

Chewathai Public Company Limited and its subsidiary
Review report and interim financial statements
For the three-month and nine-month periods ended
30 September 2018

Independent Auditor's Report on Review of Interim Financial Information

To the Shareholders of Chewathai Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Chewathai Public Company Limited and its subsidiary as at 30 September 2018, the related consolidated statements of comprehensive income for the three-month and nine-month periods ended 30 September 2018, and the related consolidated statements of changes in shareholders' equity and cash flows for the nine-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Chewathai Public Company Limited for the same periods. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

Scope of review

I conducted my review in accordance with Thai Standard on Review Engagements 2410, *Review of Interim Financial Information Performed by the Independent Auditor of the Entity*. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

Conclusion

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

Rungnapa Lertsuwankul

Certified Public Accountant (Thailand) No. 3516

EY Office Limited

Bangkok: 13 November 2018

Chewathai Public Company Limited and its subsidiary

Statement of financial position

As at 30 September 2018

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
	Note	2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Assets					
Current assets					
Cash and cash equivalents	4	155,206	126,423	141,571	95,686
Current investments	5	1,150,943	-	1,040,630	-
Trade and other receivables	3, 6	15,282	15,370	15,246	48,769
Short-term loans to related parties	3	89,000	102,000	89,000	102,000
Advances to related party	3	-	-	-	13,811
Land and real estate development costs	7	2,842,614	2,998,465	2,794,192	2,776,460
Advance for construction work		1,931	13,333	1,931	13,333
Deposit for purchase of land		137,008	46,192	137,008	46,192
Other current assets	8	35,138	26,499	27,165	16,530
Total current assets		4,427,122	3,328,282	4,246,743	3,112,781
Non-current assets					
Restricted bank deposit	9	20,323	-	20,323	-
Investment in subsidiary	10	-	-	68,594	68,594
Investments in joint ventures	11	39,294	40,974	42,000	42,000
Investment in associate	12	24,712	-	25,000	250
Investment properties	13	293,913	257,178	293,913	257,178
Property, plant and equipment	14	11,967	9,526	11,796	9,210
Intangible assets	15	3,953	4,343	3,953	4,343
Deferred tax assets		2,081	1,239	1,098	1,239
Other non-current assets		7,771	4,848	6,149	2,991
Total non-current assets		404,014	318,108	472,826	385,805
Total assets		4,831,136	3,646,390	4,719,569	3,498,586

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

Chewathai Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 September 2018

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		30 September	31 December	30 September	31 December
	Note	2018	2017	2018	2017
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	139,975	460,334	139,975	460,334
Trade and other payables	3, 17	195,682	345,621	193,211	337,346
Retention payables		87,436	87,020	87,320	86,885
Current portion of long-term loans from financial institutions	18	490,074	754,826	490,074	715,701
Current portion of debentures	19	-	169,905	-	169,905
Short-term loans from related parties	3	-	18,506	-	-
Income tax payable		14,884	7,454	12,240	5,417
Deposits and cash received in advance from customers		51,817	192,177	51,659	191,971
Other current liabilities		9,511	5,513	4,537	5,456
Total current liabilities		989,379	2,041,356	979,016	1,973,015
Non-current liabilities					
Long-term loans from financial institutions, net of current portion	18	330,230	238,676	330,230	238,676
Long-term loans from related parties, net of current portion	3	-	252,319	-	252,319
Debentures, net of current portion	19	1,681,098	-	1,681,098	-
Provision for long-term employee benefits		5,488	4,593	5,488	4,593
Deferred tax liabilities		4,014	176	3,946	143
Total non-current liabilities		2,020,830	495,764	2,020,762	495,731
Total liabilities		3,010,209	2,537,120	2,999,778	2,468,746

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

Chewathai Public Company Limited and its subsidiary

Statement of financial position (continued)

As at 30 September 2018

(Unit: Thousand Baht)

Note	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Shareholders' equity				
Share capital	20			
Registered				
2,307,692,307 ordinary shares of Baht 1 each				
(31 December 2017: 750,000,000 ordinary shares				
of Baht 1 each)	2,307,692	750,000	2,307,692	750,000
Issued and paid-up				
1,275,027,183 ordinary shares of Baht 1 each				
(31 December 2017: 750,000,000 ordinary shares				
of Baht 1 each)	1,275,027	750,000	1,275,027	750,000
Premium on ordinary shares	214,482	144,382	214,482	144,382
Retained earnings				
Appropriated - statutory reserve				
- the Company	11,918	11,918	11,918	11,918
- subsidiary	8,126	8,126	-	-
Unappropriated	311,374	194,844	218,364	123,540
Total shareholders' equity	1,820,927	1,109,270	1,719,791	1,029,840
Total liabilities and shareholders' equity	4,831,136	3,646,390	4,719,569	3,498,586
	-	-	-	-

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

Directors

(Unaudited but reviewed)

Chewathai Public Company Limited and its subsidiary**Statement of comprehensive income****For the three-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenue from sales of real estate		784,171	394,850	718,803	294,859
Rental and services income from factory		5,643	5,077	5,643	5,077
Other income					
Interest income		988	269	988	2,961
Others		3,987	1,785	4,925	4,536
Total revenues		<u>794,789</u>	<u>401,981</u>	<u>730,359</u>	<u>307,433</u>
Expenses					
Cost of real estate sold		546,275	275,593	499,763	204,587
Cost of rental and services of factory		3,612	2,717	3,612	2,717
Selling expenses		75,819	47,114	68,642	38,284
Administrative expenses		38,415	28,974	36,169	26,816
Total expenses		<u>664,121</u>	<u>354,398</u>	<u>608,186</u>	<u>272,404</u>
Profit before share of profit (loss) from investments in joint ventures and associate, finance costs and income tax expenses		<u>130,668</u>	<u>47,583</u>	<u>122,173</u>	<u>35,029</u>
Share of profit (loss) from investments in joint ventures	11.2	(708)	451	-	-
Share of loss from investment in associate	12.3	(25)	(142)	-	-
Profit before finance costs and income tax expenses		<u>129,935</u>	<u>47,892</u>	<u>122,173</u>	<u>35,029</u>
Finance costs		(11,820)	(5,956)	(11,820)	(5,352)
Profit before income tax expenses		<u>118,115</u>	<u>41,936</u>	<u>110,353</u>	<u>29,677</u>
Income tax expenses	22	(24,020)	(8,294)	(22,105)	(5,818)
Profit for the period		<u>94,095</u>	<u>33,642</u>	<u>88,248</u>	<u>23,859</u>
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		<u>94,095</u>	<u>33,642</u>	<u>88,248</u>	<u>23,859</u>

(Unit: Baht)

Earnings per share	23				
Basic earnings per share					
Profit for the period		<u>0.07</u>	<u>0.04</u>	<u>0.07</u>	<u>0.03</u>

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

(Unaudited but reviewed)

Chewathai Public Company Limited and its subsidiary**Statement of comprehensive income****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenue from sales of real estate		2,220,610	809,917	1,974,962	576,011
Rental and services income from factory		16,301	14,510	16,301	14,510
Other income					
Interest income		3,146	660	3,146	11,189
Others		11,116	5,683	14,493	13,552
Total revenues		<u>2,251,173</u>	<u>830,770</u>	<u>2,008,902</u>	<u>615,262</u>
Expenses					
Cost of real estate sold		1,560,083	567,360	1,386,499	398,935
Cost of rental and services of factory		8,956	8,061	8,956	8,061
Selling expenses		205,564	125,358	179,098	103,701
Administrative expenses		132,309	81,301	121,141	74,558
Total expenses		<u>1,906,912</u>	<u>782,080</u>	<u>1,695,694</u>	<u>585,255</u>
Profit before share of profit (loss) from investments in joint ventures and associate, finance costs and income tax expenses		<u>344,261</u>	<u>48,690</u>	<u>313,208</u>	<u>30,007</u>
Share of profit (loss) from investments in joint ventures	11.2	(1,680)	1,398	-	-
Share of loss from investment in associate	12.3	(38)	(142)	-	-
Profit before finance costs and income tax expenses		<u>342,543</u>	<u>49,946</u>	<u>313,208</u>	<u>30,007</u>
Finance costs		(34,520)	(18,400)	(33,788)	(17,417)
Profit before income tax expenses		<u>308,023</u>	<u>31,546</u>	<u>279,420</u>	<u>12,590</u>
Income tax expenses	22	(63,640)	(7,058)	(56,743)	(3,281)
Profit for the period		<u>244,383</u>	<u>24,488</u>	<u>222,677</u>	<u>9,309</u>
Other comprehensive income:					
Other comprehensive income for the period		-	-	-	-
Total comprehensive income for the period		<u>244,383</u>	<u>24,488</u>	<u>222,677</u>	<u>9,309</u>
(Unit: Baht)					
Earnings per share	23				
Basic earnings per share					
Profit for the period		<u>0.23</u>	<u>0.03</u>	<u>0.21</u>	<u>0.01</u>

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

Chewathai Public Company Limited and its subsidiary

Statement of changes in shareholders' equity

For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Consolidated financial statements					
	Issued and		Retained earnings			
	paid-up	Premium on	Appropriated - statutory reserve		Unappropriated	
	share capital	ordinary shares	The Company	Subsidiary	retained earnings	Total
Balance as at 1 January 2017	750,000	144,382	5,652	8,126	68,106	976,266
Profit for the period	-	-	-	-	24,488	24,488
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	24,488	24,488
Dividend payment (Note 24)	-	-	-	-	(22,500)	(22,500)
Balance as at 30 September 2017	750,000	144,382	5,652	8,126	70,094	978,254
Balance as at 1 January 2018	750,000	144,382	11,918	8,126	194,844	1,109,270
Profit for the period	-	-	-	-	244,383	244,383
Other comprehensive income for the period	-	-	-	-	-	-
Total comprehensive income for the period	-	-	-	-	244,383	244,383
Issuance of new shares (Note 20)	467,336	70,100	-	-	-	537,436
Stock dividend (Note 24)	57,691	-	-	-	(57,691)	-
Dividend payment (Note 24)	-	-	-	-	(70,162)	(70,162)
Balance as at 30 September 2018	1,275,027	214,482	11,918	8,126	311,374	1,820,927

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

(Unaudited but reviewed)

Chewathai Public Company Limited and its subsidiary
Statement of changes in shareholders' equity (continued)
For the nine-month period ended 30 September 2018

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and paid-up share capital	Premium on ordinary shares	Retained earnings		Total
			Appropriated - statutory reserve	Unappropriated retained earnings	
Balance as at 1 January 2017	750,000	144,382	5,652	26,987	927,021
Profit for the period	-	-	-	9,309	9,309
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	9,309	9,309
Dividend payment (Note 24)	-	-	-	(22,500)	(22,500)
Balance as at 30 September 2017	750,000	144,382	5,652	13,796	913,830
Balance as at 1 January 2018	750,000	144,382	11,918	123,540	1,029,840
Profit for the period	-	-	-	222,677	222,677
Other comprehensive income for the period	-	-	-	-	-
Total comprehensive income for the period	-	-	-	222,677	222,677
Issuance of new shares (Note 20)	467,336	70,100	-	-	537,436
Stock dividend (Note 24)	57,691	-	-	(57,691)	-
Dividend payment (Note 24)	-	-	-	(70,162)	(70,162)
Balance as at 30 September 2018	1,275,027	214,482	11,918	218,364	1,719,791

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

Chewathai Public Company Limited and its subsidiary**Cash flow statement****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before income tax	308,023	31,546	279,420	12,590
Adjustments to reconcile profit before income tax				
to net cash provided by (paid from) operating activities:				
Decrease in land and real estate development costs				
as a result of transfer to cost of sales	1,554,815	565,675	1,381,232	397,250
Depreciation and amortisation	11,577	23,607	11,437	23,409
Amortisation of transaction costs of issuing debentures	2,937	252	2,937	252
Amortisation of financial fees	331	-	331	-
Loss on disposals and write-off of equipment	419	-	412	-
Share of loss (profit) from investments in joint ventures	1,680	(1,398)	-	-
Share of loss from investment in associate	38	142	-	-
Provision for long-term employee benefits	895	895	895	895
Interest income	(3,146)	(660)	(3,146)	(11,189)
Interest expenses	31,253	18,122	30,521	17,139
Profit from operating activities before change in operating				
assets and liabilities	1,908,822	638,181	1,704,039	440,346
Decrease (increase) in operating assets				
Current investments	(1,150,943)	-	(1,040,630)	-
Trade and other receivables				
- Related parties	989	(148)	764	29,136
- Others	(903)	81	(1,185)	(102)
Advances to related party	-	-	13,811	253,563
Land and real estate development costs	(1,392,618)	(1,369,191)	(1,392,618)	(1,370,044)
Advance for construction work	11,402	126,944	11,402	126,944
Deposit for purchase of land	(90,816)	13,372	(90,816)	13,372
Other current assets	(8,639)	(1,942)	(10,635)	(665)
Other non-current assets	(2,923)	(54)	(3,158)	(669)
Increase (decrease) in operating liabilities				
Trade and other payables				
- Related parties	(843)	(74)	1,384	2,296
- Others	(151,034)	34,131	(147,971)	38,247
Retention payables	416	37,920	435	41,438
Deposits and cash received in advance from customers	(140,360)	55,398	(140,312)	53,055
Other current liabilities	3,998	538	(919)	513
Other non-current liabilities	-	(59)	-	-
Cash flows used in operating activities	(1,013,452)	(464,903)	(1,096,409)	(372,570)
Cash paid for income tax	(53,214)	(15,447)	(45,976)	(6,147)
Net cash flows used in operating activities	(1,066,666)	(480,350)	(1,142,385)	(378,717)

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

Chewathai Public Company Limited and its subsidiary**Cash flow statement (continued)****For the nine-month period ended 30 September 2018**

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from investing activities				
Increase in restricted bank deposit	(20,323)	-	(20,323)	-
Decrease (increase) in short-term loans to related parties	13,000	(39,500)	13,000	(39,500)
Cash paid for investment in associate	(24,750)	(250)	(24,750)	(250)
Cash paid for investments in joint ventures	-	(35,000)	-	(35,000)
Cash received from share reduction of joint venture	-	10,000	-	10,000
Proceed from sales of equipment	94	-	94	-
Cash paid for purchase of property, plant and equipment and computer software	(5,185)	(2,893)	(5,183)	(2,893)
Cash received from interest income	3,148	392	37,090	377
Net cash flows used in investing activities	(34,016)	(67,251)	(72)	(67,266)
Cash flows from financing activities				
Decrease in bank overdrafts and short-term loans from financial institutions	(325,000)	(386,379)	(325,000)	(386,379)
Increase (decrease) in short-term loans from related parties	(18,506)	50,000	-	50,000
Cash received from long-term loans from related party	-	200,000	-	200,000
Cash paid for repayment of long-term loans from related parties	(252,319)	-	(252,319)	-
Cash received from drawdown of long-term loans from financial institutions	1,060,010	1,113,449	1,060,010	1,004,879
Cash paid for repayment of long-term loans from financial institutions	(1,232,231)	(251,949)	(1,193,106)	(248,765)
Proceeds from issuance of debentures	1,698,500	-	1,698,500	-
Cash paid for repayment of debentures	(170,000)	-	(170,000)	-
Cash paid for transaction costs of issuing debentures	(20,244)	-	(20,244)	-
Cash paid for financial fees	(1,308)	-	(1,308)	-
Proceed from increase in share capital	537,436	-	537,436	-
Dividend paid	(70,162)	(22,500)	(70,162)	(22,500)
Cash paid for interest expenses	(76,711)	(83,671)	(75,465)	(79,812)
Net cash flows from financing activities	1,129,465	618,950	1,188,342	517,423
Net increase in cash and cash equivalents	28,783	71,349	45,885	71,440
Cash and cash equivalents at beginning of period	126,423	58,451	95,686	41,190
Cash and cash equivalents at end of period (Note 4)	155,206	129,800	141,571	112,630
	-	-	-	-

Supplemental cash flow information

Non-cash items

Interest expenses recorded as land and real estate

development costs	52,037	68,747	52,037	68,747
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Transferred from land and real estate development costs

to investment properties	45,691	-	45,691	-
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Stock dividend	57,691	-	57,691	-
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Share reduction of joint venture that have yet to be received	-	10,000	-	10,000
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The accompanying notes are an integral part of the financial statements.

Chewathai Public Company Limited and its subsidiary

Notes to interim consolidated financial statements

For the three-month and nine-month periods ended 30 September 2018

1. General information

1.1 Corporate information

Chewathai Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in the development of properties for sales and rent. The registered office of the Company is at 1168/80 Lumpini Tower, 27th Floor, Unit D, Rama IV Road, Tungmahamek, Sathorn, Bangkok.

As at 30 September 2018, the Company’s major shareholder is Chartchewa Company Limited, which was incorporated in Thailand and its shareholding percentage in the Company was 67.64% (As at 31 December 2017, the two major shareholders of the Company was Chartchewa Company Limited and TEE Development Pte Ltd., which were incorporated in Thailand and Singapore, respectively and their shareholding percentages in the Company were 33.18% and 31.88%, respectively).

1.2 Basis for the preparation of interim financial statements

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

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

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

1.3 Basis of consolidation

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2017, with there being no changes in the structure of shareholding in subsidiary during the current period.

1.4 New financial reporting standards

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

During the period, the Company and its subsidiary have adopted the 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 adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiary's financial statements.

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

During the period, the Federation of Accounting Professions issued the financial reporting standard TFRS 15 Revenue from Contracts with Customers, which is effective for fiscal years beginning on or after 1 January 2019 and a set of 5 standards related to financial instruments, which are effective for fiscal years beginning on or after 1 January 2020. Key principles of these standards are summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes TAS 11 Construction Contracts and TAS 18 Revenue, together with related Interpretations. Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiary is currently evaluating the impact of this standard to the financial statements in the year when it is adopted.

Thai Financial Reporting Standards related to financial instruments

The set of TFRSs related to financial instruments consists of five accounting standards and interpretations, as follows:

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

TFRIC 16	Hedges of a Net Investment in a Foreign Operation
TFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiary is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

2. Significant accounting policies

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2017.

3. Related party transactions

The relationships between the Company, subsidiary, associate, joint ventures and its related parties are summarised below.

Name of related parties	Relationship
Chartchewa Company Limited	Major shareholder
TEE Development Pte Ltd.	Major shareholder (until July 2018)
Chewathai Interchange Company Limited	Subsidiary
Chewathai Hup Soon Limited	Joint venture
Chewa Heart Company Limited	Joint venture
Kamala Senior Living Company Limited	Associate
TEE Land Limited	Common director (until July 2018)
TEE Resources Pte Ltd.	Common director (until July 2018)
Global Environmental Technology Co., Ltd.	Common director
Trans Equatorial Indochina Co., Ltd.	Common director (until May 2017)
Thaisri Insurance Plc.	Common director
Oscar Estate Management Co., Ltd.	Common director (until May 2017)
Oscar Design and Decoration Co., Ltd.	Common director (until May 2017)
Amata Water Co., Ltd.	Common director
Amata City Co., Ltd.	Common director
Amata Facility Services Co., Ltd.	Common director
Paragon Car Rental Co., Ltd.	Common director (until August 2018)

During the periods, the Company and its subsidiary 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, its subsidiary and those related parties.

(Unit: Million Baht)

	For the three-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with subsidiary</u> (Eliminated from the consolidated financial statements)					
Management fee income	-	-	1.41	2.80	Contract price
Interest income	-	-	-	2.69	5.46% p.a.

(Unaudited but reviewed)

(Unit: Million Baht)

	For the three-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with joint ventures</u>					
Management fee income	0.48	-	0.48	-	Contract price
Interest income	0.57	0.01	0.57	0.01	5.15% p.a.
<u>Transactions with associate</u>					
Interest income	0.42	0.26	0.42	0.26	5.00% p.a.
<u>Transactions with related parties</u>					
Management fee and other expenses	0.89	0.62	0.88	0.53	Contract price and market price
Interest expenses	-	3.49	-	3.30	4.00% and 5.25% p.a. (2017: 4.00% and 6.00% p.a.)

(Unit: Million Baht)

	For the nine-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	2018	2017	2018	2017	
<u>Transactions with subsidiary</u> (Eliminated from the consolidated financial statements)					
Management fee income	-	-	4.21	8.41	Contract price
Interest income	-	-	0.02	10.54	5.46% p.a.
<u>Transactions with joint ventures</u>					
Management fee income	0.48	-	0.48	-	Contract price
Interest income	0.88	0.01	0.88	0.01	5.15% p.a.
<u>Transactions with associate</u>					
Interest income	2.18	0.26	2.18	0.26	5.00% p.a.
<u>Transactions with related parties</u>					
Other income	-	1.70	-	1.70	Contract price
Management fee and other expenses	2.78	2.05	2.74	1.92	Contract price and market price
Interest expenses	3.25	8.14	3.04	7.58	4.00% and 5.25% p.a. (2017: 4.00% and 6.00% p.a.)

(Unaudited but reviewed)

The balances of the accounts as at 30 September 2018 and 31 December 2017 between the Company, its subsidiary and those related parties are as follows.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<u>Other receivables - related parties (Note 6)</u>				
Subsidiary	-	-	258	34,355
Joint ventures	11,159	10,481	11,159	10,481
Associate	365	725	365	725
Related companies (related by common director)	-	2,306	-	1,926
Total other receivables - related parties	11,524	13,512	11,782	47,487
<u>Short-term loans to related parties</u>				
Joint venture	55,000	16,000	55,000	16,000
Associate	34,000	86,000	34,000	86,000
Total short-term loans to related parties	89,000	102,000	89,000	102,000

Short-term loans to related parties are unsecured loan, carrying interest at the fixed rate. The loans are repayable at call.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<u>Advances to related party</u>				
Subsidiary	-	-	-	13,811
Total advances to related party	-	-	-	13,811

As at 31 December 2017, the Company had advances receivable amounting to Baht 14 million (30 September 2018: Nil) with its subsidiary for the acquisition of condominium under construction of the Dzio Ngamwongwan project and for development of the subsidiary's projects. Interest is charged at the rate of 5.46% per annum on the advances.

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
<u>Other payables - related parties (Note 17)</u>				
Subsidiary	-	-	2,301	119
Joint ventures	4	49	4	49
Related companies (related by common director)	77	8,056	77	7,514
Director	342	749	342	749
Total other payables - related parties	423	8,854	2,724	8,431
<u>Short-term loans from related parties</u>				
Related company (related by common director)	-	18,506	-	-
Total short-term loans from related parties	-	18,506	-	-

Short-term loan from related company is unsecured loan, carrying interest at the fixed rate. The loan is repayable at call.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
<u>Long-term loans from related parties</u>				
Related company (related by common director)	-	52,319	-	52,319
Director	-	200,000	-	200,000
Total	-	252,319	-	252,319
Less: Current portion	-	-	-	-
Long-term loans from related parties				
- Net of current portion	-	252,319	-	252,319

Long-term loan from related company is unsecured loan, carrying interest at the fixed rate. The loan is repayable when the Company has sufficient cash flow.

Long-term loan from director is unsecured loan, carrying interest at fixed rate. The loan is due within 2 years.

Loans to related parties and loans from related parties

During the nine-month period ended 30 September 2018, the movements of loans to and loans from related parties are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company	Consolidated and separate financial statements			
	Balance as at 1 January 2018	Increase during the period	Decrease during the period	Balance as at 30 September 2018
Chewa Heart Company Limited	16,000	55,000	(16,000)	55,000
Kamala Senior Living Company Limited	86,000	116,750	(168,750)	34,000
Total	102,000	171,750	(184,750)	89,000

Short-term loans from related parties

(Unit: Thousand Baht)

Company	Consolidated financial statements			
	Balance as at 1 January 2018	Increase during the period	Decrease during the period	Balance as at 30 September 2018
TEE Land Limited	18,506	-	(18,506)	-
Director	-	162,000	(162,000)	-
Total	18,506	162,000	(180,506)	-

(Unit: Thousand Baht)

Company	Separate financial statements			
	Balance as at 1 January 2018	Increase during the period	Decrease during the period	Balance as at 30 September 2018
Director	-	162,000	(162,000)	-
Total	-	162,000	(162,000)	-

Long-term loans from related parties

(Unit: Thousand Baht)

Company	Consolidated and separate financial statements			
	Balance as at 1 January 2018	Increase during the period	Decrease during the period	Balance as at 30 September 2018
TEE Land Limited	52,319	-	(52,319)	-
Director	200,000	-	(200,000)	-
Total	252,319	-	(252,319)	-

Directors and management's benefits

During the three-month and nine-month periods ended 30 September 2018 and 2017, the Company had employee benefit expenses payable to their directors and management as detailed below.

(Unit: Million Baht)

	Consolidated and separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2018	2017	2018	2017
Short-term employee benefits	7.3	3.5	23.6	11.5
Post-employment benefits	0.5	0.2	1.3	0.7
Total	7.8	3.7	24.9	12.2

4. Cash and cash equivalents

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Cash	345	175	305	125
Bank deposits	154,861	126,248	141,266	95,561
Total	155,206	126,423	141,571	95,686

5. Current investments

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Investments in open-end fund - cost	1,150,126	-	1,040,120	-
Add: Unrealised gain on changes in value of investments	817	-	510	-
Trading securities - fair value	1,150,943	-	1,040,630	-
Total	1,150,943	-	1,040,630	-

6. Trade and other receivables

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
<u>Trade accounts receivable - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	12	8	12	8
Past due				
Up to 3 months	324	45	324	45
3 - 6 months	9	6	9	6
Total	345	59	345	59
Less: Allowance for doubtful debts	-	-	-	-
Total trade accounts receivable - unrelated parties, net	345	59	345	59
<u>Other receivables</u>				
Other receivables - related parties	10,079	11,582	10,337	11,615
Other receivables - unrelated parties	2,416	1,799	2,122	1,223
Accrued income - related party	514	-	514	-
Interest receivables - related parties	931	1,930	931	35,872
Interest receivables - unrelated parties	997	-	997	-
Total other receivables	14,937	15,311	14,901	48,710
Total trade and other receivables - net	15,282	15,370	15,246	48,769

7. Land and real estate development costs

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Land	3,267,924	2,199,947	2,977,116	1,909,140
Construction and design expenses	5,272,726	4,957,566	3,895,504	3,580,344
Interest capitalised as cost	365,596	313,559	302,649	250,612
Other costs	113,393	103,912	104,604	95,122
Total	9,019,639	7,574,984	7,279,873	5,835,218
Less: Accumulated cost transferred to cost of sales	(6,131,334)	(4,576,519)	(4,439,990)	(3,058,758)
Less: Transferred to investment properties	(45,691)	-	(45,691)	-
Land and real estate development costs - net	2,842,614	2,998,465	2,794,192	2,776,460

(Unaudited but reviewed)

During the nine-month periods ended 30 September 2018 and 2017, the Company included borrowing costs in cost of land and construction in progress. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows:

	Consolidated and separate financial statements	
	2018	2017
Borrowing costs included in cost of land and construction in progress (Million Baht)	52	69
Capitalisation rate (%)	4.3 - 5.2	4.2 - 7.2

As at 30 September 2018 and 31 December 2017, the Company and its subsidiary have mortgaged land and constructions thereon of projects to secure long-term loans from banks, as disclosed in Note 18. The net book values are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Net book value of mortgaged land and constructions thereon to secure loans	2,669	2,896	2,669	2,759

8. Other current assets

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Refundable withholding tax	9,432	9,432	9,432	9,432
Prepaid expenses	19,757	12,241	11,920	2,426
Deferred revenue	927	715	927	715
Others	5,022	4,111	4,886	3,957
Total	35,138	26,499	27,165	16,530

9. Restricted bank deposit

As at 30 September 2018, the Company pledged saving deposit to secure the arrangement and maintenance of public utilities or land improvement of its real estate project.

10. Investment in subsidiary

Details of investment in subsidiary as presented in the separate financial statements as at 30 September 2018 and 31 December 2017 are as follows:

(Unit: Thousand Baht)

Company	Nature of business	Paid-up capital		Shareholding percentage		Cost	
		30 September 2018	31 December 2017	30 September 2018 (%)	31 December 2017 (%)	30 September 2018	31 December 2017
Chewathai Interchange Company Limited	Real estate development	100,000	100,000	100	100	68,594	68,594
Total						<u>68,594</u>	<u>68,594</u>

11. Investments in joint ventures

11.1 Details of investments in joint ventures

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other companies. Details of investment are as follows:

(Unit: Thousand Baht)

Joint ventures	Nature of business	Shareholding percentage		Separate financial statements Carrying amounts based on cost method		Consolidated financial statements Carrying amounts based on equity method	
		30 September 2018 (%)	31 December 2017 (%)	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Chewathai Hup Soon Limited	Sale and rent of properties	50	50	7,000	7,000	5,932	6,579
Chewa Heart Company Limited	Real estate development	70	70	35,000	35,000	33,362	34,395
Total				<u>42,000</u>	<u>42,000</u>	<u>39,294</u>	<u>40,974</u>

11.2 Share of comprehensive income and dividend received

During the periods, the Company recognised its share of comprehensive income from investments in the joint ventures in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month periods ended 30 September				
Joint ventures	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in joint ventures		Dividend received	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Chewathai Hup Soon Limited	(191)	653	-	-
Chewa Heart Company Limited	(517)	(202)	-	-
Total	(708)	451	-	-

(Unit: Thousand Baht)

For the nine-month periods ended 30 September				
Joint ventures	Consolidated financial statements		Separate financial statements	
	Share of profit (loss) from investments in joint ventures		Dividend received	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Chewathai Hup Soon Limited	(647)	1,731	-	-
Chewa Heart Company Limited	(1,033)	(333)	-	-
Total	(1,680)	1,398	-	-

12. Investment in associate

12.1 Details of associate

(Unit: Thousand Baht)								
Associate	Nature of business	Country of incorporation	Shareholding percentage		Separate financial statements Carrying amounts based on cost method		Consolidated financial statements Carrying amounts based on equity method	
			30 September 2018 (%)	31 December 2017 (%)	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Kamala Senior Living Co., Ltd.	Real estate development	Thailand	25	25	25,000	250	24,712	-
Total					25,000	250	24,712	-

12.2 Significant changes in investment in associate

In April 2018, Kamala Senior Living Company Limited which is the Company's 25% owned associate, increased its registered share capital from Baht 1 million to Baht 100 million by issuing new ordinary shares of 9,900,000 shares of Baht 10 each and fully called up. The Company paid for the capital increase in proportion to the amount of Baht 24.75 million to that company on 24 April 2018. The associate registered its increase in share capital to the Ministry of Commerce on 27 April 2018. Consequently, carrying amount of investment in associate based on cost method was Baht 25 million.

12.3 Share of comprehensive income and dividend received

During the periods, the Company has recognised its share of comprehensive income from investment in associate company in the consolidated financial statements and dividend income in the separate financial statements as follows:

(Unit: Thousand Baht)				
For the three-month periods ended 30 September				
Associate	Consolidated financial statements		Separate financial statements	
	Share of loss from investments in associate		Dividend received	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Kamala Senior Living Co., Ltd.	(25)	(142)	-	-
Total	<u>(25)</u>	<u>(142)</u>	<u>-</u>	<u>-</u>

(Unit: Thousand Baht)				
For the nine-month periods ended 30 September				
Associate	Consolidated financial statements		Separate financial statements	
	Share of loss from investments in associate		Dividend received	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Kamala Senior Living Co., Ltd.	(38)	(142)	-	-
Total	<u>(38)</u>	<u>(142)</u>	<u>-</u>	<u>-</u>

13. Investment properties

Movements of the investment properties account during the nine-month period ended 30 September 2018 are presented below.

	(Unit: Thousand Baht) Consolidated and separate financial statements
Net book value as at 1 January 2018	257,178
Transferred from land and real estate development costs	45,691
Depreciation for the period	(8,956)
Net book value as at 30 September 2018	293,913

The Company has pledged investment properties amounting to Baht 45 million (31 December 2017: Baht 257 million) as collateral against credit facilities received from financial institutions, as discussed in Note 18.

14. Property, plant and equipment

Movements of the property, plant and equipment account during the nine-month period ended 30 September 2018 are presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	9,526	9,210
Acquisitions during period - at cost	5,185	5,183
Disposals and write-off - net book value	(513)	(506)
Depreciation for the period	(2,231)	(2,091)
Net book value as at 30 September 2018	11,967	11,796

15. Intangible assets

Movements of the computer software account during the nine-month period ended 30 September 2018 are summarised below.

	(Unit: Thousand Baht) Consolidated and separate financial statements
Net book value as at 1 January 2018	4,343
Amortisation during the period	(390)
Net book value as at 30 September 2018	3,953

16. Short-term loans from financial institutions

	Interest rate (% p.a.)		(Unit: Thousand Baht) Consolidated and separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Promissory note	MLR - 2.00	MLR - 1.50	130,000	65,000
Bills of exchange	5.25	4.60 - 5.50	10,000	400,000
Less: Prepaid interest			(25)	(4,666)
Total			139,975	460,334

17. Trade and other payables

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Trade accounts payable - unrelated parties	136,786	275,841	136,759	275,822
Accrued expenses - related parties	-	8,377	-	7,880
Accrued expenses - unrelated parties	31,759	23,946	30,880	23,155
Other payables - related parties	423	477	2,724	551
Other payables - unrelated parties	26,714	36,980	22,848	29,938
Total trade and other payables	195,682	345,621	193,211	337,346

18. Long-term loans from financial institutions

				(Unit: Thousand Baht)			
				Consolidated		Separate	
				financial statements		financial statements	
				30	31	30	31
				September	December	September	December
Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Repayment schedule	2018	2017	2018	2017
1.	453	MLR -1.25	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount per square meter as stated in the agreement	-	26,016	-	26,016
2.	230	Year 1-2: MLR-1.50 and thereafter: MLR-1.25	Repayment of principle on monthly basis and first repayment of principal in January 2011 to January 2020	-	97,236	-	97,236
3.	211	MLR -1.00	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount as stated in the agreement and within 3 years	-	8,360	-	8,360
4.	658	MLR -1.50	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 3 years	-	154,667	-	154,667
5.	650	MLR -1.70	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 3 years	-	501,098	-	501,098
6.	507	MLR -1.25	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 4 years	67,000	167,000	67,000	167,000

(Unaudited but reviewed)

				(Unit: Thousand Baht)			
Loan	Facility amount (Million Baht)	Interest rate (% p.a.)	Repayment schedule	Consolidated financial statements		Separate financial statements	
				30 September 2018	31 December 2017	30 September 2018	31 December 2017
7.	110	MLR -1.50	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 80% of the selling price and not less than amount as stated in the agreement and within 2 years	-	39,125	-	-
8.	315	MLR -1.40	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 4 years	93,700	-	93,700	-
9.	531	MLR -2.00	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 90% of the selling price and not less than amount as stated in the agreement and within 2 years	224,151	-	224,151	-
10.	387	MLR -1.75	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 66 months	106,200	-	106,200	-
11.	197	MLR -2.00	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 75% of the selling price and not less than amount as stated in the agreement and within 30 months	48,200	-	48,200	-
12.	814	MLR -2.85	Repayment of principal upon redemption of residential condominium unit of the project sold at the rate of 70% of the selling price and not less than amount as stated in the agreement and within 60 months	282,030	-	282,030	-
Total				821,281	993,502	821,281	954,377
Less: Deferred financial fees				(977)	-	(977)	-
Net				820,304	993,502	820,304	954,377
Less: Current portion				(490,074)	(754,826)	(490,074)	(715,701)
Long-term loans - net of current portion				330,230	238,676	330,230	238,676

The loans are secured by the mortgage of the Company and its subsidiary's land and constructions thereon of real estate projects and investment properties.

The loan agreements contain several covenants which, among other things, require the Company and its subsidiary to maintain debt to equity ratio and debt service coverage ratio at the rate prescribed in the agreements and maintain the shareholding percentage of major shareholders.

As at 30 September 2018, the long-term credit facilities of the Company and its subsidiary which have not yet been drawdown amounted to Baht 1,580 million (31 December 2017: Baht 786 million).

In January 2018, the Company has been unable to follow some of covenant in a loan agreement (due to change in shareholding percentage of major shareholders). The outstanding balance under the loan agreement as at 31 December 2017 was approximately Baht 97 million. Currently, the Company has already received waiver letter for not complying with such covenant from the bank and the Company repaid all loan under the loan agreement in July 2018.

19. Debentures

Details of approval to issue the debenture of the Company are as follows:

Approved by	The Annual General Meeting of Shareholders of the Company held on 27 April 2017 and 3 April 2018
Amount	Revolving amount of Baht 3,000 million or the equivalent in any other currencies
Term	Specify at each time
Type	Any types of debentures such as secured and/or unsecured
Method of issuance	Public offering and/or private placement and/or institutional investors in Thailand or offshore

As at 30 September 2018, the Company has unissued debentures under the above mentioned approval totaling Baht 1,302 million (31 December 2017: Baht 1,330 million).

(Unaudited but reviewed)

The outstanding balance of debentures as at 30 September 2018 and 31 December 2017 are presented below.

					Consolidated and separate financial statements			
					Number of debenture (Shares)		Amount (Thousand Baht)	
					30	31	30	31
					September	December	September	December
No.	Interest rate per annum	Age	Repayment	Maturity	2018	2017	2018	2017
<u>Unsubordinated and unsecured debentures</u>								
No. 1/2016	Fixed rate 4.60%	2 years	At maturity	4 April 2018	-	70,000	-	70,000
No. 2/2016	Fixed rate 4.08%	1.5 years	At maturity	2 May 2018	-	100,000	-	100,000
No. 1/2018	Fixed rate 6.25%	2 years	At maturity	17 January 2020	498,500	-	498,500	-
No. 2/2018	Fixed rate 6.00%	2 years	At maturity	7 September 2020	1,200,000	-	1,200,000	-
					<u>1,698,500</u>	<u>170,000</u>	<u>1,698,500</u>	<u>170,000</u>
Less: Unamortised portion of deferred transaction costs							(17,402)	(95)
Total debentures							1,681,098	169,905
Less: Current portion							-	(169,905)
Total debentures - net of current portion							<u>1,681,098</u>	<u>-</u>

Movements in the debentures during the nine-month period ended 30 September 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements
Balance as at 1 January 2018	169,905
Add: Issue of new debenture during the period	1,698,500
Amortisation of deferred transaction costs	2,937
Less: Repayment	(170,000)
Transaction costs for issuance of debenture	(20,244)
Balance as at 30 September 2018	<u>1,681,098</u>

Prospectus contains certain covenants and restrictions regarding the maintenance of certain financial ratios, dividend payments and formal reporting when the significant events occurred such as a legal case or loan default.

20. Share capital

On 3 April 2018, the Annual General Meeting of the shareholders approved the resolution relating to share capital of the Company as the following:

1. Approved an increase in the Company's registered share capital from Baht 750,000,000 to Baht 2,307,692,307 by issuing Baht 1,557,692,307 of additional ordinary shares (1,557,692,307 shares of Baht 1 each) to support the distribution of the stock dividend, offer the new ordinary shares to its existing shareholders and reserve for the issuance of warrants. The Company registered the change of its registered share capital with the Ministry of Commerce on 26 April 2018.
2. Approved a resolution to pay a dividend from operating results of 2017 to the Company's shareholders, comprising a cash dividend and stock dividend totaling Baht 0.08547 per share, as detailed below:
 - a) A cash dividend of Baht 0.008547 per share.
 - b) A stock dividend distributed at a rate of 1 dividend share for every 13 existing shares. The dividend shall be converted as dividend payment at Baht 0.076923 per share, totaling 57,691,379 shares.

The payment of dividend have been made on 2 May 2018. The Company registered the increase in its issued and paid-up share capital as a result of the stock dividend to the Ministry of Commerce on 2 May 2018. The Stock Exchange of Thailand approved the additional ordinary shares as listed securities on 7 May 2018.

3. Approved an increase in the registered capital by issuing an additional not exceed 750,000,000 ordinary shares with a par value of Baht 1 each, to be allocated to the existing shareholders proportionate to their respective shareholding (Rights Offering) at a ratio of 1 existing ordinary share exercise to 1 new ordinary share at Baht 1.15 per share. In case there are remaining ordinary shares from rights offering, it shall be allocated and offered to investors as a private placement. During 7 May 2018 to 11 May 2018, the Company offered and allocated the newly-issued ordinary shares totaling 467,335,804 shares to existing shareholders of the Company. The Company registered the increase in its issued and paid-up share capital to the Ministry of Commerce on 17 May 2018. The Stock Exchange of Thailand approved the additional ordinary shares as listed securities on 22 May 2018.

Reconciliation of number of ordinary shares

(Unit: Shares)

	For the nine-month periods ended 30 September	
	2018	2017
<u>Registered share capital</u>		
Number of ordinary shares as at 1 January	750,000,000	750,000,000
Increase during the period	1,557,692,307	-
Number of ordinary shares as at 30 September	2,307,692,307	750,000,000
<u>Issued and paid-up share capital</u>		
Number of ordinary shares as at 1 January	750,000,000	750,000,000
Increase from stock dividend	57,691,379	-
Increase from issuance share capital to the existing shareholders	467,335,804	-
Number of ordinary shares as at 30 September	1,275,027,183	750,000,000

21. Warrants

On 28 May 2018, the Company issued free of charge warrants No.1 (CHEWA-W1) for the existing shareholders that subscribed the increase share capital as discussed in Note 20 in a ratio of 1 warrant for every 1 subscribed share. The warrants, which are securities listed on the Stock Exchange of Thailand, was traded on 6 June 2018. Detail of warrants are as follows:

Type	: Named certificate and transferable
Term	: 1 year and 6 months from the issue date
Expiry date	: 27 November 2019
Exercise price	: Baht 1.75 per share (Subject to change under adjustment of exercise price section)
Exercise ratio	: 1 ordinary share per warrant
Exercise period	: Warrants can be exercised on 28 December 2018, 28 June 2019 and 27 November 2019

During the period, movement of the warrant of the Company are as follows:

Number of warrants outstanding as at 1 January 2018	Number of warrants issued during the period	Number of warrants exercised during the period	Number of warrants outstanding as at 30 September 2018
(Units)	(Units)	(Units)	(Units)
-	467,335,804	-	467,335,804

22. Income tax

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

Income tax expenses for the three-month and nine-month periods ended 30 September 2018 and 2017 are made up as follows:

(Unit: Thousand Baht)

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	21,501	2,569	19,487	-
Deferred tax:				
Relating to origination and reversal of				
temporary differences	2,519	5,725	2,618	5,818
Income tax expenses reported in the				
statements of comprehensive income	24,020	8,294	22,105	5,818

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Current income tax:				
Interim corporate income tax charge	60,644	3,985	52,799	-
Deferred tax:				
Relating to origination and reversal of temporary differences	2,996	3,073	3,944	3,281
Income tax expenses reported in the statements of comprehensive income	63,640	7,058	56,743	3,281

23. Earnings per share

Basic earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares issue during the period. The number of ordinary shares of the prior period used for the calculation, as presented for comparative purposes, has been adjusted by including the number of stock dividend issued for the existing shareholders amounted 57.69 million shares as discussed in Note 20 and Note 24. The calculation was performed as if the shares comprising such stock dividends had been issued at the beginning of the earliest period reported.

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

The following table sets forth the computation of basic earnings per share.

	For the three-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(Restated)		(Restated)	
Profit for the period (Thousand Baht)	94,095	33,642	88,248	23,859
Weighted average number of ordinary shares (Thousand shares)	1,275,027	807,691	1,275,027	807,691
Earnings per share (Baht per share)	0.07	0.04	0.07	0.03

	For the nine-month periods ended 30 September			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(Restated)		(Restated)	
Profit for the period (Thousand Baht)	244,383	24,488	222,677	9,309
Weighted average number of ordinary shares (Thousand shares)	1,042,215	807,691	1,042,215	807,691
Earnings per share (Baht per share)	0.23	0.03	0.21	0.01

However, there is no calculation of diluted earnings per share from warrants for the three-month and nine-month periods ended 30 September 2018 since the aggregated amounts of the exercise price of warrants was higher than the average market price of the Company's ordinary shares.

24. Dividends

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
Final dividend for 2016	Annual General Meeting of the shareholders on 27 April 2017	22.50	0.03
Total for 2017		22.50	0.03
Stock dividend for 2017	Annual General Meeting of the shareholders on 3 April 2018	57.69	0.08
Final dividend for 2017	Annual General Meeting of the shareholders on 3 April 2018	6.41	0.01
Interim dividend for 2018	Board of Directors' Meeting on 8 August 2018	63.75	0.05
Total for 2018		127.85	0.14

25. Segment information

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

The following tables present revenue and profit information regarding the Company and its subsidiary's operating segments in the consolidated financial statements for the three-month and nine-month periods ended 30 September 2018 and 2017, respectively.

	(Unit: Million Baht)				
	For the three-month period ended 30 September 2018				
	Real estate business	Rental and service business	Total segments	Eliminations	Consolidated
Revenue from external customers	785	5	790	-	790
Inter-segment revenue	-	-	-	-	-
Total revenues	785	5	790	-	790
Segment gross profit	238	2	240	-	240
Other income	5	-	5	-	5
Finance cost	(12)	-	(12)	-	(12)
Depreciation and amortisation	(1)	-	(1)	-	(1)
Interest in the profit or loss of joint ventures and associate accounted for by the equity method	(1)	-	(1)	-	(1)
Other expenses	(112)	(1)	(113)	-	(113)
Segment profit	117	1	118	-	118
Non allocate income and expenses					
Income tax expenses					(24)
Profit for the period					94

(Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 September 2017

	Real estate business	Rental and service business	Total segments	Eliminations	Consolidated
Revenue from external customers	395	5	400	-	400
Inter-segment revenue	-	-	-	-	-
Total revenues	395	5	400	-	400
Segment gross profit	120	2	122	-	122
Other income	2	-	2	-	2
Finance cost	(4)	(2)	(6)	-	(6)
Depreciation and amortisation	(4)	-	(4)	-	(4)
Interest in the profit or loss of joint ventures and associate accounted for by the equity method	-	-	-	-	-
Other expenses	(71)	(1)	(72)	-	(72)
Segment profit (loss)	43	(1)	42	-	42
Non allocate income and expenses					
Income tax expenses					(8)
Profit for the period					34

(Unit: Million Baht)

For the nine-month period ended 30 September 2018

	Real estate business	Rental and service business	Total segments	Eliminations	Consolidated
Revenue from external customers	2,221	16	2,237	-	2,237
Inter-segment revenue	-	-	-	-	-
Total revenues	2,221	16	2,237	-	2,237
Segment gross profit	661	7	668	-	668
Other income	14	-	14	-	14
Finance cost	(32)	(3)	(35)	-	(35)
Depreciation and amortisation	(3)	-	(3)	-	(3)
Interest in the profit or loss of joint ventures and associate accounted for by the equity method	(2)	-	(2)	-	(2)
Other expenses	(332)	(2)	(334)	-	(334)
Segment profit	306	2	308	-	308
Non allocate income and expenses					
Income tax expenses					(64)
Profit for the period					244

(Unaudited but reviewed)

(Unit: Million Baht)

For the nine-month period ended 30 September 2017

	Real estate business	Rental and service business	Total segments	Eliminations	Consolidated
Revenue from external customers	810	15	825	-	825
Inter-segment revenue	-	-	-	-	-
Total revenues	810	15	825	-	825
Segment gross profit	243	6	249	-	249
Other income	6	-	6	-	6
Finance cost	(13)	(5)	(18)	-	(18)
Depreciation and amortisation	(15)	-	(15)	-	(15)
Interest in the profit or loss of joint ventures and associate accounted for by the equity method	1	-	1	-	1
Other expenses	(188)	(4)	(192)	-	(192)
Segment profit (loss)	34	(3)	31	-	31
Non allocate income and expenses					
Income tax expenses					(7)
Profit for the period					24

For the three-month and nine-month periods ended 30 September 2018 and 2017, the Company and its subsidiary have no major customer with revenue of 10% or more of an entity's revenues.

26. Commitments and contingent liabilities

26.1 Commitments for purchase of land and construction work

As at 30 September 2018 and 31 December 2017, the Company had the following outstanding commitments in respect of agreements to purchase of land and construction of projects.

(Unit: Million Baht)

	Consolidated and Separate financial statements	
	30 September 2018	31 December 2017
Construction contracts	436	90
Agreements to purchase land for development of future projects	701	162

26.2 Capital commitments

As at 30 September 2018, the Company had capital commitments of approximately Baht 6.0 million, relating to purchase of computer software (31 December 2017: None).

26.3 Operating lease commitments

The Company and its subsidiary has entered into several lease agreements in respect of land, office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 5 years.

As at 30 September 2018 and 31 December 2017, the Company and its subsidiary had commitments under these operating lease contracts as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Payable:				
In up to 1 year	3	4	3	4
In over 1 and up to 5 years	3	5	3	5

26.4 Guarantee

As at 30 September 2018 and 31 December 2017, there were outstanding bank guarantee issued by bank on behalf of the Company in respect of certain performance bonds as required in the normal course of business as follows:

	(Unit: Million Baht)	
	Consolidated and separate	
	30 September 2018	31 December 2017
Letter of guarantee for arrangement and maintenance of public utilities	20	20

26.5 Litigations

- 1) In June 2017, the subsidiary was sued relating to breach of agreement to purchase and to sell, claiming for compensation total of Baht 0.9 million. In April 2018, the subsidiary negotiated with the plaintiff and the plaintiff accepted the compensation of Baht 50,000. The subsidiary paid the compensation of Baht 50,000 to the plaintiff in April 2018.
- 2) In December 2016, individuals, as a plaintiff, sued the subsidiary, as a defendant, demanding the subsidiary to revoke their title and legal act over the land for public use purposes or to register servitude to allow the plaintiff to use the land, and to demolish the structures thereon and demanding compensatory damages of Baht 0.6 million. The lawsuit is currently in the judicial process. However, the management believes that there will be no material impact to the subsidiary.
- 3) As at 30 September 2018, the Company was sued in three civil cases, relating to allegations of breaches of to purchase and to sell agreements and demanding compensatory damages by Baht 1.3 million. At present, the Company is in the process of submitting the case statement to the Court of First Instance. However, the management believes that there will be no material impact on the Company.

27. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of directors on 13 November 2018.