

Amata Corporation Public Company Limited
Report and consolidated financial statements
31 December 2017

Independent Auditor's Report

To the Shareholders of Amata Corporation Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of Amata Corporation Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2017, and the related consolidated statements of income, comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Amata Corporation Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Amata Corporation Public Company Limited and its subsidiaries and of Amata Corporation Public Company Limited as at 31 December 2017, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Emphasis of Matter

I draw attention to Note 32.3 of the consolidated financial statements regarding contingent liabilities from additional charges for land rental payables of an overseas subsidiary. My opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters.

Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

Revenue recognition

Revenue from sales of real estate and revenue from utility services are the Group's significant accounts because the amounts of revenue recorded would directly affect the Group's profit or loss for the year. For this reason, I have paid particular attention to the Group's recognition of revenue from sales of real estate and revenue from utility services in order to ensure that the revenue is recorded correctly and in accordance with the relevant accounting standards.

I have examined the Group's revenue recognition by gaining an understanding and evaluating the effectiveness of the Group's internal controls with respect to revenue cycle. On a sampling basis, I also examined supporting documents for sales transactions occurring during the year and near the end of the accounting period. In addition, I reviewed credit notes issued by the Group to its customers after the period-end and performed analytical review procedures on the sales account to identify possible irregularities in sales transactions throughout the year.

Prepayment for land use rights

As described in Note 16 to the consolidated financial statements, the subsidiary has prepayment for land-use rights amounting to Baht 3,717 million. Major costs are advance payments for land-use rights made by an overseas subsidiary in Vietnam for industrial estate development which is in process of transferring the land-use rights to the subsidiary. In addition, the management had to exercise significant judgement with respect to cost which directly relates to project development. Thus, I have focused on related cost to ensure that the transactions are recognised in accordance with the relevant accounting standards.

I have collaborated with the overseas subsidiaries' auditors in assessing and testing the internal controls of the subsidiary relating to advance payment for land-use rights and development costs, and auditing the payment approval including selecting supporting documents and reviewing related contracts. Besides, I reviewed the proper classification of financial statements and disclosure in the notes to the financial statements.

Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Supanee Triyanantakul
Certified Public Accountant (Thailand) No. 4498

EY Office Limited
Bangkok: 28 February 2018

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2017	2016	2017	2016
Assets					
Current assets					
Cash and cash equivalents	7	1,274,502,314	1,757,650,491	194,817,240	800,667,148
Current investments - deposits at bank	8	1,234,805,301	346,483,563	1,003,842,365	-
Trade and other receivables	9	556,431,271	365,120,003	205,267,335	66,793,679
Short-term loans to subsidiary	6	-	-	37,110,204	-
Real estate development costs	10	6,891,795,337	7,642,074,323	3,055,311,813	4,243,873,730
Other current assets		99,456,675	106,840,693	5,880,417	12,014,129
Total current assets		10,056,990,898	10,218,169,073	4,502,229,374	5,123,348,686
Non-current assets					
Investments in subsidiaries	11	-	-	932,511,680	951,325,128
Investments in associated companies	12	3,207,493,369	2,572,807,416	1,155,951,171	1,125,951,246
Long-term loans to subsidiary	6	-	-	61,624,980	67,751,720
Investment properties	13	4,305,896,574	4,104,098,991	1,523,512,284	563,716,338
Property, plant and equipment	14	1,968,876,422	1,022,401,446	136,594,532	146,614,375
Deposits for purchase of land		288,961,823	107,145,053	123,233,223	39,000
Advance payment to Vietnam government	15	195,003,758	-	-	-
Prepayment for land-use rights	16	3,717,024,337	3,219,309,056	-	-
Land awaiting for future development	17	5,317,999,249	5,169,019,545	5,218,513,914	4,600,584,014
Deferred tax assets	26	1,144,790	9,720,077	-	-
Other non-current assets		220,278,300	173,030,903	46,295,641	43,037,695
Total non-current assets		19,222,678,622	16,377,532,487	9,198,237,425	7,499,019,516
Total assets		29,279,669,520	26,595,701,560	13,700,466,799	12,622,368,202

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from banks	18	1,567,718	1,880,806,950	608,143	1,272,451,530
Trade and other payables	19	510,083,117	446,165,258	105,936,367	76,670,679
Short-term loans from related parties	6	131,285,048	100,000,000	-	-
Current portion of long-term loans	20	623,239,026	2,124,182,675	-	1,577,428,619
Deposits and advances received from customers		776,133,343	820,274,570	196,877,541	270,885,829
Income tax payable		73,327,927	121,916,705	15,929,631	73,785,460
Land rental payable	22	-	334,634,271	-	-
Other current liabilities		44,709,218	34,642,324	16,450,795	10,900,866
Total current liabilities		2,160,345,397	5,862,622,753	335,802,477	3,282,122,983
Non-current liabilities					
Long-term loans, net of current portion	20	3,355,291,772	2,645,347,516	-	1,466,047,237
Debentures, net of current portion	21	4,991,346,737	-	4,991,346,737	-
Long-term deposits and advances received					
from customers		196,664,738	195,663,423	-	-
Land rental received in advance		3,027,155,339	3,152,926,645	228,029,285	238,661,305
Provision for long-term employee benefits		52,883,275	47,534,049	27,683,181	26,547,082
Deferred tax liabilities	26	354,257,042	315,603,301	8,416,835	7,521,354
Other non-current liabilities		170,413,482	135,847,982	35,142,942	32,589,252
Total non-current liabilities		12,148,012,385	6,492,922,916	5,290,618,980	1,771,366,230
Total liabilities		14,308,357,782	12,355,545,669	5,626,421,457	5,053,489,213

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of financial position (continued)

As at 31 December 2017

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	<u>Note</u>	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Shareholders' equity					
Share capital					
Registered					
1,067,000,000 ordinary shares of Baht 1 each		<u>1,067,000,000</u>	<u>1,067,000,000</u>	<u>1,067,000,000</u>	<u>1,067,000,000</u>
Issued and fully paid					
1,067,000,000 ordinary shares of Baht 1 each		1,067,000,000	1,067,000,000	1,067,000,000	1,067,000,000
Premium on ordinary shares		173,600,000	173,600,000	173,600,000	173,600,000
Other surplus		614,863,369	597,800,667	-	-
Retained earnings					
Appropriated - statutory reserve	23	106,700,000	106,700,000	106,700,000	106,700,000
Unappropriated		10,817,526,275	9,940,279,146	6,726,745,342	6,221,578,989
Other components of shareholders' equity		<u>(224,128,657)</u>	<u>62,253,912</u>	<u>-</u>	<u>-</u>
Equity attributable to owners of the Company		12,555,560,987	11,947,633,725	8,074,045,342	7,568,878,989
Non-controlling interests of the subsidiaries		<u>2,415,750,751</u>	<u>2,292,522,166</u>	<u>-</u>	<u>-</u>
Total shareholders' equity		<u>14,971,311,738</u>	<u>14,240,155,891</u>	<u>8,074,045,342</u>	<u>7,568,878,989</u>
Total liabilities and shareholders' equity		<u>29,279,669,520</u>	<u>26,595,701,560</u>	<u>13,700,466,799</u>	<u>12,622,368,202</u>
		-	-	-	-

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

Directors

Amata Corporation Public Company Limited and its subsidiaries

Income statement

For the year ended 31 December 2017

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Revenues					
Revenue from real estate sales		2,084,390,691	2,186,896,161	856,233,000	1,428,764,561
Revenue from utility services		1,789,152,163	1,706,515,314	-	-
Revenue from rental		617,708,738	533,103,710	112,248,435	110,013,606
Revenue from rights of way	24	-	57,517,200	-	-
Dividend income	11, 12	-	-	965,581,166	695,487,252
Interest income		25,934,622	27,742,437	10,466,176	4,375,460
Gain on sales of investment property		41,643,981	100,575,215	-	-
Other income		93,309,295	120,340,100	28,281,646	34,584,619
Total revenues		<u>4,652,139,490</u>	<u>4,732,690,137</u>	<u>1,972,810,423</u>	<u>2,273,225,498</u>
Expenses					
Cost of real estate sales		647,239,992	704,371,104	276,432,011	412,970,078
Cost of utility services		1,231,571,458	1,187,156,484	-	-
Cost of rental		199,372,830	178,202,766	27,571,767	28,994,928
Selling expenses		212,888,009	193,296,470	87,414,762	113,625,203
Administrative expenses		649,520,239	614,820,919	357,120,272	328,116,639
Loss from adjusting present value of land rental payable	22	-	239,960,121	-	-
Losses on exchange		139,994,629	12,004,570	6,489,245	1,898,554
Total expenses		<u>3,080,587,157</u>	<u>3,129,812,434</u>	<u>755,028,057</u>	<u>885,605,402</u>
Profit before share of profit from investments in associates, finance cost and income tax					
		1,571,552,333	1,602,877,703	1,217,782,366	1,387,620,096
Share of profit from investments in associates	12	675,590,081	325,298,033	-	-
Profit before finance cost and income tax		<u>2,247,142,414</u>	<u>1,928,175,736</u>	<u>1,217,782,366</u>	<u>1,387,620,096</u>
Finance cost		(227,952,147)	(266,476,370)	(160,267,442)	(186,192,079)
Profit before income tax		<u>2,019,190,267</u>	<u>1,661,699,366</u>	<u>1,057,514,924</u>	<u>1,201,428,017</u>
Income tax	26	(282,904,369)	(304,052,654)	(21,173,785)	(84,048,209)
Profit for the year		<u>1,736,285,898</u>	<u>1,357,646,712</u>	<u>1,036,341,139</u>	<u>1,117,379,808</u>
Profit attributable to:					
Equity holders of the Company		1,409,494,167	1,198,272,568	1,036,341,139	1,117,379,808
Non-controlling interests of the subsidiaries		326,791,731	159,374,144	-	-
		<u>1,736,285,898</u>	<u>1,357,646,712</u>		
Basic earnings per share					
	28				
Profit attributable to equity holders of the Company		1.32	1.12	0.97	1.05

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

Amata Corporation Public Company Limited and its subsidiaries
Statement of comprehensive income
For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Profit for the year	<u>1,736,285,898</u>	<u>1,357,646,712</u>	<u>1,036,341,139</u>	<u>1,117,379,808</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>(423,044,912)</u>	<u>1,943,140</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>	<u>(423,044,912)</u>	<u>1,943,140</u>	<u>-</u>	<u>-</u>
Other comprehensive income for the year	<u>(423,044,912)</u>	<u>1,943,140</u>	<u>-</u>	<u>-</u>
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>				
Actuarial gain	1,756,457	-	2,890,205	-
Less: Income tax effect	<u>(516,545)</u>	<u>-</u>	<u>(578,041)</u>	<u>-</u>
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax	<u>1,239,912</u>	<u>-</u>	<u>2,312,164</u>	<u>-</u>
Other comprehensive income for the year	<u>(421,805,000)</u>	<u>1,943,140</u>	<u>2,312,164</u>	<u>-</u>
Total comprehensive income for the year	<u><u>1,314,480,898</u></u>	<u><u>1,359,589,852</u></u>	<u><u>1,038,653,303</u></u>	<u><u>1,117,379,808</u></u>
Total comprehensive income attributable to:				
Equity holders of the Company	1,122,873,152	1,194,363,212	<u>1,038,653,303</u>	<u>1,117,379,808</u>
Non-controlling interests of the subsidiaries	<u>191,607,746</u>	<u>165,226,640</u>		
	<u><u>1,314,480,898</u></u>	<u><u>1,359,589,852</u></u>		

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of cash flows

For the year ended 31 December 2017

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2017</u>	<u>2016</u>	<u>2017</u>	<u>2016</u>
Cash flows from operating activities				
Profit before income tax	2,019,190,267	1,661,699,366	1,057,514,924	1,201,428,017
Adjustments to reconcile profit before income tax to net cash provided by (paid from) operating activities:				
Depreciation	294,923,833	308,090,827	35,015,059	40,502,549
Amortisation	21,426,327	19,303,654	9,351,380	11,421,853
Allowance for doubtful accounts (reversal)	(27,124,476)	392,284	-	-
Share of profit from investments in associates	(675,590,081)	(325,298,033)	-	-
Gains on sales of investment properties	(41,643,981)	(100,575,215)	-	-
Gains on sales of equipment	(344,871)	-	(56,064)	-
Gains on sales of investment in subsidiary	-	-	(1,728,365)	-
Unrealised losses on exchange	33,101,076	706,965	6,489,245	502,550
Loss from adjusting present value of land rental payable	-	239,960,121	-	-
Dividend income from investments in subsidiaries and associates	-	-	(965,581,166)	(695,487,252)
Amortisation of issuance cost of debentures	446,829	-	446,829	-
Provision for long-term employee benefits	7,413,162	6,469,161	4,026,303	4,943,303
Revenue from rights of way granted to associates	-	17,074,959	-	-
Gains on sales of real estate to associates	-	22,499,853	-	-
Interest income	(25,934,622)	(27,742,437)	(10,466,176)	(4,375,460)
Interest expenses	<u>227,952,147</u>	<u>284,506,281</u>	<u>160,267,442</u>	<u>186,192,079</u>
Profit from operating activities before changes in operating assets and liabilities	1,833,815,610	2,107,087,786	295,279,411	745,127,639
Operating assets (increase) decrease				
Trade and other receivables	4,860,609	(97,162,439)	(1,293,917)	(15,866,434)
Real estate development cost	89,651,621	(202,840,361)	211,456,613	372,845,809
Other current assets	(12,266,706)	5,253,510	(1,588,141)	(15,160,802)
Other non-current assets	(2,272,336)	(23,089,704)	(4,887,474)	15,009,044
Operating liabilities increase (decrease)				
Trade and other payables	32,258,795	(4,697,804)	3,288,468	(16,279,647)
Deposits and advances received from customers	(44,934,149)	289,414,515	(74,008,288)	124,166,100
Land rental payable	(334,634,271)	88,779,890	-	-
Other current liabilities	10,066,894	11,112,932	5,549,929	10,516,848
Revenue received in advance	(123,977,069)	(120,686,370)	(10,632,020)	(17,795,141)
Other non-current liabilities	<u>33,741,477</u>	<u>(105,065,440)</u>	<u>1,975,651</u>	<u>877,256</u>
Cash from operating activities	1,486,310,475	1,948,106,515	425,140,232	1,203,440,672
Cash paid for income tax	<u>(301,291,073)</u>	<u>(299,863,063)</u>	<u>(78,134,132)</u>	<u>(24,398,040)</u>
Net cash from operating activities	<u>1,185,019,402</u>	<u>1,648,243,452</u>	<u>347,006,100</u>	<u>1,179,042,632</u>

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of cash flows (continued)

For the year ended 31 December 2017

(Unit: 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	25,938,643	28,713,368	7,071,066	4,524,214
Increase in current investments - deposits at financial institutions	(888,321,739)	(8,453,613)	(1,003,842,365)	-
Cash receipt from repayment of short-term loans made to related parties	-	-	80,000,000	35,923,300
Increase in short-term loans to related party	-	-	(116,957,444)	-
Cash paid for investment in subsidiaries	-	-	(6,354,700)	-
Cash paid for investment in associates	(416,509,650)	(228,247,725)	(29,999,925)	(200,086,725)
Dividend income from investments in subsidiaries and associates	291,659,894	230,815,210	831,281,273	846,087,252
Cash receipt from return of capital of an associate	10,351,300	-	-	-
Acquisitions of investment properties	(425,899,006)	(530,828,150)	(3,420,900)	(6,181,433)
Acquisitions of plant and equipment	(162,581,646)	(107,770,932)	(4,264,969)	(4,070,904)
Proceeds from sales of investment properties	55,392,902	215,833,712	-	-
Proceeds from sales of equipment	831,776	-	56,075	-
Decrease (increase) in deposit for purchase of land	(181,816,771)	17,048,805	(123,194,223)	-
Purchases of land awaiting for future development	(1,134,587,867)	(1,643,699,039)	(617,929,900)	(152,130,917)
Net cash from (used in) investing activities	<u>(2,825,542,164)</u>	<u>(2,026,588,364)</u>	<u>(987,556,012)</u>	<u>524,064,787</u>
Cash flows from financing activities				
Interest expenses	(272,435,724)	(309,789,641)	(134,290,222)	(190,033,855)
Decrease in bank overdrafts and short-term loans from financial institutions	(1,879,239,232)	(106,827,817)	(1,271,843,387)	(2,479,006)
Cash receipt from short-term loans from related parties	50,000,000	180,000,000	320,000,000	735,000,000
Repayment of short-term loans from related parties	(18,714,952)	(80,000,000)	(320,000,000)	(735,000,000)
Cash receipt from long-term loans	3,806,010,419	1,804,088,782	1,000,000,000	898,000,000
Repayment of long-term loans	(4,625,512,913)	(1,789,541,711)	(4,043,475,856)	(1,508,679,578)
Proceeds from issuance of debentures, net of issuance cost of debenture	4,990,899,907	-	4,990,899,907	-
Cash paid for investment in subsidiary	(591,980)	(9,579,095)	(591,980)	(11,109,095)
Cash receipt from sales of investment in subsidiary	27,488,492	-	27,488,492	-
Dividend paid to the Company's shareholders	(533,486,950)	(416,118,591)	(533,486,950)	(416,118,591)
Dividend paid to non-controlling interests of the subsidiaries	(83,358,072)	(193,576,598)	-	-
Cash receipt from non-controlling interests from issuance of ordinary share of the subsidiary	5,145,100	-	-	-
Net cash from (used in) financing activities	<u>1,466,204,095</u>	<u>(921,344,671)</u>	<u>34,700,004</u>	<u>(1,230,420,125)</u>
Increase (decrease) in translation adjustments	<u>(304,231,534)</u>	<u>2,007,675</u>	<u>-</u>	<u>-</u>
Net increase (decrease) in cash and cash equivalents	<u>(478,550,201)</u>	<u>(1,297,681,908)</u>	<u>(605,849,908)</u>	<u>472,687,294</u>
Unrealised losses on exchange for cash and cash equivalent	(4,597,976)	(706,965)	-	-
Cash and cash equivalents at beginning of year	<u>1,757,650,491</u>	<u>3,056,039,364</u>	<u>800,667,148</u>	<u>327,979,854</u>
Cash and cash equivalents at end of year	<u><u>1,274,502,314</u></u>	<u><u>1,757,650,491</u></u>	<u><u>194,817,240</u></u>	<u><u>800,667,148</u></u>
	-	-	-	-

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity

For the year ended 31 December 2017

(Unit: Baht)

Consolidated financial statements														
Equity attributable to owners of the Company														
Other components of equity														
Other surplus						Other comprehensive income		Surplus from			Total equity		Equity	
Issued and paid-up share capital	Premium on ordinary shares	changes in shareholding in subsidiary	Reserve for share-based payment	Retained earnings		Exchange differences on translation of financial statements in foreign currency	Capital Contribute from parent of associate	Business combination under common control of associates	changes in shareholding in subsidiaries of associates	Total other components of shareholders' equity	attributable to owners of the Company	attributable to non-controlling interests of the subsidiaries	Total shareholders'	
				Appropriated	Unappropriated									
Balance as at 1 January 2016	1,067,000,000	173,600,000	583,924,836	13,875,831	106,700,000	9,158,125,169	63,405,540	-	(1,502,469)	4,939,912	66,842,983	11,170,068,819	2,330,451,219	13,500,520,038
Profit for the year	-	-	-	-	-	1,198,272,568	-	-	-	-	-	1,198,272,568	159,374,144	1,357,646,712
Other comprehensive income for the year	-	-	-	-	-	-	(3,909,356)	-	-	-	(3,909,356)	(3,909,356)	5,852,496	1,943,140
Total comprehensive income for the year	-	-	-	-	-	1,198,272,568	(3,909,356)	-	-	-	(3,909,356)	1,194,363,212	165,226,640	1,359,589,852
Purchases investment in subsidiary from non-controlling interests of subsidiary (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-	(9,579,095)	(9,579,095)
Deficit of carrying value over purchase consideration of acquisition under common control of associates	-	-	-	-	-	-	-	-	(679,715)	-	(679,715)	(679,715)	-	(679,715)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(193,576,598)	(193,576,598)
Dividend paid to the Company's shareholders (Note 31)	-	-	-	-	-	(416,118,591)	-	-	-	-	(416,118,591)	-	-	(416,118,591)
Balance as at 31 December 2016	1,067,000,000	173,600,000	583,924,836	13,875,831	106,700,000	9,940,279,146	59,496,184	-	(2,182,184)	4,939,912	62,253,912	11,947,633,725	2,292,522,166	14,240,155,891
Balance as at 1 January 2017	1,067,000,000	173,600,000	583,924,836	13,875,831	106,700,000	9,940,279,146	59,496,184	-	(2,182,184)	4,939,912	62,253,912	11,947,633,725	2,292,522,166	14,240,155,891
Profit for the year	-	-	-	-	-	1,409,494,167	-	-	-	-	-	1,409,494,167	326,791,731	1,736,285,898
Other comprehensive income for the year	-	-	-	-	-	1,239,912	(287,860,927)	-	-	-	(287,860,927)	(286,621,015)	(135,183,985)	(421,805,000)
Total comprehensive income for the year	-	-	-	-	-	1,410,734,079	(287,860,927)	-	-	-	(287,860,927)	1,122,873,152	191,607,746	1,314,480,898
Purchases investment in subsidiary from non-controlling interests of subsidiary (Note 11)	-	-	-	-	-	-	-	-	-	-	-	-	(591,980)	(591,980)
Surplus on investment in subsidiary arising as a result of proceeds the investment in subsidiaries at a price higher than the note book value at the proceeding date (Note 11)	-	-	17,062,702	-	-	-	-	-	-	-	-	17,062,702	10,425,791	27,488,493
Surplus on changes in shareholding in subsidiaries of associates	-	-	-	-	-	-	-	-	9,043	9,043	9,043	9,043	-	9,043
Capital contribute from parent of associate	-	-	-	-	-	-	-	1,469,315	-	-	1,469,315	1,469,315	-	1,469,315
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	(83,358,072)	(83,358,072)
Dividend paid to the Company's shareholders (Note 31)	-	-	-	-	-	(533,486,950)	-	-	-	-	-	(533,486,950)	-	(533,486,950)
Issuance of ordinary shares of subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-	5,145,100	5,145,100
Balance as at 31 December 2017	1,067,000,000	173,600,000	600,987,538	13,875,831	106,700,000	10,817,526,275	(228,364,743)	1,469,315	(2,182,184)	4,948,955	(224,128,657)	12,555,560,987	2,415,750,751	14,971,311,738

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

Amata Corporation Public Company Limited and its subsidiaries

Statement of changes in shareholders' equity (continued)

For the year ended 31 December 2017

(Unit: Baht)

	Separate financial statements				
	Issued and	Premium on	Retained earnings		Total
	paid-up	ordinary shares	Appropriated	Unappropriated	shareholders'
	share capital				equity
Balance as at 1 January 2016	1,067,000,000	173,600,000	106,700,000	5,520,317,772	6,867,617,772
Total comprehensive income for the year	-	-	-	1,117,379,808	1,117,379,808
Dividend paid to the Company's shareholders (Note 31)	-	-	-	(416,118,591)	(416,118,591)
Balance as at 31 December 2016	1,067,000,000	173,600,000	106,700,000	6,221,578,989	7,568,878,989
Balance as at 1 January 2017	1,067,000,000	173,600,000	106,700,000	6,221,578,989	7,568,878,989
Profit for the year	-	-	-	1,036,341,139	1,036,341,139
Other comprehensive income for the year	-	-	-	2,312,164	2,312,164
Total comprehensive income for the year	-	-	-	1,038,653,303	1,038,653,303
Dividend paid to the Company's shareholders (Note 31)	-	-	-	(533,486,950)	(533,486,950)
Balance as at 31 December 2017	1,067,000,000	173,600,000	106,700,000	6,726,745,342	8,074,045,342

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

Amata Corporation Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2017

1. Corporate information

Amata Corporation Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in industrial estate development. The registered office of the Company is at 2126, New Petchburi Road, Bangkok, Huay Kwang, Bangkok.

2. Basis of preparation

- 2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

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

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

- a) The consolidated financial statements include the financial statements of the Company and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Paid-up capital as at 31 December		Percentage of shareholding	
			2017	2016	2017	2016
			Million Baht	Million Baht	Percent	Percent
Amata City Co., Ltd.	Industrial estate development	Thailand	450	450	84	84
Amata Summit Ready Built Co., Ltd.	Factory construction for rent	Thailand	400	400	49	49
Amata Water Co., Ltd.	Production, distribution and treatment of water for industrial use	Thailand	80	80	100	100
Amata Facility Services Co., Ltd.	Management service in common area	Thailand	15	15	91	91
Amata Asia Ltd.	Holdings company	Hong Kong	1	1	100	100
			(Thousand HKD)			
Amata Global Pte. Ltd.	Holdings company	Singapore	90	90	100	100
			(Thousand SGD)			

Company's name	Nature of business	Country of incorporation	Paid-up capital as at 31 December		Percentage of shareholding	
			2017	2016	2017	2016
			Million Baht	Million Baht	Percent	Percent
Thai-Chinese Rayong Industrial Realty Development Co., Ltd. (21% held by the Company and 30% held by Amata City Co., Ltd.)	Industrial estate development and factory construction for rent	Thailand	500	500	46	46
Amata VN Public Company Limited (37% held by the Company and 36% held by Amata Asia Ltd.)	Holding company	Thailand	468	468	73	73
Amata City Bienhoa Joint Stock Company (90% held by Amata VN Public Company Limited)	Industrial estate development	Vietnam	365,996 (Million VND)	365,996	66	66
Amata Summit REIT Management Co., Ltd. (100% held by Amata Summit Ready Built Co., Ltd.)	REIT Manager	Thailand	10	10	49	49
Amata City Long Thanh Joint Stock Company (35% held by Amata VN Public Company Limited and 65% held by Amata City Bienhoa Joint Stock Company)	Industrial estate development	Vietnam	1,223,456 (Million VND)	1,213,305	68	68
Amata Township Long Thanh Joint Stock Company (100% held by Amata VN Public Company Limited)	Industrial estate development	Vietnam	204,000 (Million VND)	197,000	73	73
Amata Kinderworld Education Co., Ltd.	International school	Thailand	11	-	51	-
Amata Energy Co., Ltd.	Holding company	Thailand	1	-	100	-

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.

- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- f) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated statement of income and comprehensive income, and within equity in the consolidated statement of financial position.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Company and subsidiaries have adopted the revised financial reporting standard 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.

(b) Financial reporting standards that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements.

The management of the Company and its subsidiaries believe that the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied.

4. Significant accounting policies

4.1 Revenue recognition

- a) Revenue from sales of real estate and land-use rights with infrastructure systems

Revenue from sales of real estate and land-use rights with infrastructure systems (presented under the caption of “Revenue from real estate sales” in the consolidated financial statements) are recognised as revenue in full when the significant risks and rewards of ownership are passed to the buyer.

- b) Sales of water

Sales of tap water and raw water, which are included in revenue from utility services, are recognised when water is delivered to customers.

- c) Rendering of services

Service revenues, which include waste water treatment and management of common areas of the industrial estates, which are included in revenue from utility services, are recognised when services have been rendered taking into account the stage of completion.

- d) Rental income

Rental income which consists of land rental, rental of office building and factory building is recognised as an income on straight-line basis over the lease term.

- e) Dividends

Dividends are recognised when the right to receive the dividends is established.

- f) Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

4.2 Cost of real estate sales and land-use rights with infrastructure systems

In determining the costs of real estate sales and land-use rights with infrastructure systems (presented under the caption of “cost of real estate sales” in the consolidated financial statements), anticipated total development costs are attributed to units already sold on the basis of the salable area.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less from the date of acquisition and not subject to withdrawal restrictions.

4.4 Trade and other receivables

Trade and other receivables are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experience and analysis of debt aging.

4.5 Real estate development costs and costs of land-use rights with infrastructure systems

Real estate development costs and costs of land-use rights with infrastructure systems (presented under the caption of “Real estate development costs” in the consolidated financial statements) are valued at the lower of specific cost and net realisable value. Cost included cost of land, cost of land-use rights, and expenses directly related to real estate development.

4.6 Investments

- a) Investments in associated companies are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and associated companies are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).
- c) Investments in mutual fund are stated at fair value, determined from their net asset value.

The weighted average method is used for computation of the cost of investments.

In the event the Company and its subsidiaries reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in income statement or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

4.7 Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 5 - 50 years. Depreciation of the investment properties is included in determining income. No depreciation is provided on land and construction in progress.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in the income statement in the year when the asset is derecognised.

4.8 Property, plant and equipment/Depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

Land improvement	-	5 - 20 years
Buildings	-	3 - 50 years
Fixtures and equipment	-	3 - 10 years
Utility systems	-	2 - 20 years
Motor vehicles	-	5 - 15 years
Other assets	-	3, 5 years

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognised.

4.9 Land awaiting for future development and prepayment for land-use rights

Land awaiting for future development and prepayment for land-use rights is valued at the lower of specific cost and net realisable value. Cost included costs of land and land-use rights.

4.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.11 Unamortised costs and unamortised financial service fees

Expenses incurred in connection with the debentures issued are capitalised and amortised to interest expenses using the effective interest rate over the term of the debentures. Unamortised costs relating to the issuance of debentures are shown as a deduction from such debentures in the statement of financial position.

4.12 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company and its subsidiaries, whether directly or indirectly, or which are under common control with the Company and its subsidiaries.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company and its subsidiaries that gives them significant influence over the Company and its subsidiaries, key management personnel, directors, and officers with authority in the planning and direction of the Company and its subsidiaries' operations.

4.13 Long-term leases

Leases of property, plant or equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to the income statement over the lease period. The assets acquired under finance leases is depreciated over the useful life of the leased assets

Leases of property, plant or equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating lease. Operating lease payments are recognised as an expense in the income statement on a straight line basis over the lease term.

4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at end of reporting period.

Gains and losses on exchange are included in the income statement.

4.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries performs impairment reviews in respect of the assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognised in the income statement.

4.16 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company, its subsidiaries and its employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the contributions of the Company and its subsidiaries are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in the statement of other comprehensive income.

4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Income tax

Income tax represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current 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.

Deferred tax

Deferred tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rate enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to equity if the tax relates to items that are recorded directly to shareholders' equity.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3 - Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgments and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgement regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Property, plant and equipment, investment properties and depreciation

In determining depreciation of plant and equipment, and investment properties the management is required to make estimates of the useful lives and residual values of plant and equipment, and investment properties and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment, and investment properties for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

6. Related party transactions

The followings are relationships with enterprises and individuals that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

Name of entities	Nature of relationships
Amata City Co., Ltd.	Subsidiary company
Amata Summit Ready Built Co., Ltd.	Subsidiary company
Amata City Bienhoa Joint Stock Company	Subsidiary company
Amata Water Co., Ltd.	Subsidiary company
Amata Facility Services Co., Ltd.	Subsidiary company
Amata Asia Limited	Subsidiary company
Amata Global Pte. Ltd.	Subsidiary company
Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	Subsidiary company
Amata VN Public Company Limited	Subsidiary company
Amata Summit REIT Management Co., Ltd.	Subsidiary company
Amata City Long Thanh Joint Stock Company	Subsidiary company
Amata Township Long Thanh Joint Stock Company	Subsidiary company
Amata Kinderworld Education Co., Ltd.	Subsidiary company
Amata Energy Co., Ltd.	Subsidiary company
Amata B.Grimm Power Limited	Associated company
Amata Natural Gas Distribution Co., Ltd.	Associated company
Vantec Amata Logistics Co., Ltd.	Associated company
Amata Development Co., Ltd.	Associated company
Amata Network Co., Ltd.	Associated company
Amata Summit Growth Freehold and Leasehold Real Estate Investment trust	Associated company of Amata Summit Ready Built Co., Ltd.
Strategic Engineering & Advance Logistics Service (Thailand) Co., Ltd.	Associated company of Amata Facility Services Co., Ltd.
Sodexo Amata Services Co., Ltd.	Associated company of Amata Facility Services Co., Ltd.
Amata B.Grimm Power 1 Limited	Subsidiary of Amata B.Grimm Power Limited
Amata B.Grimm Power 2 Limited	Subsidiary of Amata B.Grimm Power Limited
Amata B.Grimm Power 3 Limited	Subsidiary of Amata B.Grimm Power Limited and 10% held by the Company
Amata B.Grimm Power 4 Limited	Subsidiary of Amata B.Grimm Power Limited and 20% held by the Company
Amata B.Grimm Power 5 Limited	Subsidiary of Amata B.Grimm Power Limited and 20% held by the Company

Name of entities	Nature of relationships
Amata Power (Bien Hoa) Limited	Subsidiary of Amata B.Grimm Power Limited and 10% held by Amata City Bienhoa Joint Stock Company
Amata B.Grimm Power (Rayong) 1 Limited	Subsidiary of Amata B.Grimm Power Limited and 8% held by Amata City Co., Ltd.
Amata B.Grimm Power (Rayong) 2 Limited	Subsidiary of Amata B.Grimm Power Limited and 8% held by Amata City Co., Ltd.
Amata B.Grimm Power (Rayong) 3 Limited	Subsidiary of Amata B.Grimm Power Limited and 20% held by Amata City Co., Ltd.
Amata B.Grimm Power (Rayong) 4 Limited	Subsidiary of Amata B.Grimm Power Limited and 20% held by Amata City Co., Ltd.
Amata B.Grimm Power (Rayong) 5 Limited	Subsidiary of Amata B.Grimm Power Limited and 20% held by Amata City Co., Ltd.
Thai-Chinese Rayong Industrial Service Co., Ltd.	Common directors
Chewathai Public Company Limited	Common directors
Vibharam Hospital (Amata Nakorn) Co., Ltd.	Common directors
Amata Mansion Service Co., Ltd.	Common directors
Kromadit Corp Co., Ltd.	Family members of major shareholders of the Company are directors
Amata Foundation	Charity managed by the Company's major shareholders and directors
Kromadit Park Co., Ltd.	Family members of major shareholders of the Company are directors

During the years, 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)

	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	2017	2016	2017	2016	
<u>Transactions with subsidiaries</u>					
(eliminated from the consolidated financial statements)					
Revenue from real estate sales	-	-	51	102	Market price
Rental income	-	-	28	29	Contract price
Interest income	-	-	3	3	2.60% - 4.00% per annum
Utility expenses	-	-	14	16	Contract price or as agreed upon
Interest expenses	-	-	2	5	2.60% and 3.40% per annum
<u>Transactions with associated companies</u>					
Revenue from real estate sales	-	170	-	-	Market price
Revenue from rights of way	-	72	-	-	Contract price
Utility income	191	187	-	1	Market price or contract price
Rental income	107	109	3	3	Contract price
Property Management fee income	6	3	-	-	Contract price
REIT Management fee income	11	11	-	-	Contract price
Electricity expenses	25	28	-	-	Market price or contract price
Other expenses	9	-	8	-	Contract price or as agreed upon
<u>Transactions with related companies</u>					
Rental expenses	4	3	4	3	Contract price
Interest expenses	5	5	-	-	3.75% and 4.0% per annum

As at 31 December 2017 and 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	
	2017	2016	2017	2016
<u>Trade receivables - related parties (Note 9)</u>				
Associates	19	18	-	-
Total	19	18	-	-
<u>Other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	28	24
Associates	150	51	134	-
Total	150	51	162	24
<u>Prepaid land rental - related party</u>				
Related company*	61	64	-	-
<u>Other payables - related parties (Note 19)</u>				
Subsidiaries	-	-	13	15
Associates	4	3	1	1
Related companies*	-	1	-	-
Total	4	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	2,962	3,026	42	44

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

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

As at 31 December 2017 and 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			Balance
	as at	During the year		as at
	31 December 2016	Increase	Decrease	31 December 2017
<u>Short-term loan from related party</u>				
Thai-Chinese Rayong Industrial Services Co., Ltd.	100	50	(19)	131
Total	100	50	(19)	131

(Unit: Million Baht)

	Separate financial statements				
	Balance			Unrealised	Balance
	as at	During the year		losses on	as at
	31 December 2016	Increase	Decrease	exchange	31 December 2017
<u>Short-term loan to subsidiaries</u>					
Amata City Co., Ltd.	-	110	(80)	-	30
Amata Global Pte. Ltd.	-	4	-	-	4
Amata Kinderworld Education					
Co., Ltd.	-	3	-	-	3
Total	-	117	(80)	-	37

Long-term loan to subsidiary

Amata Asia Limited	68	-	-	(6)	62
Total	68	-	-	(6)	62

Short-term loan from subsidiaries

Amata City Co., Ltd.	-	60	(60)	-	-
Amata Water Co., Ltd.	-	190	(190)	-	-
Amata Facility Services Co., Ltd.	-	70	(70)	-	-
Total	-	320	(320)	-	-

Directors and management's benefits

During the years ended 31 December 2017 and 2016, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Short-term employee benefits	77	79	24	28
Post-employment benefits	6	7	2	3
Total	83	86	26	31

Guarantee obligations with related parties

The Company and its subsidiaries had outstanding guarantee obligations with its related parties, as described in Note 32.4 (1) and 32.4 (2) to the consolidated financial statements.

7. Cash and cash equivalents

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cash	1	-	-	-
Bank deposits	1,151	1,084	100	146
Investments in money market funds	123	674	95	655
Total	1,275	1,758	195	801

8. Current investments - deposits at bank

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Bank deposits	-	14	-	-
Investment in fixed income funds	1,235	332	1,004	-
Total	1,235	346	1,004	-

The balance as at 31 December 2016 represents deposits at banks of the subsidiary in Vietnam with terms of 3 months to 1 year and interest at rates between 5.3% and 5.5% per annum.

9. Trade and other receivables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade receivables - related parties (Note 6)	19	18	-	-
Trade receivables - unrelated parties	285	266	-	-
Other receivables - related parties (Note 6)	150	51	162	24
Other receivables - unrelated parties	115	70	43	43
Total	569	405	205	67
Less: Allowance for doubtful debts	(13)	(40)	-	-
Trade and other receivables - net	556	365	205	67

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

Age of receivables	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
<u>Related parties</u>				
Not yet due	19	18	-	-
Total trade receivables - related parties	19	18	-	-
<u>Unrelated parties</u>				
Not yet due	254	212	-	-
Past due				
Up to 3 months	11	9	-	-
Longer than 3 - 9 months	8	10	-	-
Longer than 9 - 12 months	2	2	-	-
Over 12 months	10	33	-	-
Total	285	266	-	-
Less: Allowance for doubtful debts	(13)	(40)	-	-
Total trade receivables - unrelated parties - net	272	226	-	-
Trade receivables - net	291	244	-	-

10. Real estate development costs

Included in the balance as at 31 December 2017 is a part of the real estate development costs of Amata City Co., Ltd. amounting to Baht 40 million (2016: Baht 109 million), of which ownership has yet to be transferred from the seller to this company.

11. Investments in subsidiaries

11.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows:

(Unit: Million Baht)

Company's name	Cost		Dividends received during the year	
	2017	2016	2017	2016
Amata City Co., Ltd.	371	371	75	226
Amata Summit Ready Built Co., Ltd.	196	196	30	34
Amata VN Public Co., Ltd.	157	182	17	52
Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	105	105	4	15
Amata Water Co., Ltd.	80	80	440	220
Amata Facility Services Co., Ltd.	14	14	28	15
Amata Kinderworld Education Co., Ltd.	5	-	-	-
Amata Energy Co., Ltd.	1	-	-	-
Amata Global Pte. Ltd.	3	3	-	-
Amata Asia Ltd.	-	-	-	-
Total	932	951	594	562

11.2 Details of investments in subsidiaries that have material non-controlling interests

(Unit: Million Baht)

Company's name	Proportion of equity interest held by non-controlling interests		Accumulated balance of non-controlling interests		Profit allocated to non-controlling interests during the year		Dividend paid to non-controlling interests during the year	
	2017	2016	2017	2016	2017	2016	2017	2016
	(%)	(%)						
Amata VN Public Co., Ltd. and its subsidiaries	27	27	1,140	1,013	153	26	26	78
Amata Summit Ready Built Co., Ltd.	51	51	314	278	67	52	31	36
Amata City Co., Ltd.	16	16	515	511	19	35	15	44
Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	54	54	502	453	59	22	10	34

11.3 Summarised financial information that based on amounts before inter-company elimination about subsidiaries that have material non-controlling

Summarised information about financial position

(Unit: Million Baht)

	Amata VN Public Co., Ltd. and its subsidiaries		Amata Summit Ready Built Co., Ltd.		Amata City Co., Ltd.		Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	
	2017	2016	2017	2016	2017	2016	2017	2016
Current assets	1,236	1,145	39	101	3,479	2,997	1,110	1,041
Non-current assets	4,860	4,232	3,656	3,608	1,178	1,205	992	794
Current liabilities	(272)	(1,110)	(142)	(141)	(1,037)	(1,007)	(848)	(860)
Non-current liabilities	(2,706)	(1,091)	(2,936)	(3,024)	(782)	(381)	(324)	(134)

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December							
	Amata VN Public Co., Ltd. and its subsidiaries		Amata Summit Ready Built Co., Ltd.		Amata City Co., Ltd.		Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	
	2017	2016	2017	2016	2017	2016	2017	2016
Revenue	1,171	906	237	202	666	619	684	295
Profit for the year	422	62	132	103	113	216	109	40
Other comprehensive income	(423)	(3)	-	-	-	-	-	-
Total comprehensive income	(1)	59	132	103	113	216	109	40

Summarised information about cash flows

(Unit: Million Baht)

	For the year ended 31 December							
	Amata VN Public Co., Ltd. and its subsidiaries		Amata Summit Ready Built Co., Ltd.		Amata City Co., Ltd.		Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	
	2017	2016	2017	2016	2017	2016	2017	2016
Cash flows from (used in) operating activities	119	242	35	(161)	145	(147)	42	(8)
Cash flows from (used in) investing activities	(468)	(1,571)	(52)	(47)	(515)	74	(223)	(23)
Cash flows from (used in) financing activities	870	71	(45)	(79)	360	(196)	117	161
Translation adjustments	(308)	(2)	-	-	-	-	-	-
Net increase (decrease) in cash and cash equivalents	213	(1,260)	(62)	(287)	(10)	(269)	(64)	130

- 11.4 During the fourth quarter of the current year, the Company invested Baht 1 million in the ordinary shares of Amata Energy Co., Ltd., representing 100% of its call-up shares capital. Therefore, the consolidated financial statements included the financial statement of Amata Energy Co., Ltd. in the current year.
- 11.5 During the fourth quarter of the current year, the Company disposed the investment in Amata VN PCL. ("VN") of 3,100,000 ordinary shares, at a price of Baht 8.88 each, totaling Baht 27 million, to the Stock Exchange of Thailand. As a result, the investment proportion in VN of the Company and its Subsidiaries had been changed from 73.22% to 72.88%
- During the first and second quarter of the current year, the Company additionally purchased the shares of VN totaling 82,800 shares, for a total of Baht 591,980 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%
- 11.6 During the first and fourth quarter of the current year, VN additionally invested in Amata City Long Thanh Joint Stock Company totaling 355,272 shares, for a total of Baht 5 million, and Amata Township Long Thanh Joint Stock Company totaling 700,000 shares, for a total of Baht 11 million. The Company shareholding in this company remains unchanged.
- 11.7 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. Therefore, the consolidated financial statements included the financial statement of Amata Kinderworld Education Co., Ltd. in the current year.
- 11.8 In the fourth quarter of 2016, VN invested VND 197,000 million (equivalent to Baht 315 million) in the ordinary shares of Amata Township Long Thanh Joint Stock Company, a company established in Vietnam, and engaged in the industrial estate development (representing 73% of its call-up share capital). Therefore, the consolidated financial statements included the financial statements of Amata Township Long Thanh Joint Stock Company in the year 2016.
- 11.9 In the second quarter of 2016, the Company had an additional investment in Amata Global Pte. Ltd. totaling 15,000 shares, for a total of Baht 1 million. The Company shareholding in this company remains unchanged.
- 11.10 In the first quarter and the fourth quarter of 2016, the Company purchased the shares of VN totaling 1,216,900 shares, for a total of Baht 10 million, from the Stock Exchange of Thailand. As a result, the investment proportion in VN of the Company and its subsidiaries had been changed from 73.08% to 73.21%.

12. Investments in associated companies

12.1 Details of associated companies:

(Unit: Million Baht)

Company's name (Nature of business)	Country of incorporation	Consolidated financial statements					
		Shareholding percentage		Cost		Carrying amounts based on equity method	
		2017 (%)	2016 (%)	2017	2016	2017	2016
Amata B.Grimm Power Limited (Production and distribution of electricity)	Thai	14	14	227	227	968	868
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust (Factory for rent)	Thai	8	8	599	609	507	522
Amata Natural Gas Distribution Co., Ltd. (Production and distribution of natural gas)	Thai	20	20	162	162	182	166
Amata B.Grimm Power 3 Limited (Production and distribution of electricity)	Thai	18	18	140	140	161	148
Amata B.Grimm Power 4 Limited (Production and distribution of electricity)	Thai	27	27	291	291	285	266
Amata B.Grimm Power 5 Limited (Production and distribution of electricity)	Thai	27	27	282	282	292	247
Amata Power (Bien Hoa) Limited (Production and distribution of electricity)	Vietnam	15	15	100	100	100	103
Amata B.Grimm Power (Rayong) 1 Limited (Production and distribution of electricity)	Thai	15	15	103	103	117	107
Amata B.Grimm Power (Rayong) 2 Limited (Production and distribution of electricity)	Thai	15	15	108	108	121	110
Amata B.Grimm Power (Rayong) 3 Limited (Production and distribution of electricity)	Thai	24	24	201	28	168	(18)
Amata B.Grimm Power (Rayong) 4 Limited (Production and distribution of electricity)	Thai	24	24	189	28	180	14
Amata B.Grimm Power (Rayong) 5 Limited (Production and distribution of electricity)	Thai	24	24	81	28	56	(2)
Strategic Engineering & Advance Logistics Services (Thailand) Co., Ltd. (Business consultant and service agent)	Thai	-	23	-	2	-	2
Sodexo Amata Services Co., Ltd. (Provide outsource services for factory)	Thai	36	36	2	2	3	1
Vantec Amata Logistics Co., Ltd. (Logistic services)	Thai	21	21	36	36	29	29
Amata Network Co., Ltd. (Network service provider)	Thai	40	40	40	10	38	10
Amata Development Co., Ltd. (Sale and lease of property)	Thai	43	43	-	-	-	-
Total				2,561	2,156	3,207	2,573

(Unit: Million Baht)

Company's name (Nature of business)	Country of incorporation	Separate financial statements							
		Shareholding percentage		Cost		Allowance for impairment of investments		Carrying amounts based on cost method - net	
		2017 (%)	2016 (%)	2017	2016	2017	2016	2017	2016
Amata B.Grimm Power Limited									
(Production and distribution of electricity)	Thai	14	14	227	227	-	-	227	227
Amata Natural Gas Distribution Co., Ltd.									
(Production and distribution of natural gas)	Thai	20	20	184	184	(22)	(22)	162	162
Amata B.Grimm Power 3 Limited									
(Production and distribution of electricity)	Thai	10	10	140	140	-	-	140	140
Amata B.Grimm Power 4 Limited									
(Production and distribution of electricity)	Thai	20	20	291	291	-	-	291	291
Amata B.Grimm Power 5 Limited									
(Production and distribution of electricity)	Thai	20	20	282	282	-	-	282	282
Vantec Amata Logistics Co., Ltd.									
(Logistic services)	Thai	21	21	36	36	(22)	(22)	14	14
Amata Network Co., Ltd.									
(Network service provider)	Thai	40	40	40	10	-	-	40	10
Amata Development Co., Ltd.									
(Sale and lease of property)	Thai	43	43	-	-	-	-	-	-
Total				1,200	1,170	(44)	(44)	1,156	1,126

During the current year, the Company had an additional investment of Baht 30 million in Amata Network Co., Ltd. The Company shareholding in this company remains unchanged. In addition, Amata City Co., Ltd. had an additional investment in Amata B.Grimm Power (Rayong) 3 Limited, Amata B.Grimm Power (Rayong) 4 Limited, and Amata B.Grimm Power (Rayong) 5 Limited, amounting of Baht 173 million, Baht 161 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 0.3 million under the caption of "administrative expenses" in the income statement.

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 year 2016, the Company invested in Amata Networks Co., Ltd. amounting to Baht 10 million, represented 40% of the registered share capital of this company, and had an additional investment of Baht 190 million in Amata B.Grimm Power 5 Limited. The Company shareholding in this company remains unchanged. In addition, Amata City Co., Ltd. invested Baht 28 million in Amata B.Grimm Power (Rayong) 5 Limited, represented 20% of the registered share capital of this company.

12.2 Share of comprehensive income and dividend received

During the years, the Company and its subsidiaries recognised its share of profit/loss from investments in associated companies in the consolidated financial statements and dividend income in the separate financial statements as follows:

Company's name	(Unit: Million Baht)				Separate financial statements	
	Consolidated financial statements				statements	
	Share of profit/(loss) from investments in associated companies		Share of other comprehensive income from investments in associated companies		Dividend received during the years	
	2017	2016	2017	2016	2017	2016
Amata B.Grimm Power Limited	243	161	5	5	139	108
Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust	34	36	-	-	-	-
Amata Natural Gas Distribution Co., Ltd.	113	18	-	-	97	-
Amata B.Grimm Power 3 Limited	40	26	-	-	27	26
Amata B.Grimm Power 4 Limited	84	36	-	-	65	-
Amata B.Grimm Power 5 Limited	89	23	-	-	44	-
Amata B.Grimm Power (Rayong) 1 Limited	24	23	-	-	-	-
Amata B.Grimm Power (Rayong) 2 Limited	28	15	-	-	-	-
Amata B.Grimm Power (Rayong) 3 Limited	13	(13)	-	-	-	-
Amata B.Grimm Power (Rayong) 4 Limited	5	(4)	-	-	-	-
Amata B.Grimm Power (Rayong) 5 Limited	5	(4)	-	-	-	-
Amata Power (Bien Hoa) Limited	(3)	3	-	-	-	-
Amata Sodexo Services Co., Ltd.	2	-	-	-	-	-
Vantec Amata Logistics Co., Ltd.	-	5	-	-	-	-
Amata Network Co., Ltd.	(2)	-	-	-	-	-
Total	675	325	5	5	372	134

12.3 Fair value of investment in listed associated company

In respect of investments in Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust that listed on the Stock Exchange of Thailand had fair value as at 31 December 2017 of Baht 652 million (2016: Baht 694 million).

12.4 Summarised financial information about material associates

Summarised information about financial position

(Unit: Million Baht)

	Amata B.Grimm Power Limited and its subsidiaries		Amata Natural Gas Distribution Co., Ltd.		Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust	
	2017	2016	2017	2016	2017	2016
Current assets	12,690	9,670	930	691	251	248
Non-current assets	38,896	34,814	746	721	4,717	4,725
Current liabilities	(4,814)	(4,187)	(416)	(223)	(21)	(22)
Non-current liabilities	(34,951)	(30,548)	(656)	(667)	(1,327)	(1,334)
Non-controlling interests						
of the subsidiaries	(4,791)	(3,454)	-	-	-	-
Unrealised losses from investment	-	-	-	-	72	68
Net assets	7,030	6,295	604	522	3,692	3,685
Shareholding percentage (%)	14%	14%	20%	20%	17%	17%
Share of net assets	968	868	121	105	628	626
Elimination entries	-	-	-	-	(121)	(104)
Goodwill - net	-	-	61	61	-	-
Carrying amounts of associates						
based on equity method	968	868	182	166	507	522

Summarised information about comprehensive income

(Unit: Million Baht)

	For the year ended 31 December					
	Amata B.Grimm Power Limited and its subsidiaries		Amata Natural Gas Distribution Co., Ltd.		Amata Summit Growth Freehold and Leasehold Real Estate Investment Trust	
	2017	2016	2017	2016	2017	2016
Revenue	20,424	19,704	3,133	2,206	403	412
Profit for the year	2,620	1,833	566	88	297	314
Other comprehensive income	(56)	(19)	-	-	-	-
Total comprehensive income	2,564	1,814	566	88	297	314

12.5 Aggregate amount of share of comprehensive income from other associates (exclude associates named in Note 12.4)

	(Unit: Million Baht)	
	For the year ended 31 December	
	2017	2016
Share of comprehensive income:		
Profit from continuing operations	(2)	24
Total comprehensive income	(2)	24

13. Investment properties

The net book value of investment properties as at 31 December 2017 and 2016, is presented below.

	(Unit: Million Baht)				
	Consolidated financial statements				
	Land	Buildings for rent	Land improvement and utility system	Buildings under construction	Total
As at 31 December 2017:					
Cost	1,231	3,892	85	134	5,342
Less: Accumulated depreciation	-	(976)	(60)	-	(1,036)
Net book value	1,231	2,916	25	134	4,306
As at 31 December 2016:					
Cost	1,192	3,660	80	124	5,056
Less: Accumulated depreciation	-	(908)	(44)	-	(952)
Net book value	1,192	2,752	36	124	4,104

	(Unit: Million Baht)				
	Separate financial statements				
	Land	Buildings for rent	Land improvement and utility system	Buildings under construction	Total
As at 31 December 2017:					
Cost	1,282	297	80	27	1,686
Less: Accumulated depreciation	-	(102)	(60)	-	(162)
Net book value	1,282	195	20	27	1,524
As at 31 December 2016:					
Cost	305	297	80	24	706
Less: Accumulated depreciation	-	(98)	(44)	-	(142)
Net book value	305	199	36	24	564

A reconciliation of the net book value of investment properties for the years 2017 and 2016 is presented below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Net book value at beginning of year	4,104	3,741	564	535
Acquisition of assets	426	531	3	6
Transfers	45	110	977	44
Depreciation charged	(161)	(163)	(20)	(21)
Disposals - net book value	(14)	(115)	-	-
Translation adjustments	(94)	-	-	-
Net book value at end of year	4,306	4,104	1,524	564

The fair value of the investment properties as at 31 December 2017 and 2016 stated below.

			(Unit: Million Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Land, factory and office buildings for rent	7,752	7,750	1,930	821

The fair value of the above investment properties has been determined based on valuation performed by an accredited independent valuer. The fair value of property is not determined on the basis of market price due to the particular nature of the property and a lack of comparative information. The independent appraisers therefore used standard models to estimate the value of investment properties, such as the direct comparison method, discounted cash flow approach and the direct return estimation method, etc., which is the fair value measurement level 3 based on the fair value hierarchy. Key assumptions used in the valuation include yield rate, inflation rate, long-term vacancy rate and long-term growth in rental rate.

As at 31 December 2017, Amata Summit Ready Built Co., Ltd. ("ASRB") has pledged its investment properties amounting to Baht 102 million (2016: Baht 103 million) as collateral against its long-term loans as described in Note 20 to the consolidated financial statements.

14. Property, plant and equipment

(Unit: Million Baht)

Consolidated financial statements									
	Land	Land improvement	Buildings	Furniture and equipment	Utility system	Motor vehicles	Other assets	Assets under construction	Total
Cost:									
1 January 2016	66	52	747	238	960	60	21	91	2,235
Additions	-	3	4	11	1	-	-	88	107
Transfers in (Transfers out)	(1)	-	29	5	12	-	-	(40)	5
31 December 2016	65	55	780	254	973	60	21	139	2,347
Additions	-	3	2	13	1	11	-	133	163
Disposals	-	-	-	(1)	-	(6)	-	-	(7)
Transfers in (Transfers out)	937	4	29	21	(74)	-	-	(128)	937
Translation adjustment	-	-	(30)	(1)	(4)	(2)	-	-	(37)
31 December 2017	1,002	62	781	286	1,044	63	21	144	3,403
Accumulated depreciation:									
1 January 2016	-	38	353	164	554	53	18	-	1,180
Depreciation for the year	-	5	54	25	57	3	1	-	145
31 December 2016	-	43	407	189	611	56	19	-	1,325
Depreciation for the year	-	3	49	26	53	2	1	-	134
Depreciation on disposals	-	-	-	(1)	-	(5)	-	-	(6)
Translation adjustment	-	-	(14)	-	(2)	(1)	-	-	(18)
31 December 2017	-	46	442	212	662	52	20	-	1,435
Net book value:									
31 December 2016	65	12	373	65	362	4	2	139	1,022
31 December 2017	1,002	16	339	74	382	11	1	144	1,969
Depreciation for the year									
2016 (Baht 95 million included in cost of utility services, and the balance in administrative expenses)									145
2017 (Baht 77 million included in cost of utility services, and the balance in administrative expenses)									134

(Unit: Million Baht)

Separate financial statements

	Land	Land improvement	Buildings	Furniture and equipment	Utility systems	Motor vehicles	Other assets	Assets under construction	Total
Cost:									
1 January 2016	34	35	107	134	116	28	21	7	482
Additions	-	-	-	3	-	-	-	1	4
Transfers in (Transfers out)	(1)	-	-	1	-	-	-	3	3
31 December 2016	33	35	107	138	116	28	21	11	489
Additions	-	-	-	2	-	-	-	2	4
Disposals	-	-	-	(1)	-	(1)	-	-	(2)
31 December 2017	33	35	107	139	116	27	21	13	491
Accumulated depreciation:									
1 January 2016	-	33	30	106	109	27	18	-	323
Depreciation for the year	-	2	2	11	3	-	1	-	19
31 December 2016	-	35	32	117	112	27	19	-	342
Depreciation for the year	-	-	2	9	2	1	-	-	14
Depreciation on disposals	-	-	-	(1)	-	(1)	-	-	(2)
31 December 2017	-	35	34	125	114	27	19	-	354
Net book value:									
31 December 2016	33	-	75	21	4	1	2	11	147
31 December 2017	33	-	73	14	2	-	2	13	137
Depreciation for the year									
2016 (included in administrative expenses)									19
2017 (included in administrative expenses)									14

As at 31 December 2017, certain items of buildings and equipment of the Company and its subsidiaries were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 811 million and the Company only of Baht 301 million (2016: Baht 784 million and Baht 281 million, respectively).

15. Advance payment to Vietnam government

This amount represents the advance amount to government of an overseas subsidiary in Vietnam. This amount got approval from the government to be used to offset land rental charged to the subsidiary in the future. Currently, the subsidiaries is exempted from land rental until 2026.

16. Prepayment for land-use rights

This amount represents the payment for land-use rights of the subsidiary in Vietnam, to develop its industrial estate in the future. Currently, it is in the process of transferring the land-use rights to the subsidiary. In this amount, a total Baht 1,987 million (2016: None) are paid for land which the government has completed land expropriation process

17. Land awaiting for future development

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

18. Bank overdrafts and short-term loans from banks

		(Unit: Million Baht)			
	Interest rate (percent for annum)	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Bank overdrafts	MOR - 1.5 to + 0.50	2	11	1	1
Short-term loans from banks	2.45 - 3.35	-	1,870	-	1,271
Total		2	1,881	1	1,272

19. Trade and other payables

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Trade payables - unrelated parties	242	242	1	2
Other payables - related parties (Note 6)	4	4	14	16
Other payables - unrelated parties	264	200	91	59
Total	510	446	106	77

20. Long-term loans

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Amata Corporation PCL.	-	3,043	-	3,043
Amata City Co., Ltd.	957	485	-	-
Thai-Chinese Rayong Industrial Realty Development Co., Ltd.	561	436	-	-
Amata VN PCL.	190	250	-	-
Amata Summit Ready Built Co., Ltd.	105	87	-	-
Amata City Long Thanh JSC.	2,034	468	-	-
Amata City Bienhoa JSC.	131	-	-	-
Total	3,978	4,769	-	3,043
Less: Current portion	(623)	(2,124)	-	(1,577)
Long-term loans - net of current portion	3,355	2,645	-	1,466

Movements in the long-term loans account during the year ended 31 December 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	3,806	1,000
Less: Repayments	(4,626)	(4,043)
Unrealised losses on exchange	29	-
Balance as at 31 December 2017	3,978	-

The Company

As at 31 December 2016, the Company's long-term loans from banks comprise credit facilities totaling Baht 9,573 million under numerous agreements. Most of these loans carried interest at MLR minus certain rate, as stipulated in the agreement. The loan principle is to be paid in quarter and interest is to be paid in every month. Full settlement of these loans is to be made within March 2017 to December 2022.

However, the Company had repaid the long-term loans before the maturity date totaling Baht 4,043 million during the fourth quarter of 2017.

Subsidiaries

As at 31 December 2017, the subsidiaries' long-term loans from banks comprise credit facilities totaling Baht 21,201 million, USD 20 million, and VND 746,000 million (2016: Baht 23,631 million and USD 70 million) under numerous agreements. Most of these loans carried interest at MLR minus certain rate, as stipulated in the agreement. The loan principle is to be paid in every quarter and interest is to be paid in every month. Full settlement of these loans is to be made within July 2020 to December 2025 (2016: March 2017 to May 2024).

The long-term loans of ASRB are secured by the mortgage of land, as described in the Note 13 to consolidated financial statements.

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 Bienhoa Joint Stock Company

As at 31 December 2017, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounting to Baht 4,420 million, USD 7 million, and VND 652,072 million and of the Company only of Baht 1,458 million (31 December 2016: Baht 5,478 million and USD 57 million, and of the Company only of Baht 1,750 million).

21. Long-term baht debentures

Details of long-term baht debentures as at 31 December 2017 and 2016 are as follows:

(Unit: Million Baht)

Debentures	Term	Issued date	Maturity date	Interest rate (% per annum)	Interest payment condition	Consolidated / Separate financial statements					
						2017			2016		
						Current portion	Long-term portion	Total	Current portion	Long-term portion	Total
1/2017	3 years	5 October 2017	5 October 2020	2.28	Interest is repayable every six months, commencing April 2018 through January 2020	-	1,000	1,000	-	-	-
2/2017	5 years	5 October 2017	5 October 2022	2.69	Interest is repayable every six months, commencing April 2018 through January 2022	-	2,000	2,000	-	-	-
3/2017	7 years	5 October 2017	5 October 2024	3.04	Interest is repayable every six months, commencing April 2018 through January 2024	-	2,000	2,000	-	-	-
Less: Unamortised costs relating to the issuance of the debentures						-	(9)	(9)	-	-	-
Debentures - net from unamortised costs relating to the issuance of the debentures						-	4,991	4,991	-	-	-

Debenture no.1/2017, no.2/2017 and no.3/2017 are unsecured, registered and senior debentures with trustees and have a face value of Baht 1,000 each and is to be offered to investors by private placement. The Company has no option to redeem the debenture before the maturity date.

The debenture has covenants with respect to rights and duties of debenture issuers and debenture holders which must be followed by the Company such as a requirement to maintain certain financial ratios, and restrictions on payment of dividends in case the Company cannot repay any payables under the debenture and transactions with related parties must have fair conditions.

Movements in the debenture account for the years ended 31 December 2017 and 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated / Separate	
	financial statements	
	2017	2016
Balance at beginning of the year	-	-
Add: Issuance of debentures during the year	5,000	-
Less: Increase in unamortised costs relating to the issuance of the debentures	(9)	-
Balance at end of the year	<u>4,991</u>	<u>-</u>

22. 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 agency 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 year ended 31 December 2017 and 2016 are summarised below.

	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	2017	2016
Balance at beginning of the year	335	93
Adjustment of provision for present value	-	240
Additional provisions during the year	14	-
Payment made during the year		
- Land rental payable	(172)	-
- Penalty	(97)	-
Reversal of provisions	(38)	-
Translation adjustment	(42)	2
Balance at ending of the year	-	335

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 the some contracts amounting to Baht 150 million from the subsidiary. As a result, the subsidiary recognised Baht 14 million of this difference from under-recorded provision as an expense in the income statement for the period.

In the third quarter of the current year, the Vietnamese government agency promulgated a new law and demanded payments for the outstanding land rental fees and penalties amounting to Baht 339 million for other contracts that it had demanded in the second quarter. The subsidiary paid Baht 172 million of the outstanding land rental payable.

Subsequently, during the fourth quarter of the current year, the subsidiary had negotiated with the Vietnamese government agency and paid Baht 97 million of the penalty that should be applied on the date that the relevant laws regarding the remittance of total rental have been effective to the present. However, the subsidiary recognised the reversal amounting to Baht 38 million of this difference from over-recorded provision under “Administrative expenses” in the income statement of the current year. However, the subsidiary has not paid penalties in full as the Vietnamese government agency demanded. The subsidiary is currently negotiating as described in the Note 32.3 to the consolidated financial statements, contingent liabilities.

23. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. At present, the statutory reserve has fully been set aside.

24. 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.

25. Expenses by nature

Significant expenses classified by nature are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Cost of land and attributable development costs	1,060	929	683	146
Changes in cost of real estate development costs and land awaiting for future development	(601)	(225)	(571)	267
Subcontract and maintenance services expenses for the water production system	382	371	-	-
Raw water purchase	110	111	-	-
Common area expenses	281	246	-	-
Salaries and wages and other employee benefits	281	268	131	132
Specific business tax	63	67	31	48
Land transfer fee and other taxes	88	41	19	20
Depreciation and amortisation	317	327	45	52
Electricity expenses	136	137	1	1

26. Income tax

Income tax for the years ended 31 December 2017 and 2016 are made up as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Current tax:				
Current tax for the year	238	225	23	82
Adjustment in respect of income tax of previous year	(3)	(4)	(2)	1
Deferred tax:				
Related to origination and reversal of temporary differences	48	83	-	1
Income tax reported in the income statements	283	304	21	84

The reconciliation between of accounting profit and income tax is shown below.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Accounting profit before tax	2,019	1,662	1,058	1,201
Income tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	404	332	212	240
Adjustment in respect of income tax of previous year	(3)	(4)	(2)	1
Tax effect of income and expense that are not taxable income or not deductible in determining taxable profit	(118)	(24)	(189)	(157)
Income tax reported in the income statements	283	304	21	84

The components of deferred tax assets and liabilities in the statements of financial position are as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2017	2016	2017	2016
Deferred tax assets (liabilities)				
Deposits and advances received from customers	25	32	14	14
Revenue from rights of way	(49)	(58)	(18)	(22)
Provision for long-term employee benefits	10	9	6	5
Long-term debentures	(2)	-	(2)	-
Accumulated depreciation	(43)	(24)	(8)	(5)
Revenue received in advance	(328)	(301)	-	-
Others	34	36	-	-
Total	(353)	(306)	(8)	(8)
Presented as				
Deferred tax assets	1	10	-	-
Deferred tax liabilities	(354)	(316)	(8)	(8)
Total	(353)	(306)	(8)	(8)

As at 31 December 2017, a subsidiary company has unused tax losses totaling Baht 244 million (2016: Baht 193 million). No deferred tax assets have been recognised on this amount as the subsidiary believes future taxable profits may not be sufficient to allow utilisation. The unused tax losses will gradually expire within year 2022.

27. Promotional privileges

The Company and its subsidiaries in Thailand have received promotional privileges from the Board of Investment. Subject to certain imposed condition, the privileges include an exemption from corporate income tax for promoted operations.

In 2017, the Company and its subsidiaries in Thailand had revenues, determined in accordance with tax legislation, of promoted operations amounting to Baht 635 million, and of the Company only amounting to Baht 124 million (2016: Baht 789 million and Baht 444 million, respectively).

28. Basic earnings per share

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

29. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance.

Transfer prices between business segments are as set out in Note 6 to the consolidated financial statements.

The following tables present revenue and profit information regarding the Company and its subsidiaries' operating segments for the year ended 31 December 2017 and 2016.

Business segments:

(Unit: Million Baht)

	Industrial estate development segment		Utility services segment		Rental segment		Elimination of inter-segment revenues		Consolidation	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
Revenue from external customers	2,084	2,187	1,789	1,707	618	533	-	-	4,491	4,427
Intersegment revenues	51	264	36	42	40	42	(127)	(348)	-	-
Total revenues	<u>2,135</u>	<u>2,451</u>	<u>1,825</u>	<u>1,749</u>	<u>658</u>	<u>575</u>	<u>(127)</u>	<u>(348)</u>	<u>4,491</u>	<u>4,427</u>
Segment profit	1,437	1,483	558	519	418	355			2,413	2,357
Unallocated income and expenses:										
Revenue from rights of way									-	58
Interest income									26	28
Gain on sales of investment property									42	101
Other income									93	120
Selling expenses									(213)	(193)
Administrative expenses									(654)	(615)
Loss from adjusting present value of land rental payable									-	(240)
Losses on exchange									(140)	(12)
Share of profit from investments in associates									676	325
Finance cost									(228)	(267)
Income tax									(282)	(304)
Profit for the year									<u>1,733</u>	<u>1,358</u>

Geographical segments:

(Unit: Million Baht)

	For the years ended 31 December					
	Segment in Thailand		Segment in Overseas		Total	
	2017	2016	2017	2016	2017	2016
Segment revenue	3,394	3,401	1,097	826	4,491	4,227
Segment profit	1,725	1,884	688	473	2,413	2,357

30. Provident fund

The Company and its subsidiaries and their employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company, its subsidiaries and their employees each contribute to the fund monthly at the rate of 5 percent to 15 percent of basic salary. The fund, which is managed by Kasikorn Asset Management Co., Ltd., will be paid to employees upon termination in accordance with the fund rules. During 2017, the Company and its subsidiaries contributed Baht 10 million and the Company only of Baht 5 million (2016: Baht 9 million and Baht 6 million, respectively) to the fund.

31. Dividends

Dividends declared for the years ended 31 December 2017 and 2016 consisted of the following:

Dividends	Approved by	Total dividends (Unit: Million Baht)	Dividend per share (Unit: Baht per share)
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 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 2016		416	0.39

32. Commitments and contingent liabilities

32.1 Capital commitments

As at 31 December 2017, the subsidiaries had capital commitments of approximately Baht 111 million and VND 109,334 million (2016: Baht 158 million and VND 103,339 million), relating to the construction of ready built factories and infrastructure systems.

32.2 Long-term commitments

The Company

The Company had outstanding commitments to pay certain remuneration to the Industrial Estate Authority of Thailand in accordance with an agreement to collaborate in the development of Amata City Chonburi Industrial Estate (formerly known as “Amata Nakorn”). This remuneration consists of sales promotion expenses at a rate of Baht 10,000 per rai, contributions to the Amata City Chonburi Industrial Estate Maintenance Fund of up to Baht 99 million (31 December 2017 the Company had paid Baht 99 million) and fees for supervision of services within the Industrial Estate of not less than Baht 9 million per annum.

On 19 December 2005, the Company entered into an agreement with Amata Spring Development Company Limited (ASDL) to lease and sell land in Amata City Chonburi Industrial Estate to the latter for development of its golf course project. Pertinent terms of this agreement are summarised below.

1. The Company agrees to lease 274,653 square wah (approximately 687 rais) of land to ASDL for an annual rental of Baht 2 million, commencing from 1 January 2010. The lease is for a period of 30 years and can be renewed on the same terms for another 30 years after the expiration of the initial lease term.
2. The Company agrees to sell 46,443 square wah (approximately 116 rais) of land to ASDL at Baht 7,300 per square wah. ASDL is to pay a deposit of Baht 30 million in 5 equal annual installments of not less than Baht 6 million per annum commencing from the date ASDL obtains a land subdivision permit from the authorities. The balance is to be paid within 2 years after the transfer of the land to ASDL.

Amata City Co., Ltd.

This subsidiary company had outstanding commitments to pay certain remuneration to the Industrial Estate Authority of Thailand in accordance with an agreement to collaborate on the development of Amata City Rayong Industrial Estate (formerly known as “Amata City”). This remuneration consists of promotion expenses of Baht 10,000 per rai, contributions to the Amata City Rayong Industrial Estate Maintenance Fund of up to Baht 101 million (31 December 2017 the subsidiary company had paid Baht 67 million) and fees for supervision of services within the Industrial Estate of not less than Baht 5 million per annum.

Amata City Bienhoa Joint Stock Company

The subsidiary company had outstanding commitments to pay remuneration to the Vietnamese government agency pursuant to the agreement as follows.

- To lease land area of 241.04 hectare at the rate of USD 1,000 per hectare per annum and will increase 15 percent every 5 years commencing on 1 January 2006.
- To lease land area of 0.47 hectare at the rate of VND 58 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government.
- To lease land area of 140.75 hectare at the rate of VND 145 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government.
- To lease land area of 67.97 hectare at the rate of VND 20.995 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government.
- To lease land area of 17.10 hectare at the rate of VND 36.225 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government.
- To lease commercial land area of 15.39 hectare at the rate of VND 750 million per hectare per annum for the first five years, after that it will be adjusted in accordance with approval of the Vietnamese government.

Amata Water Co., Ltd.

In order to facilitate the supply of sufficient water to meet consumer demand in Amata City Chonburi Industrial Estate and Amata City Rayong Industrial Estate, the subsidiary company has entered into several long-term agreements with other companies to purchase raw water and production to tap water at prices and in quantity stipulated in the agreements, with the prices subject to increase based on the Consumer Price Index. The agreements will expire between 2024 and 2042.

32.3 Contingent liabilities

During the year 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 has been sold and rental fees of which have 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 amounted to Baht 318 million since the new law was imposed retrospectively after the period in which the subsidiary collected the lump sum land rental payments from the buyers. During such period, the fee collection was not prohibited by law, 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 subsidiary paid penalties for such period amounting to Baht 97 million in the current year. Therefore, the subsidiary has not recognised the difference of Baht 221 million in its accounts.

The subsidiary's management is currently negotiating and sends the enquiry letter to the relevant Vietnamese government agencies with respect to the remittance of land rental requesting the clarification on the applied of period used in the calculation of the 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.

32.4 Guarantees

- (1) As at 31 December 2017, the Company has guaranteed bank credit facilities of its subsidiaries up to the amount of Baht 32 million (2016: Baht 32 million).
- (2) As at 31 December 2017, there were outstanding bank credit facilities for a total of Baht 319 million issued by banks on behalf its subsidiary to guarantee the joint investments in Amata B. Grimm Power (Rayong) 3 Limited, Amata B. Grimm Power (Royong) 4 Limited and Amata B. Grimm Power (Royong) 5 Limited..

As at 31 December 2016, there were outstanding bank credit facilities for a total of Baht 1,122 million issued by banks on behalf of the Company and its subsidiary to guarantee the joint investment in Amata B. Grimm Power 4 Limited, Amata B. Grimm Power 5 Limited, Amata B. Grimm Power (Rayong) 3 Limited, and Amata B. Grimm Power (Rayong) 5 Limited and the company only of Baht 577 million to guarantee the joint investment in Amata B. Grimm Power 4 Limited and Amata B. Grimm Power 5 Limited

- (3) As at 31 December 2017, there were outstanding bank guarantees of approximately Baht 34 million issued by banks on behalf of the Company and its subsidiaries and the Company only of Baht 3 million (2016: Baht 29 million and Baht 3 million, respectively) to guarantee electricity use and other contractual performance of the Company and its subsidiaries.

- (4) As at 31 December 2017, there were outstanding letters of guarantee for a total of Baht 1,178 million issued by banks to the Industrial Estate Authority of Thailand to guarantee performance of the Company and its subsidiary and the Company only of Baht 454 million (2016: Baht 1,151 million and Baht 447 million, respectively) under the agreement to jointly-develop the Amata City Chonburi Industrial Estate and the Amata City Rayong Industrial Estate.

33. Operating lease for which the Company and its subsidiaries acts as a lessor

The Company and its subsidiaries have several operating lease agreements in respect of the lease of land, office and factory buildings. The terms of the agreements are generally between 6 months to 35 years. As at 31 December 2017, future minimum rental income to be generated under these operating leases is as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statement		financial statement	
	2017	2016	2017	2016
Less than 1 year	377	345	46	47
1 to 5 years	614	497	111	88
More than 5 years	61	50	15	14

34 Fair value hierarchy

As at 31 December 2017 and 2016, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

	Consolidated financial statements							
	As at 31 December 2017				As at 31 December 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Investments in units of mutual fund	-	1,358	-	1,358	-	1,006	-	1,006
Assets for which fair value are disclosed								
Investment properties	-	-	7,752	7,752	-	-	7,750	7,750
Liabilities for which fair value are disclosed								
Long-term baht debentures	-	5,022	-	5,022	-	-	-	-

(Unit: Million Baht)

	Separate financial statements							
	As at 31 December 2017				As at 31 December 2016			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets measured at fair value								
Investments in units of mutual fund	-	1,099	-	1,004	-	655	-	655
Assets for which fair value are disclosed								
Investment properties	-	-	1,930	1,930	-	-	821	821
Liabilities for which fair value are disclosed								
Long-term baht debentures	-	5,022	-	5,022	-	-	-	-

35. Financial instruments

35.1 Financial risk management

The Company and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No.107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, current investments, trade and other receivables, loans, trade and other payables, short-term and long-term borrowings and long-term debentures. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentrations of credit risk since they have a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loans as stated in the statement of financial position.

Interest rate risk

The Company and its subsidiary exposure to interest rate risk relates primarily to their cash at banks, current investments, bank overdrafts, loans, and short-term and long-term borrowings and long-term debentures. However, since most of the Company and its subsidiaries' financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate. The interest rate risk is expected to be minimal.

As at 31 December 2017 and 2016, Significant financial assets and liabilities classified by type of interest rate are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

Consolidated financial statements													
As at 31 December													
	Fixed interest rates						Floating interest rate	Non-interest bearing		Total		Effective interest rate	
	Within 1 year		1 - 5 years		Over 5 years								
	2017	2016	2017	2016	2017	2016							
													(% per annum)
Financial assets													
Cash and cash equivalents	-	-	-	-	-	-	883	881	389	875	1,272	1,756	0.38% - 0.50% per annum
Current investments	-	14	-	-	-	-	-	-	1,235	332	1,235	346	Note 8
Trade and other receivables	-	-	-	-	-	-	-	-	556	365	556	365	Note 9
Pledged bank deposits	-	-	-	-	-	-	3	2	-	-	3	2	0.25% - 0.38% per annum
	-	-	-	-	-	-	886	883	2,180	1,572	3,066	2,469	
Financial liabilities													
Short-term loans from financial													
institutions	-	1,870	-	-	-	-	2	11	-	-	2	1,881	Note 18
Trade and other payables	-	-	-	-	-	-	-	-	510	446	510	446	Note 19
Short-term loans from related parties	131	100	-	-	-	-	-	-	-	-	131	100	Note 6
Long-term loans	-	-	-	-	-	-	3,978	4,769	-	-	3,978	4,769	Note 20
Long-term baht debentures	-	-	2,995	-	1,996	-	-	-	-	-	4,991	-	Note 21
	131	1,981	2,995	-	1,996	-	3,980	4,780	510	446	9,612	7,196	

(Unit: Million Baht)

Separated financial statements

As at 31 December

	Fixed interest rates												Effective interest rate	
	Within 1 year		1 - 5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total			
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	(% per annum)													
Financial assets														
Cash and cash equivalents	-	-	-	-	-	-	100	146	95	655	195	801	0.38% - 0.50% per annum	
Trade and other receivables	-	-	-	-	-	-	-	-	205	67	205	67	Note 9	
Short-term loans to related parties	37	-	-	-	-	-	-	-	-	-	37	-	Note 6	
Long-term loans to related parties	-	-	62	68	-	-	-	-	-	-	62	68	Note 6	
	37	-	62	68	-	-	100	146	300	722	499	936		
Financial liabilities														
Short-term loans from financial														
institutions	-	1,271	-	-	-	-	1	1	-	-	1	1,272	Note 18	
Trade and other payables	-	-	-	-	-	-	-	-	106	77	106	77	Note 19	
Long-term loans	-	-	-	-	-	-	-	3,043	-	-	-	3,043	Note 20	
Long-term baht debentures	-	-	2,995	-	1,996	-	-	-	-	-	4,991	-	Note 21	
	-	1,271	2,995	-	1,996	-	1	3,044	106	77	5,098	4,392		

Foreign currency risk

The subsidiaries' exposure to foreign currency risk is considered to be low since the majority of their business transactions are denominated in local currency. As at 31 December 2017, a subsidiary in Thailand has balance of deposits amounting to VND 23,030 million (2016: USD 3 million and VND 4,787 million, respectively), and a subsidiary in Vietnam has balance of deposit in US dollar amounting to USD 1 million (2016: USD 4 million).

35.2 Fair values of financial instruments

Since the majority of the Company and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates close to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position, except the following.

(Unit: Million Baht)

	Consolidated / Separate financial statements			
	As at 31 December 2017		As at 31 December 2016	
	Carrying amount	Fair value	Carrying amount	Fair value
Financial liabilities				
Debentures	4,991	5,022	-	-

- a) For long-term baht debentures, fair value is derived from quoted market prices of the Thai Bond Market Association.

36. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2017, the Group's debt-to-equity ratio was 1.14:1 (2016: 1.03:1) and the Company's was 0.70:1 (2016: 0.67:1).

37. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 28 February 2018.