**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS**

**MARCH 31, 2019**

**1. GENERAL INFORMATION**

 Focus Development and Construction Public Company Limited, “the Company” was incorporated in Thailand under the Civil and Commercial Code on March 30, 1989, and was listed in the Market for Alternative Investment on the Stock Exchange of Thailand on October 5, 2004. The Company engages as a construction contractor and a real estate business.

 The registered office of the Company is located at 25, 9th Floor, Alma Link Building, Soi Chidlom, Ploenchit Road, Lumpini, Patumwan, Bangkok.

**2. BASIS FOR PREPARATION AND PRESENTATION OF THE INTERIM FINANCIAL STATEMENT**

2.1 Basis of preparation of the interim financial statements

 The interim financial statements are prepared using the same basis as were used for the financial statements in which the equity method is applied for the year ended December 31, 2018, consisted of the financial statements of Focus Development and Construction Public Company Limited and the interest in joint venture which included interest in the subsidiary of joint venture as follows:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
|   |  |  |  |   |  |  Percentage of holding (%) |
| Name of entity |  | Located in |  | Business type |  | As at March 31, 2019 |  | As at December 31, 2018 |
| Joint venture |  |   |  |   |  |   |   |   |
| Focus Wheig Corporation Limited |  | Thailand |  | Jointly investment in integrated  |  | 60.00 |   | 60.00 |
|   |  |   |  | waste management business |  |   |   |   |
|  |  |  |  | and waste to energy business solutions |  |  |  |  |

 On September 12, 2016, the Company entered into Joint Venture Agreement with Wheig S.A.S., which was incorporated in France to jointly set up and invest in a joint venture namely “Focus Wheig Corporation Limited” (“the joint venture”) which was incorporated in Thailand on October 5, 2016 (see Note 8).

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 2.2 Basis for the preparation of interim financial statements

 These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2018) Interim Financial Reporting, and the requirements of the Securities and Exchange Commission (SEC). The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events, and situations and not intended to re-emphasis on the information previously reported. The interim financial statements should therefore, be read in conjunction with the financial statements for the year ended December 31, 2018.

 The interim financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

 The interim financial statements in Thai language are the official statutory financial statements of the Company. The interim financial statements in English language have been translated from the financial statements in Thai language version.

 2.3 Thai Financial Reporting Standards that become effective in the current year

 During the period, the Company has adopted the revised and new financial reporting standards and interpretations (revised 2018) including new accounting treatment guidance, which are effective for fiscal years beginning on or after January 1, 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries’ financial statements. However, the new standard involves changes to key principles, as summarized below.

 **TFRS 15 Revenue from Contracts with Customers**

 TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 2.4 Financial reporting standards that will become effective in the future

 During the period, the Federation of Accounting Professions issued the financial reporting standard and accounting guidance for financial instruments, which is effective for fiscal years beginning on or after January 1, 2020. Key principles of these standards are summarized below. The accounting guidance for financial instruments and Presentation for Insurance business

 Accounting practice was adjusted to have close content with TFRS 9 by dividing into 4 parts as follows:

1. The recognition of transaction and valuation of financial instrument which is developed closely to the accounting standards No.105 (revised 2016) regarding accounting for investment in debt securities and equity securities and financial reporting standards No.9 financial instrument.
2. Impairment of financial asset which has content close to the financial reporting standard No.9 re: financial instruments
3. Accounting to prevent risk with content close to the financial reporting standard No.9 regarding financial instrument.
4. Information disclosure of financial instrument with content similar to the financial reporting standard No.7 disclosure of financial instrument information.

 **TFRS 16 Leases**

As the lease is significant transaction in many business in many industries. It’s significant that user of financial statement should receive information on activity of the lease completely and able to compare which the former accounting method for lease agreement under accounting standard No.17 regarding lease agreement require the lessee and lessor to classify lease agreement as financial lease or operating lease and record the account for both lease agreement differently. Such accounting method can’t respond to the needs of the financial statement users as the accounting method does not objectively represent for the lease transaction in every case. For the lessee to recognize assets and liabilities that arise from operating lease which affects the lease agreement to be recognized as asset and liabilities in the statement of financial position. The use of asset and commitment that arises from the lease agreement under the definition of asset and liabilities affect the significant financial ratio to be distorted. New accounting method under the financial reporting standards No.16 lease agreement requires the lessee to recognize the right to use asset as asset in the financial statements and recognize commitment that arises from lease agreement in the financial statements. Such accounting method affects the asset presentation and liabilities of the lessee as objective representation as well as increase the disclosure of information that reflects the financial risk and capital money of the lessee.

 At present, the management of the Company is evaluating the impact of this standard to the financial statements in the year when it is adopted.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 2.5 Reporting currency in interim financial information

 These interim financial information are presented in Thai Baht which is different from the functional currency of the Company, all interim financial information presented in notes to financial statements has been rounded to the nearest thousand unless otherwise stated.

 2.6 Use of estimates and judgments by the management

 The preparation of interim financial statements in conformity with TFRS requires management to make judgements, 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 judgements made by management in applying the Group’s accounting policies and the key sources of estimation uncertainty were the same as those applied to the financial statements for the year ended December 31, 2018.

 2.7 Summary of significant accounting policies

 The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended December 31, 2018 except that the Company has adopted all the new and revised Thai Financial Reporting Standards (“TFRS”) that are effective for annual periods beginning on or after 1 January 2019.

**3. TRANSACTIONS AND BALANCES WITH RELATED PARTIES**

 Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

 They also include associated companies and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company’s operations.

 During the period, the Company had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of businesses and were concluded on commercial terms and agreed upon between the Company and those related parties.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 Nature of relationship

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Name |  | Country/Nationality |  | Relation |  | Type of relation |
| Focus Wheig Corporation Limited |  | Thailand |  | Joint venture |  | Jointly control by the Company |
| Focus Wheig Bangna Limited  |  | Thailand |   | Subsidiary of joint venture |   | Power to control and shareholding by the joint venture |
| Data In Motion Co., Ltd. |  | Thailand |   | Related company |   | Common director |
| Mr. Anucha Sihanatkathakul |  | Thailand |   | Director |   | Director |

 Bases of measurement for inter company revenues and expenses

|  |  |
| --- | --- |
|  | Pricing Policy |
| Revenue from construction services | Stipulate in the agreement |
| Management fee income | Stipulate in the agreement |
| Interest income  | MLR+1 |
| Other service income | Stipulate in the agreement |
| Purchase of equipment | Market price  |
| Interest expenses | MOR |

3.1 The significant related party transactions for the three-month periods ended March 31, 2019 and 2018 were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | Thousands Baht |
|  |  |  |  | 2019 |  | 2018 |
| Revenue from construction services |  |  |  |  |
|  Focus Wheig Bangna Limited |  | 1,014 |  | - |
| Management fee income |  |  |  |  |
|  Focus Wheig Bangna Limited |  | 600 |  | 1,200 |
|  Director |  | 37 |  | - |
| Interest income |  |  |  |  |
|  Focus Wheig Corporation Limited |  | 436 |  | - |
| Other service income |  |  |  |  |
|  Focus Wheig Bangna Limited |  | - |  | 132 |
| Purchase of equipment |  |  |  |  |
|  Data In Motion Co., Ltd. |  | 116 |  | -  |
| Interest expense |  |  |  |  |
|  Director |  | 647 |  | -  |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

3.2 The significant balances with related parties as at March 31, 2019 and December 31, 2018 were as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|  |  |  |  | Thousands Baht |
|  |  |  |  | As at March 31, 2019 |  | As at December 31, 2018 |
| Trade and other receivable |  |  |  |  |
|  Focus Wheig Bangna Limited  |  | 10,942 |  | 24,442 |
|  Director |  | 40 |  | - |
| Short-term loans to related parties |  |  |  |  |
|  Focus Wheig Corporation Limited |  | 28,231 |  | 17,631 |
| Accrued interest income |  |  |  |  |
|  Focus Wheig Corporation Limited |  | 587 |  | 151 |
| Retention receivables |  |  |  |  |
|  Focus Wheig Bangna Limited |  | 2,114 |  | 1,334 |
| Trade accounts payable |  |  |  |  |
|  Data In Motion Co., Ltd. |  | 124 |  | - |
| Short-term loans to related person |  |  |  |  |
|  Director |  | 40,500 |  | 29,900 |
| Accrued interest expenses  |  |  |  |  |
|  Director |  | 998 |  | 351 |

3.3 Short-term loans to related parties

 Movements of short-term loans to related parties for the three-month period ended March 31, 2019 and for the year ended December 31, 2018 were as follows:

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Balance as at the beginning | 17,361 |  | - |
| Increase | 10,870 |  | 17,631 |
| Decrease | - |  | - |
| Balance as at the end | 28,231 |  | 17,631 |

 The Company has short-term loans to Focus Wheig Corporation Limited by issuing promissory notes, due at call with the interest rate MLR + 1 per annum, without collateral.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

3.4 Short-term loans from related person

 Movements of short-term loans from related person for the three-month period ended March 31, 2019 and for the year ended December 31, 2018 were as follows:

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Beginning | 29,900 |  | - |
| Increase | 10,600 |  | 29,900 |
| Decrease | - |  | - |
| Ending | 40,500 |  | 29,900 |

 The Company has short-term loans from director by issuing promissory notes, due at call with the interest rate MOR per annum, without collateral.

3.5 Key management personnel compensation

 Key management personnel compensation for the three-month period ended March 31, 2019 and 2018 consisted of:

|  |  |  |
| --- | --- | --- |
|  |  | Thousands Baht |
|  |  | 2019 |  | 2018 |
| Short-term benefits |  | 2,739 |  | 2,746 |
| Post-employment benefits |  | 88 |  | 259 |
| Total  |  | 2,827 |  | 3,005 |

**4. CASH AND CASH EQUIVALENTS**

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Cash on hand | 277 |  | 122 |
| Cash at bank | 12,053 |  | 7,189 |
| Total | 12,330 |  | 7,311 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**5. TRADE AND OTHER RECEIVABLES**

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Trade accounts recivable |  |  |  |
|  - Related parties | - |  | 13,742 |
|  - Others | 10,360 |  | 6,328 |
| Note receivable | - |  | 8,179 |
|  | 10,360 |  | 28,249 |
| Other receivables |  |  |  |
|  - Related parties | 11,569 |  | 10,851 |
|  - Other parties | 193 |  | 312 |
| Total other receivables | 11,762 |  | 11,163 |
| Total | 22,122 |  | 39,412 |

 The Company had outstanding balances of trade accounts receivable aged by number of months as follows:

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Less than or equal to 3 months | 10,360 |  | 28,249 |
| More than 3 to 6 months | - |  | - |
| Over 12 months  | - |  | - |
| Total | 10,360 |  | 28,249 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**6. COST OF PROPERTY DEVELOPMENT**

|  |  |
| --- | --- |
|  | Thousands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Land | 70,037 |  | 74,962 |
| Construction cost | 78,653 |  | 84,184 |
| Promotion expenses | 8,851 |  | 9,429 |
| Capitalised interest and financial costs | 4,436 |  | 4,748 |
| Total | 161,977 |  | 173,323 |

 The Company has mortgaged the land and constructed of the project Focus Ploenchit were mortgaged as collateral with financial institutions (see Notes 12 and 14) as follow :

|  |  |
| --- | --- |
|  | Credit Facilities (Million Baht) |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Bank overdrafts | 5 |  | 5 |
| Long-term loans from financial institions | 40 |  | 40 |
| Letter of guarantee | 25 |  | 25 |
| Total | 70 |  | 70 |

**7. RESTRICTED BANK DEPOSITS**

 Restricted bank deposits the financial statements as at March 31, 2019 and December 31, 2018 in the amount of Baht 2.27 million, Baht 7.43 million, were pledged as collateral for credit lines from financial institutions as follows (see Notes 12 and 14):

1) Projects’ facilities of promissory notes in the amount of Baht 38.00 million (year 2018 : Baht 38.00 million).

2) Letter of guarantee facilities in the amount of Baht 81.95 million (year 2018 : Baht 101.95 million).

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**8. INVESTMENT IN JOINT VENTURE**

|  |  |  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- | --- | --- |
|  |  |  |  |  |  | Percentage  |  |  Thousands Baht |
|  |  |  |  |  |  | of holding (%) |  | Paid-up share  |  | Cost |  | Equity |
| Company |  | Business type |  | Located in |  | As at March 31, 2019 |  | As at December 31, 2018 |  | As at March 31, 2019 |  | As at December 31, 2018 |  | As at March 31, 2019 |  | As at December 31, 2018 |  | As at March 31, 2019 |  | As at December 31, 2018 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Focus Wheig  |  | Jointly investment  |  |  Thailand  |  | 60.00 |  | 60.00 |  | 85,000 |  | 85,000 |  | 51,000 |  | 51,000 |  | 26,930 |  | 28,784 |
| Corporation Limited |  | in integrated and waste to energy business solutions |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |

 On September 12, 2016, the Company entered into Joint Venture Agreement with Wheig S.A.S., which was incorporated in France to jointly set up and invest in a joint venture namely “Focus Wheig Corporation Limited” (“the joint venture”) which was incorporated in Thailand on October 5, 2016. The joint venture operates on the investment business in the integrated waste management business and waste to energy business solutions with registered capital in the amount of Baht 15 million divided into 1,500,000 ordinary shares at par value Baht 10 each, and the Company will jointly invest in 60% shareholding of the registered capital and voting right of this joint venture in the investment amount of Baht 9 million. The Company has subscribed paid-up share capital fully amount and jointly control with Wheig S.A.S. in this joint venture and any decision in the joint venture’s activities shall be approved by the unanimous of the Company and Wheig S.A.S. On August 15, 2017, Wheig S.A.S. transferred all shares, rights and commitments as the Joint Venture Agreement to Wheig Asia Limited which was incorporated in Hong Kong’s People’s Republic of China.

 At the Extraordinary Meeting of Shareholders of the joint venture held on September 7, 2017, a resolution was passed the increase of its registered capital from existing of Baht 15 million to Baht 50 million by issuing new 3,500,000 ordinary shares at the par value of Baht 10 each. The Company invested additional investment in the joint venture of 2.10 million shares at the par value of Baht 10 each in totaling amount of Baht 21 million at 60% existing shareholding which the Company fully paid-up the increased capital for the purpose of land acquisition and working capital for Focus Wheig Bangna Limited (“the subsidiary of the joint venture”). The joint venture registered the increase of its capital with the Ministry of Commerce on September 8, 2017.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 At the Extraordinary Meeting of Shareholders of the joint venture held on November 7, 2017, a resolution was passed the increase of its registered capital from existing of Baht 50 million to Baht 85 million by issuing new 3,500,000 ordinary shares at the par value of Baht 10 each. The Company invested additional investment in the joint venture of 2.10 million shares at the par value of Baht 10 each in totaling amount of Baht 21 million at 60% existing shareholding which the joint venture called additional share subscription of Baht 5.25 million for the purpose of the plant construction for waste management and waste to energy solutions of Focus Wheig Bangna Limited (“the subsidiary of the joint venture”). The joint venture registered the increase of its capital with the Ministry of Commerce on November 9, 2017.

 In the year 2018, joint venture called get paid for ordinary shares in the amount of Baht 15.75 million.

 Movements of investment in joint venture by the equity method for the three-month period ended March 31, 2019 and for the year ended December 31, 2018 were as follows:

|  |  |  |
| --- | --- | --- |
|  |  | Thousands Baht |
|  |  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Beginning |  | 28,784 |  | 24,370 |
| Additional inventment |  | - |  | 15,750 |
| Share of loss from investment in joint venture |  | (1,854) |  | (11,336) |
| Ending |  | 26,930 |  | 28,784 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

Acquisition of joint venture

 Investment in subsidiary of the joint venture presented at cost in the financial statements of the joint venture as at March 31, 2019 and December 31, 2018 consisted of:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
|   |   | Percentage  |   | Thousands Baht |
|   |   | of holding (%) |   | Paid-up share capital |   | Cost |
| Subsidiary of joint venture |   | As at March 31, 2019 |  | As at December 31, 2018 |   | As at March 31, 2019 |  | As at December 31, 2018 |   | As at March 31, 2019 |  | As at December 31, 2018 |
| Focus Wheig Bangna Limited |   | 100 |   | 100 |   | 81,000 |   | 81,000 |   | 76,000 |  | 76,000 |

 On October 18, 2016, Focus Wheig Corporation Limited (“the joint venture”) entered into the Share Transfer Agreement with former shareholders of Wheig (Thailand) Company Limited to purchase of ordinary shares of Wheig (Thailand) Company Limited which was incorporated in Thailand and registered the change of its name to Focus Wheig Bangna Limited (“the subsidiary of joint venture”) which operates on the investment business in the waste management business and waste to energy business solutions with registered capital in the amount of Baht 5 million divided into 50,000 ordinary shares at par value Baht 100 each.

 The joint venture will purchase ordinary shares from former shareholders in 99.99% shareholding of the registered share capital of such company in 49,998 shares, at the total acquisition cost of Baht 1.

 On October 19, 2016, the Company entered into Amendment to the Joint Venture Agreement with Wheig S.A.S., to agree the payment of pre - operating expenses that had been spent to bring the waste management business in the subsidiary of joint venture in the amount of Baht 40.80 million to Wheig S.A.S. as following:

1. The joint venture will provide a loan to the subsidiary of joint venture.

2. The subsidiary of joint venture will pay in 60% of the amount of Baht 13.60 million which is the amount of Baht 8.16 million after the payment of share capital and formation of the joint venture and ;

3. The subsidiary of joint venture will pay in 40% of the amount of Baht 13.60 million which is the amount of Baht 5.44 million upon the successful commissioning of all machines and equipment of the first project.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 On November 15, 2017, the subsidiary of joint venture entered into the agreement to purchase and sale for land in the amount of Baht 30 million for the construction of the plant for waste management and waste to energy solutions, which was fully paid.

 At the Extraordinary Meeting of Shareholders of the subsidiary of joint venture held on August 18, 2017, a resolution was passed to increase its registered share capital from existing of Baht 5 million to Baht 37 million by issuing new 320,000 ordinary shares at the par value of Baht 100 each. The subsidiary of joint venture called additional share subscription of Baht 32 million which the joint venture invested in such amount in 100% existing shareholding. The subsidiary of joint venture received such share subscription and registered the increase of its capital with the Ministry of Commerce on September 15, 2017.

 At the Extraordinary Meeting of Shareholders of the subsidiary of joint venture held on November 7, 2017, a resolution was passed to increase its registered share capital from existing of Baht 37 million to Baht 81 million by issuing new 440,000 ordinary shares at the par value of Baht 100 each. The subsidiary of joint venture called additional share subscription of Baht 11 million which the joint venture invested in such amount in 100% existing shareholding. The subsidiary of joint venture received such share subscription and registered the increase of its capital with the Ministry of Commerce on November 13, 2017.

 In the year 2018, the joint venture had paid for the ordinary shares capital increase in a subsidiary in amounting to Baht 33 million. The investment proportion is 100%.

 Movements of investment in the subsidiary of joint venture at cost for the three-month period ended March 31, 2019 and for the year ended December 31, 2018 were as follows:

|  |  |  |
| --- | --- | --- |
|  |  | Thousands Baht |
|  |  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Balance forward |  | 76,000 |  | 43,000 |
| Increase inventment |  | - |  | 33,000 |
| Sale investment |  | - |  | - |
| Ending balance |  | 76,000 |  | 76,000 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**9. BUILDING AND EQUIPMENT**

 Movements of the building and equipment account for the three-month period ended March 31, 2019 are summarized as follows :

|  |  |
| --- | --- |
|  | Thounsands Baht |
| At cost |  |
| Balance as at December 31, 2018 | 90,189 |
| Acquisitions during the period | 6 |
| Disposals and write-off the period | (20,234) |
| Transferred assets out during the period | - |
| Balance as at March 31, 2019 | 69,961 |
| Accumulated depreciation |  |
| Balance as at December 31, 2018 | 84,004 |
| Depreciation for the period | 318 |
| Accumulated depreciation on disposals and write-off the period | (17,982) |
| Accumulated depreciation transfer - out | - |
| Balance as at March 31, 2019 | 66,340 |
| Net book value |  |
| Balance as at March 31, 2019 | 3,621 |
| Balance as at December 31, 2018 | 6,185 |
|  |  |
|  | Thounsands Baht |
| Depreciation for the three-month period ended March 31, |  |
|  was included in |  |
|  Cost of sales and services | - |
|  Administrative expenses | 318 |
|  Total | 318 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**10. DEFERRED TAX ASSETS**

 Movements in deferred tax assets for the three-month period ended March 31, 2019 were as follows:

|  |  |  |
| --- | --- | --- |
|  |  | Thounsands Baht |
|  |  | As at  |  | Recoghised as income (expense) |  | As at  |
|  |  | December 31, 2018 |  | Statement of income |  | Other comprehensive income |  | March31, 2019 |
| Deferred income tax assets |  |  |  |  |  |  |  |  |
| Allowance for doubtful debts  |  | 1,597 |  | - |  | - |  | 1,597 |
| Cost of property development |  | 827 |  | - |  | - |  | 827 |
| Employee benefit obligations |  | 1,869 |  | - |  | - |  | 1,869 |
| Tax losses carry forwards |  | 7,104 |  | - |  | - |  | 7,104 |
| Total |  | 11,397 |  | - |  | - |  | 11,397 |

   As at March 31, 2019, the Company has the accumulated tax losses that have not been used from 2014 at the amount of Baht 41.48 million and has temporary differences in Baht 2.76 million which the Company does not record such deferred tax assets as there is uncertainty that the Company will have sufficient taxable profits enough to be utilized of deferred tax assets.

**11. OTHER NON-CURRENT ASSETS**

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Retention receivables | 15,932 |  | 15,348 |
| Guarantee and deposits | 1,467 |  | 1,568 |
| Withholding tax | 6,024 |  | 4,937 |
| Others | 1,151 |  | 1,267 |
| Total | 24,574 |  | 23,120 |
| Less Allowance for doubtful debts - retention receivables | (9,053) |  | (9,053) |
| Net | 15,521 |  | 14,067 |

 Retention receivables are warranty monies deducted retention by the customers at the rate of 5% of the contract amount. Retention for the not completed construction project will be returned to the Company after the Company completed the work and upon expiry of the warranty period as stated in the contract.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 The movements of allowance for doubtful debts are as follows:

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Allowance for doubtful debts - beginning | (9,053) |  | (7,985) |
| Add Additional allowances | - |  | (1,068) |
| Less Reversed of doubtful debts | - |  | - |
| Allowance for doubtful debts - ending  | (9,053) |  | (9,053) |

**12. BANK OVERDRAFTS AND SHORT–TERM LOANS FROM FINANCIAL INSTITUTIONS**

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Bank overdrafts | 10,017 |  | 10,537 |
| Short-term loans from financial institutions | 4,200 |  | 6,500 |
| Total | 14,217 |  | 17,037 |

 The Company has credit facilities with financial institutions consisted of:

|  |  |  |  |
| --- | --- | --- | --- |
|  | Credit Facilities (Million Baht) |  | Referred interest rate (% per annum) |
| Type |  | As at March 31, 2019 |  | As at December 31, 2018 |  | As at March 31, 2019 |  | As at December 31, 2018 |
| Bank overdrafts |  | 20.00 |  | 23.00  |  | MOR |  | MOR, Fixed deposit + 1.5% |
| Promissory notes/short-term loans |  | 38.00 |  | 38.00  |  | MLR, MOR |  | MLR, MOR |
| Letter of guarantee |  | 286.95 |  | 306.95  |  | - |  | - |
|  |  | 344.95 |  | 367.95 |  |  |  |  |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 As at March 31, 2019 and December 31, 2018, the Company has collateral as follows:

|  |  |  |  |  |
| --- | --- | --- | --- | --- |
| Type |  | Credit Facilities (Million Baht) |  | Collateral |
|  |  | As at March 31, 2019 |  | As at December 31, 2018 |  |  |
| Bank overdrafts |  | - |  | 3.00 |  | Company’s fixed deposit. |
|  |  | 15.00 |  | 15.00 |  | Guarantee by a third party. |
|  |  | 5.00 |  | 5.00 |  | Mortgaged by Focus Ploenchit project. |
|  |  | 20.00 |  | 23.00 |  |  |
|  |  |  |  |  |  |  |
| Promissory notes |  | 38.00 |  | 38.00 |  | Company’s fixed deposit and/or transferred account receivable  |
|  |  |  |  |  |  | rights received from some projects. |
| Letter of guarantee |  | 81.95 |  | 101.95 |  | Company’s fixed deposit and/or transferred account receivable rights received from some projects. |
|  |  | 25.00 |  | 25.00 |  | Mortgaged by Focus Ploenchit project. |
|  |  | 180.00 |  | 180.00 |  | No collateral. |
|  |  | 286.95 |  | 306.95 |  |  |
|  Total |  | 344.95 |  | 367.95 |  |  |

 A third party guarantees without charging for compensation from guarantee.

**13. TRADE AND OTHER PAYABLES**

|  |  |  |
| --- | --- | --- |
|   |   | Thounsands Baht |
|  |   | As at March 31, 2019 |  | As at December 31, 2018 |
| Trade account payables  |   | 9,700 |   | 16,383 |
| Accrued expenses |   | 6,859 |   | 4,787 |
| Other payables |  | 2,000 |  | 2,000 |
| Total  |   | 18,559 |   | 23,170 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**14. LONG-TERM LOANS FROM FINANCIAL INSTITUTION**

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019 |  | As at December 31, 2018 |
| Long-termloans from financial institution | 23,415 |  | 39,445 |
| Less Current portion | (23,415) |  | (39,445) |
| Net | - |  | - |

 The details of loans from financial institutions:

|  |  |  |  |  |  |  |
| --- | --- | --- | --- | --- | --- | --- |
| Credit Facilities (Million Baht) |  |  |  |  |  |  |
| As at March 31, 2019 |  | As at December 31, 2018 |  | Period |   | Interest rate per annum |   | Repayment |
| 40.00  |  | 40.00  |  | August 2017 - August 2020 |  | MLR-0.5 |  | when transfer right of residential condominium unit and interest paid on a monthly basis |

 Movements of loans from financial institution for the three-month period ended March 31, 2019 and for the years ended December 31, 2018 were as follows:

|  |  |  |
| --- | --- | --- |
|  |  | Thounsands Baht |
|  |  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Beginning balance |  | 39,445 |  | 51,925 |
| Increase |  | - |  | - |
| Decrease |  | (16,030) |  | (12,480) |
| Ending balance |  | 23,415 |  | 39,445 |

 The Company mortgaged land together with construction at Focus Ploenchit project as collateral for loans. (Note 6).

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**15. EMPLOYEE BENEFITS OBLIGATIONS**

 Movement of the present value of employee benefit obligations for the three-month period ended March 31, 2019 and for the years ended December 31, 2018 as follows:

  **Statement of financial position**

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Employee benefit obligations - beginning balance  | 10,854 |  | 9,348 |
| Current service and interest cost  | 186 |  | 854 |
| Paid | - |  | - |
| Loss (gain) estimation over actuarial principles | - |  | 652 |
| Employee benefit obligations - ending balance  | 11,040 |  | 10,854 |

 On April 5, 2019, the Labour Protection Act has been enacted in the Royal Gazette. The Labour Protection Act includes a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of 20 years or more, receives severance payment of 400 days of wages at the most recent rate, which is increased from the current maximum rate of 300 days. This Act shall come into force after the expiration of thirty days from the enacted date in the Royal Gazette onwards. When the labour law comes into force, the Company will recognize the increase in the employee benefit obligations approximately Baht 2.29 million, resulting in the decrease in profit in same amount.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**16. CONSTRUCTION CONTRACTS**

 For the three-month period ended March 31, 2019 and for the years ended December 31, 2018 construction contracts were as follows:

|  |  |
| --- | --- |
|  | Thounsands Baht |
|  | As at March 31, 2019(For the three-month) |  | As at December 31, 2018(For the year) |
| Value of contracts | 167,684 |  | 172,985 |
|   |  |  |  |
| Costs incurred up to the year | 152,342 |  | 131,408 |
| Estimated profit recognized up to the year | 15,342 |  | 10,136 |
| Costs and estimated profit recognized up to the year | 167,684 |  | 141,544 |
| Less Amount billed to customers up to the year | (169,068) |  | (145,705) |
|   |  |  |  |
| Unbilled receivables | - |  | 2,007 |
|  |  |  |  |
| Advance receive from construction | 1,384 |  | 6,168 |

**17. WARRANTS**

 17.1 The Warrants to purchase the Company’s Ordinary Shares No. 2 (FOCUS-W2) with details as follows:

|  |  |  |
| --- | --- | --- |
| Type of securities | : | Warrants to purchase newly issued ordinary shares of Focus Development and Construction Public Company Limited No. 2 (FOCUS-W2). |
| Type of warrants | : | Specified warrant's holder and transferable.  |
| Term of warrants | : | 3 years from the issuance date. |
| Number of warrants | : | 31,679,999 units. |
| Offering price | : | 0 Baht per unit. |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

|  |  |  |
| --- | --- | --- |
| Exercise ratio  | : | 1 warrant will be entitled to purchase 1 newly issued ordinary share. |
| Exercise price  | : | Baht 1.80 per share. |
| Exercise period | : | Shall be able to exercise at every last working day of each quarter. In case of the last Exercise Date, the notification period shall not be less than 15 days prior to the last Exercise Date. The last Exercise Date will be not to exceed the date of expiration of the Warrants. |

 As at March 31, 2019, the Company had outstanding balance of the warrants of the Company No. 2 (FOCUS-W2) which has not yet been exercised of 31,679,999 units.

 17.2 The Warrants of 6,000,000 units were allocated to offer the eligible directors, management and employees of the Company as ESOP Project (ESOP-Warrant) at the offering price of Baht 0 per unit. The Warrants shall have a term of 5 years from the issue date and have the exercise price of Baht 1.80 per ordinary share and the exercise rate of 1 unit of the Warrants right to purchase 1 newly issued share by allocating up to 6,000,000 newly issued ordinary shares to accommodate the exercise of the Warrants with exercise period as follows:

* The exercise period is determined that the first exercise the right to purchase the newly issued shares of the Company at the end of 1 year period from the issuance date of the ESOP-Warrants and the last exercise date is the date of expiration of the Warrants, having the proportion exercise as follows:
* Within the end of the second year, may exercise the right to purchase the newly issued shares in the proportion of up to 25%.
* Within the end of the third year, may exercise the right to purchase the newly issued shares in the proportion of up to 50%.
* Within the end of the fourth year, may exercise the right to purchase the newly issued shares in the proportion of up to 75%.
* Within the end of the fifth year, may exercise the right to purchase the newly issued shares in the proportion of up to 100%.

 The warrants shall be exercised on the last business day of March, June, September and December of each year.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 The Ordinary General Meeting of Shareholders passed the approval that the Board of Directors may authorize the Chairman of the Executive Director or Managing Director or any person designation to determine the grant date, terms, conditions and other details as necessary for and in connection with the issuance and offering of the warrants as ESOP-Warrant.

 At the Board of Directors’ Meeting held on February 27, 2018, a resolution was passed to cancel the issuing and offering of the Warrants of 6,000,000 units to offer to the eligible directors, management and employees of the Company as ESOP Project (ESOP-Warrant) and was already approved from the annual general meeting of the shareholders of the Company for year 2018, held on April 27, 2018, already.

**18. BASIC EARNINGS (LOSS) PER SHARE**

 Basic earnings (loss) per share for the three-month period ended March 31, 2019 and 2018 is calculated by dividing profit (loss) for the period by the weighted average number of ordinary shares outstanding during the period as follows:

|  |  |
| --- | --- |
|  | For the three-month period ended March 31, |
|  | 2019 |  | 2018 |
| Profit (loss) for the period (Thousand Baht) | 105 |  | (13,970) |
| Weighted average number of ordinary shares (Thousand shares) | 190,080 |  | 190,080 |
| Issued ordinary shares at the beginning of the period | - |  | - |
| Effect of shares issued during the period | - |  | - |
| Weighted average number of ordinary shares (Thousand shares) | 190,080 |  | 190,080 |
| Basic earnings (loss) per share (Baht)  | 0.001 |  | (0.07) |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

 Diluted earnings (loss) per share

 Diluted earnings (loss) per share for the three-month period ended March 31, 2019 and 2018 is calculated by dividing the profit (loss) for the year of ordinary shareholders by the sum of the weighted average number of ordinary shares outstanding during the periods plus the weighted average number of shares to be issued for the exercise of all dilutive potential ordinary shares into ordinary shares, without any consideration. The calculation assumes that the holders will exercise dilutive potential ordinary share into ordinary shares when the exercise price is lower than fair value of ordinary shares. However, the fair value of the Company’s ordinary shares for the three-month period ended March 31, 2019 and 2018 is lower than the exercise price. The effect is the Company does not include the result of dilutive potential ordinary shares for calculation of diluted earnings (loss) per share.

**19. COMMITMENTS AND CONTINGENT LIABILITIES**

 As at March 31, 2019, the Company, joint venture and subsidiary of joint venture had commitments and contingent liabilities as follows:

**The Company**

19.1 Letters of guarantee issued by banks of Baht 36.43 million

19.2 Commitments for payment under the agreements as follows:

 19.2.1 Payment under office rental and service agreement as follows:

|  |  |  |
| --- | --- | --- |
| Period |   | Rental and service expense (Million Baht) |
|  1 year |  | 4.96 |
| 2 - 3 years |  | 1.84 |

 19.2.2 Payment under property development project in the amount of Baht 0.73 million.

 19.2.3 Payment under compensation for sale as specific rate in the contract.

**Subsidiary of joint venture**

19.3 Payment contract for purchase of asset and under service agreement in the amount of Baht 22.17 million.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**20. SEGMENT INFORMATION**

 Operating segment information is reported in a manner consistent maker in order to make decisions about the allocation of resources to the segment and assess its performance.The chief operating decision maker has been identified as the directors of the Company.

 The Company operates a construction contractor and development of real estate business. The Company operates in a single geographic area-Thailand for the three-month period ended March 31, 2019 and 2018 were classified as follows:

|  |  |
| --- | --- |
|  | Thousands Baht |
|   | Construction |   | Property development |   | Investments business |  | Total |
|  | For the three-month period ended March 31, |  | For the three-month period ended March 31, |  | For the three-month period ended March 31, |  | For the three-month period ended March 31, |
|   | 2019 |  | 2018 |   | 2019 |  | 2018 |   | 2019 |  | 2018 |  | 2019 |  | 2018 |
| Revenues | 31,295 |  | 5,607 |  | 25,641 |  | 140 |  | - |  | - |  | 56,936 |  | 5,747 |
| Cost | (23,141) |  | (5,835) |  | (16,256) |  | - |  | - |  | - |  | (39,397) |  | (5,835) |
| Gross profit (loss) | 8,154 |  | (228) |  | 9,385 |  | 140 |  | - |  | - |  | 17,539 |  | (88) |
| Share of loss from investment in joint venture |  |  |  |  |  |  |  |  | (1,854) |  | (1,913) |  | (1,854) |  | (1,913) |

|  |  |
| --- | --- |
|  | Thousands Baht |
|   | Construction |   | Property development |   | Investments business |  | Total |
|   | As at March 31, 2019 |  | As at December 31, 2018 |   | As at March 31, 2019 |  | As at December 31, 2018 |   | As at March 31, 2019 |  | As at December 31, 2018 |  | As at March 31, 2019 |  | As at December 31, 2018 |
| Assets |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Trade and other receivables  | 22,122 |  | 39,412 |  | - |  | -  |  | - |  | -  |  | 22,122 |  | 39,412 |
| Work in progress | - |  | 1,497 |  | - |  | -  |  | - |  | -  |  | - |  | 1,497 |
| Unbill receivables | - |  | 2,007 |  | - |  | -  |  | - |  | -  |  | - |  | 2,007 |
| Cost of property development | - |   | - |   | 161,977 |   | 173,323  |  | - |  | -  |  | 161,977 |  | 173,323 |
| Investment in joint venture | - |   | - |   | - |   | - |  | 26,930 |  | 28,784 |  | 26,930 |  | 28,784 |
| Others | - |  | -  |  | - |  | - |  | - |  | -  |  | 80,507 |  | 71,721 |
|  Total |  |  |  |  |  |  |  |  |  |  |  |  | 291,536 |  | 316,744 |
|  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Liabilities |  |  |  |  |  |  |  |  |  |  |  |  |  |  |  |
| Trade and other payables | 18,559 |  | 23,170 |  | - |  | - |  | - |  | -  |  | 18,559 |  | 23,170 |
| Estimated cost payables | 7,355 |  | 6,296 |  | 12,501 |  | 7,592 |  | - |  | -  |  | 19,856 |  | 13,888 |
| Retention payables  | 18,475 |  | 18,325 |  | - |  | - |  | - |  | - |  | 18,475 |  | 18,325 |
| Advance receive from construction | 1,384 |   | 6,168 |   | - |   | - |  | - |  | -  |  | 1,384 |  | 6,168 |
| Advance receive from sale of property development | - |  | -  |  | 16,581 |  | 28,362 |  | - |  | -  |  | 16,581 |  | 28,362 |
| Loans from financial institutions | - |  | -  |  | 23,415 |  | 39,445 |  | - |  | -  |  | 23,415 |  | 39,445 |
| Others | - |  | -  |  | - |  | - |  | - |  | -  |  | 68,325 |  | 62,550 |
|  Total  |  |  |  |  |  |  |  |  |  |  |  |  | 166,595 |  | 191,908 |

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

**21. EVENT AFTER THE REPORTING PERIOD**

 21.1 The Company has registered the establishment of 2 subsidiaries in accordance with the resolution of the Board of Directors Meeting No. 1/2562 on February 20, 2019, which has already registered the company on April 11, 2019, registered capital of Baht 1 million. Objective is to purchase 2 plots of vacant land.

 21.2 The Ordinary General Meeting of Shareholders held on April 26, 2019 has resolved to approve the important matters summarized as follows:

* + Approve the purchase of 2 plots of land, totaling to 12 rai 3 ngan 58.3sqm, located in Prachuab Kirikhan province from Proud Resort Hua Hin Company Limited and Vana Nava Company Limited as significant area and location for residential development project which is the core business of the Company, by having two newly established subsidiaries of the Company. The Company will pay for the purchase of such land to the seller in totaling Baht 1,325 million which consists of (a) cash that the Company received from the subscription of the newly issued ordinary shares in the amount of Baht 650 million (b) loan from Financial institutions in the amount of Baht 650 million and (c) working capital within the company and / or promissory notes in the amount of Baht 25 million.
	+ Approve a decrease of the Company's registered capital from Baht 227,760,073 to Baht 221,760,062 by cancelling 6,000,011 registered but unissued ordinary shares with a par value of Baht 1 per share, and the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the capital reduction, and the relevant authorization.
	+ Approve an increase of the Company's registered capital from Baht 221,760,062 to Baht 673,148,951 by issuing 451,388,889 new ordinary shares, with a par value of Baht 1 per share, and the amendment to Clause 4 of the Memorandum of Association of the Company to be in line with the capital increase, and the relevant authorization.
	+ Approve the allocation of 451,388,889 newly issued ordinary shares of the Company at the par value of 1 Baht to be allocated under Private Placement scheme in reliance upon the general meeting's resolution specifying the offering price.

**FOCUS DEVELOPMENT AND CONSTRUCTION PUBLIC COMPANY LIMITED**

**NOTES TO THE INTERIM FINANCIAL STATEMENTS (CONT.)**

**MARCH 31, 2019**

* + Approve a change of the Company's name including the ticker as set out below, and seal and amendment of the Memorandum of Association, Articles of Association and objectives to be in line with the Company's name and seal; and consider and approve the amendment to Articles 28 and 30 of the Company’s Articles of Association in order to be in line with the guideline of Ministry of Commerce and new law to change of the Company's name from the existing name in Thai "บริษัท โฟคัส ดีเวลลอปเม้นท์ แอนด์ คอนสตรัคชั่น จำกัด (มหาชน)" in English "Focus Development and Construction Public Company Limited" ticker "FOCUS" to in Thai "บริษัท พราว เรียล เอสเตท จำกัด (มหาชน)" in English "Proud Real Estate Public Company Limited" ticker "PROUD".
	+ Approve the sale of all shares in Focus Wheig Corporation Limited “(Focus Wheig)”, which is considered the disposition of all investment of the Company in Focus Wheig resulting in Focus Wheig ceased to be the joint venture of the Company, to Mr. Anucha Sihanatkathakul, the director of the Company, or the person and/or juristic person designated by himself for the total consideration of Baht 34,600,000.
	+ Approve the grant of power of attorney to the Executive Chairman or Managing Director or Assistant Managing Director (Administration) and/or any person designated by the Executive Chairman or Managing Director or Assistant Managing Director (Administration), to be the authorized person having authorization to perform any actions in connection with the capital decrease of the Company, capital increase of the Company, amendment to the Memorandum of Association, change of the Company's name including its ticker, amendment to the Articles of Association, the allocation of the newly issued ordinary shares to private placement, the land purchase transaction, all shares sale transactions of Focus Wheig, and other relevant matters.

**22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS**

 These interim financial statements have been approved by the Company’s Board of Directors on May 10, 2019.