

REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT

To the Board of Directors and Shareholders of Chukai Public Company Limited

I have reviewed the consolidated statement of financial position of Chukai Public Company Limited and its subsidiaries as at March 31, 2014, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. I have also reviewed the separate statement of financial position of Chukai Public Company Limited as at March 31, 2014, and the separate statements of comprehensive income, changes in shareholders' equity and cash flows for the three-month period then ended, and the condensed notes to the financial statements. The management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 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 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 No. 34, "Interim Financial Reporting".

Emphasis of Matter

I draw attention to Note 4 to the interim financial statements, during the period 2013, the Group has corrected the errors of accounting transaction regarding deferred income taxes. Therefore, the interim financial statements for the three-month period ended March 31, 2013, which have been presented herewith for comparative purposes, have been restated to correct the errors. I have reviewed the adjustments entries and in my opinion such adjustments entries are appropriate and have been properly applied.

My conclusion on interim financial statements is not affected in respect of this matter.

Kraisit Silapamongkonkul
Certified Public Accountant
Registration Number 9429

PV Audit Co., Ltd.
Bangkok, May 14, 2014

CHUKAI PUBLIC COMPANY LIMITED AND ITS SUBSIDIARY COMPANIES
INTERIM FINANCIAL STATEMENTS
AND REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION OF CERTIFIED PUBLIC ACCOUNTANT
FOR THE FIRST QUARTER ENDED MARTH 31, 2014

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2014

		Unit: Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
ASSETS					
Current assets					
	Cash and cash equivalents	10,665	4,005	3,035	99
6	Current investments	106,804	-	106,804	-
5, 7	Trade and other receivables	187,857	178,655	167,283	118,457
5	Short-term loans to related party	-	-	116,500	113,500
8	Inventories	467,394	559,377	468,696	560,666
	Other current assets	34,674	49,814	20,591	34,692
	Total current assets	807,394	791,851	882,909	827,414
Non-current assets					
9	Restricted bank deposits	502	496	276	270
10	Investments in subsidiaries	-	-	174,991	174,991
11	Investment property	1,803	322,862	-	321,054
12	Property, plant and equipment	1,918,650	1,928,366	900,781	923,864
	Deferred tax assets	6,036	5,121	-	-
	Other non-current assets	50,039	46,275	16,248	16,251
	Total non-current assets	1,977,030	2,303,120	1,092,296	1,436,430
	Total assets	2,784,424	3,094,971	1,975,205	2,263,844

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2014

		Unit: Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
		"Unaudited"	"Unaudited"	"Unaudited"	"Unaudited"
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
LIABILITIES AND SHAREHOLDERS' EQUITY					
Current liabilities					
Bank overdrafts and short-term loans					
		16,139	20,786	11,358	12,019
	from financial institutions				
	Trade and other payables	526,743	749,430	480,427	690,531
5, 13					
	Current portion of long-term debts	200,630	256,504	48,280	105,862
14					
	Liability under repurchase agreement	84,321	82,839	-	-
17					
	Short-term loans from related parties	-	-	149,750	146,150
5					
	Accrued income tax	17,772	179	17,127	-
	Other current liabilities	25,193	18,456	12,561	7,516
	Total current liabilities	870,798	1,128,194	719,503	962,078
Non-current liabilities					
	Long-term loans from financial institutions	36,840	218,072	26,840	207,322
15					
	Long-term liabilities under finance leases	466,746	504,982	60,547	71,695
16					
	Deferred tax liabilities	45,541	36,706	25,546	15,186
	Employee benefit obligations	12,974	12,879	7,187	7,144
	Other non-current liabilities	12,399	12,145	2,385	2,284
5					
	Total non-current liabilities	574,500	784,784	122,505	303,631
	Total liabilities	1,445,298	1,912,978	842,008	1,265,709

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT MARCH 31, 2014

		Unit: Thousands Baht			
		Consolidated financial statements		Separate financial statements	
		March 31, 2014	December 31, 2013	March 31, 2014	December 31, 2013
		"Unaudited"		"Unaudited"	
Note		"Reviewed"	"Audited"	"Reviewed"	"Audited"
Shareholders' equity					
Share capital					
	Authorized share capital - 578,571,375 ordinary shares, Baht 1 par value	578,571	578,571	578,571	578,571
	Issued and paid-up share capital - 578,570,233 ordinary shares, fully paid-up	578,570	578,570	578,570	578,570
	Premium on ordinary shares	209,554	209,554	209,554	209,554
	Surplus arising from business combination under common control	39,196	39,196	-	-
Retained earnings					
	Appropriated - legal reserve	25,529	25,529	25,529	25,529
	Unappropriated	486,277	329,144	319,544	184,482
	Total shareholders' equity	1,339,126	1,181,993	1,133,197	998,135
	Total liabilities and shareholders' equity	2,784,424	3,094,971	1,975,205	2,263,844

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"Unaudited"

"Reviewed"

Unit: Thousands Baht					
	Note	Consolidated financial statements		Separate financial statements	
		2014	2013	2014	2013
		(Restated)		(Restated)	
Revenue from sales and services	5	270,601	311,118	178,544	224,800
Cost of sales and services	5	(183,986)	(231,917)	(147,798)	(192,253)
Gross profit		86,615	79,201	30,746	32,547
Other income	5, 11	162,254	12,996	167,064	17,748
Selling and service expenses	5	(12,814)	(10,697)	(6,634)	(5,264)
Administrative expenses	5	(29,737)	(28,259)	(18,790)	(16,296)
Finance costs	5	(13,077)	(18,758)	(3,489)	(9,382)
Profit before income tax		193,241	34,483	168,897	19,353
Tax expense	4, 18	(36,108)	(10,796)	(33,835)	(3,688)
Profit for the period		157,133	23,687	135,062	15,665
Other comprehensive income (loss)		-	-	-	-
Total comprehensive income		157,133	23,687	135,062	15,665
Basic earnings per share					
Profit attributable to equity holders of the Company (Baht)	3, 4	0.272	0.041	0.233	0.027
Weighted average number of ordinary shares (Shares)		578,570,233	578,570,233	578,570,233	578,570,233

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"Unaudited"

"Reviewed"

Unit: Thousands Baht						
Consolidated financial statements						
Note	Issued and paid-up share capital	Premium on ordinary shares	Surplus arising from business combination under common control	Retained earnings		Total
				Appropriated	Unappropriated (Restated)	
Beginning balance as at January 1, 2014	578,570	209,554	39,196	25,529	329,144	1,181,993
Changes in shareholders' equity						
Total comprehensive income	-	-	-	-	157,133	157,133
Ending balance as at March 31, 2014	578,570	209,554	39,196	25,529	486,277	1,339,126
Beginning balance as at January 1, 2013	506,250	209,554	39,196	22,511	339,928	1,117,439
Changes in shareholders' equity						
Total comprehensive income	-	-	-	-	23,687	23,687
Ending balance as at March 31, 2013	506,250	209,554	39,196	22,511	363,615	1,141,126

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"Unaudited"
"Reviewed"

Unit: Thousands Baht					
Separate financial statements					
Note	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated	Unappropriated (Restated)	
Beginning balance as at January 1, 2014	578,570	209,554	25,529	184,482	998,135
Changes in shareholders' equity					
Total comprehensive income	-	-	-	135,062	135,062
Ending balance as at March 31, 2014	578,570	209,554	25,529	319,544	1,133,197
Beginning balance as at January 1, 2013	506,250	209,554	22,511	207,511	945,826
Changes in shareholders' equity					
Total comprehensive income	-	-	-	15,665	15,665
Ending balance as at March 31, 2013	506,250	209,554	22,511	223,176	961,491

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"Unaudited"
"Reviewed"

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Cash flows from operating activities				
Profit before income tax	193,241	34,483	168,897	19,353
Adjustments to reconcile profit before income tax to net cash provided by (used in) operating activities				
Depreciation	50,541	47,071	18,619	19,790
Doubtful accounts and bad debts (reversal)	983	(90)	23	-
Reversal of loss from obsolete stock	-	(624)	-	(624)
Gain on sales of assets	(153,265)	(26)	(152,849)	-
Provision	1,482	1,482	-	-
Unrealized gain on exchange rate	(5,048)	(8,127)	(5,048)	(8,127)
Unrealized gain on investments	(453)	-	(453)	-
Interest income	(7)	(164)	(2,366)	(1,280)
Interest expenses	13,077	18,758	3,489	9,382
Employee benefit obligations	295	550	43	222
Profit from operating activities before change in operating assets and liabilities	100,846	93,313	30,355	38,716
Change in operating assets (increase) decrease				
Trade and other receivables	(10,003)	15,915	(46,564)	6,731
Inventories	70,059	24,105	100,310	10,322
Other current assets	14,959	1,859	14,100	2,268
Restricted bank deposits	(7)	(1,943)	(6)	(49)
Other non-current assets	(29)	55	3	(9)
Change in operating liabilities increase (decrease)				
Trade and other payables	(217,555)	34,102	(205,378)	39,676
Other current liabilities	6,737	(5,726)	5,045	(2,778)
Employee benefit obligations paid	(200)	-	-	-
Other non-current liabilities	254	68	100	13
Cash generated (paid) from operations	(34,939)	161,748	(102,035)	94,890

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

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
STATEMENTS OF CASH FLOWS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014

"Unaudited"

"Reviewed"

	Unit: Thousands Baht			
	Consolidated financial statements		Separate financial statements	
	2014	2013	2014	2013
Interest received	7	151	82	127
Income tax paid	(14,328)	(8,401)	(6,348)	(1,334)
Net cash provided by (used in) operating activities	(49,260)	153,498	(108,301)	93,683
Cash flows from investing activities				
Increase in current investments	(106,351)	-	(106,351)	-
Increase in short-term loans to related party	-	-	(3,000)	(46,500)
Purchases of property and equipment	(6,742)	(62,460)	(3,618)	(6,474)
Cash receipt from sales of assets	474,943	165	474,167	-
Net cash provided by (used in) investing activities	361,850	(62,295)	361,198	(52,974)
Cash flows from financing activities				
Decrease in bank overdrafts and				
short-term loans from financial institutions	(4,607)	(21,709)	(620)	(16,191)
Cash receipt from short-term loans from related parties	-	-	3,600	18,500
Repayment for short-term loans from related parties	-	-	-	(12,900)
Cash receipt from finance lease agreement	-	22,500	-	-
Repayment for liabilities under finance leases	(49,675)	(63,108)	(12,306)	(13,295)
Cash receipt from long-term loans from financial institutions	1,500	13,337	1,500	13,337
Repayment for long-term loans from financial institutions	(239,408)	(22,533)	(238,406)	(21,279)
Interest paid	(13,740)	(19,710)	(3,730)	(8,252)
Net cash used in financing activities	(305,930)	(91,223)	(249,962)	(40,080)
Net increase (decrease) in cash and cash equivalents	6,660	(20)	2,936	629
Cash and cash equivalents at the beginning of the period	4,005	8,617	99	271
Cash and cash equivalents at the end of the period	10,665	8,597	3,035	900

Additional details of non-cash items

The Company and subsidiaries had transferred their machinery and equipment for rent to inventories at net book value in the amount of Baht 8.34 million (period 2013: Baht 16.28 million) in the separate financial statements and in the amount of Baht 21.92 million (period 2013: Baht 29.79 million) in the consolidated financial statements.

CHUKAI PUBLIC COMPANY LIMITED AND SUBSIDIARIES
NOTES TO THE INTERIM FINANCIAL STATEMENTS
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2014 (UNAUDITED) (REVIEWED)

1. GENERAL INFORMATION

Chukai Public Company Limited, “the Company” was incorporated in Thailand under the Civil and Commercial Code on May 26, 1997 and became a public company limited on June 8, 2005. The Company’s principal activities are to trade, repair and provide maintenance services, rental services and transportation services for cranes, forklifts, trailers and trucks.

On January 29, 2008, the Company was listed on the Stock Exchange of Thailand in Market for Alternative Investment (mai).

The office of the Company is at 42/62, Moo 14, Bangkaew, Bangplee, Samutprakarn.

2. BASIS OF PREPARATION OF THE INTERIM FINANCIAL STATEMENTS

The interim financial statements are prepared in accordance with Thai Accounting Standards (“TAS”) No. 34, Interim Financial Reporting (revised 2012) to provide information additional to that included in the financial statements for the year ended December 31, 2013. They 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 for the year ended December 31, 2013.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For the convenience of the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

Other than those specified in the notes to the annual and interim financial statements, all other balances presented in these interim financial statements are prepared under the historical cost basis.

The preparation of interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

BASIS OF PREPARATION OF THE CONSOLIDATED INTERIM FINANCIAL STATEMENTS

The consolidated interim financial statements are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2013 and consisted of the interim financial statements of Chukai Public Company Limited, and subsidiaries (together referred to as “the Group”) as follows:

Subsidiaries	Located in	Business type	Percentage of holding		
			March 31,		December 31,
			2014	2013	2013
The Crane Lamechabang Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Rayong Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Heavy Lift Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%
The Crane Service Co., Ltd.	Thailand	Sales and rental service for cranes	100%	100%	100%

All significant intercompany transactions and accounts are eliminated in preparing the consolidated interim financial statements.

The preparations of the consolidated interim financial statements have been based on the same accounting policies for the same or similar accounting transactions or accounting events.

New accounting standards

a) Accounting standards that became effective in the current accounting period

The Group disclosed the accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations that are effective for fiscal year beginning on or after January 1, 2014, in the notes to financial statements for the year ended December 31, 2013.

The Group’s management has assessed the effects of the above accounting standards, financial reporting standards, accounting standard interpretations and financial reporting standard interpretations, and believes that they do not have a significant impact.

b) Accounting standard that will become effective in the future

The Group disclosed the financial reporting standard that will be effective in the future in the notes to financial statements for the year ended December 31, 2013.

The Group’s management is assessing the impacts of this TFRS on the financial statements for the year in which it is initially applied.

3. 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, 2013.

Basic earnings per share

Basic earnings per share for the three-month ended March 31, 2013 is calculated by dividing profit for the period attributable to ordinary shareholders for the period by the weighted average number of ordinary shares issued during the period, after adjusting the number of ordinary shares to reflect the impact of the stock dividend to the financial statements. The basic earnings per share has been recalculated as if the stock dividend had been distributed at the beginning of the earliest period reported.

4. THE CORRECTION OF ERRORS

In the period 2013, the Group has adopted Thai Accounting Standard No. 12 – Income taxes. Therefore the interim financial statements for the three-month period ended March 31, 2013, which have been presented herewith for comparative purposes, had been restated to correct the errors regarding the temporary differences between the carrying amount of the assets and liabilities in the statement of financial position and the amount attributed to those assets and liabilities for tax purposes.

The effects of the correction of errors on the interim financial statements for the three-month period ended March 31, 2013 were as follows:

	Thousands Baht	
	Consolidated financial statements	Separate financial statements
Statements of comprehensive income		
Increase in tax expense	1,679	698
Decrease in net profit for the period	1,679	698
Decrease in basic earnings per share (Baht)	0.003	0.001

5. TRANSACTIONS WITH RELATED PARTIES

The Company had transactions with related parties. These parties were related through common shareholders and/or directorships. The significant transactions with related parties as included in the financial statements are determined at the prices in line occurring in the normal course of business based on the market price in general or the price as stipulated in the agreement if no market price exists.

The significant balances of assets, liabilities and other transactions occurred with those related parties were as follows:

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

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Subsidiaries				
The Crane Lamechabang Co., Ltd.				
Revenue from sales and services	-	-	35,644	30,017
Other income	-	-	1,284	1,280
Purchase of goods	-	-	2,520	297
Cost of sales and services	-	-	268	317
Selling and service expenses	-	-	125	-
Administrative expenses	-	-	127	9
Interest expenses	-	-	-	58
The Crane Rayong Co., Ltd.				
Revenue from sales and services	-	-	17,089	8,677
Interest income	-	-	2,360	1,270
Other income	-	-	1,151	1,250
Purchase of goods	-	-	-	9
Cost of sales and services	-	-	8	151
Selling and service expenses	-	-	59	-
The Crane Heavy Lift Co., Ltd.				
Revenue from sales and services	-	-	80	463
Other income	-	-	179	170
Purchase of goods	-	-	3,420	1,262
Interest expenses	-	-	129	131

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Subsidiaries				
The Crane Service Co., Ltd.				
Revenue from sales and services	-	-	3,976	4,866
Other income	-	-	1,404	1,465
Purchase of goods	-	-	-	33,750
Cost of sales and services	-	-	446	687
Selling and service expenses	-	-	89	46
Administrative expenses	-	-	86	123
Interest expenses	-	-	623	538
Related company				
Crane Daeng Co., Ltd.				
Revenue from sales and services	2,356	1,114	316	76
Cost of sales and services	274	11	-	-

Key management personnel compensation

Key management personnel compensation for the three-month periods ended March 31, 2014 and 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Short-term benefits	11,823	8,895	11,706	8,768
Post-employment benefits	104	514	104	514
Total	11,927	9,409	11,810	9,282

The significant balances of assets and liabilities with related parties as at March 31, 2014 and December 31, 2013 were as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Subsidiaries				
The Crane Lamechabang Co., Ltd.				
Deposit	-	-	96	96
The Crane Rayong Co., Ltd.				
Accrued interest income	-	-	7,357	5,072
The Crane Heavy Lift Co., Ltd.				
Accrued interest expenses	-	-	233	105
The Crane Service Co., Ltd.				
Other receivable	-	-	2,333	2,333
Accrued interest expenses	-	-	1,233	939
Investments in subsidiaries (See Note 10)	-	-	174,991	174,991
Related company				
Crane Daeng Co., Ltd.				
Accrued income	517	-	-	-
Related persons (director / shareholders)				
Receivable from sales of assets	5,000	5,000	-	-
Accrued expenses	6,200	6,200	-	-
Other payable	570	570	-	-

Trade receivables – related parties

Trade receivables – related parties as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
2014	2013	2014	2013	
The Crane Lamechabang Co., Ltd.	-	-	41,049	11,551
The Crane Rayong Co., Ltd.	-	-	73,549	67,977
The Crane Heavy Lift Co., Ltd.	-	-	73	9
The Crane Service Co., Ltd.	-	-	3,052	4,255
Crane Daeng Co., Ltd.	1,708	1,309	325	-
Total	1,708	1,309	118,048	83,792

Trade payables – related parties

Trade payables – related parties as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
2014	2013	2014	2013	
The Crane Lamechabang Co., Ltd.	-	-	2,943	1,728
The Crane Rayong Co., Ltd.	-	-	-	183
The Crane Heavy Lift Co., Ltd.	-	-	2,970	3,008
The Crane Service Co., Ltd.	-	-	227	2,956
Crane Daeng Co., Ltd.	160	716	-	5
Total	160	716	6,140	7,880

Short-term loans to related party

Short-term loans to related party as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht	
	Separate	
	financial statements	
	2014	2013
The Crane Rayong Co., Ltd.	116,500	113,500

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

	Thousands Baht	
	Separate	
	financial statements	
	2014	2013
Balance at the beginning	113,500	49,000
Increase	11,000	49,000
Decrease	(8,000)	(2,500)
Balance at the end	116,500	95,500

The Company had short-term loans to The Crane Rayong Co., Ltd. (“subsidiary”) by issued promissory notes, due at call with interest charged at the rate referred with the interest rate of minimum overdraft rate (MOR) and unsecured.

Short-term loans from related parties

Short-term loans from related parties as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht	
	Separate	
	financial statements	
	2014	2013
The Crane Heavy Lift Co., Ltd.	29,550	25,950
The Crane Service Co., Ltd.	120,200	120,200
Total	149,750	146,150

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

	Thousands Baht	
	Separate	
	financial statements	
	2014	2013
Balance at the beginning	146,150	115,000
Increase	3,600	18,500
Decrease	-	(12,900)
Balance at the end	<u>149,750</u>	<u>120,600</u>

The Company borrowed short-term loans from The Crane Heavy Lift Co., Ltd. and The Crane Service Co., Ltd. (“subsidiaries”) by issued short-term promissory notes with interest charged at the rate referred with the interest rate of minimum overdraft rate (MOR), and the interest rate of fixed deposit of commercial bank and unsecured.

Co-guarantee for liabilities with related parties

As at March 31, 2014, the Group had co-guarantee liabilities with related parties as follows:

The Company

The Company had co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 513.76 million.

The Company had co-guarantee for bank overdrafts and loans from financial institutions of subsidiaries in the amount of Baht 65 million (see Note 15).

The Company had co-guarantee for bank guarantees from financial institutions of subsidiaries in the amount of Baht 2 million.

Subsidiaries

The Subsidiaries had co-guarantee for liabilities under finance leases of the Company at book value in the amount of Baht 22.45 million (see Note 16).

The Subsidiaries had co-guarantee for liabilities under finance leases of other subsidiaries at book value in the amount of Baht 3.96 million (see Note 16).

Related persons (director / shareholders)

Related persons had co-guarantee for liabilities under finance leases of the Group at book value in the amount of Baht 479.57 million.

Related persons had co-guarantee for bank overdrafts and loans from financial institutions of the Group (see Note 15).

Nature of relationship

Name	Country	Relation	Type of relation
The Crane Lamechabang Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Rayong Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Heavy Lift Co., Ltd.	Thailand	Subsidiary	Direct holding
The Crane Service Co., Ltd.	Thailand	Subsidiary	Direct holding
Crane Daeng Co., Ltd.	Thailand	Related company	Management and/or shareholders of the same family

Bases of measurement for intercompany revenues and expenses

	Pricing policies
Purchase - sale of machinery and equipment for rent and goods	Market price
Rendering of rent and transportation services	Market price minus discount 20% - 35%
Rendering of repair services	Market price
Services and administrative expenses	Market price
Interest income and expense	Referred with the bank's interest rate.

The discount mentioned above occurred from the difference by nature of service provided in the section of staff who control the machinery and equipment for rent.

6. CURRENT INVESTMENTS

Current investments as at March 31, 2014 consisted of:

	Thousands Baht	
	Consolidated and separate financial statements	
	Cost	Fair value
Trading securities		
Investments in mutual funds	106,351	106,804
Add: Unrealized gain from measurement of investments	453	-
Current investments	<u>106,804</u>	<u>106,804</u>

Current investments in marketable securities are stated at fair value as at the end of reporting period. Any changes in value are recognized in the statement of comprehensive income.

7. TRADE AND OTHER RECEIVABLES

Trade and other receivables as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade receivables				
Other parties	183,048	161,754	41,337	29,380
Related parties	1,708	1,309	118,048	83,792
Total	184,756	163,063	159,385	113,172
Less: Allowance for doubtful accounts	(30,259)	(29,410)	(93)	(22)
Trade receivables - net	154,497	133,653	159,292	113,150
Accrued income	26,462	38,539	7,357	5,072
Advance payments	1,029	1,171	24	73
Others	8,200	7,671	610	210
Total	35,691	47,381	7,991	5,355
Less: Allowance for doubtful accounts	(2,331)	(2,379)	-	(48)
Other receivables - net	33,360	45,002	7,991	5,307
Trade and other receivables - net	187,857	178,655	167,283	118,457

As at March 31, 2014 and December 31, 2013, the Group had outstanding balances of trade receivables aged by number of months as follows:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade receivables - other parties				
Current	81,101	43,967	12,290	1,862
Overdue				
Not over 3 months	52,147	78,100	12,387	21,506
Over 3 months up to 6 months	18,587	10,601	14,783	4,813
Over 6 months up to 12 months	5,235	3,911	1,855	1,177
Over 12 months	25,978	25,175	22	22
Total	<u>183,048</u>	<u>161,754</u>	<u>41,337</u>	<u>29,380</u>
Trade receivables - related parties				
Current	517	981	9,097	17,098
Overdue				
Not over 3 months	1,191	328	60,793	20,053
Over 3 months up to 6 months	-	-	14,334	12,422
Over 6 months up to 12 months	-	-	20,979	22,084
Over 12 months	-	-	12,845	12,135
Total	<u>1,708</u>	<u>1,309</u>	<u>118,048</u>	<u>83,792</u>

Movements of allowance for doubtful accounts for the three-month periods ended March 31, 2014 were as follows:

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Balance as at the beginning	31,789	70
Add Doubtful accounts	801	23
Balance as at the end	<u>32,590</u>	<u>93</u>

8. INVENTORIES

Inventories as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Cranes	348,423	443,488	349,625	444,678
Forklifts	21,080	21,080	21,080	21,080
Excavator	67,440	67,440	67,440	67,440
Spare parts and component	16,854	16,948	16,954	17,048
Goods in process	15,563	12,387	15,563	12,387
Total	469,360	561,343	470,662	562,632
Less: Allowance for devaluation of inventories	(1,966)	(1,966)	(1,966)	(1,966)
Inventories - net	467,394	559,377	468,696	560,666

9. RESTRICTED BANK DEPOSITS

Restricted bank deposits as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht				Guarantee / Commitments
	Consolidated		Separate		
	financial statements		financial statements		
	2014	2013	2014	2013	
Cash at banks					
Fixed deposits	502	496	276	270	Letters of guarantee electricity / collateral from contract

10. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries stated by the cost method, as at March 31, 2014 and December 31, 2013 consisted of:

Subsidiaries	Thousands Baht					
	Holding (%)		Paid-up share capital		Cost	
	2014	2013	2014	2013	2014	2013
The Crane Lamechabang Co., Ltd.	100	100	25,000	25,000	24,999	24,999
The Crane Rayong Co., Ltd.	100	100	25,000	25,000	24,999	24,999
The Crane Heavy Lift Co., Ltd.	100	100	25,000	25,000	25,000	25,000
The Crane Service Co., Ltd.	100	100	100,000	100,000	99,993	99,993
Total					174,991	174,991

11. INVESTMENT PROPERTY

Movements of investment property during the three-month period ended March 31, 2014 were summarized belows.

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2014	322,862	321,054
Purchases / transfer in - at cost	-	-
Disposals / transfer out - net book value	(321,054)	(321,054)
Depreciation for the period	(5)	-
Net book value as at March 31, 2014	1,803	-

On January 15, 2014 the Company entered into a sale agreement of land with other company in the amount of Baht 500 million.

12. PROPERTY, PLANT AND EQUIPMENT

Movements of property, plant and equipment during the three-month period ended March 31, 2014 were summarized belows.

	Thousands Baht	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at January 1, 2014	1,928,366	923,864
Purchases / transfer in - at cost	51,839	4,141
Disposals / transfer out - net book value	(11,020)	(8,605)
Depreciation for the period	(50,535)	(18,619)
Net book value as at March 31, 2014	1,918,650	900,781

13. TRADE AND OTHER PAYABLES

Trade and other payables as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
Trade payables				
Other parties	464,141	676,243	448,133	656,104
Related parties	160	716	6,140	7,880
Total	464,301	676,959	454,273	663,984
Accrued expenses	59,079	56,411	25,448	24,576
Payables from purchases of assets	500	12,962	467	884
Others	2,863	3,098	239	1,087
Total	62,442	72,471	26,154	26,547
Grand total	526,743	749,430	480,427	690,531

14. CURRENT PORTION OF LONG-TERM DEBTS

Current portion of long-term debts as at March 31, 2014 and December 31, 2013 consisted of:

		Thousands Baht			
		Consolidated		Separate	
		financial statements		financial statements	
	Note	2014	2013	2014	2013
Loans from financial institutions	15	8,482	65,158	4,848	61,272
Liabilities under finance leases	16	192,148	191,346	43,432	44,590
Total		200,630	256,504	48,280	105,862

15. LOANS FROM FINANCIAL INSTITUTIONS

Loans from financial institutions as at March 31, 2014 and December 31, 2013 consisted of:

		Thousands Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
Loans from financial institutions		45,322	283,230	31,688	268,594
Less: Current portion of long-term debts		(8,482)	(65,158)	(4,848)	(61,272)
Long-term loans from financial institutions		36,840	218,072	26,840	207,322

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

		Thousands Baht			
		Consolidated		Separate	
		financial statements		financial statements	
		2014	2013	2014	2013
Balance at the beginning		283,230	322,484	268,594	317,290
Increase		1,500	13,337	1,500	13,337
Decrease		(239,408)	(22,533)	(238,406)	(21,279)
Balance at the end		45,322	313,288	31,688	309,348

16. LIABILITIES UNDER FINANCE LEASES

Liabilities under finance leases as at March 31, 2014 and December 31, 2013 consisted of:

Thousands Baht												
	2014						2013					
	Consolidated financial statements			Separate financial statements			Consolidated financial statements			Separate financial statements		
			Minimum			Minimum			Minimum			Minimum
Year	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment	Present value	Deferred interest	lease payment
Finance leases												
1	187,251	38,394	225,645	38,536	4,424	42,960	184,847	40,979	225,826	38,091	5,100	43,191
2 - 5	447,722	42,416	490,138	41,522	1,885	43,407	484,701	49,386	534,087	51,414	2,733	54,147
	<u>634,973</u>	<u>80,810</u>	<u>715,783</u>	<u>80,058</u>	<u>6,309</u>	<u>86,367</u>	<u>669,548</u>	<u>90,365</u>	<u>759,913</u>	<u>89,505</u>	<u>7,833</u>	<u>97,338</u>
Sale and leaseback agreement												
1	4,897	1,519	6,416	4,896	1,519	6,415	6,499	1,621	8,120	6,499	1,621	8,120
2 - 5	19,024	2,361	21,385	19,025	2,361	21,386	20,281	2,709	22,990	20,281	2,709	22,990
	<u>23,921</u>	<u>3,880</u>	<u>27,801</u>	<u>23,921</u>	<u>3,880</u>	<u>27,801</u>	<u>26,780</u>	<u>4,330</u>	<u>31,110</u>	<u>26,780</u>	<u>4,330</u>	<u>31,110</u>
Total												
1	192,148	39,913	232,061	43,432	5,943	49,375	191,346	42,600	233,946	44,590	6,721	51,311
2 - 5	466,746	44,777	511,523	60,547	4,246	64,793	504,982	52,095	557,077	71,695	5,442	77,137
	<u>658,894</u>	<u>84,690</u>	<u>743,584</u>	<u>103,979</u>	<u>10,189</u>	<u>114,168</u>	<u>696,328</u>	<u>94,695</u>	<u>791,023</u>	<u>116,285</u>	<u>12,163</u>	<u>128,448</u>

During the period 2014, the Subsidiaries purchased the machinery and equipment for rent and vehicles at cost in the amount of Baht 13.86 million (period 2013: Baht 290.33 million) by cash payment in the amount of Baht 1.62 million (period 2013: Baht 58.09 million) and by entering into a finance lease agreement for the remainder.

17. LIABILITY UNDER REPURCHASE AGREEMENT

Liability under repurchase agreement as at March 31, 2014 and December 31, 2013 consisted of:

	Thousands Baht	
	Consolidated	
	financial statements	
	2014	2013
Liability under repurchase agreement	60,111	60,111
Provision from litigation	43,164	41,682
Total	103,275	101,793
Less: Cash withheld by The Legal Execution Department paid to plaintiff	(18,954)	(18,954)
Balance	84,321	82,839

18. INCOME TAX

The Group recognized income tax expense for the three-month periods ended March 31, 2014 and 2013 based on the best estimate of the weighted average annual income tax rate expected for the full financial year. Amounts accrued for income tax expense in one interim period may have to be adjusted in a subsequent interim period of that financial year if the estimate of the annual income tax rate changes.

Tax expense for the three-month periods ended March 31, 2014 and 2013 consisted of:

	Thousands Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2014	2013	2014	2013
	(Restated)		(Restated)	
Current tax expense				
Current period	28,188	6,435	23,475	-
Deferred tax expense				
Movements in temporary differences	7,920	4,361	10,360	3,688
Tax expense	<u>36,108</u>	<u>10,796</u>	<u>33,835</u>	<u>3,688</u>

19. 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 Group operates the business related to sales, provide maintenance services, rental services and transportation services for cranes, forklifts, trailers and trucks. Therefore, Management considers that the Group operate in a single line of business and operate in a single geographic area, namely in Thailand.

20. COMMITMENTS AND CONTINGENT LIABILITIES

As at March 31, 2014, the Group had commitments and contingent liabilities as follows:

The Company

20.1 Commitments for payment under agreement as follow:

20.1.1 The service agreements in the amount of Baht 0.21 million per month and Pound 1,000 per month.

20.1.2 The land lease agreement in the amount of Baht 0.09 million per month.

20.1.3 Construction office building, factory and other service in the amount of Baht 2.39 million.

20.2 The letter of guarantee issued by the bank for guarantee in the amount of Baht 0.23 million.

20.3 Contingent liabilities as follow:

20.3.1 Contingent liabilities on co-guarantee for liabilities under finance leases of subsidiaries at book value in the amount of Baht 513.76 million (see Note 5).

20.3.2 Contingent liabilities on guarantee for liabilities under finance leases of customer outstanding balance in the amount of Baht 2.27 million.

20.3.3 Contingent liabilities from litigating a suit brought against it for a claim as default employment agreement in the amount of Baht 1 million. At present, the case is under the negotiation.

Subsidiaries

20.4 Commitments for payment under agreement as follow:

20.4.1 The land and/or construction agreement with related parties in the amount of Baht 0.20 million per month and other party in the amount of Baht 0.11 million per month.

20.4.2 The management agreement with the Company in the amount of Baht 0.95 million per month.

20.4.3 The service agreement in the amount of Baht 0.42 million per month.

20.5 The letter of guarantee issued by the bank for guarantee in the amount of Baht 0.68 million.

20.6 Contingent liabilities as follow:

20.6.1 Contingent liability on co-guarantee for liabilities under finance leases with the Company at book value in the amount of Baht 22.45 million (see Note 5).

20.6.2 Contingent liability on co-guarantee for liabilities under finance leases with the Subsidiaries at book value in the amount of Baht 3.96 million (see Note 5).

20.6.3 The Crane Service Co., Ltd. is litigating a suit brought against it involving compensation of breach debt confirmation agreement in the amount of Baht 66.54 million.

20.6.4 The Crane Heavy Lift Co., Ltd. is litigating a suit brought against it for a claim as default agreement and the official receiver informing to pay rent in the amount of Baht 14.92 million.

21. EVENTS AFTER THE REPORTING PERIOD

The Company

At the Ordinary General Meeting of Shareholders held on April 29, 2014, resolutions were passed authorizing as follows:

Dividend payment

- Stock dividend at the rate of 12 existing shares to 1 share dividend, totaling Baht 48.21 million and cash dividend at the rate of Baht 0.00925926 per share, totaling Baht 5.36 million, total dividend payment in the amount of Baht 53.57 million.

Decrease in share capital

- A special resolution was passed to decrease registered share capital from Baht 578,571,375 to Baht 578,570,233 by eliminating the unissued shares of 1,142 shares at the par value of Baht 1 each.

Increase in share capital

- A special resolution was passed to increase registered share capital from Baht 578,570,233 to Baht 626,784,419 by issuing new 48,214,186 ordinary shares at the par value of Baht 1 each for share dividend.

The Company is registering the decrease and increase of its share capital with the Ministry of Commerce.

At the Board of Directors' Meeting held on May 14, 2014, the resolutions were passed to purchase land in the amount of Baht 14 million.

Subsidiary

At the Extraordinary General Meeting of Shareholders of The Crane Rayong Company Limited (Subsidiary) held on April 10, 2014, a special resolution was passed to increase registered capital from Baht 25 million to Baht 150 million by issuing new 1.25 million ordinary shares at the par value of Baht 100 each.

The Subsidiary registered the increase of its share capital with the Ministry of Commerce on April 17, 2014.

22. APPROVAL OF THE INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorised for issue by the Company's Board of Directors on May 14, 2014.