

Property Perfect Public Company Limited
and its subsidiaries
Report and interim consolidated financial statements
For the three-month and nine-month periods ended
30 September 2016

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Property Perfect Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Property Perfect Public Company Limited and its subsidiaries as at 30 September 2016, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2016, the consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Property Perfect Public Company Limited for the same periods. 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 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 34 *Interim Financial Reporting*.

Emphasis of matter

I draw attention to Note 24.5.2 to the interim financial statements, regarding the lawsuit between a subsidiary and the landowners on which a hotel of the subsidiary is located. On 21 September 2016, the Supreme Court ordered the dismissal of the plaintiff's claim. Therefore, the case was finalised. My conclusion is not qualified in respect of this matter.

Other matters

The consolidated statement of financial position of Property Perfect Public Company Limited and its subsidiaries, and the separate statement of financial position of Property Perfect Public Company Limited as at 31 December 2015, presented herein as comparative information, were audited by another auditor of our office, who expressed an unqualified opinion on those statements and drew attention to the acquisition of investment in a subsidiary and the recognition of gain from a bargain purchase, and the lawsuit between the subsidiary and landowners, under his report dated 25 February 2016. The consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2015, the consolidated statements of changes in shareholders' equity, and cash flows for the nine-month period then ended of Property Perfect Public Company Limited and its subsidiaries, and the separate financial statements of Property Perfect Public Company Limited for the same periods, presented herein as comparative information, were also reviewed by the aforementioned auditor who concluded, under his report dated 12 November 2015, that nothing had come to his attention that caused him to believe that the interim financial information was not prepared, in all material respects, in accordance with Thai Accounting Standard 34 *Interim Financial Reporting* and drew attention to the acquisition of investment in a subsidiary and the recognition of gain from a bargain purchase, and the lawsuit between the subsidiary and landowners.

Supachai Phanyawattano

Certified Public Accountant (Thailand) No.3930

EY Office Limited

Bangkok: 10 November 2016

Property Perfect Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at	As at	As at	As at
	<u>Note</u> <u>30 September 2016</u>	<u>31 December 2015</u>	<u>30 September 2016</u>	<u>31 December 2015</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets				
Current assets				
Cash and cash equivalents	4,307,694	3,040,543	3,140,606	1,878,555
Trade and other receivables	4 198,221	257,810	209,913	596,732
Receivables from the Revenue Departments	4,469	62,001	-	-
Inventories	28,563	42,034	-	-
Project development costs	5 25,654,003	21,659,509	15,257,529	13,187,855
Land held for sale	6 583,800	-	-	-
Short-term loan to related party	3 60,000	-	-	-
Advances to contractors - related parties	3 7,331	11,859	7,336	11,929
Advances to contractors	253,792	366,998	87,403	222,121
Other current assets	197,015	130,297	43,491	32,373
Total current assets	31,294,888	25,571,051	18,746,278	15,929,565
Non-current assets				
Pledged and restricted withdrawal bank deposits	105,670	85,036	53,354	42,568
Loans to related parties	3 -	-	7,167,439	4,144,664
Investments in subsidiaries	7 -	-	7,245,436	7,245,436
Investments in joint ventures	8 134,666	128,184	136,000	130,000
Other long-term investments	104,902	101,119	104,593	101,119
Land held for development	9 6,336,627	5,895,883	4,879,747	4,330,710
Advances for purchases of land	10 476,762	677,994	442,262	537,800
Investment properties	11 2,268,044	2,286,869	-	-
Property, plant and equipment	12 6,050,715	5,436,046	85,396	89,524
Intangible assets	56,229	56,224	12,905	7,720
Leasehold rights	13 2,051,776	2,150,605	31,196	33,606
Deposits for hotel construction	147,550	60,067	-	-
Deferred tax assets	430,146	406,108	182,736	184,203
Other non-current assets	414,925	421,835	243,057	222,047
Total non-current assets	18,578,012	17,705,970	20,584,121	17,069,397
Total assets	49,872,900	43,277,021	39,330,399	32,998,962

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

Property Perfect Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>		
	As at	As at	As at	As at	
	<u>Note</u> <u>30 September 2016</u>	<u>31 December 2015</u>	<u>30 September 2016</u>	<u>31 December 2015</u>	
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)	
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	14	20,000	372,022	20,000	189,745
Trade and other payables	15	2,530,074	2,972,055	1,522,186	1,738,202
Bills of exchange payable	16	3,619,477	2,456,401	2,739,157	1,307,408
Short-term loan from related party	3	-	-	285,000	170,000
Current portion of debentures	17	4,800,000	4,600,000	4,800,000	4,600,000
Current portion of long-term loans	18	753,773	597,481	138,264	504,183
Deposits and cash received in advance		777,709	699,213	170,327	246,176
Income tax payable		51,055	8,758	13,254	-
Other current liabilities		247,464	258,902	86,247	84,114
Total current liabilities		12,799,552	11,964,832	9,774,435	8,839,828
Non-current liabilities					
Debentures, net of current portion	17	18,496,845	10,970,001	17,151,823	10,970,001
Long-term loans, net of current portion	18	3,706,673	5,709,497	1,912,354	2,908,588
Provision for long-term employee benefits	19	251,450	240,541	150,207	151,204
Unearned lease rights		82,644	93,739	36,309	41,235
Deferred tax liabilities		426,507	450,900	-	-
Other non-current liabilities		184,734	184,008	1,852	12,176
Total non-current liabilities		23,148,853	17,648,686	19,252,545	14,083,204
Total liabilities		35,948,405	29,613,518	29,026,980	22,923,032

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

Property Perfect Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	As at	As at	As at	As at
Note	<u>30 September 2016</u>	<u>31 December 2015</u>	<u>30 September 2016</u>	<u>31 December 2015</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
7,900,000,000 ordinary shares of Baht 1 each	<u>7,900,000</u>	<u>7,900,000</u>	<u>7,900,000</u>	<u>7,900,000</u>
Issued and fully paid				
7,667,826,432 ordinary shares of Baht 1 each	7,667,826	7,667,826	7,667,826	7,667,826
Share discount	(73,524)	(73,524)	(73,524)	(73,524)
Retained earnings				
Appropriated - statutory reserve	274,600	274,600	274,600	274,600
Unappropriated	3,339,690	3,155,252	2,438,506	2,213,913
Other components of shareholders' equity	<u>71,709</u>	<u>(73,305)</u>	<u>(3,989)</u>	<u>(6,885)</u>
Equity attributable to owners of the Company	11,280,301	10,950,849	10,303,419	10,075,930
Non-controlling interests of the subsidiaries	<u>2,644,194</u>	<u>2,712,654</u>	-	-
Total shareholders' equity	<u>13,924,495</u>	<u>13,663,503</u>	<u>10,303,419</u>	<u>10,075,930</u>
Total liabilities and shareholders' equity	<u>49,872,900</u>	<u>43,277,021</u>	<u>39,330,399</u>	<u>32,998,962</u>
	-	-	-	-

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

..... Director

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries
Statement of comprehensive income
For the three-month period ended 30 September 2016

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2016	2015	2016	2015
Profit or loss:					
Revenues					
Revenues from sales of land and houses		1,575,668	1,546,620	983,644	1,079,303
Revenues from sales of residential condominium units		1,385,101	1,073,803	657,889	572,951
Revenues from sales of land		101,567	-	67,813	-
Revenues from hotel operations		437,312	404,140	-	-
Rental and service income		93,536	80,259	9,998	10,531
Revenues from construction		2,078	-	-	-
Other income					
Gains on sales of rights in land purchases	10	118,723	-	118,723	-
Interest income		5,459	15,860	80,358	77,588
Management income		-	-	19,677	35,412
Others		71,798	57,443	34,882	29,085
Total revenues		3,791,242	3,178,125	1,972,984	1,804,870
Expenses					
Cost of sales of land and houses		1,013,096	1,024,344	640,483	710,779
Cost of sales of residential condominium units		899,675	858,455	459,928	517,509
Cost of sales of land		85,236	-	52,215	-
Cost of hotel operations		366,705	313,742	-	-
Cost of rental and service		94,066	74,684	9,799	12,761
Cost of construction		1,483	-	-	-
Selling expenses		351,884	375,303	191,817	190,073
Administrative expenses		648,600	603,243	271,991	227,265
Total expenses		3,460,745	3,249,771	1,626,233	1,658,387
Profit (loss) before share of loss from investments in joint ventures, finance cost and income tax					
		330,497	(71,646)	346,751	146,483
Share of loss from investments in joint ventures		(9,845)	(229)	-	-
Profit (loss) before finance cost and income tax		320,652	(71,875)	346,751	146,483
Finance cost		(225,713)	(163,753)	(226,088)	(177,167)
Profit (loss) before income tax		94,939	(235,628)	120,663	(30,684)
Income tax	20	(66,623)	7,228	(31,141)	(6,896)
Profit (loss) for the period		28,316	(228,400)	89,522	(37,580)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		2,517	55,701	-	-
Gain on changes in value of available-for-sale investments - net of income tax		2,655	156	2,655	156
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		5,172	55,857	2,655	156
Other comprehensive income for the period		5,172	55,857	2,655	156
Total comprehensive income for the period		33,488	(172,543)	92,177	(37,424)

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries

Statement of comprehensive income (continued)

For the three-month period ended 30 September 2016

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Consolidated financial statements		Separate financial statements	
<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Profit (loss) attributable to:				
Equity holders of the Company	68,746	(187,530)	<u>89,522</u>	<u>(37,580)</u>
Non-controlling interests of the subsidiaries	<u>(40,430)</u>	<u>(40,870)</u>		
	<u>28,316</u>	<u>(228,400)</u>		
Total comprehensive income attributable to:				
Equity holders of the Company	76,691	(132,955)	<u>92,177</u>	<u>(37,424)</u>
Non-controlling interests of the subsidiaries	<u>(43,203)</u>	<u>(39,588)</u>		
	<u>33,488</u>	<u>(172,543)</u>		
Earnings per share				
	21			
Basic earnings per share (Baht)				
Profit (loss) attributable to equity holders of the Company	<u>0.00897</u>	<u>(0.03206)</u>	<u>0.01168</u>	<u>(0.00642)</u>

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries
Statement of comprehensive income
For the nine-month period ended 30 September 2016

(Unit: Thousand Baht, except earnings per share expressed in Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Profit or loss:					
Revenues					
Revenues from sales of land and houses		4,864,851	4,571,353	3,215,575	3,088,617
Revenues from sales of residential condominium units		3,824,538	2,239,015	2,288,066	707,223
Revenues from sales of land		148,644	11,820	114,890	11,820
Revenues from hotel operations		1,649,858	1,051,530	-	-
Rental and service income		270,571	138,694	35,458	24,215
Revenues from construction		84,528	-	-	-
Other income					
Gains on sales of rights in land purchases	10	118,723	-	118,723	-
Gain from a bargain purchase		-	529,955	-	-
Interest income		15,347	60,518	207,065	234,965
Management income		-	-	74,766	70,824
Others		215,464	143,743	104,869	82,531
Total revenues		11,192,524	8,746,628	6,159,412	4,220,195
Expenses					
Cost of sales of land and houses		3,145,331	3,038,452	2,080,000	2,062,229
Cost of sales of residential condominium units		2,435,043	1,609,271	1,510,024	604,831
Cost of sales of land		106,871	6,932	73,850	6,932
Cost of hotel operations		1,172,971	743,335	-	-
Cost of rental and service		264,775	121,300	31,630	29,929
Cost of construction		65,681	-	-	-
Selling expenses		954,138	925,518	518,962	462,909
Administrative expenses		1,849,914	1,586,904	724,514	815,247
Total expenses		9,994,724	8,031,712	4,938,980	3,982,077
Profit before share of loss from investments in joint ventures, finance cost and income tax					
Share of loss from investments in joint ventures		(12,018)	(229)	-	-
Profit before finance cost and income tax		1,185,782	714,687	1,220,432	238,118
Finance cost		(629,400)	(442,962)	(626,210)	(499,619)
Profit (loss) before income tax		556,382	271,725	594,222	(261,501)
Income tax	20	(221,474)	21,341	(139,598)	25,686
Profit (loss) for the period		334,908	293,066	454,624	(235,815)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i>					
Exchange differences on translation of financial statements in foreign currency		153,219	61,883	-	-
Gain (loss) on changes in value of available-for-sale investments - net of income tax		2,896	(2,140)	2,896	(2,140)
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		156,115	59,743	2,896	(2,140)
Other comprehensive income for the period		156,115	59,743	2,896	(2,140)
Total comprehensive income for the period		491,023	352,809	457,520	(237,955)

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

Property Perfect Public Company Limited and its subsidiaries
Statement of comprehensive income (continued)
For the nine-month period ended 30 September 2016

(Unit: Thousand Baht, except earnings per share expressed in Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Profit (loss) attributable to:					
Equity holders of the Company		414,469	356,651	<u>454,624</u>	<u>(235,815)</u>
Non-controlling interests of the subsidiaries		<u>(79,561)</u>	<u>(63,585)</u>		
		<u>334,908</u>	<u>293,066</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		569,243	418,571	<u>457,520</u>	<u>(237,955)</u>
Non-controlling interests of the subsidiaries		<u>(78,220)</u>	<u>(65,762)</u>		
		<u>491,023</u>	<u>352,809</u>		
Earnings per share					
	21				
Basic earnings per share (Baht)					
Profit (loss) attributable to equity holders of the Company		<u>0.05405</u>	<u>0.06143</u>	<u>0.05929</u>	<u>(0.04062)</u>
Diluted earnings per share (Baht)					
Profit attributable to equity holders of the Company			<u>0.06124</u>		

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries**Cash flow statement****For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cash flows from operating activities				
Profit (loss) before tax	556,382	271,725	594,222	(261,501)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Share of loss from investments in joint ventures	12,018	229	-	-
Depreciation and amortisation	551,994	261,238	22,567	23,669
Allowance for doubtful accounts (reversal)	254	(8,162)	-	1,910
Amortisation of prepaid expense	42,143	39,129	30,977	24,611
Withholding tax deducted at source and receivable from the Revenue Department written-off	9,751	17,248	-	-
Unearned rental revenue recognition	(16,403)	(6,044)	(3,198)	(3,225)
Warranty provision for real estate projects	534	2,568	-	-
Changes in fair value of current investments in trading securities	(73)	68	(73)	68
Reduction of cost to net realisable value	4,643	-	4,643	-
Loss on impairment of land held for development	8,566	-	-	-
Reversal of allowance for impairment of leasehold rights	-	(1,871)	-	-
Loss on impairment of property, plant and equipment	-	54,964	-	55,371
Loss (gain) on sales of property, plant and equipment	7,175	(1,952)	(1,259)	47
Gains on sales of rights in land purchases	(118,723)	-	(118,723)	-
Gain from a bargain purchase	-	(529,955)	-	-
Dividend income	(5,627)	(5,871)	(5,627)	(5,871)
Provision for long-term employee benefits	29,603	30,951	11,480	19,385
Change in fair value of forward exchange contracts	-	(64,999)	-	-
Interest income	(15,347)	(60,518)	(207,065)	(234,965)
Interest expenses	627,600	438,394	625,795	494,678
Profit from operating activities before changes in operating assets and liabilities	1,694,490	437,142	953,739	114,177
Decrease (increase) in operating assets				
Trade and other receivables	56,654	171,530	12,287	(20,173)
Notes receivable - land	-	15,000	-	15,000
Receivables from the Revenue Departments	50,009	5,143	-	-
Inventories	13,470	2,883	-	-
Project development costs	(2,044,077)	(1,297,873)	(519,478)	(1,434,909)
Land held for sale	(500,000)	-	-	-
Advances to contractors	117,734	36,992	139,311	145,571
Other current assets	(102,418)	1,914	(47,651)	9,828
Other non-current assets	(121,895)	(32,168)	(21,009)	(46,474)
Increase (decrease) in operating liabilities				
Trade and other payables	(673,117)	(198,846)	(329,922)	(39,866)
Deposits and cash received in advance	68,496	141,927	(75,849)	99,407
Other current liabilities	81,379	(42,081)	2,134	22,558
Other non-current liabilities	(12,660)	(18,784)	(24,527)	(16,567)
Cash from (used in) operating activities	(1,371,935)	(777,221)	89,035	(1,151,448)
Cash paid for interest expenses	(969,507)	(849,070)	(810,245)	(728,058)
Cash paid for corporate income tax	(231,495)	(155,980)	(125,602)	(71,794)
Cash received from interest income	23,658	16,414	19,650	14,616
Cash received from return of withholding tax	15,730	-	-	-
Net cash used in operating activities	(2,533,549)	(1,765,857)	(827,162)	(1,936,684)

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries**Cash flow statement (continued)****For the nine-month period ended 30 September 2016**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Cash flows from investing activities				
Increase in pledged and restricted withdrawal bank deposits	(20,634)	(10,639)	(10,786)	(9,036)
Increase in loans to related companies	(60,000)	-	(3,130,908)	(1,162,482)
Decrease in loans to related companies	-	-	219,813	710,412
Cash received from interest income	-	-	55,895	158,722
Cash received from dividend income	5,627	5,871	405,627	5,871
Decrease in deposits for acquisition of shares and assets in other companies	10,000	-	-	-
Net cash paid for purchase of investment in subsidiary	-	(1,369,712)	-	(2,470,405)
Cash paid for purchases of investments in joint ventures	(18,500)	(130,000)	(6,000)	(130,000)
Decrease (increase) in other long-term investments	(163)	(18,314)	146	(18,000)
Increase in land held for development	(1,614,603)	(1,118,859)	(1,551,576)	(986,971)
Increase in deposit received from sale of land	10,000	136,375	-	136,375
Increase in advances for purchases of land	(135,149)	(350,740)	(149,507)	(289,564)
Net cash received from sales of rights in land purchases	182,709	-	182,709	-
Increase in leasehold rights	(27,000)	-	-	-
Increase in property, plant and equipment	(781,780)	(229,867)	(16,914)	(22,569)
Increase in intangible assets	(10,423)	(9,641)	(7,535)	-
Increase in investment properties	(9,617)	(202,145)	-	-
Increase in deposits for hotel construction	(87,483)	-	-	-
Proceeds from sales of property, plant and equipment	1,850	3,788	1,589	-
Net cash used in investing activities	(2,555,166)	(3,293,883)	(4,007,447)	(4,077,647)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	110,661	488,364	20,000	129,914
Repayment for short-term loans from financial institutions	(462,683)	(1,288,447)	(189,745)	(510,462)
Cash received from bills of exchange payable	5,176,834	3,777,346	3,798,108	2,744,608
Repayment for bills of exchange payable	(4,100,000)	(2,170,000)	(2,420,000)	(1,970,000)
Cash received from short-term loan from related party	-	-	490,000	17,000
Repayment for short-term loan from related party	-	-	(375,000)	(5,000)
Repayment for short-term loan from unrelated party	-	(200,000)	-	-
Cash received from long-term loans	1,343,180	3,292,093	992,232	2,680,855
Repayment for long-term loans	(3,192,046)	(2,476,228)	(2,354,385)	(1,684,049)
Cash received from debentures	9,910,303	7,865,343	8,566,456	7,865,343
Repayment for debentures	(2,200,000)	(6,000,000)	(2,200,000)	(6,000,000)
Cash received from issuance of new ordinary shares	-	1,806,495	-	1,806,495
Cash received from exercised warrants	-	78,379	-	78,379
Cash received from non-controlling interests of subsidiaries for issuance of ordinary shares of subsidiaries	-	40,894	-	-
Dividend paid	(231,006)	(254,484)	(231,006)	(254,484)
Net cash from financing activities	6,355,243	4,959,755	6,096,660	4,898,599
Increase (decrease) in translation adjustment	623	(3,284)	-	-
Net increase (decrease) in cash and cash equivalents	1,267,151	(103,269)	1,262,051	(1,115,732)
Cash and cash equivalents as at beginning of period	3,040,543	2,490,534	1,878,555	2,078,521
Cash and cash equivalents as at end of period	4,307,694	2,387,265	3,140,606	962,789

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries

Cash flow statement (continued)

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Supplemental cash flow information				
Non-cash transactions				
Transfer advances for purchases of land to project development costs, land held for development and leasehold rights	336,381	197,509	245,045	169,786
Amortise leasehold rights as cost of investment properties	12,163	24,487	-	-
Transfer land held for development to project development costs	1,413,243	490,781	1,250,488	321,680
Transfer land held for development to asset held for sale	-	277,822	-	277,822
Transfer property, plant and equipment to project development costs	-	53,115	-	50,504
Increase in investment properties as a result of				
accrued land rental expenses	28,259	52,427	-	-
Increase in account payable - land	83,800	450,960	-	450,960

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

(Unaudited but reviewed)

Property Perfect Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2016

(Unit: Thousand Baht)

	Separate financial statements						
	Issued and paid-up share capital	Share discount	Retained earnings		Other components of equity		
			Statutory reserve	Unappropriated	Other comprehensive income		Total shareholders' equity
					Deficit on changes in value of available-for-sale investments	Total other components of shareholders' equity	
Balance as at 1 January 2015	5,782,952	(73,524)	260,600	2,205,849	(5,958)	(5,958)	8,169,919
Profit and loss for the period	-	-	-	(235,815)	-	-	(235,815)
Other comprehensive income for the period	-	-	-	-	(2,140)	(2,140)	(2,140)
Total comprehensive income for the period	-	-	-	(235,815)	(2,140)	(2,140)	(237,955)
Issuance of new ordinary shares	1,806,495	-	-	-	-	-	1,806,495
Increase in ordinary shares as a result of exercised warrants	78,379	-	-	-	-	-	78,379
Dividend paid (Note 23)	-	-	-	(254,484)	-	-	(254,484)
Balance as at 30 September 2015	<u>7,667,826</u>	<u>(73,524)</u>	<u>260,600</u>	<u>1,715,550</u>	<u>(8,098)</u>	<u>(8,098)</u>	<u>9,562,354</u>
Balance as at 1 January 2016	7,667,826	(73,524)	274,600	2,213,913	(6,885)	(6,885)	10,075,930
Profit and loss for the period	-	-	-	454,624	-	-	454,624
Other comprehensive income for the period	-	-	-	-	2,896	2,896	2,896
Total comprehensive income for the period	-	-	-	454,624	2,896	2,896	457,520
Dividend paid (Note 23)	-	-	-	(230,031)	-	-	(230,031)
Balance as at 30 September 2016	<u>7,667,826</u>	<u>(73,524)</u>	<u>274,600</u>	<u>2,438,506</u>	<u>(3,989)</u>	<u>(3,989)</u>	<u>10,303,419</u>

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

Property Perfect Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2016

1. General information

1.1 Basis for preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2015) "Interim Financial Reporting", with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

The interim financial statements are intended to provide information additional to that included in the latest annual financial statements. Accordingly, they focus on new activities, events and circumstances so as not to duplicate information previously reported. These interim financial statements should therefore be read in conjunction with the latest annual financial statements.

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

1.2 Basis of consolidation

These consolidated financial statements include the financial statements of Property Perfect Public Company Limited and its subsidiaries and have been prepared on the same basis as that applied for the consolidated financial statements for the year ended 31 December 2015, except that as discussed in Note 7.2.1 b) to the interim financial statements, on 22 March 2016, a meeting of the Board of Directors of KRH passed a resolution to approve the establishment of Kiroro Resort Development Company Limited, to engage in the real estate development, with a registered share capital of JPY 30 million, with KRH to hold a 100% interest. This company registered its incorporation on 30 March 2016.

In this regard, the consolidated financial statements for the nine-month period ended 30 September 2015 included the consolidated financial statements of Thai Property Public Company Limited and its subsidiaries since 5 June 2015 (the end of the tender offer period), as discussed in Note 12.1.1 to the 2015 financial statements.

1.3 New financial reporting standards

During the period, the Company and its subsidiaries have adopted the revised and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which became effective for fiscal years beginning on or after 1 January 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 did not have any significant impact on the financial statements of the Company and its subsidiaries.

2. 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 31 December 2015, except for the additional accounting policies as follows:

Revenues from construction services

Revenues from construction services are recognised on a percentage of completion basis. The percentage of completion is measured based on comparison of actual construction costs incurred up to the end of the period and total anticipated construction costs to be incurred to completion. The recognised revenue which is not yet due per the contracts has been presented under the caption of “Unbilled receivables” in the statement of financial position.

Cost of construction services

The cost of construction comprises the costs of materials, labour, subcontractors' charges, other services and overhead, which are recognised on an accrual basis.

Provision for anticipated losses on construction projects is made in the accounts in full when the possibility of loss is ascertained.

Foreign currencies

Monetary assets and liabilities denominated in foreign currencies are translated at the contracted rates, if they are covered by cross currency swap contracts.

Interest rate swap contracts

The net amount of interest to be received from or paid to the counterparty under an interest rate swap contract is recognised as income or expenses on an accrual basis.

3. Related party transactions

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

(Unit: Million Baht)

	For the three-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2016	2015	2016	2015	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management income	-	-	20	35	By agreement
Interest income	-	-	75	62	At cost of fund
Interest expenses	-	-	3	3	At cost of fund
Cost of real estate project construction	-	-	58	34	By agreement
<u>Transactions with related individual and companies</u>					
Construction income	2	3	-	-	By agreement
Cost of real estate project construction	24	11	24	7	By agreement

(Unit: Million Baht)

	For the nine-month periods ended 30 September				Transfer pricing policy
	Consolidated		Separate		
	financial statements		financial statements		
	2016	2015	2016	2015	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management income	-	-	75	71	By agreement
Interest income	-	-	196	176	At cost of fund
Other income	-	-	2	1	By agreement
Interest expenses	-	-	9	10	At cost of fund
Cost of real estate project construction	-	-	147	73	By agreement
<u>Transactions with related individual and companies</u>					
Construction income	85	7	-	-	By agreement
Cost of real estate project construction	71	22	71	14	By agreement
Consultation fee	-	11	-	11	By agreement

(Unaudited but reviewed)

The outstanding balances of the above transactions are shown as separate items in the statements of financial position as follows:

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
<u>Trade and other receivables - related parties (Note 4)</u>				
Subsidiaries	-	-	196,787	596,732
Related parties (related person/a subsidiary's shareholder)	85,927	9,139	-	-
Total trade and other receivables - related parties	<u>85,927</u>	<u>9,139</u>	<u>196,787</u>	<u>596,732</u>
<u>Advances to contractors - related parties</u>				
Subsidiary	-	-	5	18
Related party (a subsidiary's shareholder)	7,331	11,859	7,331	11,911
Total advances to contractors - related parties	<u>7,331</u>	<u>11,859</u>	<u>7,336</u>	<u>11,929</u>
<u>Trade and other payables - related parties (Note 15)</u>				
Subsidiaries	-	-	13,497	18,244
Related party (a subsidiary's shareholder)	3,104	10,890	1,313	9,150
Total trade and other payables - related parties	<u>3,104</u>	<u>10,890</u>	<u>14,810</u>	<u>27,394</u>

Loans to and loan from related parties

As at 30 September 2016 and 31 December 2015, the balances of loans between the Company and its subsidiaries and the movements were as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Balance as at	Increase	Decrease	Balance as at
Short-term loans to related company	31 December 2015	during the period	during the period	30 September 2016
	(Audited)			
All Discount Co., Ltd.	-	60,000	-	60,000
Total	<u>-</u>	<u>60,000</u>	<u>-</u>	<u>60,000</u>

(Unaudited but reviewed)

(Unit: Thousand Baht)

Long-term loans to subsidiaries	Separate financial statements			
	Balance as at 31 December 2015	Increase during the period	Decrease during the period	Balance as at 30 September 2016
	(Audited)			
Estate Perfect Co., Ltd.	634,268	795,000	(11,696)	1,417,572
Bright Development Bangkok Co., Ltd.	1,705,419	1,230,000	-	2,935,419
U&I Construction Bangkok Co., Ltd.	90,000	350,000	-	440,000
Perfect Prefab Co., Ltd.	50,000	-	(8,117)	41,883
Property Perfect International Pte. Ltd. ("PPI")	1,314,647	164,825	(645,472)	834,000
Chiangmai Development Co., Ltd.	150,330	4,500	-	154,830
Kiroro Resort Holding Co., Ltd. ("KRH")	200,000	1,314,235	(200,000)	1,314,235
Ramintra Mall Co., Ltd.	-	29,500	-	29,500
Total	4,144,664	3,888,060	(865,285)	7,167,439

Note: Loan to PPI amounting to Baht 645 million and interest receivables amounting to Baht 112 million were converted to loan to KRH.

(Unit: Thousand Baht)

Short-term loan from subsidiary	Separate financial statements			
	Balance as at 31 December 2015	Increase during the period	Decrease during the year	Balance as at 30 September 2016
	(Audited)			
Residence Number Nine Ltd.	170,000	490,000	(375,000)	285,000
Total	170,000	490,000	(375,000)	285,000

Directors' and management's benefits

During the three-month and nine-month periods ended 30 September 2016 and 2015, the Company and its subsidiaries had employee benefit expenses to their directors and management as below.

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	37	32	15	13
Post-employment benefits	2	2	1	1
Total	39	34	16	14

(Unaudited but reviewed)

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Short-term employee benefits	127	97	54	54
Post-employment benefits	5	5	3	4
Total	132	102	57	58

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in Note 24.4 a) to the interim financial statements.

4. Trade and other receivables

As at 30 September 2016 and 31 December 2015, trade accounts receivable were classified by aging as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>30 September</u>	<u>31 December</u>	<u>30 September</u>	<u>31 December</u>
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
		(Audited)		(Audited)
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	-	-	-	-
Past due				
Up to 3 months	1,192	9,139	-	-
3 - 6 months	9,438	-	-	-
6 - 12 months	75,297	-	-	-
Total trade receivables - related parties	85,927	9,139	-	-
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	55,447	82,684	-	-
Past due				
Up to 3 months	11,458	82,204	-	-
3 - 6 months	2,194	1,014	-	-
6 - 12 months	3,188	1,811	-	-
Over 12 months	76,738	75,683	4,063	4,063
Total	149,025	243,396	4,063	4,063
Less: Allowance for doubtful debts	(79,071)	(78,817)	(4,063)	(4,063)
Total trade receivables - unrelated parties - net	69,954	164,579	-	-
Trade receivable, net	155,881	173,718	-	-

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
<u>Other receivables</u>				
Advances - related parties	-	-	21,787	33,229
Interest receivables - related parties	247	-	153,738	125,342
Interest receivables	5,629	-	5,629	-
Other receivables - related parties	-	-	21,262	38,161
Dividend receivables - related parties	-	-	-	400,000
Other receivables	36,464	84,092	7,497	-
Total other receivables	42,340	84,092	209,913	596,732
Trade and other receivables, net	198,221	257,810	209,913	596,732

5. Project development costs

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	21,659,509	13,187,855
Increase in land, development and construction costs	7,726,680	4,178,709
Capitalised interest ⁽¹⁾	450,480	304,351
Transfer from advances for purchases of land	91,337	-
Transfer from land held for development	1,413,243	1,250,488
Recognised in cost of sales of real estate	(5,687,246)	(3,663,874)
Balance as at 30 September 2016	25,654,003	15,257,529

⁽¹⁾ Interest is charged at the rates of 4.87% - 7.38% per annum

Movements in the allowance for loss on diminution in value of projects during the nine-month period ended 30 September 2016 are summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	67,492	61,741
Add: Additional set up during the period	19,910	19,910
Less: Reversal due to sale	(15,267)	(15,267)
Balance as at 30 September 2016	72,135	66,384

The Company and its subsidiaries have mortgaged the project land and construction thereon with the financial institutions as collateral for credit facilities and guarantees as detailed below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Audited)		(Audited)
Book value	16,035	15,969	9,596	9,404

6. Land held for sale

On 11 August 2016, two subsidiaries entered into agreements to sell and to purchase land with an unrelated individual with a total value of Baht 584 million. The subsidiaries made cash payment totaling Baht 500 million and issued a promissory note of Baht 84 million for settlement, and received the transfer of ownership of the land on 15 August 2016.

Subsequently, on 8 September 2016, the subsidiaries entered into agreements to sell and to purchase the land with an unrelated party with a total value of Baht 732 million, and received deposits amounting to Baht 15 million on the same day. The balance is to be paid and ownership of the land transferred within six months from the agreement date, with the buyer having an option to extend this period.

7. Investments in subsidiaries

7.1 Subsidiaries directly owned by the Company

7.1.1 Thai Property Public Company Limited (“TPROP”)

On 15 July 2016, the Company’s Board of Directors passed a resolution to approve the Company’s proceeding with a request to delist shares of TPROP from the Stock Exchange of Thailand and to make a tender offer for all securities of TPROP for the purpose of the delisting at a price of not lower than Baht 0.84 per share.

Subsequently, TPROP was granted approval to request the delisting of its shares from the Stock Exchange of Thailand by meetings of its Board of Directors and its shareholders held on 15 July 2016 and 25 August 2016, respectively.

In order to delist its securities, the Company made a tender offer for all securities of TPROP to the minority shareholders of TPROP, totaling 329,911,449 shares, at a price of Baht 0.84 per share, or for a total amount not exceeding Baht 277,125,617.16, with the tender offer period running from 22 September 2016 to 24 November 2016. When the tender offer period ends, the Company will proceed with delisting TPROP from the Stock Exchange of Thailand.

7.1.2 Estate Perfect Company Limited (“Estate”)

On 1 December 2015, the Board of Directors of Estate passed a resolution to approve the payment of interim dividend of Baht 300 million (at a rate of Baht 2.50 per share) to the shareholders, in respect of the operating results in the past. On 31 January 2016, Estate already paid the dividend.

7.1.3 Bright Development Bangkok Company Limited (“Bright”)

On 2 December 2015, the Board of Directors of Bright passed a resolution to approve the payment of interim dividend of Baht 100 million (at a rate of Baht 10 per share) to the shareholders, in respect of the operating results in the past. On 31 January 2016, Bright already paid the dividend.

7.2 Subsidiary indirectly owned by the Company

7.2.1 Kiroro Resort Holdings Company Limited (“KRH”) (held by Property Perfect International Pte. Ltd. (“PPI”))

- a) In January 2016, PPI invested JPY 499.1 million in KRH’s additional ordinary shares in proportion to its existing shareholding in accordance with a resolution of a meeting of KRH’s Board of Directors on 3 August 2015 and invested JPY 500.0 million in KRH’s additional ordinary shares (100,000 ordinary shares with a value of JPY 5,000 each) settled against loans from PPI to KRH in accordance with a resolution of a meeting of KRH’s Board of Directors on 29 December 2015. As a result, PPI’s shareholding in KRH increased from 95.61% to 97.27%. The Company recorded the effect of the change in PPI’s shareholding in KRH amounting to JPY 31.1 million (equivalent to Baht 9.8 million) in other components of equity, under shareholders’ equity in the consolidated financial statements.
- b) On 22 March 2016, a meeting of the Board of Directors of KRH passed a resolution to approve the establishment of Kiroro Resort Development Company Limited, to engage in the real estate development, with a registered share capital of JPY 30 million, with KRH to hold a 100% interest. This company registered its incorporation on 30 March 2016.

8. Investments in joint ventures

Details of the investments in joint ventures were as follows:

Jointly controlled entities	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	Carrying amounts		financial statements	
	based on equity method		Cost	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
Dara Harbour Company Limited	128,147	128,184	130,000	130,000
T Utilities Company Limited	2,149	-	6,000	-
All Discount Company Limited	4,370	-	-	-
Total	134,666	128,184	136,000	130,000

8.1 T Utilities Company Limited

On 25 February 2016, the meeting of the Company's Board of Directors passed a resolution to approve a joint investment in T Utilities Company Limited ("TU"), to be engaged in investment in infrastructure companies and projects, with a registered share capital of Baht 500 million (50,000,000 ordinary shares with a par value of Baht 10 each) (3% called up). The Company held a 40% interest in TU.

8.2 All Discount Company Limited

On 17 February 2016, the meeting of Board of Directors of a subsidiary (We Retail Public Company Limited ("WR")) passed a resolution to approve the establishment of a joint venture, All Discount Company Limited ("All Discount") to be engaged in retail business. Such company has a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each) (25% called up). WR held a 50% interest in All Discount.

9. Land held for development

The Company and its subsidiaries have mortgaged the land held for development with the financial institutions as collateral for credit facilities and guarantees as detailed below.

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	Carrying amounts		financial statements	
	based on equity method		Cost	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
Book value	1,089	983	366	391

(Unaudited but reviewed)

10. Advances for purchases of land

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2016	677,994	537,800
Increase	301,207	301,207
Title deeds of land transferred	(336,381)	(245,045)
Return	(166,058)	(151,700)
Balance as at 30 September 2016	<u>476,762</u>	<u>442,262</u>

Advances for purchases of land were detailed below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
	(Audited)		(Audited)	
Advances paid to landowners under agreements to purchase and to sell land ⁽¹⁾	348,578	480,994	314,078	342,800
Advances paid to agents in acquiring land	128,184	197,000	128,184	195,000
Total	<u>476,762</u>	<u>677,994</u>	<u>442,262</u>	<u>537,800</u>
⁽¹⁾ Values of agreements to purchase and to sell land	1,929,273	2,908,513	1,714,473	2,023,016

During the current period, the Company entered into memorandums with 3 unrelated companies to sell rights under agreements to sell and to purchase land made between the Company and the landowners. The transfers of land between the landowners and the 3 companies were completed. The Company also complied with the significant conditions stipulated in the memorandums between the Company and 3 companies. The Company, as agent for the purchases of land, received payments from sales of rights in land purchases amounting to Baht 276 million from 3 companies and recorded gains from these transactions net of the related costs under the heading of "Gains on sales of rights in land purchases" in profit or loss for the current period. Details are as follows:

	(Unit: Thousand Baht)
	Consolidated and separate financial statements
Cash received from sales of rights in land purchases	276,252
Less: Advances for purchases of land of the Company	(85,443)
Cost of servitude land and road construction	(63,986)
Cost of transactions	(8,100)
Gains on sales of rights in land purchases	<u>118,723</u>

(Unaudited but reviewed)

11. Investment properties

	(Unit: Thousand Baht)
	Consolidated financial statements
Net book value as at 1 January 2016	2,286,869
Acquisitions - at cost	9,617
Capitalised interest ⁽¹⁾	29,370
Transferred from property, plant and equipment	4,243
Amortised leasehold rights as investment properties	12,163
Recorded land rental expenses	28,259
Depreciation	(102,477)
Net book value as at 30 September 2016	<u>2,268,044</u>

⁽¹⁾ Interest is charged at a rate of 5.39% per annum

The subsidiaries have mortgaged investment properties with the financial institutions as collateral for credit facilities, as detailed below.

	(Unit: Million Baht)	
	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Net book value	323	323

12. Property, plant and equipment

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2016	5,436,046	89,524
Acquisitions - at cost	781,780	16,914
Capitalised interest ⁽¹⁾	23,239	-
Transferred to investment properties	(4,243)	-
Transferred to land held for development	(2,905)	(2,905)
Disposals/Write-offs - net	(9,025)	(330)
Depreciation	(322,541)	(17,807)
Translation adjustment	148,364	-
Net book value as at 30 September 2016	<u>6,050,715</u>	<u>85,396</u>

⁽¹⁾ Interest is charged at the rates of 4.87% - 5.78% per annum

(Unaudited but reviewed)

The subsidiary has mortgaged the land with structures as collateral for the subsidiary's long-term loans from banks as summarised below.

(Unit: Million Baht)

	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Net book value	3,535	3,431

13. Leasehold rights

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2016	2,150,605	33,606
Increase during the period	27,000	-
Amortisation as cost of investment properties	(12,163)	-
Amortisation	(113,666)	(2,410)
Net book value as at 30 September 2016	2,051,776	31,196

On 17 June 2016, a subsidiary (Ramintra Mall Co., Ltd.) entered into a rental agreement extending the agreement dated 26 August 2014 for 3 years, from 1 April 2046 to 31 March 2049, with compensation for the leasehold amounting to Baht 27 million and rental expenses for 3 years amounting to Baht 48 million.

14. Short-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	372,022	189,745
Add: Addition	110,661	20,000
Less: Repayment	(462,683)	(189,745)
Balance as at 30 September 2016	20,000	20,000

Short-term loan is subject to interest at a rate tied to the minimum loan rate (MLR), clean and mature in October 2016.

15. Trade and other payables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
Trade accounts payable - related companies	3,104	10,890	12,270	27,074
Trade accounts payable	1,304,418	1,460,531	932,795	885,559
Accounts payable - land	83,800	385,960	-	385,960
Creditors per rehabilitation plan	6,812	6,812	-	-
Retention payable	122,779	164,200	51,800	79,417
Accrued interest expenses - related company	-	-	2,540	320
Accrued interest expenses	166,976	94,975	152,201	90,050
Accrued expenses	631,549	786,376	255,603	269,822
Other payables	210,636	62,311	114,977	-
Total trade and other payables	2,530,074	2,972,055	1,522,186	1,738,202

16. Bills of exchange payable

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
Balance as at 1 January 2016		2,456,401		1,307,408
Add: Issuance of bills of exchange		5,280,000		3,870,000
Add: Amortisation of prepaid interest expenses		86,242		53,641
Less: Repayment		(4,100,000)		(2,420,000)
Less: Prepaid interest expenses		(103,166)		(71,892)
Balance as at 30 September 2016		3,619,477		2,739,157

Bills of exchange are subject to interest at rates of 3.90 - 4.80% per annum, clean and mature during October 2016 and March 2017.

(Unaudited but reviewed)

17. Debentures

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2016	31 December 2015	30 September 2016	31 December 2015
		(Audited)		(Audited)
Unsecured debentures No. 1/2014	-	2,200,000	-	2,200,000
Unsecured debentures No. 2/2014	2,400,000	2,400,000	2,400,000	2,400,000
Unsecured debentures No. 1/2015	2,395,842	2,392,705	2,395,842	2,392,705
Unsecured debentures No. 2/2015	2,494,831	2,491,595	2,494,831	2,491,595
Unsecured debentures No. 3/2015	2,991,497	2,988,340	2,991,497	2,988,340
Unsecured debentures No. 4/2015	109,806	109,679	109,806	109,679
Unsecured debentures No. 5/2015	2,990,251	2,987,682	2,990,251	2,987,682
Unsecured debentures No. 1/2016	2,989,132	-	2,989,132	-
Unsecured debentures No. 2/2016#1	1,545,650	-	1,545,650	-
Unsecured debentures No. 2/2016#2	1,444,257	-	1,444,257	-
Unsecured debentures No. 3/2016#1	1,196,178	-	1,196,178	-
Unsecured debentures No. 3/2016#2	1,194,893	-	1,194,893	-
Unsecured debentures No. 4/2016	199,486	-	199,486	-
Unsecured debentures No. 1/2016	696,943	-	-	-
Unsecured debentures No. 2/2016	149,587	-	-	-
Unsecured debentures No. 3/2016	199,413	-	-	-
Unsecured debentures No. 4/2016	299,079	-	-	-
Total debentures - net of issuing costs	23,296,845	15,570,001	21,951,823	15,570,001
Less: Current portion	(4,800,000)	(4,600,000)	(4,800,000)	(4,600,000)
Debentures - net of current portion	18,496,845	10,970,001	17,151,823	10,970,001

Movements in the debenture account during the nine-month period ended 30 September 2016 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	15,570,001	15,570,001
Add: Issuance of debentures	9,950,000	8,600,000
Add: Amortisation of deferred debenture issuing costs	16,541	15,366
Less: Repayment	(2,200,000)	(2,200,000)
Less: Deferred debenture issuing costs	(39,697)	(33,544)
Balance as at 30 September 2016	23,296,845	21,951,823

(Unaudited but reviewed)

During the period, the Company and its subsidiary issued and offered the debentures in accordance with the resolution of the General Meeting of the Company and its subsidiary's shareholders as detailed below.

<u>Debentures</u>	<u>Unit</u>	<u>Unit par (Baht)</u>	<u>Total value (Baht)</u>	<u>Issue date</u>	<u>Term</u>	<u>Maturity Date</u>	<u>Coupon rate (% per annum)</u>
<u>The Company</u>							
Unsecured debentures No. 1/2016	3,000,000	1,000	3,000,000,000	28 January 2016	4 years	28 January 2020	5.60
Unsecured debentures No. 2/2016#1	1,550,000	1,000	1,550,000,000	2 June 2016	2.5 years	2 December 2018	4.70
Unsecured debentures No. 2/2016#2	1,450,000	1,000	1,450,000,000	2 June 2016	4 years	2 June 2020	5.50
Unsecured debentures No. 3/2016#1	1,200,000	1,000	1,200,000,000	22 September 2016	3 years	22 Sep 2019	4.85
Unsecured debentures No. 3/2016#2	1,200,000	1,000	1,200,000,000	22 September 2016	4 years	22 Sep 2020	5.30
Unsecured debentures No. 4/2016	200,000	1,000	200,000,000	30 August 2016	2 years	30 August 2018	4.30
<u>Grande Asset Hotels and Property</u>							
<u>Public Company Limited</u>							
Unsecured debentures No. 1/2016	700,000	1,000	700,000,000	17 February 2016	3 years	14 February 2019	5.70
Unsecured debentures No. 2/2016	150,000	1,000	150,000,000	16 March 2016	2 years	19 March 2018	5.20
Unsecured debentures No. 3/2016	200,000	1,000	200,000,000	27 May 2016	2 years 11 months 23 days	20 May 2019	5.35
Unsecured debentures No. 4/2016	300,000	1,000	300,000,000	14 July 2016	2 years 5 months	14 December 2018	5.20

The debenture agreements contain several covenants which, among other things, require the Company and its subsidiary to maintain debt-to-equity ratio at the rates prescribed in the agreements.

18. Long-term loans

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
Long-term loans	4,460,446	6,306,978	2,050,618	3,412,771
Less: Current portion	(753,773)	(597,481)	(138,264)	(504,183)
Long-term loans - net of current portion	<u>3,706,673</u>	<u>5,709,497</u>	<u>1,912,354</u>	<u>2,908,588</u>

Movements in the long-term loan account during the nine-month period ended 30 September 2016 were summarised below.

(Unit: Thousand Baht)

	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2016	6,306,978	3,412,771
Add: Addition	1,343,180	992,232
Add: Amortisation of front end fee	2,334	-
Less: Repayment	(3,192,046)	(2,354,385)
Balance as at 30 September 2016	<u>4,460,446</u>	<u>2,050,618</u>

During the period, the Company and its subsidiary entered into new loan agreements with three financial institutions. Details of the new loans are as follows:

Facility	Balance as at	Redemption rate	End of contract date
	30 September		
	2016		
	(Million Baht)	(%)	
<u>The Company</u>			
A facility of Baht 240 million	100	70	11 January 2019
A facility of Baht 800 million	205	65	8 December 2020
A facility of Baht 832 million	-	70	16 August 2021
A facility of Baht 399 million	-	70	16 February 2021
A facility of Baht 567 million	-	65	17 August 2020
<u>Subsidiary</u>			
A facility of Baht 299 million	87	70	20 July 2019

(Unaudited but reviewed)

The loans are subject to interest at a rate tied to the minimum loan rate (MLR) and loan repayments are to be made each time that a plot of land or a condominium unit is redeemed from mortgage, at a rate of not less than the redemption rate stipulated in the agreements on the selling price, which is not to be less than the amount notified to the banks.

The long-term loans are secured by the mortgage of the Company and subsidiaries' land and construction thereon while part is secured by guarantees provided by the Company and the pledge of the subsidiary's bank account.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiaries to maintain a debt-to-equity ratio at the rate prescribed in the agreements.

19. Provision for long-term employee benefits

Movements in the provision for long-term employee benefit account during the nine-month period ended 30 September 2016 were summarised below.

	(Unit: Thousand Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2016	240,541	151,204
Current service cost	24,648	8,390
Interest cost	4,955	3,090
Benefits paid during the period	(19,391)	(12,477)
Translation adjustment	697	-
Balance as at 30 September 2016	<u>251,450</u>	<u>150,207</u>

Long-term employee benefit expenses included in the profit or loss for the three-month and nine-month periods ended 30 September 2016 amounted to Baht 8 million and Baht 30 million, respectively (2015: Baht 11 million and Baht 31 million, respectively) (Separate financial statements: Baht 4 million and Baht 11 million, respectively (2015: Baht 6 million and Baht 19 million, respectively)).

20. Income tax

Interim corporate income tax was calculated on profit before income tax for the period, using the estimated effective tax rate for the year.

Income tax expenses for the three-month and nine-month periods ended 30 September 2016 and 2015 were made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax	(101,383)	(8,528)	(34,394)	37
Deferred tax:				
Relating to origination and reversal of temporary differences	34,760	15,756	3,253	(6,933)
Income tax benefits (expenses) reported in the statements of comprehensive income	<u>(66,623)</u>	<u>7,228</u>	<u>(31,141)</u>	<u>(6,896)</u>

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Current income tax:				
Interim corporate income tax	(268,147)	(38,619)	(138,856)	37
Deferred tax:				
Relating to origination and reversal of temporary differences	46,673	59,960	(742)	25,649
Income tax benefits (expenses) reported in the statements of comprehensive income	<u>(221,474)</u>	<u>21,341</u>	<u>(139,598)</u>	<u>25,686</u>

The amounts of income tax relating to each component of other comprehensive income for the three-month and nine-month periods ended 30 September 2016 and 2015 were as follows:

	(Unit: Thousand Baht)			
	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to gain on changes in value of available-for-sale investments	664	39	664	39

	(Unit: Thousand Baht)			
	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Deferred tax relating to gain (loss) on changes in value of available-for-sale investments	724	(535)	724	(535)

21. Earnings per share

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

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

The following tables set forth the computation of basic and diluted earnings per share:

	Consolidated financial statements					
	For the three-month periods ended 30 September					
	Profit (loss)		Weighted average number of ordinary shares		Earnings per share	
	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>	<u>2016</u>	<u>2015</u>
Thousand Baht	Thousand Baht	Thousand shares	Thousand shares	Baht	Baht	
Basic earnings per share						
Profit (loss) attributable to equity holders of the Company	68,746	(187,530)	7,667,826	5,849,065	0.00897	(0.03206)

(Unaudited but reviewed)

		Separate financial statements							
		For the three-month periods ended 30 September							
		Weighted average number of ordinary shares				Earnings per share			
Profit (loss)		2016		2015		2016		2015	
Thousand Baht		Thousand Baht		Thousand shares		Thousand shares		Baht Baht	
Basic earnings per share									
Profit (loss) attributable to equity holders of the Company		<u>89,522</u>	<u>(37,580)</u>	<u>7,667,826</u>	<u>5,849,065</u>	<u>0.01168</u>	<u>(0.00642)</u>		

		Consolidated financial statements							
		For the nine-month periods ended 30 September							
		Weighted average number of ordinary shares				Earnings per share			
Profit		2016		2015		2016		2015	
Thousand Baht		Thousand Baht		Thousand shares		Thousand shares		Baht Baht	
Basic earnings per share									
Profit attributable to equity holders of the Company		<u>414,469</u>	<u>356,651</u>	<u>7,667,826</u>	<u>5,805,617</u>	<u>0.05405</u>	<u>0.06143</u>		
Effect of dilutive potential ordinary shares									
Warrants PF-W3			<u>-</u>		<u>17,733</u>				
Diluted earnings per share									
Profit of ordinary shareholders assuming the conversion of dilutive potential ordinary shares			<u>356,651</u>		<u>5,823,350</u>		<u>0.06124</u>		

		Separate financial statements							
		For the nine-month periods ended 30 September							
		Weighted average number of ordinary shares				Earnings per share			
Profit (loss)		2016		2015		2016		2015	
Thousand Baht		Thousand Baht		Thousand shares		Thousand shares		Baht Baht	
Basic earnings per share									
Profit (loss) attributable to equity holders of the Company		<u>454,624</u>	<u>(235,815)</u>	<u>7,667,826</u>	<u>5,805,617</u>	<u>0.05929</u>	<u>(0.04062)</u>		

The warrants (PF-W3) would decrease loss per share for the three-month and nine-month periods ended 30 September 2015 in the separate financial statement and for the three-month period ended 30 September 2015 in the consolidated financial statements. Therefore, the Company had not assumed conversion of the warrants in calculation of diluted earnings per share.

(Unaudited but reviewed)

22. Segment information

The Company and its subsidiaries are organised into business units based on their products and services. During the period, the Company and its subsidiaries have not changed the organisation of their reportable segments.

The following tables present revenue and profit (loss) information regarding the Company and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2016 and 2015 which is provided to Chief Executive Officer of the Group, who is the chief operating decision maker of the Company and its subsidiaries.

(Unit: Million Baht)

	For the three-month periods ended 30 September											
	Property development segment		Construction segment		Rental and service segment		Hotel segment		Elimination of inter-segment revenues		Consolidation	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	3,062	2,621	2	-	94	80	437	404	-	-	3,595	3,105
Intersegment revenues	9	-	105	168	28	8	-	-	(142)	(176)	-	-
Total revenues	<u>3,071</u>	<u>2,621</u>	<u>107</u>	<u>168</u>	<u>122</u>	<u>88</u>	<u>437</u>	<u>404</u>	<u>(142)</u>	<u>(176)</u>	<u>3,595</u>	<u>3,105</u>
Segment operating profit (loss)	1,065	738	1	-	(1)	6	70	90	-	-	1,135	834
Unallocated income and expenses:												
Interest income											5	16
Other income											72	58
Gains on sales of rights in land purchases											119	-
Selling expenses											(352)	(376)
Administrative expenses											(649)	(603)
Share of loss from investments in joint ventures											(10)	-
Finance cost											(225)	(164)
Income tax											(66)	7
Non-controlling interests of the subsidiaries											40	41
Profit (loss) for the period											<u>69</u>	<u>(187)</u>

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month periods ended 30 September

	Property development segment		Construction segment		Rental and service segment		Hotel segment		Elimination of inter-segment revenues		Consolidation	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenue from external customers	8,838	6,822	84	-	271	139	1,650	1,052	-	-	10,843	8,013
Intersegment revenues	9	-	359	463	109	11	-	-	(477)	(474)	-	-
Total revenues	<u>8,847</u>	<u>6,822</u>	<u>443</u>	<u>463</u>	<u>380</u>	<u>150</u>	<u>1,650</u>	<u>1,052</u>	<u>(477)</u>	<u>(474)</u>	<u>10,843</u>	<u>8,013</u>
Segment operating profit (loss)	3,151	2,168	19	-	5	17	477	308	-	-	3,652	2,493
Unallocated income and expenses:												
Gain from a bargain purchase											-	530
Interest income											15	61
Other income											215	144
Gains on sales of rights in land purchases											119	-
Selling expenses											(954)	(926)
Administrative expenses											(1,850)	(1,587)
Share of loss from investments in joint ventures											(12)	-
Finance cost											(629)	(443)
Income tax											(221)	21
Non-controlling interests of the subsidiaries											79	64
Profit for the period											<u>414</u>	<u>357</u>

23. Dividends

	<u>Approved by</u>	<u>Total dividends</u>	<u>Dividend per share</u>
Final dividend for 2014	Annual General Meeting of the shareholders on 23 April 2015	Baht 254 million	Baht 0.044
Final dividend for 2015	Annual General Meeting of the shareholders on 28 April 2016	Baht 230 million	Baht 0.03

24. Commitments and contingent liabilities

As at 30 September 2016, the Company and its subsidiaries had commitments and contingent liabilities as follows:

24.1 Capital commitments

- The Company and its subsidiaries had outstanding capital commitments of approximately Baht 4,046 million and JPY 972 million (Separate financial statements: Baht 742 million) (31 December 2015: Baht 5,420 million (Separate financial statements: Baht 2,035 million)) in respect of construction, design and consultation for land and house projects, residential condominium units and hotel buildings, office building improvement and purchase of residential condominium units and equipment.
- A subsidiary had outstanding capital commitments of approximately Baht 13 million (31 December 2015: Baht 13 million) in respect of land lease for real estate development.

24.2 Operating lease and service commitments

Future minimum lease payments required under these non-cancellable operating lease and service contracts were as follows:

	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Payable within:		
Less than 1 year	Baht 212 million and JPY 3 million	Baht 170 million and JPY 3 million
2 to 5 years	Baht 346 million and JPY 2 million	Baht 349 million and JPY 4 million
Over 5 years	Baht 2,291 million	Baht 2,348 million

(Unaudited but reviewed)

	Separate financial statements	
	30 September 2016	31 December 2015
		(Audited)
Payable within:		
Less than 1 year	Baht 107 million	Baht 78 million
2 to 5 years	Baht 44 million	Baht 54 million
Over 5 years	Baht 10 million	Baht 12 million

In addition, future minimum sublease payments expected to be received under non-cancellable subleases were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Receivable within:		
1 year	176	194
2 to 3 years	114	186

24.3 Long-term service commitments

Future minimum service payments under long-term service agreements were as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	
	30 September 2016	31 December 2015
		(Audited)
Payable within:		
1 year	22	19
2 to 5 years	7	-

24.4 Guarantees

- a) The Company has guaranteed bank credit facilities of its subsidiaries amounting to Baht 5,943 million (31 December 2015: Baht 9,042 million).
- b) There were outstanding bank guarantees issued by the banks on behalf the Company and its subsidiaries as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2016	2015	2016	2015
		(Audited)		(Audited)
Public facilities	954	929	556	564

24.5 Litigations

24.5.1 During the period, there was no additional litigation and no significant progress in the litigation described in Note 38.5 to the 2015 financial statements, except that one lawsuit was filed against a subsidiary (Grande Equity Development Company Limited), with the plaintiff claiming damages totaling Baht 47 million. On 18 December 2014, the Court of First Instance ordered the dismissal of the plaintiff's claim. Subsequently, on 26 May 2015, the plaintiff filed an appeal against the judgement of the Court of First Instance. Subsequently, the subsidiary filed an answer to the appeal on 21 July 2015. And on 5 April 2016, the Pattaya Provincial Court announced the judgement of the Court of Appeal followed by the judgement of the Court of First Instance, ordering the dismissal of the plaintiff's claim and each part to pay their own costs. Subsequently, the plaintiff submitted to the Supreme Court a petition against the said judgement of the Court of Appeal on 29 July 2016. On 3 October 2016, the subsidiary filed an answer to the petition. The petition is currently pending the consideration of the Supreme Court.

24.5.2 In addition, there has been no notable progress in the significant litigation of a subsidiary (Grande Asset Hotels and Property Public Company Limited) described in Note 38.5 g) to the 2015 financial statements. The details of the litigation were as follows:

In October 2008, one of the landlords filed a complaint against the subsidiary, claiming that the subsidiary had breached the land lease agreement made with the plaintiff, resulting in damage to the plaintiff. Under this lawsuit, the plaintiff petitioned for termination of the land lease agreement and sued for total compensation of Baht 79 million. On 6 August 2010, the Phrakhanong Provincial Court announced its judgement on the lawsuit, holding that the subsidiary had breached the terms of the land lease agreement, thereby entitling the plaintiff to legally terminate the land lease agreement, with the hotel building to become the property of the plaintiff pursuant to the agreement. However, the Court found that the subsidiary was not obliged to pay compensation of Baht 79 million to the plaintiff. Furthermore, the subsidiary was ordered to deregister the land lease under the agreement and to release the hotel building from mortgage with a local bank. Subsequently, on 2 September 2010, the subsidiary submitted to the Court of Appeal an appeal against the said judgement of the Court of First Instance and a petition for stay of execution requesting a stay of execution in accordance with the said judgement until a final judgement of the Court of Appeal or the Supreme Court shall have been reached. Subsequently, the plaintiff filed an answer to the appeal on 26 October 2010. In addition, on 1 October 2010, the plaintiff also filed an appeal against the judgement of the Court of First Instance in relation to damages by asking the Court of Appeal to award damages to the plaintiff at the rate of Baht 500,000 per day commencing from the date following the date of judgement of the Court of First Instance until the date of the subsidiary delivers the hotel building to the plaintiff. Subsequently, the subsidiary filed an answer to the appeal on 15 December 2010. As for the petition for stay of execution, on 21 October 2011, the Court ordered that the petition be granted and that the subsidiary be prohibited from entering into any transaction in relation to the hotel building in dispute during the appeal. Subsequently, on 30 July 2013, the Phrakhanong Provincial Court announced the judgement of the Court of Appeal dismissing the plaintiff's claim, and as a result the land lease agreement remains effective and the subsidiary is not responsible for any damages to the plaintiff. Subsequently, the plaintiff submitted to the Supreme Court a petition against the said judgement of the Court of Appeal on 28 August 2013. On 27 November 2013, the subsidiary filed an answer to the petition. And on 20 January 2014, the plaintiff filed an answer to the petition. Subsequently, on 21 September 2016, the Phrakhanong Provincial Court read the judgment of the Supreme Court, which followed by the judgment of the Court of Appeal, ordering the dismissal of the plaintiff's claim, which each part to pay their own costs. Therefore, the case was finalised.

25. Foreign currency assets

As at 30 September 2016, the Company had financial assets in foreign currency amounting to JPY 4,017 million and entered into cross currency swap agreements amounting to JPY 4,017 million under which the contractual rates are Baht 0.3225 to Baht 0.3480 per JPY 1.

Under the agreements of hedging exchange risk, the Company had commitments in respect of cash collateral, under conditions stipulated in the agreements.

26. Fair value of financial instruments

As of 30 September 2016, available for sale investments, presented at quoted market prices (level 1 under fair value hierarchy), amounted to Baht 103 million.

27. Events after the reporting period

On 10 November 2016, a meeting of the Company's Board of Directors passed the following significant resolutions:

- a) Approved a decrease in the registered share capital from Baht 7,900,000,000 to Baht 7,667,826,432 by canceling 232,173,568 unissued ordinary shares with a par value of Baht 1 each.
- b) Approved a Baht 1,332,173,568 increase in the registered share capital, from Baht 7,667,826,432 to Baht 9,000,000,000, through the issue of 1,332,173,568 ordinary shares with a par value of Baht 1 each.
- c) Approved the allocation of up to 1,300,000,000 ordinary shares with a par value of Baht 1 by private placement.
- d) Approved the issuance and offering bills of exchange from Baht 3,000 million to Baht 4,000 million that are classified as securities under the Notification of the Securities and Exchange Commission.
- e) Approved the issue and offer of up to USD 100 million, or the equivalent amount in other currencies of subordinated perpetual debentures. The Company's Board of Directors or persons authorized by the Board of Directors have the authority to stipulate details of the debentures.

28. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 10 November 2016.