

Punj Lloyd (Thailand) Co., Ltd.
Annual financial statements
and
Audit report of Certified Public Accountant
For the years ended
31 March 2016 and 2015



Nathee Audit Company Limited
28th Floor, State Tower Tel: 66 2 630 7944
1055/524 Silom Road Fax: 66 2 6307943
Bangkok 10500, Thailand www.auditthai.com

Independent Auditor's Report

To the Shareholder Punj Lloyd (Thailand) Co., Ltd.

I have audited the accompanying financial statements of **Punj Lloyd (Thailand) Co., Ltd.**, which comprise the statements of financial position as at **31 March 2016**, and the related statements of income and changes in shareholder's equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

My responsibility is to express an opinion on these financial statements based on my audits. I conducted my audits in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I has obtained is sufficient and appropriate to provide a basis for my audit opinion.

Opinion

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of **Punj Lloyd (Thailand) Co., Ltd.** as at **31 March 2016**, and financial performance for the year then ended in accordance with Thai Financial Reporting Standards for Non-Public Accountability Entities.

Other

The financial statements of **Punj Lloyd (Thailand) Co., Ltd** for the year ended **31 March 2015** were audited by other auditors who expressed unqualified report dated 24 April 2015.



(Nathee Hongratana-uthai)

Certified Public Accountant

Registration No. 2897

Address of office;-

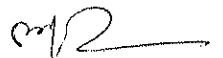
1055/524 State tower building 28th floor,

Silom Road, Bangruk, Bangkok, Thailand.

5 May 2016

Punj Lloyd (Thailand) Co.,Ltd
Statements of financial position
As at 31 March 2016

		(Unit:Baht)	
	Note	2016	2015
Assets			
Current assets			
Cash and cash equivalents	4	2,410,522	2,629,316
Other current assets	5	2,795,731	3,638,420
Total current assets		5,206,253	6,267,736
Non-current assets			
Restricted bank deposits	6	45,896,325	43,714,003
Total non-current assets		45,896,325	43,714,003
Total assets		51,102,578	49,981,739



 Director

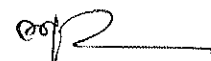
The accompanying notes are an integral part of the financial statements.

Punj Lloyd (Thailand) Co.,Ltd

Statements of financial position (continued)

As at 31 March 2016

		(Unit:Baht)	
	Note	2016	2015
Liabilities and Shareholders's equity			
Current liabilities			
Trade and other payables	7	47,877,981	45,370,011
Total current liabilities		47,877,981	45,370,011
Total liabilities		47,877,981	45,370,011
Shareholders' equity			
Share capital			
Authorized share capital			
100,000 ordinary shares of Baht 100 each		10,000,000	10,000,000
Issued and paid-up share capital			
100,000 ordinary shares of Baht 100 each		10,000,000	10,000,000
Unappropriated retained earnings (Deficit)		(6,775,403)	(5,388,272)
Total Shareholders' equity		3,224,597	4,611,728
Total Liabilities and Shareholders's equity		51,102,578	49,981,739



Director

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

Punj Lloyd (Thailand) Co.,Ltd

Income statement

For the year ended 31 March 2016

	(Unit:Baht)	
	2016	2015
Revenues		
Other income	45,316	153,670
Total revenues	45,316	153,670
Expenses		
Cost of services	-	3,333,333
Administrative expenses	1,432,447	2,972,538
Total expenses	1,432,447	6,305,871
Profit(loss) before finance cost and corporate income tax	(1,387,131)	(6,152,201)
Finance cost	-	(167,882)
Profit(loss) before corporate income tax	(1,387,131)	(6,320,083)
Corporate income tax	-	-
Net profit(loss) for the period	(1,387,131)	(6,320,083)



_____ Director

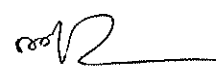
The accompanying notes are an integral part of the financial statements.

Punj Lloyd (Thailand) Co.,Ltd

Statement of changes in Shareholders' equity

For the year ended 31 March 2016

	(Unit:Baht)		
	Issued and Paid-up share capital	Unappropriated retained earnings (Deficit)	Total
Balance as at 1 April 2014	10,000,000	931,811	10,931,811
Net loss for the period	-	(6,320,083)	(6,320,083)
Balance as at 31 March 2015	10,000,000	(5,388,272)	4,611,728
Balance as at 1 April 2015	10,000,000	(5,388,272)	4,611,728
Net loss for the period	-	(1,387,131)	(1,387,131)
Balance as at 31 March 2016	10,000,000	(6,775,403)	3,224,597



Director

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

Punj Lloyd (Thailand) Co.,Ltd

Notes to financial statements

For the year ended 31 March 2016

1. General information

Punj Lloyd (Thailand) Co., Ltd ("the Company") is a limited company , incorporated and resident in June 6, 2011. The address of the Company's registered office is as follows :

No. 123 Sun Towers Building, Tower B, Unit B - 2904 29th Floor, Soi Choeipuang, Vibhavadi Rangsit Road, Thailand on Chomphon Sub - district, Chatuchak District, Bangkok 10900.

The principle business activity of the Company is to engage in the business of being a contractor for Engineering, Procurement, and Construction services.

2. Basis of preparation of the financial statements

This financial statements are prepared in accordance with accounting standards under the Act BE 2547 and have been made financial statement presentation to comply with the requirements of the Department of Business Development dated issue September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 that issued under the Accounting Act BE 2543.

The financial statements are in conformity with Thai Financial Reporting Standard for Non-publicly Accountable Entities (TFRS for NPAEs) promulgated by the Federation of Accounting Professions (FAP) during 2015.

The adoption of these TFRS for NPAEs has resulted in changes in the Company's accounting policies.

The effects of those changes that have not a significant impact on the Company's financial statements.

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

3. Significant accounting policies

The principle accounting policies adopted in the preparation of these financial statements are set out below:

3.1 Cash and cash equivalents

Cash comprise cash on hand, deposit held at call with banks but exclude deposits with banks which are held to maturity, certificates of deposit issued by commercial banks and financial institutions, and restricted deposits. Cash equivalent comprise short - term highly liquid investments with maturities of three months or less from the date of acquisition.

Director

3.2 Accounts receivable - trade and others

Trade accounts receivable are carried at anticipated realizable value. The company records an allowance for doubtful accounts which is equivalent to the estimated collection losses that may be incurred in the collection of all accounts receivables. The estimated losses are based on historical collection experience combined with a review of the current status of the existing accounts receivable at the balance sheet date.

3.3 Foreign currency transactions

At the end of each reporting period, foreign currency monetary balances are translated by using the rate at the closing rate. Monetary assets denominated in foreign currency are translated to Thai Baht by using exchange a bank's buying rate and monetary liabilities denominated in foreign currency are translated to Thai Baht by using a bank's selling rate. Non - monetary balances denominated in a foreign currency are carried at cost using the exchange rate at the date of transaction.

Gains and losses resulting from the settlement of foreign currency transactions and from the translation of monetary assets and liabilities denominated in foreign currencies are recognised in the incomestatement.

3.4 Revenue and cost recognition

Revenue from construction services are recognized on a percentage of completion basis. The percentage of completion is measured based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion.

Revenue from rendering of service is recognized in the statement of income on the accrual basis.

The cost of construction services provided under construction contracts are recognized in the statement of income on an accrual basis.

Interest income is recognized in the statement of income on the accrual basis.

Director

3.5 Leases - where a Company is the lessee

Leases of property, plant or equipment which substantially transfer all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property or the present value of the minimum lease payments. Each lease payment is allocated to the principal and to the finance charged so as to achieve a constant rate on the finance balance outstanding. The outstanding rental obligations, net of finance charges, are included in other long - term payables. The interest element of the finance cost is charged to the income statement over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset or the lease term.

Leases not transferring a significant portion of the risks and rewards of ownership to the lessee are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to the income statement on a straight - line basis over the period of the lease.

3.6 Provisions

Provisions are recognised when the Company has a present legal or constructive obligation as a result of past events, It is probable that an outflow of resources will be required to settle the obligation, and a reliable estimate of the amount can be made.

3.7 Income tax

Corporate Income Tax is calculated in accordance with the Thai's Revenue Code.

3.8 Basis losses per share

Basis losses per share is calculated by dividing the net losses attributable to ordinary shareholders by the weighted average number of ordinary shares in issue during the period (100,000 shares).

Director

Punj Lloyd (Thailand) Co.,Ltd

Notes to financial statements

For the year ended 31 March 2016

	(Unit:Baht)	
	2016	2015
4 Cash and cash equivalents		
Bank deposit as current accounts	2,410,522	2,629,316
Total	2,410,522	2,629,316
5 Other current assests		
Refundable input tax	1,620,023	1,618,482
Withholding tax deducted at source	1,175,708	1,175,708
Advance to supplier	-	844,230
Total	2,795,731	3,638,420

6 Restricted bank deposits

As at March 31, 2016, fixed deposit at financial institution of Baht 45.90 million were pledge with bank to secure the issuance of bank guarantees on behalf of the Company in respect of contract compliances and insurance of advance payment as required in the normal course of businesses.

	(Unit:Baht)	
	2016	2015
7 Trade and other payables		
Trade payables - unrelated parties	3,164,314	2,470,414
Trade payables - related parties	44,712,153	42,899,597
Other payables - unrelated parties	1,514	-
Total	47,877,981	45,370,011

Director

Punj Lloyd (Thailand) Co.,Ltd

Notes to financial statements

For the year ended 31 March 2016

8 Contingent liabilities

As at March 31, 2016, the Company is contingently liable to a local financial institution for a letter of guarantee issued by the financial institution in favor of a state enterprise amounting to approximately Baht 43.7 million

9 Approval of financial statements

These financial statements were authorized for issue by the Company's Authorized Directors on.....

Director