

Focus

FOCUS DEVELOPMENT AND CONSTRUCTION
PUBLIC COMPANY LIMITED



ANNUAL
REPORT
2017

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VISION, MISSION & VALUE

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

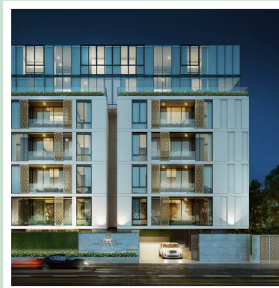
F = Focus on Customers' Satisfaction

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

Focus Development and Construction Public Company Limited has established since 1989 and has been registered in the Stock Exchange of Thailand since 2004. We have started from the general construction works for both the government sector and private sector and has been registered as the construction company with several government offices and state enterprises.

Later on in 2010, the Company has expanded to operate the property development business with Focus on Saladaeng as the first project. In 2014, the Company has the second project called “Focus Ploenchit”. However, the Company has considered that both the risks of construction and property development businesses at present are higher in various areas, especially in terms of competition, marketing and cost. Therefore, in 2016 the Company then expanded its business to invest in the waste management project through Focus Wheigh Bangna which is a subsidiary of a joint venture with 60% owned by the Company and 40% owned by Wheig Group of Companies in order to operate the waste management business. The said project shall earn the main income from the recycling business, bio-fertilizer, Refuse Derived Fuel or RDF business. In addition, the Company also plans to have the waste to electricity business in the next stage. Presently, the plant is under the construction on the land of 23 Rai 16 Square Wa of Focus Wheigh Bangna Limited, in Amphur Plangyar, Changwad Chachoengsao. It is expected that the construction of the said plant will be completed and will start the operation approximately in the fourth quarter of 2018.



With regard to the corporate governance, the Board of Directors’ Meeting No.1/2018, held on 27 February 2018 has resolved to approve the revisions made to the Corporate Governance Policy and Code of Conduct of the Company in order to be in line with the CG Code 2017 of the Office of the Securities and Exchange Commission.

Finally, on behalf of the Board of Directors of the Company, I would like to thank the shareholders, customers, dealers and those who have given us their continued support all along, including the management and staff of all levels for their dedication in performing their duties with the full efforts for the sustainable growth of the Company.

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 of the Audit and Corporate Governance Committee is 2 years which will be completed on 30 April 2018. However, the Board of Directors has approved another term of 2 years for this sub-committee from 1 May 2018 until 30 April 2020. There are at least 4 meetings of the Audit and Corporate Governance Committee in each year.

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 2017, the Audit and Corporate Governance Committee arranged four meetings in order to Consider, the following matters:

- Considering the quarterly financial statements and the annual financial statements 2017 which has been reviewed and audited by the certified public account prior to presenting them to the Board of Directors and disclosing the same to shareholders and the public with the consultation with the auditors and adjusted the key issues as commented by the auditors, and disclosing sufficient information in the financial statements to shareholders and the public
- 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
- Reviewing the Corporate Governance Policy and Code of Conduct of Directors, Management and Staff

The Audit 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.

(Mr. Phasunsook Ayanaputra)

Chairman of the Audit and Corporate Governance Committee



Report of the Nomination and Remuneration Committee to Shareholders

To Shareholders of Focus Development and Construction Public Company Limited

The Company's Nomination and Remuneration Committee consists of three independent directors as follows:

Mr. Phasunsook Ayanaputra	Chairman of the Nomination and Remuneration Committee
Mr. Pol.Maj.Gen. Sunthorn Boonruang	Nomination and Remuneration Committee
Mr. Thomas C. Thompson	Nomination and Remuneration Committee

The term of appointment is three years from 9 May 2017 to 8 May 2020 as approved by the Board of Directors' Meeting No. 1/2017, held on 27 February 2017.

In 2017, the Nomination and Remuneration Committee arranged one meeting to consider the following matters:

- Nominating qualified candidates for directorship submitted for consideration of the Board of Directors and to be appointed by the Annual General Meeting of Shareholders to replace those who retired by rotation
- Reviewing the remuneration of the Board of Directors and the sub-committees to be approved by the Annual General Meeting of Shareholders
- Considering the Board evaluation results for the year 2017 (including the Chairman and the Managing Director of the Company)
- Considering the performance of the Assistant Managing Directors for the year 2017
- Considering the annual salary increase for the year 2018 to the management and staff
- Considering the cancellation of the of directors, management and staff to purchase ordinary shares of the Company (ESOP Warrants)
- Appointing the new Secretary to the Nomination and Remuneration Committee to fill the vacancy

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



BOARD OF DIRECTORS



1

1 Mr. Anucha Sihanatkathakul

Chairman of the Board of Directors (Authorized Director)



2

2 Mr. Jeremy Lechemere King
Vice Chairman of the Board of Directors



3

4 Mr. Nontawat Thongmee
Director and Managing Director (Authorized Director)



4

6 Mr. Thomas C. Thompson
Director and the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee (Independent Director)



5

3 Mr. Phasunsook Ayanaputra
Director and Chairman of the Audit and Corporate Governance Committee and the Chairman of the Nomination and Remuneration Committee (Independent Director)



6

5 Pol.Maj.Gen. Sunthorn Boonruang
Director and the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee (Independent Director)



7

7 Mr. Patrick Michael Davenport
Director



8

8 Mr. Tanakorn Leelasiri
Director and Assitant Managing Director - Administration (Authorized Director)

AUDIT AND CORPORATE GOVERNANCE COMMITTEE



Mr. Phasunsook Ayanaputral
Chairman of the Audit and Corporate
Governance Committee



Mr. Thomas C. Thompson
Audit and Corporate Governance
Committee



Pol. Maj. Gen. Sunthorn Boonruang
Audit and Corporate Governance Committee

Nomination and Remuneration Committee



Mr. Phasunsook Ayanaputral
Chairman of the Nomination and
Remuneration Committee



Mr. Thomas C. Thompson
Nomination and Remuneration
Committee



Pol. Maj. Gen. Sunthorn Boonruang
Nomination and Remuneration
Committee



CONSTRUCTION AND RISK MANAGEMENT COMMITTEE



Mr. Anucha Sihanatkathakul
Chairman of the Construction and
Risk Management Committee



Mr. Nontawat Thongmee
Construction and Risk
Management Committee



Mr. Tanakorn Leelasiri
Construction and Risk
Management Committee



Mrs. Wilaiporn Siripoorikan
Construction and Risk
Management Committee



PHUPHATARA KHAOYAI



COMPANY PROJECT



EQUINOX





THE PHYLL

COMPANY PROJECT

ISSARA COLLECTION





Part 1

Business Operations



1.1 Business Policy and Overview

Focus Development and Construction Public Company Limited operates the construction business since 1989 in various types of construction, e.g. office buildings, condominiums, hotels, resorts, etc. In 2010, the Company has expanded the business to the property development with “Focus on Saladaeng” as the first development project, the construction of which has been completed in 2011, and “Focus Ploenchit” as the second development project, the construction of which has been completed in 2015.

However, the Company has considered that both the risks of construction and property development businesses at present are higher in various areas, especially in terms of competition, marketing and cost. Therefore, in 2016 the Company then expanded its business to invest in the waste management project through Focus Wheigh Bangna which is a subsidiary of the joint venture with 60% owned by the Company and 40% owned by Wheigh Group of Companies in order to operate the waste management business. The said project shall earn the main income from the recycling business, bio-fertilizer, Refuse Derived Fuel or RDF business. In addition, the Company also plans to have the waste to electricity business in the next stage. Presently, the plant is under the construction on the land of 23 Rai 16 Square Wa of Focus Wheigh Bangna Limited, in Amphur Plang yao, Changwad Chachoengsao. It is expected that the construction of the said plant will be completed and will start the operation approximately in the fourth quarter of 2018.

Shareholding Structure of the Company in the Joint Venture and Subsidiary of the Joint Venture



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 as follows:

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

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 29 May 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).

In addition, 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.

In addition, 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.

2015

February: In order to be comply with the Good Corporate Governance Principles, the Board of Directors of the Company has determined another role of the Audit Committee to supervise and monitor the business of the Company and has resolved that the name of the Audit Committee be changed to be the "Audit and Corporate Governance Committee". The Board also determined another role of the Construction Committee to manage the risks of the Company, and has resolved that the name of the Construction Committee be changed to be the "Construction and Risk Management Committee".

April: The Company has been awarded the construction works (structure, architect and system) of Issara Collection Sathorn with the value of 290 Million Baht which is a high-end condo project and located in Soi Nang Lin Chee 4, Nang Lin Chee Road, Kwaeng Chongnonsee, Khet Yananwa, Bangkok. Charn Issara Vibhapol Company Limited is the project owner. The construction is expected to be completed on 30 November 2016 under the contract.

May: The construction of Focus Ploenchit which is located in Sukhumvit Soi 2, Kwaeng Klongtoey, Khet Klongtoey, Bangkok, has been completed and the ownership has gradually been transferred to customers.

In addition, in 2015, the Management of the Company has reviewed, developed and improved the system and working format of various sections of the Company in order to enhance the efficiency, including, to be prepared for new projects when the economic improves in 2016. The Authority Table of the Company has also been reviewed and improved as appropriate and to be in line with the current situation.

2016

On 5 October 2016, the Company has entered into a joint venture with Wheig S.A.S. from France to set up a joint venture company, called as “Focus Wheig Corporation Limited” with the registered capital of 15 Million Baht, divided into 1,500,000 shares with a par value of 10 Baht each. The Company has 60% share while Wheig S.A.S. has 40% share, whereby the shareholders agree to jointly control this newly established company. Focus Wheig Corporation Limited will be a holding company to invest in the waste management business, e.g. recycling business, Refuse Derived Fuel or RDF and electricity generating from waste, etc.

On 18 October 2016, Focus Wheig Corporation Limited has started to invest in the waste management business by purchasing 99.99% ordinary shares of Focus Wheig Bangna Limited for 49,998 shares with a par value of 100.- Baht each, at total acquisition cost of 1.- Baht.

2017

28 April 2017 The Annual General Meeting of Shareholders 2017 has resolved to increase the Company’s registered capital from 126,720,042 Baht to 227,760,073 Baht, by issuing 101,040,031 new ordinary shares with the par value of 1.00 Baht each, as follows:

- | | |
|--|--------------------|
| 1) To be allocated to the existing shareholders (Rights Offering) for not exceeding | 63,360,021 shares |
| at the ratio of 2 existing shares per 1 new share at the price of 1.20 Baht per share | |
| 2) To accommodate the exercise of FOCUS-W2 for not exceeding | 31,680,010 shares |
| at the ratio of 1 new share per 1 warrant with the exercise price of 1.80 Baht per share | |
| 3) To accommodate the exercise of ESOP Warrants for not exceeding | 6,000,000 shares |
| at the ratio of new share per 1 warrant with the exercise price of 1.80 Baht per share | |
| Totally | 101,040,031 shares |

19 May 2017 The Company has registered the capital increase at the Department of Business Development, Ministry of Commerce from 126,720,042 Baht to 227,760,073 Baht by issuing 101,040,031 new ordinary shares with the par value of 1.00 Baht each

25 May 2017 The Company has notified the terms and conditions concerning the sale and allocation of capital increase ordinary shares to the existing shareholders of the Company according to their proportion ratio (Rights Offering) and has determined the issue date and the exercise date under the warrants to purchase the said ordinary shares of the Company No. 2 (FOCUS-W2) as follows:

1. Subscription period and payment for the capital increase ordinary shares : during 12-16 June 2017
2. Issue date and exercise date under the warrants to purchase the ordinary shares of the Company No. 2 (FOCUS-W2)
 - Issue date of the warrants : 8 July 2017
 - First exercise date : 29 September 2017
 - Last exercise date : 30 June 2020

26 June 2017 The Company has registered its paid-up capital with the Department of Business Development, Ministry of Commerce from 126,720,042 Baht to 190,080,063 Baht as per details concerning the registered capital and the paid-up capital of the Company as follows:

Registered Capital 227,760,073 Baht, divided into 227,760,073 ordinary shares with the par value of 1.00 Baht each

Paid-Up Capital 190,080,063 Baht, divided into 190,080,063 ordinary shares with the par value of 1.00 Baht each

15 August 2017 The Company has notified the transfer of shares in Focus Wheig Corporation Limited (holding company) as follows:

Transferor	Transferee	No. of Shares	Shareholding Ratio
Wheig S.A.S., France	Wheign Asia Ltd., Hong Kong	599,999	39.99%

Remarks :

- (1) Wheig Asia Limited, Hong Kong is a subsidiary of Wheig Group of Companies with Whieg S.A.S., France as the major shareholder
- (2) The reason of the said transfer of shares is due to the fact that Wheig Group of Companies would like to have Wheig Asia Ltd., Hong Kong which is its subsidiary in the Asian Region as the investor in Thailand in place of Wheig SAS, France which is in Europe Region

15 August 2017 The Board of Directors Meeting No. 3/2017 of the Company has resolved to invest in the waste management project of Focus Wheig Bangna Limited which is a subsidiary of Focus Wheig Corporation Limited which is a “holding company” with the project value of approximately 180 Million Baht. The project will be situated on the land with the area of 23 Rai 16 Square Wa in the industrial and warehouse zone (purple zone), High Way No. 331-Baan Nong Rua, Tambon Plangyao, Amphur Plangyao, Changwad Chachoengsao.

15 November 2017 Focus Wheig Bangna Limited (subsidiary of Focus Wheig Corporation Limited) has received the land ownership for the waste management project with the area of 23 Rai 16 Square Wa in the industrial and warehouse zone (purple zone), High Way No. 331-Baan Nong Rua, Tambon Plangyao, Amphur Plangyao, Changwad Chachoengsao. Presently, the project is under construction of the plant which is expected to be completed to start the operations of the waste management business within the 4th quarter of 2018.



1.2 NATURE OF THE BUSINESS OPERATIONS

1.2.1 Nature of Business Operations

Construction Business

The Company is carrying on the general construction business for both government sector and private sector in various types of construction, e.g. factory, building, office, residence, condominium, hotel, hospital, infrastructure, etc.

Property Development Business

The Company has 2 projects of property development as follows:

- (1) In 2011, Focus on Saladaeng Condominium Project, an 8 storey residence with 62 units in total.
- (2) In 2015, Focus Ploenchit Condominium Project, an 8 storey residence with 132 units in total.

Investment in Waste Management Business

In 2016, the Company expanded its business to invest in the waste management project through Focus Wheig Bangna which is a subsidiary of the joint venture with 60% owned by the Company and 40% owned by Wheig S.A.S. Group of Companies in order to operate the waste management business. The said project shall earn the main income from the recycling business, bio-fertilizer, Refuse Derived Fuel or RDF business. In addition, the Company also plans to have the waste to electricity business in the next stage. Presently, the plant is under the construction on the land of 23 Rai 16 Square Wa of Focus Wheig Bangna Limited, in Amphur Plangyar, Changwad Chachoengsao. It is expected that the construction of the said plant will be completed and will start the operation approximately in the fourth quarter of 2018.

1.2.2 Revenue Structure of the Company

The revenue structure of the Company during the year 2015-2017

Product Line/Business Group	Year 2017		Year 2016		Year 2015(Restated)	
	(Million Baht)	%	(Million Baht)	%	(Million Baht)	%
1. Revenue from Construction	51.44	34.28	152.77	46.25	228.55	45.84
2. Revenue from Property Development	90.22	60.13	165.93	50.23	261.38	52.42
3. Other Income	8.39	5.59	11.64	3.52	8.68	1.74
Total	150.05	100.00	330.34	100.00	498.61	100.00

1.2.3 Business Goal

The Company supports all projects of public sector, private sector, and state enterprises 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, and the waste management business project which started in the year 2016 and it is expected to start its operation approximately in the 4th quarter of the year 2018.

However, the Company aims to develop its professionalism in construction, property development business and other business 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

There is the fierce competition in the construction industry and property development business with the high risks, coupled with the fact that financial institutions are rather stricter in providing residential financing. Therefore, the sales of Focus Ploenchit Condominium Project was not in line with the target as determined by the Company.

However, the Company has determined the business plan and carefully adjusted itself to various factors by diversifying the risks in accepting construction works from the government and private sectors in various types of construction, e.g. residential building, shopping malls, manufacturing plants, office buildings, hotels, resorts, etc. For the property development business, the Company will carefully study the location, reasonable costs 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

Large and small scale property developers have faced various risk factors, including labour costs and material costs which could be increased. In 2017, the risk factors which would give an impact to construction business and 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.

However, 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 sky train 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 2017 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 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 and Seminars on the Regular basis 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

1.3.4.1 Risk of Dividend Payment

In the year 2017, the Company has the loss of 45.29 Million Baht with the accumulated loss of 91.88 Million Baht. The Company is not in the position to pay any dividends to shareholders as per the Company's dividend policy.

1.3.4.2 Risk of Having a Major Shareholder

As of 15 March 2018, Mrs. Naparat Sihanatkathakul is a major shareholder of the Company holding 34.925 of the total shares of the Company. She has the right under the law to object or disagree with any matters to be proposed for shareholders' resolutions, especially, the matters which require the votes of not less than $\frac{3}{4}$ of the votes of shareholders who attend the meeting and have the right to vote.



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 9th 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 building and services
9	450 square meters	15 August 2017 – 14 August 2020	324,000.- 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 : Thousand Baht)

Details	Cost Price	Accumulated Depreciation	Book Value
Buildings	620	316	304
Machinery and Equipment	71,836	65,841	5,995
Furniture and Office Equipment	13,554	12,764	790
Vehicles	9,571	8,161	1,410
Copy Rights of Software	4,402	1,710	2,692
Total	99,983	88,792	11,191



1.5 LEGAL DISPUTES

As at 31 December 2017, 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

Securities Issure Company :	Focus Development and Construction Public Company Limited
Registration Number :	0107545000331
Head Office :	25 Almalink Building, 9 th Floor, Soi Chidlom, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330
Type of Business :	Construction and Property Development Registered Capital
website :	www.focus-pcl.com
Tel :	0-2650-3105-9, 0-2650-3063-4
Fax :	0-2650-3065-6
Registered Capital :	227,760,073 Baht divided into 227,767,073 ordinary shares with a par value of 1 Baht each
Paid-Up Capital :	190,080,063 Baht, divided into 190,080,063 ordinary shares with the par value of 1.00 Baht each
Securities Registrar :	Thailand Security Depository Company Limited. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400 Tel. (662) 009-9000 Fax (662) 009-9991
Listed on the MAI :	5 October 2004
Auditor :	Auditor for the Fiscal year ended 31 December 2017 Mr. Udom Thanuratpong CPA Registration No. 8501 PV Audit Company Limited 100/19, 14 th Floor, Vongvanij 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
ISO 9001 : 2015 Version	The Company has been certified for ISO 9001 in the areas of General Construction, Civil, Mechanical and Electrical Engineering Works from United Registrar of Systems or URS since 2008 until today. The latest version of our ISO is ISO 9001 : 2015 Version.

Remarks: For more information, please see the Annual Registration Statement (Form 56-1) of the Company posted on the website www.sec.or.th or the Company's website www.focus-pcl.com



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 2017

Registered Capital : 227,760,073 Baht divided into 227,760,073 ordinary shares with a par value of 1 Baht each.

Paid-Up Capital: 190,080,063 Baht divided into 190,080,063 ordinary shares with a par value of 1 Baht each.

The Company has no other type of share apart from ordinary shares, every shareholder then has and equality in voting , i.e. one share on vote.

2.1.2 Top Ten Major Shareholders as of 15 March 2018

No.	List of Shareholders	No. of Shares	Shareholding (%)
1.	Mrs. Naparat Sihanatkathakul	66,385,800	34.925
2.	Mr. Jakkrapon Thongcharoen	9,001,600	4.736
3.	Mr. Anurak Boonswang	5,090,000	2.678
4.	Miss Siripen Ramnut	4,097,000	2.155
5.	Mr. Kiat Srijomkwan	3,500,000	1.841
6.	Miss Taweeporn Kiratiadisai	3,335,700	1.755
7.	Mr. Prachuab Iamrum	2,850,000	1.499
8.	Mr. Thaninchot Tantipantarak	2,025,900	1.066
9.	Mrs. Orawan Methavarakul	2,000,000	1.052
10.	Mr. Kongkiat Boonya-arak	1,700,000	0.894

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

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

2.1.3 Increase of Registered Capital from 126,720,042 Baht to 227,760,073 Baht

The Annual General Meeting of Shareholders 2017 has resolved to increase the Company's registered capital from 126,720,042 Baht to 227,760,073 Baht, by issuing 101,040,031 new ordinary shares with the par value of 1.00 Baht each, as follows:

- | | | |
|--|-------------|--------|
| 1) To be allocated to the existing shareholders (Rights Offering) for not exceeding | 63,360,021 | shares |
| at the ratio of 2 existing shares per 1 new share at the price of 1.20 Baht per share | | |
| 2) To accommodate the exercise of FOCUS-W2 for not exceeding | 31,680,010 | shares |
| at the ratio of 1 new share per 1 warrant with the exercise price of 1.80 Baht per share | | |
| 3) To accommodate the exercise of ESOP Warrants for not exceeding | 6,000,000 | shares |
| at the ratio of new share per 1 warrant with the exercise price of 1.80 Baht per share | | |
| Totally | 101,040,031 | shares |

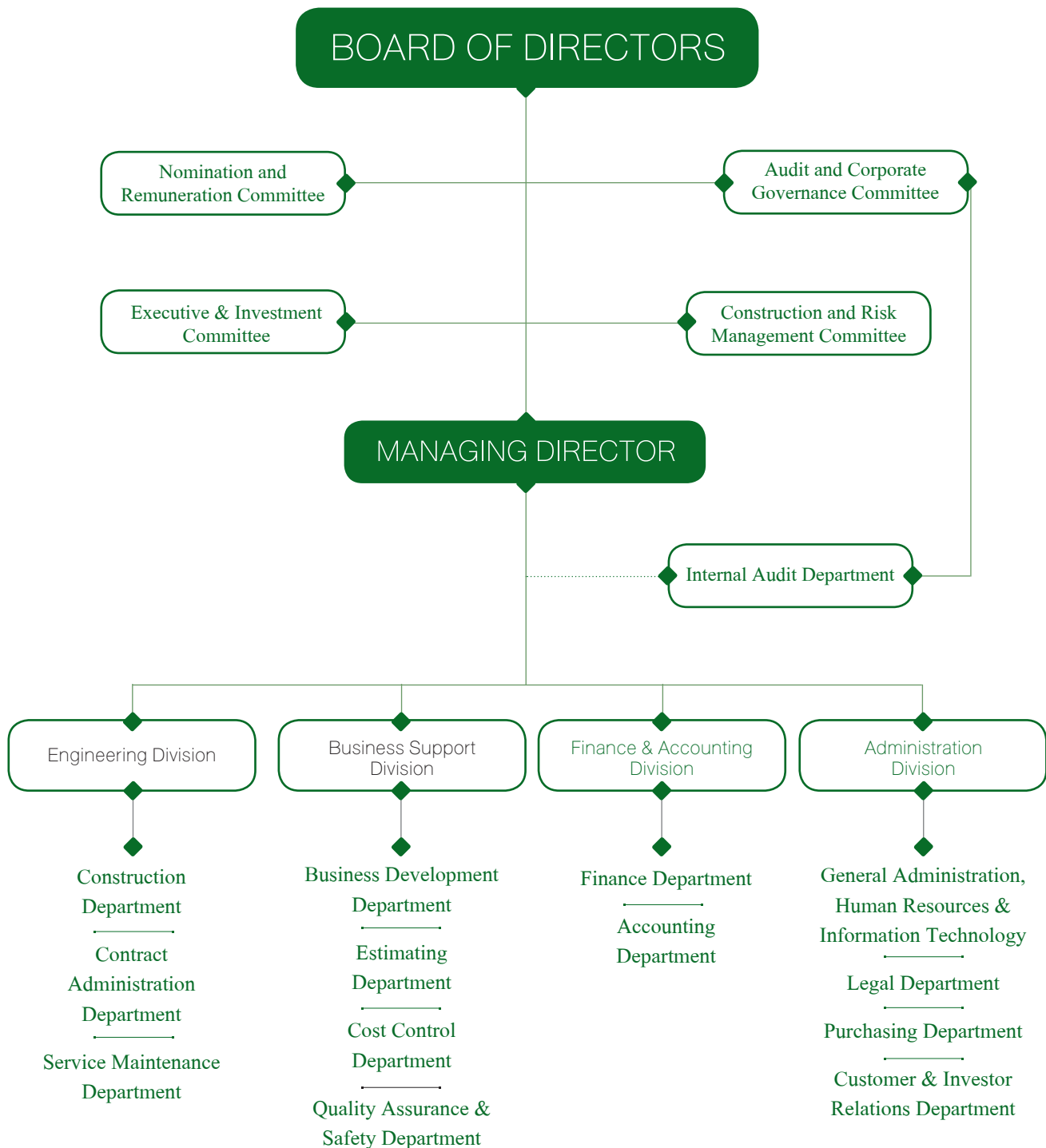
In addition, the Company has registered the paid-up capital from 126,720,042 Baht to 190,080,063 Baht with the Ministry of Commerce on 26 June 2017,

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 loss of 45.29 Million Baht as at 31 December 2017, and the accumulated loss of 91.88 Million Baht no dividend can then be paid to shareholders as specified by law.



2.2 MANAGEMENT STRUCTURE



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 2017, the Company's Board of Directors consists of 8 directors whose meeting attendance records in 2017 are as follows:

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

Duties and Responsibilities of the Board of Directors

- Acting in a best interest of shareholders (fiduciary duty) by observing the following four main practices:
 - Performing its duties with responsibility and all due circumspection and caution (duty of care).
 - Performing its duties with faithfulness and honesty (duty of loyalty).
 - Performing its duties in compliance with laws, objectives, Articles of Association, the resolutions of the Board of Directors and resolutions of Shareholders' Meetings (duty of obedience).
 - Disclosing information to shareholders accurately, completely, and transparently with verification and timeliness (duty of disclosure).
- Defining and reviewing the structure of the Board of Directors, number of directors, proportion of independent directors as well as Board diversity and director qualifications to align with the Company's business operations.
- Directing the Company's visions, missions, and business strategies, with an annual revision and approval.
- Reviewing the major operating plan, budgets, business goals, and business policies and enhancing the capabilities of the Company.
- Overseeing and monitoring the implementation of the Company's strategies; overseeing and monitoring of each business unit's and the Company's overall performance by requiring their performance reports periodically; and setting policies to develop and improve the business operations with concern for safety, hygiene, social and environmental responsibility and development of the Company's employees.

6. Devoting their time and efforts to the Company without seeking benefits for themselves or others and not acting in conflict of interest or in competition with the Company.
7. Directing the Company's operation in compliance with the laws, objectives, Articles of Association, resolutions of the Board of Directors and resolutions of Shareholders' Meetings in good faith and with care to preserve the highest interests of the Company and fairness to all involved parties.
8. Specifying risk management policies and overseeing to ensure effective risk management systems together with reviewing and assessing the systems periodically and in the wake of a change in risk levels.
9. Overseeing and developing the Company's corporate governance to keep it consistent with the guidelines of the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand to provide guidelines for business operations while monitoring to ensure compliance and being a role model in complying with the principles of good corporate governance and the Company's Code of Conduct.
10. Encouraging staff at all levels to be conscious of ethics and morality and comply with the Company's principles of corporate governance, Code of Conduct and the Anti-corruption policy while promoting awareness of the importance of internal control system and internal audits to reduce the risk of fraud and abuse of authority and prevent any illegal act.
11. Protecting the fair rights and interests of both major and minor shareholders along with supporting shareholders in exercising their rights to protect their own interests, and receive accurate, complete, transparent, veritable, and timely information.
12. Recognizing the roles, duties, and responsibilities of the Board of Directors, respecting the rights of shareholders and equitable and transparent treatment to all stakeholders, establishing a clear process and channels for receiving and handling complaints from informants or stakeholders effectively and ensuring an opportunity for all stakeholders to contact or lodge complaints about potential issues directly to the Board of Directors.
13. Reviewing top executive development plans and the succession plan for the Managing Director while overseeing to ensure the effective performance assessment of top management on an annual basis and determining appropriate remuneration in line with the Company's operating results to provide both short-term and long-term incentives.
14. Assessing the performance of the Board of Directors, the Sub-committees and each individual director on an annual basis together with monitoring the assessment results of the Board and its Sub-committees which will be jointly deliberated by the Board of Directors as well as reviewing the assessment results of the Board and Sub-committees on a regular basis.
15. Overseeing and monitoring to ensure the selection and nomination process of a director is carried out transparently and the remunerations for directors and Sub-committee members are determined appropriately.
16. Attending all meetings of the Board of Directors and Shareholders' Meetings, except in unavoidable circumstances. The directors who are unable to attend a meeting must notify the Chairman or the Secretary to the Board in advance prior to the meeting.
17. Developing their knowledge and competency related to their duties consistently through courses or curricula related to directorial duties or seminars that enhance their knowledge. In performing its duties, the Board of Directors may seek external consultation from independent consultants or experts in various fields, as deemed necessary and appropriate.

18. The Company's directors may act as director in other listed companies at the maximum of 5 companies (including FOCUS).

Policy on the Board Meetings

- (1) Board of Directors' Meetings will be held at least 4 times a year with at least one Board meeting will be discussed only among non-authorized directors and independent directors without the Company's management.
- (2) Notice of the Board meeting will be given to all directors at least 7 days in advance unless with the case of emergency or necessity for the rights and benefits of the Company, such notice may be shorter than 7 days as appropriate.
- (3) The Chairman of the Board and the Managing Director shall jointly consider determining the meeting agenda while each director is entitled to propose any matters for consideration of the Board meeting. In case the Chairman of the Board is also the top management of the Company, the agenda of the Board meeting shall also be reviewed and agreed by the Chairman of the Audit and Corporate Governance Committee and/or an independent director as appropriate.
- (4) Significant matters shall require the Board resolutions passed by at least 2/3 of all directors of the Company.
- (5) A summary report of the monthly operating results will be prepared and given by the Company to all directors for their information, except with the month in which the Board meeting also takes place.

Roles and Responsibilities of Chairman of Board of Directors

- (1) Oversee, monitor, and ensure that the board efficiently carries out its duties to achieve the Company's objectives.
- (2) Ensure that all directors contribute to the Company's ethical culture and good corporate governance.
- (3) Set the Board meeting agenda by discussing with the Managing Director where important matters should be included in the agenda. In case the Chairman of the Board is also one of the top management of the Company, the consultation on such agenda must be made with the Chairman of the Audit and Corporate Governance Committee or an independent director as appropriate.
- (4) Allocate sufficient time for management to propose topics and for directors to debate important matters thoroughly. Encourage directors to exercise independent judgement in the best interest of the Company.
- (5) Promote the good relationship between executive and non-executive directors, and between the board and management.

Roles and Responsibilities of the Managing Director

- (1) To monitor and supervise the management of the Company and its subsidiaries to be in line with the vision, mission, value and policies, board resolutions, shareholders' resolutions, regulations and objectives of the Company for the highest efficiency and legitimacy of the business operations of the Company and its subsidiaries.
- (2) To manage and supervise the Company and its subsidiaries general administration and ensure that it is in line with the objectives, policies, rules and regulations of the Company as well as to monitor the performance of the management to report the overall operations of the Company and its subsidiaries and performance to the Board of Directors on a regular basis.

- (3) To determine the human resource management policy and encourage the operations of all functions to be in line with the guidelines of the Board of Directors.
- (4) To give advice and hand down the experience in business operations to the management and staff for the benefits of the business operations of the Company and its subsidiaries.
- (5) To manage the financial matters and the spending of the budget for the highest benefits and efficiency of the Company and its subsidiaries.
- (6) To perform any other tasks as assigned by the Board of Directors of the Company and/ or the shareholders' meeting of the Company according to the objectives, rules and related laws.

Evaluation of the Board of Directors of the Company

The Company has the policy on the evaluation of the performance of the Board of Directors of the Company every year.

In 2017, the Company Secretary sent the evaluation forms to the Board and received the good cooperation from the Board in filling 4 forms in total in order to improve the efficiency of the work performance as follows:

- (1) Entire Board Evaluation Form
- (2) Director Self Evaluation Form
- (3) Evaluation Form for Chairman of the Board
- (4) Evaluation Form for the Managing Director

The results of the evaluation come out at a good level.

New Director Orientation

The Company has the policy to arrange an orientation for a newly appointed director in order to prepare him/her to perform his/her duty by presenting and providing the key information to the new director as follows:

- (1) Summary of the background of the Company
- (2) Overall summary of the Company's business operations
- (3) Summary of the rules and regulations of the relevant government regulators
- (4) Summary of the rules and regulations of the Company
- (5) Summary of the corporate governance policy and code of conduct for directors, management and staff of the Company
- (6) Summary of the past meetings of the Board of Directors, the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee
- (7) Provide any other information which is useful for the performance of duty of the new director

Policy on Management Succession Plan

The Company has a plan to select personnel to become management of all levels as appropriate and transparent in order to ensure that the Company will have professional management. The Nomination and Remuneration Committee will be responsible for the succession plan for the position of Executive Chairman, Managing Director and Assistant Managing Directors of the Company to be presented to the Board of Director for consideration as per the following guidelines:

Acting as the Key Personnel During Recruitment of Successors

Upon the vacancy of the Executive Chairman or the Managing Director or Assistant Managing Directors or they are unable to perform their duties for any reasons, the Company has the system that the equivalent position or his deputy or assistant will be acting in that position during the recruitment and selection of a qualified person as specified by the Company with the vision, knowledge, competency, experience and he fits in with such position.

Succession Plan

The Company will analyze the situation on the Company's business operations in terms of strategies, policies, investment plan, expansion plan and evaluation of the manpower readiness to match with the Company's strategies, both in short term and long term; determine the manpower readiness plan, develop staff or recruit staff to replace those who retire, create the recruitment plan, staff training and development plan in advance before staff retirement or resignation, determine competencies (i.e. knowledge, skills, personality and attitude desired for such position) and prepare individual development plan; select, evaluate performance and evaluate the potentials of staff as appropriate; test and evaluate in order to analyze the potential of personnel; identify successors from the evaluation and analyze the potentials and accomplishment of staff, notify the staff in advance in order to prepare to take on and learn a new assignment; determine alternative successors; develop and evaluate staff who is expected to be a successor whether he can develop and actually creates an accomplishment as expected. If not, the successors can be changed.

In addition, the Company has a job rotation plan for the key personnel of the Company to be assigned to some other departments, and probably attend the Board meetings or sub-committee meetings in order to prepare such person as the successor as the Company may consider appropriate.

Roles and Responsibilities of the Company Secretary

- (1) To act as Secretary to the Board of Directors Meetings, Shareholders Meetings, Audit and Corporate Governance 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, 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, 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

2.2.1.2 Audit and Corporate Governance Committee

As of 31 December 2017, the Company's Audit and Corporate Governance Committee consists of 3 members whose meeting attendance records in 2017 are as follows:

	Name	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	0/4

Term of Appointment of the Audit and Corporate Governance Committee

The term of appointment of the Audit and Corporate Governance Committee is 2 years which will be completed on 30 April 2018. However, the Board of Directors has approved another term of 2 years for this sub-committee from 1 May 2018 until 30 April 2020. There are at least 4 meetings of the Audit and Corporate Governance Committee in each 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 consensus under the Company's Articles of Association and laws.

Independent Directors

Presently, the Company has 3 independent directors from the total 8 directors as follows:

- 1. Mr. Phasunsook Ayanaputra
- 2. Pol. Maj.Gen Sunthorn Bungruang
- 3. Mr. Thomas C. Thompson

Qualifications of Independent Directors

- (1) 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;
- (2) 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;
- (3) 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;
- (4) neither having nor used to have a business relationship with the Company, its parent company, subsidiary company, associate company, major shareholder or controlling person, in the manner which may interfere with his independent judgment, and neither being nor used to be a significant shareholder or controlling person of any person having a business relationship with 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.

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;

- (5) 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;

- (6) 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;
- (7) not being a director appointed as representative of directors of the Company, major shareholder or shareholder who is related to major shareholder;
- (8) 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;
- (9) 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 2017, the Company's Nomination and Remuneration Committee consists of 3 members whose meeting attendance records in 2017 are as follows:

Name	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 which will be completed on 8 May 2017 which was re-elected by the Board of Directors' Meeting No.1/2017, held on 27 February 2017 for another 3 years term from 9 May 2017 to 8 May 2020.

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 2017, the Company's Executive & Investment Committee consists of 5 members as follows:

Name	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

As of 31 December 2017, the Company's Construction and Risk Management Committee consists of 4 members as follows:

Name	Position
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, machinery and equipment.
3. To authorize the approval of project operations with the value not exceeding 700 Million Baht, such as construction contracts including approval of projects, purchase of construction materials, and hire of sub- contractors, etc.
4. 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.
5. 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.
6. To propose and review the risk management policies and procedures for consideration of the Board;
7. To oversee the implementation of the risk management policies and procedures;
8. To make recommendations concerning the risk factors and mitigation measures to the Company's business for consideration of the Board;
9. To perform any other duties as assigned by the Board of Directors.

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 8 members as of 31 December 2017 and the Company has paid the monetary remuneration to directors, the Audit and Corporate Governance Committee and the Nomination and Remuneration Committee in 2017 as follows:

Name	Position	Board's Meeting Allowance	*AC's Meeting Allowance	**RC's Meeting Allowance	Directors' Bonus
1. Mr. Anucha Sihanatkathakul	Chairman of the Board	60,000	-	-	-
2. Mr. Jeremy Lechemere King	Vice Chairman	48,000	-	-	-
3. 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	-
4. Mr. Nontawat Thongmee	Director and Managing	48,000	-	-	-
5. Pol Maj Gen. Sunthorn Boonruang	Director and Audit and Corporate Governance Committee and Nomination and Remuneration Committee	48,000	48,000	12,000	-
6. Mr. Thomas C. Thompson	Director and Audit and Corporate Governance Committee and Nomination and Remuneration Committee	12,000-	-	-	-
7. Mr. Patrick M. Davenport	Director	48,000	-	-	-
8. Mr. Tanakorn Leelasiri	Director and Assistant Managing Director-Administration	48,000	-	-	-
Total		360,000	108,000	27,000	-

Remarks:* AC means the Audit and Corporate Governance Committee

** RC means the Nomination and Remuneration Committee

Management's Remuneration

In 2017, the remuneration and benefits after retirement of the Company's Management is 11,390,775 Baht.

2.2.3 Personnel

As of 31 December 2017, the Company has 72 employees as follows:

Description	Regular	Contract Employees	Total
Engineers	11	-	11
Architects	4	-	4
Head Office	30	-	30
Field	27	-	27
Total	72	-	72

Note : As of 31 December 2017, the Company has 54 daily paid workers

During the past 3 years, the Company has no any significant labor disputes. The total remuneration for 2015, 2016 and 2017 provided to the employees was in the amount of 61.70 Million Baht, 47.7 Million Baht and 38.85 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.

However, in 2017, the Company has sent 21 construction staff to attend the trainings with the Department of Skill Development, Ministry of Labour in order to upgrade their labour skills in 6 areas in total as follows:

- (1) Shielded Metal Arc Welding for Steel Plate - Fillet Weld (30 hours)
- (2) Electrical Wiring in Building, Level 1 (30 hours)
- (3) Maintenance of Air Conditioner for Home and Small Business (30 hours)
- (4) Piping and Sanitary Fitting (30 hours)
- (5) Bricklaying (30 hours)
- (6) Plastering (30 hours)



2.3 CORPORATE GOVERNANCE

Corporate Governance Policy and Code of Conduct for Directors, Management and Staff of the Company

The Company's Board of Directors No.1/2018, held on 27 February 2018 has resolved to agree with the revisions made to the Corporate Governance Policy and Code of Conduct for Directors, Management and Staff of the Company as follows:

1. Policy and Code of Conduct on Shareholders' Rights and Equitable Treatment to Shareholders
2. Policy and Code of Conduct on the Roles of Stakeholders
3. Policy and Code of Conduct on Disclosure of Information and Transparency
4. Policy and Code of Conduct on the Responsibilities of the Board of Directors, Chairman of the Board, Managing Director and Sub-Committees
5. Policy and Code of Conduct on Human Resource Management and Development
6. Policy and Code of Conduct on Accounting and Finance
7. Policy and Code of Conduct on Internal Control
8. Policy and Code of Conduct on Related Party Transactions
9. Policy and Code of Conduct on Anti-Fraud and Corruption
10. Policy and Code of Conduct on Non-Violation of Intellectual Property
11. Policy and Code of Conduct on Non-Violation of Human Rights
12. Policy and Code of Conduct on Whistle Blowing
13. Policy and Code of Conduct on the Safety, Health and Environment
14. Policy on Management Succession Plan
15. Policy on the Board Meetings
16. Policy and Procedures for Directors' Evaluation

Please see more details of the Corporate Governance Policy and Code of Conduct for Directors, Management and Staff of the Company in the Annual Registration Form (Form 56-1) of the Company at the website www.sec.or.th or the Company's website www.focus-pcl.com which have also been posted and announced at the head office of the Company and circulated to all management and staff for their acknowledgement and compliance.

In addition, the management was assigned to prepare the guidelines and details in order to comply with the said Corporate Governance Policy and Code of Conduct.

Remarks: Non-Compliance Matters under the Good Corporate Governance of the Office of the Securities and Exchange Commission B.E. 2560 ("CG Code 2017")

Non-Compliance Matters under CG Code 2017	Explanation
1. The term of independent directors should not more than 9 years	The Board of Directors has not yet determined this matter since the independent directors can still perform their duties independently without any personal conflict of interests with the Company and their decisions are made based on the highest benefits of the Company, including they are independent from the management and the major shareholders of the Company
2. The Chairman of the Board should be an independent director	The Board of Directors has considered that even though the Chairman of the Board is not an independent director, he has knowledge and expertise in the Company's business can perform their duties independently. In addition, the Company has 3 independent directors who can express their opinion and suggestions independently for the benefits of the Company.



2.4 CORPORATE SOCIAL AND ENVIRONMENTAL RESPONSIBILITY

2.4.1 Company Policy on Corporate Social and Environmental Responsibility

According to the new CG Policy of the Company code of conduct for directors, management and staff of the company 2017, approved by the Board of Directors' Meeting No.3/2014 on 27 February 2017, 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.

Our Practice

The Annual General Meeting for the Year 2017, held on 28 April 2017 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

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

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

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

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

The Company conducted CSR in Process activities as part of our responsibilities to the community, society and environment including without limitation to 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

- (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.



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

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 works 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 Clearing 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 2017, the Audit and Corporate Governance Committee convened 4 meetings, so as to independently make inquiries on the audit plan and other matters found during the audit.

The Board of Directors' Meeting No. 1/2018, held on 27 February 2018 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

In 2017, the Company has the connected transactions with the following 4 related parties:

Persons who may have conflict of interest	Relationship	Type/Size of Transactions	Necessity and Reasonableness of the Transactions
1. Mr. Anucha Sihanatkathakul	Focus's Authorized Director	<p>Focus borrowed a short term loan from the Director in the amount of 15.70 Million Baht by issuing a promissory note on demand without collateral security. The money was utilized as working capital in the company's business and interest payment of 186,695.20 Baht.</p> <p>As of 31 December 2017, Focus has no more debt obligation as aforesaid because the loan has been repaid in full.</p> <p>In 2017, Focus has already received the labour and supervision costs for the improvement of the residence of the related party with directors in the amount of 287,211.10 Baht</p>	<p>The interest was charged at the same rate of the company's project finance with domestic commercial banks (MLR Rate)</p> <p>At the agreed rate which is fair both parties on the arm's length basis</p>
2. Data in Motion Co., Ltd.	Mr. Anucha Sihanatkathakul is an Authorized Director of Focus and Data in Motion Co., Ltd.	Focus purchased a software program at the amount of 102,150.- Baht.	Price and conditions are better than other suppliers.
3. Focus Wheig Corporation Limited ("Joint Venture")	Mr. Anucha Sihanatkathakul and Mr. Nontawat Thongmee are the Authorized Directors of Focus and Focus Wheig Corporation Limited. The company is jointly controlled by Focus and the co-investor from France (Wheig S.A.S.)	<p>As of 5 October 2016, Focus Wheig Corporation Limited has been registered as a juristic person with the registered capital of 15 Million Baht. Focus and Wheig S.A.S. from France have jointly invested in the shareholding with the voting right of 60% and 40% of the registered capital respectively.</p> <p>On 15 August 2017, Wheig S.A.S. transferred all of its shares, rights and obligations under the Join Venture Agreement to Wheig Asia Limited.</p> <p>In 2017, Focus invested more in the joint venture according to its proportion in the amount of 26.25 Million Baht</p> <p>As at 31 December 2017, Focus Wheig Corporation Limited has the registered capital of 85 Million Baht with the paid-up capital of 58.75 Million Baht.</p>	The objective is to conduct the business on the integrated waste management and energy from waste business

Remarks:

- (1) "Focus" means Focus Development and Construction Public Company Limited
- (2) The connected transactions have been made on the fair basis and at arm's length.

Persons who may have conflict of interest	Relationship	Type/Size of Transactions	Necessity and Reasonableness of the Transactions
		During 2017, Focus has advanced the joint venture a short term loan of 0.10 Million Baht by a promissory note on demand without security collateral as the working capital. Focus has already received the said loan back within the same year and received interest from the loan in the amount of 1,078.76 Baht.	The interest at the same rate of the Company's project finance from the commercial bank (MLR)
4. Focus Wheig Bangna Limited ("Joint Venture's Subsidiary")	Mr. Nontawat Thongmee is an Authorized Director of Focus and Focus Wheig Bangna Limited.	<p>During 2017, Focus has advanced the subsidiary of the joint venture a short term loan of 9.73 Million Baht by a promissory note on demand without security collateral for the use in the business operations. Focus has already received the said loan back within the same year and received interest from the loan in the amount of 62,860.- Baht.</p> <p>In addition, Focus has received the management fee in the amount of 4.80 Million Baht and the income from the survey and measurement of the land in the amount of 64,113.- Baht.</p> <p>As at 31 December 2017, the balance of the account receivable is 6.49 Million Baht</p>	<p>The interest at the same rate of the Company's project finance from the commercial bank (MLR)</p> <p>At the agreed rate which is fair both parties on the arm's length basis</p>

Remarks:

- (1) "Focus" means Focus Development and Construction Public Company Limited
(2) The connected transactions have been made on the fair basis and at arm's length.



Part 3

Financial Position and Operation Results



3.1 Financial Highlights

(Unit : Million Baht)

Financial Highlights	2017	2016 (Restated)	2015
Total Assets	307.43	407.08	494.15
Total Liabilities	140.91	271.02	358.44
Total Shareholders'Equity	166.52	136.06	135.71
Paid-up Capital	190.08	126.72	126.72
Total Revenues	150.05	330.34	498.61
Revenue from Construction	51.44	152.77	228.55
Revenue from Property Development	90.22	165.93	261.38
Net Profit (loss) for the year	(45.29)	0.12	3.31
Earnings per share (Baht)	(0.28)	0.001	0.03
Book Value Per Share (Baht)	0.88	1.07	1.07
Financial Ratio			
Current Ratio (times)	2.56	1.43	1.77
ROE (%)	(29.93)	0.09	2.47
ROA (%)	(11.82)	2.28	3.11
Debt/Equity Ratio (times)	0.85	1.99	2.64
Total Asset Turnover (times)	0.42	0.73	0.81
Gross Profit Margin (%)	19.84	21.92	16.94
Net Profit (loss) Margin (%)	(30.18)	0.04	0.66

3.1.1 Financial position and performance

Financial statement

Auditing summary

Year	Name - Surname	CPA Registration No.	Company name
2015	Mr. Udom Thanuratpong	8501	PV Audit Co., Ltd.
2016	Mr. Udom Thanuratpong	8501	PV Audit Co., Ltd.
2017	Mr. Udom Thanuratpong	8501	PV Audit Co., Ltd.

Summary of Auditor's report

- For the year ended December 31, 2015 and 2016, Auditors commented “Unqualified”
- For the year ended December 31, 2017, Auditor commented “Unqualified opinion with an emphasis of matters”

as follow:

Emphasis of Matter

I draw attention to Note 2 to the financial statements that the Company has elected to change accounting policy relating to investment in joint venture in the separate financial statements from cost method to equity method for the financial statements for the accounting period beginning on or after 1 January 2017 onwards and the Company restated the separate financial statements for the year ended 31 December 2016 which are presented as comparative information, to be in accordance with the revised Thai Financial Reporting Standards. My opinion on financial statements is not qualified in respect of this matter.

3.1.2 Summary of statement of financial position, statement of comprehensive income, statement of cash flow and financial ratio; comparative summary for a period of 3 years

Statement of Financial Position

Description	2017		2016 (Restated)		2015	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Cash and cash equivalents	909	0.30	16,466	4.04	7,929	1.60
Trade and other receivables	6,801	2.21	17,211	4.23	21,096	4.27
Work in progress	356	0.12	3,902	0.96	728	0.15
Unbilled receivables	12,382	4.03	26,463	6.50	19,917	4.03
Cost of property development	182,337	59.31	231,791	56.94	322,865	65.34
Other current assets	1,094	0.36	8,632	2.12	7,220	1.46
Restricted bank deposits	8,351	2.72	6,773	1.66	12,393	2.51
Investment in joint venture	24,370	7.93	7,434	1.83	-	-
Building and equipment	8,499	2.76	12,296	3.02	17,528	3.55
Intangible assets	2,692	0.88	3,193	0.78	3,695	0.75
Deferred tax assets	14,580	4.74	12,359	3.04	13,553	2.74
Other non-current assets	45,057	14.66	60,561	14.88	67,224	13.60
Total Assets	307,428	100.00	407,081	100.00	494,148	100.00
Bank overdrafts and short-term loans from financial institution	2,864	0.93	17,263	4.24	18,616	3.77
Trade and other payables	18,789	6.11	42,089	10.34	89,192	18.05
Current portion of liabilities	-	-	30,943	7.60	1,289	0.26
Short-term loans from other person	-	-	29,762	7.31	-	-
Estimated cost	18,635	6.06	28,721	7.06	39,388	7.97
Retention payables	20,047	6.52	19,260	4.73	23,379	4.73
Advances received	11,196	3.64	42,813	10.52	40,032	8.10
Other current liabilities	8,103	2.64	1,948	0.48	2,906	0.59
Long-term loans from financial institutions	51,925	16.89	50,000	12.28	136,767	27.68
Employee benefit obligations	9,348	3.04	8,223	2.02	6,869	1.39
Total Liabilities	140,907	45.83	271,022	66.58	358,438	72.54
Share capital	227,760		126,720		400,000	
Issued and paid-up share capital	190,080	61.83	126,720	31.13	126,720	25.64
Premium on shares	68,318	22.22	56,413	13.86	56,413	11.42
Deficit	(91,877)	(29.89)	(47,074)	(11.56)	(47,423)	(9.60)
Total Shareholders' Equity	166,521	54.17	136,059	33.42	135,710	27.46

Statement of Comprehensive Income

Description	2017		2016 (Restated)		2015	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue from construction	51,438	34.28	152,773	46.25	228,551	45.84
Revenue from property development	90,221	60.12	165,927	50.23	261,385	52.42
Other income	8,396	5.60	11,638	3.52	8,677	1.74
Total revenue	150,055	100.00	330,338	100.00	498,613	100.00
Cost of construction	61,540	41.01	151,206	45.77	249,595	50.06
Cost of sales	52,012	34.66	97,647	29.56	157,352	31.56
Distribution costs	11,027	7.35	13,566	4.11	17,107	3.43
Administrative expenses	58,466	38.96	56,097	16.98	55,497	11.13
Finance cost	5,408	3.60	8,995	2.72	12,506	2.51
Share of loss from investment in joint venture	9,246	6.162	1,566	0.470	-	-
Total cost and expenses	197,699	131.74	329,077	99.61	492,057	98.69
Profit (loss) before income tax	(47,644)	(31.75)	1,261	0.38	6,556	1.31
Tax income (expense)	2,358	1.57	(1,137)	(0.34)	(3,248)	(0.65)
Profit (loss) for the year	(45,286)	(30.18)	124	0.04	3,308	0.66
Other comprehensive income for the year - net of tax	484	0.32	225	0.07	621	0.13
Total comprehensive income (loss)	(44,802)	(29.86)	349	0.11	3,929	0.79

Statement of Cash Flows

Description	2017	2016 (Restated)	2015
Net cash provided by operating activities	14,408	55,619	155,317
Net cash used in investing activities	(26,335)	(9,256)	(1,837)
Net cash used in financing activities	(3,630)	(37,826)	(154,912)
Net increase (decrease) in cash and cash equivalents	(15,557)	8,537	(1,432)
Cash and cash equivalents at beginning of year	16,466	7,929	9,361
Cash and cash equivalents at end of year	909	16,466	7,929

Financial Ratio

Item	2017	2016	2015
Liquidity Ratios			
Current ratio (time)	2.56	1.43	1.77
Quick ratio (time)	0.10	0.16	0.14
Cash flow current ratio (time)	0.10	0.26	0.57
Account receivable turnover (time)	16.42	17.88	12.08
Average collection period (day)	22	20	30
Account payable turnover (time)	4.83	4.00	4.25
Payment period (day)	76	91	86
Profitability Ratios			
Gross profit (loss) margin (%) – Construction business	(19.64)	1.03	(9.21)
Gross profit margin (%) – Property development business	42.35	41.15	39.80
Other profit margin (%)	5.60	3.52	1.74
Net profit margin (%)	(30.18)	0.04	0.66
Return on equity ratio (%)	(29.93)	0.09	2.47
Efficiency Ratio			
Return on assets ratio (%)	(11.82)	2.28	3.11
Return on fixed assets (%)	(398.46)	37.07	49.22
Assets turnover ratio (time)	0.42	0.73	0.81
Financial Policy Ratios			
Debt to equity ratio (time)	0.85	1.99	2.64
Interest coverage ratio (time)	5.40	7.83	14.39
Dividend payout ratio (%)	0.00	0.00	0.00



3.2 Explanation and Analysis of Financial Status and Operational Results

3.2.1 Overview of past performance

Focus Development and Construction Public Company Limited is classified as a medium sized construction contractor. The company has conducted construction business alongside property development. In 2016, the company has added another business channel. It is a joint venture company engaged in the waste management and power generation from waste fuel as this follows:

Company name	Type of business	Paid-up capital (Million baht)	Percentage of Company holds shares
Focus Development and Construction Public Company Limited	Construction and Property Development	190.08	-
<u>Joint venture</u>			
Focus Wheig Corporation Limited	Joint investment in waste management and power generation business from waste fuel	58.75	60
<u>Subsidiaries of joint ventures</u>			
Focus Wheig Bangna Limited	Waste management and energy from waste fuel	48.00	99.99

According to the Office of the National Economic and Social Development Board, the expansion of the public and private sector in the past, including the year 2017, the production of aviation branches fell by 2.3 percent. The estimation and other sectors decreased 3.0 percent and 1.0 percent, respectively.

Because of the decline of construction business, the competition has gotten higher. The company was able to get more jobs in the third quarter by signing a contract for the construction of the Naval Life Support Center at Sattahip Naval Base, Chonburi worth 79.78 million baht. However, due to the construction has just begun, the revenue recognition is still uncertain. In addition, the value and the number of projects decreased. As a result, in the year 2017, the Company had a loss of 45.29 million Baht or 30.18% of total revenues.

3.2.2 Revenue

The Company has revenue from the construction and property development business as follows:

(Unit : Million Baht)

Source of income	2017		2016		Change	
Construction business	51.44	34.28%	152.77	46.25%	(101.33)	(66.33)%
Property development business	90.22	60.12%	165.93	50.23%	(75.71)	(45.63)%
Other incomes	8.39	5.60%	11.64	3.52%	(3.25)	(27.92)%
Total	150.05	100.00%	330.34	100.00%	(180.29)	-54.58%

Construction business

The Company had revenue from construction services of 51.44 million Baht, decreased by 101.33 million or 66.33% as compare to the previous year, which equal to 152.77 million Baht. Most of the revenue in 2017 comes from the construction of projects that are continuing from the previous year. This is due to the construction of a 7-storey residential building, 2-storey basement, named Issara Collection Sathorn, located at Nang Lin Chi Road in Bangkok. The Company has commenced additional construction work during the year. It is the beginning of the work, the income is still uncertain.

Property development business

In 2017, the Company transferred the ownership of the “Focus Ploenchit” project to customers totaling 90.22 million baht, decreased by 75.71 million baht or decreased by 45.63% as compare to the previous year, which was equal to 165.93 million baht. As a result, the proportion of revenue from property development in 2017 and 2016 were 60.13% and 50.23% of total revenue.

As of December 31, 2017, The Company has the trading value of the purchase and sale contracts as follows:

(Unit : Million baht)

Project	Project's units	Project's total sales	Total value of the contract to purchase and sales	Percentage of total sales
Focus Ploenchit	132	830.00	517.53	62.35

3.2.3 Expenses

The Company's expenses consist of the cost of construction, selling cost and cost of selling property development, Administrative expenses, Financial costs and income tax expenses.

For the years 2017 and 2016, the Company has the following costs for each type of business:

(Unit : Million baht)

Items	2017				2016				Changes	
	Construction		Property Development		Construction		Property Development		Construction	Property Development
income	51.44	100%	90.22	100%	152.77	100%	165.93	100%	(101.33)	(75.71)
Cost	61.54	119.63%	52.01	57.64%	151.20	98.97%	97.65	58.85%	(89.66)	(45.64)
Cost of sales	-	-	11.03	12.23%	-	-	13.57	8.18%	-	(2.54)
Profit (Loss)	(10.10)	(19.63)%	27.18	30.13%	1.57	1.03%	54.71	32.97%	(11.67)	(27.53)

Cost of construction business: In the year 2017, the Company's revenue from construction services decreased by Baht 101.33 million or 66.33%. As a result, the cost of construction decreased and the budget had been increased to accommodate the defects of the completed projects but was still under warranty, including the company realized the loss of some projects. Construction cost increased from 98.97 percent in 2016 to 119.63 percent in 2017.

Cost of property development: In 2017, the Company's sales revenue decreased by 75.71 million baht or 45.63% from the previous year because the number of condominiums sold and transferred was lower compared to the previous year. The cost of sales in 2017 was 57.64% and the selling rate was 12.23%. The cost of sales were different because the area and selling price of each unit has different rates.

Administrative expenses

(Unit : Million baht)

Item	2017	2016	Changes	
Administrative expenses	58.47	56.10	2.37	4.22 %

In 2017, the Company had administrative expenses amounted to 58.47 million baht, consisting of executive compensation, salary and welfare benefits, rental and service fees, utility fees, professional fees and depreciation etc. had slightly increased compared to the previous year by 56.10 million baht. The main reason is the relocation of staff and workers from completed projects to central expenses and due to the fact that it is estimated that the tax expense will be increased withholding tax returns in 2014.

Financial costs

(Unit : Million Baht)

Item	2017	2016	Changes	
Financial costs	5.41	9.00	(3.59)	-39.89%

In 2017, the Company had a financial amounted to 5.41 million baht, decreased by 3.59 million baht or 39.89% compared to the previous year, which was 9.00 million baht. Most of the interest is paid on loans from financial institutions for property development. The completed project was 2.61 million baht. The rest of the interest is the interest on short-term loans from issuing bills of exchange to other persons and the project credit line by issuing promissory note to decrease works and from the bank overdraft.

Share of loss from equity in joint ventures

The company invest in joint venture and the joint venture hold shares in subsidiaries in order to run a waste management business. In year 2017, the subsidiary is in the process of preparing the construction, resulting to the company to know the share of losses from such investments amounted to 9.25 million Baht.

Income tax

In 2017, the Company had income from income tax at Baht 2.36 million, resulting from the change of temporary difference. This caused to the Income Tax Assets deferred increase compared to the same period of last year.

3.2.4 Financial status

The financial status of the company in year 2017 compared with year 2016 has changed significantly as follow:

(Unit: Million Baht)

Item	2017	2016	Changes	
Trade and other receivables	6.80	17.21	(10.41)	(60.49) %
Unbilled receivables	12.38	26.46	(14.08)	(53.21) %
Cost of property development	182.34	231.79	(49.45)	(21.33) %
Total current assets	203.88	304.46	(100.58)	(33.04) %
Investments in joint ventures	24.37	7.43	16.94	227.99 %
Total non-current assets	103.55	102.62	0.93	0.91 %
Total assets	307.43	407.08	(99.65)	(24.48) %

1. Assets

On December 31, 2017 the company had total assets in the amount of 307.43 million Baht, decreased by 99.65 million Baht or 24.48% when compared to the total asset of 2016 which was 407.08 million Baht, classified as current assets of 203.88 million Baht and non-current assets of 103.55 million Baht, there are significant changes which are

- 1.1 Trade and other receivables and unbilled receivables in 2017 with total amount of 19.18 million Baht and was decreased by 24.49 million Baht, compared to 43.67 million Baht of the previous year, this is due to the declining revenue recognition as the value of work and the number of projects decreased with the collection period is 22 days.
- 1.2 Property development cost was 182.34 million Baht, a decrease of 49.45 million Baht or a decrease of 21.33% when compared to year 2016 in the amount of 231.79 million Baht, this is due to the company has gradually transferred the rights to customers at the amount sold.
- 1.3 Investments in Joint Venture “Focus Wheig Corporation Limited” in proportion of shareholding and voting rights 60% of authorized share capital. As of December 31, 2017 Joint venture with registered capital and paid-up share capital was 58.75 million Baht. The Company had a total investment of 35.25 million Baht. The Company recorded share of loss from such investments totaling 10.88 million Baht, resulting to the value of investment in joint venture is Baht 24.37 million.

2. Liabilities

(Unit: Million Baht)

Item	2017	2016	Changes	
Trade and other payables	18.79	42.09	(23.30)	(55.36) %
Current portion of liabilities	-	30.94	(30.94)	(100.00)%
Short-term loans from other persons	-	29.76	(29.76)	(100.00)%
Advance received	11.19	42.81	(31.62)	(73.86)%
Total current liabilities	79.63	212.80	(133.17)	(62.58)%
Long-term loans from financial institutions	51.92	50.00	1.92	3.84%
Non-current liabilities	61.27	58.22	3.05	5.24%
Total Liabilities	140.90	271.02	(130.12)	(48.01)%

On the end of 2017, the Company had total liabilities of 140.90 million Baht, a decrease of 130.12 million Baht or a decrease of 48.01% when compared to 271.02 million Baht of total liabilities in the previous year, divided into current liabilities amount to 79.63 million Baht and non-current assets amounted to 61.27 million Baht. The important items are as follows:

- 2.1 Trade and other payables amounted to 18.79 million Baht, a decrease of 23.30 million Baht or a decrease of 55.36% when compare to 2016 which was 42.09 million Baht, due to the number of construction projects decreased, order quantity of building materials and the contract is reduced accordingly. The repayment periods for 2017 and 2016 were 76 days and 91 days.
- 2.2 Long-term loans from financial institutions for Focus Ploenchit project. The portion of due payment more than one year of 51.92 million Baht. During the year 2017, the Company borrowed money from financial institutions amounting to 40.00 million Baht. Meanwhile the company had sales and transferred condominium to customers. As a result, the Company has gradually repaid its loans to financial institutions amounting to 69.02 million Baht.

The details of long-term loans from financial institutions:

Facilities (Million Baht)	Period	Interest rate per annum	Repayment
50	June 2016 - June 2019	MLR – 1.0	When transfer right of the ownership of condominium unit and interest paid on a monthly basis.
40	Aug 2017 - Aug 2020	MLR – 0.5	

The loan collateral is as follows: Plots of land with existing construction and buildings will continue to be available in the future.

- 2.3 Short-term loans from other persons In the year 2017, short-term loans from other persons increased by 10 million Baht by issuing bills of exchange and on December 31, 2017, the Company has already paid such short-term loans.

3. Shareholders' Equity

At the end of 2017 and 2016, the Company has issued and paid-up capital. Premium share capital and shareholders' equity as follows:

(Unit: Million Bah)				
Items	2017	2016	Changes	
Registered capital	227.76	126.72	101.04	79.73%
Issued and paid-up share capital	190.08	126.72	63.36	50.00%
Share premium	68.32	56.41	11.90	21.10%
Deficit	(91.88)	(47.07)	(44.81)	(95.20%)
Total Shareholders' Equity	166.52	136.06	30.46	22.39%

On December 31, 2017, the Company had shareholders' equity of 166.52 million Baht, an increase of 30.46 million baht or 22.39% compared to the shareholders' equity at the end of 2016, amounting to 136.06 million Baht. Due to the Annual General Meeting of Shareholders in 2017 had approved the increase of the registered capital of 101.04 million Baht and the allotment of ordinary shares to the existing shareholders at the offering price of 1.20 Baht per share, the company recorded additional paid-up share capital of 63.36 million Baht and the premium on ordinary shares less expenses on share distribution. The share premium was 11.91 million Baht and in the year 2017, the company had a net loss of 45.28 million baht and other comprehensive income of 0.48 million Baht, resulting in an increase in deficit from 47.07 million Baht to a loss of 91.88 million Baht.

4. Cash flow and liquidity

(Unit : Million Baht)		
รายการ	2017	2016
Net cash provided by operating activities	14.41	55.62
Net cash used in investing activities	(26.33)	(9.25)
Net cash used in financing activities	(3.63)	(37.83)
Cash and cash equivalents increase (decrease) during year	(15.55)	8.54
Cash and cash equivalents at beginning of year	16.46	7.92
Cash and cash equivalents at end of year	0.91	16.46

On December 31, 2017, the Company had cash remaining in the amount of 0.91 million Baht. The net cash flow decreased by 15.55 million Baht, consist of:

- 4.1 Net cash provided by operating activities was 14.41 million Baht, mainly from the repayment of income tax withheld at the end of 2014.
- 4.2 Net cash used in investing activities amounted to 26.33 million Baht, mainly was the investment in joint ventures. “Focus Wheig Corporation Limited”, which is engaged in investment in waste management and power generation from waste fuels business.
- 4.3 Net cash used in financing activities amounted to 3.63 million Baht, mainly due to the receipt of capital increase ordinary shares of 75.26 million Baht and repayment of short-term and long-term loans from financial institutions amounting to 43.42 million Baht and repayment of short-term loans from other persons amounting to 30 million Baht.

The Company’s liquidity ratios at the end of 2017 and 2016 were 0.10 times and 0.26 times, respectively. This ratio was partly due to the repayment of loans from other persons and financial institutions. This resulting the debt to equity ratio at the end of 2017 and 2016 was 0.85 times and 1.99 times, respectively.

5. Commitment and contingent liabilities

On 31 December 2017, the company, the joint venture and subsidiary of the joint venture had commitments and contingent liabilities as follows:

- 5.1 The Company has a letter of guarantee issued by a local commercial bank in the country relating to commitments with normal commercial contracts with the outstanding balance on 31 December 2017 amounting to 58.15 million Baht.
- 5.2 The Company has the following outstanding commitments:
 - 5.2.1 Payments under office area and service contracts. The agreement is for a period of ten years ending on August 14, 2020, amounting to 10.75 million Baht and land rental for machinery and equipment. The rental period ended April 30, 2018 amounted to 0.11 million Baht.
 - 5.2.2 Payment under construction contract in the amount of 5.81 million Baht.
 - 5.2.3 Payment under the property development project in the amount of 5.81 million Baht and under the service payment in the amount of 0.14 million Baht per month.
- 5.3 Subsidiaries of joint ventures are payment under service agreement in the amount of 1.72 million Baht and at the rate of 0.21 million Baht per month.

Key factors and influences that may affect future operations or financial position.

Industrial factors

As the construction business is one type of service business, the factors that influence the future operation of the company are the demand of the customer or the service provider. This depends on the government and private investment policy that determines the amount of construction work. However, the key factor in the business of the company is depends on the ability of the directors, executives and staff to provide new construction work to the company. The amount of work and the value of the project must be related to the working capital that the company can supply. The main sources of funds are consisting of the Company's capital and loans from financial institutions, including volatility of construction material price, shortage of construction labor, Economic conditions and government policies. Including political factors. Therefore, the company must be aware of, follow up and adjust or strategy from various risk factors and the planning, management and control of the cost of construction to the appropriate level.

Although the real estate business, it is a good business with good returns. However, there are factors influencing the operation of the potential land acquisition at affordable prices, location, design, price, which must meet the needs of target customers.

In 2016, the company added another business line. It is a joint venture company engaged in the management of waste and energy from waste fuels. Currently under construction, this can be operated in 2018.

Disclosure of Auditors' Remuneration

1. Audit Fee

The company and its subsidiaries paid audit fee the following audit fees :

The company's auditor, during the previous accounting period, for the total amount of 0 Baht

The office which employed such auditor, other person or business that we related to the auditor and the office which employed such auditor, during the previous accounting period, for the total amount of 850,000 Baht

2. Non-Audit Fee

The company and its subsidiaries paid for other services, namely, none to :

- The company's auditor, during the previous accounting period, for the total amount of 0 Baht.
- The company also has to pay its auditor, in a near future, pertaining to finished services, during the previous accounting period, for the total amount of 0 Baht.
- The office which employed such auditor, other person or business that was related to the auditor and the office which employed such auditor, during the previous accounting period, for the total amount of 0 Baht. The company also has to pay them, in a near future, pertaining to finished services, during the previous accounting period, for the total amount of 0 Baht.



3.3 REPORT ON RESPONSIBILITIES OF THE BOARD OF DIRECTORS TOWARDS THE FINANCIAL REPORT

The company's Board of Directors realizes the significance of its duties and responsibilities in supervising the Company's business to ensure the good corporate governance in accordance with laws, detailed objectives and the Company's Articles of Association, as well as resolutions of the shareholders meetings with integrity and prudence. The Board of Directors protects the benefits of the Company, shareholders and general investors by ensuring that the Company's financial report contains accurate and full accounting records that reflect the Company's actual financial status and operational results. The Company's Board of Directors establishes the Audit and Corporate Governance Committee comprising independent directors fully qualified in accordance with the requirements of the Stock Exchange of Thailand to review and ensure accuracy and sufficiency of the financial report, including accurate and complete disclosure of connected transactions or transactions or transactions with possible conflict of interest, in compliance with the requirements of the Stock Exchange of Thailand and relevant rules and regulations. In this regard, the Audit and Corporate Governance Committee has already reported the performance to the Company's Board of Directors. The Company's Board of Directors is of the opinion that the financial statements for the year 2017 of the Company, which have been reviewed by the Audit and Corporate Governance Committee jointly with the management, and audited by the Company's auditor, reflect accurate financial status and operational results as appropriate in material aspects in accordance with generally accepted accounting principles.

(Mr. Anucha Sihanatkathakul)
Chairman of the Board

(Mr. Nontawat Thongmee)
Managing Director



INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Focus Development and Construction Public Company Limited

Opinion

I have audited the financial statements of Focus Development and Construction Public Company Limited (“the Company”), which comprise statement of financial position as at 31 December 2017, and statement of comprehensive income, statement of changes in shareholders’ equity and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying financial statements present fairly, in all material respect, the financial position of Focus Development and Construction Public Company Limited as at 31 December 2017, and its financial performance and its cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of Matter

I draw attention to Note 2 to the financial statements that the Company has elected to change accounting policy relating to investment in joint venture in the separate financial statements from cost method to equity method for the financial statements for the accounting period beginning on or after 1 January 2017 onwards and the Company restated the separate financial statements for the year ended 31 December 2016 which are presented as comparative information, to be in accordance with the revised Thai Financial Reporting Standards. My opinion on financial statements is not qualified in respect of this matter.

Key Audit Matters

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

Recognition of Revenue from Construction Contracts

As described in Note 3 to the financial statements, accounting policies of recognition of revenue from construction contracts, the Company recognized revenue from construction contracts and construction cost based on the stage of completion by reference to surveys of work performed, which revenue from construction contracts are significant amounts to the financial statements. Moreover, the process of measurement, the determination of appropriate timing of recognition, and the expected losses are areas requiring management to exercise significant judgment to assess the stage of completion and review estimated cost regularly from assessing the value of the contract to be changed and the expected losses until the construction was performed completely and accurately as contract. I have identified revenue from construction contracts, construction cost and estimation of expected losses from construction contracts to be areas significantly impacting the financial statements.

I examined recognition of revenue from construction contracts and construction cost and expected losses by assessing the appropriateness and testing the internal controls related to the approach used by the management to monitor and consider the reasonableness of the evaluation of stage of completion, the estimation of construction project costs and the expected losses on construction projects. I also tested the effectiveness of internal controls related to revenue recognition, procurement and recording of construction costs. I determined the reasonableness of the evaluation of stage of completion, the estimation of construction costs and the expected losses on construction projects by inquiring with the management, performing an analytical review of the stage of completion estimated by engineers and the stage of completion determined through a comparison of construction costs incurred throughout the year end to the total estimated construction costs, sampling reading construction contracts and report on the progress of construction, performing an analytical review of gross profit margin to detect possible irregularities and attendance to the existing site visit observation at the year end.

Valuation of Deferred Tax Assets

As described in Notes 3 and 12 to the financial statements, accounting policies of income tax and deferred tax, the Company recognized deferred tax assets for the temporary differences to the extent that it is probable that future taxable profit will be sufficient to allow utilisation of the temporary differences. As a result, it is necessary to use significant management judgment and estimation of future performance, and may relate to the management decision of the events in the future in order to support the recognition of such transactions. Therefore, I have identified this matter to be area

significantly impacting the financial statements because it requires the reasonableness of the management judgment in the estimation based on assumptions in respect of the future events.

I evaluated the reasonableness of assumptions used in the estimation inclusive of Company's future performance to consider whether it is sufficient to utilize temporary differences for tax deductions by considering the probability of property development and condominium sale plan in the future based on the evidences of the Company's future performance such as reading minutes, condominium sale plan and other related documents, etc.

Valuation of Investment in Joint Venture and Acquisition of Joint Venture

As described in Notes 3 and 9 to the financial statements, accounting policies of business combination, joint arrangement and investment in joint venture, the Company recognized investment in joint venture by using the equity method. However, on 18 October 2016, Focus Wheig Corporation Limited ("the joint venture") purchased ordinary shares of Focus Wheig Bangna Limited ("the subsidiary of joint venture"). On 8 August 2017, the joint venture determined the fair value of total assets acquired and liabilities assumed which had valued in the total amount of Baht 12.78 million and goodwill in the amount of Baht 12.78 million. On 11 October 2017, the joint venture obtained new information, the joint venture adjusted fair value of recognized assets or liabilities existed at the acquisition date in the amount of Baht 12.82 million and goodwill of Baht 12.82 million in the consolidated statement of financial position of the joint venture. During 2017, the joint venture completed the recording of the acquisition which impact to the valuation of investment in joint venture of the Company. Therefore, I have focused on this business acquisition because it is significant area to the financial statements as a whole. In addition, the management needed to exercise substantial judgment to determine the assumptions used as a basis of provisional recognition of the business acquisition. Therefore, there may be a risk with respect to the recognition and measurement of identifiable assets acquired and liabilities assumed including the initial difference on the business acquisition.

I reviewed the terms and conditions of the Share Transfer Agreement of the joint venture and inquired with management as to the nature and objectives of the acquisition in order to assess whether the acquisition meets the definition of a business combination under Thai Financial Reporting Standard 3 (Revised 2016) Business Combinations. I checked the value of the business acquisition against supporting documents and related payments to assess whether it reflected the value of the consideration transferred and did not include the acquisition-related costs, I tested the calculation and considered the reasonableness of assumptions and evaluated the valuation methodology and using the work of expert for valuation of appropriateness of the financial variables to determine discount rates, identified intangible assets and valuation methodology arising from the business acquisition which impacted to interest in joint venture of the Company and reviewed the disclosures related to the business combination in the notes to the financial statements.

Other Information

Management is responsible for the other information. The other information comprises information including in annual report but does not include the financial statements and my auditor's report thereon, which is expected to be made available to me after that date.

My opinion on the financial statements in which the equity method is applied and separate financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

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

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

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

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the group of entities to express an opinion on the financial statements. I am responsible for the direction, supervision and performance of the group of entities audit. I remain solely responsible for my audit opinion.

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

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

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



Udom Thanuratpong
Certified Public Accountant
Registration Number 8501

PV Audit Co., Ltd.
Bangkok, 27 February 2018



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Note	Baht	
		2017	2016
			(Restated)
ASSETS	3		
CURRENT ASSETS			
Cash and cash equivalents	5	908,875	16,466,215
Trade and other receivables	4, 6	6,801,156	17,210,794
Work in progress		355,820	3,901,724
Unbilled receivables	19	12,382,439	26,462,957
Cost of property development	7	182,336,848	231,790,720
Other current assets	4	1,094,037	8,632,233
Total Current Assets		203,879,175	304,464,643
NON-CURRENT ASSETS			
Restricted bank deposits	8	8,351,363	6,773,191
Investment in joint venture	2, 9	24,369,931	7,433,915
Building and equipment	4, 10	8,499,155	12,295,934
Intangible assets	11	2,692,163	3,193,322
Deferred tax assets	12	14,579,671	12,359,382
Other non-current assets	13	45,056,535	60,561,074
Total Non-current Assets		103,548,818	102,616,818
TOTAL ASSETS		307,427,993	407,081,461

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



STATEMENT OF FINANCIAL POSITION

AS AT 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Note	Baht	
		2017	2016
			(Restated)
LIABILITIES AND SHAREHOLDERS' EQUITY	3		
CURRENT LIABILITIES			
Bank overdrafts and short-term loans from financial institution	14	2,864,119	17,262,500
Trade and other payables	15	18,788,677	42,088,820
Current portion of liabilities	17	-	30,942,900
Short-term loans from other person	16	-	29,762,094
Estimated cost		18,634,590	28,720,516
Retention payables		20,047,437	19,260,507
Advances received		11,195,593	42,813,000
Other current liabilities		8,103,419	1,948,418
Total Current Liabilities		79,633,835	212,798,755
NON-CURRENT LIABILITIES			
Long-term loans from financial institutions	17	51,924,994	50,000,000
Employee benefit obligations	18	9,347,820	8,223,528
Total Non-current Liabilities		61,272,814	58,223,528
Total Liabilities		140,906,649	271,022,283
SHAREHOLDERS' EQUITY			
Share capital			
Authorized share capital:	20		
227,760,073 ordinary shares in 2017 and			
126,720,042 ordinary shares in 2016, Baht 1 par value		227,760,073	126,720,042
Issued and paid-up share capital:			
190,080,063 ordinary shares in 2017, and			
126,720,042 ordinary shares in 2016, fully paid-up		190,080,063	126,720,042
Premium on shares	20, 22	68,318,028	56,413,239
Deficit	2	(91,876,747)	(47,074,103)
Total Shareholders' Equity		166,521,344	136,059,178
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY		307,427,993	407,081,461

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



STATEMENT OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Note	Baht	
		2017	2016
			(Restated)
	3		
Revenue from sales and services	4	141,659,017	318,699,623
Cost of sales and services	23	(113,552,894)	(248,852,597)
Gross profit		28,106,123	69,847,026
Other income	4	8,395,922	11,638,149
Distribution costs		(11,026,863)	(13,565,526)
Administrative expenses	4, 23	(58,466,493)	(56,096,571)
Finance cost	4	(5,408,306)	(8,995,518)
Share of loss from investment in joint venture	9	(9,245,465)	(1,566,065)
Profit (loss) before income tax		(47,645,082)	1,261,495
Tax income (expense)	24	2,358,423	(1,137,381)
Profit (loss) for the year		(45,286,659)	124,114
Other comprehensive income (loss)			
Items that will never be reclassified to profit or loss			
Defined benefit plan actuarial gain		690,668	281,672
Share of other comprehensive loss of joint venture	9	(68,519)	-
Income tax relating to defined benefit plan actuarial gain	24	(138,134)	(56,334)
Other comprehensive income for the year - net of tax		484,015	225,338
Total comprehensive income (loss)		(44,802,644)	349,452
Earnings (loss) per share			
Basic earnings (loss) per share	3	(0.28)	0.001
Weighted average number of ordinary shares (Shares)	3	160,049,149	126,720,042

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



STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE YEAR ENDED 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Note	Baht		
		Issued and paid-up share capital	Premium on shares	Deficit
				Total
Beginning balance as at 1 January 2016		126,720,042	56,413,239	(47,423,555)
Changes in shareholders' equity				(Restated)
Profit for the year - as restated	2	-	-	124,114
Other comprehensive income for the year		-	-	225,338
Balance as at 31 December 2016 - as restated		126,720,042	56,413,239	(47,074,103)
Changes in shareholders' equity				
Increase in ordinary shares	20	63,360,021	11,904,789	-
Loss for the year		-	-	(45,286,659)
Other comprehensive income for the year		-	-	484,015
Balance as at 31 December 2017		190,080,063	68,318,028	(91,876,747)
				166,521,344

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



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Baht	
	2017	2016
		(Restated)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit (loss) before income tax	(47,645,082)	1,261,495
Adjustments to reconcile profit (loss) before income tax to net cash provided by (used in) operating activities		
Depreciation and amortization	4,357,359	5,906,082
Provision incurred from employee benefit obligations	1,814,960	1,636,610
Estimate cost overrun	4,567,258	-
Reversal of doubtful accounts	-	(4,430,291)
Loss on written-off assets	43,747	83,127
Interest income	(178,254)	(111,089)
Interest expenses	5,408,306	8,995,518
Gain on sales of investment	(18,343)	-
Share of loss from investment in joint venture	9,245,465	1,566,065
Profit (loss) from operating activities before change in operating assets and liabilities	(22,404,584)	14,907,517
Change in operating assets (increase) decrease		
Trade and other receivables	10,409,338	2,988,012
Work in progress	3,545,904	(3,174,254)
Unbilled receivables	14,080,518	(6,546,165)
Cost of property development	49,453,872	91,074,064
Other current assets	7,538,196	(1,411,817)
Restricted bank deposits	(1,578,172)	5,620,076
Other non-current assets	1,606,951	17,798,009
Change in operating liabilities increase (decrease)		
Trade and other payables	(22,991,350)	(46,977,331)
Estimated cost	(10,085,926)	(10,667,305)
Retention payables	786,930	(4,118,918)
Advances received	(31,617,407)	2,781,244
Other current liabilities	1,587,743	(957,746)
Cash generated from operations	332,013	61,315,386



STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED 31 DECEMBER 2017
FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

	Baht	
	2017	2016
		(Restated)
Interest received	178,554	115,641
Income tax refund	17,202,297	-
Income tax paid	(3,304,709)	(5,811,960)
Net cash provided by operating activities	14,408,155	55,619,067
CASH FLOWS FROM INVESTING ACTIVITIES		
Increase in current investment	(15,000,000)	-
Decrease in current investment	15,018,343	-
Payments for investment in joint venture	(26,250,000)	(8,999,980)
Receipt from short-term loans to related parties	9,827,500	-
Payments for short-term loans to related parties	(9,827,500)	-
Purchase of equipment	(103,168)	(255,745)
Net cash used in investing activities	(26,334,825)	(9,255,725)
CASH FLOWS FROM FINANCING ACTIVITIES		
Increase (decrease) in bank overdrafts	2,864,119	(18,615,661)
Increase (decrease) in short-term loans from financial institution	(17,262,500)	17,262,500
Proceed from long-term loans from financial institution	39,999,094	50,000,000
Repayment of long-term loans from financial institution	(69,017,000)	(105,825,000)
Proceeds from short-term loans from other person	10,000,000	30,000,000
Repayment of short-term loans from other person	(40,000,000)	-
Proceeds from short-term loans from related person	15,700,000	7,400,000
Repayment of short-term loans from related person	(15,700,000)	(7,400,000)
Repayment of liabilities under finance lease	-	(1,289,165)
Proceed from issued ordinary shares	75,264,810	-
Interest paid	(5,479,193)	(9,358,793)
Net cash used in financing activities	(3,630,670)	(37,826,119)
Net increase (decrease) in cash and cash equivalents	(15,557,340)	8,537,223
Cash and cash equivalents at beginning of year	16,466,215	7,928,992
Cash and cash equivalents at end of year	908,875	16,466,215

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



NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED 31 DECEMBER 2017 FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

1. GENERAL INFORMATION

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

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 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 11 October 2016, 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 requires management to make judgments and estimates that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The judgments and estimates 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 judgements and estimates 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.

BASIS OF PREPARATION OF THE FINANCIAL STATEMENTS

The financial statements are prepared using the same basis as were used for the financial statements in which the equity method is applied for the year ended 31 December 2016, consisted of the financial statements of Focus Development and Construction Public Company Limited and the interest in joint venture which included interest in the subsidiary of joint venture as follows:

			Percentage of holding (%)	
Name of entity	Located in	Business type	2017	2016
Joint venture				
Focus Wheig Corporation Limited	Thailand	Jointly investment in integrated waste management business and waste to energy business solutions	60.00	60.00

On 12 September 2016, the Company entered into Joint Venture Agreement with Wheig S.A.S., which was incorporated in France to jointly set up and invest in a joint venture namely “Focus Wheig Corporation Limited” (“the joint venture”) which was incorporated in Thailand on 5 October 2016 (see Note 9).

Changes in application of new and revised TFRS

New and revised TFRS that became effective in the current year

During the year 2017, the Company has adopted new and revised TFRS (revised 2016) which are effective for the accounting period beginning on or after 1 January 2017. These TFRS were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these TFRS does not have any significant impact on the financial statements of the Company, except for the following TFRS TAS No. 27 (revised 2016) - Separate Financial Statements

Since 1 January 2017, the Company has adopted TAS 27 (revised 2016) - Separate Financial Statements by electing to change accounting policy relating to investment in joint venture in the separate financial statements from cost method to equity method.

Effect of change in accounting policy on the separate financial statements for the year ended 31 December 2016 were summarized as follows:

	Baht
Decrease in investment in joint venture	(1,566,065)
Decrease in profit for the year	(1,566,065)
Increase in deficit	(1,566,065)

New and revised Thai Financial Reporting Standards not yet effective

During the year 2017, the Federation of Accounting Professions has issued Notifications, mandating the use of revised TAS, TFRS, TSIC and TFRIC which are effective for the financial statements for the period beginning on or after 1 January 2018 as follows:

TAS/TFRS/TSIC/TFRIC	Topic
TAS 1 (revised 2017)	Presentation of Financial Statements
TAS 2 (revised 2017)	Inventories
TAS 7 (revised 2017)	Statement of Cash Flows
TAS 8 (revised 2017)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2017)	Events after the Reporting Period
TAS 11 (revised 2017)	Construction Contracts
TAS 12 (revised 2017)	Income Taxes
TAS 16 (revised 2017)	Property, Plant and Equipment
TAS 17 (revised 2017)	Leases
TAS 18 (revised 2017)	Revenue
TAS 19 (revised 2017)	Employee Benefits
TAS 20 (revised 2017)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2017)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2017)	Borrowing Costs
TAS 24 (revised 2017)	Related Party Disclosures
TAS 26 (revised 2017)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2017)	Separate Financial Statements
TAS 28 (revised 2017)	Investments in Associates and Joint Ventures
TAS 29 (revised 2017)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2017)	Earnings per Share
TAS 34 (revised 2017)	Interim Financial Reporting
TAS 36 (revised 2017)	Impairment of Asset
TAS 37 (revised 2017)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2017)	Intangible Assets
TAS 40 (revised 2017)	Investment Property
TAS 41 (revised 2017)	Agriculture
TFRS 2 (revised 2017)	Share-based Payment
TFRS 3 (revised 2017)	Business Combinations

TAS/TFRS/TSIC/TFRIC	Topic
TFRS 4 (revised 2017)	Insurance Contracts
TFRS 5 (revised 2017)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2017)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2017)	Operating Segments
TFRS 10 (revised 2017)	Consolidated Financial Statements
TFRS 11 (revised 2017)	Joint Arrangements
TFRS 12 (revised 2017)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2017)	Fair Value Measurement
TSIC 10 (revised 2017)	Government Assistance - No specific Relation to Operating Activities
TSIC 15 (revised 2017)	Operating Leases-Incentives
TSIC 25 (revised 2017)	Income Taxes-Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2017)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2017)	Service Concession Arrangements : Disclosures
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2017)	Intangible Assets-Web Site Costs
TFRIC 1 (revised 2017)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2017)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2017)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2017)	Applying the Restatement Approach under TAS 29 (revised 2017) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2017)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2017)	Service Concession Arrangements
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 14 (revised 2017)	TAS 19 (revised 2017) - The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2017)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2017)	Transfers of Assets from Customers
TFRIC 20 (revised 2017)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2017)	Levies

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 recognized 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 recognized in profit or loss 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 profit or loss.

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 (if any).

Rental income

Rental income under operating leases is recognized in profit or loss 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 profit or loss as it accrues.

Operating leases

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

Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

The interest component of finance lease payments is recognized in profit or loss using the effective interest rate method.

Employee benefits

Short-term benefits

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

Post-employment benefits – defined contribution 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 profit or loss 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 recognized 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 benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognized immediately in profit or loss. The Company recognizes gains and losses on the settlement of a defined benefit plan when the settlement occurs.

When the actuarial assumptions are changed, the Company recognizes all actuarial gains (losses) immediately in other comprehensive income.

Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less excluded cash at banks on obligation.

Current investment

Marketable equity securities held for trading are stated at fair value, with any resultant gain or loss recognized in profit or loss.

The weighted average method is used to determine the cost of each investment at the time of sales.

Trade and other receivables

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

The Company records 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. Project costs consisting of acquisition cost of land, development expenses, utilities and direct expenses of the project including interest expense of borrowing for the acquisition of project development before the project is completed.

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

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

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.

Joint arrangement

Investment in joint arrangement is classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor. The Company has assessed the nature of its joint arrangement and determined it to be joint venture. The Company recognizes investment in joint venture by using the equity method.

Under the equity method of accounting, interest in joint venture is initially recognized at cost and adjusted thereafter to recognize the Company's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Company's share of losses in a joint venture equals or exceeds its interest in the joint venture (which includes any long-term interest that, in substance, form part of the Company's net investment in the joint venture), the Company does not recognize further losses, unless it has incurred obligations or made payments on behalf of the joint venture.

Unrealized gains on transactions between the Company and its joint venture are eliminated to the extent of the Company's interest in the joint venture. Unrealized losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of the joint venture have been changed where necessary to ensure consistency with the policies adopted by the Company.

Building and equipment

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

Subsequent costs

The cost of replacing a part of an item of building and equipment is recognized in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Company, and its cost can be measured reliably. The carrying amount of the replaced part is derecognized. The costs of the day-to-day servicing of building and equipment are recognized in profit or loss as incurred.

Depreciation

Depreciation is recognized in profit or loss, which is computed by the straight-line method based on the estimated useful lives of assets as follows:

	Years
Construction	5
Machinery and equipment	5 - 10
Furniture and office equipment	5
Vehicles	5 - 10

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

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

Intangible assets

Intangible assets are software computer, which are amortized and computed by the straight-line method based on the estimated useful lives of the assets for 5 years and 10 years.

Amortization methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

Impairment of assets

The carrying amounts of the Company's assets are reviewed at each in the statement of financial position date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

An impairment loss is recognized whenever the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. The impairment loss is recognized in profit or loss.

Calculation of recoverable amount

The recoverable amount is the greater of the assets' fair value less cost to sell or value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount.

An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortization, if no impairment loss had been recognized.

Business combination

The joint venture applies the acquisition method for all business combinations when control is transferred to the joint venture other than those with entities under common control.

The joint venture controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The acquisition date is the date on which control is transferred to the acquirer. Judgment is applied in determining the acquisition date and determining whether control is transferred from one party to another.

Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognized amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. If the fair value of the identifiable assets acquired and liabilities exceeds the fair value of the consideration transferred, the excess is immediately recognized as gain in profit or loss.

Consideration transferred includes the fair values of the assets transferred, liabilities incurred by the joint venture to the previous owners of the acquiree, and equity interests issued by the joint venture. Consideration transferred also includes the fair value of any contingent consideration.

A contingent liability of the acquiree is assumed in a business combination only if such a liability represents a present obligation and arises from a past event, and its fair value can be measured reliably.

The joint venture measures any non-controlling interest (NCI) at its proportionate interest in the identifiable net assets of the acquiree.

Transaction costs that the joint venture incurs in connection with a business combination, such as legal fees, and other professional and consulting fees are expensed as incurred.

If the initial accounting for a business combination is incomplete by the end of the reporting period in which the combination occurs, the joint venture reports provisional amounts for the items for which the accounting is incomplete. Those provisional amounts are adjusted during the measurement period, or addition assets or liabilities are recognized, to reflect new information obtained about facts and circumstances that existed at the acquisition date that, if known, would have affected the amounts recognized at that date.

Goodwill is carried at cost less any allowance for impairment. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

Subsidiary of joint venture

Subsidiary is entity controlled by the joint venture. The joint venture controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the joint venture.

Finance lease

Leases of assets 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 profit or loss over the lease period. The assets acquired under finance lease 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 recognized in profit or loss except to the extent that they relate to items recognized directly in 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 recognized 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 recognized 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.

Fair Value Measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company applied a quoted market price in an active market to measure its assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company measured fair value using valuation techniques that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

Most of the financial assets are cash and cash equivalent, trade and other receivables, current investment and most of the financial liabilities are trade and other payables which are short-term credit. The carrying amounts of the financial assets and financial liabilities are not significantly different from their fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company determined whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

Basic earnings (loss) per share

Basic earnings (loss) per share for the year ended 31 December 2017 and 2016 is calculated by dividing profit (loss) for the year by the weighted average number of ordinary shares outstanding during the year as follows:

	2017	2016
		(Restated)
Profit (loss) for the year (Baht)	(45,286,659)	124,114
Weighted average number of ordinary shares (shares)		
Issued ordinary shares at the beginning of the year	126,720,042	126,720,042
Effect of shares issued during the year	33,329,107	-
Weighted average number of ordinary shares (shares)	160,049,149	126,720,042
Basic earnings (loss) per share (Baht)	(0.28)	0.001

Diluted earnings (loss) per share

Diluted earnings (loss) per share for the year ended 31 December 2017 is calculated by dividing the profit (loss) for the year of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the periods plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into 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. However, the fair value of the Company's ordinary shares for the year ended 31 December 2017 is lower than the exercise price. The effect is the Company does not include the result of dilutive potential ordinary shares for calculation of diluted earnings (loss) per share.

4. TRANSACTIONS AND BALANCES WITH RELATED PARTIES

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

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

During the years, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Company and those related parties.

The significant related party transactions for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Revenue from sales		
Director	-	12,505,098
Management fee income		
Focus Wheig Bangna Limited	4,800,000	1,200,000
Interest income		
Focus Wheig Corporation Limited	1,079	-
Focus Wheig Bangna Limited	62,860	-
Other service income		
Focus Wheig Bangna Limited	64,113	-
Related person	287,211	-
Purchase of equipment		
Data In Motion Co., Ltd.	93,000	-
Interest expense		
Director	186,695	46,353
Miscellaneous expense		
Data In Motion Co., Ltd.	9,150	9,150

The significant balances with related parties as at 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Other receivable		
Focus Wheig Bangna Limited	6,488,601	1,284,000
Advances payment		
Focus Wheig Corporation Limited	-	83,780
Focus Wheig Bangna Limited	-	5,675

Short-term loans to related parties

Movements of short-term loans to related parties for the years ended 31 December 2017 were as follows:

	Baht
Balance as at the beginning	-
Increase	9,827,500
Decrease	(9,827,500)
Balance as at the end	-

The Company has short-term loans to Focus Wheig Corporation Limited and Focus Wheig Bangna Limited by issuing promissory notes, due at call with the interest rate of commercial bank referred to minimum loan rate (MLR) per annum, without collateral.

Short-term loans from related person

Movements of short-term loans from related person for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Balance as at the beginning	-	-
Increase	15,700,000	7,400,000
Decrease	(15,700,000)	(7,400,000)
Balance as at the end	-	-

The Company has short-term loans from director by issuing promissory notes, due at call with the interest rate of commercial bank referred to minimum loan rate (MLR) per annum, without collateral.

Key management personnel compensation

Key management personnel compensation for the years ended 31 December 2017 and 2016 consisted of:

	Baht	
	2017	2016
Short-term benefits	10,502,833	10,384,202
Post-employment benefits	887,942	762,357
Total key management personnel compensation	11,390,775	11,146,559

Nature of relationship

Name	Country/Nationality	Relation	Type of relation
Focus Wheig Corporation Limited	Thailand	Joint venture	Jointly control by the Company
Focus Wheig Bangna Limited	Thailand	Subsidiary of joint venture	Power to control and shareholding by the joint venture
Data In Motion Co., Ltd.	Thailand	Related company	Common director
Related person	Thai	Related person	Close member of the director's family

Bases of measurement for inter company revenues and expenses

	Pricing Policy
Revenue from sales	Same price and condition as normal business
Management fee income	Stipulate in the agreement
Interest income - Interest expense	Referred to the interest rate of commercial bank
Other service income	Stipulate in the agreement
Miscellaneous expense	Same price and condition as normal business
Purchase of equipment	Market price

5. CASH AND CASH EQUIVALENTS

	Baht	
	2017	2016
Cash on hand	198,374	254,189
Cash at bank	710,501	16,212,026
Total	908,875	16,466,215

6. TRADE AND OTHER RECEIVABLES

	Baht	
	2017	2016
Trade accounts receivable	886,557	16,365,333
Less Allowance for doubtful accounts	(886,557)	(886,557)
Trade accounts receivable - net	-	15,478,776
Other receivables - related party	6,488,601	1,284,000
Other receivables - other parties	312,555	448,018
Total other receivables	6,801,156	1,732,018
Total	6,801,156	17,210,794

The Company had outstanding balances of trade accounts receivable aged by number of months as follows:

	Baht	
	2017	2016
Less than or equal to 3 months	-	11,952,174
More than 3 to 6 months	-	2,313,269
Over 12 months	886,557	2,099,890
Total	886,557	16,365,333

7. COST OF PROPERTY DEVELOPMENT

	Baht	
	2017	2016
Land	78,874,560	100,603,227
Construction cost	88,577,574	111,725,658
Others	9,888,918	13,089,778
Capitalised interest and financial costs	4,995,796	6,372,057
Total	182,336,848	231,790,720

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 90 million and letter of guarantee facilities in the amount of Baht 25 million (see Notes 14 and 17).

8. RESTRICTED BANK DEPOSITS

Restricted bank deposits the financial statements as at 31 December 2017 in the amount of Baht 8.35 million (year 2016: Baht 6.77 million), were pledged as collateral for credit lines from financial institutions as follows (see Notes 14 and 17):

- 1) Bank overdraft facilities in the amount of Baht 3 million.
- 2) Projects' facilities of promissory notes in the amount of Baht 73.00 million (year 2015: Baht 58.00 million).
- 3) Letter of guarantee facilities in the amount of Baht 146.15 million (year 2016: Baht 149.50 million).

9. INVESTMENT IN JOINT VENTURE

Company	Business type	Located in	Percentage of holding (%)		Paid-up share		Thousands Baht		Equity
			2017	2016	2017	2016	2017	2016	
							Cost		
Focus Wheig Corporation Limited	Jointly investment in integrated waste management business and waste to energy business solutions	Thailand	60.00	60.00	58,750	15,000	35,250	9,000	24,370
									7,434

On 12 September 2016, the Company entered into Joint Venture Agreement with Wheig S.A.S., which was incorporated in France to jointly set up and invest in a joint venture namely “Focus Wheig Corporation Limited” (“the joint venture”) which was incorporated in Thailand on 5 October 2016. The joint venture operates on the investment business in the integrated waste management business and waste to energy business solutions with registered capital in the amount of Baht 15 million divided into 1,500,000 ordinary shares at par value Baht 10 each, and the Company will jointly invest in 60% shareholding of the registered capital and voting right of this joint venture in the investment amount of Baht 9 million. The Company has subscribed paid-up share capital fully amount and jointly control with Wheig S.A.S. in this joint venture and any decision in the joint venture’s activities shall be approved by the unanimous of the Company and Wheig S.A.S. On 15 August 2017, Wheig S.A.S. transferred all shares, rights and commitments as the Joint Venture Agreement to Wheig Asia Limited which was incorporated in Hong Kong’s People’s Republic of China.

At the Extraordinary Meeting of Shareholders of the joint venture held on 7 September 2017, a resolution was passed the increase of its registered capital from existing of Baht 15 million to Baht 50 million by issuing new 3,500,000 ordinary shares at the par value of Baht 10 each. The Company invested additional investment in the joint venture of 2.10 million shares at the par value of Baht 10 each in totaling amount of Baht 21 million at 60% existing shareholding which the Company fully paid-up the increased capital for the purpose of land acquisition and working capital for Focus Wheig Bangna Limited (“the subsidiary of the joint venture”). The joint venture registered the increase of its capital with the Ministry of Commerce on 8 September 2017.

At the Extraordinary Meeting of Shareholders of the joint venture held on 7 November 2017, a resolution was passed the increase of its registered capital from existing of Baht 50 million to Baht 85 million by issuing new 3,500,000 ordinary shares at the par value of Baht 10 each. The Company invested additional investment in the joint venture of 2.10 million shares at the par value of Baht 10 each in totaling amount of Baht 21 million at 60% existing shareholding which the joint venture called additional share subscription of Baht 5.25 million for the purpose of the plant construction for waste management and waste to energy solutions of Focus Wheig Bangna Limited (“the subsidiary of the joint venture”). The joint venture registered the increase of its capital with the Ministry of Commerce on 9 November 2017.

Movements of investment in joint venture for the year ended 31 December 2017 were as follows:

	Baht
As at 1 January	7,433,915
Additional investment	26,250,000
Share of loss from investment in joint venture	(9,245,465)
Share of other comprehensive loss of joint venture	(68,519)
As at 31 December	24,369,931

Significant financial information in the consolidated financial statements of joint venture:

Summary of the consolidated financial position as at 31 December 2017 and 2016

	Baht	
	2017	2016
Current assets	6,281,298	5,136,997
Non-current assets	51,833,631	9,561,753
Current liabilities	(16,471,420)	(2,571,451)
Non-current liabilities	(1,026,924)	(51,604)
Total	40,616,585	12,075,695
Add Share subscription receivable of other joint venturer	-	314,197
Net assets	40,616,585	12,389,892
Shareholding percentage (%)	60	60
Carrying amount of interest in joint venture	24,369,931	7,433,915

Summary of comprehensive income for the year ended 31 December 2017 and for the period from 5 October 2016 to 31 December 2016

	Baht	
	2017	2016
Income	15,017	974
Loss for the year/period	(15,409,109)	(2,610,108)
Other comprehensive loss	(114,199)	-

Acquisition of joint venture

Investment in subsidiary of the joint venture presented at cost in the financial statements of the joint venture as at 31 December 2017 and 2016 consisted of:

Subsidiary of joint venture	Percentage of holding (%)		Baht		Baht	
	2017	2016	Paid-up share capital		Cost	
			2017	2016	2017	2016
Focus Wheig Bangna Limited	100	100	48,000,000	5,000,000	43,000,001	1

On 18 October 2016, Focus Wheig Corporation Limited (“the joint venture”) entered into the Share Transfer Agreement with former shareholders of Wheig (Thailand) Company Limited to purchase of ordinary shares of Wheig (Thailand) Company Limited which was incorporated in Thailand and registered the change of its name to Focus Wheig Bangna Limited (“the subsidiary of joint venture”) which operates on the investment business in the waste management business and waste to energy business solutions with registered capital in the amount of Baht 5 million divided into 50,000 ordinary shares at par value Baht 100 each.

The joint venture will purchase ordinary shares from former shareholders in 99.99% shareholding of the registered share capital of such company in 49,998 shares, at the total acquisition cost of Baht 1.

On 19 October 2016, the Company entered into Amendment to the Joint Venture Agreement with Wheig S.A.S., to agree the payment of pre – operating expenses that had been spent to bring the waste management business in the subsidiary of joint venture in the amount of Baht 40.80 million to Wheig S.A.S. as following:

1. The joint venture will provide a loan to the subsidiary of joint venture.
2. The subsidiary of joint venture will pay in 60% of the amount of Baht 13.60 million which is the amount of Baht 8.16 million after the payment of share capital and formation of the joint venture and ;
3. The subsidiary of joint venture will pay in 40% of the amount of Baht 13.60 million which is the amount of Baht 5.44 million upon the successful commissioning of all machines and equipment of the first project.

On 15 November 2017, the subsidiary of joint venture entered into the agreement to purchase and sale for land in the amount of Baht 30 million for the construction of the plant for waste management and waste to energy solutions, which was fully paid.

At the Extraordinary Meeting of Shareholders of the subsidiary of joint venture held on 18 August 2017, a resolution was passed to increase its registered share capital from existing of Baht 5 million to Baht 37 million by issuing new 320,000 ordinary shares at the par value of Baht 100 each. The subsidiary of joint venture called additional share subscription of Baht 32 million which the joint venture invested in such amount in 100% existing shareholding. The subsidiary of joint venture received such share subscription and registered the increase of its capital with the Ministry of Commerce on 15 September 2017.

At the Extraordinary Meeting of Shareholders of the subsidiary of joint venture held on 7 November 2017, a resolution was passed to increase its registered share capital from existing of Baht 37 million to Baht 81 million by issuing new 440,000 ordinary shares at the par value of Baht 100 each. The subsidiary of joint venture called additional share subscription of Baht 11 million which the joint venture invested in such amount in 100% existing shareholding. The subsidiary of joint venture received such share subscription and registered the increase of its capital with the Ministry of Commerce on 13 November 2017.

The joint venture recognized the acquisition in accordance with TFRS 3 (revised 2016) Business Combinations. All the information consideration transferred and recognition amount of each of the significant assets acquired and liabilities assumed as of the acquisition date were as follows:

	Baht
	Fair value
Cash and cash equivalents	43,747
Other current assets	40,688
Intangible assets - waste management contract	3,982,444
Trade and other payables	(16,086,752)
Other current liabilities	(1,085)
Deferred tax liabilities	(796,489)
Net Assets	(12,817,447)
Goodwill	12,817,448
Consideration transferred	1
Cash received from acquisition of subsidiary of joint venture	(43,747)
Cash received from acquisition of subsidiary of joint venture - net	(43,746)

On 8 August 2017, the joint venture determined the fair value of total assets acquired and liabilities assumed which had valued in the total amount of Baht 12.78 million and goodwill in the amount of Baht 12.78 million. On 11 October 2017, the joint venture obtained new information, the joint venture adjusted fair value of recognized assets or liabilities existed at the acquisition date in the amount of Baht 12.82 million and goodwill of Baht 12.82 million in the consolidated statement of financial position of the joint venture. The Company had interest in joint venture at 60%, therefore the Company had interest in goodwill of joint venture in the amount of Baht 7.69 million.

The factors contributing to the goodwill are waste management contracts in the future. Goodwill arising from the business combination is recognized in the consolidated statement of financial position of joint venture and is not amortized.

10. BUILDING AND EQUIPMENT

	Baht				
	Construction	Machinery and equipment	Furniture and office equipment	Vehicles	Total
Cost					
As at 1 January 2016	619,952	71,903,934	13,447,404	9,571,453	95,542,743
Purchases/transfer in	-	227,395	28,350	-	255,745
Adjust/transfer out	-	(231,119)	(20,300)	-	(251,419)
As at 31 December 2016	619,952	71,900,210	13,455,454	9,571,453	95,547,069
Purchases/transfer in	-	-	103,168	-	103,168
Adjust/transfer out	-	(64,100)	(5,296)	-	(69,396)
As at 31 December 2017	619,952	71,836,110	13,553,326	9,571,453	95,580,841
Accumulated depreciation					
As at 1 January 2016	67,883	59,995,158	10,318,237	7,634,013	78,015,291
Depreciation	123,990	3,497,949	1,404,831	377,366	5,404,136
Adjust/transfer out	-	(150,420)	(17,872)	-	(168,292)
As at 31 December 2016	191,873	63,342,687	11,705,196	8,011,379	83,251,135
Depreciation	123,990	2,519,791	1,062,566	149,853	3,856,200
Adjust/transfer out	-	(21,683)	(3,966)	-	(25,649)
As at 31 December 2017	315,863	65,840,795	12,763,796	8,161,232	87,081,686
Net book value					
As at 31 December 2016	428,079	8,557,523	1,750,258	1,560,074	12,295,934
As at 31 December 2017	304,089	5,995,315	789,530	1,410,221	8,499,155

	Baht	
	2017	2016
Depreciation for the years ended 31 December was included in		
Cost of construction	248,138	1,317,616
Administrative expenses	3,608,062	4,086,520
Total	3,856,200	5,404,136
As at 31 December the carrying amount before accumulated depreciation which have been depreciated and still in use	70,578,299	63,915,819

	As at 31 December 2017		
			Rental and service rate per month
	Lessor	Period	(Million Baht)
Office rental and service agreement	Third party	3 years	0.32
Commitments for rental	Third party	3 years	0.03

11. INTANGIBLE ASSETS

	Baht
	Computer program
Cost	
As at 1 January 2016	4,402,350
Purchases/transfer in	-
Disposals/transfer out	-
As at 31 December 2016	4,402,350
Purchases/transfer in	-
Disposals/transfer out	-
As at 31 December 2017	4,402,350
Accumulated amortization	
As at 1 January 2016	707,082
Amortization	501,946
Disposals/transfer out	-
As at 31 December 2016	1,209,028
Amortization	501,159
Disposals/transfer out	-
As at 31 December 2017	1,710,187
Net book value	
As at 31 December 2016	3,193,322
As at 31 December 2017	2,692,163

Amortization for the years ended 31 December 2017 and 2016 in the amount of Baht 0.50 million, was included in cost of sales and services and administrative expenses.

12. DEFERRED TAX

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

	Baht			
	At 1 January	Profit	Other comprehensive	At 31 December
	2017	(loss)	loss	2017
Deferred tax assets				
Allowance for doubtful accounts	1,774,240	-	-	1,774,240
Provision	1,644,706	362,992	(138,134)	1,869,564
Cost of property development	1,109,407	(239,614)	-	869,793
Tax loss carry forward	7,831,029	2,235,045	-	10,066,074
Total	12,359,382	2,358,423	(138,134)	14,579,671

	Baht			
	At 1 January	Profit	Other comprehensive	At 31 December
	2016	(loss)	loss	2016
Deferred tax assets				
Allowance for doubtful accounts	3,920,574	(2,146,334)	-	1,774,240
Provision	1,373,717	327,322	(56,334)	1,644,705
Cost of property development	1,535,332	(425,925)	-	1,109,407
Tax loss carry forward	6,723,474	1,107,555	-	7,831,030
Total	13,553,097	(1,137,381)	(56,334)	12,359,382

13. OTHER NON-CURRENT ASSETS

	Baht	
	2017	2016
Guarantee and deposits	5,075,173	2,662,133
Retention receivables	25,378,857	29,151,512
Withholding tax	21,264,134	35,161,722
Others	1,323,014	1,570,351
Total	53,041,178	68,545,717
Less Allowance for doubtful debts	(7,984,643)	(7,984,643)
Net	45,056,535	60,561,074

Retention receivables are warranty monies deducted retention by the customers at the rate of 5% 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.

Movements of allowance for doubtful debts for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Beginning balance	7,984,643	19,532,870
Less Reversal of doubtful debts	-	(5,323,095)
Less Written-off bad debts	-	(6,225,132)
Ending balance	7,984,643	7,984,643

14. BANK OVERDRAFTS AND SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

	Baht	
	2017	2016
Bank overdrafts	2,864,119	-
Promissory notes - against payment	-	17,262,500
Total	2,864,119	17,262,500

The Company has credit facilities with financial institutions consisted of:

Type	Facilities (Million Baht)		Referred interest rate (% per annum)	
	2017	2016	2017	2016
Bank overdrafts	23.00	23.00	MOR, Fixed deposit	MOR, Fixed deposit
Letter of guarantee	351.15	345.30	-	-
Promissory notes	73.00	58.00	MLR, MOR	MLR, MOR

As at 31 December 2017, the Company has collateral as follows:

Type	Facilities (Million Baht)	Collateral
Bank overdrafts	3.00	Company's fixed deposit (see Note 8).
	15.00	Guarantee by a third party.
	5.00	Mortgaged by Focus Ploenchit project (see Note 7).
Letter of guarantee	146.15	Company's fixed deposit (see Note 8) and/or transferred account receivable rights received from some projects.
	25.00	Mortgaged by Focus Ploenchit project (see Note 7).
	180.00	No collateral.
Promissory notes	73.00	Company's fixed deposit (see Note 8) and/or transferred account receivable rights received from some projects.

A third party guarantees without charging for compensation from guarantee.

15. TRADE AND OTHER PAYABLES

	Baht	
	2017	2016
Trade accounts payable	7,207,208	39,833,881
Accrued expenses	11,581,469	2,254,939
Total	18,788,677	42,088,820

16. SHORT-TERM LOANS FROM OTHER PERSON

	Baht	
	2017	2016
Short-term loans from other person	-	30,000,000
Less Deferred interest	-	(237,906)
Net	-	29,762,094

Movements of short-term loans from other person for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Beginning balance	30,000,000	-
Increase	10,000,000	30,000,000
Decrease	(40,000,000)	-
Ending balance	-	30,000,000
Less Deferred interest	-	(237,906)
Total	-	29,762,094

The Company has short-term loans from other person by issuing bill of exchange which has term not more than 270 days, with interest rate charged not exceeding 6.75% per annum and unsecured. During the year 2017, the Company has additional short-term loans from other person in the amount of Baht 10 million by issuing bill of exchange, which has term not more than 270 days, with interest rate charged not exceeding 8.00% per annum and the Company renewed the term of bill of exchange of short-term loans from other person in the amount of Baht 30 million to 270 days, with changing the interest rate from not exceeding 6.75% per annum to not exceeding 8.00% per annum. At present, the Company repaid such short-term loans in full amount.

17. LOANS FROM FINANCIAL INSTITUTION

	Baht	
	2017	2016
Loans from financial institution	51,924,994	80,942,900
Less Current portion	-	(30,942,900)
Long-term loans from financial institution	51,924,994	50,000,000

The details of loans from financial institutions:

Lenders	Facilities (Million Baht)	Period	Interest rate per annum	Repayment
Bank	50.00	June 2016 - June 2019	MLR-1	when transfer right of residential condominium unit
Bank	40.00	August 2017 - August 2020	MLR-0.5	and interest paid on a monthly basis
Total	90.00			

Movements of loans from financial institution for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Beginning balance	80,942,900	136,766,974
Increase	39,999,094	50,000,926
Decrease	(69,017,000)	(105,825,000)
Ending balance	51,924,994	80,942,900

The Company mortgaged land together with construction at Focus Ploenchit project as collateral for loans. (see Note 7).

18. EMPLOYEE BENEFITS

Movement of the present value of employee benefit obligations for the years ended 31 December 2017 and 2016 as follows:

	Baht	
	2017	2016
Post-employment benefit plan		
Beginning balance as at 1 January	8,223,528	6,868,590
included in profit or loss:		
Current service cost	300,104	1,481,367
Interest cost	1,514,856	155,243
included in other comprehensive income :		
Experience adjustments	(690,668)	(281,672)
Ending balance as at 31 December	9,347,820	8,223,528

As at 31 December 2017 and 2016 the weighted average duration of the liabilities for post-employment benefits is 7.38 years and 8.01 years, respectively.

The result of sensitivity analysis for significant assumptions that affect the present value of employee benefit obligations as at 31 December 2017 and 2016 are summarised below:

	Baht			
	2017		2016	
	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(572,835)	633,757	(506,732)	560,266
Salary increase rate (1% movement)	711,443	(655,170)	492,540	(532,365)
Turnover rate (10% movement)	(487,701)	542,270	(490,161)	439,992

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 assumptions used in determining provision for retirement benefit on an actuarial basis as at 31 December 2017 and 2016 (expressed as weighted averages) are shown below:

Discount rate	2.40%
Salary increase rate	6.50%
Turnover rate	5 - 52.5%
Disability rate	10.00% of Thai Mortality Ordinary Table
Retirement age	60 years
Mortality rate	Thai Mortality Ordinary Table 2008

19. CONSTRUCTION CONTRACTS

For the years ended 31 December 2017 and 2016 construction contracts were as follows:

	Baht	
	2017	2016
Value of contracts	1,010,215,667	1,642,946,766
Costs incurred up to the year	865,257,253	858,778,378
Estimated profit recognized up to the year	7,361,560	20,906,354
Costs and estimated profit recognized up to the year	872,618,813	879,684,732
Less Amount billed to customers up to the year	(871,431,967)	(859,625,121)
Unbilled receivables	12,382,439	26,462,957
Advances received	11,195,593	6,403,346

20. SHARE CAPITAL

The Ordinary General Meeting of Shareholders held on 22 April 2016, a resolution was passed the decreasing in the Company's registered share capital from Baht 400,000,000 to Baht 126,720,042, by deducting 273,279,958 unsold shares, at the par value of Baht 1 each. The Company registered the decrease of its registered share capital with the Ministry of Commerce on 26 April 2016.

At the Ordinary General Meeting of Shareholders held on 28 April 2017, a resolution was passed the increase of the Company's registered capital from the existing registered capital of Baht 126,720,042 to Baht 227,760,073 by issuing new 101,040,031 ordinary shares at the par value of Baht 1 each which the Company registered the increase of its registered share capital with the Ministry of Commerce on 19 May 2017 with details as follows:

1. To allocate 63,360,021 ordinary shares to offer the existing shareholders at the ratio of 2 existing shares to 1 newly issued share at the offering price of Baht 1.20 per share. The Company recorded the increase of issued and paid-up share capital in the amount of Baht 63.36 million and expenses relating to issuing the increase of share capital in the amount of Baht 0.76 million deducted from share premium account, therefore the share premium was remained in amount of Baht 11.91 million. On 26 June 2017, the Company registered the increase of its issued and paid-up share capital from receiving subscription of increased ordinary share from Baht 126,720,042 to Baht 190,080,063 with the Ministry of Commerce.
2. To issue and allocate the Warrants to purchase the Company's Ordinary Shares No. 2 (FOCUS-W2) of up to 31,680,010 units to offer the existing shareholders at the ratio of 1 newly issued share to 0.5 unit of the Warrants (Right Offering) (see Note 21).

3. To issue and allocate the Warrants of 6,000,000 units to offer the eligible directors, management and employees of the Company as ESOP Project (ESOP-Warrant) (see Note 21).

21. WARRANTS

The Warrants to purchase the Company's Ordinary Shares No. 2 (FOCUS-W2) with details as follows:

Type of securities	: Warrants to purchase newly issued ordinary shares of Focus Development and Construction Public Company Limited No. 2 (FOCUS-W2).
Type of warrants	: Specified warrant's holder and transferable.
Term of warrants	: 3 years from the issuance date.
Number of warrants	: 31,679,999 units.
Offering price	: 0 Baht per unit.
Exercise ratio	: 1 warrant will be entitled to purchase 1 newly issued ordinary share.
Exercise price	: Baht 1.80 per share.
Exercise period	: Shall be able to exercise at every last working day of each quarter. In case of the last Exercise Date, the notification period shall not be less than 15 days prior to the last Exercise Date. The last Exercise Date will be not to exceed the date of expiration of the Warrants.

As at 31 December 2017, the Company had outstanding balance of the warrants of the Company No. 2 (FOCUS-W2) which has not yet been exercised of 31,679,999 units.

The Warrants of 6,000,000 units were allocated to offer the eligible directors, management and employees of the Company as ESOP Project (ESOP-Warrant) at the offering price of Baht 0 per unit. The Warrants shall have a term of 5 years from the issue date and have the exercise price of Baht 1.80 per ordinary share and the exercise rate of 1 unit of the Warrants right to purchase 1 newly issued share by allocating up to 6,000,000 newly issued ordinary shares to accommodate the exercise of the Warrants with exercise period as follows:

- The exercise period is determined that the first exercise the right to purchase the newly issued shares of the Company at the end of 1 year period from the issuance date of the ESOP-Warrants and the last exercise date is the date of expiration of the Warrants, having the proportion exercise as follows:
 - Within the end of the second year, may exercise the right to purchase the newly issued shares in the proportion of up to 25%.
 - Within the end of the third year, may exercise the right to purchase the newly issued shares in the proportion of up to 50%.
 - Within the end of the fourth year, may exercise the right to purchase the newly issued shares in the proportion of up to 75%.
 - Within the end of the fifth year, may exercise the right to purchase the newly issued shares in the proportion of up to 100%.

The warrants shall be exercised on the last business day of March, June, September and December of each year.

The Ordinary General Meeting of Shareholders passed the approval that the Board of Directors may authorize the Chairman of the Executive Director or Managing Director or any person designation to determine the grant date, terms,

conditions and other details as necessary for and in connection with the issuance and offering of the warrants as ESOP-Warrant. At present, the Company has not yet determined the grant date of the ESOP Warrant (see Note 28).

22. 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.

23. EXPENSES BY NATURE

	Baht	
	2017	2016
Salary and employee benefits	56,001,523	72,499,613
Rental and service expense	5,778,111	6,997,109
Depreciation and amortization	4,357,359	5,906,082

24. INCOME TAX

Tax income (expense) for the years ended 31 December 2017 and 2016 consisted of:

	Baht	
	2017	2016
Current tax		
Current year	-	-
Deferred tax		
Movements in temporary differences	2,358,423	(1,137,381)
Tax income (expense)	2,358,423	(1,137,381)

Income tax recognized in other comprehensive income for the years ended 31 December 2017 and 2016 were as follows:

	Baht	
	2017	2016
Provisions	(138,134)	(56,334)

Reconciliation of effective tax rate

	2017		2016	
	Tax rate		Tax rate	
	(%)	Baht	(%)	Baht
				(Restated)
Profit before income tax		(47,645,082)		1,261,495
Add Share of loss from investment in joint venture		9,245,465		1,566,065
		(38,399,617)		2,827,560
Income tax using the corporate tax rate	20	7,679,923	20	(565,512)
Expenses not deductible for tax purposes		(2,103,363)		(1,097,790)
Revenues granted income tax exemption		-		2,319,597
Addition expenses deductible for tax purposes		419,951		451,260
Loss for the year		(5,996,511)		(1,107,555)
Current tax	-	-	-	-
Movement in temporary differences		2,358,423		(1,137,381)
Tax expense	6	2,358,423	40	(1,137,381)

As at 31 December 2017, the Company has deductible temporary differences totalling Baht 16.48 million on which deferred tax assets have not been recognized as the Company believes that future taxable profits may not be sufficient to allow utilisation of the temporary differences.

As at 31 December 2017, the Company has unused tax losses of approximately Baht 2.03 million will be expired in 2018 on which deferred tax assets have not been recognized as the Company believes that future taxable profits may not be sufficient to allow utilisation of the unused tax losses.

25. COMMITMENTS AND CONTINGENT LIABILITIES

As at 31 December 2017, the Company, joint venture and subsidiary of joint venture had commitments and contingent liabilities as follows:

The Company

25.1 Letters of guarantee issued by banks of Baht 58.15 million (see Note 14).

25.2 Commitments for payment under the agreements as follows:

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

Period	Rental and service expense (Thousands Baht)
1 year	4,213
2 - 3 years	6,649

25.2.2 Payment under construction contract in the amount of Baht 3.07 million.

25.2.3 Payment under property development project in the amount of Baht 5.81 million.

25.2.4 Payment under service agreement in the amount of Baht 0.14 million per month.

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

Subsidiary of joint venture

25.2.6 Payment under service agreement in the amount of Baht 1.72 million and at the rate of Baht 0.21 million per month.

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 31 December 2017 and 2016 were classified as follows:

	Baht					
	Construction		Property development		Total	
	2017	2016	2017	2016	2017	2016
Revenues	51,437,760	152,773,062	90,221,257	165,926,561	141,659,017	318,699,623
Cost	(61,540,464)	(151,205,893)	(52,012,430)	(97,646,704)	(113,552,894)	(248,852,597)
Gross profit (loss)	(10,102,704)	1,567,169	38,208,827	68,279,857	28,106,123	69,847,026

	Baht					
	Construction		Property development		Total	
	2017	2016	2017	2016	2017	2016
Assets						
Trade and other receivables	312,555	15,926,794	-	-	312,555	15,926,794
Work in progress	355,820	3,901,724	-	-	355,820	3,901,724
Unbill receivables	12,382,439	26,462,957	-	-	12,382,439	26,462,957
Cost of property development	-	-	182,336,848	231,790,720	182,336,848	231,790,720
Other non-current assets	43,505,073	58,357,175	1,551,462	2,203,899	45,056,535	60,561,074
Liabilities						
Trade and other payables	18,475,546	40,569,805	313,131	1,519,015	18,788,677	42,088,820
Estimated cost	9,510,030	16,574,672	9,124,560	12,145,844	18,634,590	28,720,516
Advances received	11,195,593	6,403,346	-	36,409,654	11,195,593	42,813,000
Loans from financial institutions	39,999,094	17,262,500	11,925,900	80,942,900	51,924,994	98,205,400

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' 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/fixed deposits interest rate or other benchmark floating rates.

Fair value

Most of the financial assets are cash and cash equivalents, trade and other receivables and restricted bank deposits which are short-term credit. Most of the financial liabilities are bank overdrafts, loans from financial institutions, trade and other payables with its interest rates close to the market rate. The carrying amount of the financial assets and financial liabilities are not significantly different from their fair value.

28. EVENT AFTER THE REPORTING PERIOD

At the Board of Directors' Meeting held on 27 February 2018, a resolution was passed to cancel the issuing and offering of the Warrants of 6,000,000 units to offer the eligible directors, management and employees of the Company as ESOP Project (ESOP-Warrant).

29. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements were authorised for issue by the Company's Board of Directors on 27 February 2018.

FOCUS DEVELOPMENT AND CONSTRUCTION PCL.

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Work experience during the past 5 years						
No.	Name - Surname Position	Age (years)	Education Background / Training	Percent of Share holding in the company (%)	Family Relationship	Period Position Name of Unit / Company Business Type
2.	Mr. Jeremy Lechemere King Vice Chairman Appointment Day: 22/08/2007	55	Law Degree from Nottingham University Certificate of Attendance Corporate Governance of Capital Market Intermediaries 9/2015 during 11-12 November 2015 (SEC)	-	-	2008 – present 1996 – present 2002 – present 2007 – 2008 2002 – 2006 2001 – 2006 Director and 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.	Mr. Nontawat Thongmee Managing Director (Authorized Director) Appointment Day: 4/11/2002	55	M.B.A., Southeastern University U.S.A. B.B.A., Campbell University U.S.A. Directors Certification Program (DCP), Thai Institute of Directors (IOD) 44/2004	-	-	2016 – present 2004 – present 2003 – present Director Director Director and Managing Director Director Focus Wheig Corporation Limited / Holding Company Focus Wheig Bangna Limited / Waste Management Company Focus Development and Construction Pcl. / Construction / Property Development Focus Environmental Co., Ltd. / Construction

No.	Name - Surname Position	Age (years)	Education Background / Training	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.	Pol.Maj.Gen.Sunthorn Boonruang Director Appointment Day: 4/11/2002	81	Bachelor of Political Science, Royal Police Cadet Academy M.P.A., Indiana University U.S.A. Directors Accreditation Program (DAP), Thai Institute of Directors (IOD) 8/2004 (year 2004)	-	-	2013 – present	Audit and Corporate governance Committee and Nomination and Remuneration Committee Director	Focus Engineering and Construction Pcl. / Construction
						2002 – present		Focus Development and Construction Pcl. / Construction / Property Development
5.	Mr. Phasunsook Ayanaputra Director and Chairman of Audit Committee and Chairman of Nomination and Remuneration Committee Appointment Day: 27/2/2006	58	Master of Comparative Law University of Iowa, U.S.A. Thai Barrister at Law , BAR Association Bachelor of Law, Chulalongkorn University Directors Accreditation Pro- gram (DAP), Thai Institute of Directors (IOD) 81/2009 (year 2009)	-	-	2013 – present	Chairman of Audit and Corporate governance Committee Chairman of Nomination and Remuneration Committee	Focus Development and Construction Pcl. / Construction / Property Development
						2008 – present		Focus Development and Construction Pcl. / Construction / Property Development
						2006 – present	Independent Director and Audit Committee Partner	Focus Development and Construction Pcl. / Construction / Property Development
						1992 – present		Siam Premier International Law Office Limited

No.	Name - Surname Position	Age (years)	Education Background / Training	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.	Mr. Patrick Michael Davenport Director Appointment Day: 3/10/2008	52	Bachelor of International Relation with a minor in Asian History, James Madison Col- lege, Michigan State University Director Certification Program (DCP), Thai Institute of Directors (IOD) 123/2009 Certificate of Attendance Cor- porate Governance of Capital Market Intermediaries 9/2015 during 11-12 November 2015 (SEC)	-	-	2016 – present 2014 – present 2008 – present 2006 – present 2004 – present	Director Director Director Director Director Director	Focus Wheig Corporation Limited / Holding Company Focus Wheig Bangna Limited / Waste Management Company Siam Knight Fund Management Securities Co., Ltd. Focus Development and Construction Pel. / Construction / Property Development Rubfila International Limited Knight Asia Co., Ltd.
7.	Mr. Thomas C. Thompson Director Appointment Day: 25/04/2008	66	Msc Economics London School of Economics, 1979 BA Economics Columbia University, 1978, USA Directors Accreditation Program (DAP), Thai Institute Of Directors (IOD) 74/2008	-	-	2014 – present 2008 – present 1998 – 2014	Audit and Corporate Governance Committee and Nomination and Remuneration Comittee Director Partner	Focus Development and Construction Pel. / Construction / Property Development Focus Development and Construction Pel. / Construction / Property Development ACH Investment Pte, Ltd

No.	Name - Surname Position	Age (years)	Education Background / Training	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	Mrs. Wilaiporn Siripoorikan Assistant Managing Director of Finance and Accounting Division	50	M.B.A., Finance, University of the Thai Chamber of Commerce B.B.A., University of the Thai Chamber of Commerce	0.0002 (300 shares)	-	2016 – present 2005 – present	Director Assistant Managing Director of Finance and Accounting Division	Focus Wheig Bangna Limited / Waste Management Company Focus Development and Construction Pcl. / Construction / Property Development
10.	Mr. Sombat Tipyananukul Company Secretary	59	Master's Degree in Law Chulalongkorn University Bachelor's Degree in Law Chulalongkorn University	-	-	2014 – present 2010 – 2013	Head of Legal Department Lawyer and Legal Advisor	Focus Development and Construction Pcl. /Construction / Property Development -

Attachment 2 – Shareholding Information of Directors, Management, Controllers and Company Secretary*

			As of 31 December 2016	As of 31 December 2017
1	Mr. Anucha Sihanatkathakul	Chairman of the Board of Directors and Executive Chairman	- None -	- None -
2	Mr. Jeremy Lechemere King	Vice Chairman of the Board of Directors	- None -	- None -
3	Mr. Nontawat Thongmee	Director and Managing Director	- None -	- None -
4	Pol.Maj.Gen. Sunthorn Boonruang	Independent Director	- None -	- None -
5	Mr. Phasunsook Ayanaputra	Independent Director	- None -	- None -
6	Mr. Thomas C. Thompson	Independent Director	- None -	- None -
7	Mr. Patrick Michael Davenport	Director	- None -	- None -
8	Mr. Tanakorn Leelasiri	Director and Assistant Managing Director -Administration	300 shares	300 shares
9	Mrs. Wiliaporn Siripoorikarn	Assistant Managing Director -Finance and Accounts	300 shares	300 shares
10	Mr. Sombat Tipyananukul	Company Secretary	- None -	- None -

Remarks - *including their spouses and minor children

- The Company has the policy that the company directors must report their trading and/or holding of the securities of the Company to the Board of Directors' Meeting for acknowledgement

Attachment 3 Details of the Joint Venture (as of 31 December 2017)

Company Name	: Focus Wheig Corporation Limited
Address	: 25 Alma Link Building, 9 th Floor, Soi Chidlom, Ploenchit Road, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330
Registered Capital of 10 Baht each	: 15 Million Baht, divided into 1,500,000 shares with a par value
Paid-Up Capital	: 58.75 Million Baht
Major Shareholders	: 60% held by Focus Development and Construction Public Company Limited 40% held by Wheig Asia Limited, Hong Kong
Type of Business	: Holding Company
Board of Directors	: Mr. Anucha Sihanatkathakul Mr. Bertrand Mari Joseph Antoine Courcelle Mr. Patrick Michael Davenport Mr. Nontawat Thongmee Mr. Alban Karim Claude Gaston Casimir

Attachment 4 Details of Subsidiary of the Joint Venture (as of 31 December 2017)

Company Name	: Focus Wheig Bangna Limited
Address	: 25 Alma Link Building, 9th Floor, Soi Chidlom, Ploenchit Road, Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330
Registered Capital	: 81 Million Baht, divided into 810,000 shares with a par value of 100 Baht each
Paid-Up Capital	: 48 Million Baht
Major Shareholder	: 99.99% share held by Focus Wheig Corporation Limited
Type of Business	: Waste Management Business
Board of Directors	: Mr. Patrick Michael Davenport Mr. Bertrand Mari Joseph Antoine Courcelle Mr. Nontawat Thongmee Mr. Alban Karim Claude Gaston Casimir Mrs. Wilaiporn Siripoorikan

Attachment 5 - Details of Head of Internal Audit (Outsource)

Name : Mrs. Anchana Samohsaman

Age : 67 Years Old

Address : 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.

Attachment 6 Whistle Blowing Policy on Fraud and Corruption

Any staff who find any suspicious action which may fall within the scope of fraud and corruption must report such matter to the Company without delay and shall cooperate with the Company for the fact finding or blow the whistle directly to:

Internal Audit Department

Focus Development and Construction Public Company Limited

9th Floor, Alma Link Building, No. 25 Soi Chidlom, Ploenchit Road,

Kwaeng Lumpini, Khet Pathumwan, Bangkok 10330

Tel. (662) 650 3105-9, Fax (662) 650 3065-6

Email Address: InternalAudit@focus-pcl.com

The Company shall keep the whistle blowing as confidential for the safety of life and property of the whistle blower.

Attachment 7 Policy on Facilitating and Encouraging Shareholders to Participate Shareholders' Meeting

Focus Development and Construction Public Company Limited recognizes and respects the importance of the rights and equality of all shareholders including Thailand investors, foreign investors, retail investors and institutional investors. The Company, therefore, proceed with the facilitating and promoting the shareholders to attend shareholders' meetings policy as follows:

- (1) Disclose the resolutions of the Board of directors including shareholders' meeting schedule and agenda through the information system of the Stock Exchange of Thailand no later than 9.00 hrs. on the next working day after that the date of Board resolution.
- (2) Arrange transparent and effective shareholders' meetings to be in accordance with the laws and the Company's regulations.
- (3) Ensure that shareholders obtain sufficient, accurate and timely information, including:
 - Delivering the Notice of Shareholders' Meeting specifying the date, time, place, agenda and all complete information of all agenda in conformity with the laws and regulations of the relevant regulators, the Company's Articles of Association and the guidelines of the Quality Assessment General Meeting of Shareholders (AGM Checklist).
 - Disclosing supporting documents and information both in Thai and through the website of the Company at least 21 days in advance.
 - Publishing the Notice of Shareholders' Meetings in a daily newspaper at least 3 consecutive days and not less than 3 days prior to the meeting.
- (4) Open shareholders' registration at least one hour and a half in advance prior to shareholders' meeting and facilitate shareholders for the meeting venue, receptionists, registration desk staff, snacks and drinks, and information technology system for registration and processing the voting information, etc.
- (5) Give the opportunity to all shareholders to nominate new director(s), propose meeting agenda, send questions in advance or express their opinion, queries or suggestions with sufficient and appropriate time and record the queries and suggestions of shareholders in the Minutes of the meeting.
- (6) Disclose the resolutions of shareholders' meetings and voting results through the information system of the Stock Exchange of Thailand within 9.00 hrs. on the next working day after that the date of the meeting.
- (7) Prepare and submit the Minutes of Shareholders' Meeting to the Stock Exchange of Thailand, and publish the Minutes of the meeting through the website of the Company within 14 days from the date of the meeting.
- (8) Shareholders and investors are able to contact in inquire additional information at Tel. 02-650-3105-9 ext. 400 or 401 (Company Secretary) or email address: companysecretary@focus-pcl.com



Certificate of Registration

This certificate has been awarded to

FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED

25 Alma Link Building 9th Fl., Soi Chidlom, Ploenchit Rd., Lumpini,
Patumwan, Bangkok 10330 Thailand

in recognition of the organization's Quality Management System which complies with

ISO 9001:2015

The scope of activities covered by this certificate is defined below

**General Construction, Civil, Mechanical and
Electrical Engineering Works**

Certificate Number:

29990/A/0001/UK/En

Date of Issue: (Original)

31 May 2008

Date of Issue:

31 May 2017

Issue No:

5

Expiry Date:

30 May 2020

Issued by:

On behalf of the Schemes Manager



DEVELOPMENT
ENGINEERING
CONSTRUCTION
INVESTMENT

Focus

FOCUS DEVELOPMENT AND CONSTRUCTION
PUBLIC COMPANY LIMITED

9TH FL. ALMA LINK BUILDING, 25 SOI CHIDLOM PLOENCHIT,
LUMPINI, PATUMWAN, BANGKOK 10330, THAILAND
TEL: 0-2650-3105-9 :0-2650-3063-4 FAX: 0-2650-3065-6
WWW.FOCUS-PCL.COM