



Part 3

Financial Position and Operating Performance

13. Financial Statements

13.1 Auditor and summary of auditor's report

The auditor's report of the financial statements of the company and its subsidiaries for the year 2014 – 2016

For the year 2014

Audited financial statements : Ended 31 December 2014

Auditor : DIA International Auditing Company Limited
By Mrs. Wilairat Rotnakarin, certified public accountant, registration no. 3104
who has been granted license from the Office of the Securities and Exchange Commission.

Auditor's comment : Exhibits unqualified opinion that the consolidated financial statement and separate statement
of consolidated financial position and separate financial position, consolidated operation results and separate operation result, consolidated cash flow, and separate cash flow present fairly
in all material respects and be in accordance with financial reporting standard.

For the year 2015

Audited financial statements : Ended 31 December 2015

Auditor : DIA International Auditing Company Limited
By Mrs. Wilairat Rotnakarin, certified public accountant, registration no. 3104
who has been granted license from the Office of the Securities and Exchange Commission.

Auditor's comment : Exhibits unqualified opinion that the consolidated financial statement and separate Statement
of consolidated financial position and separate financial position, consolidated operation results and separate operation result, consolidated cash flow, and separate cash flow present fairly
in all material respects and be in accordance with financial reporting standard.



For the year 2016

Audited financial statements : Ended 31 December 2016

Auditor : DIA International Auditing Company Limited

By Miss Supaporn Mungjit, certified public accountant , registration no. 8125 who has been granted license from the Office of the Securities and Exchange Commission.

Auditor's comment : Exhibits unqualified opinion that the consolidated financial statement and separate Statement of consolidated financial position and separate financial position, consolidated operation results and separate operation result, consolidated cash flow, and separate cash flow present fairly in all material respects and be in accordance with financial reporting standard.



13.2 Summary of financial condition and results of operations. (Consolidated)

Financial Statements

(a) Summary of Financial Statements and Operation

STATEMENTS OF FINANCIAL POSITION	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Cash and cash equivalents	36.04	15.42%	15.83	7.26%	41.97	14.39%
Current investment	83.85	35.88%	82.42	37.82%	64.05	21.96%
Trade accounts receivable - net	39.52	16.91%	34.90	16.01%	84.39	28.94%
Trade accounts receivable	41.84	17.90%	36.07	16.55%	91.61	31.41%
Allowance for doubtful accounts	(2.32)	(0.99%)	(1.17)	(0.54%)	(7.22)	(2.48%)
Other receivables	6.26	2.68%	10.87	4.99%	12.14	4.16%
Total current assets	165.67	70.90%	144.02	66.09%	202.55	69.45%
Investments in subsidiaries and associate	2.49	1.07%	2.46	1.13%	2.39	0.82%
Investments in joint venture	2.94	1.26%	3.39	1.56%	3.77	1.29%
Investment properties	0.46	0.20%	0.46	0.21%	0.46	0.16%
Property, plant and equipment	9.29	3.98%	9.87	4.53%	9.35	3.21%
Intangible assets	2.58	1.10%	2.93	1.34%	2.78	0.95%
Pledged fixed deposit	12.76	5.46%	12.89	5.91%	44.20	15.16%
Long-term loans to related parties	9.00	3.85%	9.00	4.13%	0.00	0.00%
Deferred tax assets	5.68	2.43%	4.86	2.23%	5.13	1.76%
Retention	15.30	6.55%	18.36	8.42%	14.55	4.99%
Other non-current assets	7.51	3.21%	9.69	4.45%	6.46	2.22%
Total non-current assets	68.01	29.10%	73.91	33.91%	89.09	30.55%
Total assets	233.68	100.00%	217.93	100.00%	291.64	100.00%
Bank overdrafts	0.00	0.00%	0.00	0.00%	0.00	0.00%
Trade and other payables	29.75	12.73%	21.54	9.88%	46.58	15.97%
Current portion of financial lease liabilities	0.12	0.05%	0.06	0.03%	0.00	0.00%
Accrued income tax	0.00	0.00%	0.00	0.00%	2.52	0.86%
Total current liabilities	29.87	12.78%	21.60	9.91%	49.10	16.84%
Financial lease liabilities	0.06	0.03%	0.00	0.00%	0.00	0.00%
Employee benefit provisions	24.11	10.32%	23.28	10.68%	25.56	8.76%
Total non-current liabilities	24.17	10.34%	23.28	10.68%	25.56	8.76%
Total liabilities	54.04	23.13%	44.88	20.59%	74.66	25.60%



STATEMENTS OF FINANCIAL POSITION	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Authorized share capital	100.00	42.79%	100.00	45.89%	180.00	61.72%
Issued and paid-up share capital	100.00	42.79%	100.00	45.89%	120.00	41.15%
Premium on share capital	48.31	20.67%	48.31	22.17%	48.31	16.56%
Unrealized gain on changes in investment valuation	(0.15)	(0.06%)	0.13	0.06%	11.83	4.06%
Retained earnings						
Appropriated	3.28	1.40%	3.50	1.61%	5.15	1.77%
Unappropriated	28.29	12.11%	21.80	10.00%	30.09	10.32%
Other components of shareholders' equity	(0.15)	(0.06%)	0.13	0.06%	0.90	0.31%
Total owners of the Company	179.73	76.91%	173.74	79.72%	216.28	74.16%
Non-controlling interests	(0.09)	(0.04%)	(0.69)	(0.32%)	0.70	0.24%
Total shareholders' equity	179.64	76.87%	173.05	79.41%	216.98	74.40%
Total liabilities and shareholders' equity	233.68	100.00%	217.93	100.00%	291.64	100.00%



STATEMENTS OF FINANCIAL POSITION	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Services and sales income	263.65	100.00%	234.22	100.00%	306.92	100.00%
Services income	263.65	100.00%	234.22	100.00%	306.92	100.00%
Cost of services and sales	178.20	67.59%	172.48	73.64%	206.24	67.20%
Cost of services	178.20	67.59%	172.48	73.64%	206.24	67.20%
Cost of sales	85.45	32.41%	61.74	26.36%	100.68	32.80%
Gross profit	3.16	1.20%	4.71	2.01%	12.17	3.97%
Other income	88.61	33.61%	66.45	28.37%	112.85	36.77%
Profit before expenses	65.06	24.68%	62.21	26.56%	64.67	21.07%
Administrative expenses	1.14	0.43%	(1.14)	(0.49%)	6.91	2.25%
Share of profit (loss) on investment in associate and joint venture	0.60	0.23%	(0.41)	(0.18%)	0.31	0.10%
Profit before finance cost and income tax	23.01	8.73%	5.79	2.47%	41.58	13.55%
Finance costs	0.02	0.01%	0.00	0.00%	0.00	0.00%
Profit before income tax	22.99	8.72%	5.79	2.47%	41.58	13.55%
Income tax expenses	5.40	2.05%	3.01	1.29%	9.68	3.15%
Profit (loss) for the year	17.59	6.67%	2.78	1.19%	31.90	10.39%
Other comprehensive income (expense) - net of tax	(0.02)	(0.01%)	2.62	1.12%	0.77	0.25%
Total comprehensive income for the year	17.57	6.66%	5.40	2.31%	32.67	10.64%
Total income attributable to						
Owners of the Company	17.72	6.72%	3.39	1.45%	32.17	10.48%
Non-controlling interests	(0.13)	(0.05%)	(0.61)	(0.26%)	(0.27)	-0.09%
Total comprehensive income attributable to						
Owners of the Company	17.70	6.71%	6.01	2.57%	32.94	10.73%
Non-controlling interests	(0.13)	(0.05%)	(0.61)	(0.26%)	(0.27)	(0.09%)
Earnings per share # owners of the Company	0.044		0.008		0.067	
Ordinary shares of par (Baht / Shares)	0.25		0.25		0.25	
Issued and paid-up share capital	400.00		400.00		480.00	



STATEMENTS OF CASH FLOW	AUDITED 2014	AUDITED 2015	AUDITED 2016
	Million Baht	Million Baht	Million Baht
Profit (loss) before income tax	22.99	5.79	41.58
Adjustment net profit to cash receipt (disbursement)	5.54	(0.55)	3.91
Profit from operation before changes in operating assets and liabilities	28.53	5.24	45.49
Trade and other receivables	12.19	1.16	(59.49)
Retention	(0.89)	(3.07)	3.82
Other non-current assets	1.05	(0.13)	0.04
(Increase) Decrease in assets from operation	12.35	(2.04)	(55.63)
Trade and other payables	8.29	(5.57)	24.87
Employee benefit provisions	(2.61)	(1.09)	(1.60)
Increase (Decrease) in liabilities from operation	5.68	(6.66)	23.27
Cash generated (paid) from operation	46.56	(3.46)	13.13
Interest paid	(0.03)	0.00	0.00
Corporate income tax paid	(8.96)	(6.46)	(8.13)
Income tax deducted at source received	0.00	0.00	2.85
Net cash provided by (used in) operating activities	37.57	(9.92)	7.85
Proceeds from dividend	0.75	1.01	1.59
Payments investments in joint venture	(101.57)	(59.05)	(139.29)
Proceeds from sales of current investment	88.37	62.86	162.25
Pledged fixed deposit	(0.17)	(0.12)	(31.31)
Payments for investment in subsidiaries and associate	0.00	0.00	4.00
Proceeds from sales of assets	0.00	0.00	10.03
Payments for property, plant and equipment acquisition	0.00	0.00	1.96
Payments for intangible assets acquisition	0.02	0.00	0.19
Long-term loans	(1.10)	(2.14)	(1.19)
Net cash provided by (used in) investing activities	(1.02)	(0.72)	(0.74)
Increase (Decrease) in bank overdrafts	(14.72)	1.84	7.49
Payments for financial lease liabilities	(0.12)	(0.13)	(0.06)
Dividend paid	0.00	0.00	11.83
Proceeds from non-controlling interests	(16.00)	(12.00)	(2.24)
Net cash provided by (used in) financing activities	0.00	0.00	1.67
Net increase (decrease) in cash and cash equivalents	(16.12)	(12.13)	11.20
Cash and cash equivalents as at January 1	0.00	0.00	(0.40)
Cash and cash equivalents as at December 31	6.73	(20.21)	26.14



FINANCIAL RATIOS	Unit	AUDITED 2014	AUDITED 2015	AUDITED 2016
Liquidity Ratios				
Liquidity Ratios	Time	5.55	6.67	4.13
Cash Flow Ratio	Time	1.45	0.31	0.22
Accounts receivable turnover	Time	5.55	6.01	4.81
Average collection period	Day	65	60	75
Accounts payable turnover	Time	6.96	6.73	6.06
Period is payable	Day	52	54	59
Cash Cycle	Day	13	6	16
Profitability Ratios				
Margin	%	32.41%	26.36%	32.80%
Operating margin	%	8.73%	2.47%	13.55%
Cash to profitability	%	163.28%	-171.33%	18.88%
Net margin	%	6.64%	1.42%	10.08%
Return on equity	%	9.91%	1.92%	16.50%
Efficiency Ratios				
Return on assets	%	7.77%	1.50%	12.63%
Return on assets	%	26.83%	7.48%	41.79%
Asset Turnover	Time	1.17	1.06	1.25
Financial Policy Ratios				
Debt to equity shares	Time	0.30	0.26	0.34
Interest Coverage Ratio	Time	2,149.50	0.00	0.00
Charge Coverage Ratio (Cash basis)	Time	2.06	(0.66)	1.86
Dividend Payout	%	78.59%	554.75%	90.68%



(b) Summary of financial condition and results of operations. (Separate Financial Statements)

Project Planning Service Public Company Limited

Summary of Financial Position And Performance	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Total assets	234.21	100.00%	219.91	100.00%	293.45	100.00%
Total liabilities	52.95	22.61%	43.90	19.96%	73.80	25.15%
Total shareholders' equity	181.26	77.39%	176.01	80.04%	219.65	74.85%
Total income	256.35	100.00%	218.35	100.00%	293.98	100.00%
Profit (loss) for the year	16.27	6.35%	4.23	1.94%	32.87	11.18%

Financial Ratios		2014	2015	2016
Liquidity Ratios	Time	5.87	7.17	3.95
Debt to equity shares Ratios	Time	0.29	0.25	0.34
Return on assets Ratios	%	7.09%	1.86%	12.81%
Return on equity Ratios	%	8.98%	2.37%	16.62%

PPS Design Co., Ltd. (PPS subsidiary, which holds 99.99% of the share capital.)

Summary of Financial Position And Performance	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht		Million Baht	%
Total assets	8.36	100.00%	7.90	100.00%	11.50	100.00%
Total liabilities	8.08	96.65%	11.23	142.15%	13.85	120.43%
Total shareholders' equity	0.28	3.35%	(3.33)	(42.15%)	(2.35)	(20.43%)
Total income	7.59	100.00%	4.48	100.00%	15.30	100.00%
Profit (loss) for the year	(1.42)	(18.71%)	(3.67)	(81.92%)	0.98	6.41%

Financial Ratios		2014	2015	2016
Liquidity Ratios	Time	0.51	0.35	0.54
Debt to equity shares Ratios	Time	28.86	(3.37)	(5.89)
Return on assets Ratios	%	(19.03%)	(45.14%)	10.10%
Return on equity Ratios	%	(144.16%)	240.66%	(34.51%)



PPS Information Consultant Co., Ltd (PPS subsidiary, which holds 90% of the share capital.)

Summary of Financial Position And Performance	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Total assets	1.51	100.00%	3.91	100.00%	8.87	100.00%
Total liabilities	2.42	160.27%	9.90	253.20%	9.95	112.18%
Total shareholders' equity	(0.91)	(60.27%)	(5.99)	(153.20%)	(1.08)	(12.18%)
Total income	2.99	100.00%	4.65	100.00%	8.09	100.00%
Profit (loss) for the year	(1.33)	(44.49%)	(5.12)	(110.11%)	0.91	11.25%

Financial Ratios		2014	2015	2016
Liquidity Ratios	เท่า	0.40	0.25	0.72
Debt to equity shares Ratios	เท่า	(2.66)	(1.65)	(9.21)
Return on assets Ratios	%	(79.17%)	(188.93%)	14.24%
Return on equity Ratios	%	542.86%	148.41%	(25.71%)

ENSEMBLE EQUITY PTE. LTD. (PPS subsidiary, which holds 90.00% of the share capital.)

Summary of Financial Position And Performance	AUDITED December 31, 2014		AUDITED December 31, 2015		AUDITED December 31, 2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Total assets	0.00	0.00%	0.00	0.00%	10.14	100.00%
Total liabilities	0.00	0.00%	0.00	0.00%	0.19	1.87%
Total shareholders' equity	0.00	0.00%	0.00	0.00%	9.95	98.13%
Total income	0.00	0.00%	0.00	0.00%	0.00	100.00%
Profit (loss) for the year	0.00	0.00%	0.00	0.00%	(2.59)	(-100%)

Financial Ratios		2014	2015	2016
Liquidity Ratios	เท่า	0.00	0.00	53.37
Debt to equity shares Ratios	เท่า	0.00	0.00	0.02
Return on assets Ratios	%	0.00%	0.00%	(25.54%)
Return on equity Ratios	%	0.00%	0.00%	(26.03%)



14. Management Discussion and Analysis

Operating result

(A) Overview of the operating result

The company operates an engineering consultancy business to provide consulting service and project construction management service for various construction projects. The service offered is a long-term consultancy service which can be segregated into two categories as below:

- 1) The fixed-revenue contract (lump sum fixed price contract) where the company realizes the revenue from service providing on a percentage of completion method when a completion can be accurately estimated in accordance to the proportionate cost of service as incurred to the total estimated cost of service. The company bills the invoice on a monthly basis according to the amount in the contract.
- 2) The monthly-based payment contract where the company realizes the revenue when the service provided is completed and the service fee will be charged on a monthly basis according to the actual number of staffs involved in the project by calculating from the professional service fee for each profession stated in the contract.

Overview of the Company and subsidiary's operating result in year 2016 is significantly expanded comparing to 2015. Total revenue of the company and the subsidiaries in year 2014 to 2016 were 266.81 million Baht in 2014, but dropped to 238.93 million Baht in 2015 and raising up to 319.10 million Baht in 2016 respectively. The increasing of revenue in 2016 were from Supervision services of construction project for the second phase of Suvarnabhumi International airport and many projects were in full growth period. The government sector's portion of our revenue in 2016 is increasing as planned since early of the year however we will not drop down our strength in the private sector's market. Furthermore, we are in penetration into new markets and new potential customers as business partner to ensure our secured revenue. In 2016, we have successfully expanded into factory sector and data center projects.

The AEC market was unsuccessful in 2016. The project in Vientiane; Lao PDR obtained since late of 2015 was cancelled from customer's decision. Our effort to obtain other projects in Lao PDR throughout year 2016 was unsuccessful. For Cambodia market, we have only engineering design work from a subsidiary company without expansion to higher revenue from construction management services. There is uncertainty on initiation of projects in Myanmar market from obstacle of local legal and regulations. Therefore, revenue portion from AEC market in 2016 was not significant portion.

The net profits (attributed to owners of the company) were 17.72 million Baht in 2014 dropped down to 3.39 million Baht in 2015 and raising up to 32.18 million Baht in 2016 respectively. The significant increase of net profit in year 2016 is resulting from revenue.

**(B) Analysis of the operating result****Revenue**

The company and the subsidiaries have earned the revenue from providing consultancy and project construction management service. The accounting policy of the company to realize the revenue differs according to the 2 contract types as stated in section (A).

For the fiscal year of 2014-2016, the revenues of the company and the subsidiaries were 266.81 million Baht in 2014, 238.92 million Baht in 2015 and 319.10 million Baht in 2016 respectively. The details can be shown as below.

	2014		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from service	263.65	98.82%	234.22	98.03%	306.92	96.18%
Other revenue	3.16	1.18%	4.71	1.97%	12.18	3.82%
Total revenue	266.81	100.00%	238.93	100.00%	319.10	100.00%

Revenue from service

For the fiscal year of 2014-2016, the revenue of the company and the subsidiaries were from 263.65 million Baht in 2014 dropped down to 234.22 million Baht in 2015 and increasing up to 306.92 million Baht in 2016 respectively.

In year 2016, the company earned 306.92 million Baht which was increased 72.70 million Baht (31.04%) from previous year by provision of service to 39 consecutive projects (earned 172.14 million Baht) from previous year and 73 new projects commenced in year (earned 127.98 million Baht). Revenue from design works was 5.24 million Baht and revenue from digital & media business earned 1.56 million Baht.

The revenue was increased from Supervision services of construction project for the second phase of Suvarnabhumi International airport and many projects were in fully realized of revenue in year 2016. The government sector's portion of our revenue in 2016 is increasing as planned although some effects from contract amendment under severe price competition in local market.



The revenue of company and the subsidiaries can be categorized into revenue from consecutive projects and new projects in each fiscal year, and the number of projects that were serviced and realized for each fiscal year during 2014-2016 as below

	2014		2015		2016	
	Million Baht	%	Million Baht	%	Million Baht	%
1. Revenue from consecutive projects	223.46	51	161.87	38	175.45	46
2. Revenue from new projects	40.09	31	59.74	40	129.91	77
3. Revenue from event / media	0.00		12.61		1.56	
Total revenue from service	263.65	82	234.22	78	306.92	123

Other revenue

Other sources of revenue from the company and the subsidiaries were interest received, profit from selling of financial investment and other revenue. During fiscal year 2014-2016 the company and the subsidiaries have earned 3.16 million Baht, 4.71 million Baht and 12.18 million Baht respectively as other revenue. Other revenue in year 2016 was mainly earned from 2.02 million Baht of interest received, 1.73 million Baht of profit from selling of financial investment, 1.59 million Baht of dividend received from investment unit fund, 4.00 million Baht from selling of investment in the joint company and 1.97 million Baht from contract amendment in the joint company.

Cost of Services and gross profit margin

Cost of services of the Company and the subsidiaries are comprised of major items such as salary, benefits, personnel expense for directors, project managers, engineers, technical specialists, and project secretaries. The company recorded the cost according to the actual number of staffs in each project in accordance with the consultancy contract. Other service costs are comprised of project management expense and traveling expense for example. Additional consultancy cost are applicable for some projects which the company has to employed external specialists.

For the fiscal year of 2014-2016, the company and the subsidiaries' cost of services were 178.20 million Baht, 178.20 million Baht and 206.24 million Baht or 67.59 % and 73.64 % and 67.19 % of the revenue from service respectively. The increased cost of services in year 2016 was in lower rate of increasing in revenue was mainly caused by effective cost & expenses management.

For the fiscal year of 2014-2016, the company and the subsidiaries have a gross profit margin at 85.46 million Baht, 61.74 million Baht and 100.69 million Baht or 32.41 % , 26.36 % and 32.81 % of the total revenue from selling and service respectively.

Administrative expense

Administrative expense of the company and the subsidiaries were primarily consisted of office personnel, including management, and other management expense such as vehicle and transportation expenses of management and employees, and financial, tax, and legal consultancy fee for example. The company and the subsidiaries' administrative expense during fiscal year 2014-2015 were at 65.06 million Baht and 62.19 million Baht respectively.

For 2016, the administrative expense of the company and the subsidiaries was at 64.67 million Baht, increased of 2.48 million Baht or 3.99 % resulting from effective expenses management.

**Other expenses**

For the fiscal year of 2014, the company and the subsidiaries have other expenses of provision to doubtful debt for 1.14 million Baht (0.43% of revenue). Provision and record of doubtful debt to 3 customers is conformed to the Company's policy. However in early of year 2015, the Company and the subsidiaries have been partial paid on debts from all of 3 debtors under practically legal performed to protect the Company's benefits. Such expenses of doubtful debts will be reverted after received payments from debtors.

For the fiscal year of 2016, the company and the subsidiaries have other expenses for 6.92 million Baht (2.25 % of revenue) from asset disposal on project developed with a joint company for 0.60 million Baht, provision of doubtful debt for a pending construction project for 4.53 million Baht and provision of doubtful debt for amended contract of design work for 1.09 million Baht.

Net profit and net profit ratio

Fiscal year	2014	2015	2016
Net profit	17.72	3.39	32.18
Net profit ratio	6.64%	1.42%	10.08%
Average shareholder's equity	178.85	176.34	195.02
Return on equity	9.91%	1.92%	16.50%
Dividend payout	12.00	22.24	28.21
Dividend payout ratio	71.77%	554.72%	90.68%

For the fiscal year of 2014-2015, the company and the subsidiaries have a net profit margin (parent company part only) of 17.72 million Baht and 3.39 million Baht respectively or 6.64 % and 1.42 % of the revenue from service respectively.

For the fiscal year of 2016, the company and the subsidiaries have a net profit margin (parent company part only) of 32.18 million Baht or 10.08 % of the revenue from service. The increase of net profit from previous year was caused by effective cost & expenses management and profit from selling of investment in joint company.

Return on shareholder's equity

The company and the subsidiaries' return on equity were 9.91 % and 1.92 % during the fiscal year of 2014-2015. The average return on equity (only for the parent company) were 178.85 million Baht and 173.74 million Baht respectively.

The company and the subsidiaries' return on equity was 16.50 % during the fiscal year of 2016, an extreme increase of 759.78 %. The shareholder's equity (only for the parent company) was 216.28 million Baht. The increment of the shareholder's equity in comparison to 2015 was resulting from increase of net profit of 28.79 million Baht or 849.26 %.

Financial position and assets

The net assets of the company and the subsidiaries were valued at 233.68 million Baht, 217.93 million Baht and 291.64 million Baht on 31 December 2014, 31 December 2015, and 31 December 2016 respectively. Total assets in 2016 were increased by 73.71 million Baht or 33.82 % from the previous year. The examples of assets were 26.14 million Baht in cash and cash equivalent and 49.49 million Baht in account receivables.



- **Cash and cash equivalent**

On 31 December 2014, 31 December 2015 and 31 December 2016, the company and the subsidiaries possessed 36.04 million Baht 15.83 million Baht and 41.97 million Baht of cash and cash equivalent respectively mainly be cash advance and petty cash for project sites (5,000 Baht to 25,000 Baht per project). Remaining parts is bank deposit as saving accounts, current accounts and fixed deposit accounts.

As of 31 December 2016, the company and the subsidiaries possessed 41.97 million Baht of cash and cash equivalent, an increment of 26.14 million Baht or 165.13 % from previous year resulting from effective account receivables collection, advance payment of ordinary shares from exercise of PPS-W1 and increase of investment management. year.

- **Account receivables, other receivables, and allowance for doubtful debt**

(Unit: Million baht)

Maturity	December 31, 2014	December 31, 2015	December 31, 2016
Not yet due	25.20	25.99	73.01
During 1-90 days	13.86	7.75	16.35
During 91-180 days	0.62	1.24	0
During 181-365 days	0.00	0.00	1.16
Over 365 days	2.17	1.10	1.09
Total	41.85	36.08	91.61
<u>Less</u> allowance for doubtful debt	(2.32)	(1.18)	(7.22)
Net account receivables	39.53	34.90	84.39

The Company's account receivables were coming from the 30-day credit term offered to the customers after the invoice date, however, the company has a collection process from project owners which has a specific monthly schedule such as invoice date and cheque collection date for example, in order to collect the receivables in the scheduled time period.

As of 31 December 2014 and 31 December 2015, the company and the subsidiaries were having 39.53 million Baht and 34.90 million Baht in net account receivables and other receivables, respectively. As of 31 December 2016, the company has 84.39 million Baht in account receivables and other receivables, an increase of 49.49 million Baht was in line with increase of revenue growth.

As of 31 December 2016 the company and the subsidiaries have an increment in net account receivables and other receivables with more than 365 days of 6.04 million Baht of doubtful debt from a pending construction project for 4.53 million Baht and provision of doubtful debt for amended contract of design work for 1.09 million Baht.

- **Retention**

As of 31 December 2014 and 31 December 2015, the company and the subsidiaries have a retention valued at 15.30 million Baht and 18.36 million Baht respectively; this is to comply with the project management contract that requires the retention. The owner of large-scale projects or high-value or government-owned projects would deduct the retention from the invoiced amount for approximately 5-10 percent of the project value. The average warranty period is 1 year from the delivery date.



As of 31 December 2016, the company and the subsidiaries have a retention valued at 14.55 million Baht, decreased from the year earlier, as the company has successfully released back outstanding long period retention money for 5.88 million Baht.

- **Land, building and equipment**

As of 31 December 2014 and 31 December 2015, the company and the subsidiaries possessed 9.29 million Baht and 9.87 million Baht worth of net land, building and equipment, respectively. This comprised of the land and building of the head office, the decoration, facilities, office furniture, durable foods, and vehicles, etc.

As of 31 December 2016, the company and the subsidiaries possessed 9.35 million Baht worth of net property and equipment. During the year 2016, the company has invested in office furniture and equipments, depreciation according to normal accounting practices, asset disposal on project developed with a joint company for 0.60 million Baht, un utilization of design on office renovation for 0.22 million Baht and selling of one car used for project work.

- **Fixed deposits with pledged guarantee**

As of 31 December 2014 and 31 December 2015, the company and the subsidiaries were having 12.76 million Baht and 12.89 million Baht in fixed deposits with pledged guarantee respectively, a slight increase from return on investment in banking.

As of 31 December 2016, the company and the subsidiaries were having 44.20 million Baht in fixed deposits with pledged guarantee, a significant increase from bank deposit as underlying asset for bank guarantee of performance bond for Suvarnabhumi airport phase 2 project.

Capital source

- **Liabilities**

As of 31 December 2014, 31 December 2015, and 31 December 2016, the company and the subsidiaries were having 54.04 million Baht, 44.88 million Baht and 74.66 million Baht for total liabilities respectively. The increase of total liabilities in year 2016 were from increase of account payables and liabilities from provision of employee's benefits. The company and subsidiaries have no outstanding loan or debts to any banks or financial institutions. Description of major items in the liabilities is listed below

- **Account payables and other payables**

As of 31 December 2014 and 31 December 2015, the company and the subsidiaries were having 29.75 million Baht and 21.54 million Baht in account payables, respectively. The company was having account payables because some project owners would like to hire the overall project management and the company does not have a specialist according to the requirement from project owners, so the company has hired external specialists. Other payables are inclusive of unpaid expenses and unearned revenue for example.

As of 31 December 2016, the company and the subsidiaries were having 46.59 million Baht in account payables and other payables. Account payables amount was 3.66 million Baht and other payable amount was 42.93 million Baht, which was comprised of 10.19 million Baht unpaid expenses, 24.37 million Baht advance payment received (16.45 million Baht from Suvarnabhumi airport phase 2 project), 3.44 million Baht of payable bills and 4.93 million Baht of other payables for example.



○ Employee benefit liabilities estimation

As of 31 December 2014, 31 December 2015 and 31 December 2016, the company and the subsidiaries were having 24.11 million Baht, 23.28 million Baht and 25.56 million Baht in employee benefits respectively, a net increase of 2.27 million Baht or 9.75 %. The increase of 3.87 million Baht in record of provision but decrease of employee's retirement benefits of 1.60 million Baht.

● Shareholder's equity

As of 31 December 2014, 31 December 2015 and 31 December 2016, the company was having 179.73 million Baht, 173.74 million Baht and 216.98 million Baht in shareholder's equity, respectively. The shareholder's equity in 2016 was increased from previous year as a result of capital increase from stock dividend of 19.99 million Baht, advance payment of ordinary shares from exercise of PPS-W1 for 11.83 million Baht, net profit in year 2016 and decrease from dividend payout of 22.24 million Baht.

● Capital structure

The company and the subsidiaries have the debt to equity ratio (D/E ratio) of 0.30 times, 0.26 times and 0.34 times at the end of 2014, 2015, and 2016 respectively (calculated from total liabilities divided by the parent's company equity on the same year-end date). The debt to equity ratio in 2016 was increased from previous year as the increasing of the company and the subsidiaries' debts especially account payables, other payables, accrued expenses and the employee benefits.

Liquidity

	Unit	December 31, 2014	December 31, 2015	December 31, 2016
Cash and cash equivalent	million Baht	36.04	15.83	41.97
Current assets	million Baht	165.67	144.02	202.55
Current liabilities	million Baht	29.87	21.60	49.11
Current ratio (Current assets/Current liabilities)	times	5.55	6.67	4.13
Cash flow from operation	million Baht	37.57	(9.93)	7.85

Current ratio at the end of 2016 was 4.13 times, decreased from the year 2015 as increase of current liabilities were greater than increase of current assets. The company still had high liquidity with increased of current assets for 58.53 million Baht (40.64 %) whilst increased of current liabilities for 27.51 million Baht (127.36 %).

The company and the subsidiaries' cash flow from operation was positive of 7.85 million Baht in 2016, this reflects an efficient collection of account receivables and on due of account payables, management to release of retention and refund of over paid from withholding of company's tax.

Investment expense

The company and the subsidiaries have no significant investment expense in 2016. The investment expense was only buying office stationary and minor office building decoration.