

**Syntec Construction Public Company Limited
and its Subsidiaries**

Interim financial statements
for the three-month period ended
31 March 2015

and

Independent auditor's report
on review of interim financial information

Independent Auditor's Report on Review of Interim Financial Information

To the Board of Directors of Syntec Construction Public Company Limited

I have reviewed the accompanying consolidated and separate statements of financial position of Syntec Construction Public Company Limited and its subsidiaries, and of Syntec Construction Public Company Limited, respectively as at 31 March 2015, the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period then ended and condensed notes, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of Review

I conducted my review in accordance with the Thai Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity". A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Emphasis of Matter

Without qualifying my conclusion, I draw your attention to notes 2.1 and 3 to the financial statements describing the effect of the Company's adoption from 1 January 2015 of certain new accounting policies. The consolidated and separate statements of financial position as at 31 December 2014, which are included as comparative information, are components of the audited consolidated and separate financial statements as at 31 December 2014 after making the adjustments described in note 3 to the financial statements. Furthermore, the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2014, which are included as comparative information, have also been adjusted as described in note 3 to the financial statements.

(Manit Warakitjaporn)
Certified Public Accountant
Registration Number 7326

NPS Siam Audit Limited
Bangkok
15 May 2015

Syntec Construction Public Company Limited and its Subsidiaries
Statements of financial position
As at 31 March 2015

Assets	Note	Consolidated financial statements			Separate financial statements		
		31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)	31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)
<i>(in thousand Baht)</i>							
Current assets							
Cash and cash equivalents		320,638	388,336	908,163	286,955	365,563	842,673
Current investments	7	642,246	761,337	60,108	642,246	761,337	60,108
Trade accounts receivable	8	943,404	812,670	620,789	942,762	812,670	620,789
Other receivables	6, 9	133,897	51,868	55,136	134,415	52,574	56,501
Retention receivable under construction contracts	10	608,508	584,347	513,996	608,508	584,347	513,996
Unbilled construction in progress	11	551,841	557,048	752,538	551,841	557,048	752,538
Inventories		157,573	180,913	110,910	157,573	180,913	110,716
Advance payments to subcontractors		130,655	39,814	40,066	130,655	39,814	40,066
Total current assets		3,488,762	3,376,333	3,061,706	3,454,955	3,354,266	2,997,387
Non-current assets							
Investment in subsidiaries	6, 12	-	-	-	148,149	127,349	100,349
Investments in associates	6, 13	351	357	384	-	-	-
Other long-term investments	6, 14	336,077	355,741	277,764	336,077	355,741	277,764
Long-term loans	6, 15	-	-	-	200,000	200,000	-
Investment properties	16	100,635	100,820	101,560	100,635	100,820	101,560
Property, plant and equipment	17	1,562,994	1,522,605	1,107,976	940,318	930,170	910,703
Leasehold right	18	365,581	370,558	390,742	365,581	370,558	390,742
Intangible assets	19	905	910	1,344	905	910	1,344
Withholding tax		148,961	128,428	196,641	146,737	126,581	196,392
Pledged deposit at bank		211,655	179,095	152,701	211,655	179,095	152,701
Deferred tax assets	20	-	-	6,008	-	-	6,008
Other non-current assets		71,177	70,783	77,752	70,537	70,516	77,735
Total non-current assets		2,798,336	2,729,297	2,312,872	2,520,594	2,461,740	2,215,298
Total Assets		6,287,098	6,105,630	5,374,578	5,975,549	5,816,006	5,212,685

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of financial position
As at 31 March 2015

Liabilities and equity	<i>Note</i>	Consolidated financial statements			Separate financial statements		
		31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)	31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)
<i>(in thousand Baht)</i>							
Current liabilities							
Bank overdrafts and short-term loans from financial institutions	21	160,000	160,000	398,989	160,000	160,000	333,101
Trade accounts payable	22	534,036	497,756	383,192	524,867	484,305	381,127
Other payables	23	292,573	292,274	283,636	262,233	287,504	278,479
Current portion of creditors under rehabilitation plan		24,312	29,746	29,660	24,313	29,746	29,660
Current portion of Long-term loans	24	175,000	175,000	-	175,000	175,000	-
Current portion of financial lease liabilities		43,602	46,085	39,738	43,602	46,085	39,738
Advances received from customers under construction contracts	11	669,337	624,077	547,690	669,336	624,077	547,690
Retention payables from subcontractors		301,416	291,673	247,965	301,416	291,673	247,965
Undue value added tax		99,064	89,158	91,895	99,064	89,158	91,895
Short-term provisions	26	67,095	66,518	10,970	67,095	66,518	10,970
Other current liabilities		8,580	8,670	7,111	8,580	8,669	7,111
Total current liabilities		2,375,015	2,280,957	2,040,846	2,335,506	2,262,735	1,967,736
Non-current liabilities							
Long-term loans	24	540,100	527,286	525,000	350,000	350,000	525,000
Financial lease liabilities		58,123	63,747	114,168	58,123	63,747	114,168
Deferred tax liabilities	20	11,271	16,416	7,472	11,270	16,416	7,472
Employee benefit obligations	25	103,774	99,045	85,994	102,576	98,041	85,812
Long-term provisions	26	114,253	112,312	42,632	114,253	112,312	42,632
Total non-current liabilities		827,521	818,806	775,266	636,222	640,516	775,084
Total liabilities		3,202,536	3,099,763	2,816,112	2,971,728	2,903,251	2,742,820

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of financial position
As at 31 March 2015

Liabilities and equity	<i>Note</i>	Consolidated financial statements			Separate financial statements		
		31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)	31 March 2015 (Unaudited)	31 December 2014 (Restated)	1 January 2014 (Restated)
<i>(in thousand Baht)</i>							
Equity							
Share capital	27						
Authorized share capital		<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
Issued and paid-up share capital		1,600,000	1,600,000	1,600,000	1,600,000	1,600,000	1,600,000
Premium on share							
Premium on ordinary shares		24	24	24	24	24	24
Retained earnings							
Appropriated							
Legal reserve	28	86,088	80,749	61,281	86,088	80,749	61,281
Unappropriated	3	1,195,262	1,101,974	865,501	1,221,890	1,120,432	866,903
Other components of equity							
Net change in fair value of available -for-sale investments	14	91,464	107,195	(58,343)	91,464	107,195	(58,343)
Actuarial gains	3	<u>4,355</u>	<u>4,355</u>	<u>-</u>	<u>4,355</u>	<u>4,355</u>	<u>-</u>
Total equity attributable to owners of the Company		<u>2,977,193</u>	<u>2,894,297</u>	<u>2,468,463</u>	<u>3,003,821</u>	<u>2,912,755</u>	<u>2,469,865</u>
Non-controlling interests		107,369	111,570	90,003	-	-	-
Total equity		<u>3,084,562</u>	<u>3,005,867</u>	<u>2,558,466</u>	<u>3,003,821</u>	<u>2,912,755</u>	<u>2,469,865</u>
Total liabilities and equity		<u>6,287,098</u>	<u>6,105,630</u>	<u>5,374,578</u>	<u>5,975,549</u>	<u>5,816,006</u>	<u>5,212,685</u>

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended 31 March		Three-month period ended 31 March	
		2015	2014	2015	2014
		(Restated)			
		<i>(in thousand Baht)</i>			
Revenues					
Revenue from construction		1,825,203	1,643,324	1,825,202	1,643,324
Revenue from room service		32,105	19,894	29,962	19,894
Interest income		5,050	5,169	7,370	5,169
Reversal of allowance for doubtful accounts	8, 10, 11	4,885	1,618	4,885	1,618
Other income		3,347	1,665	4,828	6,218
Total revenues		1,870,590	1,671,670	1,872,247	1,676,223
Expenses					
Cost of construction		1,595,556	1,467,675	1,595,556	1,472,876
Cost of room service		22,212	14,569	21,119	23,247
Selling expenses		682	429	66	246
Administrative expenses		94,695	89,012	85,696	80,296
Other expenses		21,275	2,262	21,275	2,262
Finance costs		10,496	13,747	10,496	12,886
Total expenses		1,744,916	1,587,694	1,734,208	1,591,813
Share of loss of investments in associate	13	(6)	(8)	-	-
Profit before income tax expense		125,668	83,968	138,039	84,410
Income tax expense	20	31,242	7,546	31,242	7,546
Profit for the period		94,426	76,422	106,797	76,864
Other comprehensive income (loss)					
Profit (loss) in fair value of available-for-sale investments	14	(15,731)	(26,704)	(15,731)	(26,704)
Other comprehensive loss for the period		(15,731)	(26,704)	(15,731)	(26,704)
Total comprehensive income for the period		78,695	49,718	91,066	50,160

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of comprehensive income (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		Three-month period ended 31 March		Three-month period ended 31 March	
		2015	2014	2015	2014
		(Restated)			
		<i>(in thousand Baht)</i>			
Profit (loss) attributable to :-					
Owners of the Company		98,627	76,695	106,797	76,864
Non - controlling interests		(4,201)	(273)	-	-
		<u>94,426</u>	<u>76,422</u>	<u>106,797</u>	<u>76,864</u>
Total comprehensive income (loss) attributable to :-					
Owners of the Company		82,896	49,991	91,066	50,160
Non - controlling interests		(4,201)	(273)	-	-
		<u>78,695</u>	<u>49,718</u>	<u>91,066</u>	<u>50,160</u>
Earning per share					
Basic (in Baht)	<i>30</i>	<u>0.06</u>	<u>0.05</u>	<u>0.07</u>	<u>0.05</u>

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of changes in equity (Unaudited)

Consolidated financial statements									
Note	Issued and paid-up share capital	Premium on ordinary shares	<u>Retained earnings</u>		<u>Other components of equity</u>		Total equity attributable to owners of the Company (restated)	Non-controlling interests	Total equity (restated)
			Legal reserve	Unappropriated (restated)	Net change in fair value of available-for-sale investments	Actuarial gains (restated)			
<i>(in thousand Baht)</i>									
For the three-month period ended 31 March 2014									
	1,600,000	24	61,281	871,662	(58,343)	-	2,474,624	90,003	2,564,627
Impact of changes in accounting policies	-	-	-	(6,161)	-	-	(6,161)	-	(6,161)
Balance at 31 December 2014 - restated	1,600,000	24	61,281	865,501	(58,343)	-	2,468,463	90,003	2,558,466
Total comprehensive income									
Profit for the period	-	-	-	76,695	-	-	76,695	(273)	76,422
Comprehensive loss for the period	-	-	-	-	(26,704)	-	(26,704)	-	(26,704)
Total	-	-	-	76,695	(26,704)	-	49,991	(273)	49,718
Transfer to legal reserve	-	-	3,843	(3,843)	-	-	-	-	-
Balance as at 31 March 2014	1,600,000	24	65,124	938,353	(85,047)	-	2,518,454	89,730	2,608,184
For the three-month period ended 31 March 2015									
	1,600,000	24	80,749	1,136,823	107,195	-	2,924,791	111,570	3,036,361
Impact of changes in accounting policies	-	-	-	(34,849)	-	4,355	(30,494)	-	(30,494)
Balance at 1 January 2015 - restated	1,600,000	24	80,749	1,101,974	107,195	4,355	2,894,297	111,570	3,005,867
Total comprehensive income									
Profit for the period	-	-	-	98,627	-	-	98,627	(4,201)	94,426
Comprehensive loss for the period	-	-	-	-	(15,731)	-	(15,731)	-	(15,731)
Total	-	-	-	98,627	(15,731)	-	82,896	(4,201)	78,695
Transfer to legal reserve	-	-	5,339	(5,339)	-	-	-	-	-
Balance as at 31 March 2015	1,600,000	24	86,088	1,195,262	91,464	4,355	2,977,193	107,369	3,084,562

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of changes in equity (Unaudited)

Separate financial statements

	<i>Note</i>	Issued and paid-up share capital	Premium on ordinary shares	<i>Retained earnings</i>		<i>Other components of equity</i>		Total equity attributable to owners of the Company (restated)
				Legal reserve	Unappropriated (restated) (in thousand Baht)	Net change in fair value of available-for-sale investments	Actuarial gains (restated)	
For the three-month period ended 31 March 2014								
Balance at 1 January 2014 - as previously reported		1,600,000	24	61,281	866,903	(58,343)	-	2,469,865
Impact of changes in accounting policies	3	-	-	-	-	-	-	-
Balance at 31 December 2014 - restated		1,600,000	24	61,281	866,903	(58,343)	-	2,469,865
Total comprehensive income								
Profit for the period		-	-	-	76,864	-	-	76,864
Comprehensive loss for the period		-	-	-	-	(26,704)	-	(26,704)
Total		-	-	-	76,864	(26,704)	-	50,160
Transfer to legal reserve		-	-	3,843	(3,843)	-	-	-
Balance as at 31 March 2014		1,600,000	24	65,124	939,924	(85,047)	-	2,520,025
For the three-month period ended 31 March 2015								
Balance at 1 January 2015 - as previously reported		1,600,000	24	80,749	1,124,787	107,195	-	2,912,755
Impact of changes in accounting policies	3	-	-	-	(4,355)	-	4,355	-
Balance at 1 January 2015 - restated		1,600,000	24	80,749	1,120,432	107,195	4,355	2,912,755
Total comprehensive income								
Profit for the period		-	-	-	106,797	-	-	106,797
Comprehensive loss for the period		-	-	-	-	(15,731)	-	(15,731)
Total		-	-	-	106,797	(15,731)	-	91,066
Transfer to legal reserve		-	-	5,339	(5,339)	-	-	-
Balance as at 31 March 2015		1,600,000	24	86,088	1,221,890	91,464	4,355	3,003,821

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three-month period ended 31 March		Three-month period ended 31 March	
<i>Note</i>	2015	2014	2015	2014
		(Restated)		
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Profit for the period	94,426	76,422	106,797	76,864
<i>Adjustments for</i>				
Reversal of allowance for doubtful accounts	(4,885)	(1,618)	(4,885)	(1,618)
Doubtful accounts	665	668	665	1,906
Depreciation and amortization	47,087	42,738	47,043	42,691
Interest income	(5,050)	(5,169)	(7,370)	(5,169)
Interest expense	10,496	13,747	10,496	12,886
Loss on sale of equipment	12,652	202	12,652	202
Unrealized gains from changes in fair value of available-for-sale investments	(1,383)	-	(1,383)	-
Unrealized gain on exchange rate	(1,070)	(194)	(1,070)	(194)
Share of loss of investment in associate	6	8	-	-
Provision for losses on constructions project	577	39,744	577	39,744
Estimated loss under joint venture agreements	1,941	154	1,941	154
Employee benefit expense	4,729	4,146	4,535	4,145
Income tax expense	31,242	7,546	31,242	7,546
	<u>191,433</u>	<u>178,394</u>	<u>201,240</u>	<u>179,157</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	(126,744)	34,885	(126,102)	34,885
Other receivables	(85,416)	9,586	(84,669)	(415)
Retention receivable under construction contract	(23,544)	(15,183)	(23,544)	(13,567)
Unbilled construction in progress	5,486	142,157	5,486	142,157
Inventories	23,341	4,544	23,341	4,643
Advance payments to subcontractors	(90,841)	(5,642)	(90,841)	(5,642)
Other non-current assets	(611)	(6,828)	(13)	(6,370)
Trade accounts payable	36,281	84,393	40,561	84,855
Advance received under construction contracts	45,259	123,436	45,259	123,436
Undue value added tax	9,906	(16,487)	9,906	(16,487)
Retention payable from subcontractors	9,742	17,372	9,742	17,498
Other payables	(18,344)	(53,061)	(24,713)	(55,585)
Other current liabilities	(88)	7,592	(88)	7,592
Cash generated from (used in) operating activities	<u>(24,140)</u>	<u>505,158</u>	<u>(14,435)</u>	<u>496,157</u>
Withholding tax paid	<u>(52,996)</u>	<u>(55,956)</u>	<u>(52,619)</u>	<u>(55,415)</u>
Net cash from (used in) operating activities	<u>(77,136)</u>	<u>449,202</u>	<u>(67,054)</u>	<u>440,742</u>

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of cash flows (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	For the three-month period ended 31 March		For the three-month period ended 31 March	
<i>Note</i>	2015	2014	2015	2014
	(Restated)			
	<i>(in thousand Baht)</i>			
<i>Cash flows from investing activities</i>				
Interest received	6,372	4,540	7,908	4,538
Purchase of current investments	(166,963)	(401,524)	(166,962)	(401,524)
Proceeds from current investments	287,436	-	287,436	-
Purchase of investments in subsidiaries	-	-	-	(1,000)
Prepaid investments in subsidiaries	-	-	(20,800)	-
Pledged deposit at bank	(32,560)	(19,519)	(32,560)	(19,519)
Purchase of property, plant and equipment	(98,663)	(114,054)	(68,378)	(69,986)
Purchase of intangible assets	(192)	(578)	(192)	(578)
Sales of equipment	3,895	1,932	3,895	1,932
Net cash from (used in) investing activities	(675)	(529,203)	10,347	(486,137)
<i>Cash flows from financing activities</i>				
Interest paid	(9,431)	(11,438)	(9,431)	(10,578)
Bank overdrafts	-	14,928	-	15,186
Proceeds from short-term loan from financial institutions	-	100,000	-	100,000
Payment of short-term loans from financial institutions	-	(210,000)	-	(210,000)
Payment of creditor under rehabilitation plan	(4,363)	-	(4,363)	-
Proceeds from long-term loans	12,814	-	-	-
Finance lease payment	(8,107)	(8,925)	(8,107)	(8,925)
Advance received from non-controlling interests	19,200	-	-	-
Net cash from (used in) financing activities	10,113	(115,435)	(21,901)	(114,317)
Net decrease in cash and cash equivalents	(67,698)	(195,436)	(78,608)	(159,712)
Cash and cash equivalents at 1 January	388,336	908,163	365,563	842,673
Cash and cash equivalents at 31 March	320,638	712,727	286,955	682,961

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

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of interim financial statements
3	Change in accounting policy
4	Significant accounting policies
5	Seasonal operations
6	Related parties
7	Current investments
8	Trade accounts receivable
9	Other receivables
10	Retention receivable under construction contracts
11	Unbilled construction in progress
12	Investments in subsidiaries
13	Investment in associate
14	Other long-term investments
15	Long-term loans
16	Investment properties
17	Property, plant and equipment
18	Leasehold right
19	Intangible assets
20	Deferred tax
21	Bank overdrafts and short-term loans from financial institution
22	Trade accounts payable
23	Other payables
24	Long - term loans
25	Employee benefit obligations
26	Provisions
27	Share capital
28	Legal reserve
29	Segment information
30	Earnings per share
31	Commitments with non-related parties
32	Contingent liabilities and assets
33	Events after the reporting period

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

These notes form an integral part of the interim financial statements.

The interim financial statements were authorized for issue by the Board of Directors on 15 May 2015.

1 General information

Syntec Construction Public Company Limited (“the Company”) is incorporated in Thailand and has its registered office at 555/7-11 Sukhumvit Soi 63 (Ekamai), Sukhumvit Road, Kwang Klongton Nua, Khet Wattana, Bangkok and a branch office located at 61 Langsuan Road, Kwang Lumponi, Khet Pathumwan, Bangkok.

The Company was listed on the Stock Exchange of Thailand on 12 February 1993.

The Company’s major shareholders who held more than 5% of total paid-up share capital as at 31 March 2015.

	<i>(%) of total paid-up share capital</i>
Phahusuth Group and Taneehiranrat Group	23.64
Thai NVDR Company Limited	6.53

The principal business of the Company are construction and real estate development for room service or service apartment.

Details of the Company’s subsidiaries were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2015	31 December 2014
<i>Direct subsidiaries</i>				
1) SCR Asset Management Co., Ltd.	Real estate development for rental (Commercial operations on 1 April 2015)	Thailand	52.00	52.00
2) Syntec Assets Management Co., Ltd.	Management business for hotel, service apartment and other properties (Not commercial operation yet)	Thailand	54.97	54.97
3) Natural Ville Service Apartment and Management Co., Ltd.	Management personnel for hotel, service apartment and other properties	Thailand	99.97	99.97

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

2 Basis of preparation of interim financial statements

2.1 Statement of compliance

The interim financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the interim financial statements has been prepared for the convenience of readers not conversant with the Thai language.

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2014) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); and related applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2014. The financial statements do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and the subsidiaries for the year ended 31 December 2014.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statement for the year ended 31 December 2014, except the Group / Company has adopted all new and revised TFRS that are effective for annual periods beginning on or after 1 January 2015. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation and financial performance or position of the Group / Company, except disclosed in note 3 to the interim financial statements.

2.2 Functional and presentation currency

The interim financial statements are prepared and presented in Thai Baht, which is the Group's / Company's functional currency. All financial information presented in Thai Baht has been rounded in the notes to the financial statements to the nearest thousand/million unless otherwise stated.

2.3 Use of estimates and judgments

The preparation of interim financial statements in conformity with TFRS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

In preparing these interim financial statements, the significant judgments made by management in applying the Group's / the Company's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements for the year ended 31 December 2014. Changes principally derive from the adoption of new and revised TFRS from 1 January 2015.

Information about areas of estimation of uncertainty and significant assumptions in applying accounting policies that have the most significant effect on the amount recognised in the interim financial statements is included in the following notes :-

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Notes 12, 13 and 14	Allowance for impairment of investments
Note 20	Income tax for the current period and deferred tax
Note 25	Discount rate, future salary increase rate, staff turnover rate, mortality rate and disability rate.
Notes 26	Estimated construction project costs, provision for losses on construction projects and estimated loss under joint venture agreement
Note 32	Contingent liabilities and litigation

- 2.4** The consolidated and separate financial statements for the three-month periods ended 31 March 2015 and 2014 included the investments and share of loss of investments in an associate, which had been accounted for by equity method amounted to Baht 0.006 million and Baht 0.008 million, respectively, in the consolidated financial statements, based on financial statements of such associate, which had been reviewed by the other auditor. In addition, the Company had no obligation under the guarantee for such associate and an allowance for impairment of investments in the abovementioned associate was set up as at 31 March 2015 and 31 December 2014 in the amount of Baht 10 million and Baht10 million, respectively, in the separate financial statements. Please also see note 13 to the financial statements. However, the values of the investments in the associates were not significant.

3 Change in accounting policy

Since 1 January 2015, consequent to the adoption of new and revised TFRS as set out in note 2.1 to the financial statements, the Group / Company has adopted the new and revised TFRS. Certain standards have no impact on the Group's / Company's financial statements and certain standards have a material impact on the Group's / Company's financial statements which are summarized as follows:

3.1 TAS 1 (revised 2014) Presentation of financial statements

From 1 January 2015, the Company and its subsidiaries have adopted Thai Accounting Standard No.1 (revised 2014) "Presentation of financial statements", which required entities to present items in "other comprehensive income" on the criteria whether the transactions will be able to be subsequently reclassified to profit or loss or not. The adoption of this standard impacts the presentation of the statement of comprehensive income. The Company and its subsidiaries have presented and reclassified the comparative financial information in accordance with the revised standard. The change does not impact to the operating result of the Company and its subsidiaries.

3.2 TAS 19 (revised 2014) Employee Benefits

This revised standard requires that the entity recognize actuarial gains and losses immediately in other comprehensive income while the existing standard allows the entity to recognize such gains and losses immediately in either profit or loss or other comprehensive income, or to recognize them gradually in profit or loss.

The Company and its subsidiaries have changed the recognition of actuarial gains and losses in the current period from an immediate recognition in profit or loss to an immediate recognition in other comprehensive income.

This standard has a material impact on the Group's / Company's financial statements as described in note 3.7 to the financial statements.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

3.3 TAS 28 (revised 2014) Joint Arrangements Investments in Associates and Joint Ventures and TFRS 11

TAS 28 (revised 2014) Investments in Associates and Joint Ventures

TAS 28 (revised 2014) supersedes TAS 28 – Investments in Associates; TAS 31 – Interests in Joint Ventures – has been withdrawn. Note that the previous option under TAS 31 to proportionately consolidate the investee is no longer available. Any adjustments to the financial statements following a change of accounting policy in this regard have to be made retrospectively. TAS 28 (revised 2014) also defines the terms “joint arrangement” and “joint venture” as follows:

Joint arrangement – an arrangement of which two or more parties have joint control

Joint venture – a joint arrangement whereby the parties that have joint control of the arrangement have rights to the net assets of the arrangement.

TFRS 11 Joint Arrangements

This standard defines that a joint arrangement is a contractual arrangement where at least two parties agree to share control over the activities of the arrangement. Unanimous consent toward decisions about relevant activities between the parties sharing control is a requirement in order to meet the definition of joint control. Joint arrangements can be joint operations or joint ventures. The classification is principle based and depends on the parties’ exposure in relation to the arrangement. When the parties’ exposure to the arrangement only extends to the net assets of the arrangement, the arrangement is a joint venture. Joint operations have rights to assets and obligations for liabilities. Joint operations account for their rights to assets and obligations for liabilities. Joint ventures account for their interest by using the equity method of accounting. This standard may have an impact to the group when there is a new relevant investment.

The Board of Directors Meeting of the Company held on 22 April 2015, considered that SVK Joint venture and Syntec – Mivan Joint venture were defined as joint operations and accounted for by recognizing the shares of assets, liabilities, revenues and relating expenses based on proportionate consolidation. The Group has re-evaluated its involvement in its only joint arrangement. As a consequence, the Group has changed its accounting policy of two joint ventures from proportionate consolidation to the equity method.

Therefore, this standard has a material impact on recognition of the Group’s / Company’s assets, liabilities and total comprehensive income as described in note 3.7 to the financial statements.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

3.4 TFRS 10 Consolidated Financial Statements

TFRS 10 prescribes requirements for the preparation of consolidated financial statements and replaces the content of TAS 27 Consolidated and Separate Financial Statements dealing with consolidated financial statements. This standard changes the principles used in considering whether control exists. Under this standard, an investor is deemed to have control over an investee if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns, even if it holds less than half of the shares or voting rights. This important change requires the management to exercise a lot of judgement when reviewing whether the Company and its subsidiaries have control over investees and determining which entities have to be included in preparation of the consolidated financial statements.

The Company's board of directors and management confirms that a change of this standard has no any significant impact on the Company's and its subsidiaries' financial statements.

3.5 TFRS 12 Disclosure of Interests in Other Entities

This standard stipulates disclosures relating to an entity's interests in subsidiaries, joint arrangements and associates, including structured entities.

This standard has no any significant impact on the financial statements of the Group / Company.

3.6 TFRS 13 Fair Value Measurement

This standard provides guidance on how to measure fair value and stipulates disclosures related to fair value measurement. Entities are to apply the guidance under this standard if they are required by other financial reporting standards to measure their assets or liabilities at fair value. The effects of the adoption of this standard are to be recognized prospectively.

This standard has no any significant impact on the Company's / Company's financial statements.

3.7 Summaries of overview of material impacts resulting from the changes in accounting policies as items 3.2 and 3.3 are as follows:

	As previously restated	Effects of change in accounting policies as described in		Restated
		3.2	3.3	
		<i>(in million Baht)</i>		
Consolidated statement of financial position as at 1 January 2014				
Assets				
Current assets				
Cash and cash equivalent	909	-	(1)	908
Current investments	60	-	-	60
Trade accounts receivable	644	-	(23)	621
Other receivables	55	-	-	55
Retention receivable under construction contracts	546	-	(32)	514
Unbilled construction in progress	752	-	-	752
Inventories	111	-	-	111
Advance payment to subcontractors	40	-	-	40

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	As previously restated	Effects of change in accounting policies as described in		Restated
		3.2	3.3	
		<i>(in million Baht)</i>		
Other current assets	-	-	-	-
Total current assets	3,117	-	(56)	3,061
Non-current assets				
Investments in associate	-	-	-	-
Other long-term investments	278	-	-	278
Long-term loans	-	-	-	-
Investment properties	102	-	-	102
Property, plant and equipment	1,113	-	(5)	1,108
Leasehold right	391	-	-	391
Intangible assets	1	-	-	1
Withholding tax	197	-	-	197
Pledged deposit of bank	153	-	-	153
Deferred tax assets	6	-	-	6
Other non-current assets	91	-	(13)	78
Total non-current assets	2,332	-	(18)	2,314
Total assets	5,449	-	(74)	5,375
Liabilities and equity				
Current liabilities				
Bank overdrafts and short-term loans from financial institutions	399	-	-	399
Trade account payable	430	-	(47)	383
Other payables	342	-	(58)	284
Current portion of creditors under rehabilitation plan	30	-	-	30
Current portion of financial lease liabilities	40	-	-	40
Advance received from customers under construction contracts	548	-	-	548
Retention payables from subcontractors	248	-	(1)	247
Undue value added tax	97	-	(5)	92
Short-term provisions	11	-	-	11
Other current liabilities	7	-	-	7
Total current liabilities	2,152	-	(111)	2,041
Non-current liabilities				
Long-term loans	525	-	-	525
Financial lease liabilities	114	-	-	114
Deferred tax liabilities	7	-	-	7
Employee benefit obligations	86	-	-	86
Long-term provisions	-	-	43	43
Total non-current liabilities	732	-	43	775
Total liabilities	2,884	-	(68)	2,816
Equity				
Issued and paid-up share capital	1,600	-	-	1,600
Premium on ordinary shares	-	-	-	-
Retained earnings				
Legal reserve	61	-	-	61
Unappropriated retained earnings	872	-	(6)	866

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	As previously restated	Effects of change in accounting policies as described in 3.2 3.3 (in million Baht)		Restated
Other components of equity	(58)	-	-	(58)
Total equity attributable to owners of the Company	2,475	-	(6)	2,469
Non-controlling interests	90	-	-	90
Total equity	2,565	-	(6)	2,559
Total liabilities and equity	5,449	-	(74)	5,375

**Consolidated statement of financial
position
as at 31 December 2014**

Assets

Cash and cash equivalent	389	-	(1)	388
Current investments	761	-	-	761
Trade accounts receivable	53	-	(1)	52
Other receivables	836	-	(23)	813
Retention receivable under construction contracts	616	-	(32)	584
Unbilled construction in progress	557	-	-	557
Inventories	181	-	-	181
Advance payment to subcontractors	40	-	-	40
Other current assets	-	-	-	-
Total current assets	3,433	-	(57)	3,376
Non-current assets				
Investments in associates	-	-	-	-
Other long-term investments	356	-	-	356
Long-term loans	-	-	-	-
Investment properties	101	-	-	101
Property, plant and equipment	1,528	-	(5)	1,523
Leasehold right	371	-	-	371
Intangible assets	1	-	-	1
Withholding tax	128	-	-	128
Pledged deposit of bank	179	-	-	179
Other non-current assets	84	-	(13)	71
Total non-current assets	2,748	-	(18)	2,730
Total assets	6,181	-	(75)	6,106

Liabilities and equity

Current liabilities

Bank overdrafts and short-term loans from financial insituations	160	-	-	160
Trade account payable	544	-	(46)	498
Other payables	351	-	(59)	292
Current portion of creditors under rehabilitation plan	30	-	-	30
Current portion of long-term loans	175	-	-	175
Current portion of financial lease liabilities	46	-	-	46

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	As previously restated	Effects of change in accounting policies as described in 3.2 3.3 (in million Baht)		Restated
Advance received from customers under construction	624	-	-	624
Retention payables from subcontractors	292	-	-	292
Undue value added tax	95	-	(6)	89
Short-term provisions	67	-	-	67
Other current liabilities	8	-	-	8
Total current liabilities	2,392	-	(111)	2,281
Non-current liabilities				
Long-term loans	527	-	-	527
Financial lease liabilities	64	-	-	64
Deferred tax liabilities	16	-	-	16
Employee benefit obligations	100	-	-	100
Long-term provisions	46	-	66	112
Total non-current liabilities	753	-	66	819
Total liabilities	3,145	-	(45)	3,100
Equity				
Issued and paid-up share capital	1,600	-	-	1,600
Retained earnings				
Legal reserve	81	-	-	81
Unappropriated retained earnings	1,136	(4)	(30)	1,102
Other components of equity	107	4	-	111
Total equity attributable to owners of the Company	2,924	-	(30)	2,894
Non-controlling interests	112	-	-	112
Total equity	3,036	-	(30)	3,006
Total liabilities and equity	6,181	-	(75)	6,106
Consolidated statement of cash flows for the three-month period ended 31 March 2014				
Cash flows from operating activities	449	-	-	449
Cash flows from investing activities	(529)	-	-	(529)
Cash flows from financing activities	(116)	-	-	(116)
Net decrease in cash and cash equivalents	(196)	-	-	(196)
Cash and cash equivalents at 1 January 2014	909	-	(1)	908
Cash and cash equivalents at 31 March 2014	713	-	(1)	712

The consolidated and separate statements of comprehensive income for the three-month period ended 31 March 2015 and 2014 have share of loss in joint venture of which amounts are immaterial on the Group's / Company's results of operations.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

4 Significant accounting policies

The Group / Company have significant accounting policies and methods of computation applied in these interim financial statements for the three-month period ended 31 March 2015, are consistent with those applied in the financial statements for the year ended 31 December 2014, except the Group/Company has adopted all new and revised TFRS which become effective for accounting periods beginning on or after 1 January 2015 as described in notes 2.1 and 3 to the financial statements.

5 Seasonal operations

Revenue from construction of the Group / Company is subject to seasonal and economic environment.

6 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group / Company if the Group / Company has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions or vice versa, or where the Group / Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Subsidiaries		
1. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 52% shareholding and some common directors
2. Syntec Asset Management Co., Ltd.	Thailand	Subsidiary, 54.97% shareholding and some common directors
3. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
Associates		
1. Natural Hotel Sukhumvit Co., Ltd.	Thailand	Associate, 25% shareholding
2. Beauconcept Development Sdn.Bhd.	-	Associate which ceased its operations and no financial information
Joint ventures		
1. SVK Joint venture	Thailand	Joint venture, 51% portion of joint which ceased its operations
2. Syntec – Mivan Joint venture	Thailand	Joint venture, 65% portion of joint which ceased its operations
Related companies		
1. Bangkok Metro Plc.	Thailand	Related company, 0.87 % shareholding
2. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venturer in Syntec-Mivan joint venture
3. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
4. Tate Enterprise Co., Ltd.	Thailand	Related company

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
5. N&J Assets Management Co., Ltd.	Thailand	Related company
6. Narai Phand Co., Ltd.	Thailand	Related company
7. C.N.C. Building Co., Ltd.	Thailand	Related company
8. N&J Hospitality Co., Ltd.	Thailand	Related company
9. Pink Café Co., Ltd.	Thailand	Related company
10. Safe Series Co., Ltd.	Thailand	Related company
11. UOB Apartment Property Fund I (Leasehold)	Thailand	Related company, some common independent director with Natural Park Pcl. as unitholder of the Fund but not dealing with the Fund
Related persons		
1. Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of the Group/Company (whether executive or otherwise).

The pricing policies for particular types of transactions are explained further below:

	Pricing policies
Sale of steel and others	Invoice price (at cost)
Interest income	4.75% and MLR – 2.375 per annum
Cost of construction	Market price
Service apartment management expense	Contract price
Service expense	Contract price
Administrative expenses	Market price
Rental expenses	Contract price near the normal market rate
Directors benefit expenses represent meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represent salary and bonus	Approval from the Company's directors and shareholders

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Significant transactions for the three-month periods ended 31 March 2015 and 2014 with related parties were summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Revenue				
Subsidiaries				
Sale of steel	-	-	-	5,201
Revenue for service and others	-	-	1,577	-
Interest income	-	-	2,319	-
Expenses				
Subsidiaries				
Service apartment management	-	-	6,094	12,097
Related companies				
Cost of construction	19,666	-	19,666	-
Space rental and services	435	-	435	-
Land rental expense	300	-	300	-
Other service expense	3,885	-	3,885	-
Key management personnel				
Management benefit expense				
Short-term benefits	4,868	4,580	4,868	4,580
Post-employment benefits	722	544	722	544
Total key management personnel compensation	<u>5,590</u>	<u>5,124</u>	<u>5,590</u>	<u>5,124</u>

Balance as at 31 March 2015 and 31 December 2014 with related parties were as follows:

Other receivables - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Other receivables and advances				
Joint ventures				
SVK Joint Venture	11,146	11,146	11,146	11,146
Syntec – Mivan Joint Venture	621,421	620,756	621,421	620,756
Subsidiaries				
SCR Asset Management Co.,Ltd.	-	-	3,159	3,393
Syntec Assets Management Co., Ltd.	-	-	8	8
Natural Will Service Apartment and Management Co., Ltd.	-	-	19,016	14,523
Total	<u>632,567</u>	<u>631,902</u>	<u>654,750</u>	<u>649,826</u>
Less allowance for doubtful accounts	<u>(632,567)</u>	<u>(631,902)</u>	<u>(632,567)</u>	<u>(631,902)</u>
Net	<u>-</u>	<u>-</u>	<u>22,183</u>	<u>17,925</u>

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Related persons				
Key management personnel				
Advance to project managers	4,580	4,268	4,580	4,268

As at 31 March 2015 and 31 December 2014, advance to project managers in the amount of Baht 4.58 million and Baht 4.27 million, respectively, represented the petty cash for construction projects in the amount of Baht 50,000 to Baht 100,000 per a project.

Details of investments in subsidiaries and associates were described in notes 12 and 13 to financial statements.

Other long-term investments

	Consolidated and separate financial statements			
	31 March 2015		31 December 2014	
	At cost	Fair value	At cost	Fair value
	<i>(in thousand Baht)</i>			
<i>Available-for-sale investments</i>				
Other related company				
Bangkok Metro Plc.	221,748	336,077	221,748	355,741
Less valuation adjustment	114,329	-	133,993	-
Net	336,077	336,077	355,741	355,741

Long-term loans to related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Subsidiaries				
SCR Asset Management Co.,Ltd.	-	-	200,000	200,000
Other related companies				
Gentech Engineering Co., Ltd.	4,956	4,956	4,956	4,956
Total	4,956	4,956	204,956	204,956
Less allowance for doubtful accounts	(4,956)	(4,956)	(4,956)	(4,956)
Net	-	-	200,000	200,000

As at 31 March 2015 and 31 December 2014, The Company had long-term loans to a subsidiary (“SCR Asset Management Co., Ltd.”) of Baht 200 million, represented long-term loans under 2 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at 4.75% and MLR-2.375 per annum

Long-term loans to related parties had no contract and interest bearing.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Movements of long-term loans to related parties for the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	4,956	4,956	204,956	4,956
No movement during the period	-	-	-	-
At 31 March	4,956	4,956	204,956	4,956

Trade accounts payable - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Other related parties				
Tate Enterprise Co., Ltd.	-	169	-	169
Safe Series Co., Ltd	6,023	3,461	6,023	3,461
Joint venture				
Mivan (Thailand) Co., Ltd.	-	41,885	-	-
Total	6,023	45,516	6,023	3,630

Other payable – related parties

Subsidiaries

Natural Ville Service Apartment and Management Co., Ltd	-	-	13,404	13,625
Total	-	-	13,404	13,625

Details of provisions were described in note 26 to the financial statements.

The commitments with related parties

The Ordinary General Meeting of Shareholders held on 29 April 2014 resolved the approval of directors' remunerations for the year 2014 in the amount not exceeding Baht 2.10 million, which represented the meeting allowance of Baht 10,500 per time per head, and the annual audit committee directors' remuneration of Baht 210,000 per head. Please also see note 33 to the financial statements.

Significant agreements with related parties

The information and other significant events pursuant to the memorandum among the Company, related parties and joint ventures.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Syntec – Mivan Joint Venture

Syntec Construction Public Company Limited and Mivan (Thailand) Co., Ltd. entered into the initial joint venture agreement on 18 November 2005 to prepare the documents for bidding the Eua-Arthorn Housing Project of National Housing Authority. The proportionate ventures were as follows:-

Syntec Construction Public Company Limited	65 %
Mivan (Thailand) Co., Ltd. (“Related company”)	35 %

Syntec – Mivan Joint Venture had already finished its own construction and 3 projects amounted to 8,582 units were inspected by National Housing Authority. The retention for dilapidation of those projects was due in March 2012. As of 14 May 2014, the Company has been in the process of requesting the amount of retention from National Housing Authority and please see note 32 to the financial statements.

As of 15 May 2015, the above mentioned related company was insolvent and was sued by other creditors to be bankrupt.

Syntec – Mivan Joint Venture had suffered recurring and had significant deficit in ventures’ equity. In addition, Syntec – Mivan Joint Venture lacked of liquidity and ceased operation. These circumstances raise substantial doubt about the joint venture’s on the ability to continue as a going concern. However, the Company, Syntec - Mivan Joint Venture and a related company mutually agreed to enter into the memorandum to construct, modify and repair a construction project until complete. In addition, the above related company entered into an acknowledged debt agreement on liable debts. As at 31 March 2015 and 31 December 2014, the Company recognized the estimated loss under joint venture agreement amounted to Baht 68 million and Baht 66 million, respectively in the consolidated and separate financial statements, respectively as described in note 26 to the financial statements.

Subsidiaries

On 7 October 2014, the Company had entered into the loan agreement with a subsidiary (“SCR Asset Management Co., Ltd.”) in the amount not exceeding Baht 65 million, interest monthly charged at 4.75% per annum, requiring repayable principal on demand. The principal and interest will be repayable within 2 years from the agreement date.

On 25 November 2014, the Company had entered into the loan agreement with a subsidiary (“SCR Asset Management Co., Ltd.”) in the amount not exceeding Baht 135 million, interest monthly charged at MRL-2.375 per annum, from the agreement date requiring repayable principal on demand. The principal and interest will be repayable within 2 years.

On 18 October 2013, the Company had entered into a service agreement with Natural Ville Service Apartment and Management Co., Ltd. (“the subsidiary”) to provide the properties management including to manage building and land with furnishings, systems and facilities of the Natural Ville Project such as to service to tenants or customer and personnel management. The agreement has been effective from 25 October 2013 onward, requiring a monthly management service fee of Baht 2,000,000 (management service fee is included salaries and other administration expenses) and a disbursements to be approved by the Company.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

On 1 April 2014, the Company had entered into a service agreement with SCR Asset Management Co., Ltd (“the subsidiary”). The agreement has been effective from 1 April 2014 to 31 March 2015, requiring a monthly service fee of Baht 200,000.

Related companies

On 3 November 2014, the Company had entered into a office space rental agreement with a related company (“N & J Asset Management Co., Ltd.”) for use as offices, meeting rooms, and seminars rooms for a period of 3 years from 1 November 2014 to 31 October 2017, at monthly rental of Baht 120,759 with renewal option when the end of the lease agreement.

The Company entered into a land rental agreement with a related company for use as temporary shelter for workers. The rental period covered six months from June 2013 to December 2013 with a monthly rental rate Baht 100,000 and renewal option when the end of the lease agreement.

7 Current Investments

	Consolidated and separate financial statements			
	31 March 2015		31 December 2014	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
Current investments				
Bills of exchange	464,779	464,779	549,999	549,999
Mutual fund – debt securities	176,084	177,467	175,002	176,338
Debt securities held to maturity	-	-	35,000	35,000
Total	640,863	642,246	760,001	761,337

Movements during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated and separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
Bills of exchange		
At 1 January	549,999	60,108
Purchases during the period	126,803	401,524
Sales during the period	(212,023)	-
At 31 March	464,779	461,632
Open fund – debt securities		
At 1 January	176,338	-
Purchases during the period	40,159	-
Sales during the period	(40,413)	-
Valuation adjustment	1,383	-
At 31 March	177,467	-
Debt securities held to maturity		
At 1 January	35,000	-
Decrease during the period	(35,000)	-
At 31 March	-	-

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

8 Trade accounts receivable

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Trade accounts receivable - other parties	1,031,351	904,577	1,030,709	904,577
Less allowance for doubtful accounts	<u>(87,947)</u>	<u>(91,907)</u>	<u>(87,947)</u>	<u>(91,907)</u>
Net	<u>943,404</u>	<u>812,670</u>	<u>942,762</u>	<u>812,670</u>
For the three-month period ended 31 March				
Doubtful debts expense	29	-	29	-
Reversal of allowance for doubtful accounts	<u>(3,989)</u>	<u>-</u>	<u>(3,989)</u>	<u>-</u>
Net	<u>(3,960)</u>	<u>-</u>	<u>(3,960)</u>	<u>-</u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Within credit terms	597,318	630,967	596,753	630,967
Still installment	27,630	29,628	27,630	29,628
Overdue:				
- Less than 3 months	200,203	52,958	200,126	52,958
- Over 3 months to 6 months	31,073	40,360	31,073	40,360
- Over 6 months to 12 months	42,771	1,786	42,771	1,786
- Over 12 months	<u>132,356</u>	<u>148,878</u>	<u>132,356</u>	<u>148,878</u>
	<u>406,403</u>	<u>243,982</u>	<u>406,326</u>	<u>243,982</u>
Total	<u>1,031,351</u>	<u>904,577</u>	<u>1,030,709</u>	<u>904,577</u>

The normal credit terms granted by the Group range from 30 days to 45 days.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

9 Other receivables

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Other receivables	86,185	12,586	106,828	28,423
Accrued income	5,482	4,957	5,482	5,834
Prepaid expenses	40,859	17,821	21,308	17,820
Advance	639,599	638,058	639,042	637,812
Prepaid value added tax	280	16,289	263	528
Total	772,405	689,711	772,923	690,417
<i>Less</i> allowance for doubtful accounts	<i>(638,508)</i>	<i>(637,843)</i>	<i>(638,508)</i>	<i>(637,843)</i>
Net	133,897	51,868	134,415	52,574
Related parties	632,567	631,902	654,750	649,827
Related persons				
Key management personnel	4,580	4,268	4,580	4,268
Other parties	135,258	53,541	113,593	36,322
	772,405	689,711	772,923	690,417
<i>Less</i> allowance for doubtful accounts	<i>(638,508)</i>	<i>(637,843)</i>	<i>(638,508)</i>	<i>(637,843)</i>
Net	133,897	51,868	134,415	52,574
Doubtful debts expense for the three- month period ended 31 March	665	668	665	1,906

10 Retentions receivables under construction contracts

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Other parties	631,817	608,273	631,817	608,273
<i>Less</i> allowance for doubtful accounts	<i>(23,309)</i>	<i>(23,926)</i>	<i>(23,309)</i>	<i>(23,926)</i>
Net	608,508	584,347	608,508	584,347
Reversal of allowance for doubtful accounts for the three- month periods ended 31 March	(617)	(1,618)	(617)	(1,618)

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Aging analyses for retentions receivable under construction contracts were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Within credit terms	517,200	476,462	517,200	476,462
Still installment	4,701	5,041	4,701	5,041
Overdue:				
- Less than 1 year	-	7,668	-	7,668
- Over 1 year to 2 year	40,643	49,829	40,643	49,829
- Over 2 year to 3 year	3,736	3,736	3,736	3,736
- Over 3 year	65,537	65,537	65,537	65,537
	<u>109,916</u>	<u>126,770</u>	<u>109,916</u>	<u>126,770</u>
Total	<u>631,817</u>	<u>608,273</u>	<u>631,817</u>	<u>608,273</u>

The normal period of retentions under construction granted by the Company ranges from 1 – 2 years.

11 Unbilled construction in progress

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Other parties	591,092	596,578	591,092	596,578
Less allowance for doubtful accounts	(39,251)	(39,530)	(39,251)	(39,530)
Net	<u>551,841</u>	<u>557,048</u>	<u>551,841</u>	<u>557,048</u>
For the three month periods ended 31 March				
Reversal of allowance for doubtful accounts	<u>(279)</u>	<u>-</u>	<u>(279)</u>	<u>-</u>

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Construction project contracts amount	<u>25,626</u>	<u>29,129</u>	<u>25,626</u>	<u>29,129</u>
Contract revenue recognized as revenue since commencing date to present	20,428	22,775	20,428	22,775
Less progress billings (as invoices)	<u>(19,866)</u>	<u>(22,208)</u>	<u>(19,866)</u>	<u>(22,208)</u>
Unbilled construction in progress	562	567	562	567

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in million Baht)</i>			
Unbilled construction in progress (before 2000)	29	29	29	29
Unbilled construction in progress at the end of period	591	596	591	596
Less allowance for doubtful accounts	(39)	(39)	(39)	(39)
Net	552	557	552	557
Excess of progress billing over work in progress	(669)	(624)	(669)	(624)
Net	(117)	(67)	(117)	(67)

12 Investments in subsidiaries

Movements during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	127,349	100,349
Acquisitions	-	1,000
Prepaid investments in subsidiaries	20,800	-
At 31 March	148,149	101,349

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2015 (Unaudited)

Investments in subsidiary as at 31 March 2015 and 31 December 2014 were as follows:

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend received	
	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December	31 March	31 December
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
	(%)		(in million Baht)				(in thousand Baht)					
Direct subsidiaries												
Investments :												
SCR Asset Management Co., Ltd.	52.00	52.00	240	240	124,800	124,800	-	-	124,800	124,800	-	-
Syntec Asset Management Co., Ltd.	54.97	54.97	1	1	549	549	-	-	549	549	-	-
Natural Ville Service apartment and Management Co., Ltd	99.97	99.97	2	2	2,000	2,000	-	-	2,000	2,000	-	-
Total					127,349	127,349	-	-	127,349	127,349	-	-
Prepaid investments in subsidiaries :												
SCR Asset Management Co., Ltd					20,800	-	-	-	20,800	-	-	-
Total					148,149	127,349	-	-	148,149	127,349	-	-

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

13 Investments in associates

Movements during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	29,659	29,686	38,677	38,677
Share of loss of investments from equity method	(6)	(8)	-	-
	<u>29,653</u>	<u>29,678</u>	<u>38,677</u>	<u>38,677</u>
Less allowance for valuation of investments	(29,302)	(29,302)	(38,677)	(38,677)
At 31 March	<u>351</u>	<u>376</u>	<u>-</u>	<u>-</u>

14 Other long-term investments

	Consolidated and separate financial statements			
	Cost		Fair Value	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
General investments	55,789	55,789	-	-
Available-for-sale investments	<u>221,747</u>	<u>221,747</u>	<u>336,077</u>	<u>355,741</u>
Total	<u>277,536</u>	<u>277,536</u>	<u>336,077</u>	<u>355,741</u>

Movements of other long-term investments during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated and separate financial statements	
	2015	2014
	<i>(in thousand Baht)</i>	
General investments		
At 1 January	55,789	55,789
Valuation adjustment	<u>(55,789)</u>	<u>(55,789)</u>
At 31 March	<u>-</u>	<u>-</u>
Available-for-sale investments		
At 1 January	221,748	242,764
Valuation adjustment	<u>114,329</u>	<u>(26,704)</u>
At 31 March	<u>336,077</u>	<u>216,060</u>
Unrealized gain (loss) from changes in fair value of investment for the period presented in equity	<u>(15,731)</u>	<u>(26,704)</u>
Debt securities held to maturity		
At 1 January	-	35,000
Decrease during the period	<u>-</u>	<u>-</u>
At 31 March	<u>-</u>	<u>35,000</u>

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

15 Long-term loans

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Related parties	4,956	4,956	204,956	204,956
Other parties	3,000	3,000	3,000	3,000
	<u>7,956</u>	<u>7,956</u>	<u>207,956</u>	<u>207,956</u>
Less allowance for doubtful accounts	<u>(7,956)</u>	<u>(7,956)</u>	<u>(7,956)</u>	<u>(7,956)</u>
Net	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>200,000</u></u>	<u><u>200,000</u></u>

Long-term loans for the three-month periods ended 31 March 2015 and 2014, was no movement during in the period.

16 Investment properties

Acquisitions, disposals and transfers of investment properties during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Net book value at 1 January	100,820	101,560	100,820	101,560
Depreciation for the period	<u>(185)</u>	<u>(185)</u>	<u>(185)</u>	<u>(185)</u>
Net book value at 31 March	<u>100,635</u>	<u>101,375</u>	<u>100,635</u>	<u>101,375</u>

On 31 March 2015, the investment properties represented land 6 title deeds, cost value of Baht 99.64 million were mortgaged with a domestic commercial bank in the amount of Baht 700 million.

17 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Net book value at 1 January	1,522,605	1,107,976	930,170	910,703
Acquisition and transfer in - at cost	98,663	114,054	68,378	69,986
Disposal and transfer out				
- net book value	<u>(16,546)</u>	<u>(2,208)</u>	<u>(16,546)</u>	<u>(2,208)</u>
Depreciation for the period	<u>(41,728)</u>	<u>(36,973)</u>	<u>(41,684)</u>	<u>(36,926)</u>
Net book value at 31 March	<u>1,562,994</u>	<u>1,182,849</u>	<u>940,318</u>	<u>941,555</u>

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Borrowing cost capitalized in a part of cost of construction in progress:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
Interest capitalized for the three-month periods ended 31 March	2,302	1,688	-	-
Accumulated interest capitalized	8,540	1,688	-	-
Capitalization rate (% per annum)	4.75, MLR – 1.5	MLR – 1.5	-	-

As at 31 March 2015, land, buildings and building improvement in the amount of Baht 48 million including indemnity from fire insurance of those assets were mortgaged as collateral for contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

18 Leasehold right

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		<i>(in thousand Baht)</i>		
Net book value at 1 January	370,558	390,742	370,558	390,742
Amortization for the period	(4,977)	(4,977)	(4,977)	(4,977)
Net book value at 31 March	<u>365,581</u>	<u>385,765</u>	<u>365,581</u>	<u>385,765</u>

19 Intangible assets

Acquisitions, disposals and transfers of intangible assets during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
		<i>(in thousand Baht)</i>		
Net book value at 1 January	910	1,344	910	1,344
Acquisition and transfer in - at cost	192	578	192	578
Amortisation charge for the period	(197)	(604)	(197)	(604)
Net book value at 31 March	<u>905</u>	<u>1,318</u>	<u>905</u>	<u>1,318</u>

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

20 Deferred income tax

Movements of deferred tax assets and liabilities during the three-month periods ended 31 March 2015 and 2014 were as follows:

For the three-month periods ended 31 March 2015

	Consolidated and separate financial statements			At 31 March 2015
	At 1 January 2015	(Charged)/credited to		
		Profit (loss)	Other comprehensive income (loss)	
		<i>(in million Baht)</i>		
Deferred tax assets				
Trade accounts receivable	16	-	-	16
Loss carry forward	2	(2)	-	-
Total	18	(2)	-	16
Deferred tax liabilities				
Property, plant and equipment	6	(3)	-	3
Financial lease liabilities	1	-	-	1
Gains on fair value of available-for-sale investments	27	-	(4)	23
Total	34	(3)	(4)	27
Net	(16)	(1)	(4)	(11)

For the three-month period ended 31 March 2014

	Consolidated and separate financial statements			At 31 March 2014
	At 1 January 2014	(Charged)/credited to		
		Profit (loss)	Other comprehensive income (loss)	
		<i>(in million Baht)</i>		
Deferred tax assets				
Trade accounts receivable	2	10	-	12
Loss carry forward	4	-	-	4
Total	6	10	-	16
Deferred tax liabilities				
Property, plant and equipment	6	5	-	1
Financial lease liabilities	1	-	-	1
Total	7	5	-	2
Net	(1)	15	-	14

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Deferred tax assets (liabilities) arising from temporary differences and unused tax losses that have not been recognized in the financial statements were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in million Baht)</i>			
Deductible temporary differences	100	102	100	102
Tax losses	2	81	-	-
Total	102	183	100	102

The tax losses expire in 2015 to 2019. The deductible temporary differences do not expire under current tax legislation. Deferred tax assets have not been recognized in respect of these items because it is not probable that future taxable profit against which the Group / Company can utilize the benefits therefrom.

The interim income tax is calculated on profit before tax for the period multiplied by the estimated average tax rate.

Income tax expenses for the three-month periods ended 31 March 2015 and 2014 were summarized as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in million Baht)</i>			
Current income tax expense for the period				
The interim income tax expenses	32	23	32	23
Deferred tax expense (income)				
Deferred tax expense (income) concern deductible temporary difference with initial recognized and reversed	(1)	(15)	(1)	(15)
Income tax expense (income) represented in statements of comprehensive income	31	8	31	8

21 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Short-term loans from financial institutions	160,000	160,000	160,000	160,000
Total	160,000	160,000	160,000	160,000

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Movements of short-term loans from financial institutions during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	160,000	395,000	160,000	330,000
Addition	-	100,000	-	100,000
Deduction	-	(210,000)	-	(210,000)
At 31 March	160,000	285,000	160,000	220,000

As at 31 March 2015, the Company had short-term loans from financial institutions in the amount of Baht 160 million in the consolidated and separate financial statements, represented bills of exchange, due on 3 June 2015 to 15 June 2015 with interest rate charged at 4.20% per annum.

22 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Related parties	6,023	45,516	6,023	3,630
Others parties	528,013	452,240	518,844	480,675
Total	534,036	497,756	524,867	484,305

23 Other payables

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Related parties	-	-	13,404	13,625
Others parties	292,573	292,274	248,829	273,879
Total	292,573	292,274	262,233	287,504
<i>Other parties</i>				
Advance received on ordinary shares in subsidiary	19,200	-	-	-
Other payables	40,460	18,412	17,595	20,963
Accrued value added tax	2,114	10,408	1,910	10,406
Accrued withholding tax	9,657	11,506	9,289	10,931
Other accrued expenses	221,142	251,948	220,035	231,579
Total	292,573	292,274	248,829	273,879

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

24 Long-term loans

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
Long-term loans from financial Institutions	190,100	177,286	-	-
Unsubordinated and unsecured debentures No. 1/2013	350,000	350,000	350,000	350,000
Unsubordinated and unsecured debentures No. 2/2013	175,000	175,000	175,000	175,000
Total	715,100	702,286	525,000	525,000
Less current portion of long-term loans	(175,000)	(175,000)	(175,000)	(175,000)
Net	540,100	527,286	350,000	350,000

Movements of long-term loans during the three-month periods ended 31 March 2015 and 2014 were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
At 1 January	702,286	525,000	525,000	525,000
Addition	12,814	-	-	-
Deduction	-	-	-	-
At 31 March	715,100	525,000	525,000	525,000

25 Employee benefit obligations

Movement in the present value of the defined benefit obligations :

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Defined benefit obligations at 1 January	99,045	85,994	98,041	85,812
Current service costs and interest	4,729	4,146	4,535	4,145
Defined benefit obligations at 31 March	103,774	90,140	102,576	89,957

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Expense recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Current service costs	3,901	3,423	3,717	3,422
Interest on obligations	828	723	818	723
Total	4,729	4,146	4,535	4,145

The above expense is recognised in profit or loss included in the following line items:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Cost of construction	3,323	2,673	3,323	2,673
Administrative expenses	1,406	1,473	1,212	1,472
Total	4,729	4,146	4,535	4,145

Principal actuarial assumptions at the reporting date

	<i>(%)</i>
Discount rate	3.65 - 3.75
Salary increase rate	4.00 – 8.00
Staff turnover rate	0 – 21.00
Mortality rate (Thai Mortality Table 2008)	TMO 2008
Disability rate	5% of mortality rate

26 Provisions

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>			
Provision for litigation	45,847	45,847	45,847	45,847
Provision for losses on construction project	67,095	66,518	67,095	66,518
Estimated loss under joint venture agreement	68,406	66,465	68,406	66,465
Total	181,348	178,830	181,348	178,830
Current	67,095	66,518	67,095	66,518
Non-current	114,253	112,312	114,253	112,312
Total	181,348	178,830	181,348	178,830

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Movements for the three-month periods as at 31 March 2015 and 2014 were as follow:

Consolidated financial statements

	Provision losses on construction project		Estimated loss under joint venture agreement		Provision for litigation		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>							
At 1 January	66,518	10,970	66,465	42,632	45,847	-	178,830	53,602
Provision made	577	39,744	1,941	154	-	-	2,518	39,898
At 31 March	67,095	50,714	68,406	42,786	45,847	-	181,348	93,500

Separate financial statements

	Provision losses on construction project		Estimated loss under joint venture agreement		Provision for litigation		Total	
	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in thousand Baht)</i>							
At 1 January	66,518	10,970	66,465	42,632	45,847	-	178,830	53,602
Provision made	577	39,744	1,941	154	-	-	2,518	39,898
At 31 March	67,095	50,714	68,406	42,786	45,847	-	181,348	93,500

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Estimated losses under joint venture agreement

As at 31 March 2015 and 31 December 2014, the Company recognized the estimated losses under joint venture agreement to outsider, which was based on the proportionate share of the entities, were summarized as follows:

	Separate financial statements	
	31 March 2015	31 December 2014
	<i>(in thousand Baht)</i>	
Syntec – Mivan Joint venture	68,406	66,465
Total	68,406	66,465

27 Share capital

	Par value (Baht)	31 March 2015		31 December 2014	
		Number	Value	Number	Value
		<i>(in million shares / in million Baht)</i>			
Authorized share capital					
At the beginning of period					
- Ordinary shares	1	1,600	1,600	1,600	1,600
At the end of period					
- Ordinary shares	1	1,600	1,600	1,600	1,600
Issued and paid up share capital					
At the beginning of period					
- Ordinary shares	1	1,600	1,600	1,600	1,600
At the end of period					
- Ordinary shares	1	1,600	1,600	1,600	1,600

28 Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account (“legal reserve”), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

29 Segment information

The Group has three important reportable segments as follows:

- Segment 1 : Construction business
- Segment 2 : Real estate development for apartment service
- Segment 3 : Operate the management business for hotel, service apartment and other properties.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Information about reportable segments:

	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2015	2014	2015	2014	2015	2014	2015	2014
	<i>(in million Baht)</i>							
For the three-month period ended 31 March								
External revenue	1,843	1,656	32	21	6	12	1,881	1,689
Inter – segment revenue	(4)	(6)	-	-	(6)	(12)	(10)	(18)
Total segment revenue	1,839	1,650	32	21	-	-	1,871	1,671
Segment profit (loss) before income tax	132	88	(6)	(4)	-	-	126	84
Segment assets as at 31 March/ 31 December								
	5,326	5,050	943	1,051	18	5	6,287	6,106
Segment liabilities as at 31 March/ 31 December								
	2,736	2,788	466	219	1	3	3,203	3,060

Reconciliation of reportable segment profit or loss and assets

For the three-month period ended 31 March

2015 2014
(in million Baht)

Profit or loss

Total profit for reportable segments
Elimination of inter-segment profits
Profit before income tax

127	82
(1)	2
126	84

	Consolidated financial statements		Separate financial statements	
	31 March 2015	31 December 2014	31 March 2015	31 December 2014
	<i>(in million Baht)</i>			
Assets				
Total assets for reportable segments	4,724	4,583	4,888	4,759
Investments in subsidiaries	-	-	148	127
Property, plant and equipment	1,563	1,528	940	930
Total assets	6,287	6,106	5,976	5,816

30 Earnings per share

The calculation of basic earnings per share for the three-month periods ended 31 March 2015 and 2014 was based on the profit for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the period as follows:

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousands Baht / thousands shares)</i>			
Profit for the period attributable to equityholders of the Company(basic)	98,627	76,695	106,797	76,864
Number of ordinary shares outstanding	1,600,000	1,600,000	1,600,000	1,600,000
Basic earnings per share (Baht)	0.06	0.05	0.07	0.05

31 Commitments with non-related parties

As at 31 March 2015, the Group/Company had commitments as follows:

	Consolidated financial statements		Separate financial statements	
	<i>(in million Baht)</i>			
Capital commitments				
<i>Not provide for</i>				
Condominium	4		4	
Camp and other structures	2		2	
Cost of construction building for lease	649		-	
Other commitments				
Subcontractor agreements	923		923	
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	1,726		1,726	
Total	3,304		2,655	

As at 31 March 2015, the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 2,038 million.

As at 31 March 2015, the subsidiary (SCR Assets Management Co., Ltd.) had commitment under the technical consulting agreement and the service apartment management with two other companies, requiring consulting fee and service including conditions according to the agreements.

32 Contingent liabilities and assets

As at 31 March 2015, contingent liabilities were as follows:

- The Company had contingent liabilities due to be sued by other person regarding the wrongful act and claimed a compensation of construction with the sued amount of Baht 35 million. Such case has been in the process of consideration by the Court, which has not been finalized.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

Litigations

- On 11 February 2011, the black case no. 270/2554, the Company, as the plaintiff, sued Kempin Siam Company Limited (“the Employer”) regarding false of construction agreement in the amount of Baht 301 million. Subsequently, on 30 June 2011, the Employer sued the Company as the black case no. 1146/2554 regarding false of construction agreement and claim compensation in the amount of Baht 2,864 million. The Court appointed to conciliate but did not agree, then the Court appointed for reconsideration on 8 June 2015.
- On 28 June 2011, the black case no. 2398/2554, the Company and Mivan (Thailand) Co., Ltd., as the plaintiff, sued National Housing Authority regarding false of construction agreement and claimed a compensation in the amount of Baht 850 million. The Court made an appointment for agreement on 20 August 2012. Subsequently, the Court ordered dispose this case and on 7 September 2012, as black case no. 2206/2555, the Company sued National Housing Authority to the Federal Administrative Court. The sued amount was Baht 874 million. As of 15 May 2015, the case has been in the process of the Court’s consideration, the result has not been finalized.
- SVK joint venture (“Joint venture”), sued to claim loss from other public company regarding false of agreement in the amount of Baht 12.13 million while Joint venture was sued by that public company to claim a compensation in the amount of Baht 31.80 million. Subsequently, on 13 February 2013, the Court of First Instance adjudged the Joint venture to settle to this public company. Subsequently, on 11 April 2013, the Company appealed to the Court and the Appeal Court adjudged the Company and ventures to settle to public company amount of Baht 31.80 million with interest rate 7.5% per annum from 14 October 2010 onwards.

Subsequently, on 19 September 2014, the Company filed a petition to the Supreme Court. As of 15 May 2015, the case has been in the process of the Court’s consideration, the result has not been finalized. However, as at 31 March 2015, the Company already recorded the provision on the above lawsuits amounting to Baht 31.80 million.

- The Company had sued by other person regarding the wrongful act and claimed a compensation of construction with the sued amount of Baht 46.39 million. Subsequently, on 28 December 2012, the Court of First Instance adjudged the Company to settle to the other person in the amount of Baht 13.10 million. Subsequently, on 26 August 2013, the Company appealed to the Court and the Appeal Court adjudged the Company to settle to the above person in the amount of Baht 14.05 million with interest rate 7% per annum from 1 February 2011 onwards.

Subsequently, on 15 May 2014, the Company filed a petition to the Supreme Court. As of 15 May 2015, the case has been in the process of the Court’s Consideration, the result has not been finalized. However, as at 31 March 2015, the Company already recorded the provision on the above lawsuits amounting to Baht 14.05 million.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2015 (Unaudited)

33 Events after the reporting period

The Ordinary General Meeting of Shareholders held on 29 April 2015 resolved the following matters:

- Approval of allocation of net profit for the year 2014 in 5% to legal reserve in the amount of Baht 19.47 million ;
- Approval of dividends from the Company's result of operations for the period from 1 January 2014 to 31 December 2014 at the rate of Baht 0.07 per share totalling Baht 112 million. The Board of Directors Meeting resolved to pay an interim dividend from of operating results of the Company for the period from 1 January 2014 to 30 June 2014 at the rate of Baht 0.02 per share totalling Baht 32 million remaining Baht 80 million, requiring making the payment on 27 May 2015.
- approval of directors' remunerations for the year 2015 represented the meeting allowance of Baht 11,000 per time per head, and the annual audit committee directors' remunerations of Baht 220,000 per head.