

Amata Corporation Public Company Limited and its subsidiaries
Review report and interim consolidated financial statements
For the three-month and nine-month periods ended
30 September 2017

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Amata Corporation Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Amata Corporation Public Company Limited and its subsidiaries as at 30 September 2017, the related consolidated statements of income and comprehensive income for the three-month and nine-month periods ended 30 September 2017 and the related 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 Amata Corporation Public Company Limited for the same period.

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 19 of the interim consolidated financial statements regarding contingent liabilities from additional charges for land rental payables of an overseas subsidiary.

My conclusion is not qualified in respect of this matter.

Supanee Triyanantakul

Certified Public Accountant (Thailand) No. 4498

EY Office Limited

Bangkok: 14 November 2017

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position

As at 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents		1,530,379	1,757,650	224,245	800,667
Current investments - deposits at bank		129	346,484	-	-
Trade and other receivables	3	470,182	365,120	141,269	66,794
Short-term loan to subsidiary	2	-	-	7,203	-
Real estate development costs	4	7,986,961	7,642,074	4,035,286	4,243,874
Other current assets		103,288	106,841	6,404	12,014
Total current assets		10,090,939	10,218,169	4,414,407	5,123,349
Non-current assets					
Investments in subsidiaries	5	-	-	957,272	951,325
Investments in associates	6	3,153,887	2,572,807	1,155,951	1,125,951
Long-term loans to subsidiary	2	-	-	63,088	67,752
Investment properties	7	4,214,962	4,104,099	547,987	563,716
Property, plant and equipment	8	982,406	1,022,402	138,790	146,614
Deposits for purchase of land		146,170	107,145	49,773	39
Prepayment for land-use rights	9	2,203,817	3,219,309	-	-
Land awaiting for future development	10	6,909,358	5,169,020	5,033,118	4,600,584
Deferred tax assets		1,084	9,720	-	-
Other non-current assets		216,850	173,031	46,093	43,038
Total non-current assets		17,828,534	16,377,533	7,992,072	7,499,019
Total assets		27,919,473	26,595,702	12,406,479	12,622,368

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements		
	Note	30 September 2017 (Unaudited but reviewed)	31 December 2016 (Audited)	30 September 2017 (Unaudited but reviewed)	31 December 2016 (Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
		994,213	1,880,807	902,115	1,272,451
		from banks			
Trade and other payables	11	480,896	446,165	110,489	76,671
Short-term loans from related parties	2	150,000	100,000	130,000	-
Current portion of long-term loans	12	1,547,275	2,124,183	1,012,322	1,577,429
Deposits and advances received from customers		749,941	820,275	154,814	270,886
Income tax payable		72,803	121,917	25,098	73,785
Land rental payable	13	144,915	334,634	-	-
Other current liabilities		54,148	34,642	13,724	10,901
Total current liabilities		4,194,191	5,862,623	2,348,562	3,282,123
Non-current liabilities					
Long-term loans, net of current portion	12	5,182,301	2,645,348	1,833,194	1,466,047
Long-term deposits and advances received					
		206,261	195,663	-	-
		from customers			
Land rental received in advance		3,068,386	3,152,927	228,560	238,661
Deferred tax liabilities		341,650	315,603	6,628	7,522
Other non-current liabilities		216,444	183,382	63,470	59,136
Total non-current liabilities		9,015,042	6,492,923	2,131,852	1,771,366
Total liabilities		13,209,233	12,355,546	4,480,414	5,053,489

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 30 September 2017

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital				
Registered				
1,067,000,000 ordinary shares of Baht 1 each	1,067,000	1,067,000	1,067,000	1,067,000
Issued and fully paid				
1,067,000,000 ordinary shares of Baht 1 each	1,067,000	1,067,000	1,067,000	1,067,000
Premium on ordinary shares	173,600	173,600	173,600	173,600
Retained earnings				
Appropriated - statutory reserve	106,700	106,700	106,700	106,700
Unappropriated	10,500,195	9,940,279	6,578,765	6,221,579
Other components of shareholders' equity	523,298	660,055	-	-
Equity attributable to owners of the Company	12,370,793	11,947,634	7,926,065	7,568,879
Non-controlling interests of the subsidiaries	2,339,447	2,292,522	-	-
Total shareholders' equity	14,710,240	14,240,156	7,926,065	7,568,879
Total liabilities and shareholders' equity	27,919,473	26,595,702	12,406,479	12,622,368
	-	-	-	-

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

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Directors
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Amata Corporation Public Company Limited and its subsidiaries**Income statement****For the three-month period ended 30 September 2017**

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

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues					
Revenue from real estate sales		896,602	139,251	465,175	-
Revenue from utility services		458,993	434,735	-	-
Revenue from rental		157,969	133,532	28,999	25,496
Dividend income	5, 6	-	-	232,671	240,670
Interest income		2,830	5,663	1,041	633
Other income		31,182	46,240	5,282	11,498
Total revenues		<u>1,547,576</u>	<u>759,421</u>	<u>733,168</u>	<u>278,297</u>
Expenses					
Cost of real estate sales		260,503	57,754	132,814	-
Cost of utility services		296,924	302,847	-	-
Cost of rental		51,884	52,422	6,696	6,282
Selling expenses		48,249	17,635	33,029	2,836
Administrative expenses		166,537	145,245	91,733	80,773
Losses on exchange		36,989	4,921	1,242	1,341
Total expenses		<u>861,086</u>	<u>580,824</u>	<u>265,514</u>	<u>91,232</u>
Profit before share of profit from investments in associates, finance cost and income tax					
		686,490	178,597	467,654	187,065
Share of profit from investments in associates	6	<u>180,946</u>	<u>150,169</u>	<u>-</u>	<u>-</u>
Profit before finance cost and income tax		<u>867,436</u>	<u>328,766</u>	<u>467,654</u>	<u>187,065</u>
Finance cost		<u>(55,454)</u>	<u>(59,819)</u>	<u>(38,193)</u>	<u>(47,165)</u>
Profit before income tax		<u>811,982</u>	<u>268,947</u>	<u>429,461</u>	<u>139,900</u>
Income tax	15	<u>(124,782)</u>	<u>(24,176)</u>	<u>(31,632)</u>	<u>12,249</u>
Profit for the period		<u><u>687,200</u></u>	<u><u>244,771</u></u>	<u><u>397,829</u></u>	<u><u>152,149</u></u>
Profit attributable to:					
Equity holders of the Company		586,730	183,043	<u>397,829</u>	<u>152,149</u>
Non-controlling interests of the subsidiaries		<u>100,470</u>	<u>61,728</u>		
		<u><u>687,200</u></u>	<u><u>244,771</u></u>		
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>0.55</u>	<u>0.17</u>	<u>0.37</u>	<u>0.14</u>

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the three-month period ended 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the period	<u>687,200</u>	<u>244,771</u>	<u>397,829</u>	<u>152,149</u>
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	<u>(532)</u>	<u>(90,547)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>(532)</u>	<u>(90,547)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>(532)</u>	<u>(90,547)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>686,668</u>	<u>154,224</u>	<u>397,829</u>	<u>152,149</u>
Total comprehensive income attributable to:				
Equity holders of the Company	586,613	122,400	<u>397,829</u>	<u>152,149</u>
Non-controlling interests of the subsidiaries	<u>100,055</u>	<u>31,824</u>		
	<u>686,668</u>	<u>154,224</u>		

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

Amata Corporation Public Company Limited and its subsidiaries**Income statement****For the nine-month period ended 30 September 2017**

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

	Consolidated financial statements		Separate financial statements		
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues					
Revenue from real estate sales		1,519,987	640,564	750,534	176,790
Revenue from utility services		1,331,517	1,285,976	-	-
Revenue from rental		458,123	389,214	86,498	82,003
Revenue from rights of way	14	-	57,517	-	-
Dividend income	5, 6	-	-	777,281	665,849
Interest income		12,157	24,374	4,372	3,144
Gain on sales of investment properties		42,069	-	-	-
Other income		65,950	70,714	16,899	22,158
Total revenues		<u>3,429,803</u>	<u>2,468,359</u>	<u>1,635,584</u>	<u>949,944</u>
Expenses					
Cost of real estate sales		498,830	229,321	232,890	52,904
Cost of utility services		906,128	878,124	-	-
Cost of rental		151,606	153,954	20,375	20,410
Selling expenses		133,984	92,935	70,063	41,504
Administrative expenses		504,470	502,113	272,295	262,796
Losses on exchange		99,024	7,572	4,851	2,661
Total expenses		<u>2,294,042</u>	<u>1,864,019</u>	<u>600,474</u>	<u>380,275</u>
Profit before share of profit from investments in associates, finance cost and income tax					
		1,135,761	604,340	1,035,110	569,669
Share of profit from investments in associates	6	512,516	305,346	-	-
Profit before finance cost and income tax		<u>1,648,277</u>	<u>909,686</u>	<u>1,035,110</u>	<u>569,669</u>
Finance cost		(163,544)	(199,369)	(117,278)	(144,036)
Profit before income tax		<u>1,484,733</u>	<u>710,317</u>	<u>917,832</u>	<u>425,633</u>
Income tax	15	(201,087)	(117,594)	(27,159)	18,590
Profit for the period		<u>1,283,646</u>	<u>592,723</u>	<u>890,673</u>	<u>444,223</u>
Profit attributable to:					
Equity holders of the Company		1,093,403	455,125	890,673	444,223
Non-controlling interests of the subsidiaries		190,243	137,598		
		<u>1,283,646</u>	<u>592,723</u>		
Basic earnings per share					
Profit attributable to equity holders of the Company		<u>1.02</u>	<u>0.43</u>	<u>0.83</u>	<u>0.42</u>

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries

Statement of comprehensive income

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the period	<u>1,283,646</u>	<u>592,723</u>	<u>890,673</u>	<u>444,223</u>
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	<u>(201,279)</u>	<u>(88,525)</u>	<u>-</u>	<u>-</u>
Other comprehensive income to be reclassified to profit or loss in subsequent periods	<u>(201,279)</u>	<u>(88,525)</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the period	<u>(201,279)</u>	<u>(88,525)</u>	<u>-</u>	<u>-</u>
Total comprehensive income for the period	<u>1,082,367</u>	<u>504,198</u>	<u>890,673</u>	<u>444,223</u>
Total comprehensive income attributable to:				
Equity holders of the Company	956,637	390,864	<u>890,673</u>	<u>444,223</u>
Non-controlling interests of the subsidiaries	<u>125,730</u>	<u>113,334</u>		
	<u>1,082,367</u>	<u>504,198</u>		

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries

Statement of cash flows

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before income tax	1,484,733	710,317	917,832	425,633
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation	226,667	232,509	26,626	30,871
Amortisation	12,933	14,321	7,183	8,704
Allowance for doubtful accounts (reversal)	(22,697)	1,502	-	-
Share of profit from investments in associates	(512,516)	(305,346)	-	-
Gains on sales of equipment	(400)	-	(37)	-
Gains on sales of investment properties	(42,069)	(25,811)	-	-
Unrealised losses on exchange	34,573	1,423	4,687	2,661
Dividend income from investments in subsidiaries and associate:	-	-	(777,281)	(665,849)
Provision for long-term employee benefits	4,913	4,914	2,685	2,562
Revenue from rights of way granted to associates	-	17,075	-	-
Interest income	(12,157)	(24,374)	(4,372)	(3,144)
Interest expenses	163,544	199,369	117,278	144,036
Profit (loss) from operating activities before changes in operating assets and liabilities	1,337,524	825,899	294,601	(54,526)
Operating assets (increase) decrease				
Trade and other receivables	(18,080)	(37,949)	(3,901)	7,160
Real estate development cost	163,640	(483,205)	208,812	19,605
Other current assets	(11,160)	(40,955)	56	(14,738)
Other non-current assets	(10,135)	(39,077)	(4,684)	(3,649)
Operating liabilities increase (decrease)				
Trade and other payables	26,112	(14,513)	33,384	14,414
Deposits and advances received from customers	(61,986)	340,845	(116,071)	157,033
Land rental payable	(189,719)	-	-	-
Other current liabilities	19,506	6,199	2,824	(81)
Revenue received in advance	(82,290)	(92,782)	(10,102)	(15,971)
Other non-current liabilities	28,148	(240)	1,648	219
Cash flows from operating activities	1,201,560	464,222	406,567	109,466
Cash paid for income tax	(207,677)	(276,128)	(76,740)	(22,072)
Net cash flows from operating activities	993,883	188,094	329,827	87,394

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries**Statement of cash flows (continued)****For the nine-month period ended 30 September 2017**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from investing activities				
Interest income	12,109	24,941	2,270	3,708
Decrease in current investments - deposits				
at financial institutions	346,355	227,900	-	-
Cash receipt from repayment of short-term loans				
made to related parties	-	-	80,000	35,889
Increase in short-term loans to related party	-	-	(87,226)	-
Increase in investment in associates	(308,794)	(218,248)	(30,000)	(190,087)
Dividend income from investments in subsidiaries and associates	157,314	150,832	708,809	707,790
Cash receipt from return of capital of an associate	10,351	-	-	-
Acquisitions of investment properties	(296,849)	(211,875)	-	(6,181)
Proceeds from sales of investment properties	56,800	108,583	-	-
Acquisitions of plant and equipment	(105,897)	(64,483)	(3,296)	(2,318)
Proceeds from sales of equipment	813	-	37	-
Decrease (increase) in deposit for purchase of land	(39,025)	16,709	(49,734)	(5,703)
Purchases of land awaiting for future development	<u>(1,176,847)</u>	<u>(1,542,005)</u>	<u>(432,535)</u>	<u>(124,093)</u>
Net cash from (used in) investing activities	<u>(1,343,670)</u>	<u>(1,507,646)</u>	<u>188,325</u>	<u>419,005</u>
Cash flows from financing activities				
Interest expenses	(212,159)	(206,988)	(116,843)	(150,639)
Increase (decrease) in bank overdrafts and short-term loans				
from financial institutions	(886,594)	(133,589)	(370,337)	196,995
Cash receipt from short-term loans from related parties	50,000	180,000	320,000	735,000
Repayment of short-term loans from related parties	-	-	(190,000)	(735,000)
Cash receipt from long-term loans	3,627,458	1,599,439	1,000,000	898,000
Repayment of long-term loans	(1,694,679)	(1,417,513)	(1,197,960)	(1,194,276)
Cash paid for investment in subsidiary	(592)	(8,462)	(5,947)	(9,992)
Dividend paid to the Company's shareholders	(533,487)	(416,119)	(533,487)	(416,119)
Dividend paid to non-controlling interests of the subsidiaries	(83,358)	(193,578)	-	-
Cash receipt from non-controlling interests from issuance of				
ordinary share of the subsidiary	<u>5,145</u>	<u>-</u>	<u>-</u>	<u>-</u>
Net cash from (used in) financing activities	<u>271,734</u>	<u>(596,810)</u>	<u>(1,094,574)</u>	<u>(676,031)</u>
Decrease in translation adjustments	<u>(141,912)</u>	<u>(66,328)</u>	<u>-</u>	<u>-</u>
Net decrease in cash and cash equivalents	<u>(219,965)</u>	<u>(1,982,690)</u>	<u>(576,422)</u>	<u>(169,632)</u>
Unrealised losses on exchange for cash				
and cash equivalent	(7,306)	(1,423)	-	-
Cash and cash equivalents at beginning of period	<u>1,757,650</u>	<u>3,152,220</u>	<u>800,667</u>	<u>327,980</u>
Cash and cash equivalents at end of period	<u><u>1,530,379</u></u>	<u><u>1,168,107</u></u>	<u><u>224,245</u></u>	<u><u>158,348</u></u>
	-	-	-	-

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

Consolidated financial statements													
Equity attributable to owners of the Company													
				Other components of equity									
				Other comprehensive income			Surplus from			Equity attributable to			
		Retained earnings		Exchange differences	Surplus	Business		changes in	Total other	Total equity	non-controlling	Total	
Issued and	Premium on			on translation of	from changes in	Reserve for	combination under	shareholding	components of	attributable to	interests of	shareholders'	
paid-up	ordinary shares	Appropriated	Unappropriated	financial statements	shareholding of	share-based	common control	in subsidiaries	shareholders'	owners of	the	shareholders'	
share capital	ordinary shares	Appropriated	Unappropriated	in foreign currency	subsidiary	payment	of associates	of associates	equity	the Company	subsidiaries	equity	
Balance as at 1 January 2016	1,067,000	173,600	106,700	9,158,125	63,405	583,925	13,876	(1,502)	4,940	664,644	11,170,069	2,330,451	13,500,520
Profit for the period	-	-	-	455,125	-	-	-	-	-	-	455,125	137,598	592,723
Other comprehensive income for the period	-	-	-	-	(64,261)	-	-	-	-	(64,261)	(64,261)	(24,264)	(88,525)
Total comprehensive income for the period	-	-	-	455,125	(64,261)	-	-	-	-	(64,261)	390,864	113,334	504,198
Purchases investment in subsidiary from non-controlling interests of subsidiary (Note 5)	-	-	-	-	-	-	-	-	-	-	-	(8,462)	(8,462)
Deficit of carrying value over purchase consideration of acquisition under common control of associates	-	-	-	-	-	-	-	(680)	-	(680)	(680)	-	(680)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(193,578)	(193,578)
Dividend paid to the Company's shareholders (Note 17)	-	-	-	(416,119)	-	-	-	-	-	-	(416,119)	-	(416,119)
Balance as at 30 September 2016	1,067,000	173,600	106,700	9,197,131	(856)	583,925	13,876	(2,182)	4,940	599,703	11,144,134	2,241,745	13,385,879
Balance as at 1 January 2017	1,067,000	173,600	106,700	9,940,279	59,496	583,925	13,876	(2,182)	4,940	660,055	11,947,634	2,292,522	14,240,156
Profit for the period	-	-	-	1,093,403	-	-	-	-	-	-	1,093,403	190,243	1,283,646
Other comprehensive income for the period	-	-	-	-	(136,766)	-	-	-	-	(136,766)	(136,766)	(64,513)	(201,279)
Total comprehensive income for the period	-	-	-	1,093,403	(136,766)	-	-	-	-	(136,766)	956,637	125,730	1,082,367
Purchases investment in subsidiary from non-controlling interests of subsidiary (Note 5)	-	-	-	-	-	-	-	-	-	-	-	(592)	(592)
Surplus on changes in shareholding in subsidiaries of associates	-	-	-	-	-	-	-	-	9	9	9	-	9
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	(83,358)	(83,358)
Dividend paid to the Company's shareholders (Note 17)	-	-	-	(533,487)	-	-	-	-	-	-	(533,487)	-	(533,487)
Issuance of ordinary shares of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	5,145	5,145
Balance as at 30 September 2017	1,067,000	173,600	106,700	10,500,195	(77,270)	583,925	13,876	(2,182)	4,949	523,298	12,370,793	2,339,447	14,710,240

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

(Unaudited but reviewed)

Amata Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the nine-month period ended 30 September 2017

(Unit: Thousand Baht)

	Separate financial statements				Total shareholders' equity
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		
			Appropriated	Unappropriated	
Balance as at 1 January 2016	1,067,000	173,600	106,700	5,520,318	6,867,618
Total comprehensive income for the period	-	-	-	444,223	444,223
Dividend paid to the Company's shareholders (Note 17)	-	-	-	(416,119)	(416,119)
Balance as at 30 September 2016	<u>1,067,000</u>	<u>173,600</u>	<u>106,700</u>	<u>5,548,422</u>	<u>6,895,722</u>
Balance as at 1 January 2017	1,067,000	173,600	106,700	6,221,579	7,568,879
Total comprehensive income for the period	-	-	-	890,673	890,673
Dividend paid to the Company's shareholders (Note 17)	-	-	-	(533,487)	(533,487)
Balance as at 30 September 2017	<u>1,067,000</u>	<u>173,600</u>	<u>106,700</u>	<u>6,578,765</u>	<u>7,926,065</u>

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

Amata Corporation Public Company Limited and its subsidiaries

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2017

1. General information

1.1 Basis for the preparation of interim financial statements

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016), *Interim Financial Reporting*, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income, 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 interim financial statements.

1.2 Basis of consolidation

The interim consolidated financial statements included the financial statements of the Company 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 2016, with no significant changes in structure related to subsidiaries occurring during the current period, except as discussed in Note 5 to the interim consolidated financial statements.

1.3 New Financial Reporting Standards

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. 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 and its subsidiaries' financial statements.

1.4 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 31 December 2016.

2. Related party transactions

During the periods, 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				Pricing policy
	ended 30 September				
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Rental income	-	-	7	7	Contract price
Interest income	-	-	1	1	LIBOR+2% per annum to 4% per annum
Utility expenses	-	-	4	2	Contract price or as agreed upon
Interest expenses	-	-	1	2	2.60% - 3.40% per annum
<u>Transactions with associates</u>					
Utility income	48	52	-	-	Market price or contract price
Rental income	27	27	2	1	Contract price
Property Management fee income	2	1	-	-	Contract price
REIT Management fee income	3	3	-	-	Contract price
Electricity expenses	7	6	-	-	Market price
Other expenses	2	-	2	-	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Rental expenses	1	1	1	1	Contract price
Interest expenses	2	2	-	-	3.75% and 4 % per annum

(Unit: Million Baht)

	For the nine-month periods				Pricing policy
	ended 30 September				
	Consolidated		Separate		
	financial statements	financial statements	financial statements	financial statements	
	2017	2016	2017	2016	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Rental income	-	-	21	21	Contract price
Interest income	-	-	3	3	LIBOR+2% per annum to 4% per annum
Utility expenses	-	-	11	6	Contract price or as agreed upon
Interest expenses	-	-	2	5	2.60% to 3.40% per annum
<u>Transactions with associates</u>					
Revenue from rights of way	-	72	-	-	Contract price
Utility income	142	149	-	-	Market price or contract price
Rental income	82	82	3	3	Contract price
Property Management fee income	4	2	-	-	Contract price
REIT Management fee income	8	8	-	-	Contract price
Electricity expenses	19	21	-	-	Market price
Other expenses	7	-	6	-	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Rental expenses	3	3	3	3	Contract price
Interest expenses	4	4	-	-	3.75% and 4% per annum

(Unaudited but reviewed)

As at 30 September 2017 and 31 December 2016, the balances of the accounts between the Company and those related companies are as follows:

(Unit: Million Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2017	2016	2017	2016
		(Audited)		(Audited)
<u>Trade receivable - related parties (Note 3)</u>				
Associates	19	18	-	-
Total	19	18	-	-
<u>Other receivables - related parties (Note 3)</u>				
Subsidiaries	-	-	26	24
Associates	82	51	69	-
Total	82	51	95	24
<u>Prepaid land rental - related party</u>				
Related company*	62	64	-	-
<u>Other payables - related parties (Note 11)</u>				
Subsidiaries	-	-	12	15
Associates	4	3	1	1
Related companies*	4	1	1	-
Total	8	4	14	16
<u>Advances received for purchase of land - related parties</u>				
Subsidiary	-	-	16	16
Related companies*	75	75	75	75
Total	75	75	91	91
<u>Land and factory rental received in advance - related parties</u>				
Associates	2,946	3,026	43	44

* Common directors or family members of major shareholders of the Company are directors.

(Unaudited but reviewed)

Loans to and loans from between the Company, its subsidiaries, and related party

As at 30 September 2017 and 31 December 2016, the balance of loans and the movements between the Company, its subsidiaries, and related party are as follows:

(Unit: Million Baht)

	Consolidated financial statements			Balance as at 30 September 2017
	Balance as at 31 December 2016	During the period		
		Increase	Decrease	
	(Audited)			
<u>Short-term loan from related party</u>				
Thai-Chinese Rayong Industrial Services Co., Ltd.	100	50	-	150
Total	100	50	-	150

(Unit: Million Baht)

	Separate financial statements				Balance as at 30 September 2017
	Balance as at 31 December 2016	During the period		Unrealised losses on exchange	
		Increase	Decrease		
	(Audited)				
<u>Short-term loan to subsidiaries</u>					
Amata City Co., Ltd.	-	80	(80)	-	
Amata Global Pte.Ltd.	-	4	-	-	
Amata Kinderworld Education Co. Ltd	-	3	-	-	
Total	-	87	(80)	-	
<u>Long-term loan to subsidiary</u>					
Amata Asia Limited	68	-	-	(5)	
Total	68	-	-	(5)	

(Unaudited but reviewed)

(Unit: Million Baht)

	Separate financial statements			
	Balance as at 31 December 2016 (Audited)	During the period		Unrealised losses on exchange 2017
		Increase	Decrease	
<u>Short-term loan from subsidiaries</u>				
Amata City Co., Ltd.	-	60	-	60
Amata Water Co., Ltd.	-	190	(190)	-
Amata Facility Services Co., Ltd.	-	70	-	70
Total	-	320	(190)	130

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

	(Unit: Million Baht)			
	For the three-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term employee benefits	15	25	3	6
Post-employment benefits	2	1	1	-
Total	17	26	4	6

	(Unit: Million Baht)			
	For the nine-month periods ended 30 September			
	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
Short-term employee benefits	58	61	18	20
Post-employment benefits	5	4	2	1
Total	63	65	20	21

Guarantee obligations with related parties

The Company and its subsidiaries had outstanding guarantee obligations with its related parties, as described in Note 12 to the interim consolidated financial statements.

(Unaudited but reviewed)

3. Trade and other receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Trade receivables - related parties (Note 2)	19	18	-	-
Trade receivables - unrelated parties	213	266	-	-
Other receivables - related parties (Note 2)	82	51	95	24
Other receivables - unrelated parties	170	70	46	43
Total	484	405	141	67
Less: Allowance for doubtful debts	(14)	(40)	-	-
Trade and other receivables - net	470	365	141	67

The balances of trade receivables as at 30 September 2017 and 31 December 2016, aged on the basis of due dates, are summarised below.

Age of receivables	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
<u>Relate parties</u>				
Not yet due	19	18	-	-
Total trade receivables - related parties	19	18	-	-
<u>Unrelated parties</u>				
Not yet due	175	212	-	-
Past due				
Up to 3 months	23	9	-	-
Longer than 3 - 9 months	5	10	-	-
Longer than 9 - 12 months	1	2	-	-
Over 12 months	9	33	-	-
Total	213	266	-	-
Less: Allowance for doubtful debts	(14)	(40)	-	-
Total trade receivables - unrelated parties - net	199	226	-	-
Trade receivables - net	218	244	-	-

4. Real estate development costs

Included in the balance as at 30 September 2017 is a part of the real estate development costs of Amata City Co., Ltd. amounting to Baht 211 million (31 December 2016: Baht 109 million), of which ownership has yet to be transferred from the seller to this company.

5. Investments in subsidiaries

During the first and second quarter of the current year, the Company additionally purchased the shares of Amata VN PCL. ("VN") totaling 82,800 shares, for a total of Baht 600,000 from the Stock Exchange of Thailand. As a result, the investment proportion in VN of the Company and its subsidiaries had been changed from 73.21% to 73.22%.

During the first quarter of the current year, the Company invested in Amata Kinderworld Education Co., Ltd. amounting to Baht 5 million, represented 51% of registered share capital of this company.

During the three-month and nine-month periods ended 30 September 2017, the Company had recorded dividend income from subsidiaries totaling Baht 164 million and Baht 593 million, respectively (The three-month and nine-month periods ended 30 September 2016: Baht 196 million and Baht 562 million, respectively).

6. Investments in associates

	(Unit: Million Baht)	
	Consolidated	Separate
	<u>financial statements</u>	<u>financial statements</u>
Balance as at 1 January 2017	2,573	1,126
Share of profit from investments	513	-
Dividend income	(226)	-
Additional investments	309	30
Sale investments	(2)	-
Capital return	(10)	-
Translation adjustments	(3)	-
Balance as at 30 September 2017	<u><u>3,154</u></u>	<u><u>1,156</u></u>

During the third quarter of the current year, Amata City Co., Ltd. additionally invested in Amata B.Grimm Power (Rayong) 3 Limited and Amata B.Grimm Power (Rayong) 5 Limited totaling Baht 120 million and Baht 53 million, respectively. The Company shareholding in these companies remained unchanged.

On 10 August 2017, a meeting of Amata Facility Services Co., Ltd.'s Board of Directors passed a resolution to dispose all of investment in Strategic Engineering & Advance Logistic Services (Thailand) Co., Ltd., of 1,500 ordinary shares, at a price of Baht 994 each, to others. The Company, therefore, recorded losses from disposal of these investment amounting to Baht 300,000 under the caption of "administrative expenses" in the income statement.

During the second quarter of the current year, Amata City Co., Ltd. additionally invested Baht 53 million in Amata B.Grimm Power (Rayong) 4 Limited. The Company shareholding in these companies remained unchanged.

During the first quarter of the current year, the Company had an additional investment of Baht 30 million in Amata Network Co., Ltd. In addition, Amata City Co., Ltd. additionally invested Baht 53 million in Amata B.Grimm Power (Rayong) 3 Limited. The Company shareholding in these companies remained unchanged.

On 17 February 2017, Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust declared a reduction in the value of the investment units of Baht 0.17 per unit, without any change in the number of units, in order to decrease the excess liquidity. As a result, Amata Summit Ready Built Co., Ltd. had received capital return from the capital reduction amounting to Baht 10 million.

During the three-month and nine-month periods ended 30 September 2017, the Company had recorded dividend income from associates totaling Baht 69 million and Baht 184 million, respectively (The three-month and nine-month periods ended 30 September 2016: Baht 45 million and Baht 104 million, respectively).

The share of profit from investments in associates was calculated from the financial statements for the nine-month periods ended 30 September 2017 and 2016, prepared by their management. The management of the Company and its subsidiaries believed that there would be no significant difference to the financial statement if the financial statements had been audited or reviewed by their auditors.

7. Investment properties

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2017	4,104	564
Acquisitions during the period - at cost	297	-
Depreciation for the period	(124)	(16)
Disposals - net book value	(15)	-
Translation adjustments	(47)	-
Balance as at 30 September 2017	4,215	548

(Unaudited but reviewed)

As at 30 September 2017, Amata Summit Ready Built Co., Ltd. has pledged its investment properties amounting to Baht 102 million (31 December 2016: Baht 103 million) as collateral against its long-term loans, as described in Note 12 to the interim consolidated financial statements.

8. Property, plant and equipment

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2017	1,022	147
Acquisitions during the period - at cost	106	3
Transfers out	(34)	-
Depreciation for the period	(103)	(11)
Translation adjustments	(9)	-
Balance as at 30 September 2017	982	139

9. Prepayment for land-use right

This amount represents the payment for land-use rights of the subsidiaries in Vietnam, to develop its industrial estate in the future. Currently, it is in the process of transferring the land-use rights to the subsidiaries

10. Land awaiting for future development

Included in the balance as at 30 September 2017 is a part of the land awaiting for future development of the Company and its subsidiary amounting to Baht 43 million and of the Company only of Baht 38 million (31 December 2016: Baht 143 million and of the Company only of Baht 38 million), of which ownership has yet to be transferred from the seller to the Company and its subsidiary.

11. Trade and other payables

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Trade payables - unrelated parties	234	242	-	2
Other payables - related parties (Note 2)	8	4	14	16
Other payables - unrelated parties	239	200	96	59
Total	481	446	110	77

(Unaudited but reviewed)

12. Long-term loans

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	30 September 2017	31 December 2016	30 September 2017	31 December 2016
		(Audited)		(Audited)
Amata Corporation PCL.	2,845	3,043	2,845	3,043
Amata City Co., Ltd.	884	485	-	-
Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	448	436	-	-
Amata VN PCL.	190	250	-	-
Amata Summit Ready Built Co., Ltd.	78	87	-	-
Amata City Long Thanh JSC.	2,143	468	-	-
Amata City Bien Hoa JSC.	141	-	-	-
Total	6,729	4,769	2,845	3,043
Less: Current portion	(1,547)	(2,124)	(1,012)	(1,577)
Long-term loans - net of current portion	5,182	2,645	1,833	1,466

Movements in the long-term loans account during the nine-month period ended 30 September 2017 are summarised below.

	(Unit: Million Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at 1 January 2017	4,769	3,043
Add: Additional borrowings	3,628	1,000
Less: Repayments	(1,695)	(1,198)
Unrealised losses on exchange	28	-
Balance as at 30 September 2017	6,730	2,845

The loan agreements contain certain covenants which, among other things, require the Company and its subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and the Company and its subsidiaries agreed not to mortgage or otherwise encumber the land with any other parties throughout the loan periods, and dividend payments have to be pre-approval by the banks. Loan of Amata City Long Thanh Joint Stock Company are guaranteed by Amata VN PCL. and Amata City Bien Hoa Joint Stock Company

As at 30 September 2017, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounting to Baht 7,652 million, USD 7 million, and VND 625,072 million and of the Company only of Baht 1,450 million (31 December 2016: Baht 5,478 million and USD 57 million, and of the Company only of Baht 1,750 million).

13. Land rental payable

The balance represented the annual land rental payable to a government agency in Vietnam for the period from 2004 to 2009 for land that had been sold and rental fees of which have been fully collected from the buyers. During the year 2016, the Vietnamese government promulgated a new law relating to land rental fees to be remitted to the government. As a result, the subsidiary was required to pay all outstanding land rental fees to the government by 31 December 2016.

Movements in the land rental payable during the nine-month periods ended 30 September 2017 and 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated financial statements	
	2017	2016
Balance at beginning of the period	335	93
Additional provisions during the period	15	-
Payment made during the period	(184)	-
Translation adjustments	(21)	(3)
Balance at ending of the period	145	90

In the second quarter of the current year, the Vietnamese government agency promulgated a new law and demanded payment for the outstanding land rental fees and penalties of some contracts amounting to Baht 161 million from the subsidiary. As a result, the subsidiary recognised Baht 15 million of this difference from under-recorded provision as an expense in the income statement for the period.

Subsequently, during the third quarter of the current year, the Vietnamese government agency demanded payments for the outstanding land rental fees and penalties amounting to Baht 363 million for other contracts that it had demanded in the second quarter. The subsidiary has negotiated with the Vietnamese government agency and paid Baht 184 million of the outstanding land rental payable. However, the subsidiary has not paid penalties as described in the Note 19 to the interim consolidated financial statements, contingent liabilities.

14. Revenue from rights of way

This represents revenue from Amata B.Grimm Power (Rayong) 3 Limited for the rights of way granted to enable them to construct transmission lines and laying down pipe along the roads in the Amata City Co., Ltd.'s industrial estate. There is no expiration date for this right.

15. Income tax

Interim income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation, using estimated effective tax rate for the year.

Income tax for the three-month periods ended 30 September 2017 and 2016 are made up as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Interim income tax for the period	(86)	(33)	(30)	-
Relating to origination and reversal of temporary differences	(39)	8	(1)	13
Income tax reported in the income statements	<u>(125)</u>	<u>(25)</u>	<u>(31)</u>	<u>13</u>

Income tax for the nine-month periods ended 30 September 2017 and 2016 are made up as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Interim income tax for the period	(171)	(105)	(30)	-
Adjustment in respect of income tax of pervious year	2	4	2	(1)
Relating to origination and reversal of temporary differences	(32)	(17)	1	20
Income tax reported in the income statements	<u>(201)</u>	<u>(118)</u>	<u>(27)</u>	<u>19</u>

Deferred tax assets consist of temporary differences which arise from deposits and advances received from customers, and provision for long-term employee benefits.

Deferred tax liabilities consist of temporary differences which arise from revenue from rights of way, and organisation taxable profit from real estate sales.

16. Segment information

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

Transfer prices between business segments are as set out in Note 2 to the interim consolidated financial statements.

The following tables present revenue and profit information regarding the Company's and its subsidiaries' operating segments for the three-month and nine-month periods ended 30 September 2017 and 2016.

Business segments:

(Unit: Million Baht)

	For the three-month periods ended 30 September									
	Industrial estate				Rental segment		Elimination of		Consolidated	
	development		Utility services				inter-segment			
	segment	segment	segment	segment	segment	segment	revenues	revenues	2017	2016
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues from external customers	897	139	459	435	158	134	-	-	1,514	708
Intersegment revenues	-	-	10	9	10	10	(20)	(19)	-	-
Total revenues	897	139	469	444	168	144	(20)	(19)	1,514	708
Segment profit	636	81	161	132	107	81			904	294
Unallocated income and expenses:										
Interest income									3	6
Other income									31	46
Selling expenses									(48)	(18)
Administrative expenses									(166)	(145)
Losses on exchange									(37)	(5)
Share of profit from investments in associates									182	150
Finance cost									(56)	(59)
Income tax									(125)	(24)
Profit for the period									688	245

Geographical segments:

(Unit: Million Baht)

	For the three-month periods ended 30 September					
	Segment in Thailand		Segment in overseas		Total	
	2017	2016	2017	2016	2017	2016
Segment revenue	1,066	569	448	139	1,514	708
Segment profit	606	221	298	73	904	294

(Unaudited but reviewed)

Business segments:

(Unit: Million Baht)

	For the nine-month periods ended 30 September									
	Industrial estate development segment		Utility services segment		Rental segment		Elimination of inter-segment revenues		Consolidated	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenues from external customers	1,520	641	1,332	1,286	458	389	-	-	3,310	2,316
Intersegment revenues	-	-	28	25	30	32	(58)	(57)	-	-
Total revenues	1,520	641	1,360	1,311	488	421	(58)	(57)	3,310	2,316
Segment profit	1,021	411	425	408	307	235			1,753	1,054
Unallocated income and expenses:										
Revenue from rights of way									-	58
Interest income									12	24
Gain on sales of properties to the Trust									42	-
Other income									66	71
Selling expenses									(134)	(93)
Administrative expenses									(504)	(502)
Losses on exchange									(99)	(8)
Share of profit from investments in associates									513	305
Finance cost									(164)	(199)
Income tax									(201)	(118)
Profit for the period									1,284	592

Geographical segments:

(Unit: Million Baht)

	For the nine-month periods ended 30 September					
	Segment in Thailand		Segment in overseas		Total	
	2017	2016	2017	2016	2017	2016
Segment revenues	2,586	1,791	724	525	3,310	2,316
Segment profit	1,318	770	435	284	1,753	1,054

17. Dividends

Dividends declared for the nine-month periods ended 30 September 2017 and 2016 consisted of the following:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividends for 2016	Annual General Meeting of the shareholders on 21 April 2017	320	0.30
Interim dividends for 2017	Board of Directors' meeting on 11 August 2017	213	0.20
Total dividends for the nine-month period ended 30 September 2017		533	0.50
Final dividends for 2015	Annual General Meeting of the shareholders on 21 April 2016	256	0.24
Interim dividends for 2016	Board of Directors' meeting on 15 August 2016	160	0.15
Total dividends for the nine-month period ended 30 September 2016		416	0.39

18. Capital commitments

As at 30 September 2017, the subsidiaries had capital commitments of approximately Baht 82 million and VND 84,199 million (31 December 2016: Baht 158 million and VND 103,339 million), relating to the construction of ready built factories and infrastructure systems.

19. Contingent liabilities

In 2016, the Vietnamese government agency promulgated a new law. In addition to the changes in conditions of payment of existing outstanding land rental, this new law also requires the subsidiary to pay additional land rental fees for land that had been sold and rental fees of which had been fully collected from the buyers.

The additional penalties that the Vietnamese government agency calculated and collected with respect to late payment of land rental fees amounting to Baht 341 million since the new law was imposed retrospectively after the time that the subsidiary collected the lump sum land rental payments from the buyers. At that time, the fee collections was not prohibited and there were no regulations requiring the subsidiary to remit the lump sum rental to the Vietnamese government agency immediately after collection.

The subsidiary's management is of the opinion that the penalties demanded by the Vietnamese government agency should be applied on the date that the relevant laws regarding the remittance of total rental have been effective. The balance of land rental payable of Baht 145 million was adequate for the additional penalties given that the penalties were calculated based on this principle. Therefore, the subsidiary has not recognised the difference of Baht 196 million in its accounts.

The subsidiary's management is currently negotiating and sends the inquiry letters to the relevant Vietnamese government agencies with respect to the remittance of land rental requesting the clarification on applied in the calculated of the period to calculate penalties and a waiver for any additional penalties during the negotiation. To date, no official response has been received from the related Vietnamese government agencies.

20. Events after the reporting period

On 6 September 2017, the 2017 Extraordinary General Meeting of the Company's shareholders passed a resolution to approve the issuance and offering of unsecured debentures in an amount not exceeding Baht 5,000 million with a tenor of not less than 3 years, for sale to the institutional investors and high net worth investors, whether in whole or in part, and whether on a single or several tranches.

On 5 October 2017, the Company issued debentures as follows.

Debentures	Term	Maturity date	Interest rate (% per annum)	Interest payment condition	Amount (Million Baht)
1/2017 Lot no. 1	3 years	5 October 2020	2.28	Interest is repayable every six months, on 5 April and 5 October of each year through the contract period	1,000
1/2017 Lot no. 2	5 years	5 October 2022	2.69	Interest is repayable every six months, on 5 April and 5 October of each year through the contract period	2,000
1/2017 Lot no. 3	7 years	5 October 2024	3.04	Interest is repayable every six months, on 5 April and 5 October of each year through the contract period	2,000

The debentures are unsecured and unsubordinated with debenture-holder's representative in the name-registered certificate and have a face value of Baht 1,000 each. The debenture agreement contains certain covenants which, among other things, require the Company to maintain debt-to-equity ratio at the rate prescribed in the agreement, and not to mortgage all properties and assets that are significant to the Issuer's business with any other parties throughout the debenture periods.

21. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 14 November 2017.