

## Part 3 Finance

### Summary of Financial Statements

Consolidated Financial Statements		2013	2014	2015
<b>Operational Performance</b>				
(Total revenues)		847.39	2,613.11	3,207.38
(Revenues from sales of real estate)		835.98	2,596.53	3,131.13
(Gross profit)		254.74	879.82	1,395.56
(Net profit)		130.28	502.62	702.50
<b>Financial Statements</b>				
(Total assets)		5,623.22	9,129.57	8,905.65
(Total liabilities)		3,982.22	3,953.12	3,800.33
(Shareholders' equity)		1,641.00	5,176.45	5,105.32
<b>Liquidity Ratio</b>				
(Current ratio)	(Time)	1.84	2.66	2.49
<b>Financial Ration</b>				
Average Return on Assets (Average ROA)	%	4.43	8.52	10.65
Average Return on Equity (Average ROE)	%	12.44	14.75	13.66
Operating profit margin	%	15.37	24.05	29.95
Gross profit margin	%	30.47	33.88	45.29
Earnings per Share (EPS)	(Baht)	0.04	0.15	0.22
Net profit Per share*	(Baht/Share)	0.07	0.16	0.17
Book value per share*	(Baht/Share)	0.55	1.23	1.22
<b>Leverage Ratios</b>				
Debt to Asset ratio	(Time)	0.71	0.43	0.43
Debt to Equity Ratio (D/E ratio)*	(Time)	2.43	0.76	0.74

\*Weighted average shares

## Management Discussion and Analysis

### 14.1 PERFORMANCE ANALYSIS

#### Overview of the Company and subsidiary

J.S.P. Property Public Company Limited and subsidiary doing the business of real estate development in commercial low rise, types of developed project are commercial building and community mall for sales, short or long term rental and residence projects such as townhome and condominium.

As of December 31, 2015 the subsidiary had developed project and 1 closed of sales project is J.S.P. residence (Sathorn-Rama3) and 6 developing projects are 1) Sampeng 2 2) Tulip square 3) Miami Bangpu 4) Sampeng 2 condominium 5) JSP City Sukhumvit-Praeksa 6) JSP City Rangsit-Klong1 , estimated total value of 23,037 Million Baht, Sampeng 2 project is includes 4 phases such as Sampeng 2 phase1-phase 4.

The Company and subsidiary had revenue from doing the business divided in 1) revenue from real estate sales 2) revenue from service and 3) other income by the financial statement ended on December 31, 2014 and 2015. The Company and subsidiary had revenue from doing the business as 2,613.11 Million Baht and 3,027.38 Million Baht respectively, divided in revenue from real estate sales 2,596.53 Million Baht and 3,131.13 Million Baht or 99.37 percent and 97.62 percent of total revenue respectively. Revenue from service as 0.00 Million Baht and 2.58 Million Baht or 0.00 percent and 0.08 percent of total revenue respectively and other income were 16.58 Million Baht and 73.67 Million Baht or 0.63 percent and 2.30 percent of total revenue respectively.

#### Overview of operation

The company and subsidiary had total revenue for year 2014 and 2015 as 2,613.11 Million and 3,131.13 Million Baht respectively, the increasing of total revenue for the year 2015 was the result of revenue recognition of Sampeng 2 phase 3, Sampeng 2 phase 4 and Tulip Square.

Gross profit from real estate sales for the year 2014 and 2015 were 879.82 Million baht and 1,418.23 Million Baht respectively, the gross profit rate from real estate sales as 33.88 percent and 45.29 percent respectively. It can be seen the gross profit rate for the year 2015 was increased steadily from the year 2014 because the Company and subsidiary have large real estate development project affected to the power to bargain with suppliers and it can develop more efficient cost management respectively.

The performance of The Company and subsidiary can analyze following the details are as follows:

#### Revenue

Total revenue of the Company and subsidiary includes revenue from real estate sales, revenue from the service and other income for year 2014 and 2015 the Company and subsidiary had total revenue as 2,613.11 Million baht and 3,207.38 respectively, total revenue was increasing from real estate sales increased from the year 2014 as 594.27 Million Baht or calculated increasing rate of 22.74 percent. Altogether total revenue increased from revenue from real estate sales

The revenue from real estate sales of the Company and subsidiary includes revenue from townhome sales and commercial building and it was sales before construction completed and will know revenue recognition when transferred ownership to customers on every projects.

The revenue structure of the Company and subsidiary for year 2013, 2014 and 2015 are as follows:

Unit : Million Baht

Property type	Operate by	2013		2014		2015	
		Revenue	%	Revenue	%	Revenue	%
Revenue from Sales							
J.S.P. Residence (Sathorn - Rama3) - Townhome	JSP	14.89	1.76	-	-	-	-
Sampeng 2 Phase 1 – (Commercial building)	CNC	536.18	63.27	817.24	31.27	48.61	1.51
Sampeng 2 Phase 2 – (Commercial building)	JGL	278.82	32.90	1,761.57	67.42	134.52	4.19
Sampeng 2 Phase 3 – (Commercial building)	SPZ	-	-	-	-	159.05	4.96
Sampeng 2 Phase 4 – (Commercial building)	JSP	-	-	17.72	0.68	2,443.07	76.17
Tulip Square	JSP	-	-	-	-	246.53	7.69
Tulip Condo	JSP	-	-	-	-	99.35	3.10
Land	JGL	6.09	0.72	-	-	-	-
revenue from the service	JPM	5.60	0.66	-	-	2.58	0.08
Other income		5.81	0.69	16.58	0.63	73.67	2.30
Total		847.39	100.00	2,613.11	100.00	3,207.38	100.00

The transferring status for real estate sales value of the Company and subsidiary for the year 2013, 2014 and 2015 are as follows:

	2013	2014	2015
List	Percent of total project value	Percent of total project value	Percent of total project value
<b>Project</b>			
J.S.P. Residence (Sathorn – Rama 3) (Townhome)	100.00%	-	-
Sampeng 2 Phase 1 (CNC) (Commercial building)	36.93%	93.21%	96.56%
Sampeng 2 Phase 2 (JGL) (Commercial building)	12.54%	91.79%	97.84%
Sampeng 2 Phase 3 (SPZ) (Commercial building)	-	-	38.51%
Sampeng 2 Phase 4 (JSP) (Commercial building)	-	0.51%	69.26%
Tulip square (Condominium, Commercial building and Community mall)	-	-	19.22%
Miami Bangpu (Condominium and Community mall)	-	-	-
JSP City Sukhumvit-Praekza (commercial building,townhome)	-	-	-
JSP City Rangsit-klong1 (commercial building,townhome)	-	-	-

Note: Calculation from revenue recognition of the project as of December 31, 2015 compared with estimated project cost.

#### Revenue from real estate sales

Revenue from real estate sales of the Company and subsidiary in year 2014 and 2015 were 2,596.53 Million Baht and 3,131.13 Million Baht or calculated as 99.37 percent and 97.62 percent of total revenue respectively.

In 2015, the Company and subsidiary had revenue from real estate sales as 3,131.13 Million Baht increased from the year 2014 as 534.59 Million Baht or calculated increasing rate of 20.59 percent because a result of revenue recognition from Sampeng 2 phase 3 and 4 and Tulip square.

#### Revenue from service

Revenue from service of the Company and subsidiary for the year 2014 and 2015 were 0.00 Million Baht and 2.58 Million Baht or calculated as 0.00 percent and 0.08 percent of total revenue respectively.

In 2015, the Company and subsidiary had total revenue from service all increased because 4<sup>th</sup> quarter ,2015 the company had revenue from rental located in Sampeng 2 project phase 4 , Tulip Square and Miami Bangpu. As a result, total revenue from service all increased.

#### Other incomes

Other incomes includes interest receivable, income from contract changing and other incomes for the year 2014 and 2015 the Company had other incomes as 16.58 Million Baht and 73.67 Million Baht or calculated as 0.63 percent and 2.30 percent respectively which increased 57.10 Million Baht or calculated as 344.48 percent

For the year 2015, other incomes are revenue from seized deposit ,contract funds ,down payment and interest on overdue payment from customers. And change agreement 8.66 Million Baht ,revenue from interest income and 2558 the company had revenue from interest income 18.17 Million Baht other income from land sales ,investment property 52.63 Million Baht and other income 2.87 Million Baht.

#### Cost and Expense

##### Cost of real estate sales

Cost of real estate sales can divide in 4 types such as 1) Land fee, land improvement fee include the costs related to the acquisition of land. 2) Construction fee, materials used in construction fee, design cost and other construction fee. 3) Utilities fee such as road, light poles, waterway and garden. 4) Financial costs of real estate development such as interest fee, loan fee and etc. The Company and subsidiary will take that costs allocated to real estate in each unit by cost of real estate recognition will know the lists when transfer ownership.

In 2014 and 2015 the Company and subsidiary had total cost of real estate sales as 1,716.71 Million baht and 1,712.90 Million Baht or calculated sales cost ratio as 66.12 percent and 54.71 percent respectively of total cost of real estate sales. The cost of real estate sales decreased continuously because the Company can develop cost management system effectively such as land price is cheaper because the land is large , the bargaining power of increasing order, the control of construction cost not to exceed Bill of Quantity or BOQ, Enterprise Resource Planning or ERP.

In 2014, the Company and subsidiary had total cost of real estate sales increasing from the year 2013 as 1,131.34 Million Baht or calculated increasing rate of 193.27 percent. The caused from revenue recognition of Sampeng 2 quantity of 347 units include Sampeng 2 phase 1 quantity of 84 units and phase 2 quantity of 262 units and phase 4 quantity of 1 units respectively.

In 2015, the Company and subsidiary had total cost of real estate sales 1,712.90 Million Baht which decreasing from the year 2014 quantity 3.81 Million Baht or calculated decreasing rate of 0.22 percent result from the company developed cost management efficiently ,as a result cost decreasing than last year notice on 2015 circulation are increase but cost of sales are decrease than 2014

#### Service costs

Service costs are the cost related with renting , investment property include cost management area , personnel cost, billboard fee, brokerage, equipment depreciation fee and others. And investment property embark on November 2015

In 2015 , the Company and subsidiary had cost of renting and total service costs as 25.25 Million Baht or calculated sales cost ratio as 97.58 percent cost of renting and total service costs. The cost of renting and service had total value over income of renting and service almost 10 times because is the first year in investment property so cost of administration , operation were increasing for attract customers to visit the project. Cost of rental and service include depreciation 1.64 Million Baht ,space rental fee 8.57 Million Baht ,cost of operation 1.53 Million Baht and other cost 4.51 Million Baht.

#### Selling expenses

Sales expenses include specific business tax, selling and marketing expenses, brokerage, promotion fee, transfer fee, advertising expenses and etc.

Selling expenses for the year 2014 and 2015 were 169.52 Million baht and 223.07 Million baht or calculated as 6.49 percent and 6.95 percent respectively of total revenue.

In 2014, the Company and subsidiary had total selling expenses as 169.52 Million Baht increasing from the year 2013 as 132.15 Million Baht or calculated increasing rate of 353.63 percent. The effect is from the revenue recognition of Sampeng 2 project, quantity of 347 units divided in Sampeng 2 phase 1 has quantity of 84 units, Sampeng 2 phase 2 has quantity of 262 units and Sampeng 2 phase 4 has quantity of 1 unit affected to specific business tax as 86.93 Million Baht, calculated as 51.28 percent of total selling expenses. However, it is increasing of promotion fee and advertising expenses from the launching of 3 new projects as Tulip square, Miami Bangpu and Sampeng 2 condominium.

In 2015, the Company and subsidiary had total selling expenses as 223.07 Million Baht increasing from the year 2014 as 53.55 Million Baht or calculated increasing rate of 31.59 percent. The effect is from the revenue recognition of Sampeng 2 project ,Tulip Biz Town and Tulip Grand Condo. The effect is specific business tax increasing as 104.66 Million Baht or calculated rate of 46.92 percent of total sales expenses. And makes cost of the promotion are increase from open 2 projects are JSP City Sukhumvit-Praeksa and JSP City Rangsit-Klong1

#### Administrative expenses

Administrative expenses include salary, expenses related employee, depreciation fee, consulting fee, equipment and materials fee and etc.

Total administrative expenses for the year 2014 and 2015 were 98.35 Million Baht and 162.23 Million Baht or calculated as 3.76 percent and 5.06 percent respectively of total revenue.

In 2014, the Company and subsidiary had total administrative expenses as 98.35 Million Baht increasing from the year 2013 as 44.57 Million Baht or calculated increasing rate of 82.86 percent, cause by employees increasing and the changes of employee and executive's wages in 2014. For system changes for support the project increased of 15.93 Million Baht, consulting fee and other services as 10.21 Million Baht, office rents and services increased by 3.34 Million Baht, charity fee as 3.20 Million Baht, depreciation fee as 3.75 Million Baht and other expenses as 2.50 Million Baht.

In 2015, the Company and subsidiary had total administrative expenses as 162.23 Million Baht increasing from the year 2014 as 63.87 Million Baht or calculated increasing rate of 64.94 percent, cause by employees increasing and the changes of employee and executive's wages in 2015. For system changes for support the project increased of 80.47 Million Baht, consulting fee and other services as 8.14 Million Baht, office rents and services increased by 7.01 Million Baht, charity

fee as 4.20 Million Baht, depreciation fee as 13.17 Million Baht and other expenses as 47.92 Million Baht.

#### Loss on impairment of investment property

For the year 2015 ,the company and subsidiary had Loss on impairment of investment property as 123.20 Million Baht ,increasing from the year 2014.The losses caused by Sampeng 2 Floating market , park and parking phase 2

#### Financial expenses

Financial expenses includes loan interests from financial institutions that have not been recorded as financial cost of the project and interests from leased vehicle amortization. For the year 2014 and 2015, total financial expenses of the Company and subsidiary were 10.27 Million baht and 32.59 Million baht respectively or calculated the ratio of total revenue as 0.39 percent and 1.02 percent respectively. The financial expenses were increasing continuously because the main cause is loaning money to expand the project.

#### Income tax

The Company and subsidiary had income tax or (Income tax expense) ended for the year 2014 and 2015 as (115.64) Million Baht and (225.66) Million Baht respectively.

#### Gross profit from real estate sales

The Company and subsidiary had gross profit from real estate sales for the year 2014 and 2015 as 879.82 Million Baht and 1,418.23 Million Baht or calculated as 33.88 percent and 45.29 percent respectively. It can be seen the increasing continued from the year 2014 and 2015 because the Company and subsidiary had continued large real estate development. It affected to the Company have power to beat down in price with suppliers and can operate and develop cost system to be more effective. Nevertheless, the projects of the Company are novel and different from other developer in nearby area and can satisfy the need of customers. As a result ,can pricing higher than competitors so gross profit rate are increase.

#### profit from service

The Company and subsidiary had gross profit from service for the year 2014 and 2015 as 0.00 Million baht and (22.66) Million Baht because cost of service more than income of service. The open market making depreciate and management fee rental area as a result gross profit from service decreasing combine with during the first need for a low price to stimulate the market. As a result ,long-term storage ,the company rents from services increase.

#### Profit/Loss before financial expenses, income tax ("EBIT")

The Company and subsidiary was profit/loss before financial expenses and income tax (EBIT) for the year 2014 and 2015 were 628.53 Million Baht and 960.74 Million Baht respectively.

In 2015 there was an increase 'EBIT' from the year 2014 Amount 332.21 million Baht due to the recognition of revenue from Sampeng 2 phase 3 ,phase 4 and Tulip Square.

### Net Profit and Earning per Share

The Company and Subsidiary has net profit for the year 2014 and 2015 as 502.62 Million Baht and 702.50 Million Baht. Net income increased steadily from its development projects has increased with improved profitability. The power to negotiate the more partners, but also the management more cost effective

Earnings per share of the Company and its subsidiaries for the year 2014 and 2015 as .012 Baht and 0.17 Baht. Earnings per share has increased because net profit has increasing as 199.88 Million Baht or calculate 39.77 percent . As a result, Earnings per share has increased.

### Financial Status Analysis

#### Asset

As of December 31,2014,2015 The Company and Subsidiary has been total asset 9,129.57 Million Baht 8,905.65 Million Baht as follow ; Current assets 7,949.84 Million Baht 7,161.77 Million Baht or 87.33 % and 80.42%. The decrease from last year approximately 9.91% because cash and Cash equivalents has decrease.

For non-current asset, as of December In 2014 and 2015 has 1,179.73 Million Baht and 1,743.88 Million Baht or calculated 12.92 and 19.58 respectively. Mostly has investment property, Long-term notes receivable ,Deferred income taxes and material. Non-current asset accounted for less compared to total assets. For 2015, the increase in assets resulting from the increase in investment properties in the Sampeng 2, Tulip Square and Miami bangpu.

#### Project development cost

Project development costs of the Company and its subsidiaries comprised of undeveloped land . Land development , including the cost of land acquisition . Project management construction and utilities. As of December 31, 2014 and 2015 the Company and its subsidiaries Project development costs are equal to 4,169.71 million baht and 6,547.07 million baht, percent 45.67, 73.52 These costs are increasing continuously. In 2014 and 2015, a reduction of the cost of project development and plan to buy land to expand the project in the future. the Company and its subsidiaries no policy to accumulate land (Land bank) to reduce the risk of bearing the financial costs in the future.

Project development cost as follow;

Project	2013		2014		2015	
	MB	%	MB	%	MB	%
J.S.P. residence (Sathorn-Rama3) (Townhome)	-	-	-	-	-	-
Sampeng 2 Phase 1 (CNC) (Commercial building)	629.69	12.56%	75.37	1.81%	9.20	0.14
Sampeng 2 Phase 2 (JGL) (Commercial building)	1,158.64	23.12%	115.84	2.78%	5.69	0.09
Sampeng 2 Phase 3 (SPZ) (Commercial building)	167.25	3.34%	268.81	6.45%	172.64	2.64
Sampeng 2 Phase 4 (JSP) (Commercial building)	1,650.60	32.93%	1,611.99	38.66%	518.11	7.91
Tulip Square (Condominium, Commercial building, Community Mall)	330.90	6.60%	487.44	11.69%	414.30	6.33



Miami Bangpu (Condominium, Community Mall)	808.50	16.13%	728.28	17.46%	809.54	12.36
Sampeng 2 residence (Condominium)	266.64	5.32%	436.22	10.46%	1,379.63	21.07
Sampeng 2 Phase 4 (JSP) Zone B	-	-	445.77	10.69%	561.86	8.58
JSP@CITY Sukhumvit-Praeksa (commercial building, townhome)	-	-	-	-	335.38	5.12
JSP@CITY Rangsit-Klong1 (commercial building, townhome)	-	-	-	-	225.27	3.44
Bangpakong (JSP) (commercial building, townhome, single house)	-	-	-	-	144.35	2.20
Rama II Condo (JSP) (Condominium)	-	-	-	-	1.68	0.03
Bangbuathong (JSP) - (Condominium, Commercial building)	-	-	-	-	1.83	0.03
Bangpoon Condo (JSP)	-	-	-	-	1.21	0.02
Srinakarin (JSP)	-	-	-	-	120.00	1.83
Chaingrak (JSP)	-	-	-	-	167.33	2.56
JSP CITY@Praeksa (BPC) – (Townhouse)	-	-	-	-	146.36	2.24
JSP CITY@Rangsit (BPC) – (Townhouse)	-	-	-	-	114.65	1.75
Bangpakong (BPC) – (Townhouse)	-	-	-	-	68.44	1.05
JSP CITY@Praeksa (BPR) – (Townhouse)	-	-	-	-	308.93	4.72
JSP CITY@Rangsit (BPR) – (Townhouse, Twin house)	-	-	-	-	217.96	3.33
JSP CITY@Praeksa (BRR) – (Townhouse)	-	-	-	-	161.86	2.47
JSP CITY@Rangsit (BRR) – (Townhouse, Twin house)	-	-	-	-	166.01	2.54
Bangpakong (BRR)	-	-	-	-	70.87	1.08
Srinakarin (BRR)	-	-	-	-	120.00	1.83
Bangsae (JSO)	-	-	-	-	303.97	4.64
Total Project development	5,012.22	100.00	4,169.71	100.00	6,547.07	100.00

#### Advances for purchases of land

In 2015 The Company and its subsidiaries made to advances for purchases of land amount 442.42 Million Baht because the company and its subsidiaries there needs to plan future project for the year 2016 to the year 2018.

#### Investment properties

The project development cost comprises cost of land, land filling, design, utilities, construction, borrowing costs and other related expenses. At December 31, 2014, 2015 Company has invested in the amount of 1,011.33 million baht and 1,483.69 million baht , divided by the property to be sold was 5.78 million baht, gathering for rent 442.66 million baht and land for building construction 1,035.25 million baht by the property is still available.

#### Equipment

The main equipment of the Company and subsidiary includes vehicles, computers and computer accessories, furniture and office equipment shown in book value of equipment's company and subsidiary as of December 2014 and 2015 as 17.25 Million baht and 62.87 Million baht or total

asset ratio as 0.19 percent and 0.71 percent respectively. For the year 2014, the company and subsidiary had increased equipment as 1.55 Million baht because of the increased office equipment demand in the Company and subsidiary. The increasing value in the year 2015 caused from land, building as 12.84 million baht accessories, office equipment as 6.26 million baht and construction in progress as 26.52 million baht.

#### Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while they recognize deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized. Value of deferred income tax for the company and its subsidiaries as of December 31, 2014 and 2015 as 113.14 million baht and 48.96 million baht or calculated per total asset 1.24% and 0.55%. In 2014 , value add are increased cause from reservation are Sampeng 2 phase 1-4, Tulip, Miami Bangpu and Sampeng 2 Condominium. In 2015 value of deferred income tax are decreased from the year 2014 as 64.18 million baht because the IRS has modified the method of calculating the tax.

#### Liabilities

As of December 31, 2014 and 2015 the Company and subsidiary had total liabilities amount 3,953.12 Million baht and 3,800.33 Million baht respectively or total asset ratio as 43.30 percent and 42.67 percent respectively. Liabilities of the Company and subsidiary divide in current liabilities as 2,999.57 Million baht and 2,879.17 Million baht respectively or total debt ratio as 75.88 percent and 75.76 percent respectively and noncurrent liabilities as 953.55 Million baht and 921.16 Million baht respectively or total debt ratio as 24.12 percent and 24.24 percent respectively. For December 31, 2015 the Company and subsidiary had Interest bearing debts are as follows;

Unit : Million Baht

Sym bol	Loan	Project Approve	Interest rates	As December 31,2014		
				Net of current portion ,loans	Long-term loans, net of current portion	Total
JSP	176.80	Sampeng2 condo	MLR +0.75%	176.49	-	176.49
JSP	440.80	Tulip commercial building	MLR+0.50%	161.18	-	161.18
JSP	333.19	Tulip condo	MLR +0.50%	232.16	-	232.16
JSP	1,832.00	Miami Bangbu	MLR +0.75%	0.10	737.10	737.20
JSP	333.45	Sampeng 2 phase 4	MLR +0.50%	22.75	-	22.75
SPZ	180.46	Sampeng 2 phase 3	MLR +0.50%	22.65	-	27.65
JPM	60.00	Parking	MLR +0.875%	7.80	48.41	56.21
			<b>Total</b>	<b>628.13</b>	<b>785.51</b>	<b>1,413.64</b>

#### Short – term loan from financial institution

As of December 31, 2014 and December 31, 2015 the Company and its subsidiaries there are short-term loans from financial institutions amounting to 162.00 million baht, 687.02 million baht as a percentage of liabilities and shareholders' equity stood at 1.77 percent and 7.71 percent of the funds for the project were raised. Used for the purchase of land for development projects sampeng 2 phase 4.

#### Trade and other payables

Trade and other payables are payable. The contractor for the construction of roads and other construction materials , such as retention and construction . Accrued interest Loans from related parties and more.

As of December 31, 2014, 2015 total of 253.00 million baht and 651.27 million baht as a percentage of liabilities and shareholders' equity was 2.77% and 7.31.

In 2014, the Company had an increase in trade and other payables compared to December 31, 2013 74.43 million baht due to the increase of the estimated construction costs payable of sampeng 2 and Tulip square 50.61 million baht retention of sampeng 2, Tulip square and Miami bangpu 27.61 million baht and a decrease in trade accounts payable according to the progress in the construction of Sampeng 2, Tulip square 34.13 million baht and year 2015 the company and its subsidiaries had an increase in trade and other payables compared to December 31, 2014 as 386.26 million baht because projects under construction of the company and its subsidiaries and extend credit terms to pay to the contractor of the Company and its subsidiaries from 30 days to 60 days .

Accrued expenses are increase 40.94 million baht because accrued bonus as 16.54 million commission of selling land 8.40 million baht and marketing expense, etc. as 16.00 million baht.

And the increase in the deposit portfolio of Sampeng 2, Tulip, Miami Bangpu, Sampeng 2 Condo Praeksa and Rangsit amount 22.97 million baht.

#### Deposits and advance received from customers

Deposits and advances from customers . The core consists of deposit money down and annuity contracts purchased is at December 31 ,2014 and 2015. Company With deposits and advances received from customers of 1,318.49 million baht and 378.08 million baht. For the year 2014 the Company and its subsidiaries a decrease in deposits and advances received from customers compare to December 31,2013 as 129.55 million baht due to revenue recognition of Sampeng 2 amount 347 units divided by Sampeng 2 phase 1 amount 84 units Sampeang 2 phase 2 amount 262 units and Sampeng 2 phase 4 total 1 unit. As of 2015 the Company and its subsidiaries a decrease in deposits and advances received from customers compare to December 31,2014 as 940.42 million baht because the program launched in 2558 has been revised strategy in sales. Determined, the down payment decrease from 30-40% in Sampeng 2 to 5% for project launch in 2015 and shorten construction time by building a new system result of times to down payment has decrease, in 2015 total deposits and advances received from customers decreased.

#### Other current liabilities

At December 31, 2014 and 2015 The Company and its subsidiaries has other current liabilities 6.10 million baht and 42.88 million baht. For year 2015 other current liabilities has increase compare with December 31, 2014 as 36.78 million baht because Income tax withholding increased by 34.45 million baht.

### Long – term loans

Long-term loans is for the purpose of project development from the financial institutions at December 31, 2014, 2015 There are long-term loans totaling 2,130.06 million baht, 1,413.64 million baht as a percentage of total debt as 53.88% , 37.20% divided by the net of long-term loans due within one year, a total of 948.53 million baht, 785.51 million baht and the long-term loans due within one year amounted to 1,181.53 million baht, 628.13 million baht. For decrease from 2014 amount 553.40 million baht.

### Shareholders' equity

As of December 31, 2014, 2015 the Company's shareholders units for a total of 5,176.45 million baht, 5,105.32 million baht or a percent of total assets was 56.70%, 57.33%.

As of December 31, 2014 the Company's shareholders units for a total of 3,535.45 million baht because raising capital by underwriting the IPO of 1200 million shares at price 2.60 baht per share from par value 0.50 baht per share. As a result, the share capital increase of 600 million baht and bond premium amount 2,438.83 million baht retained earnings increased cause of transfer commercial building in Sampeng 2. For December 31,2015 the Company's shareholders has decrease 71.13 million baht because paying dividend yield amount 755.98 million baht more than net profit for year 2015 as 702.50 million baht.

### Ratios

#### - Liquidity Ratios

Ratio of the Company as December 31, 2014 ,2015 was 2.66 times, 2.49 times. Although the list of assets and liabilities will be reduced twain from 2557 but cause of proportion of current asset decreased more than current liabilities result of in 2015 liquidity Ratios has decrease from 2014.

The decrease in current assets was primarily from cash and current investment for project developed. For the decrease in current liabilities was primarily from deposit and advances received. For once because in 2015 improve strategy for sales by decrease in down payment especially in Sampeng 2 and decrease in times to construction result of times to down payment has decrease and deposit and advances received has decrease.

#### - Profitability Ratios

Net profit for the year 2014, 2015 the percent of 19.23% , 21.90% because in year 2015, has the revenue recognition from Sampeng 2 which have profitability ratio more than last project combine with the company can developed management cost are better and bargaining power increases.

In 2014, 2015 the rate of return on equity as 14.75%, 13.66%. Although in year 2015 has net profit more than year 2014 as 39.77% but rate of return on equity has decrease compare with last year the main reason are the share sale IPO occurred between 2014 result of the average equity in 2014 very few compare with year 2015.

#### - Investments Structure

For the ratio of debt to equity holders of the Company and its subsidiaries. According to the financial statements as at 31 December 2015 of 0.74 times. This change was due in 2014, with the decrease of the number of equity shares.

The ratio has remained low . The figures show the strength of the capital structure of the Group will exceed the debt although such figures are also under the terms of the loan agreement

between the Company and Financial institutions In order to maintain a debt ratio of interest bearing debt per borrower in shareholders' equity (Interest Bearing Debt to Equity Ratio) to a maximum of 2.75 to 1.

#### Cash flow statement

(Unit : Million Baht)

	2013	2014	2015
Net cash from (used in) operating activities	(2,260.72)	754.79	(2,693.79)
Net cash used in investing activities	(569.54)	(1,837.32)	967.09
Net cash from financing activities	3,023.05	(3,053.19)	(416.98)
Net cash flows increase(decrease)	192.79	1,907.66	(2,143.68)

#### Cash flows from operating

In 2014, 2015 the Company and its subsidiaries had cash flows from operating total 754.79 million baht and (2,693.79) million baht.

The main items of cash flow from operations for the year 2015 the decrease in property development. The decrease in deposit and advances received cause of improve strategy in sales, reduced in down payment for boost sales.

#### Cash flows from investing

In 2014, 2015 the Company and its subsidiaries had cash flow from investing total (1,837.32) million baht and 967.07 million baht.

In 2015, cash flow from investment comes from the increase in short-term investments of 1,570 million used in operating activities in respect of the purchase of land . And the construction As a result, net cash flow from investments was positive.

#### Cash flow from financing

In 2014, 2015 the Company and its subsidiaries had cash flow from financing total 3,053.19 million baht and (416.98) million baht.

The main reason for the increase of the list in 2014 apart from loans related to the projects still resulting of the Company have a cash inflow from IPO amount 3,038.83 million baht while the main reason for the decrease of the list in 2015 are payment of dividends to shareholders of amount 755.98 million baht

#### Events of the financial analysis or operating

#### Capital commitments

As at 31 December 2015,the Company and its subsidiaries had capital commitments for project construction contracts total 1,531 Million Baht Contracts to buy and sell land as 1,480 Million Baht

#### Commitments the management of rental area

As at 31 December 2015, the Company and its subsidiaries had Commitments the management of rental area the terms of the agreements are generally 3 years. Future minimum lease payments required under these non-cancellable operating leases contracts were as follows;

- Less than 1 year amount 13 million baht
- More than 1 year but less than year amount 17 million baht.

#### Operating lease commitments

As at 31 December 2015, the Company and its subsidiaries has entered into lease agreement in respect of the lease of office building space with the related party. The terms of the agreements are generally 3-5 years. Future minimum lease payments required under these non-cancellable operating leases contracts were as follows;

- Less than 1 year amount 11 million baht
- More than 1 year but less than 4 year amount 13 million baht.

#### Bank guarantees

As of December 31, 2015 There were outstanding bank guarantees issued by banks amount 45 Million Baht of the subsidiaries in the normal course of business of the subsidiaries

#### Audit Fee

In 2014 The Company and its subsidiaries (EY Office Limited) total amount 3.83 Million Baht include : audit fee, review financial statement consolidate fee and out of pocket with agreement and without compensation other than those mentioned above to the auditor under the audit firm and the parties related to the auditor and the audit firm's auditor affiliated in any way

In 2015 As of memorandum of association No. 1/2015 were appointed Audit Fee ,EY Office Limited and remuneration audit fee total amount 3.95 Million Baht.