

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

Interim financial statements
for the three-month period ended
31 March 2014

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 2014, 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".

Other Matters

The 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 December 2013, which are included as a comparative information, were audited by another auditor who expressed an unqualified opinion on those financial statements in her report dated 28 February 2014. The consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2013, which are included as a comparative information, were reviewed by another auditor whose report dated 14 May 2013 stated that nothing has come to her attention that causes her to believe that the accompanying interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34, Interim Financial Reporting and drew attention in relation to the effect of the Company's adoption of certain new accounting policies

(Manit Warakitjaporn)
Certified Public Accountant
Registration Number 7326

NPS Siam Audit Limited
Bangkok
14 May 2014

Syntec Construction Public Company Limited and its Subsidiaries

Statements of financial position

As at 31 March 2014

Assets	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2014	2013	2014	2013
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current assets</i>					
Cash and cash equivalents		713,445	909,033	682,961	842,673
Current investments	7	461,632	60,108	461,632	60,108
Trade accounts receivable	8	608,905	643,790	585,904	620,789
Other receivables	6, 9	37,510	55,199	53,329	56,501
Retention receivable under construction					
contracts	10	561,109	545,926	529,180	513,996
Unbilled construction in progress	11	610,381	752,538	610,381	752,538
Inventories		106,365	110,909	106,073	110,716
Advance payments to subcontractors		45,708	40,066	45,708	40,066
Other current assets		391	391	-	-
Total current assets		3,145,446	3,117,960	3,075,168	2,997,387
<i>Non-current assets</i>					
Investment in subsidiary	12	-	-	101,349	100,349
Investment in associate	13	376	384	-	-
Other long-term investments	6, 14	251,060	277,764	251,060	277,764
Long-term loans	6, 15	-	-	-	-
Investment properties	16	101,375	101,560	101,375	101,560
Property, plant and equipment	17	1,187,925	1,113,052	941,555	910,703
Leasehold right	18	385,765	390,742	385,765	390,742
Intangible assets	19	1,318	1,344	1,318	1,344
Withholding tax		229,613	196,641	228,832	196,392
Pledged deposit at bank		172,219	152,701	172,219	152,701
Deferred tax assets	20	13,974	6,008	13,974	6,008
Other non-current assets		97,257	90,660	84,105	77,735
Total non-current assets		2,440,882	2,330,856	2,281,552	2,215,298
Total Assets		5,586,328	5,448,816	5,356,720	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 2014

Liabilities and equity	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2014	2013	2014	2013
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<i>Current liabilities</i>					
Bank overdrafts and short-term loans from					
financial institutions	21	303,916	398,989	238,287	333,101
Trade accounts payable	22	514,168	429,776	465,982	381,127
Other payables	23	281,460	341,894	222,894	278,479
Current portion of creditors under					
rehabilitation plan		29,467	29,660	29,467	29,660
Current portion of financial lease liabilities		43,256	39,738	43,256	39,738
Advances received from customers					
under construction contracts	11	671,126	547,690	671,126	547,690
Retention payables from subcontractors		265,849	248,477	265,463	247,965
Undue value added tax		80,762	97,250	75,408	91,895
Short-term provisions	26	50,714	10,970	50,714	10,970
Other current liabilities		14,630	7,111	14,630	7,111
Total current liabilities		2,255,348	2,151,555	2,077,227	1,967,736
<i>Non-current liabilities</i>					
Debentures	24	525,000	525,000	525,000	525,000
Financial lease liabilities		101,725	114,168	101,725	114,168
Deferred tax liabilities	20	-	7,472	-	7,472
Employee benefit obligations	25	90,140	85,994	89,957	85,812
Long-term provisions	26	-	-	42,786	42,632
Total non-current liabilities		716,865	732,634	759,468	775,084
Total liabilities		2,972,213	2,884,189	2,836,695	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 2014

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
Liabilities and equity		31 March 2014 (Unaudited)	31 December 2013	31 March 2014 (Unaudited)	31 December 2013
<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>
Issued and paid-up share capital		<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>	<u>1,600,000</u>
Additional paid-in capital					
Premium on ordinary shares		24	24	24	24
Retained earnings					
Appropriated					
Legal reserve	28	65,124	61,281	65,124	61,281
Unappropriated		944,284	871,662	939,924	866,903
Other components of equity	6, 14	<u>(85,047)</u>	<u>(58,343)</u>	<u>(85,047)</u>	<u>(58,343)</u>
Total equity attributable to owners of the Company		<u>2,524,385</u>	<u>2,474,624</u>	<u>2,520,025</u>	<u>2,469,865</u>
Non-controlling interests		<u>89,730</u>	<u>90,003</u>	<u>-</u>	<u>-</u>
Total equity		<u>2,614,115</u>	<u>2,564,627</u>	<u>2,520,025</u>	<u>2,469,865</u>
Total liabilities and equity		<u>5,586,328</u>	<u>5,448,816</u>	<u>5,356,720</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
For the three-month period ended 31 March 2014 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
Revenues					
Revenue from construction		1,643,324	1,307,102	1,643,324	1,307,102
Revenue from room service		19,894	-	19,894	-
Interest income		5,169	1,080	5,169	1,080
Reversal of allowance for doubtful accounts	8, 10	1,618	150	1,618	150
Other income		1,486	1,185	6,218	1,185
Total revenues		1,671,491	1,309,517	1,676,223	1,309,517
Expenses					
Cost of construction		1,467,675	1,232,034	1,472,876	1,232,750
Cost of room service		14,569	-	23,247	-
Selling expenses		429	247	246	247
Administrative expenses		90,635	68,843	80,296	66,780
Other expenses		690	14,805	2,262	15,553
Finance cost		13,747	10,047	12,886	10,047
Total expenses		1,587,745	1,325,976	1,591,813	1,325,377
Share of profit (loss) of investments					
in associate	13	(8)	(8)	-	-
Profit (loss) before income tax expense		83,738	(16,467)	84,410	(15,860)
Income tax expense (revenues)	20	7,546	(6,726)	7,546	(6,726)
Profit (loss) for the period		76,192	(9,741)	76,864	(9,134)
Other comprehensive income (loss)					
Profit (loss) in fair value of available-for-sale	14	(26,704)	180,237	(26,704)	180,237
Other comprehensive income for the period		(26,704)	180,237	(26,704)	180,237
Total comprehensive income for the period		49,488	170,496	50,160	171,103

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of comprehensive income
For the three-month period ended 31 March 2014 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
		<i>(in thousand Baht)</i>			
Profit (loss) attributable to :-					
Owners of the Company		76,465	(9,724)	76,864	(9,134)
Non - controlling interests		(273)	(17)	-	-
		<u>76,192</u>	<u>(9,741)</u>	<u>76,864</u>	<u>(9,134)</u>
Total comprehensive income (loss) attributable to :-					
Owners of the Company		49,761	170,513	50,160	171,103
Non - controlling interests		(273)	(17)	-	-
		<u>49,488</u>	<u>170,496</u>	<u>50,160</u>	<u>171,103</u>
Earning (loss) per share					
Basic (in Baht)	30	<u>0.05</u>	<u>(0.01)</u>	<u>0.05</u>	<u>(0.01)</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
 For the three-month period ended 31 March 2014 (Unaudited)

	Consolidated financial statements								
	Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Other components of equity	Total equity attributable to owners of the Company	Non-controlling interests	Total equity
				Legal reserve	Unappropriated	Net change in fair value of available-for-sale investments			
<i>(in thousand Baht)</i>									
Balance at 1 January 2013		1,600,000	24	57,553	794,790	(303,143)	2,149,224	47,857	2,197,081
Comprehensive income (loss) for the period		-	-	-	(9,724)	180,237	170,513	(17)	170,496
Balance at 31 March 2013		1,600,000	24	57,553	785,066	(122,906)	2,319,737	47,840	2,367,577
Balance at 1 January 2014		1,600,000	24	61,281	871,662	(58,343)	2,474,624	90,003	2,564,627
Transfer to legal reserve		-	-	3,843	(3,843)	-	-	-	-
Comprehensive income (loss) for the period		-	-	-	76,465	(26,704)	49,761	(273)	49,488
Balance at 31 March 2014		1,600,000	24	65,124	944,284	(85,047)	2,524,385	89,730	2,614,115

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

Syntec Construction Public Company Limited and its Subsidiaries
Statements of changes in equity
For the three-month period ended 31 March 2014 (Unaudited)

	<i>Note</i>	Issued and paid-up share capital	Premium on ordinary shares	Separate financial statements		Other components of equity Net change in fair value of available-for-sale investments	Total equity
				<u>Retained earnings</u> Appropriated legal reserve	Unappropriated		
				<i>(in thousand Baht)</i>			
Balance at 1 January 2013		1,600,000	24	57,553	796,065	(303,143)	2,150,499
Comprehensive income (loss) for the period		-	-	-	(9,134)	180,237	171,103
Balance at 31 March 2013		1,600,000	24	57,553	786,931	(122,906)	2,321,602
Balance at 1 January 2014		1,600,000	24	61,281	866,903	(58,343)	2,469,865
Transfer to legal reserve		-	-	3,843	(3,843)	-	-
Comprehensive income (loss) for the period		-	-	-	76,864	(26,704)	50,160
Balance at 31 March 2014		1,600,000	24	65,124	939,924	(85,047)	2,520,025

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of cash flows

For the three-month period ended 31 March 2014 (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
<i>Note</i>	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Cash flows from operating activities</i>				
Loss for the period	76,192	(9,741)	76,864	(9,134)
<i>Adjustments for</i>				
Reversal of allowance for doubtful accounts	(1,618)	(150)	(1,618)	(150)
Doubtful debt	668	10,503	1,906	11,970
Depreciation and amortization	42,738	25,027	42,691	25,743
Interest income	(5,169)	(1,080)	(5,169)	(1,080)
Interest expense	13,747	10,047	12,886	10,047
Loss on sale of equipment	202	2,834	202	2,834
Unrealized gain on exchange rate	(194)	(697)	(194)	(697)
Share of loss from investments in associate	8	8	-	-
Provision for losses on constructions project	39,744	-	39,744	-
Estimated loss under joint venture agreements	-	-	154	749
Expense of employee benefits	4,146	3,787	4,145	3,787
Income tax expense (revenue)	7,546	(6,726)	7,546	(6,726)
	<u>178,010</u>	<u>33,812</u>	<u>179,157</u>	<u>37,343</u>
<i>Changes in operating assets and liabilities</i>				
Trade accounts receivable	34,885	(16,746)	34,885	(16,746)
Other receivables	9,586	8,995	(415)	7,106
Retention receivable under construction contract	(15,183)	(14,954)	(13,567)	(14,954)
Unbilled construction in progress	142,157	(48,489)	142,157	(48,489)
Inventories	4,544	11,599	4,643	11,599
Advance payments to subcontractors	(5,642)	(5,345)	(5,642)	(5,345)
Other non-current assets	(6,596)	2,293	(6,370)	2,293
Trade accounts payable	84,393	107,325	84,855	107,100
Advance received under construction contracts	123,436	(70,305)	123,436	(70,305)
Undue value added tax	(16,487)	3,621	(16,487)	3,621
Retention payable from subcontractors	17,372	5,046	17,498	4,999
Other payables	(53,061)	(9,950)	(55,585)	(11,261)
Other current liabilities	7,592	783	7,592	783
Payment of short-term provisions	-	(5,144)	-	(5,144)
Employee benefit liabilities	-	(600)	-	(600)
Cash generated from operating activities	<u>505,006</u>	<u>1,941</u>	<u>496,157</u>	<u>2,000</u>
Withholding tax paid	<u>(55,956)</u>	<u>(33,927)</u>	<u>(55,415)</u>	<u>(33,992)</u>
Net cash provided by (used in) operating activities	<u>449,050</u>	<u>(31,986)</u>	<u>440,742</u>	<u>(31,992)</u>

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of cash flows

For the three-month period ended 31 March 2014 (Unaudited)

	<i>Note</i>	Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
<i>(in thousand Baht)</i>					
<i>Cash flows from investing activities</i>					
Interest received		4,540	1,075	4,538	1,075
Purchase of current investments		(401,524)	-	(401,524)	-
Proceeds from current investments		-	60,173	-	60,173
Purchase of investment in subsidiary		-	-	(1,000)	-
Pledged deposit at bank		(19,519)	10,445	(19,519)	10,445
Purchase of property, plant and equipment		(114,054)	(101,781)	(69,986)	(91,446)
Purchase of intangible assets		(578)	(232)	(578)	(232)
Sales of equipment		1,932	654	1,932	654
Net cash used in investing activities		(529,203)	(29,666)	(486,137)	(19,331)
<i>Cash flows from financing activities</i>					
Interest paid		(11,438)	(19,857)	(10,578)	(19,857)
Bank overdrafts		14,928	(14,575)	15,186	(14,575)
Proceeds from short-term loan from financial institutions		100,000	50,000	100,000	50,000
Payment of short-term loans from financial institutions		(210,000)	-	(210,000)	-
Finance lease payment		(8,925)	(10,671)	(8,925)	(10,671)
Net cash provided by (used in) financing activities		(115,435)	4,897	(114,317)	4,897
Net decrease in cash and cash equivalents		(195,588)	(56,755)	(159,712)	(46,426)
Cash and cash equivalents at 1 January		909,033	246,854	842,673	217,973
Cash and cash equivalents at 31 March		713,445	190,099	682,961	171,547

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 2014 (Unaudited)

Note	Contents
1	General information
2	Basis of preparation of interim financial statements
3	Significant accounting policies
4	Syntec – Mivan Joint venture
5	Seasonal operations
6	Related party transactions and balances
7	Current investments
8	Trade accounts receivable
9	Other receivables
10	Retention receivable under construction contracts
11	Unbilled construction in progress
12	Investments in subsidiary
13	Investments 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	Debentures
25	Employee benefit obligations
26	Provisions
27	Share capital
28	Legal reserve
29	Segment information
30	Earning (loss) per share
31	Commitments with non-related parties
32	Contingent liabilities and assets
33	Events after the reporting period
34	Thai Financial Reporting Standards (TFRS) not yet adopted

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (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 14 May 2014.

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.

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 28 March 2013.

	<i>(%) of total paid-up share capital</i>
Phahusuth Group and Taneehiranrat Group	15.64
Subandit Group	6.64

The principal business of the Company is construction.

Details of the Company’s subsidiary and joint ventures were as follows:

Name of entity	Type of business	Country of incorporation	Ownership interest (%)	
			31 March 2014	31 December 2013
<i>Direct subsidiary</i>				
1) SCR Asset Management Co., Ltd.	Real estate development for rental (not commercial operations yet)	Thailand	52.00	52.00
2) Syntec Assets Management Co., Ltd.	Management business for hotel, service apartment and other properties (not commercial operations 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
<i>Joint ventures</i>				
1) SVK Joint venture	Construction (ceased operations)	Thailand	51.00	51.00
2) Syntec - Mivan Joint venture	Construction (end of construction contract)	Thailand	65.00	65.00

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (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 2012) 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 2013. 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 subsidiary for the year ended 31 December 2013.

The FAP issued the new and revised Thai Financial Reporting Standards (“TFRS”) relevant to the Group/Company’s operations and effective for accounting periods beginning on or after 1 January 2014 were as follows:

TFRS	Topic
TAS 1 (revised 2012)	Presentation of Financial Statements
TAS 7 (revised 2012)	Statement of Cash Flows
TAS 12 (revised 2012)	Income Taxes
TAS 17 (revised 2012)	Leases
TAS 18 (revised 2012)	Revenue
TAS 19 (revised 2012)	Employee Benefits
TAS 21 (revised 2012)	The Effects of Changes in Foreign Exchange Rate
TAS 24 (revised 2012)	Related Party Disclosures
TAS 28 (revised 2012)	Investments in Associates
TAS 31 (revised 2012)	Interests in Joint Ventures
TAS 34 (revised 2012)	Interim Financial Reporting
TAS 36 (revised 2012)	Impairment of Assets
TAS 38 (revised 2012)	Intangible Assets
TFRS 2 (revised 2012)	Share-based Payment
TFRS 3 (revised 2012)	Business Combinations
TFRS 5 (revised 2012)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 8 (revised 2012)	Operating Segments
TFRIC 1	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4	Determining whether an Arrangement contains a Lease

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

TFRS	Topic
TFRIC 5	Right to Interests Arising from Decommissioning, Restoration and Environmental Funds
TFRIC 7	Applying the restatement Approach under IAS 29 Financial reporting in Hyperinflationary Economies
TFRIC 10	Interim Financial Reporting and Impairment
TFRIC 12	Service Concession Arrangements
TFRIC 13	Customer Loyalty Programmes
TFRIC 17	Distributions of Non-cash Assets to Owners
TFRIC 18	Transfers of Assets from Customers
SIC 15	Operating Leases - Incentives
SIC 27	Evaluating the Substance of Transactions in the Legal Form of a Lease
SIC 29	Service Concession Arrangements: Disclosures
SIC 32	Intangible Assets - Web Site Costs

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.

In addition to the above new and revised TFRS as at 31 March 2014, the FAP had issued a number of new TFRS which are effective for financial statements beginning on or after 1 January 2015 and have not been adopted in the preparation of these interim financial statements as disclosed in notes 34.

2.2 *Functional and presentation currency*

The interim financial statements are prepared and presented in Thai Baht, which is the Group/the 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/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 2013.

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

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

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

- 2.4 The consolidated and separate financial statements for the three-month periods ended 31 March 2014 and 2013 included the investments and share of loss of investments in an associate, which had been accounted for by equity method amounted to Baht 0.008 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 2014 and 31 December 2013 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 associate were not significant.

3 Significant accounting policies

The Group/the Company have significant accounting policies and methods of computation applied in these interim financial statements for the three-month period ended 31 March 2014, are consistent with those applied in the financial statements for the year ended 31 December 2013, except the Group/Company has adopted all new and revised TFRS which become effective for accounting periods beginning on or after 1 January 2014.

4 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 14 May 2014, the above mentioned related company was insolvent and was sued by other creditors to be bankrupt.

The financial information of Syntec – Mivan Joint Venture was as follows:

Summary of statements of financial position information of Syntec – Mivan Joint Venture as at 31 March 2014 and 31 December 2013 were as follows:

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

	31 March 2014	31 December 2013
	<i>(in million Baht)</i>	
Information of statement of financial position		
Current assets	87	88
Non-current assets	20	20
Total assets	107	108
Current liabilities	789	787
Deficit in venturers' equity	(682)	(679)
Total liabilities net deficit in venturers' equity	107	108

Summary of statements of comprehensive income information of Syntec – Mivan Joint Venture for the three-month periods ended 31 March 2014 and 2013 were as follows:

	2014	2013
	<i>(in million Baht)</i>	
Information of statement of comprehensive income		
Total revenues	-	-
Total expenses	(2)	4
Profit (loss) for the period	(2)	(4)

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 2014 and 31 December 2013, the Company recognized the estimated loss under joint venture agreement amounted to Baht 43 million and Baht 43 million, respectively in the separate financial statements as described in note 26 to the financial statements.

5 Seasonal operations

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

6 Related party transactions and balances

For the purposes of these financial statements, parties are considered to be related to the Group/the Company if the Group/the 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/the Company and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Relationships with related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
1. Natural Hotel Sukhumvit Co., Ltd.	Thailand	Associate, 25% shareholding
2. Beauconcept Development Sdn.Bhd.	-	Associate which ceased its operations and no financial information
3. SVK Joint venture	Thailand	Joint venture, 51% portion of joint which ceased its operations
4. Syntec – Mivan Joint venture	Thailand	Joint venture, 65% portion of joint which ceased its operations
5. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 52% shareholding and some common directors
6. Syntec Asset Management Co., Ltd.	Thailand	Subsidiary, 54.97% shareholding and some common directors
7. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
8. Bangkok Metro Plc.	Thailand	Related company, 1.18 % shareholding
9. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venturer in Syntec-Mivan joint venture
10. Siam Syntec Planner Co., Ltd.	Thailand	Related company, some common directors
11. Tate Enterprise Co., Ltd.	Thailand	Related company
12. N&J Assets Management Co., Ltd.	Thailand	Related company
13. Narai Phand Co., Ltd.	Thailand	Related company
14. C.N.C. Building Co., Ltd.	Thailand	Related company
15. 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

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Name of entities	Country of incorporation/ nationality	Nature of relationships
16. 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)
Service apartment management expense	Contract price
Administrative expenses	Market price
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

Significant transactions for the three-month periods ended 31 March 2014 and 2013 with related parties were summarized as follows:

	Consolidated financial statements		Separate Financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Revenue				
Subsidiary				
Sale of steel	-	-	5,201	-
Expenses				
Subsidiaries				
Service apartment management expense	-	-	12,097	-
Key management personnel				
Management personnel compensation				
Short-term employee benefits	4,580	4,329	4,580	4,329
Post-employment benefits	544	300	544	300
Total key management personnel compensation	<u>5,124</u>	<u>4,629</u>	<u>5,124</u>	<u>4,629</u>

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Balance as at 31 March 2014 and 31 December 2013 with related parties were as follows:

Other receivables - related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>Other receivables and advances</i>				
Joint ventures				
SVK Joint Venture	5,456	5,456	11,134	11,134
Syntec – Mivan Joint Venture	215,515	214,848	615,758	613,853
Subsidiary				
SCR Asset Management Co.,Ltd.	-	-	7,743	975
Syntec Assets Management Co., Ltd.	-	-	8	8
Natural Will Service Apartment and Management Co., Ltd.	-	-	9,963	6,037
Other related company				
UOB Apartment Property Fund I (Leasehold)	-	6,671	-	6,297
Person related				
Key management personnel	-	20	-	-
Total	220,971	226,995	644,606	638,304
<i>Less</i> Allowance for doubtful accounts	<i>(219,410)</i>	<i>(218,743)</i>	<i>(623,707)</i>	<i>(621,800)</i>
Net	1,561	8,252	20,899	16,503
Key management personnel				
Advance to project managers	3,548	3,185	3,548	3,185

As at 31 March 2014 and 31 December 2013, advance to project managers in the amount of Baht 3.55 million and Baht 3.18 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 associates were described in notes 12 and 13 to financial statements.

Other long-term investments

	Consolidated and separate financial statements			
	31 March 2014		31 December 2013	
	At cost	Fair value	At cost	Fair value
	<i>(in thousand Baht)</i>			
<i>Available – for sale securities</i>				
Other related company				
Bangkok Metro Plc.	301,107	216,060	301,107	242,764
<i>Less</i> allowance for devaluation of investments	<i>(85,047)</i>	<i>-</i>	<i>(58,343)</i>	<i>-</i>
Net	216,060	216,060	242,764	242,764

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Long-term loans to related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other related company				
Gentech Engineering Co., Ltd.	4,956	4,956	4,956	4,956
Total	<u>4,956</u>	<u>4,956</u>	<u>4,956</u>	<u>4,956</u>
<i>Less</i> allowance for doubtful accounts	(4,956)	(4,956)	(4,956)	(4,956)
Net	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

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

Movements of long-term loans to related parties for the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
At 1 January	4,956	17,137	4,956	17,137
No movement during the period	-	-	-	-
At 31 March	<u><u>4,956</u></u>	<u><u>17,137</u></u>	<u><u>4,956</u></u>	<u><u>17,137</u></u>

Trade accounts payable - related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other related parties				
Tate Enterprise Co., Ltd.	-	498	-	498
Joint venturer				
Mivan (Thailand) Co., Ltd.	41,885	41,885	-	-
Total	<u><u>41,885</u></u>	<u><u>42,383</u></u>	<u><u>-</u></u>	<u><u>498</u></u>

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Other accounts payable – related parties

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Subsidiaries				
Natural Ville Service Apartment and Management Co., Ltd	-	-	7,373	6,583
Related persons				
Key management personnel	-	20	-	-
Total	-	20	7,373	6,583

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 2013 resolved the approval of directors' remunerations for the year 2013 in the amount not exceeding Baht 2 million, which represented the meeting allowance of Baht 10,000 per time per head, and the annual audit committee directors' remuneration of Baht 200,000 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 and related parties as detailed in note 4 to the financial statements.

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 is effective from 25 October 2013 onward, requiring a monthly management fee of Baht 2,000,000 (including salaries and other administration expenses) and a disbursement to be approved by the Company.

7 Current Investments

	Consolidated and separate financial statements			
	31 March 2014		31 December 2013	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
Current investments				
Bills of exchange	461,632	461,632	60,108	60,108
Total	461,632	461,632	60,108	60,108

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Movements during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated and separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
Bills of exchange		
At 1 January	60,108	60,173
Purchases during the period	401,524	-
Sales during the period	-	(60,173)
At 31 March	<u><u>461,632</u></u>	<u><u>-</u></u>

8 Trade accounts receivable

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
<i>Comprising:</i>				
Trade accounts receivable - other parties	701,784	736,669	678,783	713,668
Less allowance for doubtful accounts	<u>(92,879)</u>	<u>(92,879)</u>	<u>(92,879)</u>	<u>(92,879)</u>
Net	<u><u>608,905</u></u>	<u><u>643,790</u></u>	<u><u>585,904</u></u>	<u><u>620,789</u></u>
Reversal of allowance for doubtful accounts for the three-month period ended 31 March	-	(60)	-	(60)
Net	<u><u>-</u></u>	<u><u>(60)</u></u>	<u><u>-</u></u>	<u><u>(60)</u></u>

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Within credit terms	379,769	433,725	385,975	433,725
Still installment	29,628	29,628	29,628	29,628
Overdue:				
- Less than 3 months	33,752	90,193	31,859	90,193
- Over 3 months to 6 months	71,947	608	71,620	608
- Over 6 months to 12 months	12,697	17,443	11,752	17,443
- Over 12 months	<u>173,991</u>	<u>165,072</u>	<u>147,949</u>	<u>142,071</u>
	<u>292,387</u>	<u>273,316</u>	<u>263,180</u>	<u>250,315</u>
Total	<u><u>701,784</u></u>	<u><u>736,669</u></u>	<u><u>678,783</u></u>	<u><u>713,668</u></u>

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

The normal credit term granted by the Group ranges from 30 days to 45 days.

9 Other receivables

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Other receivables	16,262	23,773	29,818	28,262
Accrued income	1,732	3,636	1,732	3,636
Prepaid expenses	18,077	23,191	17,355	21,949
Advance	219,928	225,626	633,160	630,246
Prepaid value added tax	6,863	3,657	912	150
Total	262,862	279,883	682,977	684,243
<i>Less</i> allowance for doubtful accounts	<i>(225,352)</i>	<i>(224,684)</i>	<i>(629,648)</i>	<i>(627,742)</i>
Net	37,510	55,199	53,329	56,501
Related parties	220,971	226,995	644,606	638,304
Key management personnel	3,548	3,185	3,548	3,185
Other parties	38,343	49,703	34,823	42,754
	262,862	279,883	682,977	684,243
<i>Less</i> allowance for doubtful accounts	<i>(225,352)</i>	<i>(224,684)</i>	<i>(629,648)</i>	<i>(627,742)</i>
Net	37,510	55,199	53,329	56,501
Doubtful debts expense for the three- month period ended 31 March	668	790	1,906	2,257

10 Retentions receivable under construction contracts

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Other parties	594,039	580,474	562,110	548,544
<i>Less</i> allowance for doubtful accounts	<i>(32,930)</i>	<i>(34,548)</i>	<i>(32,930)</i>	<i>(34,548)</i>
Net	561,109	545,926	529,180	513,996
Reversal of allowance for doubtful accounts For the three- month period ended 31 March	(1,618)	(90)	(1,618)	(90)

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (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
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Within credit terms	419,322	384,875	419,322	384,875
Still installment	14,226	14,976	14,226	14,976
Overdue:				
- Less than 1 year	40,643	-	40,643	-
- Over 1 year to 2 year	7,509	77,779	7,509	55,481
- Over 2 year to 3 year	98,170	62,862	66,241	62,862
- Over 3 year	14,169	39,982	14,169	30,350
	<u>160,491</u>	<u>180,623</u>	<u>128,562</u>	<u>148,693</u>
Total	<u>594,039</u>	<u>580,474</u>	<u>562,110</u>	<u>548,544</u>

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

The overdue retention receivable under construction contract of a joint venture as at 31 March 2014 amounted to Baht 32 million has been in the process of following up for collectible. Please also see note 4 to the financial statements.

11 Unbilled construction in progress

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Other parties	649,094	791,251	649,094	791,251
Less allowance for doubtful accounts	(38,713)	(38,713)	(38,713)	(38,713)
Net	<u>610,381</u>	<u>752,538</u>	<u>610,381</u>	<u>752,538</u>

	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2014	2013	2014	2013
	<i>(in million Baht)</i>			
Construction project contracts amount	<u>24,536</u>	<u>24,126</u>	<u>24,536</u>	<u>24,126</u>
Contract revenue recognized as revenue since commencing date to present	17,165	19,154	17,165	19,154
Less progress billings (as invoices)	<u>(16,545)</u>	<u>(18,392)</u>	<u>(16,545)</u>	<u>(18,392)</u>
Unbilled construction in progress	620	762	620	762

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in million Baht)</i>			
Unbilled construction in progress (before 2000)	29	29	29	29
Unbilled construction in progress at the end of period	649	791	649	791
Less allowance for doubtful accounts	(39)	(39)	(39)	(39)
Net	610	752	610	752
Excess of progress billing over work in progress	(671)	(548)	(671)	(548)
Net	(61)	204	(61)	204
Doubtful debts expense for the three-month period ended 31 March	-	10	-	10

12 Investments in subsidiary

Movements during the three-month period ended 31 March 2014 and 2013 was as follows:

	Separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
At 1 January	100,349	52,000
Purchase investment	1,000	-
At 31 March	101,349	52,000

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2014 (Unaudited)

Investments in subsidiary as at 31 March 2014 and 31 December 2013 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
	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013	2014	2013
	(%)		(in million Baht)				(in thousand Baht)					
<i>Direct subsidiary</i>												
SCR Asset Management Co., Ltd.	52.00	52.00	190	190	98,800	98,800	-	-	98,800	98,800	-	-
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	1	2,000	1,000	-	-	2,000	1,000	-	-
Total					101,349	100,349	-	-	101,349	100,349	-	-

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

13 Investments in associates

Movements during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
At 1 January	29,686	29,711	38,677	38,677
Share of loss of investments from equity method	(8)	(8)	-	-
	29,678	29,703	38,677	38,677
Less allowance for valuation of investments	(29,302)	(29,302)	(38,677)	(38,677)
At 31 March	376	401	-	-

Syntec Construction Public Company Limited and its Subsidiaries
Notes to the interim financial statements
For the three-month period ended 31 March 2013 (Unaudited)

Investments in associates were as follows:

	Consolidated financial statements											
	Ownership interest		Paid-up capital		Cost method		Equity method		Impairment		At equity - net	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	(%)		(in million Baht)									
Associates												
Natural Hotel Sukhumvit Co., Ltd.	25	25	41	41	10	10	0.38	0.38	-	-	0.38	0.38
Beauconcept Development Co.,Ltd.	25	25	RM12	RM12	29	29	-	-	(29)	(29)	-	-
Total					39	39	0.38	0.38	(29)	(29)	0.38	0.38
	Separate financial statements											
	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend received	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	(%)		(in million Baht)									
Associates												
Natural Hotel Sukhumvit Co., Ltd.	25	25	41	41	10	10	(10)	(10)	-	-	-	-
Beauconcept Development Co.,Ltd.	25	25	RM12	RM12	29	29	(29)	(29)	-	-	-	-
Total					39	39	(39)	(39)	-	-	-	-

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

14 Other long-term investments

	Consolidated and separate financial statements			
	Cost		Fair Value	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
General investments	55,789	55,789	-	-
Equity securities available for sale	301,107	301,107	216,060	242,764
Debt securities held to maturity	35,000	35,000	35,000	35,000
Total	391,896	391,896	251,060	277,764

Movements of other long-term investments during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated and separate financial statements	
	2014	2013
	<i>(in thousand Baht)</i>	
<i>General investments</i>		
At 1 January	55,789	55,789
Valuation adjustment	(55,789)	(55,789)
At 31 March	-	-
<i>Available-for-sale securities</i>		
At 1 January	242,764	257,482
Valuation adjustment	(26,704)	180,237
At 31 March	216,060	437,719
Unrealized gain (loss) on valuation adjustment for the period recognized directly in equity	(26,704)	180,237
<i>Debt securities held to maturity</i>		
At 1 January	35,000	35,000
Purchases during the period	-	-
At 31 March	35,000	35,000

15 Long-term loans

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Related parties	4,956	4,956	4,956	4,956
Other parties	3,000	3,000	3,000	3,000
	7,956	7,956	7,956	7,956
Less allowance for doubtful accounts	(7,956)	(7,956)	(7,956)	(7,956)
Net	-	-	-	-

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

For the three-month periods ended 31 March 2014 and 2013, long-term loans no movement during in the period.

16 Investment properties

Acquisitions, disposals and transfers of investment properties during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Net book value at 1 January	101,560	102,300	101,560	102,300
Depreciation for the period	(185)	(185)	(185)	(185)
Net book value at 31 March	<u>101,375</u>	<u>102,115</u>	<u>101,375</u>	<u>102,115</u>

On 31 March 2014, the investment properties which are land 6 title deeds, cost value of Baht 99.60 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 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Net book value at 1 January	1,113,052	798,794	910,703	729,742
Acquisition and transfer in - at cost	114,054	101,781	69,986	91,446
Disposal and transfer out				
- net book value	(2,208)	(3,561)	(2,208)	(3,561)
Depreciation for the period	(36,973)	(23,791)	(36,926)	(24,507)
Net book value at 31 March	<u>1,187,925</u>	<u>873,223</u>	<u>941,555</u>	<u>793,120</u>

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

Accumulated interest capitalized	1,688	-	-	-
Capitalization rate (% per annum)	MLR – 1.5	-	-	-

As at 31 March 2014, land, buildings and building improvement in the amount of Baht 41 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.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

18 Leasehold right

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Net book value at 1 January	390,742	-	390,742	-
Amortization for the period	(4,977)	-	(4,977)	-
Net book value at 31 March	385,765	-	385,765	-

19 Intangible assets

Acquisitions, disposals and transfers of intangible assets during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
Net book value at 1 January	1,344	5,171	1,344	5,171
Acquisition and transfer in - at cost	578	232	578	232
Amortisation charge for the period	(604)	(1,051)	(604)	(1,051)
Net book value at 31 March	1,318	4,352	1,318	4,352

20 Deferred income tax

Movements of deferred tax assets and liabilities during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated and separate financial statements		
	At 1 January 2014	(Charged)/credited to Profit or loss <i>(in million Baht)</i>	At 31 March 2014
<i>For the three-month period ended 31 March 2014</i>			
<i>Deferred tax assets</i>			
Trade accounts receivable	2	10	12
Loss carry forward	4	-	4
Total	6	10	16
<i>Deferred tax liabilities</i>			
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 2013 (Unaudited)

	Consolidated and separate financial statements		
	(Charged)/credited		
	At 1 January 2013	to Profit or loss (in million Baht)	At 31 March 2013
<i>For the three-month period ended 31 March 2013</i>			
<i>Deferred tax assets</i>			
Trade accounts receivable	10	(7)	3
Other receivables	2	(2)	-
Retention receivable under construction contracts	1	-	1
Unbilled construction in progress	7	(1)	6
Long-term loans	1	(1)	-
Long-term provisions	9	(9)	-
Loss carry forward	-	20	20
Total	30	-	30
<i>Deferred tax liabilities</i>			
Financial lease liabilities	39	(6)	33
Total	39	(6)	33
Net	(9)	6	(3)

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 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in million Baht)</i>			
Deductible temporary differences	151	165	151	165
Tax losses	81	79	-	-
Total	232	244	151	165

The tax losses expire in 2014 to 2018. 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 and the Company can utilize the benefits there from.

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

Income tax expenses for the three-month periods ended 31 March 2014 and 2013 were summary as follows:

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2014	2013 (restated)	2014	2013 (restated)
	<i>(in million Baht)</i>			
Current income tax expense for the period				
The interim income tax expenses	23	-	23	-
Deferred tax expense (income)				
Deferred tax expense (income) concern deductible temporary difference with initial recognized and reversed	(15)	3	(15)	3
Deferred tax of decreasing income tax rate	-	(9)	-	(9)
Income tax expense (income) represented in statements of comprehensive income	8	(6)	8	(6)

21 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Bank overdrafts	18,916	3,989	18,287	3,101
Short-term loans from financial institutions	285,000	395,000	220,000	330,000
Total	303,916	398,989	238,287	333,101

Movements of short-term loans from financial institutions during the three-month periods ended 31 March 2014 and 2013 were as follows:

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
At 1 January	395,000	540,000	330,000	540,000
Addition	100,000	50,000	100,000	50,000
Deduction	(210,000)	-	(210,000)	-
At 31 March	285,000	590,000	220,000	590,000

As at 31 March 2014, the Company has short-term loans from financial institutions in the amount of Baht 220 million in the consolidated and separate financial statement, represented bills of exchange, due on 26 May 2014 to 17 June 2014 with interest rate charged at 4.30% per annum.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

As at 31 March 2014, the subsidiary has short-term loan from financial institution in the amount of Baht 65 million to purchase of land, requiring repayable within 12 months from the first withdrawal, interest rate charged at MLR – 1.5 per annum on monthly basis. The 2 plots of lands of the subsidiary were mortgaged as collateral. According to a loan agreement defines the subsidiary to increase the subsidiary's authorized share capital to Baht 165 million within June 2014.

22 Trade accounts payable

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Related parties	41,885	42,383	-	498
Others parties	472,283	387,393	465,982	380,629
Total	514,168	429,776	465,982	381,127

23 Other payables

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Related parties	-	20	7,373	6,583
Others parties	281,460	341,874	215,521	271,896
Total	281,460	341,894	222,894	278,479
<i>Other parties</i>				
Other payables	63,996	70,923	3,923	3,229
Accrued value added tax	12,329	28,529	12,092	28,088
Accrued withholding tax	8,799	9,619	8,390	9,409
Other accrued expenses	196,336	232,803	191,116	231,170
Total	281,460	341,874	215,521	271,896

24 Debentures

	Consolidated and separate financial statements	
	31 March 2014/ Number <i>(in unit)</i>	31 December 2013 Amount <i>(in thousand Baht)</i>
Unsubordinated and unsecured debentures No. 1/2013	350,000	350,000
Unsubordinated and unsecured debentures No. 2/2013	175,000	175,000
Total	525,000	525,000

For the three-month ended 31 March 2014, debentures no movement during in the period.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

The Ordinary General Meeting of Shareholders held on 29 April 2013 resolved the issuance and offer of the Company's bond in the amount not exceeding Baht 2,000 millions. The Boards of Directors Meeting held on 14 May 2013 resolved to hire a securities company to be an underwriter for the first issuance of the Company's debentures No. 1/2013 in the amount of Baht 350 millions and the Boards of Directors Meeting held on 20 September 2013 resolved the issuance and offer of the Company's debentures No. 2/2013 in the amount not exceeding Baht 175 millions.

Details of debentures are as follows:

1. The unsubordinated and unsecured debentures of Syntec Construction Public Company Limited. No. 1/2013:

Amount	Baht 350 million
Maturity	3 years, starting from date of issuance
Issued date	28 May 2013
Interest rate	5.75 % per annum
Interest payment schedule	Quarterly basis, on 28 February, 28 May, 28 August and 28 November of each year over the term of debenture
Principal repayment	On the redemption date : 30 May 2016
Condition and covenants	Maintenance of debt to equity ratio, dividend payment and cause of default
Underwriting cost	Baht 1.21 million, which was not significant amount, therefore, it is recognized as an expense in full.

2. The unsubordinated and unsecured debentures of Syntec Construction Public Company Limited. No. 2/2013:

Amount	Baht 175 million
Maturity	2 years, starting from date of issuance
Issued date	31 October 2013
Interest rate	5.50 % per annum
Interest payment schedule	Quarterly basis, on 31 January, 30 April, 31 July and 31 October of each year over the term of debentures
Principal repayment	On the redemption date : 31 October 2015
Conditions and covenants	Maintenance of debt to equity ratio, dividend payment and cause of default
Underwriting cost	Baht 0.62 million, which is not significant amount, therefore, it is recognized as an expense in full.

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

25 Employee benefit obligations

Movement in the present value of the defined benefit obligations :

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Defined benefit obligations at 1 January	85,994	71,266	85,812	71,266
Current service costs and interest	4,146	3,787	4,145	3,787
Payment of employee benefits	-	(600)	-	(600)
Defined benefit obligations at 31 March	<u>90,140</u>	<u>74,453</u>	<u>89,957</u>	<u>74,453</u>

Expense recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Current service costs	3,423	3,135	3,422	3,135
Interest on obligation	723	652	723	652
Total	<u>4,146</u>	<u>3,787</u>	<u>4,145</u>	<u>3,787</u>

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

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
	<i>(in thousand Baht)</i>			
<i>For the three-month period ended 31 March</i>				
Cost of construction	2,673	2,775	2,673	2,775
Administrative expenses	1,473	1,012	1,472	1,012
Total	<u>4,146</u>	<u>3,787</u>	<u>4,145</u>	<u>3,787</u>

Principal actuarial assumptions at the reporting date

	(%)
Discount rate	3.65 - 3.75
Salary increase rate	6.00 – 8.00
Staff turnover rate	0 – 18.00
Mortality rate (Thai Mortality Table 1997)	TMO 1997,2008
Disability rate	5% of mortality rate

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

26 Provisions

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>			
Provision for losses on construction project	50,714	10,970	50,714	10,970
Estimated loss under joint venture agreement	-	-	42,786	42,632
Total	50,714	10,970	93,500	53,602
Current	50,714	10,970	50,714	10,970
Non-current	-	-	42,786	42,632
Total	50,714	10,970	93,500	53,602

Movements for the three-month periods as at 31 March 2014 and 2013 were as follow:

	Consolidated financial statements					
	Provision losses on Construction project		Estimated loss under joint venture agreement		Total	
	2014	2013	2014	2013	2014	2013
	<i>(in thousand Baht)</i>					
At 1 January	10,970	5,144	-	-	10,970	5,144
Provision made	39,744	(5,144)	-	-	39,744	(5,144)
At 31 March	50,714	-	-	-	50,714	-

	Separate financial statements					
	Provision losses on Construction project		Estimated loss under joint venture agreement		Total	
	2014	2013	2014	2013	2014	2013
	<i>(in thousand Baht)</i>					
At 1 January	10,970	5,144	42,632	39,063	53,602	44,207
Provision made	39,744	-	154	749	39,898	749
Used in provision	-	(5,144)	-	-	-	(5,144)
At 31 March	50,714	-	42,786	39,812	93,500	39,812

Estimated losses under joint venture agreement

As at 31 March 2014 and 31 December 2013, 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:

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

	Separate financial statements	
	31 March 2014	31 December 2013
	<i>(in thousand Baht)</i>	
Syntec – Mivan Joint venture	42,786	42,632
Total	42,786	42,632

27 Share capital

	<i>Par value (Baht)</i>	31 March 2014		31 December 2013	
		Number	Value	Number	Value
<i>(in million shares / in million Baht)</i>					
Authorized share capital					
At the beginning of period					
- Ordinary shares	<i>1</i>	1,600	1,600	1,600	1,600
At the end of period					
- Ordinary shares	<i>1</i>	1,600	1,600	1,600	1,600
Issued and paid up share capital					
At the beginning of period					
- Ordinary shares	<i>1</i>	1,600	1,600	1,600	1,600
At the end of period					
- Ordinary shares	<i>1</i>	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

Geographical segments

Management considers that the Group/Company operates in a single geographical area, namely in Thailand, and has, therefore, only one major geographical segment.

Business segments

The Group presented the important business segments were 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 2013 (Unaudited)

Therefore, revenues, profit and total assets represented in the financial statement is relevant business segments and geographical segments as mentioned.

Information about reportable segments:

	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2014	2013	2014	2013	2014	2013	2014	2013
<i>(in million Baht)</i>								
For the three-month period ended 31 March								
External revenue	1,656	1,310	21	-	12	1,310	1,689	1,310
Inter – segment revenue	(6)	-	-	-	(12)	-	(18)	-
Total segment revenue	1,650	1,310	21	-	-	1,310	1,671	1,310
Segment profit (loss) before income tax	88	(16)	(4)	-	-	(16)	84	(16)
Segment assets as at 31 March/ 31 December	4,899	4,744	672	690	15	15	5,586	5,449

Reconciliation of reportable segment profit or loss and assets

For the three-month period ended 31 March

	2014	2013
<i>(in million Baht)</i>		
Profit or loss		
Total profit (loss) for reportable segment	82	(16)
Elimination of inter-segment profits	2	-
Profit (loss) before income tax	84	(16)

	Consolidated financial statements		Separate financial statements	
	31 March 2014	31 December 2013	31 March 2014	31 December 2013
<i>(in million Baht)</i>				
Assets				
Total assets for reportable segments asset as reported	4,398	4,336	4,314	4,202
Investment in subsidiary	-	-	101	100
Property, plant and equipment	1,188	1,113	942	911
Total assets	5,586	5,449	5,357	5,213

30 Earning (Loss) per share

The calculation of basic earnings (loss) per share for the three-month periods ended 31 March 2014 and 2013 was based on the profit (loss) 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 2013 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Profit (Loss) for the period attributable to equityholders of the Company (statement of comprehensive income) (basic) (in thousand Baht)	76,465	(9,724)	76,864	(9,134)
Number of ordinary shares outstanding (in thousand shares)	1,600,000	1,600,000	1,600,000	1,600,000
Basic earning (loss) per share (in Baht)	0.05	(0.01)	0.05	(0.01)

31 Commitments with non-related parties

As at 31 March 2014, the Group/Company's commitments were as follows:

	Consolidated financial statements	Separate financial statements
	<i>(in million Baht)</i>	
<i>Capital commitments</i>		
<i>Not provide for</i>		
Condominium	4	4
Camp and other buildings	1	1
Cost of construction building for lease	97	-
<i>Other commitments</i>		
Subcontractor agreements	870	870
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	2,043	1,774
Total	3,015	2,649

As at 31 March 2014, the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 1,777 million.

As at 31 March 2014, the subsidiary had cost of construction building for apartment service which did not contract amounting to Baht 724 million.

32 Contingent liabilities and assets

As at 31 March 2014, contingent liabilities were as follows:

- The Company had contingent liabilities due to be sued by other person regarding the tort and claiming a compensation of construction with the sued amount of Baht 97 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 2013 (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 had an appointment to consideration on 14 June 2013 but did not still agree. Subsequently, on 26 July 2013, the Court made an appointment for settlement of issue and taking of evidence from the plaintiff from 4 to 13 January 2014 and from the defendant on 25 to 28 March 2014.
- 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 Ferederal Administrative Court. The sued amount was Baht 874 million. As of 14 May 2014, 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 as of 14 May 2014, the result has not been finalized. However, the legal adviser of the Company believes that the Appeal Court will adjudge this public company pay debt to the Joint venture and the case will be dismissed. If the Company will pay such claim, the Company can recover from the sub-contractor in full amount.

33 Events after the reporting period

The Ordinary General Meeting of Shareholders held on 29 April 2014 resolved the following matters:

- approval of allocate net profit for the year 2013 in 5% to legal reserve in the amount of Baht 3.73 million
- approval to dividends from profits for the period from 1 January 2013 to 31 December 2013 and retain earning at the rate of Bath 0.05 per share amounting to Baht 80 million and will be paid to shareholder on 26 May 2014.
- approval of directors’ remunerations for the year 2014 in the amount not exceeding Baht 2.10 million, dividing into the meeting allowance of Baht 10,500 per time per head, and the annual audit committee directors’ remuneration of Baht 210,000 per head.

34 Thai Financial Reporting Standards (TFRS) net yet adopted

The Group/Company has not adopted the new interpretations that have been issued as of the reporting date but are not yet effective. The new interpretations that are applicable to the Group / Company, which become effective for annual financial periods beginning on or after 1 January in the year indicated in the following table, are as follows:

Syntec Construction Public Company Limited and its Subsidiaries

Notes to the interim financial statements

For the three-month period ended 31 March 2013 (Unaudited)

	IFRS 4	TFRS	Topic	Year effective
			Insurance Contracts	2016

Management expects to adopt and apply this new interpretations in accordance with the FAP's announcement and has made a preliminary assessment of the potential impact on the Group/Company's financial statements of these new interpretations.