

Part 3
Financial Position
and
Operational Results

3.1 Financial Highlights

(Unit : Million Baht)

Financial Information	2016	2015	2014
Total Assets	407.08	494.15	731.37
Total Liabilities	271.02	358.44	599.59
Total Shareholders' Equity	136.06	135.71	131.78
Paid-up capital	126.72	126.72	126.72
Revenue from Construction	152.77	228.55	532.63
Revenue from Property Development	165.93	261.38	-
Total Revenues	330.34	498.61	549.04
Net Profit (loss) for the year	0.12	3.31	(33.14)
Basic Net Profit (loss) Per Share (Baht)	0.001	0.03	(0.26)
Financial Ratio			
Liquidity Ratio (times)	1.43	1.77	1.67
ROE (%)	0.09	2.47	(22.67)
ROA (%)	2.28	3.11	(4.55)
Debt to Equity Ratio (times)	1.99	2.64	4.55
Total Asset Turnover (times)	0.73	0.81	0.80
Gross margin (%)	21.92	16.94	1.92
Net Profit (loss) Ratio (%)	0.04	0.66	(6.04)
Dividend Payout Ratio (%)	-	-	-
Book Value Per Share (Baht)	1.07	1.07	1.04

2016 Financial Statements shown are based on the equity method.

3.1.1 Financial position and performance

Financial statement

Auditing summary

- Auditor of the Company's Financial Statements
- For year ended on 31 December 2016 and 2015, Mr. Udom Thanuratpong, CPA Registration No. 8501 of PV Audit Co., Ltd.
- For year ended on 31 December 2014, Mr. Prawit Viwanthananut, CPA Registration No. 4917 of PV Audit Co., Ltd.
- These auditors commented 'no condition' on the certified auditor's reports

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

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2016, 2015 AND 2014

Description	F/S in which the equity method is applied		Separate financial statements					
	2016		2016		2015		2014	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
ASSETS								
CURRENT ASSETS								
Cash and cash equivalents	16,466	4.04	16,466	4.03	7,929	1.60	9,361	1.28
Trade and other receivables	17,211	4.23	17,211	4.21	21,096	4.27	63,717	8.71
Work in progress	3,902	0.96	3,902	0.95	728	0.15	-	-
Unbilled receivables	26,463	6.50	26,463	6.48	19,917	4.03	72,634	9.93
Cost of property development	231,791	56.94	231,791	56.72	322,865	65.34	396,273	54.18
Other current assets	8,632	2.12	8,632	2.11	7,220	1.46	8,588	1.17
Total Current Assets	304,465	74.79	304,465	74.51	379,755	76.85	550,573	75.28
NON-CURRENT ASSETS								
Restricted bank deposits	6,773	1.66	6,773	1.66	12,393	2.51	26,802	3.66
Investment in joint venture	7,434	1.83	9,000	2.20	-	-	-	-
Building and equipment	12,296	3.02	12,296	3.01	17,528	3.55	23,070	3.15
Intangible assets	3,193	0.78	3,193	0.78	3,695	0.75	3,702	0.51
Deferred tax assets	12,359	3.04	12,359	3.02	13,553	2.74	16,956	2.32
Other non-current assets	60,561	14.88	60,561	14.82	67,224	13.60	110,264	15.08
Total Non-current assets	102,616	25.21	104,182	25.49	114,393	23.15	180,794	24.72
TOTAL ASSETS	407,081	100.00	408,647	100.00	494,148	100.00	731,367	100.00

Description	F/S in which the equity method is applied		Separate financial statements					
	2016		2016		2015		2014	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
LIABILITIES AND SHAREHOLDERS' EQUITY								
CURRENT LIABILITIES								
Bank overdrafts and short-term loans from financial institutions	17,263	4.24	17,263	4.22	18,616	3.77	29,782	4.07
Trade and other payables	42,089	10.34	42,089	10.30	89,192	18.05	119,901	16.39
Current portion of liabilities	30,943	7.60	30,943	7.57	1,289	0.26	3,151	0.43
Short-term loans from other person	29,762	7.31	29,762	7.28	-	-	-	-
Estimated cost	28,721	7.06	28,721	7.03	39,388	7.97	60,675	8.30
Retention payables	19,260	4.73	19,260	4.71	23,379	4.73	30,867	4.22
Advances received	42,813	10.52	42,813	10.48	40,032	8.10	69,753	9.54
Other current liabilities	1,948	0.48	1,948	0.48	2,906	0.59	15,993	2.19
Total Current Liabilities	212,799	52.27	212,799	52.07	214,802	43.47	330,122	45.14
NON-CURRENT LIABILITIES								
Long-term loans from financial institutions	50,000	12.28	50,000	12.24	136,767	27.68	262,400	35.88
Long-term loans liabilities under finance lease	-	-	-	-	-	-	1,287	0.18
Employee benefit obligations	8,223	2.02	8,223	2.01	6,869	1.39	5,777	0.79
Total non-current Liabilities	58,223	14.30	58,223	14.25	143,636	29.07	269,464	36.84
Total Liabilities	271,022	66.58	271,022	66.32	358,438	72.54	599,586	81.98
SHAREHOLDERS' EQUITY								
Authorized share capital : 126,720,042 ordinary shares in 2016 and 400,000,000 ordinary shares in 2014-2015, Baht 1 par value	126,720		126,720		400,000		400,000	
Issued and paid-up share capital : 126,720,042 ordinary shares, fully paid-up	126,720	31.13	126,720	31.01	126,720	25.64	126,720	17.33
Premium on shares	56,413	13.86	56,413	13.80	56,413	11.42	56,413	7.71
Deficit	(47,074)	(11.56)	(45,508)	(11.14)	(47,423)	(9.60)	(51,352)	(7.02)
Total Shareholders' Equity	136,059	33.42	137,625	33.68	135,710	27.46	131,781	18.02
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	407,081	100.00	408,647	100.00	494,148	100.00	731,367	100.00

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2016, 2015 AND 2014

Description	F/S in which the equity method is applied		Separate financial statements					
	2016		2016		2015		2014	
	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%	Thousand Baht	%
Revenue								
Revenue from construction	152,773	46.25	152,773	46.25	228,551	45.84	532,633	97.01
Revenue from property development	165,927	50.23	165,927	50.23	261,385	52.42	-	-
Other income	11,638	3.52	11,638	3.52	8,677	1.74	16,407	2.99
Total revenue	330,338	100.00	330,338	100.00	498,613	100.00	549,040	100.00
Cost								
Cost of construction	151,206	45.77	151,206	45.77	249,595	50.06	522,423	95.15
Cost of sales	97,647	29.56	97,647	29.56	157,352	31.56	-	-
Total cost	248,853	75.33	248,853	75.33	406,947	81.62	522,423	95.15
Gross profit	81,485	24.67	81,485	24.67	91,666	18.38	26,617	4.85
Selling expenses	13,566	4.11	13,566	4.11	17,107	3.43	-	-
Administrative expenses	56,097	16.98	56,097	16.98	55,497	11.13	57,987	10.56
Share of loss from investment in joint venture	1,566	0.47	-	-	-	-	-	-
Profit (loss) before finance cost and income tax	10,256	3.10	11,822	3.58	19,062	3.82	(31,370)	(5.71)
Finance cost	8,995	2.72	8,995	2.72	12,506	2.51	9,735	1.77
Tax income (expense)	(1,137)	(0.34)	(1,137)	(0.34)	(3,248)	(0.65)	7,963	1.45
Profit (loss) for the year	124	0.04	1,690	0.51	3,308	0.66	(33,142)	(6.04)
Other comprehensive income								
Items that will never be reclassified to profit or loss								
Defined benefit plan actuarial gain	282	0.09	282	0.09	776	0.16	-	-
Income tax relating to defined benefit plan actuarial gain	(56)	(0.02)	(56)	(0.02)	(155)	(0.03)	-	-
Other comprehensive income for the year-net of tax	226	0.07	226	0.07	621	0.13	-	-
Other comprehensive income (loss)	350	0.11	1,916	0.58	3,929	0.79	(33,142)	(6.04)
Earnings (loss) per share								
Basic earnings (loss) per share	0.001		0.01		0.03		(0.26)	
Weighted average number of ordinary shares (Shares)	126,720,042		126,720,042		126,720,042		126,720,025	

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016, 2015 AND 2014

Description	F/S in which the equity method is applied			
	Separate financial statements			
	2016	2016	2015	2014
CASH FLOWS FROM OPERATING ACTIVITIES				
Profit (loss) before income tax	1,261	2,827	6,556	(41,105)
Adjustments to reconcile profit (loss) before income tax to net cash				
Provided by (used in) operating activities				
Depreciation and amortization	5,906	5,906	7,177	9,317
Provision incurred from employee benefit obligations	1,637	1,637	1,943	1,304
Reversal estimate cost overrun	-	-	-	(17)
Reversal of doubtful debts	(4,430)	(4,430)	(33)	-
(Gain) loss on disposal of and written-off assets	83	83	209	(2,182)
Interest income	(111)	(111)	(271)	(612)
Interest expenses	8,995	8,995	12,507	9,735
Share of loss from investment in joint venture	1,566	-	-	-
Profit (loss) from operating activities before change in operating assets and liabilities	14,907	14,907	28,088	(23,560)
Change in operating assets (increase) decrease				
Trade and other receivables	2,988	2,988	42,560	27,260
Work in progress	(3,174)	(3,174)	(727)	4,415
Unbilled receivables	(6,546)	(6,546)	52,717	36,840
Cost of property development	91,074	91,074	75,933	(149,240)
Other current assets	(1,412)	(1,412)	1,368	3,002
Restricted bank deposits	5,620	5,620	14,409	(2,335)
Other non-current assets	17,798	17,798	21,558	(886)
Change in operating Liabilities increase (decrease)				
Trade and other payables	(46,977)	(46,977)	(30,851)	7,761
Estimated cost	(10,667)	(10,667)	(21,288)	(17,798)
Retention payables	(4,119)	(4,119)	(7,488)	(15,348)
Advances received	2,781	2,781	(29,722)	6,501
Other current liabilities	(958)	(958)	(13,086)	7,149
Payment of employee benefit obligations	-	-	-	(885)

Description	F/S in which the equity method is applied			
	Separate financial statements			
	2016	2016	2015	2014
Cash generated (paid) from operations	61,315	61,315	133,471	(117,124)
Interest received	116	116	331	621
Income tax refund	-	-	33,662	23,375
Income tax paid	(5,812)	(5,812)	(12,147)	(17,202)
Net cash provided by (used in) operating activities	55,619	55,619	155,317	(110,330)
CASH FLOWS FROM INVESTING ACTIVITIES				
Payments for investments in joint venture	(9,000)	(9,000)	-	-
Purchase of equipment	(256)	(256)	(1,329)	(3,266)
Disposal of equipment	-	-	124	2,523
Purchase of intangible asset	-	-	(632)	(3,238)
Net cash provided by (used in) investing activities	(9,256)	(9,256)	(1,837)	(3,981)
CASH FLOWS FROM FINANCING ACTIVITIES				
Increase (decrease) in bank overdrafts	(18,616)	(18,616)	6,213	9,802
Increase (decrease) in short-term loans from financial institutions	17,263	17,263	(17,379)	10,399
Proceeds from short-term loans from related person	7,400	7,400	-	-
Repayment of short-term loans from related person	(7,400)	(7,400)	-	-
Proceeds from short-term loans from other person	30,000	30,000	-	-
Proceed from long-term loans from financial institutions	50,000	50,000	69,900	110,100
Repayment of long-term loans from financial institutions	(105,825)	(105,825)	(195,533)	-
Repayment of liabilities under finance lease	(1,289)	(1,289)	(3,150)	(2,990)
Interest paid	(9,359)	(9,359)	(14,963)	(9,382)
Net cash provided by (used in) financing activities	(37,826)	(37,826)	(154,912)	117,929
Net increase (decrease) in cash and cash equivalents	8,537	8,537	(1,432)	3,618
Cash and cash equivalents at beginning of year	7,929	7,929	9,361	5,743
Cash and cash equivalents at end of year	16,466	16,466	7,929	9,361

Financial Ratio

Item	2016	2015	2014
Liquidity Ratio			
Liquidity ratio (times)	1.43	1.77	1.67
Quick liquidity ratio (times)	0.16	0.14	0.22
Receivable turnover ratio (times)	17.88	12.08	7.01
Average collection period (days)	20	30	52
Payable turnover ratio (times)	4.00	4.25	4.98
Payment period (days)	91	86	73
Profitability Ratio			
Gross profit (loss) margin (%) – construction business	1.03	(9.21)	1.92
Gross profit margin (%) - property development business	41.15	39.80	-
Other profit margin (%)	3.52	1.74	2.99
Net profit margin (%)	0.04	0.66	(6.04)
Return on Equity ratio (%)	0.09	2.47	(22.67)
Efficiency Ratio			
Return on Assets ratio (%)	2.28	3.11	(4.55)
Return on permanent capital (%)	37.07	49.22	(63.79)
Assets turnover ratio (times)	0.73	0.81	0.80
Financial Policy Ratio			
Debt to Equity ratio (times)	1.99	2.64	4.55
Interest coverage ratio (times)	7.83	14.39	(8.57)
Dividend payout ratio (%)	0.00	0.00	0.00

3.2 Explanation and analysis of financial position and performance

3.2.1 Overview of the past performance

In term of Thailand's economy in 2016, as the country was still under the both domestic and foreign influences, therefore, its restoration was continuing on a slow pace; amidst the government's continuous stimulation measures, and clearer aspect of telecommunication and transportation network and various major rail's routes. There were fierce competitions in construction industry, where large contractors enjoyed government's investment project. For the Company, however, as it is a medium sized contractor, as majority of its contracts came from private sector; therefore, the Company had to face fierce competitions from many other medium sized contractors. Therefore, before engage into any contracts, the Company had to consider its capability and capacity, appropriate rate of compensation, and competent, respectable client with solid financial status, in order to decrease financial risk. For the overview of property development market, the market saw shrinkage in both demand and supply. This was accompanied by the fact that financial institutions imposed stricter regulation on giving out loan for residence. As a result, sales of Focus Ploenchit Project haven't met the given target.

Besides its construction business and property development business, in 2016, the Company also added another branch of business into its portfolio, namely, investment in waste disposal service and waste energy production business. In this aspect, the Company had engaged into a joint venture and found Focus Wheig Corporation Company Limited ("a joint venture"). This company was incorporated as a juristic person in Thailand on 5 October 2016. It is a joint venture between Focus and French co-investor (Wheig SAS), where the Company holds the joint venture's equity and respective right at 60 percent of the registered capital.

Later, on 18 October 2016, Focus Wheig Corporation Co., Ltd. had bought ordinary shares of Whieg (Thailand) Company Limited and registered the company's name change as 'Focus Wheig Bangna Limited' ("a joint venture's subsidiary"). This company operates in waste management services and waste energy production business.

In 2016, the Company's income from construction business was 152.77 million Baht, which was 75.78 million Baht decreased from last year. The cost of construction business was 151.20 million Baht and operation's gross profit was 1.57 million Baht; which is accounted for 1.03 percent of the gross profits. This was because some of its construction projects were delayed and had to be extended; as a result, the projects' cost had increased, especially the cost of labor and other overhead costs. Therefore, the Company adjusted its construction budget, based on estimated expectable expenses. Moreover, the total value and amount of remaining constructions were decreased, compared to the previous year; as a result, the Company's recognized income was decreased, too.

The Company's income from property development business, that is, from transferring title deed over condominiums to its customers, was 165.93 million Baht; which was 95.45 million Baht decreased from last year, or 36.52 percent from the previous year. In this business, the Company's cost of sales was 97.65 million Baht and sales' expense was 13.57 million Baht. Its profit was 54.71 million Baht, or 32.97 percent.

The Company's administrative expense was 56.10 million Baht, an increase of 0.60 million Baht from the previous year. Majority of this expense was comprised of employee's salary and welfare, office's rents and services, cost of depreciation and etc.

In 2016, the Company recorded loss from the joint venture at 1.57 million Baht, or 0.47 percent of its total income.

Moreover, the Company's financial cost was 9.00 million Baht, which was 3.51 million Baht decreased, or 28.06 percent decreased, from the previous year. This was the influence of loan interest for construction of Focus Ploenchit Condominium, which was already finished.

The Company's income tax expense was 1.14 million Baht and, as a result, its asset of deferred income tax was decreased from the previous year.

Pertaining to Separate Financial Statement, the Company's net profit was 1.69 million Baht, other comprehensive profit was 0.23 million Baht; which was profit from actuarial calculation of employee welfare project. Therefore, its comprehensive profit was 1.92 million Baht.

Pertaining to the Company's Financial Statement in which the equity method is applied, the Company's net profit of this year was 0.12 million Baht.

From the forecasting of the Office of Industrial Economics and the Real Estate Information Center, it was estimated that in 2017, there will be positive factors which were results of government's economy stimulation measures; expansion of private investment and existence of real demand for residence. Therefore, the overall aspect of market in 2017 tends to be in positive direction.

3.2.2 Income

The Company's income from both construction business and property development business was, as follow:

(unit: million Baht)

Source of Income	2016		2015		Change	
Construction business	152.77	46.25%	228.55	45.84%	(75.78)	(33.16%)
Property development business	165.93	50.23%	261.38	52.42%	(95.45)	(36.52%)
Other incomes	11.64	3.52%	8.68	1.74%	2.96	34.10%
Total	330.34	100.00%	498.61	100.00%	(168.27)	(33.75%)

Construction Business The Company is categorized as medium sized construction contractor and provides general construction contract services and construction engineering service, such as, designing, structure's construction and architecture, construction engineering and environmental engineering; for examples, construction of office, department store, hotel, resort, hospital, residence, education institution, student dormitory, factory, mill and silo, bridge, pipe work and waste water treatment system, rail work, train station and other public utility project.

The Company's income depends on type and amount of contracted works that the Company had engaged into in each period of time. The Company's policy opens for both private and government contracted work and focuses on considering work that present appropriate compensation and work from competent, respectable client, who has solid financial status.

In term of income perceiving, the Company perceives income base on the stage of construction's completion, which is an estimation of the amount of job that was done. Meanwhile, the job that was done but hasn't been delivered,

or the job that was done but its bill wasn't yet delivered to the customer, the Company will express this job as value of the job that was done but hasn't yet been collected. General construction time of both government and private works is approximately around 1-2 years or more, depending on the total value of each individual project. The Company's ratios of income from its construction business of 2016 and 2015 were 46.25 and 45.84 percent of its total income respectively.

Majority of the Company's income in 2016 came from a construction project that continued over from 2015, namely, a construction project of 7-floor residence building with 2 underground floors project, called, Issara Collection Sathorn; the project is located on Nang Lin Chee Road of Bangkok. The Company's income from construction contractor business was 152.77 million Baht, an increase of 75.78 million Baht or 33.16 percent, compared to its income of previous year, which was 228.55 million Baht.

Property Development Business In 2016, the Company transferred title deeds of "Focus Ploenchit" condominium project to its customers, which was accounted for total income of 165.93 million Baht; an increase of 95.45 million Baht or 36.52 percent, compared to the previous year, which was 261.38 million Baht. As a result, the Company's ratios of income from its property development business of 2016 and 2015 were 50.23 and 52.42 percent of its total income, respectively.

As of 31 December 2016, the Company's total value of potential purchase and sale agreements that had been engaged into were, as follow:

(unit: million Baht)

Project	Project's units	Project's total sales	Total value of engaged purchase and sales agreement	Percentage of total sales
Focus On Saladaeng	62	287.76	287.76	100.00
Focus Ploenchit	132	830.00	467.96	56.38

3.2.3 Expenses

The Company's expense was comprised of cost of construction works, cost of property development's sales, administrative expense, financial cost and income tax expense.

Cost of construction was comprised of cost of construction materials, cost of sub-contractors, and labor for construction, as well as other overhead costs and etc.

Cost of property development's sales was comprised of cost of land's acquisition, cost of land development, cost of designing, cost of public utility's construction, and other direct costs of the project, as well as paid interest for loan, in order to pursuit project's development, before the project is completed.

For the year 2016 and 2015, the Company's costs, pertaining to each type of business are as follows:

(unit: million Baht)

Items	2016				2015				Change	
	Construction Business		Property Development Business		Construction Business		Property Development Business		Construction Business	Property Development Business
Income	152.77	100%	165.93	100%	228.55	100%	261.38	100%	(75.78)	(95.45)
Cost	151.20	98.97%	97.65	58.85%	249.59	109.20%	157.35	60.20%	(98.39)	(59.70)
Sales' expense	-	-	13.57	8.18%	-	-	17.10	6.55%	-	(3.53)
profit (loss)	1.57	1.03%	54.71	32.97%	(21.04)	(9.20)%	86.93	33.25%	22.61	(32.22)

Cost of Construction Business: In 2016, the Company's income had increased from the previous years for 75.78 million Baht. As a result, the cost of construction had decreased, in accordance with its income perceiving. However, as some of its construction projects were delayed and had to be extended; as a result, the project's expenses and overhead costs had increased and the Company had to adjust its construction budget, based on estimated potential expenses of near-complete projects in 2017. Therefore, the company's cost of construction ratio had increased from 109.20 percent in 2015, to 98.97 percent in 2016.

Cost of property development business: In 2016, the Company's income had increased from the previous years, for 95.45 million Baht, or 36.52 percent. This was because in 2015, the Company had gradually transferred majority of its title deeds to its customers. The Company's cost of sales ratio in 2016 was 58.85 percent and sales' expense ratio was 8.18 percent. Also, difference in cost of sales was due to different area, and different price of each unit.

Administrative Cost

(unit: million Baht)

Items	2016	2015	Change
Administrative cost	56.10	55.50	0.60 1.08%

In 2016, the Company's administrative cost was 56.10 million Baht which is comprised of executive's compensation, employee's salary and welfare, office's rents and services, cost of public utilities, professional fees, cost of depreciation and etc. It was slightly increased from the previous year, which was 55.50 million Baht.

Financial Cost

(unit: million Baht)

Items	2016	2015	Change
Financial cost	9.00	12.51	(3.51) (28.06%)

In 2016, the Company's financial cost was 9.00 million Baht, which was an decrease of 3.51 million Baht or 28.06 percent, in comparison of the previous year, which was 12.51 million Baht. This was partly generated by borrowing from financial institutions, as budget for the additional construction, after the completion of Focus Ploenchit Condominium Project; and it was accounted for 6.21 million Baht of the amount. The rest came from interest of short term loan, from issuing of bill of exchange to other entity, from credit loan for project by using of promissory note discount, and from bank's overdraft.

Tax income (expense)

(unit: million Baht)

Items	2016	2015
Deferred income tax		
Deductible temporary difference	(1.14)	(3.24)

In 2016, the Company's tax income was 1.14 million Baht and it was created from deductible temporary difference of deferred income tax. Therefore, the Company's deferred income tax as of 31 December 2016 was 12.36 million Baht.

Corporate Income Tax Reduction

A Royal Decree, pertaining to the virtue of the Revenue Code, on the subject of tax revenue reduction No. 577 B.E. 2557 dated 3 November 2014, had extended the period for corporate income tax reduction at 20 percent of net profit for the accounting period which starts on or after 1 January 2015 but not later than 31 December 2015.

An Amendment Act of the Revenue Code (No. 42) B.E. 2559, which was in effect since 5 March 2017, reduced the corporate income tax reduction rate from 30 percent to 20 percent of net profit for the accounting period which starts on or after 1 January 2017 onwards.

The Company's corporate income tax as of 31 December 2016 and 2015, was calculated under the given tax rate from Revenue Department, and calculated from the Company's accounting profits, after they had been adjusted under some conditions, in accordance with the Revenue Code.

3.2.4 Net Profit (Loss)

(unit: million Baht)

Items	2016	%	2015	%	Change	
Total income	330.34	100	498.61	100	(168.27)	(33.75%)
Total cost	(248.85)	(75.33)	(406.94)	(81.61)	(158.09)	(38.85%)
Sales' cost	(13.57)	(4.11)	(17.10)	(3.43)	(3.53)	(20.64%)
Administrative cost	(56.10)	(16.98)	(55.50)	(11.13)	0.60	1.08%
Profit (loss) before share of loss from investment in a joint venture	11.82	3.58	19.07	3.82	(7.25)	(38.02%)
Share of loss from investment in a joint venture	(1.57)	(0.47)	-	-	1.57	100%
Financial cost	(9.00)	(2.72)	(12.51)	(2.51)	(3.51)	(28.06%)
Tax income (expense)	(1.13)	(0.34)	(3.24)	(0.65)	(2.11)	(64.92%)
Net profit (loss) of the year	0.12	0.04	3.31	0.66	(3.19)	(96.37%)
Net profit (loss) per share (Baht)	0.001		0.03		(0.029)	

Note: In 2016, the data of the Company's financial statement which shows the investment based on the equity method.

The Company's net profit for year ended 31 December 2016, in accordance with separate financial statement, was 1.69 million Baht; and the Company had perceived share of loss from a joint venture was 1.57 million Baht. As a result, the Company's financial statement which shows the investment based on the equity method for year ended on 31 December 2016 was 0.12 million Baht or 0.04 percent of its total income, compared to the same accounting period of 2015. The Company's net profit was 3.31 million Baht or 0.66 percent of its total income. The Company's net profit had decreased for 3.19 Baht, which was accounted for 96.37 percent. The underlying causes of such vital change were:

1. The Company's income from construction business had decreased for 75.78 million Baht, while its income from property development had decreased for 95.45 million Baht. In total, the Company's main income had decreased for 171.23 million Baht.

2. In 2016, the Company invested 9 million Baht in a joint venture, and recorded the share of loss from investment in a joint venture at 1.57 million Baht. As a result, the Company's value of investment in a joint venture had increased to 7.43 million Baht.

3.2.5 Financial position

In terms of the Company's 2016 financial position, compared to 2015, there were several vital changes, as follows:

(unit: million Baht)

Items	2016		2015		Change	
Cost of property development	231.79	56.94%	322.86	65.34%	(91.07)	(28.21%)
Total current assets	304.46	74.79%	379.75	76.85%	(75.29)	(19.83%)
Investment in a joint venture	7.44	1.83%	-	-	7.44	100.00%
Total non-current assets	102.62	25.21%	114.39	23.15%	(11.77)	(10.29%)
Total assets	407.08	100.00%	494.14	100.00%	(87.06)	(17.62%)

1. Assets Analysis

The Company's total assets, as of 31 December 2016, was 407.08 million Baht, an decrease of 87.06 million Baht or 17.62 percent, compared to its total assets in 2015, which was 494.14 million Baht. Of that amount, the Company's total assets were comprised of 304.46 million Baht of current assets, which were 74.79 percent of total assets, and 102.62 million Baht of non-current assets, which were 25.21 percent of total assets. Vital changes were, as follow:

1. Cost of property development was 231.79 million Bath, which was decreased for 91.07 million Baht or 28.21 percent, compared to 2015, which was 322.86 million Baht. This was because the Company had finished its construction of Focus Ploenchit Condominium Project, as well as transferred the title deeds in the project to its customers, since May 2015.

2. Investment in a joint venture, "Focus Wheig Corporation Company Limited"; where the Company held the shares and ratio of voting right, which were accounted for 60 percent of the 15 million Baht registered capital, or 9 million Baht. In 2016, the Company recorded share of loss for such investment at 1.57 million Baht, and as a result, its total investment in a joint venture was decreased to 7.44 million Baht.

3. Liabilities of retention were 29.15 million Baht, which was decreased for 17.18 million Baht or 37.08 percent, compared to 2015, which was 46.33 million Baht. This was because the Company's customers had deducted from such retention, at the rate of 5-10 percent of the construction project's value that the Company charged on any on-going construction projects. Also, the Company will reacquire such retention once it had completed the project, or every 3 months; pertaining to the given agreement in the contract.

Also, as the Company was a sub-contractor of another joint venture, namely, NVPSKG Co., Ltd.; therefore, it had setup full amount of retention at 13.31 million Baht, since 2003, for its project on designing and construction of waste water collection and management system for Samut Prakarn Province. In 2016, the Company had partly re-acquired such retention, for the amount of 5.32 million Baht. The remaining amount will be collectable from the joint venture.

In 2009, the Company had setup a doubtful debt account for another debtor, for the total amount of 6.23 million Baht. This was because that debtor had failed to make the payment for his check, as a result of the Company's claim against damage from delayed construction project. In 2016, the Company, as it was accompanied by officer of the legal execution department, attempted to seize the defendant's assets. However, as the defendant has no asset left for seizure, such debt was hence set as bad debt.

4. Withholding tax was 35.16 million Baht; of such amount, 5.81 million Baht was withholding tax of 2016, 12.15 was withholding tax of 2015, and 17.20 million Baht was withholding tax of 2014.

2. Liabilities' Analysis

(unit: million Baht)

Items	2016		2015		Change	
Account payable and other payable	42.09	10.34%	89.19	18.05%	(47.10)	(52.81%)
Current portion of long-term loan	30.94	7.60%	1.29	0.26%	29.65	2,298.45%
Short-term loan from other entity	29.76	7.31%	-	-	29.76	100%
Total current liabilities	212.80	52.27%	214.80	43.47%	(2.00)	(0.93%)
Long-term loan from financial institutions	50.00	12.28%	136.77	27.68%	(86.77)	(63.44%)
Total non-current liabilities	58.22	14.30%	143.63	29.07%	(85.41)	(59.46%)
Total liabilities	271.02	66.58%	358.44	72.54%	(87.42)	(24.39%)

At the end of 2016, the Company's total liabilities was 271.02 million Baht, which was 87.42 million Baht decreased from 2015, or 24.39 percent decreased, compared to total liabilities of the previous year, which was 358.44 million Baht. Of that amount, 212.80 million Baht was of current liabilities, and 58.22 million Baht was of non-current asset. Important details were as follows:

2.1 Account payable and other payable was 42.09 million Baht, which was 47.10 million Baht decreased, or 52.81 percent decreased, compared to 2015, which was 89.19 million Baht. This was due to decrease of construction projects, hence, orders for construction materials and contractor works were decreased accordingly. Average collection periods of 2016 and 2015 were 91 and 86 days respectively.

2.2 Loan from financial institutions, for construction of Focus Ploenchit Project, was 80.94 million Baht. Of that amount, 30.94 million Baht was accounted for current portion of long-term loan, and collection due of the remaining 50 million Baht was longer than one year. The amount was decreased for 57.12 million Baht, or 41.37 percent, compared to 2015, which was 138.06 million Baht. This was because the Company had transferred title deeds in the project to its customer, and hence made some payment to the financial institutions.

Details on long-term loan from financial institutions

Amount (million Baht)	Term	Annual interest rate	Payment conditions
180	June 2012 - February 2017	MLR – 1.25	Once the title deed of the condominium was transferred, and
50	June 2016 - June 2019	MLR – 1.00	Monthly payment of interest

Guarantee for such loan were land and current structure, or future structure, of the project.

2.3 Short-term loan from other entity was 29.76 million Baht. In 2016, the Company had issued bill of exchange, for the amount of 30 million Baht, with the term of shorter than 270 days, at the interest rate of less than 6.75 percent per annum, with no guarantee.

3. Shareholders Equity Analysis

By the end of 2016 and 2015, the Company's issued and paid-up share capital, share premium and shareholder equity were, as follow:

(unit: million Baht)

Items	2016	2015	Change	
Registered capital	126.72	400.00	(273.28)	(68.32%)
Issued and paid-up capital	126,720,042	126,720,042	-	-
Share premium (Baht)	56,413,239	56,413,239	-	-
Accumulated deficit	(47.07)	(47.42)	(0.35)	(0.74%)
Total shareholder equity	136.06	135.71	0.35	0.26%

As of 31 December 2016, the Company's shareholder equity was 136.06 million Baht, an increase of 0.35 million Baht, or 0.26 percent, compared to its shareholder equity, for year ended of 2015, which was 135.71 million Baht. This was because in 2016, the Company's net profits from operation was 0.12 million Baht, with another 0.23 million Baht in other comprehensive profits. Therefore, the Company's accumulated deficit was decreased from 47.42 million Baht to 47.07 million Baht.

4. Cash Flow Analysis

(unit: million Baht)		
Items	2016	2015
Profit (loss) before income tax	1.26	6.56
Profit (loss) from operation before any changes in operating assets and liabilities	14.91	28.09
Net cash flow from operating activities	55.62	155.32
Net cash flow spent on investment activities	(9.25)	(1.84)
Net cash flow spent on financing activities	(37.83)	(154.91)
Net increase (decrease) in cash and cash equivalents	8.54	(1.43)
Cash and cash equivalents at beginning of year	7.93	9.36
Cash and cash equivalents at end of year	16.46	7.93

The Company's cash flow statement revealed change in cash flow from operating activities, investment activities and financing activities, on the end of accounting period, where the Company's cash and cash equivalent, as of 31 December 2016, were 16.46 million Baht; an increase of 8.53 million Baht or 107.57 percent, compared to the previous year, which was 7.93 million Baht. The Company's operating profits, before any changes in operating assets and liabilities, as of 31 December 2016, were 14.91 million Baht; in which the details are as follows:

4.1 Net cash flow from operating activities was 55.62 million Baht; mostly came from transferring of title deeds of the Company's Focus Ploenchit Project to its customers.

4.2 Net cash flow spent on investment activities was 9.25 million Baht; which was an investment into a joint venture, 'Focus Wheig Corporation Company Limited', a company operates in waste management services and waste energy production business.

4.3 Net cash flow spent on financing activities was 37.83 million Baht; where the Company spent on payment of long-term debt to financial institutions, for the amount of 105.82 million Baht. However, in 2016, the Company borrowed another 50.00 million Baht from such institution, as well as made a short-term loan from other entity, for the amount of 30 million Baht. In 2016, the Company paid interest of 9.36 million Baht in total (not including paid interest on loan for construction's budget, which was considered as capital expenditure.

5. Key Financial Ratios Analysis

In 2016, details of the Company's important financial ratios were, as follow:

5.1 The Company's liquidity ratio of 2016 was 1.43 times, a slight decrease from 2015, which was 1.77 times. However, such liquidity ratio was essentially no different from the previous years. This was a result of shorter collection period for account receivable, from 30 days to 20 days; as well as receiving of money from transferring condominium's title deed to its customer. As a result, the Company was able to payback both short term and long term liabilities, as well as paid their respective interests to the financial institutions, within the given time period. Therefore, the Company acquired good credit and continuous loan from financial institutions.

5.2 The Company's profitability ratio; in this aspect, the Company's gross profits from construction business was 1.03 percent, which was a result of some construction projects that were not going as plan; still, the Company acquired extension to these projects. As a result, underlying expenses of these projects had increased accordingly. Therefore, the Company engages construction business simultaneously with property development business, as a mean for distribution of risk of doing just one business. In 2016, the Company earned profits after sales' expenses from its property development business at the rate of 32.97 percent. This was almost identical to the previous year, which was 33.25 percent.

5.3 Debt to equity ratio was 1.99 times. This was because in 2016, the Company had gradually payback some of its long-term debt to financial institutions. And as a result, ratio of its total debts to equity was decreased from 2.64 to 1.99 times.

6. Current Liabilities and Contingencies

As of 31 December 2016, the Company's current liabilities and contingencies were, as follow:

6.1 The Company has a letter of guarantee, which was issued by a domestic commercial bank. The letter was concerned the Company's general liabilities under commercial contract, which was a typical manner of this business. The balance of such letter of guarantee, as of 31 December 2016, was 101.72 million Baht.

6.2 Contractual liabilities were, as follow:

6.2.1 Liability to pay for its office's rents and services. Such contract will end on 14 August 2017, and for the amount of 2.83 million Baht. There are also rents for land lease, which is used as storage for its construction machinery and equipment. The lease will end on 30 April 2018, and for the amount of 0.45 million Baht.

6.2.2 Payment per construction contract, for the amount of 25.74 million Baht, and another contract for a property development project, for the amount of 10.32 million Baht.

Major factors and influences that may affect the Company's operation or financial position in the future

Factors of Industry Condition

Because construction business is a kind of servicing business; therefore, an influential factor that will affect the Company's performance in the future are demand of its customer or client. In turn, their demand will be subjected to investment policy of government and private sector, which is another factor that influences amount of construction work. However, the Company's other important factor for its business is competency of its director, executive and staff; in term of their ability to seek for new construction job for the company. Also, the amount of work and value of the project that the Company is engaged into must be conformed to its working capital. The Company's sources of working capital are its own capital and loan from commercial bank and other financial institution. Moreover, the Company will have to control costs of construction contract, such as, cost of construction material, transport, labor, and administrative cost, as well as other financial costs, at an appropriate level.

Although property development business presents good rate of return, however, there are several more factors that influence the Company's operation; in term of its ability to acquire land of high potential at the right price, at a good location; as well as its designing and pricing, all of which have to be in line with demands of the Company's targeted customers, too.

Change of Major Shareholders

Though the Company was found since 1989, where the Company had faced the change of its major shareholder, namely, Mrs. Napat Sihanatkathakul group had become its major shareholders. And though the Company had changed its executives and administrative policies, and engaged into construction business since 2000; the Company still has no policy to focus its construction business in any particular industry. As a result, the Company enjoyed quite uncertain income for the last couple years.

And since 2010, the Company had engaged into property development business as another option. Its first project, under the name of "Focus on Saladaeng", was well accepted. The Company initiated its second project, under the name "Focus Ploenchit", which is located on Sukhumvit Soi 2; and it had transferred title deeds in this project to its customers since May 2015. Moreover, in 2016, the Company had expanded and invested in waste disposal service and waste energy production business, where, after all this time, it was, and it is, warmly supported by its major shareholders.

Disclosure of Auditors' Remuneration

Audit Fee

The Company and its subsidiaries paid the following audit fee(s) to:

- 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 was related to the auditor and the office which employed such auditor, during the previous accounting period, for the total amount of 800,000.- Baht

Non-Audit Fee

- The Company and its subsidiaries paid the non-audit fee 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