

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders of NCL International Logistics Public Company Limited

I have reviewed the accompanying statements of financial position as at 30 June 2014 and the related statements of comprehensive income for the three-month and six-month periods ended 30 June 2014, changes in shareholders' equity and cash flows for the six-month period then ended, and the condensed notes to financial statements of NCL International Logistics Public Company Limited. The Company's management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### Scope of Review

I conducted my reviews 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 reviews, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34 "Interim Financial Reporting".

SP Audit Company Limited

(Miss Susan Eiamvanicha)

Certified Public Accountant (Thailand) No. 4306

Bangkok

13 August 2014

## NCL International Logistics Public Company Limited

## Statement of Financial Position

As at 30 June 2014

(Unit : Baht)

	Notes	30 June 2014	31 December 2013
		Unaudited	Audited
<u>Assets</u>			
Current Assets			
Cash and cash equivalents		99,486,770.21	57,216,806.13
Trade and other receivables - related parties	5.1,6	-	60,321.39
Trade and other receivables - third parties	7	122,493,337.83	157,259,062.45
Total Current Assets		221,980,108.04	214,536,189.97
Non - Current Assets			
Fixed deposits pledged as collateral		91,793,165.38	59,480,624.95
Property, plant and equipment	8	159,045,571.57	169,420,816.90
Intangible assets	9	1,209,083.68	974,924.43
Prepaid rental		1,318,103.01	1,383,510.51
Withholding taxed		12,110,263.00	12,110,263.00
Other non - current assets		2,410,947.11	1,924,702.00
Total Non - Current Assets		267,887,133.75	245,294,841.79
Total Assets		489,867,241.79	459,831,031.76

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

## NCL International Logistics Public Company Limited

## Statement of Financial Position

As at 30 June 2014

(Unit : Baht)

	Notes	30 June 2014	31 December 2013
		Unaudited	Audited
<u>Liabilities and Shareholders' Equity</u>			
Current Liabilities			
Bank overdraft and short - term loans from financial institutions	10	178,367,943.65	125,367,261.48
Other payables - related parties	5.1	2,410,000.00	2,100,000.00
Trade and other payables - third parties	11	65,104,004.10	71,254,878.81
Revenue Department payable		3,034,199.12	4,114,498.70
Income tax payable		523,137.42	1,234,152.03
Current portion of :-			
Long - term loans from financial institutions	12	-	1,169,043.41
Obligation under finance leases	13	28,035,092.99	31,276,804.11
Total current liabilities		277,474,377.28	236,516,638.54
Non - Current Liabilities			
Obligation under finance leases	13	39,172,748.64	52,960,414.82
Provision for decommissioning costs		121,473.93	121,473.93
Employee benefit obligations	14	4,440,318.00	4,016,308.00
Deferred tax liabilities	15	2,658,068.95	1,562,310.95
Other non - current liabilities		1,385,440.50	1,400,349.50
Total non - current Liabilities		47,778,050.02	60,060,857.20
Total Liabilities		325,252,427.30	296,577,495.74

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

## NCL International Logistics Public Company Limited

## Statement of Financial Position

As at 30 June 2014

(Unit : Baht)

	Notes	30 June 2014	31 December 2013
		Unaudited	Audited
Shareholders' Equity			
Share capital	16		
Authorised share capital			
420,000,000 ordinary shares of Baht 0.25 each		105,000,000.00	105,000,000.00
Issued and paid up share capital			
325,000,000 ordinary shares of Baht 0.25 each		81,250,000.00	81,250,000.00
Premium on ordinary shares		48,750,000.00	48,750,000.00
Retained earnings			
Appropriated - legal reserve		10,500,000.00	10,500,000.00
Unappropriated		24,114,814.49	22,753,536.02
Total shareholders' equity		164,614,814.49	163,253,536.02
Total Liabilities and Shareholders' Equity		489,867,241.79	459,831,031.76

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

## NCL International Logistics Public Company Limited

## Statement of Comprehensive Income

For the three-month period ended 30 June 2014

		(Unit : Baht)	
	Notes	2014	2013
Revenues			
Service income		231,478,629.61	198,224,764.93
Other income		3,412,668.95	3,541,901.90
Total Revenues		234,891,298.56	201,766,666.83
Expenses			
Cost of services		188,106,241.10	150,676,284.09
Selling expenses		2,758,589.79	6,945,571.89
Administrative expenses		25,734,799.38	23,940,399.36
Management benefit expense	5.3	5,280,187.00	6,291,399.25
Finance cost		2,777,769.98	2,610,263.04
Total Expenses		224,657,587.25	190,463,917.63
Profit before income tax expenses		10,233,711.31	11,302,749.20
Income tax expense		(2,664,666.78)	(2,903,893.41)
Profit for the period		7,569,044.53	8,398,855.79
Other comprehensive income		-	-
Total comprehensive income for the period		7,569,044.53	8,398,855.79
Basic earnings per share	18	0.02	0.03
Number of share (Unit : share)		325,000,000	325,000,000

**Unaudited**

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

## NCL International Logistics Public Company Limited

## Statement of Comprehensive Income

For the six-month period ended 30 June 2014

		(Unit : Baht)	
	Notes	2014	2013
Revenues			
Service income		484,693,404.31	433,880,086.73
Other income		3,802,795.73	3,923,833.61
Total Revenues		488,496,200.04	437,803,920.34
Expenses			
Cost of services		394,050,266.91	328,144,039.19
Selling expenses		5,508,204.92	14,409,972.54
Administrative expenses		51,268,646.02	44,981,143.83
Management benefit expense	5.3	10,660,375.00	12,029,456.43
Finance cost		5,353,420.13	5,072,251.77
Total Expenses		466,840,912.98	404,636,863.76
Profit before income tax expenses		21,655,287.06	33,167,056.58
Income tax expense	17	(5,294,008.59)	(7,427,850.16)
Profit for the period		16,361,278.47	25,739,206.42
Other comprehensive income		-	-
Total comprehensive income for the period		16,361,278.47	25,739,206.42
Basic earnings per share	18	0.05	0.08
Number of share (Unit : share)		325,000,000	325,000,000

**Unaudited**

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

## NCL International Logistics Public Company Limited

## Statements of Changes in Shareholders's Equity

For the six-month period ended 30 June 2014

(Unit : Baht)						
	Notes	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings (deficits)		Total
				Legal reserve	Unappropriated	
Balance as at 1 January 2014		81,250,000.00	48,750,000.00	10,500,000.00	22,753,536.02	163,253,536.02
Changes in equity for the period						
Dividend paid	19	-	-	-	(15,000,000.00)	(15,000,000.00)
Total comprehensive income for the period		-	-	-	16,361,278.47	16,361,278.47
Balance as at 30 June 2014		81,250,000.00	48,750,000.00	10,500,000.00	24,114,814.49	164,614,814.49
Balance as at 1 January 2013		81,250,000.00	48,750,000.00	-	(8,362,816.68)	121,637,183.32
Changes in equity for the period						
Total comprehensive income for the period		-	-	-	25,739,206.42	25,739,206.42
Balance as at 30 June 2013		81,250,000.00	48,750,000.00	-	17,376,389.74	147,376,389.74

Unaudited

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

**NCL International Logistics Public Company Limited**

**Statements of Cash Flows**

**For the six-month period ended 30 June 2014**

	<b>(Unit : Baht)</b>	
	<b>Notes</b>	
	<b>2014</b>	<b>2013</b>
<b>Cash Flow from Operating Activities</b>		
Profit before income tax expense	21,655,287.06	33,167,056.58
Adjustments to reconcile profit before income tax expense for		
cash provided by (used in) operating activities		
Doubtful debt	3,416,700.56	5,480,803.41
Unrealised (gain) loss from exchange rates	8,133.89	(411,430.21)
Loss on disposal of property, plant and equipment	-	196,976.54
Loss on insurance claim	273,639.83	-
Depreciation and amortisation	7,811,460.62	6,571,503.76
Loss on write - off assets	108,009.87	-
Prepaid rental	65,407.50	65,407.50
Employee benefit obligations	487,467.00	416,912.00
Interest income	(562,035.20)	(623,524.96)
Interest expenses	5,353,420.13	5,072,251.77
Profit from operating activities before changes in operating assets		
and liabilities	38,617,491.26	49,935,956.39
(Increase) decrease in trade and other receivables - related parties	60,321.39	273,420.00
(Increase) decrease in trade and other receivables - third parties	31,306,533.65	30,652,121.41
(Increase) decrease in other non - current assets	(219,845.11)	(121,877.00)
Increase (decrease) in other payables - related parties	310,000.00	537,376.54
Increase (decrease) in trade and other payables - third parties	(5,791,771.99)	(21,304,700.90)
Increase (decrease) in Revenue Department payable	(1,080,299.58)	78,335.79
Increase (decrease) in other non - current liabilities	(14,909.00)	692,560.50
Cash generated from operation	63,187,520.62	60,743,192.73
Cash received from interest	690,050.32	743,584.01
Cash paid for employee benefit	(63,457.00)	-
Cash paid for income tax	(4,909,265.20)	(2,826,884.77)
Net Cash provided by (used in) Operating Activities	58,904,848.74	58,659,891.97

**Unaudited**

.....Director  
(Mr.Kitti Phuathavornskul)

.....Directo  
(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.



**NCL International Logistics Public Company Limited**

**Statements of Cash Flows**

**For the six-month period ended 30 June 2014**

	Notes	2014	2013
<b>(Unit : Baht)</b>			
<b>Cash Flow from Investing Activities</b>			
Cash paid for purchase of property, plant and equipment		(979,143.33)	(5,475,088.75)
Cash received from sales of property, plant and equipment		-	730,005.61
Cash paid for purchase of intangible assets		(332,000.00)	(59,263.00)
Cash received from compensation of insurance claim		934,207.38	-
(Increase) decrease in fixed deposits pledged as collateral		(32,312,540.43)	(562,358.48)
Net Cash provided by (used in) Investing Activities		<u>(32,689,476.38)</u>	<u>(5,366,704.62)</u>
<b>Cash Flows from Financing Activities</b>			
Increase (decrease) in bank overdraft and short - term loans from financial institutions		53,000,682.17	10,873,690.48
Cash paid for long - term loans from financial institution		(1,169,043.41)	(1,547,812.69)
Cash paid for obligation under finance leases		(15,276,015.96)	(13,805,301.80)
Cash paid for interest - obligation under finance leases		(2,836,887.70)	(3,307,161.39)
Interest paid		(2,664,143.38)	(1,741,132.34)
Dividend paid		(15,000,000.00)	-
Net Cash provided by (used in) Financing Activities		<u>16,054,591.72</u>	<u>(9,527,717.74)</u>
Net Increase (Decrease) in Cash and Cash Equivalent		42,269,964.08	43,765,469.61
Cash and Cash Equivalent at Beginning of Period		57,216,806.13	6,342,475.29
Cash and Cash Equivalent at End of Period	20.1	<u>99,486,770.21</u>	<u>50,107,944.90</u>

**Unaudited**

.....Director  
(Mr.Kitti Phuathavornskul)

.....Directo  
(Ms.Netirad Sang-ngam)

Notes to financial statements are an integral part of these financial statements.

**NCL INTERNATIONAL LOGISTICS PUBLIC COMPANY LIMITED**  
**CONDENSED NOTES TO INTERIM FINANCIAL STATEMENTS**  
**FOR THE SIX-MONTH PERIOD ENDED 30 June 2014 (UNAUDITED)**

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1. General information

NCL International Logistics Public Company Limited is a public limited company and is incorporated in Thailand. The address of the Company's registered office is 56/9-10 Soi Taksin 12/1, Taksin Road, Bukkalo, Thonburi, Bangkok.

The principal activities of the Company consisted of land transportation, freight forwarding and non vessel operating common carrier ("NVOCC").

2. Basis of preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543 (or 2000), being those Thai Accounting Standards issued under the Account Profession Act B.E. 2547 (or 2004), and the financial reporting requirements of Capital Market Supervisory Board. The primary financial statements (i.e. statements of financial position, statements of comprehensive income, statements of changes in equity and statements of cash flows) are prepared in the full format as required by Capital Market Supervisory Board. The notes to the financial statements are prepared in a condensed format according to Thai Accounting Standard 34 (revised 2012), "Interim Financial Reporting" and additional notes are presented as required by Capital Market Supervisory Board under the Securities and Exchange Act B.E. 2535 (or 1992) due to the Company being to issue securities for offering in the Securities Exchange of Thailand.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 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 on 31 December 2013.

The interim financial statements issued for Thai report purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

.....Director  
 (Mr.Kitti Phuathavornskul)

.....Director  
 (Ms.Netirad Sang-ngam)

*(Unaudited)*

The Federation of Accounting Profession (FAP) has notified to apply the following financial reporting standards to the financial statements having an accounting period beginning on or after 1 January 2014.

TFRS No. 2 Share-based Payment (revised 2012)  
 TFRS No. 3 Business Combinations (revised 2012)  
 TFRS No. 5 Non-current Assets Held for Sale and Discontinued Operations (revised 2012)  
 TFRS No. 8 Operating Segments (revised 2012)  
 TAS No. 1 Presentation of Financial Statements (revised 2012)  
 TAS No. 7 Statement of Cash Flows (revised 2012)  
 TAS No. 12 Income Taxes (revised 2012)  
 TAS No. 17 Leases (revised 2012)  
 TAS No. 18 Revenue (revised 2012)  
 TAS No. 19 Employee Benefits (revised 2012)  
 TAS No. 21 The Effects of Changes in Foreign Exchange Rates (revised 2012)  
 TAS No. 24 Related Party Disclosures (revised 2012)  
 TAS No. 28 Investments in Associates (revised 2012)  
 TAS No. 31 Interests in Joint Ventures (revised 2012)  
 TAS No. 34 Interim Financial Reporting (revised 2012)  
 TAS No. 36 Impairment of Assets (revised 2012)  
 TAS No. 38 Intangible Assets (revised 2012)  
 TFRI No. 1 Changes in Existing Decommissioning, Restoration and Similar Liabilities  
 TFRI No. 4 Determining whether an Arrangement contains a Lease  
 TFRI No. 5 Rights to Interests arising from Decommissioning, Restoration and Environmental  
     Rehabilitation Funds  
 TFRI No. 7 Applying the Restatement Approach under TAS No. 29 Financial Reporting in  
     Hyperinflationary Economies  
 TFRI No. 10 Interim Financial Reporting and Impairment  
 TFRI No. 12 Service Concession Arrangements  
 TFRI No. 13 Customer Loyalty Programmes  
 TFRI No. 17 Distributions of Non-cash Assets to Owners  
 TFRI No. 18 Transfers of Assets from Customers  
 TSI No. 15 Operating Leases-Incentives  
 TSI No. 27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease  
 TSI No. 29 Service Concession Arrangements : Disclosures  
 TSI No. 32 Intangible Assets-Web Site Costs

.....Director

(Mr.Kitti Phuathavornskul)

.....Director

(Ms.Netirad Sang-ngam)

*(Unaudited)*

The Company has adopted such financial reporting standards to the financial statements on the current period. The management believes that they don't have any significant impact on the financial statements for the current period.

Moreover, the Federation of Accounting Profession has notified to apply the following financial reporting standards to the financial statements in the future periods.

	<u>Effective date</u>
TFRS No. 4 Insurance Contracts	1 January 2016

The Company has not early adopted such financial reporting standards having the effective date to the financial statements on the future periods before the effective dates. The management believes that they will not have any significant impact on the financial statements for the period in which they are initially adopted.

### 3. 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 31 December 2013.

Costs that incur unevenly during the financial year are anticipated or deferred in the interim report only if it would be also appropriate to anticipate or defer such costs at the end of the financial year.

### 4. Change in accounting estimates

For the six-month period ended on 30 June 2014, the Company reviews the estimation of the useful life and the residual value of vehicles by increasing the useful life of such assets from 8 years to 10 years and decreasing the residual value of such assets in accordance with the expansion of useful life so as to reflect the use of such assets to match the actual use. The Company adopts the prospective treatment for such change. The change in accounting estimate effects that the depreciation for the year ended 31 December 2014 and 2015, increases in the amount of Baht 4.26 million and Baht 5.19 million, respectively in the statement of comprehensive income.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*5. Related party transactions

As at 30 June 2014, Phuathavornskul family is a major shareholder, holding 76.31% (31 December 2013 : 76.31%) of the share capital of the Company. Transactions related to companies in which the principal shareholders or directors are recognised as related parties to the Company.

The transactions with related parties for the three-month and six-month periods ended 30 June 2014 and 2013 as follows:

5.1 Inter-assets and liabilities

(Unit: Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Trade receivable		
Great&Grammer (Thailand) Co.,Ltd.	-	33,057.63
Other receivable		
Great&Grammer (Thailand) Co.,Ltd.	-	27,263.76
Total trade and other receivables	-	60,321.39
Accrued expense		
Director	2,410,000.00	2,100,000.00

5.2 Inter-revenue and expenses

(Unit : Baht)

	For the three-month period ended 30 June	
	<u>2014</u>	<u>2013</u>
Freight forwarder income		
Great&Grammer (Thailand) Co.,Ltd.	-	246,282.69
Rental fee		
Director	360,000.00	360,000.00
Closed family of director	23,685.00	23,685.00
	383,685.00	383,685.00
Director benefit expense		
Director	370,000.00	580,000.00

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)

(Unit : Baht)

For the six-month period ended 30 June

	<u>2014</u>	<u>2013</u>
Freight forwarder income		
Great&Grammer (Thailand) Co.,Ltd.	-	292,955.97
Rental fee		
Director	720,000.00	720,000.00
Closed family of director	47,370.00	47,370.00
	<u>767,370.00</u>	<u>767,370.00</u>
Director benefit expense		
Director	650,000.00	690,000.00

5.3 Management benefit expense

(Unit: Baht)

For the three-month period ended 30 June

	<u>2014</u>	<u>2013</u>
Short-term employee benefits	5,233,000.00	6,252,698.25
Post-employment benefits	47,187.00	38,701.00
	<u>5,280,187.00</u>	<u>6,291,399.25</u>

(Unit: Baht)

For the six-month period ended 30 June

	<u>2014</u>	<u>2013</u>
Short-term employee benefits	10,566,000.00	11,952,055.43
Post-employment benefits	94,375.00	77,401.00
	<u>10,660,375.00</u>	<u>12,029,456.43</u>

5.4 Nature of relationship

<u>Company</u>	<u>Relationship</u>
Unitrans Global Co.,Ltd.	Mutual management.
VP International Logistics (Thailand) Co.,Ltd.	Mutual shareholders and directors
Petchsurat Trading Co.,Ltd.	Mutual management.
Sevenday Dialysis Co.,Ltd.	Held by closed family of director
Great&Grammer (Thailand) Co.,Ltd.	Mutual shareholders

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*5.5 Pricing policies

<u>Trading transactions</u>	<u>Policy of pricing</u>
Purchase - sales of prime remover and trailer	Based on finance leases and financial leases minus 10%.
Inter - management fee	2% of transport income
Inter - transportation fee	Price similar to outsider
Inter – freight forwarder	Cost + 10 - 27%
Inter - rental fee	Based on appraised value by an independent appraiser + 24%
Inter - rental fee	Contract price

5.6 Obligation

As at 30 June 2014 and 31 December 2013, the Company entered a lease agreement for land with structures with a director in 1 contract for a period of three years with option to renew. The Company was committed to pay for such rental in amount of Baht 1.44 million per year.

As at 30 June 2014 and 31 December 2013, the Company entered a lease agreement for land with structures with a closed of family of director in 1 contract for a period of three years with option to renew. The Company was committed to pay for such rental in amount of Baht 0.09 million per year.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*6. Trade and other receivable – related party

Outstanding trade receivable – related party can be aged as follow:

(Unit : Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Trade account receivables		
Within credit term	-	33,057.63
Overdue less than 3 months	-	-
Overdue 3 – 6 months	-	-
Overdue 6 – 12 months	-	-
Overdue over 12 months	-	-
Total	-	33,057.63
Other receivables	-	27,263.76
Total trade and other receivable	-	60,321.39

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)



(Unaudited)

7. Trade and other receivable – related parties

Consisted of

(Unit : Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Trade receivables		
Post dated cheque	5,216,138.73	2,721,960.43
Trade receivables	115,522,170.63	142,337,944.00
Total	120,738,309.36	145,059,904.43
<u>Less</u> Allowance for doubtful debts	(11,218,797.76)	(7,770,015.71)
Net	109,519,511.60	137,289,888.72
Other receivables	3,581,789.00	2,066,692.29
<u>Less</u> Allowance for doubtful debts	(87,418.16)	(87,418.16)
Net	3,494,370.84	1,979,274.13
Custom brokerage receivable	3,128,723.29	12,239,607.75
<u>Less</u> Allowance for doubtful debts	(1,549.41)	(33,630.90)
Net	3,127,173.88	12,205,976.85
Prepaid insurance	3,890,998.37	4,594,674.66
Advance payment	890,204.89	14,607.54
Suspend input vat	1,571,078.25	1,174,640.55
Total trade and other receivables	122,493,337.83	157,259,062.45

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

Outstanding trade receivable – third parties can be aged as follow:

(Unit : Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Within credit term	70,871,259.25	66,278,467.72
Overdue less than 3 months	38,151,776.35	67,107,035.68
Overdue 3 – 6 months	431,217.93	346,982.65
Overdue 6 – 12 months	224,085.74	5,583,878.02
Overdue over 12 months	11,059,970.09	5,743,540.36
Total	120,738,309.36	145,059,904.43
<u>Less</u> Allowance for doubtful debts	(11,218,797.76)	(7,770,015.71)
Net	109,519,511.60	137,289,888.72

The movement allowance for doubtful debts trade receivable – third parties for the six-month period ended 30 June 2014 was as follow:

	(Unit: Baht)
Beginning balance	(7,770,015.71)
Additions during the period	(3,448,782.05)
Collect during the period	-
Ending balance	<u>(11,218,797.76)</u>

Outstanding custom brokerage receivable can be aged as follow:

(Unit : Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Within credit term	2,084,704.11	5,284,541.37
Overdue less than 3 months	1,039,250.28	6,889,141.97
Overdue 3 – 6 months	3,219.49	56,375.00
Overdue 6 – 12 months	-	8,000.00
Overdue over 12 months	1,549.41	1,549.41
Total	3,128,723.29	12,239,607.75
<u>Less</u> Allowance for doubtful debts	(1,549.41)	(33,630.90)
Net	3,127,173.88	12,205,976.85

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

The movement allowance for doubtful debts – custom brokerage receivable for the six-month period ended 30 June 2014 was as follow :

	(Unit: Baht)
Beginning balance	(33,630.90)
Additions during the period	-
Collect during the period	32,081.49
Ending balance	<u><u>(1,549.41)</u></u>

The movement allowance for doubtful debts – other receivables for the six-month period ended 30 June 2014 was as follow :-

	(Unit: Baht)
Beginning balance	(87,418.16)
Additions during the period	-
Collect during the period	-
Ending balance	<u><u>(87,418.16)</u></u>

The Company provides credit term to its customers for a period not exceeding 60 days.

The Company has a policy of allowance for doubtful accounts receivable at 100% of the debtor which no contact with the Company anymore and overdue more than 181 days. (If the same customer has the outstanding both debtor and creditor. The Company will recorded the allowance for doubtful by the amount of debtor deducted by amount of creditor).

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*8. Property, plants and equipment

The movement of property, plants and equipment during the six-month period ended 30 June 2014 was as follows :

	(Unit: Baht)
Opening net book value	169,420,816.90
Purchase	1,017,326.28
Transfer out	(48,767.07)
Write off for the period	(3,335,618.42)
Depreciation charge for the period	(8,008,186.12)
Ending net book value	<u><u>159,045,571.57</u></u>

As at 30 June 2014, the gross carrying amounts of certain property, plant and equipment items of the Company totaling Baht 13.99 million were fully depreciated but these items are still in active use (31 December 2013 : Baht 8.27 million).

As at 30 June 2014 and 31 December 2013, the Company has mortgaged the land plus property with carrying amounts of Baht 20.56 million in order to guarantee against credit facility that the Company receives from one commercial bank in the credit line of Baht 20.00 million.

As at 30 June 2014, leased assets included above, where the Company are lessee under finance leases, comprise equipment and motor vehicle with net book value of Baht 136.14 million (31 December 2013 : Baht 140.54 million).

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*9. Intangible assets

The movement of intangible assets for the six-month period ended 30 June 2014 was as follow:-

	(Unit : Baht)
Opening net book value	974,924.43
Purchase	332,000.00
Transfer in	48,767.07
Amortization charge for the period	(146,607.82)
Ending net book value	<u>1,209,083.68</u>

10. Bank overdraft and short – term loans from financial institutions

Consisted of

	(Unit : Baht)	
	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Bank overdrafts	16,367,943.65	13,367,261.48
Short – term loans	162,000,000.00	112,000,000.00
Total	<u>178,367,943.65</u>	<u>125,367,261.48</u>

As at 30 June 2014, the Company held bank overdraft and short – term loans facilities from several financial institutions in the amount of Baht 229.00 million (31 December 2013 : Baht 149.00 million), carried interest rate of 3.70% - 3.95% per annum (31 December 2013 : 3.70% - 4.75% per annum).

The credit facilities were secured by the Company's fixed deposits and bills of exchange and also guaranteed by one director.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*11. Trade and other payables - third parties

Consisted of

(Unit : Baht)

	As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>
Trade payables	49,778,425.68	49,062,790.51
Accrued expenses	8,160,113.89	13,317,248.42
Other payables	7,165,464.53	8,874,839.88
Total	<u>65,104,004.10</u>	<u>71,254,878.81</u>

12. Long – term loans from financial institutions

The movements of long-term loans from financial institutions for the six-month period ended 30 June 2014 was as follow :

	(Unit : Baht)
Opening balance	1,169,043.41
Additions during the period	-
Repayment during the period	<u>(1,169,043.41)</u>
Ending balance	<u>-</u>

As at 31 December 2013, the Company comprises long term loan with one financial institution in the credit line of Baht 20.00 million, carried interest rate of 6.50% per annum. The loan principal is repayable not less than Baht 300,000.00. Currently, the Company has already repaid the whole amount during the period.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)

13. Obligation under finance lease

The movements of obligation under finance lease for the six-month period ended 30 June 2014 was as follow:

	(Unit : Baht)
Opening balance	84,237,218.93
Additions during the period	-
Transfer out during the period	(1,753,361.34)
Repayment during the period	(15,276,015.96)
Ending balance	<u>67,207,841.63</u>

As at 30 June 2014 and 31 December 2013, the Company performs the contract of long term financial leased with several leasing companies so as to lease equipment and vehicle by number of 131 contracts. The leased contracts determine leased fee repayment as monthly installment from Baht 5,989.72 per month to Baht 130,604.76 per month. The leased period is carried from 3 years to 5 years. Such leased contract comprises the Company's directors and one subsidiary as guarantors. In addition, ownership of such vehicle and equipment will transfer to ownership of the Company when the Company pays the final installment in accordance with the leased contract.

Obligation under finance lease - minimum lease payments:

	(Unit : Baht)		
	As at 30 June 2014		
	Obligation under <u>finance lease</u>	Deferred finance <u>lease charges</u>	<u>Net</u>
Not later than 1 year	31,659,909.34	(3,624,816.35)	28,035,092.99
Later than 1 year but not later than 5 years	41,913,736.64	(2,740,988.00)	39,172,748.64
Total	<u>73,573,645.98</u>	<u>(6,365,804.35)</u>	<u>67,207,841.63</u>

	(Unit : Baht)		
	As at 31 December 2013		
	Obligation under <u>finance lease</u>	Deferred finance <u>lease charges</u>	<u>Net</u>
Not later than 1 year	36,117,344.13	(4,840,540.02)	31,276,804.11
Later than 1 year but not later than 5 years	57,334,405.34	(4,373,990.52)	52,960,414.82
Total	<u>93,451,749.47</u>	<u>(9,214,530.54)</u>	<u>84,237,218.93</u>

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

The Company amortized the interest according to the financial leased contract for the three-month and six-month periods ended 30 June 2014 in the amount of Baht 1.25 million and Baht 2.66 million, respectively (30 June 2013 : Baht 1.79 million and Baht 3.31 million, respectively) which was recorded as “Finance cost” in the statement of comprehensive income.

#### 14. Employee benefit obligation

Changes in the present value of the employee benefit obligation for the six-month period ended 30 June 2014 was as follows -

	(Unit: Baht)
Beginning balance	4,016,308.00
Current service cost	416,839.00
Interest cost	70,628.00
Decrease in disposal of investments	(63,457.00)
Ending balance	<u>4,440,318.00</u>

#### 15. Deferred tax liabilities

The movements of deferred tax liabilities for the six-month period ended 30 June 2014 was as follow:-

	(Unit : Baht)		
	Statement of financial position		
	1 January 2014	Recognized in profit or loss	30 June 2014
Trade and other receivable	1,051,846.31	-	1,051,846.31
Property, plant and equipment	63,416.90	-	63,416.90
Obligation under finance lease	(3,480,835.76)	(1,180,560.00)	(4,661,395.76)
Employee benefits obligation	803,261.60	84,802.00	888,063.60
Deferred tax liabilities	<u>(1,562,310.95)</u>	<u>(1,095,758.00)</u>	<u>(2,658,068.95)</u>

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)



*(Unaudited)*16. Share capital

The movements of share capital for the six-month period ended 30 June 2014 was as follow:

	Number of shares (Unit : share)	Ordinary shares (Unit : Baht)		
Share capital				
As at 1 January 2014	420,000,000	105,000,000.00		
Issue of share during the period	-	-		
As at 30 June 2014	420,000,000	105,000,000.00		

  

	Number of shares (Unit : share)	Ordinary shares (Unit : Baht)	Premium on ordinary shares (Unit : Baht)	Total (Unit : Baht)
Issued and paid – up share capital				
As at 1 January 2014	325,000,000	81,250,000.00	48,750,000.00	130,000,000.00
Issue of share during the period	-	-	-	-
As at 30 June 2014	325,000,000	81,250,000.00	48,750,000.00	130,000,000.00

In accordance with the resolution of the ordinary shareholders meeting no.2/2013 on 20 June 2012, it resolves as follows:

- Approval to increase of the Company's share capital of Baht 23.75 million from Baht 81.25 million to Baht 105.00 million by issuing ordinary shares of 95,000,000 shares at par value of Baht 0.25 per share. The Company had registered such resolution with the Ministry of Commerce on 26 June 2013.

- Approval the allotment of new ordinary shares of the Company in number of 95,000,000 shares at par value of Baht 0.25 per share as follows.

1. The amount does not exceed 89,100,000 shares for offer general public.
2. The amount does not exceed 5,900,000 shares for the exercise of warrants to purchase ordinary shares to management and employees.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

- Approval to issue Employee Stock Option Plan: ESOP in the amount of 5,900,000 warrants to the management and employees. The details of warrants are described below:

1. It is the type of specific warrant's holder and not transferable and no secondary market of warrant
2. To offer to management and employees that their working age more than 5 years at the price of Baht 0.00 per unit.
3. The date the warrants are issued on the initial offering general public date.
4. The age of warrant is 5 years since the initial offering general public date.
5. The rate of warrants right exercise is one unit over one ordinary share.
6. The exercised price is Baht 0.25 per share.
7. The warrant can be exercise is every year since the initial offering general public date.

In accordance with Meeting of Shareholders 1/2014 held on 25 April 2014, the meeting has approved as follows:

- Approval of cancellation the ESOP plan to issue and offer warrants to its management and employees.

#### 17. Income tax expense

The income tax expenses recognized in profit or loss for the six-month period ended 30 June 2014 and 2013 were as follow.

	(Unit : Baht)	
	For the six-month period ended 30 June	
	<u>2014</u>	<u>2013</u>
Current tax expense	4,198,250.59	7,074,675.24
Deferred tax expenses relating to the origination and reversal of temporary difference	1,095,758.00	353,174.92
Total income tax expense recognized in profit or loss	5,294,008.59	7,427,850.16

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

The relationship between tax expense and accounting profit for the six-month period ended 30 June 2014 and 2013 were as follow.

	(Unit : Baht)	
	For the six-month period ended 30 June	
	<u>2014</u>	<u>2013</u>
Accounting profit	21,655,287.06	33,167,056.58
Tax rate used	20%	20%
Tax at the applicable tax rate	4,331,057.41	6,633,411.32
Effect of expenses that are not deductible in determining taxation profit	962,951.18	794,438.84
Income tax expense	5,294,008.59	7,427,850.16

#### 18. Basic earnings per share

Basic earnings per share is calculated by dividing the profit for the period attributable to shareholders (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period.

#### 19. Dividend payment

In accordance with Meeting of Shareholders 1/2014 held on 25 April 2014, the meeting has approved to pay the dividend from the Company's operation results of the year 2013 to shareholders at the rate of Baht 0.046154 per share for the total amount of Baht 15.00 million. The Company paid such dividend in April 2014.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*20. Supplemental disclosures of cash flow information

## 20.1 Cash and cash equivalents consisted of

	(Unit : Baht)	
	For the six-month period ended 30 June	
	<u>2014</u>	<u>2013</u>
Cash	1,090,000.00	940,264.00
Cash deposits-Saving accounts	7,003,314.48	6,851,694.00
Cash deposits-Current accounts	89,777,885.73	42,315,986.90
Cash deposits-fixed accounts exceeding 3 months	1,615,570.00	-
Total	99,486,770.21	50,107,944.90

## 20.2 Non - cash items

	(Unit : Baht)	
	For the six-month period ended 30 June	
	<u>2014</u>	<u>2013</u>
Amortization of gain on sale and leaseback	343,333.32	343,333.32
Purchase of assets but not paid	38,182.95	-
Purchase of assets under lease agreement	-	31,525,934.62
Transfer trade and other receivable to withholding tax at source	-	2,739,230.48
Transfer equipment to intangible assets	48,767.07	-
Transfer equipment to non-current assets	266,400.00	-

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

## 21. Operating segments

The Company identifies the operating segments on the basis of internal reports that are regularly reviewed by the Company's chief operating decision maker in order to allocate resources to the segment and assess its performance.

The principal activities of the Company consisted of land transportation, freight forwarding, and non – vessel operating common carrier (“NVOCC”). The detail of operation segment for the three-month period ended 30 June 2014 and 2013 were as follows:

(Unit : Million Bath)

	For the three-month period ended 30 June,									
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Other		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Services income	31.02	24.92	126.14	104.16	73.97	69.14	0.35	-	231.48	198.22
Gross margin	5.11	5.74	19.38	23.39	19.16	18.42	(0.28)	-	43.37	47.55
Other income									3.41	3.54
Selling expenses									(2.76)	(6.95)
Administrative expenses									(25.73)	(23.94)
Management benefit expense									(5.28)	(6.29)
Finance cost									(2.78)	(2.61)
Profit before income tax									10.23	11.30

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)

The reconciliations of each segment total assets to the Company's assets and other material items

(Unit : Million Bath)

	For the three-month period ended 30 June,											
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Other		Central		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Depreciation	3.25	1.64	-	-	-	-	-	-	1.46	1.77	4.71	3.41
Amortization	-	-	-	-	-	-	-	-	0.07	0.05	0.07	0.05

For the three-month period ended 30 June 2014, the Company has the service income with 1 major customer earned by freight forwarder segment in the amount of Baht 45.18 million and the Company has the service income (30 June 2013 : with 1 major customer earned by freight forwarder segment in the in amount of Baht 27.75 million).

.....Director  
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.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)

The detail of operation segment for the six-month period ended 30 June 2014 and 2013 were as follows:

(Unit : Million Bath)

	For the six-month period ended 30 June,									
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Other		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Services income	68.86	53.21	265.76	244.53	149.62	136.14	0.45	-	484.69	433.88
Gross margin	12.16	12.24	41.72	59.36	37.50	34.14	(0.74)	-	90.64	105.74
Other income									3.80	3.92
Selling expenses									(5.51)	(14.41)
Administrative expenses									(51.27)	(44.98)
Management benefit expense									(10.66)	(12.03)
Finance cost									(5.35)	(5.07)
Profit before income tax									21.65	33.17

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)

The reconciliations of each segment total assets to the Company's assets and other material items

(Unit : Million Bath)

	For the six-month period ended 30 June,											
	Land transportation		Freight forwarder		Non – vessel operating common carrier (NVOCC)		Other		Central		Total	
	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>	<u>2014</u>	<u>2013</u>
Depreciation	5.04	3.11	-	-	-	-	-	-	2.97	3.32	8.01	6.43
Amortization	-	-	-	-	-	-	-	-	0.15	0.14	0.15	0.14

For the six-month period ended 30 June 2014, the Company has the service income with 1 major customer earned by freight forwarder segment in the amount of Baht 84.38 million and the Company has the service income (30 June 2013 : with 1 major customer earned by freight forwarder segment in the in amount of Baht 68.89 million).

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

(Unaudited)



*(Unaudited)***22. Financial Instruments**

During the six-month period ended 30 June 2014, the Company has not other financial instruments significantly change from 31 December 2013.

**22.1 Risks from Interest Rates**

Risk from interest rates is derived from fluctuation of market interest rate in the future which affect upon operating result and cash flow. Risk from interest rates remains due to bank deposit, credit facilities owing to the commercial bank, short – term loan from related parties and obligation under financial leases. Due to the fact that such financial assets and liabilities constitute interest rates which are always closed to market interest rate; as a result, the Company anticipates of non material risk from interest rates.

	Amount (Unit : Baht)		Interest rate (% : per annum)	
	As at		As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>	<u>30 June 2014</u>	<u>31 December 2013</u>
Cash deposits-Saving accounts	7,003,314.48	31,595,242.41	0.125% - 0.375%	0.50%
Fixed deposit pledged as collateral	91,793,165.38	59,480,624.95	1.250% - 2.50%	0.629% - 2.50%
Bank overdrafts	16,367,943.65	13,367,261.48	3.60%-4.00%	3.95%-4.75%
Short – term loans from financial institutions	162,000,000.00	112,000,000.00	3.70% - 3.95%	3.70% - 3.95%
Long – term loans from financial institutions	-	1,169,043.41	-	6.50%
Obligation under financial leases	67,207,841.63	84,237,218.93	2.99% - 5.00%	3.20% - 5.00%

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

## 22.2 Foreign Currency Risk

The Company constitutes material risk from exchange rates in oversea currencies which has been trade receivable and payable those are foreign currency. The management has managed risk from exchange rates by opening of foreign current deposit (FCD) and performing the forward foreign currencies contract dependent on each case.

As at 30 June 2014 and 31 December 2013, the Company has foreign currency assets and liabilities were as follows :

	Foreign currency assets		Foreign currency liabilities	
	As at		As at	
	<u>30 June 2014</u>	<u>31 December 2013</u>	<u>30 June 2014</u>	<u>31 December 2013</u>
USD	976,778.60	603,136.31	461,262.77	325,548.52
GBP	5,581.32	-	11,305.42	15,329.86
EUR	-	8,956.91	995.28	1,193.92
NZD	-	-	-	739.00
SGD	-	165.45	14,669.77	10,802.45
AUS	225.00	-	2,050.00	-

## 23. Obligation and contingent liabilities

- 23.1 As at 30 June 2014 and 31 December 2013, the Company has performed the lease and service agreement with several third parties while there are the period 1 – 3 years with option to renew. The Company has obligation to repay lease and service fee in amount of Baht 263,045.00 per month.
- 23.2 As at 30 June 2014 and 31 December 2013, the Company has commitments under letter of guarantee issued on behalf of domestic banks in amount of Baht 2.83 million.
- 23.3 As at 30 June 2014, the Company has performed the service agreement with a financial advisor. The Company has obligation to pay the remaining in amount of Baht 0.90 million. (31 December 2013 : Baht 1.50 million)
- 23.4 As at 30 June 2014, the Company had forward contract which has not been withdrawn in amount of USD 50,000.00.

.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)

*(Unaudited)*

23.5 As at 30 June 2014 and 31 December 2013, the Company has commitments with a client for guarantee its service provider in amount of Baht 0.20 million.

24. Events after the reporting period

In accordance with Board of Directors meeting 4/2014 held on 13 August 2014, the meeting has approved to pay the interim dividend from the Company's operation results of the six-month period ended 30 June 2014 to shareholders at the rate of Baht 0.03076923 per share for the total amount of Baht 10.00 million. The Company will pay such dividend on 20 August 2014.

25. Approval of interim financial statements

The interim financial statement was authorized for issue by the Company's board of Directors on 13 August 2014.

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.....Director  
(Mr.Kitti Phuathavornskul)

.....Director  
(Ms.Netirad Sang-ngam)