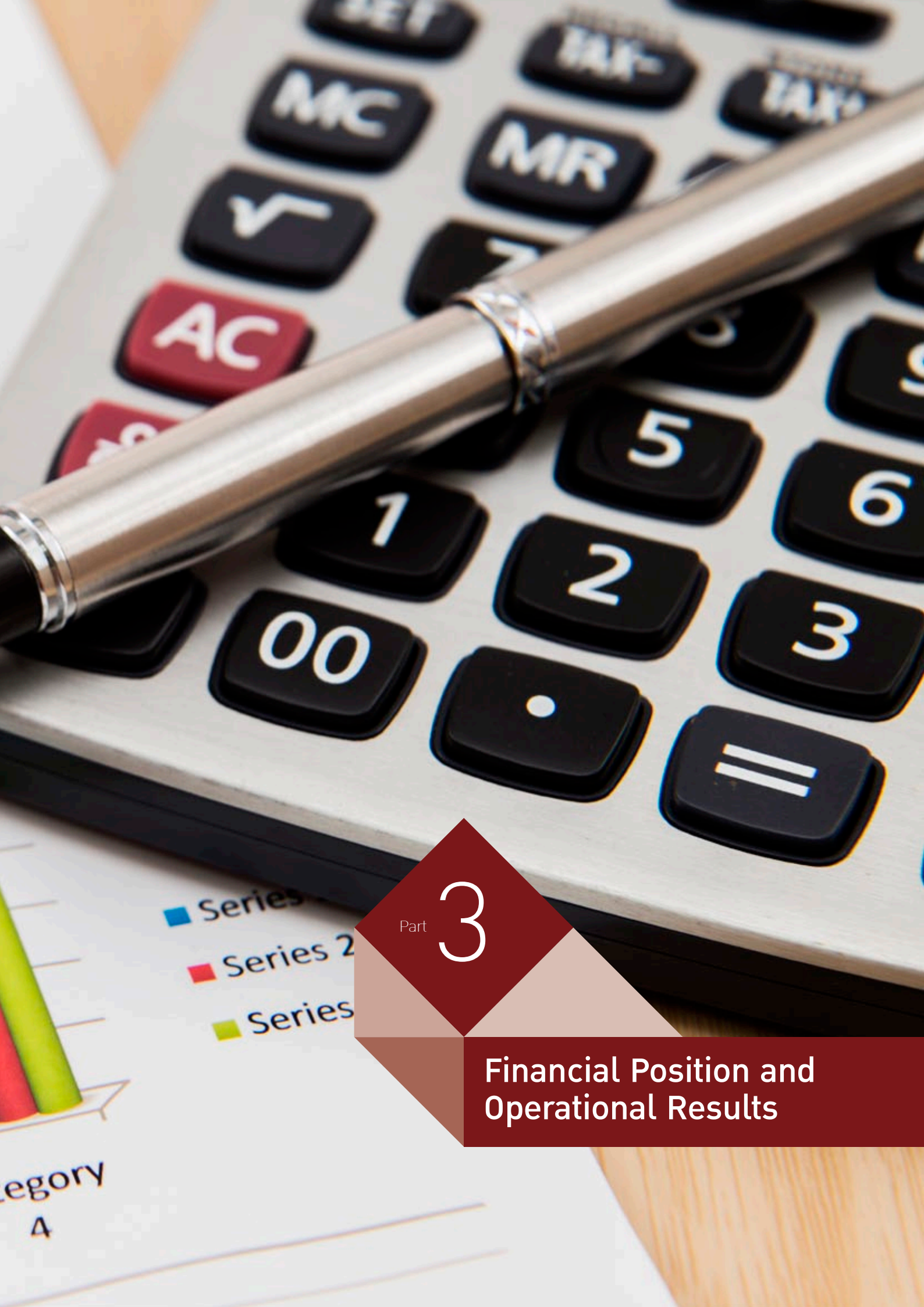
Name of Person who may have conflict of interests	Relationship	Type/size of Transaction	Necessity and Reasonableness of the Transaction
Mr. Anucha Sihanatkathakul	Being an authorized director of Focus and of Data in Motion Co., Ltd.	Focus purchased the copyrighted software, i.e. Microsoft, AutoCAD, Acrobat, altogether 163 sets at 1,963,900 Baht in total	Data in Motion Co., Ltd. sold the copyrighted software to Focus at the market price

Remarks : "Focus" means Focus Development and Construction Public Company Limited









Part

3

Financial Position and  
Operational Results

### 3.1 Financial Highlights

Financial Information (Unit : Million Baht)	2014	2013 (Update)	2012
Total Assets	731.37	648.18	705.22
Total Liabilities	599.59	483.26	527.26
Total Shareholders' Equity	131.78	164.92	177.96
Revenue from Construction	532.63	1,077.85	894.49
Revenue from Real Estate Development	-	22.90	207.10
Total Revenues	549.03	1,114.15	1,105.98
Net Profit (loss) for the year	(33.14)	(16.46)	49.70
Financial Ratio			
Liquidity Ratio (times)	1.67	1.46	1.23
ROE (%)	(22.34)	(9.60)	32.64
ROA (%)	(4.55)	(3.57)	11.74
Debt to Equity Ratio (times)	4.55	2.93	2.96
Total Asset Turnover (times)	0.80	1.65	1.86
Gross margin (%)	1.92	3.11	10.85
Net Profit Ratio (%)	(6.04)	(1.48)	4.49
Basic Net Profit (loss) Per Share (Baht)	(0.26)	(0.13)	0.40
Dividend Payout Ratio (%)	-	-	-
Book Value Per Share (Baht)	1.04	1.30	1.42

STRUCTURE OF REVENUES	2014		2013		2012	
Business Category	Amount (MB)	%	Amount (MB)	%	Amount (MB)	%
1. Revenues from Construction	532.63	97.01	1,077.85	96.74	894.49	80.88
2. Revenue from property Development	-	-	22.90	2.06	207.10	18.72
3. Other incomes	16.40	2.99	13.40	1.20	4.39	0.40
Total	549.03	100.00	1,114.15	100.00	1,105.98	100.00

\* Information from the Restated Financial Statements

### 3.1.1 Financial Statements

#### Summary of Auditing

Auditors of the Company's Financial Statements

- For the year ended 31 December 2014 and 2013 is Mr. Prawit Viwanthananut CPA Registration No. 4917 of PV Audit Co., Ltd.
- For the year ended 31 December 2012 was Mr. Udom Thanuratpong, CPA Registration No. 8501 of ANS Audit Co. Ltd.
- The auditor gave a note to the financial statements in Clause 4 that the Company has corrected the errors during the year 2014 for the errors occurred in the previous year on the amortization of the trade creditors and other creditors. Therefore, the financial statements for the year ended 31 December 2013 as shown in the comparative information has been adjusted retroactively to reflect such correction of the errors.
- The auditor has expressed his unqualified opinion in his report.

### 3.1.2 SUMMARY OF STATEMENT OF FINANCIAL POSITION, STATEMENT OF COMPREHENSIVE INCOME, STATEMENT OF CASH FLOWS AND FINANCIAL RATIO AS COMPARE 3 YEARS.

#### STATEMENT OF FINANCIAL POSITION AS AT DECEMBER 31, 2014, 2013 AND 2012

UNIT : THOUSAND BAHT

DESCRIPTION	2014	2013 (Restated)	2012
<b>ASSETS</b>			
<b>CURRENT ASSETS</b>			
Cash and cash equivalents	9,361	5,743	40,949
Trade and other receivables	63,717	90,985	128,642
Work in progress	-	4,415	7,873
Unbilled receivables	72,634	109,474	145,650
Cost of property development	396,273	247,033	225,330
Other current assets	8,588	11,591	28,616
Total Current Assets	550,573	469,241	577,060
<b>NON-CURRENT ASSETS</b>			
Restricted bank deposits	26,802	24,467	20,723
Building and equipment	23,070	29,244	23,112
Intangible asset	3,702	682	300
Deferred tax assets	16,956	8,993	5,114
Other non-current assets	110,264	115,550	78,910
Total Non-current Assets	180,794	178,936	128,159
<b>TOTAL ASSETS</b>	<b>731,367</b>	<b>648,177</b>	<b>705,219</b>

**STATEMENT OF FINANCIAL POSITION**  
**AS AT DECEMBER 31, 2014, 2013 AND 2012**

UNIT: THOUSAND BAHT

DESCRIPTION	2014	2013 (Restated)	2012
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>			
<b>CURRENT LIABILITIES</b>			
Bank overdrafts and short-term loans from financial institutions	29,782	9,580	114,908
Trade and other payables	119,901	111,786	179,853
Current portion of liabilities	3,151	2,995	629
Estimated cost	60,675	78,474	52,642
Retention payables	30,867	46,215	28,078
Advances received	69,753	63,252	81,204
Other current liabilities	15,993	8,861	11,944
Total Current Liabilities	330,122	321,163	469,258
<b>NON-CURRENT LIABILITIES</b>			
Long-term loans from financial institutions	262,400	152,300	52,300
Long-term liabilities under finance lease	1,287	4,435	1,205
Employee benefit obligations	5,777	5,357	4,499
Total Non-current Liabilities	269,464	162,092	58,004
Total Liabilities	599,586	483,255	527,262
<b>SHAREHOLDERS' EQUITY</b>			
Authorized share capital 400 million ordinary shares, Baht 1 par value	400,000	400,000	400,000
Issued and paid-up share capital: 126,720,042 ordinary shares in 2014, 126,720,000 ordinary shares in 2013 and 125,579,000 ordinary shares in 2012, fully paid-up	126,720	126,720	125,579
Premium on ordinary shares	56,413	56,413	54,131
Deficit	(51,352)	(18,211)	(1,753)
Total Shareholders' Equity	131,781	164,922	177,957
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>731,367</b>	<b>648,177</b>	<b>705,219</b>



**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2014, 2013 AND 2012**

UNIT: THOUSAND BAHT

DESCRIPTION	2014	2013 (Restated)	2012
<b>REVENUE FROM SALES AND SERVICES</b>			
Revenue from construction	532,633	1,077,855	894,487
Revenue from sales	-	22,905	207,099
Total revenue	532,633	1,100,760	1,101,586
<b>COST OF SALES AND SERVICES</b>			
Cost of construction	(522,423)	(1,053,290)	(841,647)
Cost of sales	-	(13,190)	(140,402)
Total cost	(522,423)	(1,066,480)	(982,049)
Gross profit	10,210	34,280	119,537
Other income	16,407	13,396	4,394
Profit before expense	26,617	47,676	123,931
Administrative expenses	(57,987)	(66,528)	(54,106)
Finance cost	(9,735)	(1,484)	(4,262)
Profit (loss) before income tax	(41,105)	(20,336)	65,563
Tax Income (expense)	7,963	3,879	(15,867)
Profit (loss) for the year	(33,142)	(16,457)	49,696
Other comprehensive income (loss)	-	-	-
Total comprehensive income (loss)	(33,142)	(16,457)	49,696
Profit (loss) per share			
Basic profit (loss) per share (Baht)	(0.26)	(0.13)	0.40
Weighted average number of ordinary shares (Shares)	126,720,025	126,403,112	125,107,574

**STATEMENT OF CASH FLOWS**  
**FOR THE YEAR END OF DECEMBER 31, 2014, 2013 AND 2012**

UNIT: THOUSAND BAHT

DESCRIPTION	2014	2013 (Restated)	2012
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>			
Profit (loss) before income tax	(41,105)	(20,336)	65,563
Adjustments to reconcile profit (loss) before income tax to net cash provided by (used in) operating activities			
Depreciation and amortization	9,317	10,848	11,428
Provision incurred from the employee benefit obligations	1,304	858	716
Estimate cost overrun (reversal)	(17)	17	-
Doubtful debt	-	-	20
(Gain) loss on disposal of and written-off assets	(2,182)	1,177	(1,573)
Interest income	(612)	(769)	(773)
Interest expenses	9,735	1,484	3,762
Profit (loss) from operating activities before change in operating assets and liabilities	(23,560)	(6,721)	79,143
Change in operating assets (increase) decrease			
Trade and other receivables	27,260	37,670	(21,197)
Work in progress	4,415	3,458	(2,023)
Unbilled receivables	36,840	36,177	(78,955)
Cost of property development	(149,240)	(21,703)	(89,115)
Other current assets	3,002	17,026	(5,219)
Restricted bank deposits	(2,335)	(3,744)	4,349
Other non-current assets	(886)	(16,648)	3,056
Change in operating liabilities increase (decrease)			
Trade and other payables	7,761	(68,113)	103,756
Estimated Cost	(17,798)	25,832	16,923
Retention payables	(15,348)	18,137	13,016
Advances received	6,501	(17,952)	(55,282)

**STATEMENT OF COMPREHENSIVE INCOME**  
**FOR THE YEAR ENDED DECEMBER 31, 2014, 2013 AND 2012**

UNIT: THOUSAND BAHT

DESCRIPTION	2014	2013 (Restated)	2012
Other current liabilities	7,149	(3,100)	3,693
Payment of employee benefit obligations	(885)	-	-
Cash generated (paid) from operations	(117,124)	319	(27,855)
Interest received	621	755	929
Income tax refund	23,375	-	5,473
Income tax paid	(17,202)	(19,993)	(24,384)
Net cash used in operating activities	(110,330)	(18,919)	(45,837)
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>			
Purchase of equipment	(3,266)	(11,288)	(9,740)
Disposal of equipment	2,523	467	1,776
Purchase of intangible asset	(3,238)	(492)	(329)
Net cash used in investing activities	(3,981)	(11,313)	(8,293)
<b>CASH FLOWS FROM FINANCIAL ACTIVITIES</b>			
Increase (decrease) in bank overdrafts	9,802	2,600	(8,601)
Increase (decrease) in short-term loans from financial institutions	10,399	(107,928)	98,589
Proceed from long-term loans from financial institutions	110,100	100,000	78,800
Repayment of long-term loans from financial institutions	-	-	(83,307)
Repayment of liabilities under finance lease	(2,990)	(1,631)	(444)
Proceed from issued ordinary shares	-	3,423	1,737
Interest paid	(9,382)	(1,438)	(4,113)
Net cash provided by (used in) financing activities	117,929	(4,974)	82,661
Net increase (decrease) in cash and cash equivalents	3,618	(35,206)	28,531
Cash and cash equivalents at beginning of year	5,743	40,949	12,418
Cash and cash equivalents at end of year	9,361	5,743	40,949

## Financial Ratio

DESCRIPTION	2014	2013 *	2012
<b>LIQUIDITY RATIO</b>			
Liquidity Ratio (Times)	1.67	1.46	1.23
Quick Ratio (Times)	0.22	0.30	0.36
Cash from operation Ratio (Times)	(0.34)	(0.05)	(0.10)
Account Receivable Turnover (Times)	6.89	10.02	9.33
Average Collection Period (Day)	53	37	40
Account Payable Turnover (Times)	4.51	7.31	7.66
Average Payment Period (Day)	81	50	48
<b>Profitability Ratio</b>			
Gross Profit Margin (%) – Construction Business	1.92	2.28	5.91
Gross Profit Margin (%) – Property Business	-	42.41	32.21
Operating Profit Margin (%)	(8.97)	(2.93)	5.55
Other profit Margin (%)	2.99	1.20	0.40
Quality of earnings (%)	(230.93)	(58.67)	(92.23)
Net Profit Margin (%)	(6.04)	(1.48)	4.49
Return on Equity (%)	(22.34)	(9.60)	32.64
<b>Efficiency Ratio</b>			
Return of asset (%)	(4.55)	(3.57)	11.74
Fixed Asset Turnover (%)	(84.04)	(21.03)	468.13
Total Asset Turnover (Times)	0.80	1.65	1.86
<b>Financial Policy Ratio</b>			
Debt to Equity Ratio (Times)	4.55	2.93	2.96
Interest Coverage Ratio (Times)	(10.33)	(11.75)	(11.18)
Solvency Ratio (Times)	(13.56)	(1.41)	(0.49)
Dividend Payout Ratio (%)	0.00	0.00	0.00

\*Information from the Restated Financial Statements

## 3.2 Management Discussion and Analysis

### 3.2.1 Operating Results

After the political situation has been back to normal in the second half of the year 2014, the overall Thai economy did not grow that much since the private sector spending was expanding gradually due to the limitation of the farmers' income and household debts, including delayed government spending which caused certain parts of the private sector postponed their investment for a period of time waiting for the clarity of the government policy and the progress of the government projects.

The overall picture of the property market in 2014 was both large and small business operators were affected by the political turmoil in the first quarter of the year which resulted in psychological effect and caused the delayed consumption of consumers and delayed in buying high value residence. Consumers would be more prudent and careful and take more time in choosing and buying residence in particular the location and price.

In 2014, the Company had the construction works in the category of residence, hotels and shopping malls, for example, Sucre Condominium, Kao Yai, Changwad Nakornratchsima; 6-storey hotel Splendid Resort Hotel, Changwad Nakornratchsima; Dusit D2 Hotel, Kao Yai, Changwad Nakornratchsima and The Phyll Community Mall, Khet Prakanong, Bangkok, etc.

The Company earned the revenue from construction business in the amount of 532.63 Million Baht, which was reduced by 545.22 Million Baht if compared to 1,077.85 Million Baht in 2013. In 2014, the Company did not earn any sales revenue from the property development business. As a result, the Company earned the revenue only from the construction business with the construction cost of 522.42 Million Baht with the gross revenue of 10.21 Million Baht which was reduced by 1.92% from the previous year due to 16 Million Baht expense on the delayed handover of the construction works.

The Company's administrative expense was 57.98 Million Baht, reduced by 12.85% or 8.55 Million Baht from the previous year due to the reduction of the advertising and PR expenses of Focus Ploenchit Condominium Project from 10 Million Baht in 2013 to 2.55 Million Baht or reduced by 7.45 Million Baht.

The Company's financial cost was 9.73 Million Baht, increased by 557.43% or 8.25 Million Baht if compared to 1.48 Million Baht in the same period of the previous year. This resulted from the interest paid to financial institutions for the purchase of land for Focus Ploenchit Condominium Project.

In 2014, the Company received the deferred tax income of 7.96 Million Baht which resulted in the net loss of 33.14 Million Baht or 6.04% of the total revenue.

However, the Company commits to focus on the potential development, both in the quality of work and personnel in order to have quality service standard and on-time handover of works to customers. The Company's works still include both public and private sectors, taking into account the various risks in accepting the works, the ability to pay of each customer in supporting our decision making in accepting the works and in order to reduce possible risk of non-payment.



### 3.2.2 Revenue

Since 2012, the Company has had the revenue from construction business in parallel with the property development business as follows:

(Unit : Million Baht)

Source of Income	2014		2013*		2012	
Construction Business	532.63	97.01%	1,077.85	96.74%	894.49	80.88%
Property Development Business	-	0.00%	22.90	2.06%	207.10	18.72%
Other Revenue	16.40	2.99%	13.40	1.20%	4.39	0.40%
Total	549.03	100.00%	1,114.15	100.00%	1,105.98	100.00%

\* Information from the Restated Financial Statements

#### Construction Business

The Company is classified as a medium-size construction company providing general construction and engineering businesses, i.e. design, construction of structural works, architectural works, engineering system works and environmental engineering works, for example, office buildings, shopping centers, hotels, resorts, hospitals, residences, educational institutions, student dormitory, manufacturing plants, rice mill and silo, roads, bridges, pipe jacking and waste water treatment, railway, railway stations and other public utilities.

The Company's revenue will depend on the type and quantity of the works acquired during each period of time. The Company's policy is to accept the works from both public and private sectors by considering the reasonable return rate and potential customers with credibility and good financial position.

The revenue recognition is Information from the construction work completion at each stage with reference to the survey of the work done. The construction revenue will be recognized no more than the actual construction cost. The work done which is not handed over and unbilled will show as the work done but unbilled. The construction period for both public and private sectors is approximately 1-2 years or longer depending on the value of each project. The revenue ratio of construction business revenue in 2014, 2013 and 2012 were 97.01%, 96.74% and 80.88% of the total revenue.

The Company's revenue from construction business was 532.63 Million Baht or 97.01% of the total revenue, reduced by 50.58% or 545.22 Million Baht from 1,077.85 Million Baht in 2013 because most construction works have already been completed, for example, Kanyarat Lake View Condominium Project, Changwad Khonkaen, H2O Condominium Project, Changwad Nakornratchsima and Rice Mill and Silo Project, Changwad Angthong, etc. Therefore, most revenue in 2014 would derive from the Phyll Community Mall Project, Prakanong, Bangkok; Sucre Condominium Kao Yai Project, Changwad Nakornratchsima, 6 storey Splendid Resort Hotel, Changwad Nakornratchsima and DusitD2, Kao Yai, Changwad Nakornratchsima.

#### Property Development Business

In 2014, the Company had no revenue from selling property since the Company had transferred ownership of Focus on Saladaeng condominium units to its customers during the fourth quarter of 2011 and 31 December 2013, totally 61 units and there was only one unit left, and Focus Ploenchit Condominium Project located in Sukhumvit Soi 2 was under construction. This resulted in the revenue ratio of the property development in 2014, 2013 and 2012 were 0%, 2.06% and 18.72% of the total revenue respectively.

As of 31 December 2014, the value of agreements to buy and sell is as follows:

Project	No. of Units	Million Baht		% of Total Sales
		Total Sales of the Project	Contract Value	
Focus on Saladaeng	62	288.32	279.41	96.91
Focus Ploenchit	132	800.35	318.94	39.85

### 3.2.3 Expenses

The Company's expenses consist of the work acceptance cost, property selling cost, administrative cost, financial cost and income tax expense.

- The work acceptance cost consists of materials cost, sub-contract cost and construction labor cost and various overhead and expenses, etc.
- The property selling cost consists of the land acquisition cost, land development cost, design cost, public utility cost and costs directly related to the project, including interest paid on the loan for project development prior to project completion.

In 2014 and 2013, the Company's costs in each business are as follows:

(Unit : Million Baht)

Particulars	2014				2013				Increased (decreased)	
	Construction		Property Development		Construction		Property Development		Construction	Property Development
Revenue	532.63	100%	-	-	1,077.85	100%	22.90	100%	(545.22)	(22.90)
Cost	522.42	98.08%	-	-	1,053.29	97.72%	13.19	57.60%	(530.87)	(13.19)
Gross Margin	10.21	1.92%	-	-	24.56	2.28%	9.71	42.40%	(14.35)	(9.71)

Cost of Construction Business: In 2014, the Company's revenue decreased by 545.22 Million Baht from the previous year, the construction cost also decreased altogether with the revenue recognition. However, the Company incurred the expenses on the delayed handover of the works in the amount of 16 Million Baht. This resulted in an increase of the construction cost from 97.72% in 2013 to 98.08% in 2014.

Cost of Property Development Business: In 2014, the Company had no revenue from the property development business while the selling cost in 2013 was 57.60%. The difference of selling cost is due to the difference of the space and selling price of each unit.

## Administrative Expenses

(Unit : Million Baht)

Particulars	2014	2013	Difference	
Administrative Expenses	57.98	66.53	(8.55)	12.85%

In 2014, the Company's administrative expenses was 57.98 Million Baht consisting of staff salary, management's remuneration, rent and service charge of the office, depreciation, etc., which decreased by 8.55 Million Baht or 12.85% if compared to 66.53 Million Baht in 2013. This was because the Company's advertising and PR expenses of Focus Ploenchit Condominium Project decreased by 7.45 Million Baht from 10 Million Baht in 2013 to 2.55 Million Baht in 2014.

## Financial Cost

(Unit : Million Baht)

Particulars	2014	2013	Difference	
Financial Cost	9.73	1.48	8.25	557.43%

In 2014, the Company's financial cost increased by 8.25 Million Baht or 557.43% from 1.48 Million Baht to 9.73 Million Baht. This was because the interest paid on loans from the financial institution for the land purchase for Focus Ploenchit Condominium in the amount of 8.41 Million Baht and the interest on the short term loan from the project finance by selling the work done (account receivable) at a discount in form of promissory notes and the overdraft loan.

## Income Tax Revenue

(Unit : Million Baht)

Particulars	2014	2013	Difference	
Deferred tax income	7.96	3.88	4.08	105.15%

In 2014, the Company's deferred tax income was 7.96 Million Baht due to the temporary difference of the deferred income tax which increased by 3.88 Million Baht in 2013, if compared to that of 2014 which was 4.08 Million Baht or an increase of 105.15%.

## Corporate Income Tax Reduction

The Royal Decree issued under the Revenue Code on the tax rate reduction No. 530 B.E. 2554 dated 14 December 2011 reduces the corporate income tax from 30% to 23% of the net profit for the first accounting period commencing on or after 1 January 2012 and 20% of the net profit for the following two accounting periods commencing on or after 1 January 2013 onwards.

The Royal Decree issued under the Revenue Code on the tax rate reduction No.577 B.E. 2557 dated 3 November 2014 extends the corporate income tax reduction to 20% of the net profit for the accounting year start on or after 1 January 2015 but no later than 31 December 2015.

The 20% corporate income tax rate applies to the Company in the valuation of assets and liabilities of the

deferred income tax as of 31 December 2014 and 2013 according to the explanation of the Federation of Accounting Professions issued in 2012.

### 3.2.4 Net Loss

(Unit : Million Baht)

Particulars	2014	%	2013	%	Increased (Decreased)	
Main Revenue	532.63	97.01	1,100.75	98.80	(568.12)	(51.61)%
Other Revenue	16.40	2.99	13.40	1.22	3.00	22.39%
Total Revenue	549.03	100.00	1,114.15	100.00	(565.12)	(50.72%)
Total Cost	(522.42)	(95.15)	(1,066.48)	(95.72)	544.06	51.01%
Administrative Cost	(57.98)	(10.56)	(66.53)	(5.97)	8.55	12.85%
Financial Cost	(9.73)	(1.77)	(1.48)	(0.13)	(8.25)	(557.43)%
Deferred Tax Income	7.96	1.44	3.88	0.34	4.08	105.15%
Net Loss for the Year	(33.14)	(6.04)	(16.46)	(1.48)	(16.68)	(101.34)%
Loss Per Share (Baht)	(0.26)		(0.13)		(0.13)	

\* Information from the Restated Financial Statements

The Company's net loss from the operations for the year ended 31 December 2014 was 33.14 Million Baht or 6.04% of the total revenue, while that of the year 2013 was 16.46 Million Baht or 1.48% of the total revenue or an increase of the net loss of 16.68 Million Baht or 101.34%. The key changes are as follows:

1. The total main revenue was 549.03 Million Baht in 2014 which decreased by 565.12 Million Baht or 50.72% from 1,114.15 Million Baht in 2013. The main revenue decreased by 545.22 Million Baht or 50.58% from the construction business because most construction works have been completed, the remaining quantity of works then reduced in both value and number of projects.
2. The construction cost increased from 97.72% of the construction revenue in 2013 to 98.08% in 2014 due to the expenses on delayed handover of the works.
3. The financial cost increased by 8.25 Million Baht from 1.48 Million Baht in 2013 to 9.73 Million Baht due to the interest paid on the loan from financial institutions for the land purchase of Focus Ploenchit Condominium Project.

### 3.2.5 Financial Position

The key changes of the Company's financial position in 2014 compared to 2013 are as follows:

(Unit : Million Baht)

Particulars	2014	2013*	Increased (Decreased)	
Trade and Other Receivables	63.72	90.98	(27.26)	(29.96)%
Unbilled receivables	72.63	109.47	(36.84)	(33.65)%
Cost of Property Development	396.27	247.03	149.24	60.41%
Total Current Assets	550.57	469.24	81.33	17.33%
Intangible Assets	3.70	0.68	3.02	444.12%
Deferred Tax Assets	16.96	8.99	7.97	88.65%
Total Non-Current Assets	180.79	178.93	1.86	1.04%
<b>Total Assets</b>	<b>731.36</b>	<b>648.17</b>	<b>83.19</b>	<b>12.83%</b>

\* Information from the Restated Financial Statements

#### 1. Analysis of Assets

The Company's total assets as of 31 December 2014 increased by 12.83% or 83.19 Million Baht from 648.17 Million Baht in 2013 to 731.36 Million Baht in 2014, divided into 550.57 Million Baht in current assets and 180.79 Million Baht in non-current assets.

In 2014, the Company's current assets were 550.57 Million Baht or 75.28% of the total assets. The key items of which are as follows:

- 1.1 Trade and other receivables were 63.72 Million Baht or 11.57% of the current assets which are divided into the trade receivable of 61.82 Million Baht and other receivable of 1.90 Million Baht or decreased by 27.26 Million Baht or 29.96% if compared to 90.98 Million Baht in 2013.

As of 31 December 2014, 2013 and 2012, the Company's outstanding trade receivables categorized by payment period are as follows:

(Unit : Million Baht)

	2014	2013	2012
3 Months or Less	43.73	81.39	108.89
From more than 3 months to 6 months	1.54	-	19.47
From more than 6 months to 12 months	10.88	8.81	-
More than 12 months	5.67	-	-
Total	61.82	90.20	128.36
Debt Collection Period (days)	53	37	40



The Company's outstanding receivable of more than 6 to 12 months was 10.88 Million Baht and more than 12 months was 5.67 Million Baht which includes two trade receivables. In March 2014, the Company received payment from one trade receivable in the amount of 15.89 Million Baht. The Company's management will negotiate with the project owner to conclude the payment of the remaining amount of 0.66 Million Baht.

- 1.2 The unbilled completed work was the completed work but was not handed over and no invoice was issued which decreased by 36.84 Million or 33.65% from 109.47 Million Baht in 2013 to 72.63 Million Baht in 2014 since most works have been completed and handed over to the owners, making the balance of work quantity reduced in both value and number of projects.
- 1.3 The cost of property development of 396.27 Million Baht increased by 149.24 Million Baht or 60.41% from 247.03 Million Baht in 2013 since Focus Ploenchit Condominium Project is under the construction which is expected to be completed in the second quarter of the year 2015.
- 1.4 The intangible assets of 3.70 Million Baht increased by 3.02 Million Baht or 444.12 Million Baht from 0.68 Million Baht in 2013 because the Company purchased the copyrighted computer software program from Data in Motion Co., Ltd. at the market price of 1.96 Million Baht. The said company is a related company with the authorized directors in common.
- 1.5 The non-current assets of 180.79 Million Baht consists of:
  - Deferred tax assets of 16.96 Million Baht which increased by 7.97 Million Baht or 88.65% compared to 8.99 Million Baht in 2013 due to the tax net loss increase by 6.20 Million Baht.
  - Retention receivable of 70.09 Million Baht was deducted by customers as retention at the rate of 5-10% of the construction work value billed by the Company. The Company will receive such retention upon completion of the work or every 3 months in accordance with the agreed terms under the contracts.

However, the Company as a sub-contractor of NVPSKG Joint Venture has reserved the retention receivable since 2003 in the Waste Water Collection and Treatment Project in Samutprakarn in the full amount of 13.31 Million Baht. It is expected that the Company will receive back the retention from the said Joint Venture within this year 2015 after the Joint Venture receiving the construction cost from the project owner according to the judgment of the Supreme Administrative Court within this year 2015.

In addition, the Company also reserved the full amount of one doubtful debt in 2009 in an amount of 6.24 Million Baht under the unpaid cheques as damages on delayed construction which are now in the process of debt collection.

- The withholding tax of 50.86 Million Baht which includes the withholding tax of 33.66 Million Baht in 2013 which was refunded by the Revenue Department in February 2015, and 17.30 Million Baht in 2014.

## 2. Analysis of Liabilities

(Unit : Million Baht)

Particulars	2014	2013*	Increased (Decreased)	
Bank Overdrafts and Short Term Loan from Financial Institutions	29.78	9.58	20.20	210.86%
Other Current Liabilities	15.99	8.86	7.13	80.47%
Total Current Liabilities	330.12	321.16	8.96	2.79%
Long Term Loan from Financial Institutions	262.40	152.30	110.10	72.29%
Liabilities under Long Term Financial Lease Agreements	1.29	4.43	(3.14)	(70.88)%
Total Non-Current Liabilities	269.46	162.09	107.37	66.24%
Total Liabilities	599.58	483.25	116.33	24.07%

\* Information from the Restated Financial Statements

As of the end of 2014, the Company's total liabilities increased by 116.33 Million Baht or 24.07% from 483.25 Million Baht of the previous year to 599.58 Million Baht, divided into 330.12 Million Baht current liabilities and 269.46 Million Baht non-current liabilities. The key particulars are as follows:

- 2.1 The bank overdrafts and short term loan increased by 20.20 Million Baht or 210.86% from 9.58 Million Baht in 2013 to 29.78 Million Baht due to the Company sold at discount the work done in form of promissory notes in the amount of 17.38 Million Baht and the bank overdraft of 12.40 Million Baht.
- 2.2 Other current liabilities increased by 7.13 Million Baht or 80.47% from 8.86 Million Baht in 2013 to 15.99 Million Baht due to the deferred expenses on delayed handover of the works recorded by the Company.
- 2.3 The long term loan from financial institutions increased by 110.10 Million Baht from 152.30 Million Baht in 2013 to 262.40 Million Baht since the Company withdrew money from domestic commercial banks as the working capital for the Focus Ploenchit Project under the long term loan amount of 335 Million Baht.

Details of the Long Term Loan from Financial Institutions

Loan (Million Baht)	Duration	Interest Rate Per Year	Objective
155	June 2012 – December 2016	MLR – 1.25	For Land Purchase of Focus Ploenchit Project
180	June 2012 – February 2017	MLR – 1.25	For Construction of Focus Ploenchit Project

The collateral security for the said loan includes the land and present and future buildings thereon subject to the condition that the principal sum will be repaid at 70% of the agreement to buy and to sell upon the condo unit ownership transfer and the interest will be paid on a monthly basis.

During 2014, the Company was granted an extension of the loan repayment for the loan amount of 155 Million Baht from the original due date until 25 December 2016.

### 3. Analysis of Shareholders' Equity

At the end of 2014 and 2013, the Company's issued and paid-up capital, the share premium and the shareholders' equity are as follows:

(Unit : Million Baht)

Particulars	2014	2013	Increased (Decreased)	
Registered Capital	400.00	400.00	-	-
Issued and Paid-Up Capital (Baht)	126,720,042	126,720,000	42 Baht	-
Share Premium (Baht)	56,413,239	56,413,155	84 Baht	-
Deficit	(51.35)	(18.21)	33.14	181.99%
<b>Total Shareholders' Equity</b>	<b>131.78</b>	<b>164.92</b>	<b>(33.14)</b>	<b>(20.09%)</b>

As of 31 December 2014, the shareholders' equity of the Company decreased by 33.14 Million Baht or 20.09% from 164.92 Million Baht in 2013 to 131.78 Million Baht. The key changes are as follows:

3.1 Warrants: The final exercise of warrants was fixed on 15 June 2014. Shareholders holding 42 warrants exercised their rights to convert the warrants into 42 ordinary shares at the exercise price of 3 Baht per share. This resulted in the share premium of 84 Baht. The paid-up capital increase due to the said exercise was registered with the Ministry of Commerce from 126,720,000 Baht to 126,720,042 Baht on 19 June 2014.

- As at 31 December 2014, there was no outstanding warrant.
- As at 31 December 2013, there were unexercised warrants of 73,279,638 units.

3.2 Information from the above factors, the Company's net loss was 33.14 Million Baht, resulting in the accumulated loss increase from 18.21 Million Baht to 51.35 Million Baht

### 4. Analysis of Cash Flow

(Unit : Million Baht)

Particulars	2014	2013	Increased (Decreased)
Cash Flow Used in Operations Activities	(110.33)	(18.92)	91.41
Cash Flow Used in the Investing Activities	(3.98)	(11.31)	(7.33)
Net Cash Flow from (used in) funding activities	117.93	(4.97)	122.90
Cash and cash equivalent increased (decreased) during the year	3.62	(35.20)	38.82
Cash and cash equivalent at the beginning of the year	5.74	40.95	(35.21)
Cash and cash equivalent at the end of the year	9.36	5.74	3.62

The cash flow statements show the changing cash flows from the operations activities, investing activities and funding activities at the year end and show the balance of cash and cash equivalent as of 31 December 2014 in the amount of 9.36 Million Baht which was an increase of 3.62 Million Baht or 63.07% if compared to the previous year of 5.74 Million Baht as follows:

- 4.1 The net cash flow used in the operations activities of 110.33 Million Baht which was mainly used for the property development of Focus Ploenchit Condominium Project increased by 149.24 Million Baht from the previous year. However, the Company received a refund of the withholding tax of the year 2012 in the amount of 23.37 Million Baht.
- 4.2 The net cash flow used in the vesting activities of 3.98 Million Baht was the purchase of intangible assets, i.e. copyrighted computer software program of 3.24 Million Baht.
- 4.3 The net cash flow used in the funding activities of 117.93 Million Baht was mostly due to the withdrawal of the long term loan from financial institutions of 110.10 Million Baht for the construction of Focus Ploenchit Condominium Project with the interest paid in 2014 in the total amount of 9.38 Million Baht (not including the interest paid on the loan for construction which was the capital expenditure).

## 5. Analysis of Key Financial Ratios

In 2014, the Company's key financial ratios are as follows:

- 5.1 Liquidity Ratio: The Company's liquidity ratio was 1.67 times which was better than 1.46 times in 2013.
- 5.2 Profitability Ratio: The Company operates the construction business in parallel with the property development business to diversity risk from making profits only in one business. However, Focus Ploenchit Condominium Project was under construction in 2014, the Company then earned the revenue only from the construction business with the gross margin at 1.92%.
- 5.3 Debt to Equity Ratio: Since the Company's withdrawal of the long term loan from financial institutions for the construction of condominium increased by 110.10 Million Baht, making the total withdrawal of the loan of 262.40 Million Baht. This resulted in an increase of the debt equity ratio from 2.93 times to 4.55 times.

## 6. Obligations and Contingencies

As of 31 December 2014, the Company's obligations and contingencies are as follows:

- 6.1 The Company's letter of guarantee issued by domestic commercial banks in relation to the obligations under the contracts in the ordinary course of business with the balance as of 31 December 2014 in the amount of 412.35 Million Baht.
- 6.2 The obligations of payments under the contracts as follows:
  - 6.2.1 Payments under the office building rent and service agreements which will be ended on 14 August 2017 in the amount of 11.33 Million Baht.
  - 6.2.2 Payments under construction contracts and employment contracts of the property development projects in the amount of 83.25 Million Baht
  - 6.2.3 Purchase of intangible asset agreement in the amount of Baht 0.81 million.
- 6.3 The Company was claimed in a court case for payment of goods in the claimed amount of 1.40 Million Baht. The court of first instance ruled that the Company has to pay 0.18 Million Baht with an interest. The appellate court confirmed the said judgment. The case is now under consideration of the Supreme Court.

## Major Factors and Influences Possibly Affecting the Future Operations or Financial Position

### Factor of Industrial Conditions

Since the construction business is a type of the service business, the factor influencing on the operation of the Company in the future is the demand of services of customers or users. This depends on the investment policy of the public and private sectors which determines the quantity of construction projects. However, the main factor of the Company's operation depends on the capability of directors, executives, and team of supplying new construction projects for the Company. The quantity of work and the value of accepted projects must correspond to the working capital that the Company can afford. The main source of funds of the Company consists of capital of the Company and loans from commercial banks and financial institutions. In addition, the Company also controls the construction cost, such as, construction materials cost, transportation cost, wages, and administrative expenses, including financial cost, to be in the appropriate level.

Although the property development business causes the high return to the Company, there are factors affecting the operation in terms of ability of supplying potential lands at reasonable price and meeting the demand of the target customers.

### Change of Major Shareholders

Although the Company has been established since 1989, later the group of major shareholders of the Company was changed. The group of Mrs. Napharat Sihanatkathakul became the major shareholder. In addition, the executives and the management policies have been changed as well. The Company has started to operate the construction since 2000. The Company has the policy which does not focus on the construction in any specific industrial sectors only. As a result, the income proportion of the Company was not constant previously. However, the Company plans to participate in some auction or construction projects of the private sector which the Company considers that the owners have ability to pay and the Company will gain the appropriate return rate. In addition, the Company has competency in the construction and it is possible that the Company will be employed in this project because engineers of the Company are expert in various construction works. Executives and engineers of the Company also give advices on the design, usage of construction materials, and construction techniques which can save the construction costs and the construction work will also be qualified, well-accepted, and trusted by various groups of customers.

### Disclosure of Auditors' Remuneration

#### 1. Audit Fee

The Company and its subsidiaries have paid the following audit fees:

- To the auditors for the previous accounting year in the amount of \_\_\_\_ 0 \_\_\_\_ Baht
- To the auditors' audit firm for the previous accounting year in the amount of 525,000 Baht

#### 2. Non-Audit Fee

The Company and its subsidiaries have paid the non-audit fee, i.e. \_\_\_\_\_ None \_\_\_\_\_

- To the auditors for the previous accounting year in the amount of \_\_\_\_ 0 \_\_\_\_ Baht
- To the auditors' audit firm for the previous accounting year in the amount of \_\_\_\_ 0 \_\_\_\_ Baht



## AUDITOR'S REPORT

### To the Board of Directors and Shareholders of Focus Development and Construction Public Company Limited

I have audited the accompanying financial statements of Focus Development and Construction Public Company Limited which comprise the statement of financial position as at December 31, 2014, and the statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

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

#### Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

#### Opinion

In my opinion, the financial statements present fairly, in all material respects, the financial position of Focus Development and Construction Public Company Limited as at December 31, 2014, and its financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

#### Emphasis of Matter

As explained in the Note 4 to the financial statements, in the year 2014, the Company has adjusted to correct the errors in prior year regarding the written-off trade and other payables. Therefore, the financial statements for the year ended December 31, 2013, which have been presented herewith for comparative purposes have been restated to correct the errors.

My opinion on financial information is not qualified in respect of this matter.



**Prawit Viwanthananut**

Certified Public Accountant

Registration Number 4917

PV Audit Co., Ltd.

Bangkok, February 26, 2015

# FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

Baht

	Note	2014	2013 (Restated)
<b>ASSETS</b>	3		
CURRENT ASSETS			
Cash and cash equivalents	6	9,361,196	5,743,203
Trade and other receivables	7	63,716,553	90,985,532
Work in progress		-	4,414,668
Unbilled receivables	18	72,634,018	109,473,703
Cost of property development	8	396,272,976	247,033,160
Other current assets		8,587,962	11,590,793
Total Current Assets		550,572,705	469,241,059
NON-CURRENT ASSETS			
Restricted bank deposits	9	26,801,911	24,467,053
Building and equipment	10	23,070,030	29,243,608
Intangible asset	5	3,702,204	682,588
Deferred tax assets	4, 11	16,956,461	8,993,086
Other non-current assets	12	110,263,920	115,550,412
Total Non-current Assets		180,794,526	178,936,747
<b>TOTAL ASSETS</b>		<b>731,367,231</b>	<b>648,177,806</b>

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

## FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

Baht

	Note	2014	2013 (Restated)
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>	3		
CURRENT LIABILITIES			
Bank overdrafts and short-term loans from financial institutions	13	29,781,728	9,580,519
Trade and other payables	4, 5, 14	119,900,599	111,786,081
Current portion of liabilities	16	3,151,258	2,994,606
Estimated cost		60,675,422	78,473,700
Retention payables		30,867,062	46,215,544
Advances received	5, 18	69,753,501	63,251,998
Other current liabilities		15,992,654	8,860,668
Total Current Liabilities		330,122,224	321,163,116
NON-CURRENT LIABILITIES			
Long-term loans from financial institutions	15	262,400,000	152,300,000
Long-term liabilities under finance lease	16	1,287,525	4,435,087
Employee benefit obligations	17	5,776,658	5,357,235
Total Non-current Liabilities		269,464,183	162,092,322
<b>Total Liabilities</b>		<b>599,586,407</b>	<b>483,255,438</b>

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

# FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED

## STATEMENT OF FINANCIAL POSITION

AS AT DECEMBER 31, 2014

Baht

	Note	2014	2013 (Restated)
<b>SHAREHOLDERS' EQUITY</b>			
Share capital			
Authorized share capital:			
400,000,000 ordinary shares, Baht 1 par value		400,000,000	400,000,000
Issued and paid-up share capital:			
126,720,042 ordinary shares in 2014, and			
126,720,000 ordinary shares in 2013, fully paid-up	19, 20	126,720,042	126,720,000
Premium on ordinary shares	19, 21	56,413,239	56,413,155
Deficit	4	(51,352,457)	(18,210,787)
<b>Total Shareholders' Equity</b>		<b>131,780,824</b>	<b>164,922,368</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>		<b>731,367,231</b>	<b>648,177,806</b>

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

# FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED

## STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2014

Baht

	Note	2014	2013
	3		(Restated)
<b>Revenue from sales and services</b>	<b>18</b>	<b>532,632,919</b>	<b>1,100,760,016</b>
Cost of sales and services	18, 22	(522,423,320)	(1,066,480,999)
<b>Gross profit</b>		<b>10,209,599</b>	<b>34,279,017</b>
Other income	4	16,406,859	13,396,324
Administrative expenses	5, 22	(57,986,713)	(66,527,684)
Finance cost	23	(9,734,790)	(1,484,066)
<b>Loss before income tax</b>		<b>(41,105,045)</b>	<b>(20,336,409)</b>
Tax income	4, 24	7,963,375	3,878,819
<b>Loss for the year</b>		<b>(33,141,670)</b>	<b>(16,457,590)</b>
Other comprehensive income (loss)		-	-
<b>Total comprehensive loss</b>		<b>(33,141,670)</b>	<b>(16,457,590)</b>
<b>Loss per share</b>			
Basic loss per share	3	[0.26]	[0.13]
Weighted average number of ordinary shares (Shares)	3	126,720,025	126,403,112

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



# FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2014

		Baht			
	Note	Issued and paid-up share capital	Premium on ordinary shares	Deficit	Total
Beginning balance as at January 1, 2013		125,579,000	54,131,155	(Restated) (1,753,197)	177,956,958
Changes in shareholders' equity					
Increase in ordinary shares	19, 20	1,141,000	2,282,000	-	3,423,000
Total comprehensive loss - restated	4	-	-	(16,457,590)	(16,457,590)
Adjusted balance as at December 31, 2013		126,720,000	56,413,155	(18,210,787)	164,922,368
Changes in shareholders' equity					
Increase in ordinary shares	19, 20	42	84	-	126
Total comprehensive loss		-	-	(33,141,670)	(33,141,670)
Balance as at December 31, 2014		126,720,042	56,413,239	(51,352,457)	131,780,824

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

## FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Baht

	2014	2013 (Restated)
<b>CASH FLOWS FROM OPERATING ACTIVITIES</b>		
Loss before income tax	(41,105,045)	(20,336,409)
Adjustments to reconcile loss before income tax to net cash provided by (used in) operating activities		
Depreciation and amortization	9,316,828	10,848,402
Provision incurred from the employee benefit obligations	1,304,223	857,985
Estimate cost overrun (reversal)	(16,917)	16,917
(Gain) loss on disposal of and written-off assets	(2,182,028)	1,176,841
Interest income	(612,126)	(768,822)
Interest expenses	9,734,790	1,484,066
Loss from operating activities before change in operating assets and liabilities	(23,560,275)	(6,721,020)
Change in operating assets (increase) decrease		
Trade and other receivables	27,259,885	37,670,403
Work in progress	4,414,668	3,457,925
Unbilled receivables	36,839,685	36,176,524
Cost of property development	(149,239,816)	(21,703,557)
Other current assets	3,002,831	17,025,665
Restricted bank deposits	(2,334,858)	(3,744,200)
Other non-current assets	(886,590)	(16,647,630)
Change in operating liabilities increase (decrease)		
Trade and other payables	7,761,535	(68,112,792)
Estimated cost	(17,798,278)	25,832,193
Retention payables	(15,348,482)	18,137,416
Advances received	6,501,503	(17,951,994)
Other current liabilities	7,148,903	(3,100,390)
Payment of employee benefit obligations	(884,800)	-
Cash generated (paid) from operations	(117,124,089)	318,543

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

# FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED

## STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2014

Baht

	2014	2013 (Restated)
Interest received	621,220	755,433
Income tax refund	23,375,378	-
Income tax paid	(17,202,296)	(19,993,047)
<b>Net cash used in operating activities</b>	<b>(110,329,787)</b>	<b>(18,919,071)</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES</b>		
Purchase of equipment	(3,265,645)	(11,288,359)
Disposal of equipment	2,523,365	467,290
Purchase of intangible asset	(3,238,558)	(492,050)
<b>Net cash used in investing activities</b>	<b>(3,980,838)</b>	<b>(11,313,119)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>		
Increase in bank overdrafts	9,802,144	2,600,297
Increase (decrease) in short-term loans from financial institutions	10,399,065	(107,927,723)
Proceed from long-term loans from financial institutions	110,100,000	100,000,000
Repayment of liabilities under finance lease	(2,990,910)	(1,630,715)
Proceed from issued ordinary shares	126	3,423,000
Interest paid	(9,381,807)	(1,438,370)
<b>Net cash provided by (used in) financing activities</b>	<b>117,928,618</b>	<b>(4,973,511)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>3,617,993</b>	<b>(35,205,701)</b>
<b>Cash and cash equivalents at beginning of year</b>	<b>5,743,203</b>	<b>40,948,904</b>
<b>Cash and cash equivalents at end of year</b>	<b>9,361,196</b>	<b>5,743,203</b>

### Non-Cash items:

In year 2014

- 1) Cost of property development increased during the year due to interest expenses from loans and depreciation capitalised in the amount of Baht 2.53 million.

In year 2013

- 1) Cost of property development increased during the year due to interest expenses from loans and depreciation capitalised in the amount of Baht 8.34 million.
- 2) The Company purchased machinery and vehicles in the amount of Baht 9.42 million by cash payment in the amount of Baht 1.84 million and by entering into a finance lease agreement for the remaining.

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

## FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2014

### 1. GENERAL INFORMATION

Focus Development and Construction Public Company Limited, “the Company” was incorporated in Thailand under the Civil and Commercial Code on March 30, 1989, and engages as a construction contractor and a real estate business. On October 5, 2004, the Company was listed in the Market for Alternative Investment (mai) on the Stock Exchange of Thailand.

The registered office of the Company is located at 25, 9th Floor, Alma Link Building, Soi Chidlom, Ploenchit Road, Lumpini, Patumwan, Bangkok.

### 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The accompanying financial statements are prepared in accordance with Thai Financial Reporting Standards (“TFRS”) including related interpretations and guidelines promulgated by the Federation of Accounting Professions (“FAP”) in accordance with generally accepted accounting principles in Thailand.

The presentation of the financial statements has been made in compliance with the stipulations of the Notification of the Department of Business Development dated September 28, 2011, issued under the Accounting Act B.E. 2543.

The accompanying financial statements have been prepared in the Thai language and expressed in Thai Baht. Such financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the financial statements has been provided by translating from the Thai version of the financial statements.

The preparation of the financial statements in accordance with Thai Financial Reporting Standards (“TFRS”) requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

## Adoption of New Thai Financial Reporting Standards

FAP has issued Notifications, mandating the use of new and revised Conceptual Framework for Financial Reporting (revised 2014), Thai Accounting Standards (“TAS”), TFRS, Thai Standard Interpretations (“TSIC”) and Thai Financial Reporting Interpretations (“TFRIC”) as follows:

- a) Conceptual Framework for Financial Reporting (revised 2014) which is immediately effective for the year 2014.
- b) TAS, TFRS, TSIC and TFRIC which are effective for the financial statements for the period beginning on or after January 1, 2014 as follows:

TAS/TFRS/TSIC/TFRIC	Topic
TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Venture
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share – Based Payments
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TSIC 15	Operating Leases-Incentives
TSIC 27	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29	Service Concession Arrangements: Disclosures
TSIC 32	Intangible Assets-Web Site Costs

TAS/TFRS/TSIC/TFRIC	Topic
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease
TFRIC 5	Rights to Interests arising from Decommission, Restoration and Environmental Rehabilitation Funds
TFRIC 7	Applying the Restatement Approach under TAS 29 Financial Reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers

The management of the Company has assessed the effects of these Conceptual Framework for Financial Reporting (revised 2014) and TFRS and believes that they do not have any significant impact on the financial statements.

### **New and revised Thai Financial Reporting Standards not yet effective**

The Company has not yet adopted the new and revised Thai Financial Reporting Standards as follows:

- a) TAS, TFRS, TSIC and TFRIC which are effective for the financial statements for the period beginning on or after January 1, 2015 as follows:

TAS/TFRS/TSIC/TFRIC	Topic
TAS 1 (revised 2014)	Presentation of Financial Statements
TAS 2 (revised 2014)	Inventories
TAS 7 (revised 2014)	Statement of Cash Flows
TAS 8 (revised 2014)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2014)	Events after the Reporting Period
TAS 11 (revised 2014)	Construction Contracts
TAS 12 (revised 2014)	Income Taxes
TAS 16 (revised 2014)	Property, Plant and Equipment



TAS/TFRS/TSIC/TFRIC	Topic
TAS 17 (revised 2014)	Leases
TAS 18 (revised 2014)	Revenue
TAS 19 (revised 2014)	Employee Benefits
TAS 20 (revised 2014)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2014)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2014)	Borrowing Costs
TAS 24 (revised 2014)	Related Party Disclosures
TAS 26 (revised 2014)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2014)	Separate Financial Statements
TAS 28 (revised 2014)	Investments in Associates and Joint Ventures
TAS 29 (revised 2014)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2014)	Earnings per Share
TAS 34 (revised 2014)	Interim Financial Reporting
TAS 36 (revised 2014)	Impairment of Assets
TAS 37 (revised 2014)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2014)	Intangible Assets
TAS 40 (revised 2014)	Investment Property
TFRS 2 (revised 2014)	Share-based Payment
TFRS 3 (revised 2014)	Business Combinations
TFRS 5 (revised 2014)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2014)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2014)	Operating Segments
TFRS 10	Consolidated Financial Statements
TFRS 11	Joint Arrangements
TFRS 12	Disclosure of Interests in Other Entities
TFRS 13	Fair Value Measurement

TAS/TFRS/TSIC/TFRIC	Topic
TSIC 10 (revised 2014)	Government Assistance - No specific Relation to Operating Activities
TSIC 15 (revised 2014)	Operating Leases-Incentives
TSIC 25 (revised 2014)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2014)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2014)	Service Concession Arrangements : Disclosures
TSIC 31 (revised 2014)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2014)	Intangible Assets-Web Site Costs
TFRIC 1 (revised 2014)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2014)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2014)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2014)	Applying the Restatement Approach under TAS 29 (revised 2014) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2014)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2014)	Service Concession Arrangements
TFRIC 13 (revised 2014)	Customer Loyalty Programmes
TFRIC 14	TAS 19 (revised 2014) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2014)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2014)	Distributions of Non-cash Assets to Owner

TAS/TFRS/TSIC/IFRIC	Topic
IFRIC 18 (revised 2014)	Transfers of Assets from Customers
IFRIC 20	Stripping Costs in the Production Phase of a Surface Mine
b) TFRS which is effective for the financial statements for the period beginning on or after January 1, 2016 as follow	

TFRS	Topic
TFRS 4 (revised 2014)	Insurance Contracts
The management of the Company is assessing the impacts of these TFRS on the financial statements for the year in which they are initially applied.	

### 3. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

#### The measurement bases used in preparing the financial statements

Other than those disclosed in other outlines in the summary of significant accounting policies and other notes to the financial statements, the financial statements are prepared on the historical cost basis.

#### Revenues

Revenue excludes value added taxes or other sales taxes and is arrived at after deduction of trade discounts.

Revenues from sale of property

Sales of residential condominium units are recognised as revenue when the construction works are completed and the significant risks and rewards of ownerships have been transferred to the buyer.

#### Revenues from construction

Contract revenue includes the initial amount agreed in the contract plus any variations in contract work, claims and incentive payments to the extent that it is probable that they will result in revenue and can be measured reliably. As soon as the outcome of a construction contract can be estimated reliably, contract revenue and expenses are recognised in the statement of comprehensive income in proportion to the stage of completion of the contract.

The stage of completion is assessed by reference to surveys of work performed. When the outcome of a construction contract cannot be estimated reliably, contract revenue is recognized only to the extent of contract costs incurred that are likely to be recoverable. An expected loss on a contract is recognized immediately in the statement of comprehensive income.

The completed part of construction, which has not yet been delivered for acceptance or for billing, is recorded as unbilled receivables.

**Work in progress**

Work in progress is stated at cost less allowance for impairment losses (if any).

**Rental income**

Rental income under operating leases is recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives granted are recognized as an integral part of the total rental income. Contingent rentals are recognized as income in the accounting period in which they are earned.

**Interest income and other income**

Interest income is recognized as interest accrues, based on the effective rate method.

Other income is recognized on an accrual basis.

**Expenses**

Expenses are recognized in the statement of comprehensive income as it accrues.

**Operating leases**

Payments made under operating leases are recognized in the statement of comprehensive income on a straight-line basis over the term of the lease. Lease incentives received are recognized in the statement of comprehensive income as an integral part of the total lease payments made. Contingent rentals are charged to the statement of comprehensive income in the accounting period in which they are incurred.

**Finance costs**

Interest expenses and similar costs are charged to the statement of comprehensive income in the period in which they are incurred, except to the extent that they are capitalized as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale. The interest component of finance lease payments is recognized in the statement of comprehensive income using the effective interest rate method.

**Employee benefits****Short-term benefits**

The Company recognized salaries, wages, bonus and social security contribution as expenses when incurred.

**Post-employment benefits – defined benefit plan**

The Company has established a provident fund that is a defined contribution plan. The assets of which are held in a separate trust fund. The provident fund is funded by the contribution from employees and the Company. Contributions to the provident fund are charged to the statement of comprehensive income in the period to which they relate.

**Post-employment benefits – defined benefit plan**

The employee benefits liabilities for severance payment as the labor law is recognised as a charge to results of operations over the employee's service period. It is calculated by estimating the amount of future benefit earned by employees in return for service provided to the Company in the current and future periods, with such benefit being discounted to determine the present value. The reference point for setting the discount rate is the yield rate of government bonds as at the reporting date. The calculation is performed by actuarial technique using the Projected Unit Credit Method.

When the employee benefits are improved, the portion of the increased benefit relating to past service by employees is recognized in the statement of comprehensive income on a straight-line basis over the average period until the benefits become vested.

When the actuarial assumptions are changed, the Company recognizes all actuarial gains (losses) in the profit or loss in the period in which they arise

**Cash and cash equivalents**

Cash and cash equivalents are cash on hand, cash at bank and short-term investments with high liquidity net of deposits at bank on obligation and bank deposits with a maturity date over 3 months

**Trade and other receivables**

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The Company recorded allowance for doubtful accounts that is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debtor aging.

In determined an allowance for doubtful accounts, the management needs to make judgment for estimated losses for each outstanding debtor. The allowances for doubtful accounts are determined through a combination of analysis of debt aging, collection experience, and taking into account change in the current economic conditions. However, the use of different estimates and assumptions could affect the amounts of allowances for receivable losses and adjustments to the allowances may therefore be required in the future.

**Cost of property development**

Cost of property development are stated at the lower of cost or net realisable value. Cost of property development is netted of cost of sales. Project costs consisting of acquisition cost of land, development expenses, design fees and construction costs, utilities and direct expenses of the project including interest expense of borrowing for the acquisition of project development before the project is completed.

**The details of cost calculation**

- |      |  |
|------|--|
| Land | <ul style="list-style-type: none"> <li>• Cost of land and development using the average method, calculating based on salable area for each project.</li> </ul> |
|------|--|

Construction • Construction cost consists of the cost of construction, public utility costs, calculating based on salable area. The costs of construction of condominiums and borrowing cost capitalised to the project are allocated based on the actual cost incurred.

Net realisable value represents the estimated normal selling price less estimated costs to sell.

Direct selling expenses such as specific business tax and transfer fee are recognized when sale incurs.

The Company recognises loss on diminution in value of projects and loss on impairment in profit or loss (if any).

In determining the cost of sales of property development, the anticipated total development costs (taking into account actual costs incurred to date) are attributed based on the basis of the salable area.

Cost of project sold estimates these costs based on their business experience and revisit the estimations on a periodical basis or when the actual costs incurred significantly vary from the estimated costs.

### Capitalization of interest cost

Interest cost on borrowing, for use in construction of the projects, was capitalized as part of the cost of those assets until the projects was completed or when the construction was suspended. The capitalization of interest shall be resumed when the project is re-activated.

### Building and equipment

Building and equipment are stated at cost less accumulated depreciation and allowance for impairment (if any).

Depreciation

Depreciation is computed by the straight-line method based on the estimated useful lives of assets as follows:

	<u>Years</u>
Construction	5
Machinery and equipment	5
Furniture and office equipment	5
Vehicles	5

Depreciation is included in determining income and no depreciation is provided to construction in progress.

Repairs and maintenance are charged to the statement of comprehensive income during the financial year in which they are incurred. The cost of major renovations is included in the carrying amount of the asset when it is probable that future economic benefits will be more than one period. Major renovations are depreciated over the remaining useful life of the related asset.

Gains and losses on disposals are determined by comparing the proceeds with carrying amount and are included in operating profit.

The direct expenses concerned with the assets include interest paid from the borrowing for the acquisitions of the above assets before completion of the assets are recognized as cost of the assets.



**Intangible asset**

Intangible asset is stated at cost less accumulated amortization and allowance for decline in value (if any), which is computed by the straight-line method based on the useful lives of asset of 5 and 10 years.

**Impairment of assets**

The Company will consider the impairment of assets when there are incidents or changes in the environment which indicate that the book value of the assets is higher than the recoverable amount (the higher of net selling price of the particular assets or its value in use). The impairment review, will consider the impairment of an individual asset or a “cash generating unit”.

In the case that the book value of the asset is higher than its recoverable amount, the Company will recognize the loss from impairment of the asset in the statement of comprehensive income. The Company then will reverse the loss from impairment of assets previously recognized when there are indications that impairment will discontinue or will diminish by such recording in other income. The loss from the revision, however, must not exceed the book value of the assets (net of depreciation and amortization) as if the Company has never before recognized loss from impairment of assets in the previous year.

**Finance lease**

Leases which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charges so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to the statement of comprehensive income over the lease period. The property, plant or equipment acquired under finance leasing contract is depreciated over the shorter of the useful life of the asset or the lease term.

**Provisions**

A provision is recognized in the statement of financial position when the Company has a present legal or constructive obligation as a result of a past event, and it is probable that an outflow of economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability. Significant judgements and estimates are as follows:

### Commercial disputes and litigation

The Company has contingent liabilities as a result of commercial disputes and litigation. The Company's management has used judgment to assess the results of the commercial disputes and litigation and believes that no loss will be occurred. Therefore no provision is recorded as at the statement of financial position date. However, actual results could differ from the estimates.

### Estimated construction project costs

The Company estimates costs of construction projects based on details of the construction work, taking into account the volume and value of construction materials to be used in the project, labour costs and other miscellaneous costs to be incurred to completion of service, taking into account the direction of the movement in these costs. Estimates are reviewed regularly or whenever actual costs differ significantly from the figures used in the original estimates.

Provision for losses on construction projects

Management applies judgement in estimating the loss they expect to be realised on each construction project, based on estimates of anticipated costs that take into account the progress of the project and actual costs incurred to date, together with fluctuations in costs of construction materials, labour and the current situation.

Provision for penalty from delay delivery

The Company has provision incurred from delay delivery. The management applied judgement in estimating the penalty based on contract rate and the period of delay project work. The Company has recorded provision for penalty from delay delivery in the financial statements. However, actual results could differ from the estimates.

### Income tax

Income tax expense for the year comprises current and deferred tax.

Current and deferred tax are recognised in profit or loss except to the extent that they relate to items recognised directly in shareholders' equity or in other comprehensive income.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the end of reporting period date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes the amounts used for taxation purposes.

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

In determining the amount of current and deferred tax, the Company takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Company believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Company to change their judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax assets and liabilities, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at the end of reporting period date and reduced to the extent that it is no longer probable that the related tax benefit will be realised

### Basic loss per share

Basic loss per share for the years ended December 31, 2014 and 2013 is calculated by dividing loss for the years by the weighted average number of ordinary shares outstanding during the years as follows:

For the years ended December 31, 2014 and 2013

	2014	2013
		"Restated"
Loss for the year (Baht)	(33,141,670)	(16,457,590)
<b>Weighted average number of ordinary shares (shares)</b>		
Issued ordinary shares at the beginning of the year	126,720,000	125,579,000
Effect of shares issued during the year	25	824,112
Weighted average number of ordinary shares (shares)	126,720,025	126,403,112
Basic loss per share (Baht)	(0.26)	(0.13)

### Diluted loss per share

Diluted loss per share is calculated by dividing the net loss for the years of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the years plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares in to ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary share into ordinary shares when the exercise price is lower than fair value of ordinary shares.

The Company does not calculate diluted loss per share for the years ended December 31, 2014 and 2013 due to the warrants were expired during the year 2014 and in 2014 and 2013 the fair value of the Company's ordinary shares was lower than exercise price

#### 4. CORRECTION OF ERRORS

In the year 2014, the Company has adjusted to correct the errors in prior year regarding the written-off trade and other payables to be other income, which derived from negotiation with the account payables and reversed the payables since 2013. Therefore, the Company restates the financial statements for the year ended December 31, 2013 for comparative purposes, which have the effects as follows:

	Baht
The statement of financial position as at December 31, 2013	
Decrease in deferred tax assets	1,064,040
Decrease in trade and other payables	(5,320,200)
Decrease in deficit	4,256,160
The statement of comprehensive income for the year ended December 31, 2013	
Increase in other income	5,320,200
Decrease in tax income	(1,064,040)
Decrease in loss (Representing Baht 0.03 per share)	4,256,160

#### 5. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The Company had transactions with related parties. These parties were related through common shareholders and/or directorships. The significant transactions with related parties as included in the financial statements are determined at the prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant balances of assets, liabilities, and other transactions that occurred with those parties were shown as follows:

The significant related party transactions for the years ended December 31, 2014 and 2013 were as follows:

	Baht	
	<b>2014</b>	<b>2013</b>
<b>Directors' remuneration</b>		
Directors	579,000	540,500
<b>Purchase of intangible asset</b>		
Data In Motion Co., Ltd.	1,963,900	-

The significant balances with related parties as at December 31, 2014 and 2013 were as follows:

	Baht	
	2014	2013
<b>Trade and other payables</b>		
Data In Motion Co., Ltd.	591,657	-
<b>Deposits and unearned revenues</b>		
Related person	-	1,363,860
Perasia (Thailand) Limited	2,475,435	1,028,157

### Key management personnel compensation

Key management personnel compensation for the years ended December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Short-term benefits	8,383,580	9,243,412
Post-employment benefits	493,367	1,044,996
Total key management personnel compensation	8,876,947	10,288,408

The Company opened a presale condominium Focus Ploenchit which has a transaction with 1 related company as at December 31, 2014 with the sale amount and price condition as follows:

In Thousands Baht		
Value of Contract	Advance Received	Price Condition
13,752	2,475	Same price and condition as normal business

### Nature of relationship

Name	Country/ Nationality	Relation	Type of relation
Data In Motion Co., Ltd.	Thailand	Related company	Common director
Perasia (Thailand) Limited	Thailand	Related company	Common director
Related person	Australian	Related person	Close member of the director's family

### Bases of measurement for inter company revenues and expenses

	Pricing Policy
Purchase of intangible asset	Market price

## 6. CASH AND CASH EQUIVALENTS

Cash and cash equivalents as at December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Cash on hand	807,564	1,250,408
Cash at bank	8,553,632	4,492,795
Total	9,361,196	5,743,203

## 7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Trade accounts receivable	61,820,802	90,205,147
Other receivables	1,895,751	780,385
Total	63,716,553	90,985,532

at December 31, 2014 and 2013, the Company had outstanding balances of trade accounts receivable aged by number of months as follows:

	Baht	
	2014	2013
Less than or equal to 3 months	43,730,985	81,389,492
More than 3 to 6 months	1,541,951	-
More than 6 to 12 months	10,877,960	8,815,655
Over 12 months	5,669,906	-
Total	61,820,802	90,205,147



## 8. COST OF PROPERTY DEVELOPMENT

Cost of property development as at December 31, 2014 and 2013 were as follows:

	Baht		
	Focus on Saladaeng	Focus Ploenchit	Total
<b>Cost</b>			
As at January 1, 2013	16,255,690	209,073,913	225,329,603
Purchase/transfer in	58,940	33,464,006	33,522,946
Cost of sales	(11,819,389)	-	(11,819,389)
As at December 31, 2013	4,495,241	242,537,919	247,033,160
Purchase/transfer in	-	149,239,816	149,239,816
Cost of sales	-	-	-
As at December 31, 2014	4,495,241	391,777,735	396,272,976
<b>Net book value as at December 31, 2013</b>	<b>4,495,241</b>	<b>242,537,919</b>	<b>247,033,160</b>
<b>Net book value as at December 31, 2014</b>	<b>4,495,241</b>	<b>391,777,735</b>	<b>396,272,976</b>

The Company's land included existing building and to be constructed in the future of project Focus Ploenchit were mortgaged to secure bank overdraft in the amount of Baht 5 million, long-term loans in the amount of Baht 335 million and letter of guarantee facilities in the amount of Baht 25 million (see Notes 13 and 15).

## 9. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at December 31, 2014 in the amount of Baht 26.80 million (In year 2013: Baht 24.47 million), were pledged as collateral for credit lines from financial institutions as follows (see Notes 13 and 15):

- 1) Bank overdraft facilities in the amount of Baht 3 million.
- 2) Projects' facilities of promissory notes in the amount of Baht 198.00 million (In year 2013: Baht 155.00 million).
- 3) Letter of guarantee facilities in the amount of Baht 526.84 million (In year 2013: Baht 588.07 million).

## 10. BUILDING AND EQUIPMENT

Building and equipment as at December 31, 2014 and 2013 consisted of:

	Baht				
	Construction	Machinery and equipment	Furniture and office equipment	Vehicles	Total
<b>Cost</b>					
As at January 1, 2013	751,087	70,014,335	11,924,055	10,206,920	92,896,397
Purchases/transfer in	-	14,721,071	2,640,178	1,153,000	18,514,249
Disposals/transfer out	-	(2,037,105)	(136,197)	-	(2,173,302)
Sale	-	(5,747,406)	-	-	(5,747,406)
As at December 31, 2013	751,087	76,950,895	14,428,036	11,359,920	103,489,938
Purchases/transfer in	-	1,858,120	1,407,525	-	3,265,645
Disposals/transfer out	-	(1,926,074)	(484,689)	-	(2,410,763)
Sale	-	(5,040,561)	-	(946,232)	(5,986,793)
As at December 31, 2014	751,087	71,842,380	15,350,872	10,413,688	98,358,027
<b>Accumulated depreciation</b>					
As at January 1, 2013	751,086	54,486,427	7,964,188	6,582,593	69,784,294
Depreciation	-	7,745,358	1,766,378	1,226,685	10,738,421
Disposals/transfer out	-	(412,776)	(116,205)	-	(528,981)
Sale	-	(5,747,402)	-	-	(5,747,402)
As at December 31, 2013	751,086	56,071,607	9,614,361	7,809,278	74,246,332
Depreciation	-	6,375,230	1,620,415	1,102,241	9,097,886
Disposals/transfer out	-	(1,648,990)	(420,473)	-	(2,069,463)
Sale	-	(5,040,555)	-	(946,202)	(5,986,757)
As at December 31, 2014	751,086	55,757,292	10,814,303	7,965,317	75,287,998
<b>Net book value</b>					
Owned assets	1	13,383,894	4,813,674	1,390,474	19,588,043
Assets under finance leases	-	7,495,397	-	2,160,168	9,655,565
As at December 31, 2013	1	20,879,291	4,813,674	3,550,642	29,243,608
Owned assets	1	10,363,899	4,536,568	930,736	15,831,204
Assets under finance leases	-	5,721,191	-	1,517,635	7,238,826
As at December 31, 2014	1	16,085,090	4,536,568	2,448,371	23,070,030

Baht		
	2014	2013
Depreciation for the years ended December 31 was included in		
Cost of property development	297,750	35,067
Cost of construction	4,097,334	6,406,591
Administrative expenses	4,702,802	4,296,763
Total	9,097,886	10,738,421
As at December 31 the carrying amount before accumulated depreciation which have been depreciated and still in use	55,818,319	55,675,118

As at December 31, 2014

**Rental and service rate per month**

	Lessor	Period	(In Million Baht)	Note
Office rental and service agreement	Third party	3 years	0.36	-

**11. DEFERRED TAX**

Deferred tax as at December 31, 2014 and 2013 consisted of:

Baht		
	2014	2013
		(Restated)
Deferred tax assets	16,956,461	8,993,086

Movements in deferred tax assets during the years were as follows:

	Baht		
	At January 1, 2014	Profit	At December 31, 2014
	(Restated)		
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	3,927,116	-	3,927,116
Provision	1,074,830	80,502	1,155,332
Cost of property development	-	1,682,810	1,682,810
Tax loss carry forward	3,991,140	6,200,063	10,191,203
Total	8,993,086	7,963,375	16,956,461

	Baht		
	At January 1, 2013	Profit (Loss)	At December 31, 2013
			(Restated)
<b>Deferred tax assets</b>			
Allowance for doubtful accounts	3,927,116	-	3,927,116
Provision	899,850	174,980	1,074,830
Unearned revenue	287,301	(287,301)	-
Tax loss carry forward	-	3,991,140	3,991,140
Total	5,114,267	3,878,819	8,993,086

## 12. OTHER NON-CURRENT ASSETS

Other non-current assets as at December 31, 2014 and 2013 consisted of

	Baht	
	2014	2013
Deposit	2,568,500	4,342,478
Retention receivables	70,089,327	67,430,459
Withholding tax	50,864,653	57,037,734
Others	6,307,020	6,305,321
Total	129,829,500	135,115,992
<b>Less Allowance for doubtful debts</b>	(19,565,580)	(19,565,580)
Net	110,263,920	115,550,412

Retention receivables are warranty monies deducted retention by the customers at the rate of 5% - 10% of the contract amount. Retention for the not completed construction project will be returned to the Company after the Company completed the work and upon expiry of the warranty period as stated in the contract.

### 13. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Bank overdrafts and short-term loans from financial institutions as at December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Bank overdrafts	12,402,440	2,600,297
Promissory notes - against payment	17,379,288	6,980,222
Total	29,781,728	9,580,519

The Company has credit facilities with financial institutions consisted of:

Type	Facilities (Million Baht)		Referred interest rate (% per annum)	
	2014	2013	2014	2013
Bank overdrafts	23.00	23.00	MOR, Fixed deposit	MOR, Fixed deposit
Letter of guarantee	841.62	798.84	-	-
Promissory notes	198.00	155.00	MLR, MOR	MLR, MOR
Total	1,062.62	976.84		

December 31, 2014 the Company has collateral as follows:

Type	Facilities (Million Baht)	Collateral
Bank overdrafts	3.00	Company's fixed deposit (see Note 9).
	15.00	Personal guarantee by a third party.
	5.00	Mortgaged by Focus Ploenchit project (see Note 8).
Letter of guarantee	564.21	Company's fixed deposit (see Note 9) and/or transferred account receivable rights received from some projects.
	25.00	Mortgaged by Focus Ploenchit project (see Note 8).
	252.41	No collateral.
Promissory notes	198.00	Company's fixed deposit (see Note 9) and/or transferred account receivable rights received from some projects.

A third party guarantees without charging for compensation from collateral and guarantee.

#### 14. TRADE AND OTHER PAYABLES

Trade and other payables as at December 31, 2014 and 2013 consist of:

	Baht	
	2014	2013
		(Restated)
Trade accounts payable	106,694,767	98,072,893
Accrued expenses	13,205,832	13,713,188
Total	119,900,599	111,786,081

#### 15. LOANS FROM FINANCIAL INSTITUTIONS

Loans from financial institutions as at December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Loans from financial institutions	262,400,000	152,300,000
Less Current portion	-	-
Long-term loans from financial institutions	262,400,000	152,300,000

The details of loans from financial institutions:

Lenders	Facilities (Million Baht)	Period	Interest rate per annum	Repayment
Bank	155.00	June 2012 - December 2016 *	MLR-1.25	Payment of principal at 70 percent from sale contract
Bank	180.00	June 2012 - February 2017	MLR-1.25	when transfer right of residential condominium unit and interest paid on a monthly basis
Total	335.00			

\* In the year 2014, the Company was extended the period of repayment to be due on December 25, 2016.

Movements of loans from financial institutions for the years ended December 31, 2014 and 2013 were as follows

	Baht	
	2014	2013
Beginning balance	152,300,000	52,300,000
Increase	110,100,000	100,000,000
Decrease	-	-
Ending balance	262,400,000	152,300,000

The Company mortgaged land together with construction at Focus Ploenchit project as collateral for loans. (see Note 8).



## 16. LIABILITIES UNDER FINANCE LEASE

Liabilities under finance lease as at December 31, 2014 and 2013 consisted of:

Baht			
2014			
Year	Present value	Deferred interest	Minimum lease payment
1	3,151,258	184,900	3,336,158
2 - 5	1,287,525	24,778	1,312,303
Total	4,438,783	209,678	4,648,461

Baht			
2013			
Year	Present value	Deferred interest	Minimum lease payment
1	2,994,606	374,828	3,369,434
2 - 5	4,435,087	213,374	4,648,461
Total	7,429,693	588,202	8,017,895

The Company entered into the finance lease agreements for machineries and vehicles. The payment is on monthly basis in the amount of Baht 0.28 million per month. The current portion of liabilities under the finance lease agreements in the amount of Baht 3.15 million (In year 2013: Baht 2.99 million) was presented under current liabilities.

## 17. EMPLOYEE BENEFITS

Movement of the present value of employee benefit obligations for the years ended December 31, 2014 and 2013 as follows:

	Baht	
	2014	2013
<b>Post-employment benefit plan</b>		
Present value of employee benefit obligations as at January 1	5,357,235	4,499,250
Employee benefit expenses in the statements of comprehensive income :		
Current service cost	1,107,023	1,366,048
Interest cost	197,200	144,828
Actuarial gain recognised	-	(564,739)
Benefits paid during the year	(884,800)	(88,152)
Present value of employee benefit obligations as at December 31	5,776,658	5,357,235

Employee benefits obligations in the statements of financial position as at December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
<b>Post-employment benefit plan</b>		
Present value of obligation	5,776,658	5,357,235
Employee benefits obligations - recognised in statements of financial position	5,776,658	5,357,235

The Company made defined benefit plan in accordance with severance payment as the labor law which entitled retired employee within work service period in various rates, such as more than 10 years to receive severance payment not less than 300 days or 10 months of the last month salary

The principal actuarial assumptions (expressed as weighted averages) were as follows:

Discount rate	3.681%
Future salary increases	5.00%
Turnover rate	22.90%
Disability rate	5.00% of Thai Mortality Ordinary Table
Retirement age	60 years
Mortality rate	Thai Mortality Ordinary Table 2008

## 18. CONSTRUCTION CONTRACTS

For the years ended December 31, 2014 and 2013 construction contracts were as follows:

	Baht	
	2014	2013
<b>Value of contracts</b>	2,854,340,073	2,598,631,298
Costs incurred up to the year	1,932,504,886	2,275,274,907
Estimated profit recognized up to the year	67,533,665	96,553,900
Costs and estimated profit recognized up to the year	2,000,038,551	2,371,828,807
<b>Less Amount billed to customers up to the year</b>	(1,952,249,109)	2,305,964,778
Unbilled receivables	72,634,018	109,473,703
Advances received	24,844,576	43,609,675

## 19. SHARE CAPITAL

The Company issued 42 ordinary shares offering to exercise of 42 warrants at price of Baht 3 each and the Company registered the change of paid-up share capital with the Ministry of Commerce on June 19, 2014.

The Company issued 192,000 ordinary shares offering to exercise warrants of directors and employees of 192,000 warrants at par value of Baht 3 each and the Company registered the change of paid-up share capital with the Ministry of Commerce on February 6, 2013 from Baht 125.58 million to Baht 125.77 million.

The Company issued 949,000 ordinary shares offering to exercise warrants of directors and employees of 949,000 warrants at par value of Baht 3 each and the Company registered the change of paid-up share capital with the Ministry of Commerce on May 8, 2013 from Baht 125.77 million to Baht 126.72 million.

## 20. WARRANTS

On June 16, 2009, the Company issued the warrants as follows

- 1) Issuance and sales of warrants of 62,499,638 units to the Company's existing shareholders at a ratio 2 ordinary shares per 1 unit of warrant. The offering price was Baht 0 per unit. Term of warrants is not exceeding 5 years from the date of issuing of warrants. Exercise price is fixed at Baht 3 per share and exercise ratio of 1 unit of warrant to purchase ordinary shares of 1 share. The warrant holders are able to exercise the warrants on the last business day of January, April, July, and October throughout the term of the warrants. The first exercise date was on July 31, 2009, and the last exercise date shall be at the end of term of warrants, which is on June 15, 2014.
- 2) Issuance and sales of warrants of 12,500,000 units to the Company's directors and employees in accordance with the Employee Stock Option Program (ESOP). The offering price was Baht 0 per unit. Term of warrants is not exceeding 5 years from the date of issuing of warrants at the exercise price is fixed at Baht 3 per share and exercise ratio of 1 unit of warrant to purchase ordinary shares of 1 share. The warrant holders are able to exercise the warrants on the last business day of January, April, July, and October throughout the term of the warrants. The first exercise date was on July 31, 2010, and the last exercise date shall be at the end of term of warrants, which is on June 15, 2014

As at December 31, 2014, there was no outstanding warrants (as at December 31, 2013, the outstanding warrants which were not yet exercised were 73,279,638 units).

## 21. SHARE PREMIUM

Section 51 of the Public Limited Companies Act B.E. 2535 requires companies to set aside share subscriptions received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution

## 22. EXPENSES BY NATURE

Significant expenses by nature for the years ended December 31, 2014 and 2013 were as follows:

	Baht	
	2014	2013
Salary and employee benefits	128,002,885	189,544,545
Rental and service expense	7,076,314	8,279,533
Depreciation and amortization	9,316,828	10,848,402

## 23. FINANCE COSTS

Finance costs for the years ended December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
Interest expenses	11,963,032	9,790,320
Interest capitalised	(2,228,242)	(8,306,254)
Net	9,734,790	1,484,066

## 24. INCOME TAX

Corporate income tax for the years ended December 31, 2014 and 2013 was calculated at a rate specified by the Revenue Department on net earnings after adjusting certain conditions according to the Revenue Code. The Company recorded the corporate income tax as expense for the years and recorded the accrued portion as liabilities in the statements of financial position.

Income tax reduction

Royal Decree No. 530 B.E. 2554 dated December 14, 2011 grants a reduction in the corporate income tax rate from 30% to 23% on net profit for the accounting period beginning on or after January 1, 2012, and will be reduced to 20% on net profit for the two consecutive accounting periods beginning on or after January 1, 2013 onwards.

Royal Decree No. 577 B.E. 2557 dated November 3, 2014 extends the reduction to 20% for the accounting period which begins on or after January 1, 2015, but not later than December 31, 2015.

The Company has applied the reduced tax rate of 20% in measuring deferred tax assets and liabilities as at December 31, 2014 and 2013 in accordance with the clarification issued by the FAP in 2012.

Tax income for the years ended December 31, 2014 and 2013 consisted of:

	Baht	
	2014	2013
		(Restated)
<b>Current tax expense</b>		
Current year	-	-
<b>Deferred tax income</b>		
Movements in temporary differences	7,963,375	3,878,819
Tax income	7,963,375	3,878,819

## Reconciliation of effective tax rate

	2014		2013	
	Tax rate		Tax rate	
	(%)	Baht	(%)	Baht
				(Restated)
Loss before income tax		(41,105,045)		(20,336,409)
Income tax using the corporate tax rate	20	8,221,009	20	4,067,282
Expenses not deductible for tax purposes		(2,106,838)		(595,744)
Revenues granted income tax exemption		-		404,779
Addition expenses deductible for tax purposes		85,892		114,823
Loss for the year		(6,200,063)		(3,991,140)
Current tax		-		-
Movement in temporary differences		7,963,375		3,878,819
Tax income	19	7,963,375	19	3,878,819

**25. COMMITMENTS AND CONTINGENT LIABILITIES**

As at December 31, 2014 the Company had commitments and contingent liabilities as follows:

25.1 Letters of guarantee issued by banks of Baht 412.35 million (see Note 13).

25.2 Commitments for payment under agreement as follows:

25.2.1 Payment under office rental and service agreement (see Note 10) as follows:

Period	Rental and service expense (In Thousands Baht)
1 year	4,317
2 - 3 years	7,014

25.2.2 Payment under construction contract in the amount of Baht 35.47 million.

25.2.3 Payment under property development project in the amount of Baht 47.78 million.

25.2.4 Payment under compensation for sale as specific rate in the contract.

25.2.5 Payment under service agreement in the amount of Baht 0.11 million per month.

25.2.6 Purchase of intangible asset agreement in the amount of Baht 0.81 million

25.3 The Company was sued, for repayment of goods in the amount of Baht 1.40 million. The Civil Court ordered the Company to pay in the amount of Baht 0.18 million with interest. The Appeal Court affirmed the Civil Court's order. At present, the case is in the process of the Supreme Court.

**26. SEGMENT INFORMATION**

Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company.

The Company operates a construction contractor and development of real estate business. The Company operates in a single geographic area-Thailand for the years ended December 31, 2014 and 2013 were classified as follows:

Baht

	<b>Construction</b>		<b>Property development</b>		<b>Total</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
		(Restated)		(Restated)		(Restated)
Revenues	532,632,919	1,077,854,611	-	22,905,405	532,632,919	1,100,760,016
Cost	(522,423,320)	(1,053,290,463)	-	(13,190,536)	(522,423,320)	(1,066,480,999)
Gross profit	10,209,599	24,564,148	-	9,714,869	10,209,599	34,279,017
Other income					16,406,859	13,396,324
Administrative expenses					(57,986,713)	(66,527,684)
Finance cost					(9,734,790)	(1,484,066)
Loss before income tax					(41,105,045)	(20,336,409)
Tax income					7,963,375	3,878,819
Loss for the year					(33,141,670)	(16,457,590)
Other comprehensive income (loss)					-	-
Total comprehensive loss					<b>(33,141,670)</b>	<b>(16,457,590)</b>

Baht

	<b>Construction</b>		<b>Property development</b>		<b>Total</b>	
	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>	<b>2014</b>	<b>2013</b>
		(Restated)		(Restated)		(Restated)
<b>Assets</b>						
Trade and other receivables	63,716,553	90,985,532	-	-	63,716,553	90,985,532
Work in progress		4,414,668	-	-	-	4,414,668
Unbill receivables	72,634,018	109,473,703	-	-	72,634,018	109,473,703
Cost of property development	-	-	396,272,976	247,033,160	396,272,976	247,033,160
Other non-current assets	109,605,033	114,885,137	658,887	665,275	110,263,920	115,550,412
Total assets	<b>334,435,368</b>	<b>400,479,371</b>	<b>396,931,863</b>	<b>247,698,435</b>	<b>731,367,231</b>	<b>648,177,806</b>
<b>Liabilities</b>						
Trade and other payables	88,398,972	107,155,451	31,501,627	4,630,630	119,900,599	111,786,081
Estimated cost	55,824,545	73,464,329	4,850,877	5,009,371	60,675,422	78,473,700
Advance received	24,844,576	43,609,675	44,908,925	19,642,323	69,753,501	63,251,998
Loans from financial institutions	29,781,728	9,580,519	262,400,000	152,300,000	292,181,728	161,880,519
Total liabilities	<b>255,924,978</b>	<b>301,673,114</b>	<b>343,661,429</b>	<b>181,582,324</b>	<b>599,586,407</b>	<b>483,255,438</b>



## 27. DISCLOSURES OF FINANCIAL INSTRUMENTS

The Company does not speculate or engage in the trading of any derivative financial instruments

### Capital management

The Board of Directors' policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital, which the Company defines as result from operating activities divided by total shareholders' equity and also monitors the level of dividends to ordinary shareholders.

### Credit risk

Credit risk is the risk arising from failure of customers or counter parties to meet their contractual obligations. Credit risk occurs when the party fails to fulfill the contractual agreement, which may eventually cause financial losses. The Company has determined a risk protection policy through analysis of the customer and counter parties's financial status, and also defines the policy for credit approval and debt collection period.

Credit of the Company is the credit for construction services and trade provided to the customers that is the general customary trading practice.

### Interest rate risk

Interest rate risk is the uncertainty in value of financial assets and liabilities or net interest income as a result of the fluctuation of the market interest rate.

Most of the financial assets and liabilities of the Company are floating interest rates, which are based on market rates such as the interest rate for the prime clients of a commercial bank, savings interest rate or other benchmark floating rates.

### Fair value

Fair value is the value which the Company expects to receive from disposing of financial assets, or the value that the Company expects to pay for redemption of financial debt by using the market value or the appraisal value of the general financial market methodology.

The fair value of financial assets and liabilities is close to the carrying value in the financial statements.

## 28. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on February 26, 2015

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No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relationship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company Business Type
1.	<b>Mr. Anucha Sihanakathakul</b> Chairman of the Board (Authorized Director)  Appointment Day: 4/11/2002	56	M.B.A (Finance), University of Houston, Texas, U.S.A.  B.A. (Accounting & Management), Houston Baptist University, Texas, U.S.A.  (Fellow Member), Thai Institute of Directors (IOD) 2/2001  Directors Certification Program (DCP), Thai Institute of Directors (IOD) 4/2000	-	-	2013 – present 2013 – present  2010 - present  2010 – present 2010 – present 2010 – present 2010 – present 2010 – present 2010 – present 2010 – present 2010 – present 2008 - present 2008 - present 2007 - present	Director Chairman  Executive Chairman Director Director Director Director Director Director Director Director Director Director and Chairman of the Audit Committee Director Director Director Executive Chairman Director  Director  Director Executive Vice Chairman	Rai Arthit Co.,Ltd./Investment Data Technology Co., Ltd. / Consult, Design and Distribute Computer Equipments Data In Motion Co., Ltd. / Distribute Wi Net & Wi Fi Equipments Amata B. Grimm Power Co., Ltd. / Electricity Generating Amata B. Grimm Power 1 Co., Ltd. / Electricity Generating Amata B. Grimm Power 2 Co., Ltd. / Electricity Generating Amata B. Grimm Power 4 Co., Ltd. / Electricity Generating Amata B. Grimm Power 5 Co., Ltd. / Electricity Generating Amata Power (Rayong) Co., Ltd. / Electricity Generating Amata Power (Rayong)1 Co., Ltd. / Electricity Generating Amata Power (Rayong)2 Co., Ltd. / Electricity Generating Amata Water Co., Ltd. / Water & Utilities Amata Asia Ltd./ Investment Amata Corporation Pcl./Industrial Estate Development  Amata (Vietnam) Joint Stock Company Amata Summit Reay Built Co.Ltd. / Factories for Lease 888 Property Co.,Ltd/ Investment Focus Development and Construction Pcl. / Construction & Property Development Focus Environmental Co.,Ltd./Construction & Engineering Capital Focus Co., Ltd. / Investment Moon Dance Development Co., Ltd. / Property Development Syrus Securities Pcl. / Securities Business

No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relationship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company Business Type
2	<b>Mr. Jeremy Lechemere King</b> Vice Chairman [Authorized Director]  Appointment Day: 22/08/2007	52	Law Degree จาก Nottingham University	-	-	2008 – present  1996 – present  1996 – present  2007 – 2008  2002 – 2006  2001 – 2006	Vice Chairman Executive Vice Chairman Chairman and CEO. Chief Executive and Managing Director Director  Executive Director Director	Focus Development and Construction Pcl. / Construction / Property Development  Knight Asia Co., Ltd.  Siam Knight Fund Management Securities Co., Ltd.  Focus Engineering and Construction Pcl. / Construction Raimon Land Pcl. / Real Estate Development Brooker Group Pcl. / Research and Real Estate Advisor
3	<b>Mr. Nontawat Thongmee</b> Managing Director [Authorized Director]  Appointment Day: 4/11/2002	52	M.B.A., Southeastern University U.S.A.  B.B.A., Campbell University U.S.A.  Directors Certification Program (DCP), Thai In- stitute of Directors (IOD) 44/2004	-	-	2004 - present  2003 - present	Director and Managing Director Director	Focus Development and Construction Pcl. / Construction / Property Development  Focus Environmental Co., Ltd. / Construction

No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relationship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company Business Type
4	<b>Pol.Maj.Gen.Sunthorn Boonruang</b> Director  Appointment Day: 4/11/2002	78	Bachelor of Political Science, Royal Police Cadet Academy  M.P.A., Indiana University U.S.A.  Directors Accreditation Program (DAP), Thai In- stitute of Directors (IOD) 8/2004 (year 2004)	0.525	-	2002 – present  2013 – present	Director  Audit and Corporate governance Committee and Nomination and Remuneration Committee	Focus Development and Construction Pcl. / Construction / Property Development Focus Engineering and Construction Pcl. / Construction
5.	<b>Mr. Phasunsook Ayanaputra</b> Director and Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee  Appointment Day: 27/2/2006	55	Master of Law Program (LLM), University of Iowa, U.S.A.  Thai Barrister at Law , BAR Association  Bachelor of Law, Chulalongkorn University  Directors Accreditation Program (DAP), Thai In- stitute of Directors (IOD) 81/2009 (year 2009)	0.189	-	2013 - present  2008 – present  2006 – 2013  1992 - present	Chairman of Audit and Corporate governance Committee Chairman of Nomination and Remuneration Committee Independent Director and Audit Committee Partner	Focus Development and Construction Pcl. / Construction / Property Development  Focus Development and Construction Pcl. / Construction / Property Development  Focus Development and Construction Pcl. / Construction / Property Development  Siam Premier International Law Office Limited

No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relationship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company Business Type
6.	<b>Mr. Patrick Michael Davenport</b> Director  Appointment Day: 3/10/2008	49	Bachelor of International Relation with a minor in Asian  History, James Madison College, Michigan State University  Director Certification Program (DCP), Thai Institute of Directors (IOD) 123/2009 (year 2009)	-	-	2014 – present 2008 – present  2006 – present 2004 – present 1997 – present	Director Director  Director Director Director	Siam Knight Fund Management Securities Co., Ltd. Focus Development and Construction Pcl. / Construction / Property Development Rubfila International Limited Knight Asia Co., Ltd. Zaurus Investments Limited
7.	<b>Mr. Thomas C. Thompson</b> Director  Appointment Day: 25/04/2008	63	Msc Economics London School of Economics, 1979  BA Economics Columbia University, 1978, USA  Directors Accreditation Program (DAP), Thai Institute Of Directors (IOD) 74/2008 (year 2008)	-	-	2014-present   2008 -present 1998- 2014	Audit and Corporate Governance Committee and Nomination and Remuneration Committee Director  Partner	Focus Development and Construction Pcl. / Construction / Property Development   Focus Development and Construction Pcl. / Construction / Property Development ACH Investment Pte, Ltd
8.	<b>Mr. Michael de Santiesteban</b> Director  Appointment Day: 25/04/2008	50	Master's Public Policy, Minor Statistics, Georgetown University Presidential Scholar  Directors Accreditation Program (DAP), Thai Institute Of Directors (IOD) 74/2008 (year 2008)	-	-	2008 -present 2007 – present  2004 - 2007	Director Managing Director Senior Advisor Executive Dir- ector	Focus Development and Construction Pcl. / Construction / Property Development Bank Julius Baer UBS AG Singapore

No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relation- ship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company/ Business Type
9.	<b>Mr. Tanakorn Leelasiri</b> Director and Assistant Managing Director of Administration Division  Appointment Day: 12/10/2009	55	Master Degree of Sociology, Thammasat University  Bachelor Degree of Political Science, Public Administration, Thammasat University  Directors Certification Program (DCP), Thai Institute of Directors (IOD) 44/2004 (year 2004)  Mini MBA. Certificate, Faculty of Business Administration, Kasetsart University, No.33, 2004	0.0002	-	2009 - present	Director	Focus Development and Construction PCL. / Construction / Property Development
						2007 - present	Assistant Managing Director of Administration Division, Acting Manager of General Administration, Human Resources and Information Technology Department, Acting of Manager of Equipment Control Department and Acting of Manager of Purchasing Department	Focus Development and Construction PCL. / Construction / Property Development
						2005 - 2007	Director, Assistant Managing Director of Business Support Division, Secretary to the Board of Directors, Acting Manager of General Administration, Human Resources and Information Technology Department	Focus Engineering and Construction PCL. / Construction
						2001 - 2005	Assistant Managing Director of Support Division And Acting Manager of General Administration, Human Resources and Information Technology Department	Focus Engineering and Construction PCL. / Construction



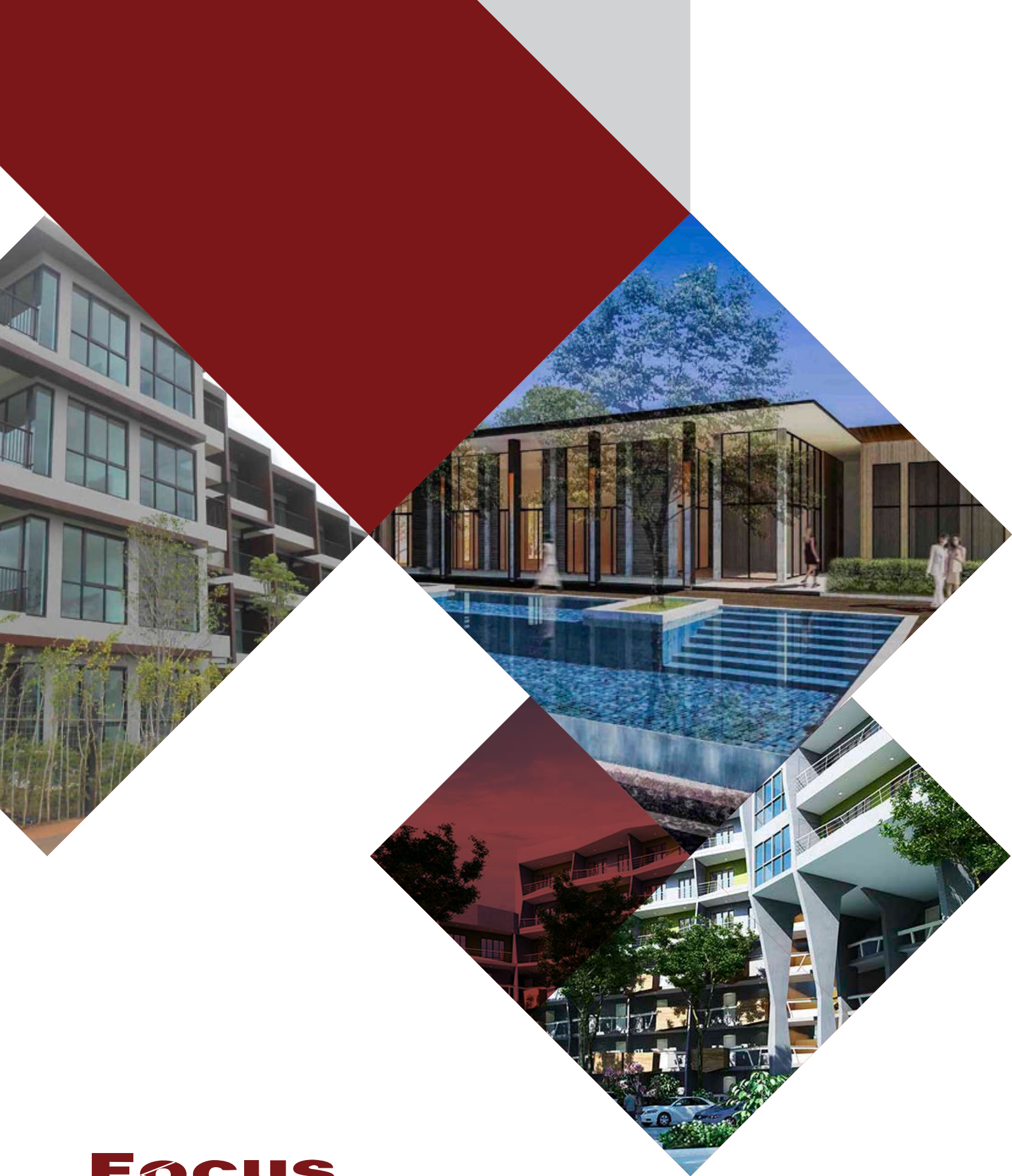
No.	Name - Surname Position	Age (years)	Education Background	Percent of Share holding in the company (%)	Family Relation- ship	Work experience during the past 5 years		
						Period	Position	Name of Unit / Company/ Business Type
10.	Mrs. Wilaiporn Siripoorikan Assistant Managing Director of Finance and Accounting Division	47	M.B.A., Finance, University of the Thai Chamber of Commerce  B.B.A., University of the Thai Chamber of Commerce	0.0002	-	2005 – present  2002 – 2005	Assistant Managing Director of Finance and Accounting Division Manager of Finance and Accounting Department	Focus Development and Construction Pcl. / Construction / Property Development  Focus Engineering and Construction Pcl. / Construction
11.	Mr. Sombat Tipyananukul Company Secretary	56	Master's Degree in Law Chulalongkorn University  Bachelor's Degree in Law Chulalongkorn University	-	-	2014 – present  2010 – 2013 2003 - 2009	Head of Legal Department  Lawyer and Legal Advisor Head of Legal Department	Focus Development and Construction Pcl. / Construction / Property Development  -  ThaiNamthip Ltd. Manufacturer and distributor of Coke, Fanta, Sprite, etc.

## Attachment 2 – Details of Directors of Subsidiaries

- None -

**Attachment 3 – Details of Head of Internal Audit (Outsource)**

Name	:	Mrs. Anchana Samohsaman
Age	:	64 Years Old
Adress	:	999/78 Soi Pibul Uppatam, Suttisarn Road, Kwaeng Samsaen Nok, Khet Huay Kwang, Bangkok
Education	:	Bachelor's Degree in Accounting, Thammasart University Bachelor's Degree in Law, Thammasart University
Experiences	:	1977-Present    Certified Public Account 1987-1989       Credit Card Division, Bangkok Bank Public Company Limited 1974-1987       Audit Department, Bangkok Bank Public Company Limited (Audit of domestic branch operations)
Training	:	Continuing training program provided by the Federation of Accounting Professions Training on Tax at the Revenue Department Training at the Stock Exchange of Thailand or other regulatory bodies of listed companies
Scope of Work	:	Auditing various projects in terms of documents, performance and internal control under the specified plan Auditing the operations to be in accordance with laws and regulations and company rules.



# **Focus**

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

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