

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY
LIMITED AND ITS SUBSIDIARIES**

Interim Financial Information

For the Three-Month Period ended March 31, 2016

and Independent Auditor's Report on Review of Interim Financial Information

BPR AUDIT AND ADVISORY CO., LTD.

Independent Auditors

INDEPENDENT AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION

To the Shareholders and the Board of Directors of General Environmental Conservation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of General Environmental Conservation Public Company Limited and its subsidiaries as at March 31, 2016, the related consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, and condensed notes to financial statements, and I have reviewed the accompanying statement of financial position of General Environmental Conservation Public Company Limited as at March 31, 2016, the statements of comprehensive income, changes in shareholders' equity, and cash flows for the three-month period then ended, and condensed notes to financial statements. The management is responsible for the preparation and fair 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.

Other Matter

The accompanying consolidated statement of financial position of General Environmental Conservation Company Limited and its subsidiaries, and the accompanying separate statement of financial position of General Environmental Conservation Public Company Limited as at December 31, 2015, presented herein for comparative purposes, was audited by other auditor whose report date February 26, 2016, expressed an unqualified opinion on those financial statements. The accompanying consolidated statements of comprehensive income, changes in shareholders' equity, and cash flows of General Environmental Conservation Company Limited and its subsidiaries for the three - month period ended March 31, 2015, as presented herein for comparative purposes, are parts of those interim financial information which were reviewed by other auditor whose report dated May 14, 2015, concluded that based on his review nothing had come to his attention that caused him to believe that the interim financial information is not prepared, in all material respects, in accordance with Accounting Standard No. 34 Interim Financial Reporting.

(Mr. Boonlert Kaewphanpurk)
Independent Auditor
Registration No. 4165

BPR AUDIT AND ADVISORY CO., LTD.
Bangkok
May 13, 2016

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

| | | In Thousand Baht | | | | |
|-----------------------------|--|-----------------------------------|------------------|-------------------------------|------------------|------------------|
| | | Consolidated Financial Statements | | Separate Financial Statements | | |
| | | March | December | March | December | |
| | | 31, 2016 | 31, 2015 | 31, 2016 | 31, 2015 | |
| | | "Unaudited" | "Audited" | "Unaudited" | "Audited" | |
| Notes | | "Reviewed" | "Reclassified" | "Reviewed" | "Reclassified" | |
| ASSETS | | | | | | |
| CURRENT ASSETS | | | | | | |
| | Cash and cash equivalents | 6 | 74,103 | 76,876 | 48,593 | 60,449 |
| | Trade and other receivables | 5,7 | 92,763 | 71,472 | 91,743 | 70,472 |
| | Short-term loans and interest receivables to related parties | 5 | - | - | 82,099 | 60,894 |
| | Real estate development costs | 8 | 847,895 | 852,096 | 390,662 | 405,319 |
| | Supplies | | 623 | 750 | 623 | 750 |
| | Other current assets | | 422 | 771 | - | - |
| | Total current assets | | 1,015,806 | 1,001,965 | 613,720 | 597,884 |
| NON - CURRENT ASSETS | | | | | | |
| | Deposits at financial institution pledged as collaterals | 9 | 12,106 | 756 | 12,106 | 756 |
| | Other long-term investments - available - for - sales | 10 | 9,368 | 7,295 | 9,368 | 7,295 |
| | Investments in subsidiaries | 11 | - | - | 550,108 | 550,108 |
| | Land and structures held for development | 12 | 331,999 | 331,999 | 167,482 | 167,482 |
| | Investment property | 13 | 80,478 | 81,343 | - | - |
| | Property, plant and equipment | 14 | 127,753 | 135,489 | 122,884 | 130,263 |
| | Deferred tax assets | 20 | 6,935 | 7,603 | 5,091 | 5,703 |
| | Other non - current assets | 5 | 19,628 | 16,759 | 17,750 | 15,111 |
| | Total non - current assets | | 588,267 | 581,244 | 884,789 | 876,718 |
| | TOTAL ASSETS | | 1,604,073 | 1,583,209 | 1,498,509 | 1,474,602 |

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF FINANCIAL POSITION
AS AT MARCH 31, 2016

| | In Thousand Baht | | | | |
|--|-----------------------------------|------------------|-------------------------------|------------------|------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | | |
| | March | December | March | December | |
| | 31, 2016 | 31, 2015 | 31, 2016 | 31, 2015 | |
| | "Unaudited" | "Audited" | "Unaudited" | "Audited" | |
| Notes | "Reviewed" | "Reclassified" | "Reviewed" | "Reclassified" | |
| LIABILITIES AND SHAREHOLDERS' EQUITY | | | | | |
| CURRENT LIABILITIES | | | | | |
| Short-term loans from financial institutions | 15 | 27,877 | - | 27,877 | - |
| Short - term loans - other parties | 16 | 190,000 | 200,000 | 80,000 | 90,000 |
| Trade and other payables | 5,17 | 72,248 | 78,255 | 56,663 | 63,151 |
| Current portion of liabilities under finance lease contracts | | 108 | 108 | 108 | 108 |
| Total current liabilities | | 290,233 | 278,363 | 164,648 | 153,259 |
| NON - CURRENT LIABILITIES | | | | | |
| Liabilities under finance lease contracts - net of current portion | | 204 | 231 | 204 | 231 |
| Employee benefit obligations | | 4,273 | 4,116 | 4,158 | 4,004 |
| Other non - current liabilities | | 34,000 | 34,000 | 34,000 | 34,000 |
| Total non - current liabilities | | 38,477 | 38,347 | 38,362 | 38,235 |
| TOTAL LIABILITIES | | 328,710 | 316,710 | 203,010 | 191,494 |
| SHAREHOLDERS' EQUITY | | | | | |
| Share capital - common shares, Baht 1 par value | | | | | |
| Authorized share capital - 2,230,000,000 common shares, Baht 1 par value | 18 | 2,230,000 | 2,230,000 | 2,230,000 | 2,230,000 |
| Issued and fully paid-up share capital - 1,041,064,062 shares, Baht 1 par value | 18 | 1,041,064 | 1,041,064 | 1,041,064 | 1,041,064 |
| Premium on share capital | | 208,730 | 208,730 | 208,730 | 208,730 |
| Retained earnings (Deficit) | | | | | |
| - Appropriated for legal reserve | | 7,911 | 7,911 | 7,911 | 7,911 |
| - Unappropriated | | 26,986 | 20,195 | 47,122 | 36,804 |
| Other component of shareholders' equity | | (9,328) | (11,401) | (9,328) | (11,401) |
| Total equity holders of the parent company | | 1,275,363 | 1,266,499 | 1,295,499 | 1,283,108 |
| Non - controlling interest | | - | - | - | - |
| TOTAL SHAREHOLDERS' EQUITY | | 1,275,363 | 1,266,499 | 1,295,499 | 1,283,108 |
| TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY | | 1,604,073 | 1,583,209 | 1,498,509 | 1,474,602 |

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
STATEMENT OF COMPREHENSIVE INCOME
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

"UNAUDITED"
"REVIEWED"

| | Notes | In Thousand Baht | | | |
|--|-------|-----------------------------------|-----------------|-------------------------------|----------------|
| | | Consolidated Financial Statements | | Separate Financial Statements | |
| | | 2016 | 2015 | 2016 | 2015 |
| REVENUES | | | | | |
| Revenues from services - service business | | 68,798 | 59,443 | 68,798 | 59,361 |
| Revenues from sales - real estate development business | | 36,727 | 22,770 | 30,278 | 16,080 |
| Other income | | 1,929 | 2,521 | 2,054 | 2,206 |
| Total Revenues | | 107,454 | 84,734 | 101,130 | 77,647 |
| EXPENSES | | | | | |
| Costs of services - service business | | 43,919 | 41,669 | 43,919 | 41,669 |
| Costs of sales - real estate development business | | 22,284 | 19,194 | 18,154 | 12,679 |
| Selling expenses | | 3,117 | 2,667 | 2,392 | 2,474 |
| Administrative expenses | | 27,376 | 27,308 | 24,385 | 25,281 |
| Finance costs | | 3,299 | 3,240 | 1,350 | 2,417 |
| Total Expenses | | 99,995 | 94,078 | 90,200 | 84,520 |
| PROFIT (LOSS) BEFORE INCOME TAX | | 7,459 | (9,344) | 10,930 | (6,873) |
| Income tax income (expenses) | 20 | (668) | 3,422 | (612) | 3,415 |
| PROFIT (LOSS) FOR THE PERIOD | | 6,791 | (5,922) | 10,318 | (3,458) |
| Other comprehensive income (loss) - net of tax | | | | | |
| Other comprehensive income not to be reclassified to profit or loss in subsequent periods | | | | | |
| - Defined benefit plan actuarial loss | | - | (5,729) | - | (5,295) |
| - Income tax relating to defined benefit plan actuarial loss | | - | 1,146 | - | 1,059 |
| Other comprehensive income to be reclassified to profit or loss in subsequent periods | | | | | |
| - Gain on revaluation of available-for-sale securities | | 2,073 | 165 | 2,073 | 165 |
| Total other comprehensive income (loss) for the period | | 2,073 | (4,418) | 2,073 | (4,071) |
| TOTAL COMPREHENSIVE INCOME (LOSS) FOR THE PERIOD | | 8,864 | (10,340) | 12,391 | (7,529) |
| Profit (loss) for the period attributable to : | | | | | |
| Equity holders of the parent company | | 6,791 | (5,922) | 10,318 | (3,458) |
| Non - controlling interest | | - | - | - | - |
| | | 6,791 | (5,922) | 10,318 | (3,458) |
| Total comprehensive income (loss) for the period attributable to : | | | | | |
| Equity holders of the parent company | | 8,864 | (10,340) | 12,391 | (7,529) |
| Non - controlling interest | | - | - | - | - |
| | | 8,864 | (10,340) | 12,391 | (7,529) |
| BASIC EARNINGS (LOSS) PER SHARE (In Baht) | 21 | 0.007 | (0.006) | 0.010 | (0.004) |
| DILUTED EARNINGS (LOSS) PER SHARE (In Baht) | 21 | 0.006 | (0.006) | 0.010 | (0.004) |

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

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

"UNAUDITED"

"REVIEWED"

| In Thousand Baht | | | | | | | | | |
|--|------|--|-----------------------------|-----------------------------------|-----------------------------|--|--|--------------------------------|----------------------------------|
| Consolidated Financial Statements | | | | | | | | | |
| | Note | Issued and fully paid - up share capital | Premium on share capital | Retained earnings (Deficit) | | Other component of shareholders' equity | Total equity attributable to owners of the parent company | Non - controlling interests | Total shareholders' equity |
| | | | | Appropriated for legal reserve | Unappropriated (Deficit) | Unrealized gain (loss) from available - for - sale investments | | | |
| Balance as at January 1, 2016 | | 1,041,064 | 208,730 | 7,911 | 20,195 | (11,401) | 1,266,499 | - | 1,266,499 |
| Comprehensive income (loss) for the period | | | | | | | | | |
| Profit for the period | | - | - | - | 6,791 | - | 6,791 | - | 6,791 |
| Other comprehensive income (loss) | | - | - | - | - | 2,073 | 2,073 | - | 2,073 |
| Total comprehensive income (loss) for the period | | - | - | - | 6,791 | 2,073 | 8,864 | - | 8,864 |
| Balance as at March 31, 2016 | | <u>1,041,064</u> | <u>208,730</u> | <u>7,911</u> | <u>26,986</u> | <u>(9,328)</u> | <u>1,275,363</u> | <u>-</u> | <u>1,275,363</u> |
| Balance as at January 1, 2015 | | 910,580 | 196,730 | 7,625 | 29,847 | (9,564) | 1,135,218 | - | 1,135,218 |
| Transactions with owners, recorded directly in shareholders' equity | | | | | | | | | |
| Increase share capital | 18 | 87,215 | - | - | - | - | 87,215 | - | 87,215 |
| Transactions with owners, recorded directly in shareholders' equity | | <u>87,215</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>87,215</u> | <u>-</u> | <u>87,215</u> |
| Comprehensive income (loss) for the period | | | | | | | | | |
| Loss for the period | | - | - | - | (5,922) | - | (5,922) | - | (5,922) |
| Other comprehensive income (loss) | | - | - | - | (4,583) | 165 | (4,418) | - | (4,418) |
| Total comprehensive income (loss) for the period | | - | - | - | (10,505) | 165 | (10,340) | - | (10,340) |
| Balance as at March 31, 2015 | | <u>997,795</u> | <u>196,730</u> | <u>7,625</u> | <u>19,342</u> | <u>(9,399)</u> | <u>1,212,093</u> | <u>-</u> | <u>1,212,093</u> |

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

"UNAUDITED"

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

"REVIEWED"

FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

| | In Thousand Baht | | | | | | |
|--|-------------------------------|--|-----------------------------|-----------------------------------|-----------------------------|---|-------------------------------|
| | Separate Financial Statements | | | | | | |
| | Notes | Issued and fully paid - up share capital | Premium on share capital | Retained earnings (Deficit) | | Other component of equity | Total shareholders' equity |
| | | | | Appropriated for legal reserve | Unappropriated (Deficit) | Other comprehensive income Unrealized gain (loss) from available - for - sale investment | |
| Balance as at January 1, 2016 | 1,041,064 | 208,730 | 7,911 | 36,804 | (11,401) | 1,283,108 | |
| Comprehensive income (loss) for the period | | | | | | | |
| Profit for the period | - | - | - | 10,318 | - | 10,318 | |
| Other comprehensive income (loss) | - | - | - | - | 2,073 | 2,073 | |
| Total comprehensive income (loss) for the period | - | - | - | 10,318 | 2,073 | 12,391 | |
| Balance as at March 31, 2016 | <u>1,041,064</u> | <u>208,730</u> | <u>7,911</u> | <u>47,122</u> | <u>(9,328)</u> | <u>1,295,499</u> | |
| Balance as at January 1, 2015 | 910,580 | 196,730 | 7,625 | 41,505 | (9,564) | 1,146,876 | |
| Transactions with owners, recorded directly in shareholders' equity | | | | | | | |
| Increase share capital | 18 | 87,215 | - | - | - | 87,215 | |
| Total transactions with owners, recorded directly in shareholders' equity | | <u>87,215</u> | <u>-</u> | <u>-</u> | <u>-</u> | <u>87,215</u> | |
| Loss for the period | - | - | - | (3,458) | - | (3,458) | |
| Other comprehensive income (loss) | - | - | - | (4,236) | 165 | (4,071) | |
| Total comprehensive income (loss) for the period | - | - | - | (7,694) | 165 | (7,529) | |
| Balance as at March 31, 2015 | <u>997,795</u> | <u>196,730</u> | <u>7,625</u> | <u>33,811</u> | <u>(9,399)</u> | <u>1,226,562</u> | |

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES "UNAUDITED"
STATEMENT OF CASH FLOWS "REVIEWED"
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

| | In Thousand Baht | | | |
|---|-----------------------------------|----------|-------------------------------|---------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| CASH FLOWS FROM OPERATING ACTIVITIES | | | | |
| Profit (Loss) before income tax | 7,459 | (9,344) | 10,930 | (6,873) |
| Adjustments for | | | | |
| Depreciation and amortization | 8,987 | 9,378 | 7,722 | 9,225 |
| Unrealized loss from exchange rate | 818 | - | 818 | - |
| Loss on decline in value of supplies | - | 2,396 | - | 2,396 |
| Reversal of provision for decline in value of real estate development estates | (3,150) | - | (3,150) | - |
| Bad debts and doubtful accounts | 296 | 1,333 | 296 | 1,154 |
| Loss from written-off fixed assets | 82 | - | 82 | - |
| Employee benefit obligations | 157 | 323 | 106 | 289 |
| Interest income | (76) | (201) | (1,264) | (161) |
| Interest expense | 1,302 | 3,240 | 1,349 | 2,417 |
| Profit from operating activities before change in operating assets and liabilities | 15,875 | 7,125 | 16,889 | 8,447 |
| Decrease (Increase) in operating assets | | | | |
| Trade and other receivables | 5,475 | 2,043 | 5,492 | 2,168 |
| Real estate development cost | 7,351 | (30,187) | 17,806 | (8,647) |
| Supplies | 128 | 39 | 128 | 39 |
| Other current assets | 348 | (4,397) | - | (6,204) |
| Other non - current assets | (457) | (77) | (293) | (22) |
| Increase (Decrease) in operating liabilities | | | | |
| Trade and other accounts payables | (6,726) | 1,130 | (7,205) | 2,882 |
| Cash generated from operations | 21,994 | (24,324) | 32,817 | (1,337) |
| Interest paid | (580) | (3,260) | (580) | (1,753) |
| Income tax paid | (2,411) | (2,020) | (2,347) | (1,922) |
| Net Cash Provided by (Used in) Operating Activities | 19,003 | (29,604) | 29,890 | (5,012) |

GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES "UNAUDITED"
STATEMENT OF CASH FLOWS (CONTINUED) "REVIEWED"
FOR THE THREE-MONTH PERIOD ENDED MARCH 31, 2016

| | In Thousand Baht | | | |
|--|-----------------------------------|-----------------------|-------------------------------|-----------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| CASH FLOWS FROM INVESTING ACTIVITIES | | | | |
| Interest received | 72 | 173 | 58 | - |
| Increase in deposits at financial institution pledged as collaterals | (11,350) | - | (11,350) | - |
| Increase in short-term loan to related parties | - | - | (20,000) | - |
| Cash paid for investment property | - | (4,680) | - | - |
| Cash paid for acquisitions of property, plant and equipment | (468) | (3,489) | (424) | (1,468) |
| Cash paid for deposit for purchase of fixed assets | (27,058) | - | (27,058) | - |
| Cash paid for investments in subsidiaries | - | - | - | (100,000) |
| Net Cash Provided by (Used in) Investing Activities | <u>(38,804)</u> | <u>(7,996)</u> | <u>(58,774)</u> | <u>(101,468)</u> |
| CASH FLOWS FROM FINANCING ACTIVITIES | | | | |
| Proceeds from short-term loans from other parties | 50,000 | 80,000 | 50,000 | 80,000 |
| Repayment of short-term loans from other parties | (60,000) | (207,000) | (60,000) | (120,000) |
| Increase in short-term loans from financial institutions | 27,058 | - | 27,058 | - |
| Repayment of liabilities under finance leases contracts | (30) | (25) | (30) | (25) |
| Proceeds from increase in share capital | - | 87,215 | - | 87,215 |
| Net Cash Provided by (Used in) Financing Activities | <u>17,028</u> | <u>(39,810)</u> | <u>17,028</u> | <u>47,190</u> |
| NET DECREASE IN CASH AND CASH EQUIVALENTS | <u>(2,773)</u> | <u>(77,410)</u> | <u>(11,856)</u> | <u>(59,290)</u> |
| Cash and Cash Equivalents at Beginning of Period | <u>76,876</u> | <u>263,747</u> | <u>60,449</u> | <u>227,296</u> |
| CASH AND CASH EQUIVALENTS AT END OF PERIOD | <u><u>74,103</u></u> | <u><u>186,337</u></u> | <u><u>48,593</u></u> | <u><u>168,006</u></u> |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements

For the three-month period ended March 31, 2016 (Reviewed)

These notes form and integral part of the interim financial statements.

The interim financial statements were authorized for issue by the Board of Directors on May 13, 2016.

1. GENERAL INFORMATION

General Environmental Conservation Public Company Limited (“the Company”) was incorporated in Thailand on August 8, 1997. The Company’s offices located at the following addresses:

| | |
|---|---|
| Head office | : 447 Bondstreet Rd., Bangpood, Parkkred, Nonthaburi |
| Industrial Waste Facility at Samaedam Center | : 68/39 Moo 3 Samaedam Rd., Bangkhuntien, Bangkok |
| Industrial Waste Facility at Map Ta Phut Center | : 5 Muangmai Map Ta Phut Line 6 Rd., Hauypong, Muang Rayong, Rayong |

The Company and its subsidiaries operate in Thailand and principally activity are the treatment of industrial waste and unavoidable by - products of manufacturing processes and real estate business.

2. BASIS OF INTERIM FINANCIAL STATEMENT PREPARATION

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

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard No. 34 (revised 2015) Interim Financial Reporting; guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The interim financial statements are prepared and presented in Thai Baht, which is the Company and its subsidiaries’ functional currency.

The interim financial statements are prepared to provide an update on the financial statements for the year ended December 31, 2015. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2015.

The consolidated financial statements as at March 31, 2016 and December 31, 2015, include the accounts of the Company and its subsidiaries which the Company has controlling power or directly and indirectly holdings on those subsidiaries as follows:

| Name of Companies | Type of business | In Thousand Baht | | Percentages of direct and indirect holdings (%) | |
|--|---------------------------------|-----------------------|-------------------|---|-------------------|
| | | Paid-up share capital | | March 31, 2016 | December 31, 2015 |
| | | March 31, 2016 | December 31, 2015 | | |
| Asia Patana Land Co., Ltd. | Buy, sale, and land development | 430,000 | 430,000 | 100 | 100 |
| Industrial Waste Management (Asia) Co., Ltd. | Industrial waste treatment | 200,000 | 200,000 | 100 | 100 |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

All significant intercompany transactions between the Company and its subsidiaries included in the consolidated financial statements have been eliminated.

3. NEW FINANCIAL REPORTING STANDARDS

During the period, the Company has adopted the revised and new financial reporting standards issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after January 1, 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company's financial statements.

4. 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, 2015

5. TRANSACTIONS WITH RELATED PARTIES

A portion of the Company's assets, liabilities, revenues, costs and expenses arose from transactions with related companies. Related parties are those parties controlled by the Company, directly or indirectly or significant influence, to govern the financial and operating policies of the Company.

Types of relationship of related companies are as follows:

| <u>The Company's name</u> | <u>Type of business</u> | <u>Type of relationship</u> |
|---|--|---|
| The Department of Industrial Works | The Government enterprise | Shareholders |
| Industrial Estate Authority of Thailand | The Government enterprise | Shareholders |
| Asia Patana Land Co., Ltd. | Buy, sale, and land or real estate development | Subsidiary |
| General Logistics Co., Ltd. | Transportation service | Shareholder is director of related party |
| Mrs. Atchaka Sibunruang | - | Director (Director until August 19, 2015) |
| Mr. Pasu Loharjun | - | Director |
| Mr. Arthit Wuthikaro | - | Director |
| Mrs. Nichchanan Suksukol | - | Close member of the subsidiary's executive's family |
| | | Related person |
| Mr. Piyawit Viphusiri | - | Director |
| Mr. Itthirit Viphusiri | - | Director |

Pricing policies for each transaction are described as follows:

| <u>Transactions</u> | <u>Pricing policies</u> |
|------------------------|--|
| Interest income | Interest at the financial cost of lender |
| Rental and royalty fee | Contractually agreed prices |
| Other expenses | Contractually agreed prices |
| Consultant fee | Contractually agreed prices |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

Significant revenues and expenses derived from transactions with related parties for the three-month periods ended March 31, 2016 and 2015 are summarized as follows:

| | In Thousand Baht | | | |
|---|-----------------------------------|-------|--------------------------------|-------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| Interest income | | | | |
| Asia Patana Land Co., Ltd. | - | - | 1,205 | - |
| Rental and royalty fee | | | | |
| Industrial Estate Authority of Thailand | 905 | 1,322 | 905 | 1,322 |
| The Department of Industrial Works | 1,062 | 1,128 | 1,062 | 1,128 |
| Other expenses | | | | |
| Industrial Estate Authority of Thailand | 468 | 423 | 468 | 423 |
| Consultant fee | | | | |
| Mrs. Atchaka Sibunruang | - | 210 | - | 210 |
| Mr. Pasu Loharjun | 225 | 150 | 225 | 150 |
| Mrs. Nichchanan Suksukol | 92 | 139 | 92 | - |
| Mr. Arthit Wuthikaro | 300 | - | 300 | - |

Key managements personnel compensation and directors remuneration for the three-month periods ended March 31, 2016 and 2015 are as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|--------------|--------------------------------|--------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| Key managements personnel compensation and directors remuneration | | | | |
| Short-term employment benefits | 5,041 | 2,000 | 5,041 | 1,760 |
| Post-employment benefits | 9 | 3,458 | 9 | 2,870 |
| | <u>5,050</u> | <u>5,458</u> | <u>5,050</u> | <u>4,630</u> |

The balances of receivables from and payables to related parties as of March 31, 2016 and December 31, 2015 are summarized as follows:

| | In Thousand Baht | | | |
|---|-----------------------------------|-------------------|--------------------------------|-------------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Short-term loans and interest receivable | | | | |
| Asia Patana Land Co., Ltd. | | | | |
| Short-term loans to | - | - | 80,000 | 60,000 |
| Interest receivable | - | - | 2,099 | 894 |
| | <u>-</u> | <u>-</u> | <u>82,099</u> | <u>60,894</u> |
| Other receivables | | | | |
| Prepaid transportation charge | | | | |
| General Logistics Co., Ltd. | 5,735 | 5,735 | 5,735 | 5,735 |
| Advance Payment | | | | |
| Mr. Itthirit Viphusiri | 1,000 | 1,000 | - | - |
| Others | | | | |
| Asia Patana Land Co., Ltd. | - | - | - | 2 |
| | <u>6,735</u> | <u>6,735</u> | <u>5,735</u> | <u>5,737</u> |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

| | In Thousand Baht | | | |
|---|-----------------------------------|----------------------|--------------------------------|----------------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Deposit for rent / Deposit | | | | |
| Industrial Estate Authority of Thailand | 34 | 34 | 34 | 34 |
| General Logistics Co., Ltd. | 2,000 | 2,000 | 2,000 | 2,000 |
| | <u>2,034</u> | <u>2,034</u> | <u>2,034</u> | <u>2,034</u> |
| Trade and other payables | | | | |
| Industrial Estate Authority of Thailand | 3,750 | 4,033 | 3,750 | 4,033 |
| The Department of Industrial Works | 460 | 475 | 460 | 475 |
| Asia Patana Land Co., Ltd. | - | - | - | 255 |
| General Logistics Co., Ltd. | 7,288 | 4,665 | 7,288 | 4,665 |
| Total | <u>11,498</u> | <u>9,173</u> | <u>11,498</u> | <u>9,428</u> |

The significant movements of short-term loans and interest receivable to related parties for the three-month period ended March 31, 2016 are as follows:

| | In Thousand Baht | | | |
|-----------------------------------|-------------------------------|---------------|----------|-------------------|
| | Separate Financial Statements | | | |
| | December 31, 2015 | Increase | Decrease | March 31, 2016 |
| Asia Patana Land Co., Ltd. | | | | |
| Short-term loans to | 60,000 | 20,000 | - | 80,000 |
| Interest receivable | 894 | 1,205 | - | 2,099 |
| | <u>60,894</u> | <u>21,205</u> | <u>-</u> | <u>82,099</u> |

In addition, the Company entered into significant contracts with related parties as follows:

- a) Rental and exclusive right agreement (Note 23 (1))
- b) Land lease agreement (Note 23 (2))

6. CASH AND CASH EQUIVALENTS

| | In Thousand Baht | | | |
|---------------|-----------------------------------|----------------------|--------------------------------|----------------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Bank deposits | <u>74,103</u> | <u>76,876</u> | <u>48,593</u> | <u>60,449</u> |

As at March 31, 2016 and December 31, 2015, the Company and subsidiaries has bank deposits in saving accounts, bearing the interest rates at 0.1% - 1.1% per annum and at 0.4% - 1.4% per annum, respectively. (Separate Financial Statements: at 0.4% - 1.4% per annum and at 0.4% - 1.4% per annum, respectively).

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

7. TRADE AND OTHER RECEIVABLES

| | In Thousand Baht | | | |
|---|-----------------------------------|-------------------|--------------------------------|-------------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Other receivables - Related parties (Note 5) | <u>6,735</u> | <u>6,735</u> | <u>5,735</u> | <u>5,737</u> |
| Trade and other receivables - Other parties | | | | |
| Trade receivables | 47,700 | 49,702 | 47,700 | 49,702 |
| Less Allowance for doubtful accounts | <u>(6,669)</u> | <u>(6,669)</u> | <u>(6,669)</u> | <u>(6,669)</u> |
| Trade receivables - Net | <u>41,031</u> | <u>43,033</u> | <u>41,031</u> | <u>43,033</u> |
| Other receivables | | | | |
| Accrued income | 14,117 | 17,984 | 14,117 | 17,984 |
| Others | <u>32,571</u> | <u>5,116</u> | <u>32,551</u> | <u>5,114</u> |
| Total | <u>46,688</u> | <u>23,100</u> | <u>46,668</u> | <u>23,098</u> |
| Less Allowance for doubtful accounts | <u>(1,691)</u> | <u>(1,396)</u> | <u>(1,691)</u> | <u>(1,396)</u> |
| Other receivables - Net | <u>44,997</u> | <u>21,704</u> | <u>44,977</u> | <u>21,702</u> |
| Total | <u>92,763</u> | <u>71,472</u> | <u>91,743</u> | <u>70,472</u> |

As at March 31, 2016 and December 31, 2015, the trade receivables are classified by aging as follows:

| | In Thousand Baht | | | |
|----------------------------|-----------------------------------|-------------------|--------------------------------|-------------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Current | 30,112 | 34,237 | 30,112 | 34,237 |
| Overdue | | | | |
| Less than 3 months | 11,057 | 8,463 | 11,057 | 8,463 |
| Over 3 months to 6 months | - | 343 | - | 343 |
| Over 6 months to 12 months | - | 28 | - | 28 |
| Over 12 months | <u>6,531</u> | <u>6,631</u> | <u>6,531</u> | <u>6,631</u> |
| | <u>47,700</u> | <u>49,702</u> | <u>47,700</u> | <u>49,702</u> |

| | In Thousand Baht | | | |
|---|-----------------------------------|--------------|--------------------------------|--------------|
| | Consolidated Financial Statements | | Separated Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| Bad debt and doubtful accounts | | | | |
| For the three-month periods ended March 31, | <u>296</u> | <u>1,333</u> | <u>296</u> | <u>1,154</u> |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

8. REAL ESTATE DEVELOPMENT COST

| | In Thousand Baht | | | |
|---|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Commercial building for sales | 159,729 | 157,996 | 161,409 | 159,482 |
| Condominium for sales | 512,931 | 522,234 | 240,103 | 259,837 |
| Construction in progress | 186,085 | 185,866 | - | - |
| Total | 858,745 | 866,096 | 401,512 | 419,319 |
| Less allowance for decline in value of real estate development cost | (10,850) | (14,000) | (10,850) | (14,000) |
| Net | 847,895 | 852,096 | 390,662 | 405,319 |

9. DEPOSITS AT FINANCIAL INSTITUTION PLEDGED AS COLLATERAL

As at March 31, 2016 and December 31, 2015, the Company used its saving accounts totaling Baht 12.1 million and Baht 0.8 million, respectively to secure credit facilities of import machinery and utility usage.

10. LONG - TERM INVESTMENTS - AVAILABLE - FOR - SALES

| | In Thousand Baht | |
|-------------------------------------|---|-------------------|
| | Consolidated Financial Statements and Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 |
| Available - for - sales investments | 9,368 | 7,295 |

The detail of available - for – sales investments as at March 31, 2016 and December 31, 2015 was as follow:

| | In Thousand Baht | |
|---|---|-------------------|
| | Consolidated Financial Statements and Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 |
| Available - for - sales investments consist of | | |
| Marketable equity securities | | |
| At the beginning of the period/year | 7,295 | 9,132 |
| Add Unrealized gain (loss) on changes in fair value | 2,073 | (1,837) |
| At the end of period/year | 9,368 | 7,295 |

Carrying amounts and fair values

The fair values of financial assets together with the carrying amounts in the statement of financial position as at March 31, 2016 and December 31, 2015 are as follows.

| | In Thousand Baht | | | |
|-------------------------------------|---|------------|-------------------|------------|
| | Consolidated Financial Statements and Separate Financial Statements | | | |
| | March 31, 2016 | | December 31, 2015 | |
| | Carrying amount | Fair Value | Carrying amount | Fair Value |
| Available - for - sales investments | | | | |
| Marketable equity securities | 9,368 | 9,368 | 7,295 | 7,295 |

The fair value measurements of available-for-sale investments has been categorised as a level 1 fair value based on the quoted price in active markets and the Company can access at the measurement date.

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Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

11. INVESTMENTS IN SUBSIDIARIES

| | Separate Financial Statements | | | | | | | | | | | |
|---|-------------------------------|----------------------|-------------------------|----------------------|-------------------|----------------------|-------------------------------|----------------------|-------------------|----------------------|-------------------|----------------------|
| | In Thousand Baht | | | | | | | | | | | |
| | Percentage of holdings | | Paid - up share capital | | Investment | | Allowance for impairment loss | | Net | | Dividend | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Asia Patana Land Co., Ltd. | 100 | 100 | 430,000 | 430,000 | 430,000 | 430,000 | - | - | 430,000 | 430,000 | - | - |
| Industrial Waste Management (Asia) Co., Ltd. | 100 | 100 | 200,000 | 200,000 | 200,000 | 200,000 | (79,892) | (79,892) | 120,108 | 120,108 | - | - |
| Total | | | | | 630,000 | 630,000 | (79,892) | (79,892) | 550,108 | 550,108 | - | - |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

12. LAND AND STRUCTURES HELD FOR DEVELOPMENT

| | In Thousand Baht | |
|--|--------------------------------------|----------------------------------|
| | Consolidated Financial Statements | Separate Financial Statements |
| Net book value as at January 1, 2016 | 331,999 | 167,482 |
| Acquisitions during the period | - | - |
| Written-off during the period | - | - |
| Transfer to real estate development cost | - | - |
| Net book value as at March 31, 2016 | 331,999 | 167,482 |

13. INVESTMENT PROPERTY

| | In Thousand Baht | |
|--------------------------------------|--------------------------------------|----------------------------------|
| | Consolidated Financial Statements | Separate Financial Statements |
| Net book value as at January 1, 2016 | 81,343 | - |
| Acquisitions during the period | - | - |
| Written-off during the period | - | - |
| Depreciation during the period | (865) | - |
| Net book value as at March 31, 2016 | 80,478 | - |
| Fair value | 76,130 | - |

Its fair value assessed by professional appraisers is as the reports dated October 22, 2015 and January 22, 2016. The fair value measurement for investment property has been categorised as a Level 2 to use of other observable inputs for such assets or liabilities, whether directly or indirectly.

14. PROPERTY, PLANT AND EQUIPMENT

| | In Thousand Baht | |
|--------------------------------------|--------------------------------------|----------------------------------|
| | Consolidated Financial Statements | Separate Financial Statements |
| Net book value as at January 1, 2016 | 135,489 | 130,263 |
| Acquisitions during the period | 467 | 424 |
| Written-off during the period | (81) | (81) |
| Depreciation during the period | (8,122) | (7,722) |
| Net book value as at March 31, 2016 | 127,753 | 122,884 |

As at March 31, 2016 and December 31, 2015, the Company's buildings and machineries at Map Ta Phut Industrial Waste Treatment Facilities are mortgaged as collateral for a letter of guarantee line obtained from a local bank. The net carrying value of such amounted to approximately Baht 15.4 million and Baht 16.0 million, respectively.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

15. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

| | In Thousand Baht | | | |
|----------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Liabilities under trust receipts | 27,877 | - | 27,877 | - |

As at March 31, 2016, the Company had liabilities under trust receipts with a local financial institution for import machineries, bearing interest rate at 7.5% p.a. and secured by cash in bank as described in note 9 to the interim financial statements.

16. SHORT-TERM LOANS - OTHER PARTIES

Movements of short-term loans - other parties for three-month period ended March 31, 2016 were as follows:

| | In Thousand Baht | |
|-------------------|-----------------------------------|-------------------------------|
| | Consolidated Financial Statements | Separate Financial Statements |
| Beginning balance | 200,000 | 90,000 |
| Increase | 50,000 | 50,000 |
| Decrease | (60,000) | (60,000) |
| Ending balance | 190,000 | 80,000 |

The Company has short-term loans by issuing bill of exchange, with interest rate charged not exceeding 5.70% per annum and unsecured.

17. TRADE AND OTHER PAYABLES

Trade and other payables as at March 31, 2016 and December 31, 2015 consisted of:

| | In Thousand Baht | | | |
|---------------------------------|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Related parties (Note 5) | | | | |
| Trade payables | 7,750 | 5,077 | 7,750 | 5,077 |
| Other payables | 3,748 | 4,096 | 3,748 | 4,351 |
| Total | 11,498 | 9,173 | 11,498 | 9,428 |
| Other parties | | | | |
| Trade payables | 11,703 | 18,872 | 8,313 | 15,090 |
| Other payables | 14,930 | 14,706 | 11,042 | 11,461 |
| Retentions | 13,418 | 14,168 | 5,840 | 6,119 |
| Accrued expenses | 20,699 | 21,336 | 19,970 | 21,053 |
| Total | 60,750 | 69,082 | 45,165 | 53,723 |
| | 72,248 | 78,255 | 56,663 | 63,151 |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

18. SHARE CAPITAL

| | In Thousand Baht/In Thousand Shares | | | | | |
|--|-------------------------------------|---------------------|-----------|---------------------|---------------------|-----------|
| | March 31, 2016 | | | December 31, 2015 | | |
| | Number of Shares | Par value (Baht) | Amount | Number of Shares | Par value (Baht) | Amount |
| Share capital as at January 1, | | | | | | |
| - Common shares | 2,230,000 | 1.0 | 2,230,000 | 1,080,000 | 1.0 | 1,080,000 |
| Increase of share capital As at March 31, / December 31, | - | - | - | 1,150,000 | 1.0 | 1,150,000 |
| - Common shares | 2,230,000 | 1.0 | 2,230,000 | 2,230,000 | 1.0 | 2,230,000 |
| Issued and paid-up share capital as at January 1, | | | | | | |
| - Common shares | 1,041,064 | 1.0 | 1,041,064 | 910,580 | 1.0 | 910,580 |
| Increase of share capital As at March 31, / December 31, | - | - | - | 130,484 | 1.0 | 130,484 |
| - Common shares | 1,041,064 | 1.0 | 1,041,064 | 1,041,064 | 1.0 | 1,041,064 |

The Extraordinary General Meeting of Shareholders held on March 5, 2015, a resolution was passed authorizing increase in authorized share capital from Baht 1,080 million to Baht 2,230 million by issuing new 1,150,000,000 ordinary shares with the par value of Baht 1 each and allocate to private placement at the offering price of Baht 2 per share. The Company registered the increase in authorized share capital with the Ministry of Commerce on March 10, 2015.

The Company issued 87,214,444 common shares offering to exercise warrants of existing shareholders of 87,214,444 warrants at price of Baht 1 per share and the Company registered the change of paid-up share capital from Baht 910.58 million to Baht 997.79 million with the Ministry of Commerce on March 10, 2015.

The Company issued 30,985,750 common shares offering to exercise warrants of existing shareholders of 30,985,750 warrants at price of Baht 1 per share and the Company registered the change of paid-up share capital from Baht 997.79 million to Baht 1,028.78 million with the Ministry of Commerce on July 3, 2015.

The Company issued 12,000,000 common shares offering via private placement at price of Baht 2 per share and the Company registered the change of paid-up share capital from Baht 1,028.78 million to Baht 1,040.78 million with the Ministry of Commerce on August 7, 2015.

The Company issued 283,768 common shares offering to exercise warrants of existing shareholders of 283,768 warrants at price of Baht 1 per share and the Company registered the change of paid-up share capital from Baht 1,040.78 million to Baht 1,041.06 million with the Ministry of Commerce on October 5, 2015.

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For the three-month period ended March 31, 2016 (Reviewed)

19. WARRANTS

The Ordinary General Meeting of Shareholders held on April 29, 2014, approved the issuance of warrants No.1 (GENCO-W1) in the amount not exceeding 180,000,000 warrants to existing shareholders. The Extraordinary General Meeting of Shareholders held on March 5, 2015 has a resolution to approve the allotment and offering of newly issued common shares of the Company to private placement and the Company is obliged to adjust the exercise price and exercise ratio. The preliminary details of the warrants are as described belows:

| | | |
|---------------------|---|--|
| Type of Warrants | : | Warrants purchasing ordinary shares of General Environmental Conservation Public Company allocate to existing shareholders |
| Type | : | Specified warrant's holder and transferable. |
| Term of Warrants | : | 3 years from the issuing date of warrants. |
| Number of Warrants | : | not exceeding 180,000,000 units |
| Offering Price | : | 0 Baht per unit |
| Exercise Ratio | : | 1 warrant to 1.57649 common shares (Formerly: 1 warrant to 1 ordinary share) |
| Exercise Price | : | Baht 1 (Formerly: Baht 1.10) |
| Exercise Period | : | The last business day of each quarter (March, June, September and December) |
| First Exercise Date | : | September 30, 2014 |
| Last Exercise Date | : | May 18, 2017 |

As at March 31, 2016, the unexercised warrants was 50,935,938 units.

20. INCOME TAX EXPENSES

Income tax income (expenses) of the Company and its subsidiaries for the three-month periods ended March 31, 2016 and 2015 are as follows:

| | In Thousand Baht | | | |
|---|-----------------------------------|--------------|-------------------------------|--------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | 2016 | 2015 | 2016 | 2015 |
| Current income tax expenses: | | | | |
| Income tax expenses for the period | - | - | - | - |
| Deferred tax: | | | | |
| Relating to origination and reversal of temporary differences | (668) | 3,422 | (612) | 3,415 |
| Income tax income (expenses) reported in profit or loss | <u>(668)</u> | <u>3,422</u> | <u>(612)</u> | <u>3,415</u> |

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For the three-month period ended March 31, 2016 (Reviewed)

The components of deferred tax assets as at March 31, 2016 and December 31, 2015 are as follows:

| | In Thousand Baht | | | |
|--|-----------------------------------|-------------------|-------------------------------|-------------------|
| | Consolidated Financial Statements | | Separate Financial Statements | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Deferred tax assets | | | | |
| Allowance for doubtful accounts | 1,554 | 1,495 | 1,554 | 1,495 |
| Supply | 536 | 536 | 536 | 536 |
| Land and structures held for development | 2,170 | 2,800 | 2,170 | 2,800 |
| Employee benefits obligations | 854 | 822 | 831 | 801 |
| Short - term provision | - | 129 | - | 71 |
| Loss carry forward | 1,172 | 1,172 | - | - |
| Others | 649 | 649 | - | - |
| Total | 6,935 | 7,603 | 5,091 | 5,703 |

21. EARNINGS (LOSS) PER SHARE

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

Diluted earnings per share is calculated by dividing profit (loss) for the period attributable to equity holders of the Company (excluding other comprehensive income (loss)) by the weighted average number of common shares in issue during the period plus the weighted average number of common shares which would need to be issued to convert all dilutive potential common shares into common shares. The calculation assumes that such conversion took place either at the date the potential ordinary shares were issued.

Details of calculation of earnings (loss) per share for the three-month periods ended March 31, 2016 and 2015 are as follows:

| | In Thousand Baht / In Thousand shares | | | | | |
|--|---------------------------------------|---------|--|---------|----------------------------------|---------|
| | Consolidated Financial Statements | | | | | |
| | Profit (loss) | | Weighted average number of common shares | | Earnings (Loss) per share (Baht) | |
| 2016 | 2015 | 2016 | 2015 | 2016 | 2015 | |
| Basic earnings (loss) per share | | | | | | |
| Profit (Loss) attributable to equity holders of the Company | 6,791 | (5,922) | 1,041,064 | 916,753 | 0.007 | (0.006) |
| Effect of dilutive potential common shares | | | | | | |
| Warrants (GENCO-W1) | - | - | 27,893 | 66,396 | | |
| Diluted earnings (loss) per share | | | | | | |
| Profit (Loss) of common shareholders assuming the conversion of dilutive potential common shares | 6,791 | (5,922) | 1,068,957 | 983,149 | 0.006 | (0.006) |

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For the three-month period ended March 31, 2016 (Reviewed)

| | In Thousand Baht / In Thousand shares | | | | | |
|--|---------------------------------------|---------|--|---------|-------------------------------------|---------|
| | Separate Financial Statements | | | | | |
| | Profit (loss) | | Weighted average number of common shares | | Earnings (Loss) per share (Baht) | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| Basic earnings (loss) per share | | | | | | |
| Profit (loss) attributable to equity holders of the Company | 10,317 | (3,458) | 1,041,064 | 916,753 | 0.010 | (0.004) |
| Effect of dilutive potential common shares | | | | | | |
| Warrants (GENCO-W1) | - | - | 27,893 | 66,396 | | |
| Diluted earnings (loss) per share | | | | | | |
| Profit (loss) of common shareholders assuming the conversion of dilutive potential common shares | 10,317 | (3,458) | 1,068,957 | 983,149 | 0.010 | (0.004) |

22. BUSINESS SEGMENT INFORMATION

Operating segment information is reported in a manner consistent manner in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as the directors of the Company. The Company and its subsidiaries operate the business primarily related to treatment of industrial waste and property development business by engaging in domestic.

Major customers

For the three-month periods ended March 31, 2016 and 2015, the Company and its subsidiaries have revenues from 1 major customer totaling of Baht 8.3 million and Baht 7.7 million from the business primarily related to treatment of industrial waste, respectively.

Details of revenue and profit (loss) for each segments of the Company and its subsidiaries for the three-month periods ended March 31, 2016 and 2015 are as follows:

| | In Thousand Baht | | | | | |
|---------------------------------|----------------------------------|----------|----------------------|----------|----------|----------|
| | Treatment of industrial waste | | Property development | | Total | |
| | 2016 | 2015 | 2016 | 2015 | 2016 | 2015 |
| External revenue | 68,798 | 59,443 | 36,727 | 22,770 | 105,525 | 82,213 |
| Cost | (43,919) | (41,669) | (22,284) | (19,194) | (66,203) | (60,863) |
| Gross profit | 24,879 | 17,774 | 14,443 | 3,576 | 39,322 | 21,350 |
| Unallocated revenue (expenses) | | | | | | |
| Other income | | | | | 1,929 | 2,521 |
| Selling expenses | | | | | (3,117) | (2,667) |
| Administrative expenses | | | | | (27,376) | (27,308) |
| Finance cost | | | | | (3,299) | (3,240) |
| Profit (loss) before income tax | | | | | 7,459 | (9,344) |
| Income tax (expense) income | | | | | (668) | 3,422 |
| Profit (loss) for the period | | | | | 6,791 | (5,922) |

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

The segment assets and liabilities as at March 31, 2016 and December 31, 2015 are as follows:

| | In Thousand Baht | | | | | |
|---|----------------------------------|----------------------|----------------------|----------------------|-------------------|----------------------|
| | Treatment of industrial waste | | Property development | | Total | |
| | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 | March 31, 2016 | December 31, 2015 |
| Asset | | | | | | |
| Trade and other receivables | 91,857 | 61,329 | 906 | 10,143 | 92,763 | 71,472 |
| Real estate development costs | - | - | 847,895 | 852,096 | 847,895 | 852,096 |
| Land and structures held for development | - | - | 80,478 | 81,343 | 80,478 | 81,343 |
| Investment property | - | - | 331,999 | 331,999 | 331,999 | 331,999 |
| Property, plant and equipment | 123,002 | 130,470 | 4,751 | 5,019 | 127,753 | 135,489 |
| Unallocated assets | | | | | 123,185 | 110,810 |
| Total | | | | | <u>1,604,073</u> | <u>1,583,209</u> |
| Liabilities | | | | | | |
| Other non - current liabilities | 34,000 | 34,000 | - | - | 34,000 | 34,000 |
| Unallocated Liabilities | | | | | 294,710 | 282,710 |
| Total | | | | | <u>328,710</u> | <u>316,710</u> |

23. AGREEMENTS

As at March 31, 2016 and December 31, 2015, the Company and its subsidiaries entered into the following agreements:

1) Rental and exclusive right agreement with the Department of Industrial Works whereby the Company is granted the right to operate in the Industrial Waste Facility at Samae Dam including the Research and Development Center for Environmental Conservation (Ratchaburi) for a period of 10 years. Under the terms of the agreement, the Company agreed to pay annual rental fee from year 1st to year 5th amounting to approximately Baht 1.1 million per year, year 6th to year 10th amounting to approximately Baht 1.4 million per year and royalty fee at a certain percentage of waste served. The agreement is effective from October 1, 2006 to September 30, 2016.

Future minimum payments under the above rental agreement are as follows:

| | In Million Baht | |
|------------------------|-------------------|----------------------|
| | March 31, 2016 | December 31, 2015 |
| Less than 1 year | 0.7 | 1.0 |
| Over 1 year to 5 years | - | - |

2) Three land lease agreements with The Industrial Estate Authority of Thailand (which is one of the Company's shareholders) for a period of 30 years up to May 2026, August 2026 and March 2031. The Company is committed to pay fees at the rate specified in the agreements.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

Future minimum payments under the above operating lease agreements are as follows:

| | In Million Baht | |
|------------------------|-------------------|----------------------|
| | March 31, 2016 | December 31, 2015 |
| Less than 1 year | 5.6 | 4.3 |
| Over 1 year to 5 years | 30.1 | 22.7 |
| Over 5 years | 33.4 | 40.6 |

Furthermore, as described in the agreement, the lesser has to invest not less than Baht 36 million for maintenance and developing its operational center which is leased according to a maintenance and developing plan of lessee or such plan of lesser which has an approval from lessee.

3) Land lease agreements with third party for a period of 16 years. The Company agreed to pay annual rental fee from 1st year to 4th year amounting to approximately Baht 0.2 million per year, 5th year to 8th year amounting to approximately Baht 0.2 million per year, 9th year to 12th year amounting to approximately Baht 0.3 million per year and 13th year to 16th year amounting to approximately Baht 0.3 million per year. The agreement is effective from September 5, 2012 to September 5, 2028. The Company is committed to pay fees at the rate specified in the agreements.

Future minimum payments under the above operating lease agreements are as follows:

| | In Million Baht | |
|------------------------|-------------------|----------------------|
| | March 31, 2016 | December 31, 2015 |
| Less than 1 year | 0.2 | 0.2 |
| Over 1 year to 5 years | 1.4 | 1.0 |
| Over 5 years | 2.1 | 2.6 |

24. COMMITMENTS AND CONTINGENT LIABILITIES

As at March 31, 2016 and December 31, 2015, the Company and its subsidiaries had

- 1) Contingent liabilities to a local bank for letters of guarantee to guarantee rental agreements and treatment service agreements amounting to Baht 22.0 million and Baht 22.8 million, respectively.
- 2) Contingent liabilities to a local bank for letter of guarantee to guarantee import machineries and utility usage, which has secured by company's saving account amounting to Baht 12.1 million and Baht 0.8 million, respectively.
- 3) Capital expenditure commitments amounting to Baht 40.1 million and Baht 41.6 million, respectively.

**GENERAL ENVIRONMENTAL CONSERVATION PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES**

Notes to the interim financial statements (Continued)

For the three-month period ended March 31, 2016 (Reviewed)

25. EVENTS AFTER THE REPORTING PERIOD

The Shareholders' Meeting 2016, held on April 27, 2016, approved

- a) The appropriation of profit as legal reserve amounting to Baht 285,743.
- b) The Company to proceed with the reduction of the Company's registered capital from Baht 2,230,000,000 to a new registered capital of Baht 1,092,000,000 by cancelling the unissued common shares in total of 1,138,000,000 shares with par value of 1 Baht per share.
- c) The Company to proceed with the increase of the Company's registered capital by Baht 1,190,000,000, from Baht 1,092,000,000 to a new registered new common share of 98,000,000 shares with par value of Baht 1 to support the exercising of GENCO-W1 warrants.

26. RECLASSIFICATION OF ACCOUNTS

Certain accounts in the comparative statement of financial position as at December 31, 2015 to conform with the presentation of the statement of financial position as at March 31, 2016 as follows:

| | In Thousand Baht | | | | | |
|--|-----------------------------------|--------------|-----------------------------|-------------------------------|--------------|-----------------------------|
| | Consolidated Financial Statements | | | Separate Financial Statements | | |
| | March 31, 2016 | | | December 31, 2015 | | |
| | As previously reported | Reclassified | As currently reported | As previously reported | Reclassified | As currently reported |
| Statement of financial position | | | | | | |
| Trade and other receivables | 61,392 | 10,080 | 71,472 | 62,286 | 8,186 | 70,472 |
| Short-term loans and interest receivables -related parties | - | - | - | 60,000 | 894 | 60,894 |
| Other current assets | 10,652 | (9,881) | 771 | 8,881 | (8,881) | - |
| Trade and other payables | 67,555 | 10,700 | 78,255 | 54,250 | 8,901 | 63,151 |
| Other non-current liabilities | 10,501 | (10,501) | - | 8,701 | (8,701) | - |