

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

Interim financial statements  
for the three-month and six-month periods ended  
30 June 2018

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 30 June 2018, the consolidated and separate statements of comprehensive income for the three-month and six-month periods ended 30 June 2018, the consolidated and separate statement of changes in equity and cash flows for the six-month period ended 30 June 2018, and condensed notes (“interim financial information”). 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”.

(Maliwan Phahuwattanakorn)  
Certified Public Accountant  
Registration Number 4701

NPS Siam Audit Limited  
Bangkok  
10 August 2018

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

**Statement of financial position**

**As at 30 June 2018**

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		30 June	31 December	30 June	31 December
		2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current assets</b>					
Cash and cash equivalents		397,976	436,374	329,360	375,899
Current investments	6	1,383,080	1,545,668	1,382,244	1,544,836
Trade accounts receivables	5, 7	772,605	1,039,258	773,952	1,042,579
Other current receivables	5, 8	78,158	66,905	62,633	62,510
Current retention receivables under					
construction contracts	9	92,921	126,014	92,921	126,014
Unbilled construction in progress	10	970,382	806,735	970,382	806,735
Short-term loans	5	-	-	25,000	-
Inventories	11	120,436	115,717	118,904	114,795
Advance payments to subcontractors		193,749	125,137	193,749	125,137
<b>Total current assets</b>		<b>4,009,307</b>	<b>4,261,808</b>	<b>3,949,145</b>	<b>4,198,505</b>
<b>Non-current assets</b>					
Available-for-sale investments	5	560,027	578,820	560,027	578,820
Investments in associate	12	215	235	-	-
Investment in subsidiaries	13	-	-	1,071,613	1,010,064
Other long-term investments	5, 14	-	187	-	187
Non-current retention receivables					
under construction contracts	9	456,200	437,685	457,807	438,378
Long-term loans	5	-	-	-	-
Investment properties	15	3,458	103,240	3,458	103,240
Property, plant and equipment	16	4,093,835	4,037,006	784,481	860,529
Leasehold right	17	308,985	309,979	308,985	309,979
Intangible assets	18	9,785	10,338	6,630	5,702
Withholding tax		44,602	41,875	35,997	34,687
Pledged deposit at bank		174,891	133,995	154,890	113,994
Other non-current assets		14,902	15,786	9,176	10,291
<b>Total non-current assets</b>		<b>5,666,900</b>	<b>5,669,146</b>	<b>3,393,064</b>	<b>3,465,871</b>
<b>Total Assets</b>		<b>9,676,207</b>	<b>9,930,954</b>	<b>7,342,209</b>	<b>7,664,376</b>

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

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

**Statement of financial position**

**As at 30 June 2018**

<b>Liabilities and equity</b>	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		30 June	31 December	30 June	31 December
		2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b><i>Current liabilities</i></b>					
Bank overdrafts and short-term loans					
from financial institutions	20	101,153	100,502	99,140	99,140
Trade accounts payables	5, 21	316,887	294,000	309,250	286,179
Other current payables	5, 22	371,067	848,778	314,095	787,996
Current portion of creditors under					
rehabilitation plan		25,424	25,217	25,424	25,217
Current portion of long-term loans	26	152,000	119,600	-	-
Advances received from customers					
under construction contracts	5, 10, 24	582,739	615,358	582,739	615,358
Retention payables from subcontractors	5, 25	302,379	310,243	302,379	310,243
Undue value added tax		105,180	115,646	105,180	115,646
Current income tax payable		-	10,576	-	10,576
Other current provisions	28	30,998	22,969	30,998	22,969
Other current liabilities		26,312	27,778	8,987	7,458
<b>Total current liabilities</b>		<b>2,014,139</b>	<b>2,490,667</b>	<b>1,778,192</b>	<b>2,280,782</b>
<b><i>Non-current liabilities</i></b>					
Long-term loans	26	1,646,985	1,604,958	-	-
Deferred tax liabilities	19	31,317	35,469	31,317	35,469
Non-current provisions for					
employee benefit	27	160,717	162,954	156,681	158,707
Other non-current provisions	28	56,739	54,744	56,739	54,744
Deposit from customers		18,708	18,453	-	-
<b>Total non-current liabilities</b>		<b>1,914,466</b>	<b>1,876,578</b>	<b>244,737</b>	<b>248,920</b>
<b>Total liabilities</b>		<b>3,928,605</b>	<b>4,367,245</b>	<b>2,022,929</b>	<b>2,529,702</b>

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

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

**Statement of financial position**

**As at 30 June 2018**

<b>Liabilities and equity</b>	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		30 June	31 December	30 June	31 December
		2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Shareholders' equity</b>					
Share capital	29				
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 share capital		1,600,000	1,600,000	1,600,000	1,600,000
Share premium					
Share premium on ordinary shares		24	24	24	24
Discount from changes in the ownership interests in subsidiary		(6,870)	(6,870)	-	-
Retained earnings					
Appropriated					
Legal reserve		160,000	160,000	160,000	160,000
Unappropriated		3,159,215	2,984,005	3,288,632	3,088,992
Other components of shareholders' equity	5	<u>270,624</u>	<u>285,658</u>	<u>270,624</u>	<u>285,658</u>
<b>Total equity attributable to owners of the parent</b>		<u><b>5,182,993</b></u>	<u><b>5,022,817</b></u>	<u><b>5,319,280</b></u>	<u><b>5,134,674</b></u>
Non-controlling interests		<u>564,609</u>	<u>540,892</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>		<u><b>5,747,602</b></u>	<u><b>5,563,709</b></u>	<u><b>5,319,280</b></u>	<u><b>5,134,674</b></u>
<b>Total liabilities and shareholders' equity</b>		<u><b>9,676,207</b></u>	<u><b>9,930,954</b></u>	<u><b>7,342,209</b></u>	<u><b>7,664,376</b></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>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		Three-month period ended 30 June		Three-month period ended 30 June	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Revenues</b>					
Contract revenues		1,392,228	2,190,009	1,399,365	2,199,303
Revenue from rendering of services		82,010	97,414	25,344	27,649
Gain on disposal of assets		145,538	-	146,854	-
Interest income		714	1,645	955	3,309
Other income		18,062	20,885	6,865	18,006
<b>Total revenues</b>		<b>1,638,552</b>	<b>2,309,953</b>	<b>1,579,383</b>	<b>2,248,267</b>
<b>Expenses</b>					
Contract costs		1,144,108	1,734,901	1,151,531	1,740,152
Cost of rendering of services		58,651	69,518	21,269	24,821
Distribution costs		7,212	7,402	4,015	3,872
Administrative expenses		134,502	143,590	108,142	132,793
Other expenses		1,392	9,292	1,392	455
Finance costs		17,962	15,838	720	119
<b>Total expenses</b>		<b>1,363,827</b>	<b>1,980,541</b>	<b>1,287,069</b>	<b>1,902,212</b>
Share of loss of associate	12	(10)	(10)	-	-
<b>Profit before income tax expense</b>		<b>274,715</b>	<b>329,402</b>	<b>292,314</b>	<b>346,055</b>
Income tax expense	19	57,208	67,984	57,208	67,984
<b>Profit for the period</b>		<b>217,507</b>	<b>261,418</b>	<b>235,106</b>	<b>278,071</b>
<b>Other comprehensive income</b>					
<b>Items that will be reclassified subsequently to profit or loss</b>					
Gains (losses) on remeasuring available-for-sale investments	5	26,310	(11,276)	26,310	(11,276)
Income tax relating to items that will be reclassified subsequently to profit or loss		(5,262)	2,255	(5,262)	2,255
<b>Total items that will be reclassified subsequently to profit or loss</b>		<b>21,048</b>	<b>(9,021)</b>	<b>21,048</b>	<b>(9,021)</b>

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

Syntec Construction Public Company Limited and its Subsidiaries

Statements of comprehensive income (Unaudited)

	Note	Consolidated financial statements		Separate financial statements	
		Three-month period ended 30 June		Three-month period ended 30 June	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Items that will not be reclassified to profit or loss</b>					
Gains on remeasurements of defined benefit plans	33	13,802	-	12,541	-
Income tax relating to items that will not be reclassified to profit or loss	23	(2,508)	-	(2,508)	-
<b>Total items that will not be reclassified to profit or loss</b>		<b>11,294</b>	<b>-</b>	<b>10,033</b>	<b>-</b>
<b>Other comprehensive income for the period, net of tax</b>		<b>32,342</b>	<b>(9,021)</b>	<b>31,081</b>	<b>(9,021)</b>
<b>Total comprehensive income for the period</b>		<b>249,849</b>	<b>252,397</b>	<b>266,187</b>	<b>269,050</b>
<b>Profit (loss) attributable to :-</b>					
Owners of the parent		224,305	262,575	235,106	278,071
Non - controlling interests		(6,798)	(1,157)	-	-
<b>Profit for the period</b>		<b>217,507</b>	<b>261,418</b>	<b>235,106</b>	<b>278,071</b>
<b>Total comprehensive income (loss) attributable to :-</b>					
Owners of the parent		256,647	253,554	266,187	269,050
Non - controlling interests		(6,798)	(1,157)	-	-
<b>Total comprehensive income for the period</b>		<b>249,849</b>	<b>252,397</b>	<b>266,187</b>	<b>269,050</b>
<b>Earning per share</b>					
Basic (in Baht)	31	<b>0.14</b>	<b>0.16</b>	<b>0.15</b>	<b>0.17</b>

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

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

**Statements of comprehensive income (Unaudited)**

		<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Six-month period		Six-month period	
		ended 30 June		ended 30 June	
	<i>Note</i>	2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
<b>Revenues</b>					
Contract revenues		2,961,109	4,176,584	2,975,774	4,196,513
Revenue from rendering of services		180,677	200,926	55,034	60,012
Gain on disposal of assets		145,538	-	146,854	-
Interest income		1,248	3,440	1,913	6,567
Other income		32,571	38,809	20,575	26,034
<b>Total revenues</b>		<b>3,321,143</b>	<b>4,419,759</b>	<b>3,200,150</b>	<b>4,289,126</b>
<b>Expenses</b>					
Contract costs		2,387,828	3,306,284	2,402,493	3,318,567
Cost of rendering of services		128,645	131,768	42,441	43,067
Distribution costs		14,627	15,593	8,100	8,007
Administrative expenses		308,032	283,344	255,467	243,917
Other expenses		2,091	9,292	2,091	455
Finance costs		34,219	33,035	1,453	1,317
<b>Total expenses</b>		<b>2,875,442</b>	<b>3,779,316</b>	<b>2,712,045</b>	<b>3,615,330</b>
Share of loss of associate	12	(20)	(20)	-	-
<b>Profit before income tax expense</b>		<b>445,681</b>	<b>640,423</b>	<b>488,105</b>	<b>673,796</b>
Income tax expense	19	90,503	132,791	90,503	132,791
<b>Profit for the period</b>		<b>355,178</b>	<b>507,632</b>	<b>397,602</b>	<b>541,005</b>
<b>Other comprehensive income</b>					
<b>Items that will be reclassified</b>					
<b>subsequently to profit or loss</b>					
Gains on remeasuring					
available-for-sale investments	5	(18,793)	-	(18,793)	-
Income tax relating to items that will be					
reclassified subsequently to					
profit or loss		3,759	-	3,759	-
<b>Total items that will be reclassified</b>		<b>(15,034)</b>	<b>-</b>	<b>(15,034)</b>	<b>-</b>
<b>subsequently to profit or loss</b>					

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



Syntec Construction Public Company Limited and its Subsidiaries

Statements of comprehensive income (Unaudited)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Six-month period ended 30 June		Six-month period ended 30 June	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Items that will not be reclassified</b>					
<b>to profit or loss</b>					
Gains on remeasurements					
of defined benefit plans	33	13,802	-	12,541	-
Income tax relating to items that will not be					
reclassified to profit or loss	23	(2,508)	-	(2,508)	-
<b>Total items that will not be reclassified</b>		<b>11,294</b>	<b>-</b>	<b>10,033</b>	<b>-</b>
<b>Other comprehensive income for the period,</b>					
<b>net of tax</b>		<b>(3,740)</b>	<b>-</b>	<b>(5,001)</b>	<b>-</b>
<b>Total comprehensive income for the period</b>		<b>351,438</b>	<b>507,632</b>	<b>392,601</b>	<b>541,005</b>
<b>Profit (loss) attributable to :-</b>					
Owners of the parent		371,911	514,283	397,602	541,005
Non - controlling interests		(16,733)	(6,651)	-	-
<b>Profit for the period</b>		<b>355,178</b>	<b>507,632</b>	<b>397,602</b>	<b>541,005</b>
<b>Total comprehensive income (loss) attributable to :-</b>					
Owners of the parent		368,171	514,283	392,601	541,005
Non - controlling interests		(16,733)	(6,651)	-	-
<b>Total comprehensive income for the period</b>		<b>351,438</b>	<b>507,632</b>	<b>392,601</b>	<b>541,005</b>
<b>Earning per share</b>					
Basic (in Baht)	31	<b>0.23</b>	<b>0.32</b>	<b>0.25</b>	<b>0.34</b>

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 share capital	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	Retained earnings		Other components of shareholders' equity Available-for-sale investments	Total equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
					Legal reserve	Unappropriated				
<i>(in thousand Baht)</i>										
<b>For the six-month period ended 30 June 2017</b>										
<b>Balance at 1 January 2017</b>		<b>1,600,000</b>	<b>24</b>	<b>-</b>	<b>158,551</b>	<b>2,218,651</b>	<b>267,616</b>	<b>4,244,842</b>	<b>557,350</b>	<b>4,802,192</b>
<b>Transaction with owner, recorded directly in equity :-</b>										
<b>Contributions by and distribution to owners of the company</b>										
Dividends to owner of the company	32	-	-	-	-	(175,985)	-	(175,985)	-	(175,985)
<b>Total contributions by and distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(175,985)</b>	<b>-</b>	<b>(175,985)</b>	<b>-</b>	<b>(175,985)</b>
<b>Changes in ownership interest in subsidiaries :</b>										
Purchase of investment in subsidiary		-	-	(6,870)	-	-	-	(6,870)	(57,194)	(64,064)
<b>Total changes in ownership interest in subsidiaries</b>		<b>-</b>	<b>-</b>	<b>(6,870)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(6,870)</b>	<b>(57,194)</b>	<b>(64,064)</b>
<b>Total transaction with owner, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>(6,870)</b>	<b>-</b>	<b>(175,985)</b>	<b>-</b>	<b>(182,855)</b>	<b>(57,194)</b>	<b>(240,049)</b>
<b>Comprehensive income for the period</b>										
Profit		-	-	-	-	514,283	-	514,283	(6,651)	507,632
Other comprehensive income		-	-	-	-	-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>514,283</b>	<b>-</b>	<b>514,283</b>	<b>(6,651)</b>	<b>507,632</b>
Transfer to legal reserve		-	-	-	1,449	(1,449)	-	-	-	-
<b>Balance as at 30 June 2017</b>		<b>1,600,000</b>	<b>24</b>	<b>(6,870)</b>	<b>160,000</b>	<b>2,555,500</b>	<b>267,616</b>	<b>4,576,270</b>	<b>493,505</b>	<b>5,069,775</b>

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 share capital	Share premium on ordinary shares	Discount from changes in the ownership interests in subsidiary	<u>Retained earnings</u>		Other components of shareholders' equity Available-for-sale investments	Total equity attributable to owners of parent	Non-controlling interests	Total shareholders' equity
				Legal reserve	Unappropriated				
<i>(in thousand Baht)</i>									
<b>For the six-month period ended 30 June 2018</b>									
<b>Balance at 1 January 2018</b>	<b>1,600,000</b>	<b>24</b>	<b>(6,870)</b>	<b>160,000</b>	<b>2,984,005</b>	<b>285,658</b>	<b>5,022,817</b>	<b>540,892</b>	<b>5,563,709</b>
<b>Transaction with owner, recorded directly in equity :-</b>									
<b>Contributions by and distribution to owners of the company</b>									
Dividends to owner of the company	32				(207,995)		(207,995)	-	(207,995)
<b>Total contributions by and distributions to owners of the Company</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,995)</b>	<b>-</b>	<b>(207,995)</b>	<b>-</b>	<b>(207,995)</b>
<b>Changes in ownership interest in subsidiaries :</b>									
Purchase of investment in subsidiary	-	-	-	-	-	-	-	450	450
Acquisition for non - controlling interests without a change in control	-	-	-	-	-	-	-	40,000	40,000
<b>Total changes in ownership interest in subsidiaries</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>40,450</b>	<b>40,450</b>
<b>Total transaction with owner, recorded directly in equity</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,995)</b>	<b>-</b>	<b>(207,995)</b>	<b>40,450</b>	<b>(167,545)</b>
<b>Comprehensive income for the period</b>									
Profit					371,911		371,911	(16,733)	355,178
Other comprehensive income (loss)					11,294	(15,034)	(3,740)		(3,740)
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>383,205</b>	<b>(15,034)</b>	<b>368,171</b>	<b>(16,733)</b>	<b>351,438</b>
<b>Balance as at 30 June 2018</b>	<b>1,600,000</b>	<b>24</b>	<b>(6,870)</b>	<b>160,000</b>	<b>3,159,215</b>	<b>270,624</b>	<b>5,182,993</b>	<b>564,609</b>	<b>5,747,602</b>

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)

	Note	Separate financial statements					Total shareholders' equity
		Issued and paid share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity	
				Legal reserve	Unappropriated	Available-for-sale investments	
<i>(in thousand Baht)</i>							
<b>For the six-month period ended 30 June 2017</b>							
<b>Balance at 1 January 2017</b>		<b>1,600,000</b>	<b>24</b>	<b>158,551</b>	<b>2,281,836</b>	<b>267,616</b>	<b>4,308,027</b>
<b>Transaction with owner, recorded directly in equity :-</b>							
<b>Contributions by and distribution to owners of the company</b>							
Dividends to owner of the company	32	-	-	-	(175,985)	-	(175,985)
<b>Total contributions by and distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(175,985)</b>	<b>-</b>	<b>(175,985)</b>
<b>Total Transaction with owner, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(175,985)</b>	<b>-</b>	<b>(175,985)</b>
<b>Comprehensive income for the period</b>							
Profit		-	-	-	541,005	-	541,005
Other comprehensive income		-	-	-	-	-	-
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>541,005</b>	<b>-</b>	<b>541,005</b>
Transfer to legal reserve		-	-	1,449	(1,449)	-	-
<b>Balance as at 30 June 2017</b>		<b>1,600,000</b>	<b>24</b>	<b>160,000</b>	<b>2,645,407</b>	<b>267,616</b>	<b>4,673,047</b>

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)

	Note	Separate financial statements					Total shareholders' equity
		Issued and paid share capital	Share premium on ordinary shares	Retained earnings		Other components of shareholders' equity	
				Legal reserve	Unappropriated	Available-for-sale investments	
<i>(in thousand Baht)</i>							
<b>For the six-month period ended 30 June 2018</b>							
<b>Balance at 1 January 2018</b>		<b>1,600,000</b>	<b>24</b>	<b>160,000</b>	<b>3,088,992</b>	<b>285,658</b>	<b>5,134,674</b>
<b>Transaction with owner, recorded directly in equity :-</b>							
<b>Contributions by and distribution to owners of the company</b>							
Dividends to owner of the company	32				(207,995)		(207,995)
<b>Total contributions by and distributions to owners of the Company</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,995)</b>	<b>-</b>	<b>(207,995)</b>
<b>Total Transaction with owner, recorded directly in equity</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>(207,995)</b>	<b>-</b>	<b>(207,995)</b>
<b>Comprehensive income for the period</b>							
Profit					397,602	-	397,602
Other comprehensive income (loss)					10,033	(15,034)	(5,001)
<b>Total comprehensive income for the period</b>		<b>-</b>	<b>-</b>	<b>-</b>	<b>407,635</b>	<b>(15,034)</b>	<b>392,601</b>
<b>Balance as at 30 June 2018</b>		<b>1,600,000</b>	<b>24</b>	<b>160,000</b>	<b>3,288,632</b>	<b>270,624</b>	<b>5,319,280</b>

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

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

**Statements of cash flows (Unaudited)**

	<i>Note</i>	<b>Consolidated</b>		<b>Separate</b>	
		<b>financial statements</b>		<b>financial statements</b>	
		Six-month period ended 30 June		Six-month period ended 30 June	
		2018	2017	2018	2017
		<i>(in thousand Baht)</i>			
<b><i>Cash flows from operating activities</i></b>					
Profit for the period		355,178	507,632	397,602	541,005
<i>Adjustments to reconcile profit to cash receipts (payments)</i>					
Doubtful debts expense		96	455	96	455
Depreciation and amortization		170,741	184,000	113,099	126,925
Interest income		(1,248)	(3,440)	(1,913)	(6,567)
Interest expense		34,219	33,035	1,453	1,317
Loss on write-off of withholding tax		762	186	-	186
Gain on disposal of assets		(162,261)	(1,455)	(163,577)	(1,455)
Loss on write-off of equipment		16,723	-	16,723	-
Unrealized gains from changes in fair value of current investments		(7,132)	(6,797)	(7,128)	(6,496)
Unrealized gain on exchange rate		208	(801)	208	(801)
Share of loss of associate		20	20	-	-
Provision for estimating cost of rectification in the period of guarantee work		18,500	11,000	18,500	11,000
Provision for litigation		1,995	6,752	1,995	6,752
Provision for employee benefit		11,565	12,193	10,515	11,617
Additional prior year tax expense		-	8,837	-	-
Tax expense		90,503	132,791	90,503	132,791
		<u>529,869</u>	<u>884,408</u>	<u>478,076</u>	<u>816,729</u>
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		266,557	236,219	268,531	225,482
Other current receivables		(12,331)	(14,162)	(1,806)	(16,497)
Retention receivable under construction contract		14,577	(6,486)	13,663	(6,486)
Unbilled construction in progress		(163,646)	(392,860)	(163,646)	(392,860)
Inventories		(4,719)	(7,863)	(4,110)	(7,587)
Advance payments to subcontractors		(68,612)	160,470	(68,612)	147,399
Other non-current assets		884	5,039	1,116	9,852
Trade accounts payable		22,888	130,632	23,071	125,349
Advance received under construction contracts		(32,619)	(250,282)	(32,619)	(250,282)
Undue value added tax		(10,466)	10,945	(10,466)	10,945

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

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

**Statements of cash flows (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Six-month period		Six-month period	
	ended 30 June		ended 30 June	
<i>Note</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Deposit receipt from customers	(1,190)	(6,984)	-	-
Retention payable from subcontractors	(7,864)	6,351	(7,864)	6,351
Other current payables	(477,726)	(369,956)	(473,901)	(356,285)
Other current liabilities	(20)	6,731	1,530	162
Payment of provision for estimating cost of rectification	(10,471)	-	(10,471)	-
Payment of employee benefit	-	(581)	-	(581)
Cash generated from operating activities	45,111	391,621	12,492	311,691
Withholding tax received	-	206,032	-	205,845
Payment of additional prior year tax	-	(2,590)	-	-
Withholding tax paid	(107,471)	(111,066)	(105,290)	(108,292)
<b>Net cash from (used in) operating activities</b>	<b>(62,360)</b>	<b>483,997</b>	<b>(92,798)</b>	<b>409,244</b>
<b><i>Cash flows from investing activities</i></b>				
Interest received	1,496	3,848	2,121	6,716
Purchase of current investments	(291,768)	(1,170,531)	(291,768)	(1,170,531)
Proceeds from current investments	461,675	1,274,130	461,675	1,274,130
Purchase of investments in subsidiaries	-	-	(61,550)	(64,064)
Payment of short-term loans	-	-	(180,000)	-
Proceeds from short-term loans	-	-	155,000	-
Payment of long-term loans	-	-	-	(45,000)
Pledged deposit at bank	(40,896)	13,567	(40,896)	13,567
Purchase of property, plant and equipment	(243,294)	(142,222)	(52,317)	(66,000)
Payment of leasehold right in the process of registration	(9,000)	-	(9,000)	-
Purchase of intangible assets	(2,837)	(888)	(2,815)	(888)
Proceeds from sales of investment property	261,429	-	261,429	-
Proceeds from sales of equipment	12,353	3,226	12,353	3,226
<b>Net cash from (used in) investing activities</b>	<b>149,158</b>	<b>(18,870)</b>	<b>254,232</b>	<b>(48,844)</b>
<b><i>Cash flows from financing activities</i></b>				
Interest paid	(32,729)	(32,216)	22	(395)
Dividends paid	(207,995)	(175,985)	(207,995)	(175,985)
Bank overdrafts	651	(753)	-	-

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

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	Six-month period ended 30 June		Six-month period ended 30 June	
<i>Note</i>	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Payment of short-term loan	-	(160,000)	-	(160,000)
Proceeds from long-term loans	145,000	-	-	-
Payment of long-term loans	(70,573)	(18,821)	-	-
Finance lease payment	-	(13,182)	-	(13,182)
Proceeds from non-controlling interests	40,450	-	-	-
Payment for non - controlling interests	-	(64,064)	-	-
<b>Net cash used in financing activities</b>	<b>(125,196)</b>	<b>(465,021)</b>	<b>(207,973)</b>	<b>(349,562)</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>(38,398)</b>	<b>106</b>	<b>(46,539)</b>	<b>10,838</b>
Cash and cash equivalents at 1 January	436,374	500,280	375,899	430,675
<b>Cash and cash equivalents at 30 June</b>	<b>397,976</b>	<b>500,386</b>	<b>329,360</b>	<b>441,513</b>



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

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**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (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 10 August 2018.

**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, Klongton Nua, Wattana, Bangkok and a branch office located at 61 Soi Langsuan, Lumpini, Pathumwan, Bangkok.

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

The Company’s major shareholders who hold more than 10% of total paid share capital as at 30 June 2018 were as follows:

	<i>(% of total paid share capital)</i>
Phahusuth Group	29.15

The principal activities 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 (%)	
			As at 30 June 2018	As at 31 December 2017
<i>Direct subsidiaries</i>				
1) SCR Asset Management Co., Ltd.	Service apartment or real estate development for rental	Thailand	68.00	68.00
2) Natural Ville Service Apartment and Management Co., Ltd.	Personnel management for hotel, service apartment and other properties	Thailand	99.97	99.97
3) CSM Capital Partners Co., Ltd.	Service apartment or real estate development for rental	Thailand	60.00	60.00
4) J T Ten - Co.,Ltd.	Service apartment or real estate development for rental	Thailand	84.98	-
5) PT Three Land - Co.,Ltd.	Service apartment or real estate development for rental	Thailand	69.98	-

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
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**2 Basis of preparation of interim financial statement**

**2.1 Statement of compliance**

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2017) 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 2017. 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 2017.

**2.2 New financial reporting standards**

The FAP has issued new and revised TFRS which are effective for annual accounting periods beginning on or after 1 January 2018. The application of these new and revised TFRS does not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group/Company.

In addition to the above new and revised TFRS, the FAP has issued TFRS 15 Revenue from Contracts with Customers which is effective for annual periods beginning on or after 1 January 2019. The Group/Company has not early adopted this standard in the preparing these interim financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled.

It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) Construction Contracts,
- TAS 18 (revised 2017) Revenue,
- TSIC 31 (revised 2017) Revenue-Barter Transactions Involving Advertising Services,
- TFRIC 13 (revised 2017) Customer Loyalty Programmes,
- TFRIC 15 (revised 2017) Agreements for the Construction of Real Estate, and
- TFRIC 18 (revised 2017) Transfers of Assets from Customers.

Management is presently considering the potential impact of adopting TFRS 15 on the financial statements of the Group/Company.

**2.3 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.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

**2.4 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/Company accounting policies and the key sources of estimation uncertainty were the same as those that applied to the financial statements of the Company and its subsidiaries for the year ended 31 December 2017.

**2.4.1 Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amount recognized in the financial statements is included in the following notes:

Note 15	Investment properties
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**2.4.2 Assumptions and estimation uncertainties**

Information about assumptions of estimation uncertainties that have a significant risk of resulting in a material adjustments to the amount recognised in the financial statements is included in the following notes:

Notes 5, 12, 13 and 14	Allowance for impairment of investments
Note 19	Current and deferred taxation and utilization of tax losses
Note 27	Assumptions relating to discount rate, salary increase rate, employee turnover rate, mortality rate and disability rate
Note 28	Estimation of construction project costs, provision for the estimating costs of rectification in the period of guarantee work
Note 33	Valuation of financial instruments
Note 35	Provisions for contingent liabilities from litigation

**2.4.3 Measurement of fair Value**

Measuring the fair value of an asset or a liability, the Group/Company uses market observable data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Group/Company recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 5	Measurement of available-for-sale investments
Note 6	Measurement of current investments
Note 33	Financial instruments

- 2.5** The consolidated and separate financial statements for the three-month and six-month periods ended 30 June 2018 and 2017 included the investment and share of loss of an associate, which had been accounted for by equity method amounted to Baht 0.01 million and Baht 0.01 million and Baht 0.02 million and Baht 0.02 million, respectively, in the consolidated financial statements, based on financial statements of such associate, which had been prepared by the management. In addition, the Company had no obligation under the guarantee for such associate and an allowance for impairment of investment in the above mentioned associate was set up as at 30 June 2018 and 31 December 2017 in the amount of Baht 10 million and Baht 10 million, respectively, in the separate financial statements. Please also see note 12 to the interim financial statements. However, the values of the investments in the associate was immaterial.

### **3 Significant accounting policies**

The Group / Company have significant accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2017.

### **4 Seasonal operations**

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

### **5 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.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

Relationships with related parties were as follows:

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
<b>Subsidiaries</b>		
1. SCR Asset Management Co., Ltd.	Thailand	Subsidiary, 68% shareholding, and some common directors
2. Natural Ville Service Apartment and Management Co., Ltd.	Thailand	Subsidiary, 99.97% shareholding and some common directors
3. CSM Capital Partners Co., Ltd.	Thailand	Subsidiary, 60% shareholding and some common directors
4. J T Ten-Co., Ltd.	Thailand	Subsidiary, 84.98% shareholding and some common directors
5. PT Three Land - Co., Ltd.	Thailand	Subsidiary, 69.98% shareholding and some common directors
<b>Associate</b>		
1. Natural Hotel Sukhumvit Co., Ltd	Thailand	Associate, 25% Shareholding
<b>Joint ventures</b>		
1. SVK Joint venture	Thailand	Joint venture, 51% portion of joint venture and registered to cease operations
<b>Related companies</b>		
1. Bangkok Expressway and Metro Public Company Limited	Thailand	Related company, 0.49% shareholding
2. Mivan (Thailand) Co., Ltd.	Thailand	Related company as a venture 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, some common shareholder
5. N&J Assets Management Co., Ltd.	Thailand	Related company, some common directors
6. Narai Phand Co., Ltd.	Thailand	Related company, directors related to the director of the Company
7. N & J Hospitality Co., Ltd.	Thailand	Related company, directors related to the director of the Company
8. Pink Cafe Co., Ltd.	Thailand	Related company, directors related to the director of the Company
9. Safe Series Co., Ltd.	Thailand	Related company, shareholder as a key management personnel of the Company
10. Wrightman Corporation Co., Ltd.	Thailand	Related company, common key management personnel who manages the Company's branch
11. Mankongsangtong Holding Co., Ltd.	Thailand	Related company, common shareholders
12. Thonglor Management Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors.
13. Wealthy Living Co., Ltd.	Thailand	Related company, shareholder related to the Company's directors.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
14. Chuaphaibul Steel Co., Ltd.	Thailand	Related company, directors related to the director or shareholder of the Company
15. Wrightman Restaurant Co., Ltd.	Thailand	Related company, some common shareholder
16. Thai Roong Ruang Industry Co., Ltd.	Thailand	Related company, shareholder and director related to the shareholders and directors of the Company
17. TRR Property Ltd.	Thailand	Related company, shareholder and director as the shareholder and director of the subsidiary

**Related persons**

1. Six related persons	Thailand	Related persons, as the Company's and the subsidiaries' directors, shareholders, key management personnel or related to the key management personnel.
2. 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:

	<b>Pricing policies</b>
Sale of steel and others	Invoice price (at cost)
Interest income	MLR – 2.375 and MLR – 2.75 per annum
Contract revenues	Cost price plus profit margin not less than 12%
Contract costs	Market price
Purchase of steel	Market price
Management fee for service apartment	Contract price on the basis determined by the related parties concerned which approximated the market rate
Service expenses	Contract price on the basis determined by the related concerned which was not higher than employment rate
Consulting fee for security system	Contract price on the basis determined by the related concerned
Administrative expenses	Market price
Rental expenses	Contract price on the basis determined by the related concerned which approximated the market rate
Interest expenses	3.00% per annum

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Pricing policies</b>
Directors benefit expenses represented meeting allowance and director bonus	Approval from the Company's directors and shareholders
Directors and management benefit expenses represented salary and bonus	Approval from the Company's directors and shareholders

Significant transactions for the three-month and six-month periods ended 30 June 2018 with related parties were summarized as follows:

	<b>For three-month</b>			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Revenue</b>				
<b>Subsidiaries</b>				
Contract revenues	-	-	7,136	9,294
Sale of steel	-	-	-	18
Rendering of service and others	-	-	300	3,300
Interest income	-	-	290	1,725
<b>Related companies</b>				
Contract revenue	69,483	-	69,483	-
Rental and service expenses	1,095	1,072	1,095	1,072
Other service expenses	-	2,269	-	-
<b>Expenses</b>				
<b>Subsidiaries</b>				
Management fee for service apartment	-	-	6,166	6,915
<b>Related companies</b>				
Contract costs	23,914	36,019	23,914	36,019
Management fee for service apartment	8,986	9,355	4,884	5,072
Space rental and services	695	411	695	411
Consulting fee for security system	-	540	-	540
Other service expense	2,860	699	2,860	699
Purchase of steel	36,073	26,029	36,073	26,029
<b>Related persons</b>				
Consulting fee for security system	870	-	870	-
Land rental expense	220	-	220	-
<b>Key management personal</b>				
Key management personnel compensation				
Short-term employee benefits	15,221	7,102	15,221	7,102
Post-employment benefits	802	140	802	140
Total key management personnel compensation	<u>16,023</u>	<u>7,242</u>	<u>16,023</u>	<u>7,242</u>



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>For six-month</b>			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Revenue</b>				
<b>Subsidiaries</b>				
Contract revenues	-	-	14,664	19,929
Sale of steel	-	-	-	1,048
Rendering of service and others	-	-	600	3,600
Interest income	-	-	756	3,274
<b>Related companies</b>				
Contract revenue	117,940	-	117,940	-
Rental and service expenses	2,190	1,526	2,190	1,526
Other service expenses	-	6,372	-	-
<b>Expenses</b>				
<b>Subsidiaries</b>				
Management fee for service apartment	-	-	12,409	12,314
<b>Related companies</b>				
Contract costs	72,211	94,869	72,211	94,869
Management fee for service apartment	18,875	17,628	10,361	9,100
Space rental and services	1,389	822	1,389	822
Consulting fee for security system	-	2,328	-	2,328
Other service expense	10,007	9,685	10,007	9,685
Purchase of steel	76,150	55,655	76,150	55,655
<b>Related persons</b>				
Interest expenses	-	479	-	479
Consulting fee for security system	1,720	-	1,720	-
Land rental expense	220	-	220	-
<b>Key management personal</b>				
Key management personnel compensation				
Short-term employee benefits	33,456	13,981	33,456	13,981
Post-employment benefits	1,373	832	1,373	832
Total key management personnel compensation	<u>34,829</u>	<u>14,813</u>	<u>34,829</u>	<u>14,813</u>

Balance as at 30 June 2018 and 31 December 2017 with related parties were as follows:

**Trade accounts receivables - related parties**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
SCR Asset Management Co., Ltd	-	-	10,380	14,262

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Related company</b>				
Thai Roong Ruang Industry Co., Ltd.	19,246	-	19,246	-
Wrightman Corporation Co., Ltd.	609	1,827	-	-
<b>Total</b>	<b>19,855</b>	<b>1,827</b>	<b>29,626</b>	<b>14,262</b>

**Retention receivables under construction contracts – related parties**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
SCR Asset Management Co., Ltd	-	-	1,607	693
<b>Related company</b>				
TRR Property Ltd.	3,301	210	3,310	210
Thai Roong Ruang Industry Co., Ltd.	2,126	-	2,126	-
<b>Total</b>	<b>5,427</b>	<b>210</b>	<b>7,034</b>	<b>903</b>

**Other current receivables - related parties**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Related companies</b>				
<b>Other receivables and advances</b>				
<b>Joint ventures</b>				
SVK Joint Venture	11,099	11,099	11,099	11,099
<b>Subsidiaries</b>				
SCR Asset Management Co.,Ltd.	-	-	111	228
Natural Ville Service Apartment and Management Co., Ltd.	-	-	22,742	22,742
CSM Capital Partners Co., Ltd	-	-	2,314	2,281
<b>Related company</b>				
Wrightman Restaurant Co., Ltd.	95	75	95	75
	<b>11,194</b>	<b>11,174</b>	<b>36,361</b>	<b>36,425</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Related persons</b>				
Advance to directors	-	60	-	60
Advance to project managers	2,783	4,151	2,783	4,151
Total key management personnel	2,783	4,211	2,783	4,211
Total	13,977	15,385	39,144	40,636
Less allowance for doubtful accounts	(11,099)	(11,099)	(11,099)	(11,099)
<b>Net</b>	<b>2,878</b>	<b>4,286</b>	<b>28,045</b>	<b>29,537</b>

As at 30 June 2018 and 31 December 2017, advance to project managers in the amount of Baht 2.78 million and Baht 4.15 million, respectively, represented the petty cash for construction projects in the amount of Baht 50,000 to Baht 100,000 per a project.

***Unbilled construction in progress – related parties***

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Related company</b>				
Thai Roong Ruang Industry Co., Ltd.	-	362	-	362
TRR Property Ltd.	-	6,029	-	6,029
<b>Total</b>	<b>-</b>	<b>6,391</b>	<b>-</b>	<b>6,391</b>

***Short-term loans to related parties***

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
CSM Capital Partners Co., Ltd	-	-	<b>25,000</b>	-

As at 30 June 2018, the Company had short-term loans to a subsidiary (“CSM Capital Partners Co., Ltd.”) of Baht 25 million, represented short-term loans under 3 loan agreements, requiring payable on demand. The principal and interest will be repaid within 2 years, interest charged at MLR-2.75% per annum.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

Movements of short-term loans to related parties for the six-month periods ended 30 June were as follows:

	<b>Separate financial statements</b>	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 January	-	-
Increase during the period	180,000	-
Decrease during the period	(155,000)	-
<b>At 30 June</b>	<b><u>25,000</u></b>	<b><u>-</u></b>

Investments in associate and subsidiaries were detailed in notes 12 and 13 to the interim financial statements.

***Available – for – sale investments***

	<b>Consolidated and separate financial statements</b>			
	30 June 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
<b>Other related company</b>				
Bangkok Expressway and Metro Public Company Limited	221,748	560,027	221,748	578,820
Add valuation adjustment	<u>338,279</u>	<u>-</u>	<u>357,072</u>	<u>-</u>
<b>Net</b>	<b><u>560,027</u></b>	<b><u>560,027</u></b>	<b><u>578,820</u></b>	<b><u>578,820</u></b>

Movements of available-for-sale investments during the six-month periods ended 30 June were as follows:

	<b>Consolidated and separate financial statements</b>	
	2018	2017
	<i>(in thousand Baht)</i>	
<b><i>At cost</i></b>		
At 1 January	221,748	221,748
No change during the period	<u>-</u>	<u>-</u>
<b>At 30 June</b>	<b><u>221,748</u></b>	<b><u>221,748</u></b>
<b>Unrealized gain from changes in fair value of investments for the period presented in shareholder s' equity net of income tax</b>	<b><u>(15,034)</u></b>	<b><u>-</u></b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

*Long-term loans to related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Other related company</b>				
Gentech Engineering Co., Ltd.	4,956	4,956	4,956	4,956
Total	4,956	4,956	4,956	4,956
Less allowance for doubtful accounts	(4,956)	(4,956)	(4,956)	(4,956)
<b>Net</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

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

Movements of long-term loans to related parties for the six-month periods ended 30 June were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	4,956	4,956	4,956	129,956
Increase during the period	-	-	-	45,000
<b>At 30 June</b>	<b>4,956</b>	<b>4,956</b>	<b>4,956</b>	<b>174,956</b>

*Trade accounts payables – related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Other related companies</b>				
N&J Hospitality Co., Ltd.	-	178	-	178
N&J Asset Management Co., Ltd.	290	-	290	-
Tate Enterprise Co., Ltd.	44	52	44	52
Chuaphaibul Steel Co., Ltd.	7,830	5,162	7,830	5,162
Safe Series Co., Ltd.	4,933	-	4,933	-
Thonglor Management Co.,Ltd.	267	-	-	-
Narai Phand Co., Ltd.	7	-	7	-
<b>Total</b>	<b>13,371</b>	<b>5,392</b>	<b>13,104</b>	<b>5,392</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

*Other current payables – related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiary</b>				
Natural Ville Service Apartment and Management Co., Ltd	-	-	15,216	13,224
<b>Related parties</b>				
Safe Series Co., Ltd.	5,375	15,004	5,375	15,004
Thonglor Management Co., Ltd.	1,306	1,454	-	-
Wrightman Corporation Co., Ltd.	940	1,339	568	967
Wrightman Restaurant	784	775	784	775
<b>Total</b>	<b>8,405</b>	<b>18,572</b>	<b>21,943</b>	<b>29,970</b>

*Short-term loans from related persons*

Movements of short-term loans from related persons for the six-month periods ended 30 June were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	-	80,000	-	80,000
Decrease during the period	-	(80,000)	-	(80,000)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

*Advance received from customers under construction contracts – related parties*

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>				
TRR Property Ltd.	24,363	27,664	24,363	27,664
Thai Roong Ruang Industry Co., Ltd.	5,899	-	5,899	-
<b>Total</b>	<b>30,262</b>	<b>27,664</b>	<b>30,262</b>	<b>27,664</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

*Retention payables from subcontractors – related parties*

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>				
Safe Series Co., Ltd.	4,413	5,185	4,413	5,185
<b>Total</b>	<b>4,413</b>	<b>5,185</b>	<b>4,413</b>	<b>5,185</b>

*The commitments with related parties*

The Ordinary General Meeting of Shareholders of the Company held on 27 April 2018 resolved the approval of Directors' remunerations for the year 2018 which were represented the meeting allowance of Baht 18,000 per time per head, and the annual audit committee directors' remunerations of Baht 350,000 per head.

The Ordinary General Meeting of Shareholders of the Company held on 28 April 2017 resolved the approval of Directors' remunerations for the year 2017 which were represented the meeting allowance of Baht 16,000 per time per head, and the annual audit committee directors' remunerations of Baht 300,000 per head.

*Significant agreements with related parties*

**Subsidiaries**

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 included salaries and other administration expenses) and other disbursements to be approved by the Company.

On 31 March 2016, 2017 and 2018, the Company had entered into a service agreement with SCR Asset Management Co., Ltd ("the subsidiary") for the period of 1 year from April 2016 to March 2019, requiring a monthly service fee of Baht 100,000 with the renewal option.

On 19 May 2017, the Company had entered into the construction management agreement with a subsidiary ("SCR Asset Management Co., Ltd") for the Somerset Central Siracha project, totalling Baht 62 million. As of 30 June 2018, the revenue was realized in the amount of Baht 42 million and the remaining amounted to Baht 20 million.

On 1 July 2017 and 23 April 2018, the Company had entered into a service agreement with CSM Capital Partners Co., Ltd ("the subsidiary") for the period of 1 year from 1 January 2017 to 31 December 2018, requiring a monthly service fee of Baht 500,000 and Baht 520,000.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

**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 with monthly rental of Baht 120,759 and renewal option when the end of the rental agreement. On 20 February 2018, the Company had entered into a memorandum of office space rental agreement with a related company (“N & J Asset Management Co., Ltd.”) to increase space area and expand the rental period by 3 years as from 1 January 2018 to 31 December 2021 with monthly rental of Baht 215,225.

On 1 August 2015, the Company had entered into the operating and managing agreement with a related company (Wrightman Corporation Co., Ltd.) for a period from 1 August 2015 to 31 October 2020 in order to manage service apartment, prepare the financial documents, budget and prepare annual marketing plan of branch of the Company with the basic fee at rate 2% of total revenues and incentive fee 3-5% of gross operating profit.

On 8 August 2017 and 1 October 2017, CSM Capital Partners Co., Ltd (“the subsidiary”) entered into the new service agreement and memorandum for a period from 1 April 2017 to 31 March 2018 with the monthly service fee as follows:

- Management fee at the rate 1% of total revenue of retail shops;
- Incentive fee at the rate of 3% net of profit in the project of retail shops;
- Corporation fee on service area at a fixed rate of Baht 250,000 per month .

As of 10 August 2018, the Company has been in the process of renewal.

On 20 December 2017, the Company had entered into the construction agreement with a related company (“TRR Property Ltd.”) for the TRR Office Building project, totalling Baht 553 million. Until 30 June 2018, the amount earned Baht 66 million, the remaining amounted to Baht 487 million.

On 22 March 2018, the Company had entered into the construction agreement with a related company (“Thai Roong Ruang Industry Co., Ltd.”) in the sugar plant project, totalling Baht 130 million. Until 30 June 2018, the amount earned Baht 63 million, the remaining amounted to Baht 67 million.

**Related person**

On 1 December 2017 and 19 February 2018, the Company had entered into a consulting agreement and additional memorandum with a related person (“Mr.Chirasak Tanskul”) for a period from 1 December 2017 to 31 December 2018, to obtain the consult for security, marketing and procurement with a monthly rate of Baht 290,000.

On 17 April 2018, the Company had entered into a land lease agreement with a related person (“Mr.Kamol Vongkusolkit”) for a period of 18 months from 1 May 2018 to 31 October 2019, for use to construct the camp for workers and to store the construction materials with the monthly rental of Baht 110,000.

Please also note 36 to the interim financial statements.



**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

**6 Current investments**

	<b>Consolidated financial statements</b>			
	30 June 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
<b>Current investments</b>				
Bills of exchange	-	-	290,212	290,212
Mutual fund – debt securities	1,375,761	1,382,893	1,241,279	1,255,456
Fixed deposit 24 months due within 1 year	187	187	-	-
<b>Total</b>	<b>1,375,948</b>	<b>1,383,080</b>	<b>1,531,491</b>	<b>1,545,668</b>

	<b>Separate financial statements</b>			
	30 June 2018		31 December 2017	
	Cost	Fair value	Cost	Fair value
	<i>(in thousand Baht)</i>			
<b>Current investments</b>				
Bills of exchange	-	-	290,212	290,212
Mutual fund – debt securities	1,374,929	1,382,057	1,240,471	1,254,624
Fixed deposit 24 months due within 1 year	187	187	-	-
<b>Total</b>	<b>1,375,116</b>	<b>1,382,244</b>	<b>1,530,683</b>	<b>1,544,836</b>

As at 30 June 2018, and 31 December 2017 current investments in mutual fund – debt securities amounted to Baht 161 million had been used as collateral for liabilities under letter of guarantee with two domestic commercial banks.

Movements of current investments during the six-month periods ended 30 June were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Bills of exchange</b>				
At 1 January	290,212	110,000	290,212	110,000
Purchases during the period	187	800,531	187	800,531
Sales during the period	(290,399)	(730,531)	(290,399)	(730,531)
<b>At 30 June</b>	<b>-</b>	<b>180,000</b>	<b>-</b>	<b>180,000</b>
<b>Mutual fund – debt securities</b>				
At 1 January	1,255,456	1,139,057	1,254,624	1,098,713
Purchases during the period	291,581	370,000	291,581	370,000
Sales during the period	(171,276)	(543,599)	(171,276)	(543,599)
Valuation adjustments	7,132	6,797	7,128	6,496
<b>At 30 June</b>	<b>1,382,893</b>	<b>972,255</b>	<b>1,382,057</b>	<b>931,610</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Fixed deposit 24 months due within 1 year</b>				
At 1 January	-	-	-	-
Transfer during the period	187	-	187	-
<b>At 30 June</b>	<b>187</b>	<b>-</b>	<b>187</b>	<b>-</b>

**7 Trade accounts receivables**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Related parties	19,855	1,827	29,626	14,262
Other parties	759,551	1,044,136	751,127	1,035,022
Total	779,406	1,045,963	780,753	1,049,284
Less allowance for doubtful accounts	(6,801)	(6,705)	(6,801)	(6,705)
<b>Net</b>	<b>772,605</b>	<b>1,039,258</b>	<b>773,952</b>	<b>1,042,579</b>

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Doubtful debts expense</b>				
For the three-month period ended 30 June	48	47	48	47
For the six-month period ended 30 June	96	95	96	95

Aging analyses for trade accounts receivables were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Within credit terms	408,301	710,731	413,424	707,767
Still litigation	51,947	51,947	51,947	51,947
Overdue:				
- Less than 3 months	180,052	157,191	176,343	159,350
- Over 3 months to 6 months	130,235	122,498	130,168	120,119
- Over 6 months to 12 months	5,848	2,443	5,848	8,947

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
- Over 12 months	3,023	1,154	3,023	1,154
Total overdue	319,158	283,286	315,382	289,570
<b>Total</b>	<b>779,406</b>	<b>1,045,963</b>	<b>780,753</b>	<b>1,049,284</b>

The normal credit terms granted by the Group/Company ranges from 15 days to 45 days.

As at 30 June 2018, trade accounts receivables amounting to Baht 99.14 million representing notes receivable to be discounted with the financial institution as described in note 20 to the interim financial statements.

## 8 Other current receivables

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Other receivables	17,803	16,489	42,053	39,986
Accrued income	3,341	4,132	2,488	4,626
Prepaid expenses	18,718	19,321	14,779	14,714
In put tax not due	3,264	5,873	1,512	4,058
Advance	18,764	18,565	17,430	16,471
Prepaid value added tax	33,779	20,036	1,882	166
Total	95,669	84,416	80,144	80,021
Less allowance for doubtful accounts	(17,511)	(17,511)	(17,511)	(17,511)
<b>Net</b>	<b>78,158</b>	<b>66,905</b>	<b>62,633</b>	<b>62,510</b>
Related parties	11,194	11,174	36,361	36,425
Key management personnel	2,783	4,211	2,783	4,211
Other parties	81,692	69,031	41,000	39,385
	95,669	84,416	80,144	80,021
Less allowance for doubtful accounts	(17,511)	(17,511)	(17,511)	(17,511)
<b>Net</b>	<b>78,158</b>	<b>66,905</b>	<b>62,633</b>	<b>62,510</b>

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Doubtful debts expense</b>				
For the three-month period ended 30 June	-	134	-	134
For the six-month period ended 30 June	-	134	-	134

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

**9 Retentions receivables under construction contracts**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Related parties	5,427	210	7,034	903
Other parties	562,624	582,419	562,624	582,419
<b>Total</b>	<b>568,051</b>	<b>582,629</b>	<b>569,658</b>	<b>583,322</b>
Less allowance for doubtful accounts	(18,930)	(18,930)	(18,930)	(18,930)
<b>Net</b>	<b>549,121</b>	<b>563,699</b>	<b>550,728</b>	<b>564,392</b>
Current	92,921	126,014	92,921	126,014
Non-current	456,200	437,685	457,807	438,378
<b>Total</b>	<b>549,121</b>	<b>563,699</b>	<b>550,728</b>	<b>564,392</b>

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

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Within credit terms	473,041	470,660	474,648	471,353
Still litigation	58,583	58,583	58,583	58,583
Overdue:				
- Less than 1 year	36,427	50,024	36,427	50,024
- Over 2 year to 3 year	-	3,362	-	3,362
<b>Total overdue</b>	<b>36,427</b>	<b>53,386</b>	<b>36,427</b>	<b>53,386</b>
<b>Total</b>	<b>568,051</b>	<b>582,629</b>	<b>569,658</b>	<b>583,322</b>

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

**10 Unbilled construction in progress**

	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Related parties	-	6,391	-	6,391
Other parties	979,411	809,373	979,411	809,373
<b>Total</b>	<b>979,411</b>	<b>815,764</b>	<b>979,411</b>	<b>815,764</b>
Less allowance for doubtful accounts	(9,029)	(9,029)	(9,029)	(9,029)
<b>Net</b>	<b>970,382</b>	<b>806,735</b>	<b>970,382</b>	<b>806,735</b>

**Syntec Construction Public Company Limited and its Subsidiaries**  
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**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in million Baht)</i>			
Construction project contracts amount	35,251	30,746	35,251	30,746
Contract revenue recognized as revenue since commencing date to present	26,058	22,890	26,058	22,890
Less progress billings (as invoices)	(25,124)	(22,119)	(25,124)	(22,119)
Unbilled construction in progress	934	771	934	771
Unbilled construction in progress in litigation	45	45	45	45
Unbilled construction in progress at the end of period	979	816	979	816
Less allowance for doubtful accounts	(9)	(9)	(9)	(9)
<b>Net</b>	<b>970</b>	<b>807</b>	<b>970</b>	<b>807</b>
Excess of progress billing over work in progress	(583)	(615)	(583)	(615)
<b>Net</b>	<b>387</b>	<b>192</b>	<b>387</b>	<b>192</b>

**11 Inventories**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Construction materials	108,725	105,128	108,725	105,128
Spare parts and supplies	11,711	11,433	10,179	10,511
Less allowance for devaluation of inventories	-	(844)	-	(844)
Net-spare parts and supplies	11,711	10,589	10,179	9,667
<b>Total</b>	<b>120,436</b>	<b>115,717</b>	<b>118,904</b>	<b>114,795</b>

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Reversal of allowance for devaluation</b>				
For the three-month period ended 30 June	(844)	-	(844)	-
For the six-month period ended 30 June	(844)	-	(844)	-

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

**12 Investments in associate**

Movements of investments in associate during the six-month periods ended 30 June were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	235	276	9,375	9,375
Share of losses of investments from equity method	(20)	(20)	-	-
	<u>215</u>	<u>256</u>	<u>9,375</u>	<u>9,375</u>
Less allowance for devaluation of investments	-	-	(9,375)	(9,375)
<b>At 30 June</b>	<b><u>215</u></b>	<b><u>256</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

**13 Investments in subsidiaries**

Movements of investment of subsidiaries during the six-month periods ended 30 June were as follows:

	<b>Separate financial statements</b>	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 January	1,010,064	810,000
Purchase of investments	61,549	64,064
<b>At 30 June</b>	<b><u>1,071,613</u></b>	<b><u>874,064</u></b>

The Board of Directors Meeting of the Company held on 15 May 2018, resolved to establish two subsidiaries named JT Ten Co., Ltd. and PT Three Land Co., Ltd with the authorized share capital of Baht 1 million in each of subsidiary to conduct a business in real estate for rental. On 13 June 2018 and 25 June 2018, the Company registered the establishing those subsidiaries and held 84.98% and 69.98% of shares, respectively. Please also see note 36 to the interim financial statements.

The Extraordinary Meeting of Shareholders of subsidiary (CSM Capital Partners Co., Ltd.) held on 20 April 2018 approved the increase of the company's authorized share capital from Baht 1,000 million to Baht 1,100 million for cost of the renovation of Eight Thonglor Residences Project. The subsidiary also registered the increase of shares with Ministry of Commerce on 4 May 2018.

**Syntec Construction Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

Investments in subsidiaries as at 30 June 2018 and 31 December 2017 were as follows:

	Ownership interest		Paid-up capital		Cost method		Impairment		At cost - net		Dividend received	
	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December	30 June	31 December
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	(%)		(in million Baht)				(in thousand Baht)					
<b><i>Direct subsidiaries</i></b>												
SCR Asset Management Co., Ltd.	68.00	68.00	600	600	408,064	408,064	-	-	408,064	408,064	-	-
Natural Ville Service apartment and Management Co., Ltd	99.97	99.97	2	2	2,000	2,000	-	-	2,000	2,000	-	-
CSM Capital Partners Co., Ltd.	60.00	60.00	1,100	1,000	660,000	600,000	-	-	660,000	600,000	-	-
PT Three Land Co., Ltd.	69.98	-	1	-	699	-	-	-	699	-	-	-
JT Ten Co., Ltd	84.98	-	1	-	850	-	-	-	850	-	-	-
<b>Total</b>					<b>1,071,613</b>	<b>1,010,064</b>	<b>-</b>	<b>-</b>	<b>1,071,613</b>	<b>1,010,064</b>	<b>-</b>	<b>-</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### 14 Other long-term investments

	Consolidated and separate financial statements			
	Cost		Fair value	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
General investments	3,000	3,000	-	-
Less allowance for devaluation of investments	(3,000)	(3,000)	-	-
General investments, net	-	-	-	-
Fixed deposit 24 months	-	187	-	187
<b>Total</b>	<b>-</b>	<b>187</b>	<b>-</b>	<b>187</b>

Movements of other long-term investments for the six-month periods ended 30 June were as follows:

	Consolidated and separate financial statements	
	2018	2017
	<i>(in thousand Baht)</i>	
<b>General investments</b>		
At 1 January	3,000	3,000
No change during the year	-	-
Valuation adjustment	(3,000)	(3,000)
<b>At 30 June</b>	<b>-</b>	<b>-</b>
<b>Fixed deposit 24 months</b>		
At 1 January	187	48,371
Transfer to current investment	(187)	-
<b>At 30 June</b>	<b>-</b>	<b>48,371</b>

### 15 Investment properties

Acquisitions, disposals and transfers of investment properties during the six-month periods ended 30 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Net book value at 1 January	103,240	103,523	103,240	103,523
Disposal – net book value	(99,644)	-	(99,644)	-
Depreciation for the period	(138)	(138)	(138)	(138)
<b>Net book value at 30 June</b>	<b>3,458</b>	<b>103,385</b>	<b>3,458</b>	<b>103,385</b>



# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

On 11 January 2018, the Company entered into an agreement to sell and purchase on 6 plots of land with two companies in the selling price of Baht 277 million. On the date of the agreement, the Company received the partial payment in the amount of Baht 28 million and the remaining will be received on the transferring registration date. On 27 June 2018, the Company entered into sale and purchase agreement of land and registered to transfer ownership together with receiving the remaining of Baht 249 million which incurred selling expense in the amount of Baht 15 million and recognized net gain on sale of land amounted to Baht 162 million in the statement of comprehensive income.

## 16 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the six-month periods ended 30 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Net book value at 1 January	4,037,006	4,019,827	860,529	943,920
Acquisition and transfer in – at cost	243,294	142,222	52,317	66,000
Disposal and transfer out				
- net book value	(29,246)	(1,771)	(27,285)	(1,771)
Depreciation for the period	(157,219)	(171,111)	(101,080)	(115,367)
<b>Net book value at 30 June</b>	<b>4,093,835</b>	<b>3,989,167</b>	<b>784,481</b>	<b>892,782</b>

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht )</i>			
Interest capitalized for the period	2,299	-	-	-
Accumulated interest capitalized	2,299	-	-	-
Capitalization rate (% per annum)	3.85	-	-	-

*Assets under construction:*

- Total budget cost of project in renovation on service apartment at Natural Ville, Soi Langsuan, Bangkok amounted to Baht 64 million. Actual cost incurred to 30 June 2018 in the amount of Baht 54 million, remaining amounted to Baht 10 million.
- Total budget cost of project in constructing service apartment building of a subsidiary (SCR Asset Management Co., Ltd ) at Sriracha, Chonburi Province (Project 2), amounted to Baht 531 million. Actual cost incurred to 30 June 2018 in the amount of Baht 402 million, remaining amounted to Baht 129 million.
- Total budget cost of project in constructing service apartment building of a subsidiary (SCR Asset Management Co., Ltd ) at Srimaha Poe, Prachinburi Province (Project 3), amounted to Baht 550 million. Actual cost incurred to 30 June 2018 in the amount of Baht 6 million, remaining amounted to Baht 544 million.

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

- Total budget cost of project in renovating the residence in Eight Thonglor Project of a subsidiary (CSM Capital Partners Co., Ltd ), amounted to Baht 147 million. Actual cost incurred to 30 June 2018 in the amount of Baht 116 million, remaining amounted to Baht 31 million.

### *Pledge*

As at 30 June 2018, land, buildings and building improvement of the Company in the carrying amount of Baht 84 million including indemnity from insurance of those assets were mortgaged as collateral for contingent liabilities due to the letter of guarantee issued by the domestic commercial banks.

As at 30 June 2018, land with existing structures of the subsidiary (“SCR Asset Management Co., Ltd”) in the carrying amount of Baht 571 million and structures to be constructed in the future was mortgaged as collateral for contingent liabilities on borrowings from the domestic commercial banks.

As at 30 June 2018, the residences in Eight Thonglor Project of the subsidiary (CSM Capital Partners Co., Ltd) in the carrying amount of Baht 2,398 million were mortgaged as collateral for contingent liabilities on borrowings from the domestic commercial bank in the credit line amounting to Baht 1,550 million.

## 17 Leasehold right

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<i>Net book value</i>				
Leasehold right	299,985	309,979	299,985	309,979
Leasehold right in the process of right registration	9,000	-	9,000	-
<b>Total</b>	<b>308,985</b>	<b>309,979</b>	<b>308,985</b>	<b>309,979</b>

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Net book value at 1 January	309,979	330,133	309,979	330,133
Acquisition and transfer in - at cost	9,000	-	9,000	-
Amortization for the period	(9,994)	(9,994)	(9,994)	(9,994)
<b>Net book value at 30 June</b>	<b>308,985</b>	<b>320,139</b>	<b>308,985</b>	<b>320,139</b>

On 6 February 2018, the Company (“the lessee”) entered into a memorandum to lease land for the real estate development project with other person (“the lessor”). The Company agreed to lease land in Chonburi Province totaling 19 plots of land of 11 rai 1 ngan, 54.1 square wah, to develop into projects of hotel, resort and other real estate development projects under the business of a subsidiary, which is in the process of establishment of the company. (please see note 36 to the interim financial statements). The lease term is 30 years commencing from the date of completion of the real estate development project and starting operations. The Company will complete the development of the

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

project and will commercially operate within 3 years from the date of the lease agreement. The Company agrees to pay whole land fee in the amount of Baht 90 million and the monthly rental of Baht 300,000. The rental shall be adjusted increasingly every 3 years throughout the lease term. The Company paid the land leasing fee of Baht 9 million to be as leasehold right in the process of registration and the remaining of Baht 81 million will be paid within the date of registration of the land lease.

Under the lease agreement of the land, the lessor agrees to collect the plots of land for 180 square wah owned by another person and to be transferred to the lessor or the land must be registered servitude prior to the registration of the lease. If the lessor fails to do so, the Company has the right to cancel the memorandum without being considered as breach of agreement. The lessor agrees to return the land lease fee of Baht 9 million to the Company within 7 days from the date of the lessor be unable to comply with the agreement.

### 18 Intangible assets

Acquisitions, disposals and transfers of intangible assets during the six-month periods ended 30 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Net book value at 1 January	10,338	12,771	5,702	6,491
Acquisition and transfer in - at cost	2,837	888	2,815	888
Amortization charge for the period	(3,390)	(2,757)	(1,887)	(1,426)
<b>Net book value at 30 June</b>	<b>9,785</b>	<b>10,902</b>	<b>6,630</b>	<b>5,953</b>

### 19 Deferred income tax

Movements of deferred tax assets and liabilities during the six-month periods ended 30 June were as follows:

*For the six-month period ended 30 June 2018*

	Consolidated and separate financial statements			
	At 1 January 2018	(Charged)/credited to		At 30 June 2018
		Profit(loss)	Other comprehensive income (loss)	
		<i>(in million Baht)</i>		
<b>Deferred tax Assets</b>				
Other current receivables	2	-	-	2
Non-current provisions for employee benefit	32	(3)	-	29
Provisions	16	2	-	18
<b>Total</b>	<b>50</b>	<b>(1)</b>	<b>-</b>	<b>49</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### Consolidated and separate financial statements

	At 1 January 2018	(Charged)/credited to		At 30 June 2018
		Profit(loss)	Other comprehensive income (loss)	
		<i>(in million Baht)</i>		
<b><i>Deferred tax liabilities</i></b>				
Property, plant and equipment	3	(2)	-	1
Financial lease liability	10	(1)	-	9
Non-current provisions for employee benefit	-	-	2	2
Gains on measurement of available-for-sale investments	72	-	(4)	68
<b>Total</b>	<b>85</b>	<b>(3)</b>	<b>(2)</b>	<b>80</b>
<b>Net</b>	<b>(35)</b>	<b>2</b>	<b>2</b>	<b>(31)</b>

*For the six-month period ended 30 June 2017*

### Consolidated and separate financial statements

	At 1 January 2017	(Charged)/credited to		At 30 June 2017
		Profit(loss)	Other comprehensive income (loss)	
		<i>(in million Baht)</i>		
<b><i>Deferred tax Assets</i></b>				
Trade accounts receivables	15	-	-	15
Other current receivables	-	2	-	2
Property, plant and equipment	3	(3)	-	-
Non-current provisions for employee benefit	27	3	-	30
Provisions	8	6	-	14
<b>Total</b>	<b>53</b>	<b>8</b>	<b>-</b>	<b>61</b>
<b><i>Deferred tax liabilities</i></b>				
Property, plant and equipment	7	4	-	11
Gains on measurement of available-for-sale investments	67	-	-	67
<b>Total</b>	<b>74</b>	<b>4</b>	<b>-</b>	<b>78</b>
<b>Net</b>	<b>(21)</b>	<b>4</b>	<b>-</b>	<b>(17)</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

Deferred tax assets arising from temporary differences that have not been recognized in the financial statements were as follows:

	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial statements</b>		<b>financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
Deductible temporary differences	12	12	12	12
Tax losses	34	25	-	-
<b>Total</b>	<b>46</b>	<b>37</b>	<b>12</b>	<b>12</b>

The tax losses expire in 2018 to 2023. 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 and six-month periods ended 30 June were summarized as follows:

	For three-month			
	<b>Consolidated</b>		<b>Separate</b>	
	<b>Financial statements</b>		<b>financial statements</b>	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Current income tax expense for the period</b>				
The interim income tax expenses	53	69	53	69
<b>Deferred tax expense (income)</b>				
Deferred tax expense (income) concern deductible temporary difference with initial recognized and reversed	4	(1)	4	(1)
<b>Income tax expense presented in statements of comprehensive income</b>	<b>57</b>	<b>68</b>	<b>57</b>	<b>68</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	For Six-month			
	Consolidated Financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Current income tax expense for the period</b>				
The interim income tax expenses	93	136	93	136
<b>Deferred tax expense (income)</b>				
Deferred tax expense (income) concern deductible temporary difference with initial recognized and reversed	(3)	(3)	(3)	(3)
<b>Income tax expense presented in statements of comprehensive income</b>	<b>90</b>	<b>133</b>	<b>90</b>	<b>133</b>

## 20 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Bank overdrafts	2,013	1,362	-	-
Short-term loans from financial institutions	99,140	99,140	99,140	99,140
<b>Total</b>	<b>101,153</b>	<b>100,502</b>	<b>99,140</b>	<b>99,140</b>

Movements of short-term loans from financial institutions during the six-month periods ended 30 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	99,140	-	99,140	-
No change during the period	-	-	-	-
<b>At 30 June</b>	<b>99,140</b>	<b>-</b>	<b>99,140</b>	<b>-</b>

## 21 Trade accounts payables

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Related parties	13,371	5,392	13,104	5,392
Others parties	303,516	288,608	296,146	280,787
<b>Total</b>	<b>316,887</b>	<b>294,000</b>	<b>309,250</b>	<b>286,179</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### 22 Other current payables

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Related parties	8,405	18,572	21,943	29,970
Others parties	362,662	830,206	292,152	758,026
<b>Total</b>	<b>371,067</b>	<b>848,778</b>	<b>314,095</b>	<b>787,996</b>
<i>Other parties</i>				
Other payables	55,685	51,295	4,548	4,604
Accrued value added tax	3,426	21,902	322	18,472
Accrued withholding tax	10,107	10,864	9,062	9,645
Other accrued expenses	293,444	746,145	278,220	725,305
<b>Total</b>	<b>362,662</b>	<b>830,206</b>	<b>292,152</b>	<b>758,026</b>

### 23 Other short- term loans

Movements of other short-term loans for the six-month periods ended 31 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	-	160,000	-	160,000
Decrease during the period	-	(160,000)	-	(160,000)
<b>At 30 June</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

### 24 Advances received from customers under construction contracts

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Related parties	30,262	27,664	30,262	27,664
Others parties	552,477	587,694	552,477	587,694
<b>Total</b>	<b>582,739</b>	<b>615,358</b>	<b>582,739</b>	<b>615,358</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### 25 Retention payables from subcontractors

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Related parties	4,413	5,185	4,413	5,185
Others parties	297,966	305,058	297,966	305,058
<b>Total</b>	<b>302,379</b>	<b>310,243</b>	<b>302,379</b>	<b>310,243</b>

### 26 Long-term loans

	Consolidated financial statements		Separate financial statements	
	30 June 2018	31 December 2017	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Loans from domestic financial institutions	1,798,985	1,724,558	-	-
Less Current portion of long-term loans	(152,000)	(119,600)	-	-
<b>Net</b>	<b>1,646,985</b>	<b>1,604,958</b>	<b>-</b>	<b>-</b>

Movements of long-term loans during the six-month periods ended 30 June were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
At 1 January	1,724,558	1,706,630	-	-
Addition during the period	145,000	-	-	-
Deduction during the period	(70,573)	(18,821)	-	-
<b>At 30 June</b>	<b>1,798,985</b>	<b>1,687,809</b>	<b>-</b>	<b>-</b>

#### *Loans from domestic financial institution*

On 2 December 2014, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a domestic financial institution in credit line of Baht 390.70 million. As of 30 June 2018, it was drawdown amounted to Baht a 145 million and balanced to Baht 245.70 million, requiring monthly repayable interest from the date of the first drawdown and requiring monthly repayable principal within 10 years and 6 months. The first repayment shall be in 31<sup>st</sup> month of Baht 1.90 million to Baht 6.40 million. These loans were secured by 2 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated 15 December 2017.



# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month and six-month periods ended 30 June 2018 (Unaudited)

Under the above loan agreement contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and the events of default or non-compliance with the loan agreements, which assumes that it is default. The default entitles the bank to accelerate the maturity of all amount outstanding and immediately payable. Since the year 2019, the agreement requires certain financial ratio (DSCR) not less than 1.1.

On 23 September 2013, a subsidiary (SCR Asset Management Co., Ltd.) entered into a loan agreement with a local financial institution in credit line of Baht 224 million, As of 30 June 2018, it was drawdown amounted to Baht 206 million and balanced Baht 18 million, requiring monthly repayable principal with interest within 8 years and 6 months. The first repayment at nineteenth month of Baht 1.3 million to Baht 4 million. These loans were secured by 11 plots of land including structures, existing at the present and to be constructed in the future are mortgaged as collateral under the mortgage agreement dated 12 June 2014 in the credit line amounting to Baht 229 million.

Under the above loan agreements contains certain restrictive conditions such as opening operating account with a commercial bank, shareholding of the main shareholder of the Company and an events of default or non-compliance with the loan agreements, which assumes that it is default. This may entitle the bank has the right to accelerate the maturity of all outstanding loans immediately due. In addition, the agreements determined certain financial ratio of the Company as follows:

	Financial ratio per agreement	Financial ratio as at 30 June 2018
Financial ratio (DSCR)	Not less than 1.1	0.50

However, on 30 June 2018, the bank agreed to waive the financial ratio under the agreement and determined to start the condition on such financial ratio for 2018 year-end of the financial statements.

On 7 April 2016, a subsidiary (“CSM Capital Partners Co.,Ltd.”) had entered into the loan agreement with a commercial bank in the amount of Baht 1,550 million to support the development of Eight Thonglor Residences Project, requiring repayable the principal and interest within 4 years and 10 years from the date of the first drawdown. Interest rate is charged at MLR -2.10 to MLR-2.75 per annum. Such loan was secured by Eight Thonglor Residences Project of 137 units.

Under the above loan agreement contains certain restrictive conditions such as increasing authorized shares, opening an DSRA account (Debt Service Reserve Account) with a bank amount of Baht 20 million and maintaining debt to equity ratio, and the events of default of agreement or non-compliance with loan agreement that assumes to be default. This may entitle the bank has the right to accelerate the subsidiary repay all outstanding immediately. In addition, the agreement determines certain financial ratios of the Company as follows :

	Financial ratio per agreement	Financial ratio as at 30 June 2018
Debt to equity ratio	Not more than 2:1	1.59 : 1

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### 27 Non-current provision for employee benefit

Movement in the present value of the non-current provision for employee benefit during the six-month periods ended 30 June were as follows :

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	162,954	139,625	158,707	136,570
Current service costs and interest	11,565	12,193	10,515	11,617
Employee benefits paid	-	(581)	-	(581)
Gain on remeasurement of Defined benefit plans	(13,802)	-	(12,541)	-
<b>Defined benefit obligations at 30 June</b>	<b>160,717</b>	<b>151,237</b>	<b>156,681</b>	<b>147,606</b>

Expense recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b><i>For the three-month period ended 30 June</i></b>				
Current service costs	4,093	4,478	3,399	4,205
Interest on obligations	1,003	784	956	768
<b>Total</b>	<b>5,096</b>	<b>5,262</b>	<b>4,355</b>	<b>4,973</b>
<b><i>For the six-month period ended 30 June</i></b>				
Current service costs	9,712	10,624	8,719	10,082
Interest on obligations	1,853	1,569	1,796	1,535
<b>Total</b>	<b>11,565</b>	<b>12,193</b>	<b>10,515</b>	<b>11,617</b>

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

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b><i>For the three-month period ended 30 June</i></b>				
Contract costs	2,731	4,062	2,731	4,062
Administrative expenses	2,365	1,200	1,624	911
<b>Total</b>	<b>5,096</b>	<b>5,262</b>	<b>4,355</b>	<b>4,973</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b><i>For the six-month period ended 30 June</i></b>				
Contract costs	7,012	8,485	7,012	8,485
Administrative expenses	4,553	3,708	3,503	3,132
<b>Total</b>	<b>11,565</b>	<b>12,193</b>	<b>10,515</b>	<b>11,617</b>

Principal actuarial assumptions at the reporting date

	2018	(%)	2017
Discount rate	2.46-2.93		2.24-2.33
Salary increase rate	3.00-5.00		3.00-7.05
Staff turnover rate	0-23.00		0-24.00
Mortality rate (Thai Mortality Ordinary Table)	TMO 2017		TMO 2017
Disability rate	5% of mortality rate		5% of mortality rate

## 28 Provisions

	Consolidated and Separate financial statements	
	30 June 2018	31 December 2017
	<i>(in thousand Baht)</i>	
Provision for cost of rectification in the period of guarantee	30,998	22,969
Provision for litigation	56,739	54,744
<b>Total</b>	<b>87,737</b>	<b>77,713</b>
Current	30,998	22,969
Non-current	56,739	54,744
<b>Total</b>	<b>87,737</b>	<b>77,713</b>

Movements for the six-month periods as at 30 June were as follow:

	Consolidated and Separate financial statements					
	Provision for cost of rectification in the period of guarantee		Provision for litigation		Total	
	2018	2017	2018	2017	2018	2017
	<i>(in thousand Baht)</i>					
At 1 January	22,969	25,748	54,744	29,384	77,713	55,132
Provision made	18,500	11,000	1,995	6,752	20,495	17,752
Payment of provision	(10,471)	-	-	-	(10,471)	-
<b>At 30 June</b>	<b>30,998</b>	<b>36,748</b>	<b>56,739</b>	<b>36,136</b>	<b>87,737</b>	<b>72,884</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

### 29 Share capital

	<i>Par value (Baht)</i>	<b>Consolidated and separate financial statements</b>			
		30 June 2018		31 December 2017	
		Number	Value	Number	Value
		<i>(in million shares / in million Baht)</i>			
<b>Authorized share capital</b>					
At the beginning of period					
- Ordinary shares	<i>1</i>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
<b>At the end of period</b>					
- Ordinary shares	<i>1</i>	<u><b>1,600</b></u>	<u><b>1,600</b></u>	<u><b>1,600</b></u>	<u><b>1,600</b></u>
<b>Issued and paid share capital</b>					
At the beginning of period					
- Ordinary shares	<i>1</i>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>	<u>1,600</u>
<b>At the end of period</b>					
- Ordinary shares	<i>1</i>	<u><b>1,600</b></u>	<u><b>1,600</b></u>	<u><b>1,600</b></u>	<u><b>1,600</b></u>

### 30 Segment information

Information about reportable segments:

	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2018	2017	2018	2017	2018	2017	2018	2017
	<i>(in million Baht)</i>							
<b>For the three-month period ended 30 June</b>								
Revenues from customer								
- External	1,543	2,204	96	104	-	2	1,639	2,310
- Inter - segments	9	15	-	-	6	7	15	22
- Eliminated	<u>(9)</u>	<u>(15)</u>	<u>-</u>	<u>-</u>	<u>(6)</u>	<u>(7)</u>	<u>(15)</u>	<u>(22)</u>
<b>Total revenue</b>	<u><b>1,543</b></u>	<u><b>2,204</b></u>	<u><b>96</b></u>	<u><b>104</b></u>	<u><b>-</b></u>	<u><b>2</b></u>	<u><b>1,639</b></u>	<u><b>2,310</b></u>
<b>Segment profit (loss) before income tax</b>	<u><b>296</b></u>	<u><b>345</b></u>	<u><b>(15)</b></u>	<u><b>-</b></u>	<u><b>(6)</b></u>	<u><b>(16)</b></u>	<u><b>275</b></u>	<u><b>329</b></u>
<b>For the six-month period ended 30 June</b>								
Revenues from customer								
- External	3,123	4,198	198	216	-	6	3,321	4,420
- Inter - segments	19	27	-	-	12	12	31	39
- Eliminated	<u>(19)</u>	<u>(27)</u>	<u>-</u>	<u>-</u>	<u>(12)</u>	<u>(12)</u>	<u>(31)</u>	<u>(39)</u>
<b>Total revenues</b>	<u><b>3,123</b></u>	<u><b>4,198</b></u>	<u><b>198</b></u>	<u><b>216</b></u>	<u><b>-</b></u>	<u><b>6</b></u>	<u><b>3,321</b></u>	<u><b>4,420</b></u>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	Segment 1		Segment 2		Segment 3		Total reportable segment	
	2018	2017	2018	2017	2018	2017	2018	2017
	<i>(in million Baht)</i>							
<b>Segment profit (loss) before income tax</b>	<u>491</u>	<u>662</u>	<u>(33)</u>	<u>(1)</u>	<u>(12)</u>	<u>(21)</u>	<u>446</u>	<u>640</u>
<b>Segment assets as at</b>								
30 June/ 31 December	<u>5,849</u>	<u>6,240</u>	<u>3,821</u>	<u>3,682</u>	<u>6</u>	<u>9</u>	<u>9,676</u>	<u>9,931</u>
<b>Segment liabilities as at</b>								
30 June/ 31 December	<u>1,989</u>	<u>2,505</u>	<u>1,929</u>	<u>1,858</u>	<u>11</u>	<u>3</u>	<u>3,929</u>	<u>4,367</u>

Reconciliation of reportable segment profit or loss and assets

	<b>Consolidated financial statements</b>			
	For the three-month		For the six-month	
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Profit or loss</b>				
Total profit for reportable segments	275	333	447	647
Elimination of inter-segment profits	<u>-</u>	<u>(4)</u>	<u>(1)</u>	<u>(7)</u>
<b>Profit before income tax</b>	<u>275</u>	<u>329</u>	<u>446</u>	<u>640</u>
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	30 June	31 December	30 June	31 December
	2018	2017	2018	2017
	<i>(in million Baht)</i>			
<b>Assets</b>				
Total assets for reportable segments	5,582	5,894	5,485	5,793
Investments in subsidiaries	-	-	1,072	1,010
Property, plant and equipment	<u>4,094</u>	<u>4,037</u>	<u>785</u>	<u>861</u>
<b>Total assets</b>	<u>9,676</u>	<u>9,931</u>	<u>7,342</u>	<u>7,664</u>

### 31 Earnings per share

The calculation of basic earnings per share for the three month and six-month periods ended 30 June 2018 and 2017 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:

	<b>Consolidated financial statements</b>			
	For three-month period		For six-month period	
	2018	2017	2018	2017
	<i>(in thousands Baht / thousands shares)</i>			
Profit for the period attributable to shareholders of the Company (basic)	224,305	262,575	371,911	514,283
Number of ordinary shares outstanding	1,600,000	1,600,000	1,600,000	1,600,000
<b>Basic earnings per share (in Baht)</b>	<b>0.14</b>	<b>0.16</b>	<b>0.23</b>	<b>0.32</b>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	<b>Separate financial statements</b>			
	For three-month period		For six-month period	
	2018	2017	2018	2017
	<i>(in thousands Baht / thousands shares)</i>			
Profit for the period attributable to shareholders of the Company (basic)	235,106	278,071	397,602	541,005
Number of ordinary shares outstanding	1,600,000	1,600,000	1,600,000	1,600,000
<b>Basic earnings per share (in Baht)</b>	<b>0.15</b>	<b>0.17</b>	<b>0.25</b>	<b>0.34</b>

### 32 Dividends

The Ordinary General Meeting of Shareholders of the Company held on 27 April 2018 resolved the approval of dividend from the Company's result of operations for the period from 1 January 2017 to 31 December 2017 at the rate of Baht 0.17 per share totaling Baht 272 million. The Board of Directors Meeting of the Company resolved to pay an interim dividend for the period from 1 January 2017 to 30 June 2017 at the rate of Baht 0.04 per share totaling Baht 64 million, and it remained Baht 208 million, which the Company made the payment on 22 May 2018.

The Ordinary General Meeting of Shareholders of the Company held on 28 April 2017 resolved approval of dividend from the Company's result of operations for the period from 1 January 2016 to 31 December 2016 at the rate of Baht 0.15 per share totaling Baht 240 million. The Board of Directors Meeting of the Company resolved to pay an interim dividend from of operating results of the Company for the period from 1 January 2016 to 30 June 2016 at the rate of Baht 0.04 per share totaling Baht 64 million, and it remained Baht 176 million, which the Company made the payment on 26 May 2017.

### 33 Financial instruments

- *Determine of fair value for financial assets measured at fair value*

	<b>Consolidated financial statements</b>				
	Carrying amount	Fair Value			Total
		Level 1	Level 2	Level 3	
	<i>(in million Baht)</i>				
<b>30 June 2018 :</b>					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Current investments	1,383	1,383	-	-	1,383
Other equity securities	560	560	-	-	560
	<u><b>1,943</b></u>	<u><b>1,943</b></u>	<u>-</u>	<u>-</u>	<u><b>1,943</b></u>
<b>31 December 2017 :</b>					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Current investments	1,546	1,546	-	-	1,546
Other equity securities	579	579	-	-	579
	<u><b>2,125</b></u>	<u><b>2,125</b></u>	<u>-</u>	<u>-</u>	<u><b>2,125</b></u>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	Carrying amount	Separate financial statements Fair Value			Total
		Level 1	Level 2	Level 3	
<i>(in million Baht)</i>					
<b>30 June 2018 :</b>					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Current investments	1,382	1,382	-	-	1,382
Other equity securities	560	560	-	-	560
	<u>1,942</u>	<u>1,942</u>	<u>-</u>	<u>-</u>	<u>1,942</u>
<b>31 December 2017 :</b>					
<i>Financial assets/Financial liabilities measured at fair value</i>					
Current investments	1,545	1,545	-	-	1,545
Other equity securities	579	579	-	-	579
	<u>2,124</u>	<u>2,124</u>	<u>-</u>	<u>-</u>	<u>2,124</u>

The above fair value measured at the quoted prices in active markets.

- *Determination of fair value for financial assets and liabilities not measured at fair value.*

Most of the Group's / Company's financial assets and liabilities are short-term. The Group / Company estimates the fair value of financial assets and liabilities approximately their carrying amounts in the statement of financial position.

Fair values of long-term loans approximated their carrying amounts because interest rates approximated to market rates.

### 34 Commitments with non-related parties

As at 30 June 2018, the Group/Company had commitments 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	5	5
Cost of construction building for service room	683	10
Cost of renovation on Eight Thonglor Residences Project	31	-
<b>Total</b>	<u>723</u>	<u>19</u>

# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

	<b>Consolidated financial statements</b>	<b>Separate financial statements</b>
	<i>(in million Baht)</i>	
<b><i>Commitments under non- cancellable operating leases</i></b>		
Within one year	15	15
After one year but within five years	65	65
Over five years	202	202
<b>Total</b>	<b>282</b>	<b>282</b>
<b><i>Other commitments</i></b>		
Subcontractor agreements	1,865	1,865
Letters of guarantee from banks for purchasing inventories, utilities usage, guarantee the work performance and advance received from customers	1,878	1,878
<b>Total</b>	<b>3,743</b>	<b>3,743</b>

The subsidiary (SCR Assets Management Co., Ltd.) had commitment under the technical consulting agreement and the service apartment management with other company, requiring consulting fee and service including conditions according to the agreements.

The subsidiary (CSM Capital Partners Co., Ltd.) had commitment under the room management agreement with other company, requiring management fee and conditions according to the agreements.

As at 30 June 2018, the Group had unutilized credit facilities obtaining from domestic financial institutions totaling Baht 5,801 million.

### 35 Contingent liabilities and assets

As at 30 June 2018, contingent liabilities were as follows:

- The Company was sued by other person regarding the tort and claiming a compensation of construction and guarantee in the amount of Baht 2.55 million at the sue date. Such case has been in the process of consideration by the Court, which has not been finalized.

#### ***Litigations***

- 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 at the sue date. The Court made an appointment for agreement on 20 August 2012. Subsequently, the Court ordered dispose this case. 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, the result has not been finalized.



# Syntec Construction Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month and six-month periods ended 30 June 2018 (Unaudited)

- On 7 July 2015, the black case no.1218/2558, the National Housing Authority as the plaintiff, sued the Company regarding false of construction agreement and claimed a compensation in the amount of Baht 63 million at the sue date. The Administrative Court ordered to include this consideration with Black Case No. 2206/2555, the case has been in the process of consideration which has not been finalized. Subsequently, on 12 June 2018, the Court first considered the case and summed up the facts of the judiciary. The judiciary made a verbal ruling the Company to settle to the Housing Authority. However, the Company's legal advisor has not yet clarified the judgment and gave his opinion that the Company should wait until the Court has a sentence to pay the debt.
- The Company was sued by other person regarding the tort and claiming 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. On 28 June 2018, the Supreme Court sentenced the Company to settle of Baht 14.49 million with interest at the rate of 7.5% per annum from 1 February 2011 until the debt payment was completed. An insurance company (co-defendant) was jointly liable for a sum of Baht 10.35 million with interest at the rate of 7.5% from 14 March 2012 until the debt payment was completed. If the insurance company does not pay the debt, the Company will have to repay all debts. However, as at 30 June 2018, the Company already recorded the provision on the above lawsuits amounting to Baht 23 million (inclusive interest).

- On 24 November 2014, the Company was sued by other person regarding the tort and claiming a compensation of construction with the sued amount of Baht 3 million. Subsequently, on 21 June 2016, the Court of First Instance adjudged the Company to settle to the other person in the amount of Baht 8.60 million. The Company appealed to the Court and on 23 August 2017, the Appeal Court adjudged the Company to settle to the above person in the amount of Baht 21.28 million with interest rate 7.5% per annum from the sued date onwards. On 23 October 2017, the Company filed a petition to the Supreme Court. As of 10 August 2018, the case has been in the process of the Court's consideration, the result has not been finalized. However, as at 30 June 2018, the Company already recorded the provision on the above lawsuits amounting to Baht 27 million (inclusive interest).

### 36 Events after the reporting period

The Extraordinary Meeting of Shareholders of subsidiary (JT Ten Co., Ltd) held on 3 July 2018 approved the increase of the company's authorized share capital from Baht 1 million to Baht 100 million. The subsidiary also registered the increase of shares with Ministry of Commerce on 20 July 2018.

On 1 July 2018, the Company had entered into a land lease agreement with four related person ( "Mr.Sukhum Phahusutr, Mr.Jiramote Phahusutr, Ms.Nichaya Phahusutr and Mr.Sutjit Mankongcharuan" ) and one other person for a period of 3 years from 1 July 2018 to 31 July 2021 for using as assemble location for construction materials with monthly rental of Baht 24,000.

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

## **Notes to the interim financial statements**

### **For the three-month and six-month periods ended 30 June 2018 (Unaudited)**

The Board of Directors Meeting of the Company resolved to pay an interim dividend for the period from 1 January 2018 to 30 June 2018 at the rate of Baht 0.04 per share totaling Baht 64 million, requiring making the interim dividend payment on 7 September 2018.