

INTERIM FINANCIAL STATEMENTS AND INDEPENDENT AUDITOR'S REPORT  
ON REVIEW OF INTERIM FINANCIAL INFORMATION  
BUILDERSMART PUBLIC COMPANY LIMITED  
AND ITS SUBSIDIARIES  
FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018

## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors and the Shareholders of BuilderSmart Public Company Limited:**

I have reviewed the accompanying consolidated and separate statements of financial position of BuilderSmart Public Company Limited and its subsidiaries, and of BuilderSmart Public Company Limited, respectively as at September 30, 2018, the related consolidated and separate statements of profit or loss and other comprehensive income for the three-month and nine-month periods ended September 30, 2018, and the related consolidated and separate statements of changes in shareholders' equity and statements of cash flows for the nine-month period ended September 30, 2018, and condensed notes to interim financial statements ("interim financial information"). Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of Review**

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

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard No. 34, "Interim Financial Reporting".

**Emphasis of Matter**

I draw attention to the following matters according to the Notes to financial statements No. 4, the Group has significant transactions and outstanding balances with related parties. The effects of these transactions were reflected in the financial statements on the basis determined by the Group and related parties concerned. My conclusion is not modified in respect of this above matters.

Sathien Vongsnan

Certified Public Accountant

Registration Number 3495

ANS Audit Company Limited

Bangkok, November 9, 2018

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 STATEMENT OF FINANCIAL POSITION  
 AS AT SEPTEMBER 30, 2018

Unit: Baht

	Unit: Baht				
	Consolidated financial statements		Separate financial statements		
	September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017	
	"Unaudited"	"Audited"	"Unaudited"	"Audited"	
Notes	"Reviewed"		"Reviewed"		
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	5	138,709,484.01	81,173,746.96	116,549,803.68	57,439,285.83
Trade and other current receivables	4.3, 6	147,779,449.99	87,194,522.36	91,868,234.36	69,723,562.76
Short-term loan to related parties - net	4.4	-	-	121,600,000.00	100,500,000.00
Inventories - net	7	99,513,929.34	101,375,697.42	66,365,984.59	51,992,529.29
Real estate development costs	3, 8	305,842,018.70	-	-	-
Other current assets	4.3	48,539,344.76	5,575,572.29	1,831,726.56	1,276,725.40
<b>Total current assets</b>		<b>740,384,226.80</b>	<b>275,319,539.03</b>	<b>398,215,749.19</b>	<b>280,932,103.28</b>
<b>Non-current assets</b>					
Restricted deposits with financial institutions	9	36,500,000.00	32,750,000.00	32,000,000.00	29,750,000.00
Investment in subsidiaries company - net	10	-	-	367,769,296.81	168,024,746.81
Investment in debt securities held to maturity - net	11	11,085,481.94	11,188,800.00	11,085,481.94	11,188,800.00
Senior living project under development	12	164,461,372.38	139,263,662.19	-	-
Investment properties - net	13	144,700,000.00	62,500,000.00	-	-
Building improvements and equipment - net	14	28,471,026.84	29,327,637.98	12,740,309.37	10,944,239.76
Intangible assets - net	15	12,846,470.98	13,063,844.07	6,343,439.62	5,324,149.34
Deferred tax assets - net	22	4,535,300.81	4,774,970.12	3,793,292.93	3,896,136.76
Other non-current assets	4.3	4,343,598.34	5,105,923.29	279,090.89	743,770.17
<b>Total non-current assets</b>		<b>406,943,251.29</b>	<b>297,974,837.65</b>	<b>434,010,911.56</b>	<b>229,871,842.84</b>
<b>Total assets</b>		<b>1,147,327,478.09</b>	<b>573,294,376.68</b>	<b>832,226,660.75</b>	<b>510,803,946.12</b>

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF FINANCIAL POSITION  
AS AT SEPTEMBER 30, 2018

Unit: Baht

	Notes	Consolidated financial statements		Separate financial statements	
		September 30, 2018	December 31, 2017	September 30, 2018	December 31, 2017
		"Unaudited"	"Audited"	"Unaudited"	"Audited"
		"Reviewed"		"Reviewed"	
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	43,885,233.92	5,202,318.83	43,414,029.46	4,176,083.97
Short-term loans from related parties	4.5	-	-	1,995,000.00	-
Trade and other current payables	4.3, 17	164,748,148.09	104,928,898.67	112,516,378.70	85,282,840.70
Current portion of long-term liabilities under finance leases	18	1,668,941.02	1,534,751.17	1,633,009.25	1,429,806.51
Current portion of long-term loans from financial institutions	19	67,200,000.00	-	-	-
Short-term loans from other parties - net	20	58,747,989.90	-	58,747,989.90	-
Deposits and advances received for purchase of					
condominium units	8	48,680,657.05	-	-	-
Customer deposits	4.3	21,705,811.85	23,533,942.52	7,315,836.42	2,227,256.79
Income tax payable		4,202,020.40	5,504,664.47	4,202,020.40	5,504,664.47
Other current liabilities	4.3	2,595,283.10	2,230,213.92	2,286,155.71	2,194,345.89
Total current liabilities		413,434,085.33	142,934,789.58	232,110,419.84	100,814,998.33
Non-current liabilities					
Long-term liabilities under finance leases - net	18	1,131,591.98	1,540,335.82	1,131,591.98	1,531,280.10
Long-term loans from financial institutions - net	19	77,470,000.00	-	-	-
Liability for guarantee refund to lessee		65,392,000.00	43,368,000.00	-	-
Employee benefit obligations	21	8,122,729.75	6,977,986.00	6,190,101.00	5,365,323.00
Retentions		4,160,990.20	1,723,847.47	-	-
Deferred tax liabilities - net	22	12,108,379.18	5,235,357.74	-	-
Total non-current liabilities		168,385,691.11	58,845,527.03	7,321,692.98	6,896,603.10
Total liabilities		581,819,776.44	201,780,316.61	239,432,112.82	107,711,601.43
Shareholders' equity					
Share capital					
Authorised share capital	24				
2,185,143,140 ordinary shares, Baht 0.10 par value		218,514,314.00		218,514,314.00	
2,047,361,510 ordinary shares, Baht 0.10 par value			204,736,151.00		204,736,151.00
Issued and paid-up share capital	24				
1,990,187,290 ordinary shares, Baht 0.10 par value		199,018,729.00		199,018,729.00	
1,695,980,676 ordinary shares, Baht 0.10 par value			169,598,067.60		169,598,067.60
Premium on share capital	24	288,919,658.78	142,273,285.93	288,919,658.78	142,273,285.93
Retained earnings					
Appropriated to legal reserve	26	9,784,690.97	8,145,278.78	9,784,690.97	8,145,278.78
Unappropriated		65,589,526.54	49,497,401.44	95,071,469.18	83,075,712.38
Other component of shareholders' equity		2,146,804.40	1,969,644.51	-	-
Total shareholders' equity of the Company		565,459,409.69	371,483,678.26	592,794,547.93	403,092,344.69
Non-controlling interests		48,291.96	30,381.81	-	-
Total shareholders' equity		565,507,701.65	371,514,060.07	592,794,547.93	403,092,344.69
Total liabilities and shareholders' equity		1,147,327,478.09	573,294,376.68	832,226,660.75	510,803,946.12

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENT OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME  
FOR THE THREE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

"Unaudited"

"Reviewed"

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Notes				
4.2, 29				
Revenue from sales and services	167,702,988.09	145,698,360.43	143,933,596.88	121,222,573.74
Cost of sales and services	(113,845,584.81)	(101,775,343.35)	(95,545,984.91)	(83,755,687.12)
Gross profit	53,857,403.28	43,923,017.08	48,387,611.97	37,466,886.62
Other income	2,460,773.79	1,299,013.32	1,836,595.90	2,398,873.50
Selling expenses	(18,425,904.86)	(18,140,826.69)	(11,890,018.11)	(10,628,234.34)
Administrative expenses	(25,675,378.50)	(21,684,003.27)	(15,801,187.90)	(15,468,544.16)
Loss on impairment of investment in subsidiary	-	-	-	(2,729,563.19)
Finance costs	(719,693.15)	(438,066.93)	(1,527,860.64)	(1,543,638.06)
Profit before income tax expense	11,497,200.56	4,959,133.51	21,005,141.22	9,495,780.37
Income tax expenses	(4,375,145.00)	(2,935,252.94)	(4,240,352.55)	(2,478,108.79)
Profit for the period	7,122,055.56	2,023,880.57	16,764,788.67	7,017,671.58
Other comprehensive income (loss)				
<i>Items that may be reclassified subsequently to profit or loss</i>				
Exchange differences on translating financial statements				
of foreign operation	318,744.35	(143.73)	-	-
Other comprehensive income (loss) for the period	318,744.35	(143.73)	-	-
Total comprehensive income for the period	7,440,799.91	2,023,736.84	16,764,788.67	7,017,671.58
Profit (loss) attributable to:				
Equity holders of the Company	7,119,136.09	2,030,314.19	16,764,788.67	7,017,671.58
Non-controlling interests	2,919.47	(6,433.62)	-	-
	7,122,055.56	2,023,880.57	16,764,788.67	7,017,671.58
Total comprehensive income (loss) attributable to:				
Equity holders of the Company	7,437,880.44	2,030,170.46	16,764,788.67	7,017,671.58
Non-controlling interests	2,919.47	(6,433.62)	-	-
	7,440,799.91	2,023,736.84	16,764,788.67	7,017,671.58
Earnings per share	25			
Basic earnings per share (Baht/share)	0.004	0.001	0.009	0.004
Weighted average number of ordinary shares (Thousands shares)	1,917,849	1,695,981	1,917,849	1,695,981
Diluted earnings per share (Baht/share)	0.004	-	0.008	-
Weighted average number of ordinary shares (diluted) (Thousands shares)	1,975,644	-	1,975,644	-

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



BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

"Unaudited"

"Reviewed"

Unit: Baht

Consolidated financial statements

Equity attributable to shareholders' equity of the Company

	Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Translating financial statements	Total other components of shareholder's equity	Total	Non-controlling interests	Total shareholders' equity
				Appropriated for legal reserve	Unappropriated					
Balance as at January 1, 2018		169,598,067.60	142,273,285.93	8,145,278.78	49,497,401.44	1,969,644.51	1,969,644.51	371,483,678.26	30,381.81	371,514,060.07
Changes in equity for the period :										
Increase in share capital	24	29,420,661.40	146,646,372.85	-	-	-	-	176,067,034.25	-	176,067,034.25
Increase in capital of non-controlling interests		-	-	-	-	-	-	-	500.00	500.00
Dividend payment	28	-	-	-	(19,153,074.78)	-	-	(19,153,074.78)	-	(19,153,074.78)
Total comprehensive income (loss) for the period		-	-	-	36,884,612.07	177,159.89	177,159.89	37,061,771.96	17,410.15	37,079,182.11
Appropriated to legal reserve	26	-	-	1,639,412.19	(1,639,412.19)	-	-	-	-	-
Balance as at September 30, 2018		199,018,729.00	288,919,658.78	9,784,690.97	65,589,526.54	2,146,804.40	2,146,804.40	565,459,409.69	48,291.96	565,507,701.65
Balance as at January 1, 2017		169,598,067.60	142,273,285.93	6,201,957.15	14,576,915.58	1,688,852.46	1,688,852.46	334,339,078.72	180,446.87	334,519,525.59
Changes in equity for the period :										
Total comprehensive income (loss) for the period		-	-	-	35,970,214.99	(240,346.38)	(240,346.38)	35,729,868.61	(19,908.40)	35,709,960.21
Appropriated to legal reserve	26	-	-	1,407,248.97	(1,407,248.97)	-	-	-	-	-
Balance as at September 30, 2017		169,598,067.60	142,273,285.93	7,609,206.12	49,139,881.60	1,448,506.08	1,448,506.08	370,068,947.33	160,538.47	370,229,485.80

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



BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENT OF CHANGES IN SHAREHOLDERS' EQUITY

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

"Unaudited"

"Reviewed"

Unit: Baht					
Separate financial statements					
Notes	Issued and paid-up share capital	Premium on share capital	Retained earnings		Total shareholders' equity
			Appropriated for legal reserve	Unappropriated	
Balance as at January 1, 2018	169,598,067.60	142,273,285.93	8,145,278.78	83,075,712.38	403,092,344.69
Changes in equity for the period :					
Increase in share capital	24      29,420,661.40	146,646,372.85	-	-	176,067,034.25
Dividend payment	28      -	-	-	(19,153,074.78)	(19,153,074.78)
Total comprehensive income for the period	-	-	-	32,788,243.77	32,788,243.77
Appropriated to legal reserve	26      -	-	1,639,412.19	(1,639,412.19)	-
Balance as at September 30, 2018	<u>199,018,729.00</u>	<u>288,919,658.78</u>	<u>9,784,690.97</u>	<u>95,071,469.18</u>	<u>592,794,547.93</u>
Balance as at January 1, 2017	169,598,067.60	142,273,285.93	6,201,957.15	45,532,651.03	363,605,961.71
Changes in equity for the period :					
Total comprehensive income for the period	-	-	-	28,144,979.48	28,144,979.48
Appropriated to legal reserve	26      -	-	1,407,248.97	(1,407,248.97)	-
Balance as at September 30, 2017	<u>169,598,067.60</u>	<u>142,273,285.93</u>	<u>7,609,206.12</u>	<u>72,270,381.54</u>	<u>391,750,941.19</u>

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

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
STATEMENTS OF CASH FLOWS  
FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

"Unaudited"  
"Reviewed"

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities:				
Profit before income tax expense	52,331,171.85	49,092,538.40	41,207,546.48	35,883,846.81
Adjustment to reconcile profit to net cash by (used in) operating activities				
Allowance for doubtful accounts (reversal)	(1,067,887.46)	(1,011,919.71)	(843,226.37)	(1,061,859.39)
Allowance for obsolete inventory (reversal)	(508,899.57)	448,364.51	(346,361.89)	309,590.09
Allowance for impairment loss of investment in subsidiary	-	-	254,950.00	2,729,563.19
Loss (gain) on disposal of fixed assets and intangible assets	1,868,134.32	151,511.33	(6,912.08)	(9,344.79)
Depreciation and amortization	9,032,271.06	8,153,094.18	4,058,231.04	4,081,575.67
Gain on fair value adjustment of investment properties	(36,220,415.67)	(25,137,204.01)	-	-
Unrealized (gain) loss on exchange rate - net	213,798.09	(1,112,869.48)	278,054.83	(1,081,313.49)
Employee benefit expenses	1,144,743.75	872,481.32	824,778.00	586,110.86
Transfer out of employee benefit obligations within the Group	-	-	-	(819,910.23)
Interest income	(1,201,557.26)	(1,555,426.64)	(3,894,485.90)	(5,652,516.64)
Finance costs	2,455,565.27	1,315,264.67	2,831,622.29	4,609,777.69
Profit from operations before changes in operating assets and liabilities	28,046,924.38	31,215,834.57	44,364,196.40	39,575,519.77
Operating assets (increase) decrease				
Trade and other current receivables	(59,634,916.30)	5,954,271.52	(20,610,032.72)	6,224,453.74
Inventories	1,350,962.51	886,790.03	(15,046,798.55)	7,168,761.23
Real estate development costs	(301,647,410.68)	-	-	-
Other current assets	(17,963,772.47)	(2,447,146.50)	(555,001.16)	455,252.14
Cash payment for prepaid for land purchase - Director of the Company	(25,000,000.00)	-	-	-
Other non-current assets	762,324.95	(724,926.61)	464,679.28	280,373.75
Operating liabilities increase (decrease)				
Trade and other current payables	51,305,308.86	(4,095,309.64)	27,256,241.38	(3,828,389.81)
Deposits and advances received for purchase of condominium units	48,680,657.05	-	-	-
Customer deposits	(1,828,130.67)	1,527,343.48	5,088,579.63	(742,578.89)
Other current liabilities	365,569.18	555,821.06	91,809.82	555,821.30
Liability for guarantee refund to lessee	22,024,000.00	43,168,000.00	-	-
Retentions	2,437,142.73	1,672,479.33	-	-
Cash receipt (payment) from operating activities	(251,101,340.46)	77,713,157.24	41,053,674.08	49,689,213.23
Cash payment for corporate income tax	(9,941,163.13)	(8,095,120.80)	(9,619,101.59)	(8,066,175.49)
Net cash flows provided by (used in) operating activities	(261,042,503.59)	69,618,036.44	31,434,572.49	41,623,037.74

BUILDERSMART PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE NINE-MONTH PERIOD ENDED SEPTEMBER 30, 2018

"Unaudited"

"Reviewed"

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Cash flows from investing activities</b>				
Increase in restricted deposits with financial institutions	(3,750,000.00)	-	(2,250,000.00)	-
Cash payment for short-term loan to related parties	-	-	(97,600,000.00)	(56,290,000.00)
Cash receipt from short-term loan to related parties	-	-	76,439,259.41	-
Cash payment for senior living project under development	(61,824,026.13)	(40,486,299.36)	-	-
Cash payment for purchase of fixed assets	(4,894,908.62)	(13,608,124.99)	(3,120,510.74)	(1,512,824.78)
Cash receipt from sales of fixed assets	7,476.64	9,345.79	7,476.64	9,345.79
Cash payment for purchase of intangible assets	(2,785,904.30)	(2,654,750.20)	(1,566,191.48)	(1,086,953.40)
Cash payment for purchase of investment in debt securities held to maturity	-	(11,255,362.40)	-	(11,255,362.40)
Cash payment for purchase of investment in subsidiaries	-	-	(199,999,500.00)	-
Cash receipt from interest income	1,254,213.44	1,480,945.14	2,862,885.86	4,814,705.14
Net cash flows used in investing activities	(71,993,148.97)	(66,514,246.02)	(225,226,580.31)	(65,321,089.65)
<b>Cash flows from financing activities</b>				
Increase in short-term loans from financial institutions	38,682,915.09	3,986,648.65	39,237,945.49	3,671,375.29
Increase in short-term loans from other parties	57,359,574.00	-	57,359,574.00	-
Increase in short-term loans from related parties	-	-	1,995,000.00	-
Cash payment for long-term liabilities under finance leases	(1,462,358.39)	(1,609,455.18)	(1,380,416.36)	(1,248,168.15)
Cash receipt from long-term loans from a financial institution	144,670,000.00	-	-	-
Cash receipt from capital increase	176,067,034.25	-	176,067,034.25	-
Dividend payment	(19,106,679.75)	-	(19,106,679.75)	-
Cash payment for finance costs	(5,816,255.48)	(561,400.47)	(1,269,931.96)	(596,076.63)
Net cash flows provided by financing activities	390,394,229.72	1,815,793.00	252,902,525.67	1,827,130.51
Net increase (decrease) in cash and cash equivalent	57,358,577.16	4,919,583.42	59,110,517.85	(21,870,921.40)
Exchange differences on translating financial statements of foreign operation	177,159.89	(125,804.58)	-	-
Cash and cash equivalents at beginning of the period	81,173,746.96	172,230,283.02	57,439,285.83	149,912,914.10
Cash and cash equivalents at ending of the period	138,709,484.01	177,024,061.86	116,549,803.68	128,041,992.70
<b>Supplemental cash flows information</b>				
<b>Non-cash transactions</b>				
Increase in fixed assets transfer from inventory	1,034,874.60	-	1,034,874.60	-
Increase in assets under finance lease agreement	1,066,098.13	-	1,066,098.13	-
Increase in payables for purchases of senior living project under development	8,626,213.68	-	-	-
Capitalised borrowing costs relating to the acquisition of senior living project under development	727,054.71	3,563,352.04	-	-
Capitalised borrowing costs relating to the acquisition of real estate development costs	4,194,608.02	-	-	-

## **BUILDERSMART PUBLIC COMPANY LIMITED AND SUBSIDIARIES**

### **NOTES TO INTERIM FINANCIAL STATEMENTS**

#### **FOR THE THREE-MONTH AND NINE-MONTH PERIODS ENDED SEPTEMBER 30, 2018 (UNAUDITED) (REVIEWED)**

##### **1. GENERAL INFORMATION**

BuilderSmart Public Company Limited (“the Company”) has its registered address at 905/7, Rama III Soi 51, Rama III Rd., Bang Pong Pang, Yan Nawa, Bangkok. The Company has a branch located at 636/11-12 Moo 3, Puttharaksa Rd, Praksa, Muang, Samutprakarn.

The Company principally engages in the retail sale of construction materials, tools and equipment for construction and interior design. The Company was listed on the Stock Exchange of Thailand on February 14, 2008. The Company’s shares are traded on the mai (Market for Alternative Investment).

##### **2. BASIS FOR PRESENTATION OF THE INTERIM FINANCIAL STATEMENTS**

The interim financial statements have been prepared in accordance with Thai Accounting Standard No. 34 (Revised 2017), Interim Financial Reporting.

The interim financial statements consist of primary financial information (i.e. statement of financial position, statement of profit or loss and other comprehensive income, statement of changes in shareholders’ equity, and statement of cash flows). The Company has chosen to present the interim financial statements in a format consistent with the annual financial statements, in compliance with Thai Accounting Standard No. 1, Presentation of Financial Statements. The notes to the interim financial statements are prepared in a condensed format. Additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial statements have been prepared in the Thai language and expressed in Thai Baht. Such interim financial statements have been prepared for domestic reporting purposes. For convenience only, for the readers not conversant with the Thai language, an English version of the interim financial statements has been provided by translating from the Thai version of the interim financial statements.

The interim financial statements have been prepared to provide information in addition to that included in the financial statements for the year ended December 31, 2017. They focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements for the year ended December 31, 2017.

The preparation of the interim financial statements in conformity with Thai Financial Reporting Standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the results of which form the basis of making the judgments about carrying amounts of assets and liabilities that are not readily apparent from other sources. Subsequent actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, and in the period of the revision and future periods, if the revision affects both current and future periods.

#### **Basis for preparation of the consolidated interim financial statements**

The consolidated interim financial statements related to the Company and its subsidiaries (together referred to as the “the Group”) are prepared using the same basis as were used for the consolidated financial statements for the year ended December 31, 2017.

During the 1st quarter of 2018, there is change in the Group structure due to the investing of a new subsidiary by the Company as follows:

Name of subsidiary	Country of incorporation	Nature of business	Percentage of shareholding
			2018
Teak Development Limited	Thailand	Real estate business	100

#### **New financial reporting standards**

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

During the period, the Company and its subsidiaries 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 subsidiaries’ financial statements.

##### **(b) Financial reporting standard 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 this standard 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.

At present, the management of the Company and its subsidiaries is 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 follow:

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.

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

### **3. SIGNIFICANT ACCOUNTING POLICIES**

The interim financial statements are prepared using the same accounting policies and methods of computation used for preparation of the financial statements for the year ended December 31, 2017, except for the new accounting policies adopted during the nine-month period ended September 30, 2018 as follows:

#### Cost of real estate development project

Cost of real estate development project are those properties which are held with the intention of development and sale in the ordinary course of business. They are shown at the lower of cost or net realisable value. Cost consists of land cost, expenses directly related to the project (design expense, public utilities expense, construction cost) and borrowing cost on loans funding a development property capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Net realisable value being the estimated sale value in the course of normal business less by necessary expenses for such sale.

## Revenue and expenses recognition

### *Revenue from real estate development*

Sales of residential condominium are recognised as revenue when the significant risks and rewards of ownership have been transferred to buyer, whereby construction works are completed and the ownerships have been transferred to buyers after all payments received from the buyers.

### *Cost from real estate development*

In calculating cost of sales for residential condominium units, the subsidiary appropriates all estimate development costs (based on actual costs) according to salable areas.

Selling expenses directly related to sales, such as specific business tax, transfer fee are recognised when sale incurred.

## **4. RELATED PARTY TRANSACTIONS AND BALANCES**

Related parties are those parties linked to the Group and the Company as shareholders or by common shareholders or directors. Transactions with related parties are conducted at prices based on market prices or, where no market price exists, at contractually agreed prices or at a price that is based on commercial terms and at contractually agreed prices.

Relationships with related parties that control the Company or are being controlled by the Company or have transactions with the Group were as follows:

### 4.1 Related parties consist of:

<u>Name</u>	<u>Relationship</u>	<u>Country</u>
<b><u>Subsidiaries</u></b>		
Install Direct Company Limited	100% shareholding by the Company	Thailand
BuilderSmart Construction Systems Private Limited	99.70% shareholding by the Company	India
D&W (Asia) Limited	100% shareholding by the Company	Thailand
Building Bling Company Limited	50.99% shareholding by the Company	Thailand
Sansara Development Company Limited	100% shareholding by the Company	Thailand
Sansara Lifestyle Service Company Limited	100% shareholding by the Company	Thailand
Teak Development Limited	100% shareholding by the Company	Thailand
<b><u>Related parties</u></b>		
Ruamchokchai Engineering Company Limited	Co-directors	Thailand
LKH Development Company Limited	Co-directors	Thailand
LKH Trading Company Limited	Co-directors	Thailand
Directors/Key management personnel	The persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director of that entity (whether executive or otherwise).	
Sobreuk (Group of persons)	Owned by close relative of director	Thailand

4.2 Significant transactions with related parties for the three-month periods ended September 30, 2018 and 2017 are as follows:

	Unit: Baht				Transfer pricing policy
	Consolidated financial statements		Separate financial statements		
	2018	2017	2018	2017	
<b>Revenues from sales and services</b>					
<u>Subsidiaries</u>					
Install Direct Company Limited	-	-	-	40,137.00	Cost plus margin
D&W (Asia) Limited	-	-	82,029.70	55,167.48	Cost plus margin
Sansara Development Limited	-	-	53,490.00	2,220.00	Cost plus margin
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	1,208,229.00	-	1,208,229.00	-	Contract price
<b>Cost of sales and services</b>					
<u>Subsidiary</u>					
D&W (Asia) Limited	-	-	5,422,379.95	234,190.00	Cost plus margin / carrying amount
<b>Cost of real estate development project</b>					
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	14,435,749.77	-	-	-	Contract price
<b>Cost of a Senior Living Project</b>					
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	9,331,834.02	-	-	-	Contract price
<b>Rental income</b>					
<u>Subsidiary</u>					
D&W (Asia) Limited	-	-	152,700.00	152,700.00	Carried out on commercial terms and conditions
<b>Interest income</b>					
<u>Subsidiaries</u>					
Sansara Development Limited	-	-	859,369.86	1,355,790.14	Interest rate of 2.8% - 6.7% per annum
Building Bling Limited	-	-	956.86	7,876.71	Interest rate of 6.25% per annum
Teak Development Limited	-	-	660,483.40	-	Interest rate of 2.8% - 6.7% per annum



Unit: Baht					
	Consolidated financial		Separate financial		Transfer pricing policy
	statements		statements		
	2018	2017	2018	2017	
<b>Rental expenses</b>					
<u>Related company</u>					
LKH Trading Company Limited	48,150.00	-	-	-	Based on a rental agreement
<u>Group of persons - related party</u>					
Sobreuk (Group of persons)	904,995.00	825,450.00	904,995.00	825,450.00	Based on a rental agreement which is not in excess of market-value
<u>Related person</u>					
Director	150,000.00	-	-	-	Based on a rental agreement
<b>Finance costs</b>					
<u>Subsidiary</u>					
Install Direct Company Limited	-	-	10,100.71	-	Interest rate of 2.8% per annum

Significant transactions with related parties for the nine-month periods ended September 30, 2018 and 2017 are as follows:

Unit: Baht					
	Consolidated financial		Separate financial		Transfer pricing policy
	statements		statements		
	2018	2017	2018	2017	
<b>Revenues from sales and services</b>					
<u>Subsidiaries</u>					
Install Direct Company Limited	-	-	-	239,844.00	Cost plus margin
D&W (Asia) Limited	-	-	221,340.70	192,202.48	Cost plus margin
Sansara Development Limited	-	-	53,490.00	33,264.64	Cost plus margin
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	1,491,869.00	-	1,491,869.00	-	Contract price
<b>Cost of sales and services</b>					
<u>Subsidiary</u>					
D&W (Asia) Limited	-	-	5,476,334.05	349,742.28	Cost plus margin / carrying amount
<b>Cost of real estate development project</b>					
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	28,440,962.95	-	-	-	Contract price

Unit: Baht					
	Consolidated financial		Separate financial		Transfer pricing policy
	statements		statements		
	2018	2017	2018	2017	
<b>Cost of a Senior Living Project</b>					
<u>Related company</u>					
Ruamchokchai Engineering Company Limited	16,565,242.27	-	-	-	Contract price
<b>Rental income</b>					
<u>Subsidiaries</u>					
D&W (Asia) Limited	-	-	458,100.00	458,100.00	Carried out on commercial terms and conditions
<b>Interest income</b>					
<u>Subsidiaries</u>					
Sansara Development Limited	-	-	2,090,547.95	3,966,692.20	Interest rate of 2.8% - 6.7% per annum
Building Bling Limited	-	-	11,865.27	8,732.87	Interest rate of 6.25% per annum
Teak Development Limited	-	-	1,202,861.40	-	Interest rate of 2.8% - 6.7% per annum
D&W (Asia) Limited	-	-	38,095.89	-	Interest rate of 4.5% per annum
<b>Rental expenses</b>					
<u>Related company</u>					
LKH Trading Company Limited	128,400.00	-	-	-	Based on a rental agreement
<u>Group of persons - related party</u>					
Sobreuk (Group of persons)	2,681,955.00	2,476,350.00	2,681,955.00	2,476,350.00	Based on a rental agreement which is not in excess of market-value
<u>Related person</u>					
Director	400,000.00	-	-	-	Based on a rental agreement
<b>Finance costs</b>					
<u>Subsidiary</u>					
Install Direct Company Limited	-	-	10,100.71	-	Interest rate of 2.8% per annum

4.3 Significant balances between the Company and those related companies as at September 30, 2018 and December 31, 2017 are as follows:

	<b>Unit: Baht</b>			
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Trade and other current receivables</b>				
<b>Trade receivables</b>				
<u>Subsidiaries</u>				
D&W (Asia) Limited	-	-	19,698.38	210,201.50
Sansara Development Limited	-	-	43,110.31	163,266.96
<u>Related company</u>				
Ruamchokchai Engineering Company Limited	725,390.45	-	725,390.45	-
<b>Total trade receivables</b>	<b>725,390.45</b>	<b>-</b>	<b>788,199.14</b>	<b>373,468.46</b>
<b>Other current receivables</b>				
<b>Other receivable</b>				
<u>Subsidiary</u>				
D&W (Asia) Limited	-	-	54,463.00	54,463.00
<u>Related company</u>				
LKH Development Company Limited	30,244,980.38	-	-	-
<b>Total</b>	<b>30,244,980.38</b>	<b>-</b>	<b>54,463.00</b>	<b>54,463.00</b>
<b>Advances to related parties</b>				
<u>Subsidiaries</u>				
Install Direct Company Limited	-	-	2,795.00	-
D&W (Asia) Limited	-	-	4,500.00	19,754.31
Building Bling Limited	-	-	21,584.00	-
Sansara Development Limited	-	-	86,342.74	14,680.21
Sansara Lifestyle Services Limited	-	-	22,770.00	-
Teak Development Limited	-	-	171,953.47	-
BuilderSmart Construction Systems Private Limited	-	-	3,420,674.93	3,420,674.93
<u>Less</u> Allowance for doubtful accounts	-	-	(3,442,258.93)	(3,420,674.93)
<b>Total</b>	<b>-</b>	<b>-</b>	<b>288,361.21</b>	<b>34,434.52</b>
<b>Accrued interest income</b>				
<u>Subsidiaries</u>				
Sansara Development Limited	-	-	989,726.02	442,105.48
Building Bling Limited	-	-	4,159.79	2,654.11

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Teak Development Limited	-	-	438,880.03	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,432,765.84</b>	<b>444,759.59</b>
<b>Total other current receivables</b>	<b>30,244,980.38</b>	<b>-</b>	<b>1,775,590.05</b>	<b>533,657.11</b>
<b>Total trade and other current receivables</b>	<b>30,970,370.83</b>	<b>-</b>	<b>2,563,789.19</b>	<b>907,125.57</b>
<b>Short-term loans to - net</b>				
<u>Subsidiaries</u>				
Sansara Development Limited	-	-	80,000,000.00	100,000,000.00
Building Bling Limited	-	-	60,740.59	500,000.00
Teak Development Limited	-	-	41,600,000.00	-
<u>Less</u> Allowance for doubtful accounts	-	-	(60,740.59)	-
<b>Total short-term loans - net</b>	<b>-</b>	<b>-</b>	<b>121,600,000.00</b>	<b>100,500,000.00</b>
<b>Other current assets</b>				
<u>Related company</u>				
Deposit for construction cost				
Ruamchokchai Engineering Company Limited	13,743,521.54	-	-	-
Retention receivable				
Ruamchokchai Engineering Company Limited	37,420.40	-	37,420.40	-
<u>Related person</u>				
Prepaid for land purchase				
Director of the subsidiary (Note 4.3.1)	25,000,000.00	-	-	-
<b>Total other current assets</b>	<b>38,780,941.94</b>	<b>-</b>	<b>37,420.40</b>	<b>-</b>
<b>Trade and other current payables</b>				
<b>Trade payables</b>				
<u>Subsidiary</u>				
D&W (Asia) Limited	-	-	5,792,830.19	-
<u>Related company</u>				
Ruamchokchai Engineering Company Limited	5,535,125.26	-	-	-
<b>Total trade payable</b>	<b>5,535,125.26</b>	<b>-</b>	<b>5,792,830.19</b>	<b>-</b>
<b>Other current payables</b>				
<b>Advances from related parties</b>				
<u>Related persons</u>				
Directors	367,788.74	253,446.00	43,958.00	19,850.00
<b>Total</b>	<b>367,788.74</b>	<b>253,446.00</b>	<b>43,958.00</b>	<b>19,850.00</b>

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Reservation fee for lease</b>				
<u>Related persons</u>				
Directors	15,652,900.00	-	-	-
<b>Total</b>	<b>15,652,900.00</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total other current payables</b>	<b>16,020,688.74</b>	<b>253,446.00</b>	<b>43,958.00</b>	<b>19,850.00</b>
<b>Total trade and other current payables</b>	<b>21,555,814.00</b>	<b>253,446.00</b>	<b>5,836,788.19</b>	<b>19,850.00</b>
<b>Short-term loan from</b>				
<u>Subsidiary</u>				
Install Direct Company Limited	-	-	1,995,000.00	-
<b>Total short-term loan from</b>	<b>-</b>	<b>-</b>	<b>1,995,000.00</b>	<b>-</b>
<b>Customer deposits</b>				
<u>Subsidiary</u>				
Sansara Development Limited	-	-	293,700.00	-
<u>Related company</u>				
Ruamchokchai Engineering Company Limited	26,227.20	-	26,227.20	-
<b>Total customer deposits</b>	<b>26,227.20</b>	<b>-</b>	<b>319,927.20</b>	<b>-</b>
<b>Other current liability</b>				
<u>Related company</u>				
Retention payable				
Ruamchokchai Engineering Company Limited	2,106,446.27	-	-	-
<b>Total other current liability</b>	<b>2,106,446.27</b>	<b>-</b>	<b>-</b>	<b>-</b>

4.3.1 During the 2nd quarter of 2018, the subsidiary, Teak Development Limited, paid advance payment in the amount of Baht 25.00 million for a land purchase according to the sales and purchase agreement under the name of subsidiary's director. This payment is presented as "prepaid for land purchase" account under other current assets. Subsequently, the subsidiary paid the remaining amount of land purchase price and transferred the land title under the name of the subsidiary on October 5, 2018. The management of the subsidiary plans to develop such land for the "The Teak Ratchada" project.

4.4 During the nine-month period ended September 30, 2018, movements of short-term loans to related parties were as follows:

	<b>Unit: Baht</b>			
	<b>Separate financial statement</b>			
	<b>As at</b>	<b>Movement during the period</b>		<b>As at</b>
	<b>January 1, 2018</b>	<b>Increase</b>	<b>Decrease</b>	<b>September 30, 2018</b>
<b><u>Short-term loans to related parties</u></b>				
<b><u>Subsidiaries</u></b>				
Sansara Development Limited	100,000,000.00	30,000,000.00	50,000,000.00	80,000,000.00
Building Bling Limited	500,000.00	-	439,259.41	60,740.59
Teak Development Limited	-	61,600,000.00	20,000,000.00	41,600,000.00
D&W (Asia) Limited	-	6,000,000.00	6,000,000.00	-
<b>Total</b>	<b>100,500,000.00</b>	<b>97,600,000.00</b>	<b>76,439,259.41</b>	<b>121,660,740.59</b>
<u>Less</u> Allowance for doubtful account	-	(60,740.59)	-	(60,740.59)
<b>Net</b>	<b>100,500,000.00</b>			<b>121,600,000.00</b>

As at September 30, 2018, short-term loans to its subsidiary company, Sansara Development Limited, in term of loan agreement for the purpose of development and construction of a Senior Living Project bear interest at the rate of 6.0, 6.7% per annum and is due at call.

As at September 30, 2018, a short-term loan to its subsidiary company, Building Bling Limited, in term of loan agreement for the purpose for development of louvre system with Louvre Systems Ltd bears interest at the rate of 6.25% per annum and is due at call.

As at September 30, 2018, a short-term loan to its subsidiary company, Teak Development Limited, in term of loan agreement for the purpose for support operations of Teak Development Limited bears interest at the rate of 6.0, 6.7% per annum and is due at call.

As at September 30, 2018, a short-term loan to its subsidiary company, D&W (Asia) Limited, in term of loan agreement for the purpose for support operations of D&W (Asia) Limited bears interest at the rate of 4.5% per annum and is due at call.

4.5 During the nine-month period ended September 30, 2018, movements of short-term loan from related party were as follows:

	<b>Unit: Baht</b>			
	<b>Separate financial statement</b>			
	<b>As at</b>	<b>Movement during the period</b>		<b>As at</b>
	<b>January 1, 2018</b>	<b>Increase</b>	<b>Decrease</b>	<b>September 30, 2018</b>
<b><u>Short-term loan from related party</u></b>				
<b><u>Subsidiary</u></b>				
Install Direct Company Limited	-	1,995,000.00	-	1,995,000.00
<b>Total</b>	<b>-</b>	<b>1,995,000.00</b>	<b>-</b>	<b>1,995,000.00</b>

As at September 30, 2018, a short-term loan from Install Direct Company Limited, in term of loan agreement for the purpose for its working capital bears interest at the rate of 2.8% per annum and is due at call.

#### 4.6 Key management personnel compensation

Key management personnel compensation for the three-month periods ended September 30, 2018 and 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term benefits	9,350,717.08	8,731,048.50	6,727,955.08	6,043,186.50
Post-employment benefits	503,062.16	436,045.12	362,532.45	268,030.81
<b>Total key management personnel compensation</b>	<b>9,853,779.24</b>	<b>9,167,093.62</b>	<b>7,090,487.53</b>	<b>6,311,217.31</b>

Key management personnel compensation for the nine-month periods ended September 30, 2018 and 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Short-term benefits	27,195,060.00	25,768,641.38	20,046,474.00	17,508,628.50
Post-employment benefits	1,448,951.32	1,306,741.27	1,081,968.20	800,331.33
<b>Total key management personnel compensation</b>	<b>28,644,011.32</b>	<b>27,075,382.65</b>	<b>21,128,442.20</b>	<b>18,308,959.83</b>

Compensation paid to the Management of a subsidiary, Sansara Development Limited by the Company for the nine-month periods ended September 30, 2018 and 2017 are Baht 5.82 million and Baht 5.71 million, respectively. The Company agreed not to charge them back to such subsidiary.

#### 4.7 Commitments and contingent liabilities

##### Operating leases and service agreements

As at September 30, 2018, the Group entered into a long-term lease of land, buildings and vehicles with related parties for periods of 1 year to 5 years. The future minimum lease payments are summarized as follows:

Year	Unit: Baht
Within 1 year	3,764,180.00
Over 1 year but not over 5 years	4,738,305.00

##### Capital expenditure

As at September 30, 2018, the subsidiaries have construction contract with a related party. The subsidiary have commitments under these contracts totaling amount of Baht 58.63 million.

## 5. CASH AND CASH EQUIVALENTS

The cash and cash equivalents as at September 30, 2018 and December 31, 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash on hand	257,884.84	242,006.09	97,879.00	77,000.00
Cash at banks - saving accounts	132,814,062.61	22,502,653.29	115,030,434.06	14,547,759.61
Cash at banks - current accounts	5,637,536.56	3,192,035.11	1,421,490.62	2,617,377.24
High liquidity short-term investments	-	55,237,052.47	-	40,197,148.98
<b>Total</b>	<b>138,709,484.01</b>	<b>81,173,746.96</b>	<b>116,549,803.68</b>	<b>57,439,285.83</b>

## 6. TRADE AND OTHER CURRENT RECEIVABLES

Trade and other current receivables as at September 30, 2018 and December 31, 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Trade receivables</b>				
Trade receivables - other parties	109,239,790.24	86,389,966.64	95,980,082.56	77,270,219.45
Trade receivables - related parties	725,390.45	-	788,199.14	373,468.46
<u>Less</u> Allowance for doubtful accounts	(13,191,996.70)	(14,259,884.16)	(8,937,485.42)	(9,863,036.38)
<b>Total trade receivables - net</b>	<b>96,773,183.99</b>	<b>72,130,082.48</b>	<b>87,830,796.28</b>	<b>67,780,651.53</b>
<b>Other receivables</b>				
Other receivables - related parties	30,244,980.38	-	54,463.00	54,463.00
Advances to related parties	-	-	3,730,620.14	3,455,109.45
Accrued interest income - related parties	-	-	1,432,765.84	444,759.59
Unbilled receivables	5,906,274.27	4,807,170.66	280,999.56	280,999.92
Prepaid commission	2,713,407.97	-	-	-
Prepaid expenses	3,100,624.38	1,436,862.98	1,136,852.50	877,888.83
Revenue Department receivable	8,620,139.03	7,027,486.46	569,746.00	82,709.19
Others	420,839.97	1,792,919.78	274,249.97	167,656.18
<u>Less</u> Allowance for doubtful accounts - advances to related parties	-	-	(3,442,258.93)	(3,420,674.93)
<b>Total other receivables - net</b>	<b>51,006,266.00</b>	<b>15,064,439.88</b>	<b>4,037,438.08</b>	<b>1,942,911.23</b>
<b>Total trade and other current receivables</b>	<b>147,779,449.99</b>	<b>87,194,522.36</b>	<b>91,868,234.36</b>	<b>69,723,562.76</b>



As at September 30, 2018 and December 31, 2017, aging of trade receivables were as follows:

	<b>Unit: Baht</b>			
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
<b>Trade receivables - other parties</b>				
Within credit term	70,151,092.54	49,403,124.92	69,470,059.35	49,403,124.92
Over credit term				
Up to 3 months	19,852,021.22	21,803,956.74	15,908,051.23	18,349,803.87
3 - 6 months	2,110,988.05	645,304.42	-	156,226.64
6 - 12 months	4,143,762.90	1,882,433.83	2,439,922.11	1,455,603.44
Over 12 months	12,981,925.53	12,655,146.73	8,162,049.87	7,905,460.58
<b>Total trade receivables - other parties</b>	<b>109,239,790.24</b>	<b>86,389,966.64</b>	<b>95,980,082.56</b>	<b>77,270,219.45</b>
<u>Less</u> Allowance for doubtful accounts	(13,191,996.70)	(14,259,884.16)	(8,937,485.42)	(9,863,036.38)
<b>Total trade receivables - other parties - net</b>	<b>96,047,793.54</b>	<b>72,130,082.48</b>	<b>87,042,597.14</b>	<b>67,407,183.07</b>
<b>Trade receivables - related parties</b>				
Within credit term	185,987.40	-	238,641.78	256,029.55
Over credit term				
Up to 3 months	539,403.05	-	549,557.36	117,438.91
3 - 6 months	-	-	-	-
6 - 12 months	-	-	-	-
Over 12 months	-	-	-	-
<b>Total trade receivables - related parties</b>	<b>725,390.45</b>	<b>-</b>	<b>788,199.14</b>	<b>373,468.46</b>
<b>Total trade receivables - net</b>	<b>96,773,183.99</b>	<b>72,130,082.48</b>	<b>87,830,796.28</b>	<b>67,780,651.53</b>

## 7. INVENTORIES - NET

Inventories - net as at September 30, 2018 and December 31, 2017 are as follows:

	<b>Unit: Baht</b>			
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018</b>	<b>2017</b>	<b>2018</b>	<b>2017</b>
Finished goods	68,824,186.02	55,912,035.20	68,824,186.02	55,323,173.53
Raw materials	21,042,573.87	31,188,516.72	-	-
Work-in-progress	14,819,979.66	20,117,914.14	935,474.94	409,394.02
Goods in transit	161,058.86	-	-	-
<u>Less</u> Allowance for obsolete inventory	(5,333,869.07)	(5,842,768.64)	(3,393,676.37)	(3,740,038.26)
<b>Net</b>	<b>99,513,929.34</b>	<b>101,375,697.42</b>	<b>66,365,984.59</b>	<b>51,992,529.29</b>

## 8. COST OF REAL ESTATE DEVELOPMENT PROJECT

Movements of cost of real estate development project during the nine-month period ended September 30, 2018 are summarized below:

	<b>Unit: Baht</b>
	<b>Consolidated</b>
	<b>financial statement</b>
<b>Accumulated cost of real estate development project as at January 1, 2018</b>	-
Additions	305,842,018.70
<b>Total</b>	<b>305,842,018.70</b>
Transfer to cost of real estate sold	-
<b>Accumulated cost of real estate development project as at September 30, 2018</b>	<b>305,842,018.70</b>

As at December 1, 2017, the Company entered into the sales and purchase of “The Teak Sukhumvit 39” agreement with LKH Development Company Limited (“the Seller”) to purchase of “The Teak Sukhumvit 39”, 8-storey residential condominium project at the purchase price of Baht 145.00 million. Said price comprises both land costs and preliminary expenses. Ownership of land, licenses, and the reservation fee for purchase of condominium units will be transferred to a new subsidiary, Teak Development Limited to operate “The Teak Sukhumvit 39” and a future real estate project by granting of right to use “THE TEAK” brand.

In February 2018, Teak Development Limited made a payment for the purchase of “The Teak Sukhumvit 39” project in the entire amount and entered into the land sale agreement at the land office with the Seller to receive transfer of ownership of such land. The purchase price of the project has been recorded as “cost of real estate development project” account.

As at September 30, 2018, the subsidiary has not yet received deposits and advances, for purchases of condominium units in “The Teak Sukhumvit 39” project, according to the sales and purchase agreements, for 68 condominium units, in the amount of Baht 30.24 million. The customer continued to make installment payments for the purchase of condominium units through the Seller’s account since the rights and obligations under the sales and purchase agreements are being novated to the subsidiary, as the new party. However, such deposits and advances received were recorded as “Other receivables - LKH Development Company Limited” (Notes 4.3 and 6) and the Company recorded related obligations as “Deposits and advances received for purchase of condominium units” in the same amount.

As at September 30, 2018, two projects, “The Teak Sukhumvit 39” project and “The Teak Sathorn” project, are in the process of construction.

For the nine-month period ended September 30, 2018, interest expenses of loans for the construction of the Projects, in the amount of Baht 4.19 million, have been capitalized as part of the cost of real estate development project.

As at September 30, 2018, the subsidiary mortgaged the land and any structures thereon of the two projects with a bank as collateral for financial support credit facilities, totaling Baht 293.48 million, for the operation of the projects.

## 9. RESTRICTED DEPOSITS WITH FINANCIAL INSTITUTIONS

As at September 30, 2018, the Group held time deposits and saving with two commercial banks in the total amount of Baht 36.50 million. (December 31, 2017: Baht 32.75 million). The deposits were pledged as collateral short-term trade financing facilities (Note 31.3).

## 10. INVESTMENTS IN SUBSIDIARIES COMPANY - NET

The details of investments in subsidiaries presented in the separate financial statements as at September 30, 2018 and December 31, 2017 consisted of:

Company	Issued and paid-up capital		Shareholding proportion (%)		Unit: Thousand Baht	
	Unit: Thousands	Unit: Thousands	2018	2017	At cost	
	Baht	Rupee			2018	2017
Install Direct Company Limited	10,000.00	-	100.00	100.00	9,999.70	9,999.70
BuilderSmart Construction Systems Private Limited	-	1,000.00	99.70	100.00	683.80	683.80
D&W (Asia) Limited	60,000.00	-	100.00	100.00	59,999.70	59,999.70
Building Bling Limited	500.00	-	50.99	50.99	254.95	254.95
Sansara Development Company Limited	150,000.00	-	100.00	100.00	149,999.98	99,999.98
	(Year 2017: 100,000)					
Sansara Lifestyle Service Company Limited	500.00	-	100.00	100.00	499.98	499.98
Teak Development Limited	150,000.00	-	100.00	-	149,999.50	-
<b>Total</b>					<b>371,437.61</b>	<b>171,438.11</b>
<u>Less</u> Allowance for impairment loss of investments					(3,668.31)	(3,413.36)
<b>Net</b>					<b>367,769.30</b>	<b>168,024.75</b>

During the 1st quarter of 2018, the Company invested 1,299,995 ordinary shares in Teak Development Limited at Baht 100 each, a total of Baht 129.99 million. The subsidiary registered its incorporation with Ministry of Commerce on January 22, 2018.

During the 2nd quarter of 2018, the Extraordinary General Shareholders' Meeting No.1/2018 of the subsidiary, Sansara Development Company Limited, held on May 15, 2018, passed resolutions to increase the subsidiary's share capital by 10 million shares, each with a par value of Baht 5, totaling Baht 50.00 million. The Company fully invested in the increased share capital. The subsidiary has registered the new share capital amount with the Ministry of Commerce on May 24, 2018.

During the 3rd quarter of 2018, Board of Directors' Meeting No. 7/2018 of the subsidiary, Teak Development Limited, held on August 7, 2018, passed resolutions to increase the subsidiary's share capital by 200,000 shares, each with a par value of Baht 100, totaling Baht 20.00 million. The Company fully invested in the increased share capital. The subsidiary has registered the new share capital with the Ministry of Commerce on August 29, 2018.

## 11. INVESTMENT IN DEBT SECURITIES HELD TO MATURITY - NET

Movements of the investment in debt securities held to maturity - net account during the nine-month period ended September 30, 2018 are summarized below:

	<b>Unit: Baht</b>
	<b>Consolidated and separate financial statement</b>
<b>Net book value as at January 1, 2018</b>	<b>11,188,800.00</b>
Acquisition	-
Accumulated amortization	(103,318.06)
<b>Net book value as at September 30, 2018</b>	<b>11,085,481.94</b>

Such investment is investment in government bond with maturity date on December 12, 2025 and receive interest by twice per year at an interest rate of 3.85%.

As at September 30, 2018, the government bond were pledged as collateral short-term trade financing facilities (Note 31.3).

## 12. SENIOR LIVING PROJECT UNDER DEVELOPMENT

Movement of the senior living project under development account during the nine-month period ended September 30, 2018 is summarized below:

	<b>Unit: Baht</b>
	<b>Consolidated financial statement</b>
<b>Accumulated project costs as at January 1, 2018</b>	<b>139,263,662.19</b>
Additions	71,177,294.52
<b>Total</b>	<b>210,440,956.71</b>
Transfer to investment properties - accumulated	(45,979,584.33)
<b>Accumulated project costs as at September 30, 2018</b>	<b>164,461,372.38</b>

For the nine-month period ended September 30, 2018, interest expenses of loans for the construction of the Senior Living Project, in the amount of Baht 0.73 million, have been capitalised as part of the cost of the Senior Living Project under development.

As at September 30, 2018, the estimated expense of the subsidiary for development and construction of opened projects to completion (excluding the costs of land and construction already recorded) is Baht 380.10 million.

### 13. INVESTMENT PROPERTIES - NET

Movement of the investment properties - net account during the nine-month period ended September 30, 2018 is summarized below:

	<b>Unit: Baht</b>
	<b>Consolidated financial statement</b>
	<b>Senior Living Project - Villas</b>
<b>As at January 1, 2018</b>	<b>62,500,000.00</b>
Transfer from Senior Living Project under development	45,979,584.33
Gain on fair value adjustment (Level 2)	36,220,415.67
<b>As at September 30, 2018</b>	<b>144,700,000.00</b>
Cost	81,476,139.62
Accumulated gain on fair value adjustment	63,223,860.38
<b>Fair value - net</b>	<b>144,700,000.00</b>

The fair values of investment properties - net of the subsidiary, were based on the appraisal values assessed by the independent appraiser, KTAC Appraisal and Services Co., Ltd., according to the appraisal report dated as at January 11, 2018. The appraisal values, determined according to the Market Comparison Approach, are categorised as Fair Value - Level 2 based on the inputs to the valuation technique used.

As at September 30, 2018, there are three Villa Rental agreements with the lessees. The subsidiary entered into the lease agreements to lease back the villas from the lessees for a 3-year for use as a project show-unit. The quarterly rental fee is total Baht 1,086,615.00.

### 14. BUILDING IMPROVEMENTS AND EQUIPMENT - NET

Movements of the building improvements and equipment - net account during the nine-month period ended September 30, 2018 are summarized below:

	<b>Unit: Baht</b>	
	<b>Consolidated</b>	<b>Separate</b>
	<b>financial statement</b>	<b>financial statement</b>
<b>Net book value as at January 1, 2018</b>	<b>29,327,637.98</b>	<b>10,944,239.76</b>
Acquisitions during the period - cost	7,111,954.95	5,371,925.47
Disposal during the period - net book value at the date of disposal	(88,483.58)	(15,734.02)
Depreciation for the period	(7,880,082.51)	(3,560,121.84)
<b>Net book value as at September 30, 2018</b>	<b>28,471,026.84</b>	<b>12,740,309.37</b>

Depreciations for the nine-month periods ended September 30, 2018 and 2017, have been charged to profit or loss of consolidated financial statements amounting to Baht 7.88 million and Baht 7.22 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 3.56 million and Baht 3.71 million, respectively.

The gross carrying amount of fully depreciated assets of the Group that were still in use as at September 30, 2018 amounted to Baht 55.07 million (December 31, 2017: Baht 46.55 million).

As at September 30, 2018, the Group has vehicles under financial lease agreements with a net book value of Baht 4.81 million. (December 31, 2017: Baht 4.48 million).

## 15. INTANGIBLE ASSETS - NET

Movements of the intangible asset - net account during the nine-month period ended September 30, 2018 are summarized below:

	Unit: Baht	
	Consolidated financial statement	Separate financial statement
<b>Net book value as at January 1, 2018</b>	<b>13,063,844.07</b>	<b>5,324,149.34</b>
Addition - cost	2,737,112.30	1,517,399.48
Disposal - net book value at the date of disposal	(1,802,296.84)	-
Amortization	(1,152,188.55)	(498,109.20)
<b>Net book value as at September 30, 2018</b>	<b>12,846,470.98</b>	<b>6,343,439.62</b>

Amortization for the nine-month periods ended September 30, 2018 and 2017, have been charged to profit or loss of consolidated financial statements amounting to Baht 1.15 million and Baht 0.94 million, respectively, and have been charged to profit or loss of separate financial statements amounting to Baht 0.50 million and Baht 0.38 million, respectively.

The gross carrying amount of fully amortization intangible assets of the Group that were still in use as at September 30, 2018 amounted to Baht 4.50 million (December 31, 2017: Baht 4.47 million).

## 16. SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

Short-term loans from financial institutions as at September 30, 2018 and December 31, 2017 comprised:

	Interest rate (%)		Unit: Baht			
	As at	As at	Consolidated financial statements		Separate financial statements	
	September 30, 2018	December 31, 2017	2018	2017	2018	2017
Trust receipt	11.25%	9.25%	622,067.74	4,176,083.97	622,067.74	4,176,083.97
Domestic Trust receipt	MLR-1.00%, 5.00%	MLR-1.00%	13,511,493.67	1,026,234.86	13,040,289.21	-
Promissory note	4.50%, 5.25%	-	29,751,672.51	-	29,751,672.51	-
<b>Total</b>			<b>43,885,233.92</b>	<b>5,202,318.83</b>	<b>43,414,029.46</b>	<b>4,176,083.97</b>

As at September 30, 2018, the Group has trade financing facilities from financial institutions according to loan agreements with a total maximum credit limit of Baht 385.06 million and in foreign currency in the amount of US Dollars 1.83 million (December 31, 2017: Baht 331.00 million and US Dollars 2.37 million).

## 17. TRADE AND OTHER CURRENT PAYABLES

Trade and other current payables as at September 30, 2018 and December 31, 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Trade payables</b>				
Trade payables - other parties	84,736,988.28	66,123,332.06	69,212,998.08	57,539,304.04
Trade payables - related parties	5,535,125.26	-	5,792,830.19	-
<b>Total trade payables</b>	<b>90,272,113.54</b>	<b>66,123,332.06</b>	<b>75,005,828.27</b>	<b>57,539,304.04</b>
<b>Other payables</b>				
Advances from related parties	367,788.74	253,446.00	43,958.00	19,850.00
Other payables	7,777,317.30	7,721,829.62	4,794,940.52	4,933,489.05
Commission payables	25,674,635.61	16,266,046.15	24,521,226.80	15,353,458.22
Accrued expenses	5,880,836.59	3,842,418.45	3,121,443.66	1,592,715.51
Accrued bonus expenses	5,600,380.17	5,912,524.34	3,844,280.16	4,507,303.60
Revenue Department payable	169,538.89	205,722.54	-	-
Withholding Tax	2,089,713.18	1,851,225.45	1,129,259.71	1,336,720.28
Reservation fee for lease - related parties	15,652,900.00	-	-	-
Reservation fee for lease - other parties	11,010,949.00	2,394,260.00	-	-
Retentions	183,124.72	358,094.06	-	-
Others	68,850.35	-	55,441.58	-
<b>Total other payables</b>	<b>74,476,034.55</b>	<b>38,805,566.61</b>	<b>37,510,550.43</b>	<b>27,743,536.66</b>
<b>Total trade and other current payables</b>	<b>164,748,148.09</b>	<b>104,928,898.67</b>	<b>112,516,378.70</b>	<b>85,282,840.70</b>

## 18. LONG-TERM LIABILITIES UNDER FINANCE LEASES

Long-term liabilities under finance lease as at September 30, 2018 and December 31, 2017 consisted of:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Long-term liabilities under finance leases</b>				
- Within 1 year	1,771,471.43	1,661,113.92	1,735,052.75	1,551,857.88
- Over 1 year but not over 5 years	1,179,656.88	1,611,965.26	1,179,656.88	1,602,860.59
<u>Less</u> Deferred interest expenses	(150,595.31)	(197,992.19)	(150,108.40)	(193,631.86)
<b>Present value of long-term liabilities under finance leases</b>	<b>2,800,533.00</b>	<b>3,075,086.99</b>	<b>2,764,601.23</b>	<b>2,961,086.61</b>
<u>Less</u> Current portion of long-term liabilities under finance leases	(1,668,941.02)	(1,534,751.17)	(1,633,009.25)	(1,429,806.51)
<b>Net</b>	<b>1,131,591.98</b>	<b>1,540,335.82</b>	<b>1,131,591.98</b>	<b>1,531,280.10</b>

As at September 30, 2018, the Company and a subsidiary entered into financial lease agreements to rent vehicles and machinery. The rental fee is payable on a monthly basis in the total amount of Baht 197,331.15 for 12 - 48 periods ending April 9, 2022.

#### 19. LONG-TERM LOANS FROM A FINANCIAL INSTITUTION

Movements of long-term loans from a financial institution during the nine-month period ended September 30, 2018 are summarized below:

	Unit: Baht			
	Consolidated financial statement			
	As at	Movement during the period		As at
	January 1, 2018	Increase	Decrease	September 30, 2018
<b>Long-term loans from a financial institution</b>				
Credit limit of Baht 131.00 million -				
The Teak Sukhumvit 39	-	67,200,000.00	-	67,200,000.00
Credit limit of Baht 154.47 million -				
The Teak Sathorn	-	77,470,000.00	-	77,470,000.00
<b>Total</b>	<b>-</b>	<b>144,670,000.00</b>	<b>-</b>	<b>144,670,000.00</b>
<u>Less</u> Current portion of long-term loans	-			(67,200,000.00)
<b>Net</b>	<b>-</b>			<b>77,470,000.00</b>

During the nine-month period ended September 30, 2018, the subsidiary, Teak Development Limited, entered into the financial support credit facility agreements with a local financial institution to receive financial support for “The Teak Sukhumvit 39” project and “The Teak Sathorn” project. The significant conditions under such agreements are as follows:

No.	Credit limit		Repayment period	Interest rate (%)	Payment conditions	Collateral
	Unit:	Million Baht				
1	131.00		36 months from March 26, 2018	MLR-0.5 per annual	a) The lender shall repay the loans to release the mortgaged properties, i.e. the first lot of condominium units, within 18 months from the agreement date. b) The lender agrees to repay the loans, by whichever is higher of: (1) Repayment according to the area of the condominium requested for release from mortgage. The repayment amount must not be lower than Baht 92,000 - 94,800 per square meter. (2) 75% of the net selling price of condominium unit.	Land and building of projects and BuilderSmart Public Company Limited.



No.	Credit limit		Repayment period	Interest rate (%)	Payment conditions	Collateral
	Unit: Million Baht					
2	154.47		48 months from May 16, 2018	MLR-1.65 per annual	The borrower must repay loans as required by the bank.	Land and building of projects and BuilderSmart Public Company Limited.
<b>Total</b>	<b>285.47</b>					

## 20. SHORT-TERM LOANS FROM OTHER PARTIES - NET

Short-term loans from other parties - net as at September 30, 2018 comprised:

	Interest rate (%)	Unit: Baht Consolidated and separate financial statement
Bills of Exchange	6.20%	60,000,000.00
<u>Less</u> Deferred interest expenses - Bills of exchange		(1,252,010.10)
<b>Total</b>		<b>58,747,989.90</b>

As at September 30, 2018, the Company issue the Bills of Exchange in the amount of not exceeding Baht 100.00 million and Baht 64.52 million with a maturity period of 270 days and due within February 2019, to the investors for support the operation of two subsidiaries, Teak Development Company Limited and Sansara Development Limited.

## 21. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

Movements of the present value of non-current provisions for employee benefit for each of the nine-month periods ended September 30, 2018 and 2017 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Non-current provisions for employee benefit as at January 1,</b>	<b>6,977,986.00</b>	<b>7,074,285.02</b>	<b>5,365,323.00</b>	<b>5,306,595.00</b>
Included in profit or loss:				
Current service cost	956,961.00	712,160.36	679,898.25	478,169.44
Interest cost	187,782.75	160,320.96	144,879.75	107,941.42
Transfer out employee within the Group	-	-	-	(819,910.23)
<b>Non-current provisions for employee benefit as at September 30,</b>	<b>8,122,729.75</b>	<b>7,946,766.34</b>	<b>6,190,101.00</b>	<b>5,072,795.63</b>

## 22. DEFERRED TAX

Movements in deferred tax assets and deferred tax liabilities during the nine-month periods ended September 30, 2018 and 2017 were as follows:

	Unit: Baht					
	Consolidated financial statement			Separate financial statement		
	As at		As at	As at		As at
	As at	Profit (loss)	September 30, 2018	As at	Profit (loss)	September 30, 2018
January 1, 2018	Profit (loss)	2018	January 1, 2018	Profit (loss)	2018	
<b>Deferred tax assets - net</b>						
Allowance for doubtful accounts	2,243,674.15	(185,110.18)	2,058,563.97	1,972,607.27	(185,110.18)	1,787,497.09
Allowance for obsolete of inventories	1,342,472.40	(298,622.15)	1,043,850.25	748,007.65	(69,272.38)	678,735.27
Employee benefit obligations	1,165,434.60	201,589.20	1,367,023.80	1,073,064.60	164,955.60	1,238,020.20
Difference of depreciation	23,388.97	42,473.82	65,862.79	102,457.24	(13,416.87)	89,040.37
<b>Total</b>	<b>4,774,970.12</b>	<b>(239,669.31)</b>	<b>4,535,300.81</b>	<b>3,896,136.76</b>	<b>(102,843.83)</b>	<b>3,793,292.93</b>
<b>Deferred tax liabilities - net</b>						
Employee benefit obligations	230,162.60	27,359.55	257,522.15	-	-	-
Tax depreciation - investment properties	(179,914.03)	19,155.69	(160,758.34)	-	-	-
Gain on fair value adjustment of investment properties	(5,400,688.94)	(7,244,083.09)	(12,644,772.03)	-	-	-
Liability for guarantee refund to lessee	115,082.63	324,546.41	439,629.04	-	-	-
<b>Total</b>	<b>(5,235,357.74)</b>	<b>(6,873,021.44)</b>	<b>(12,108,379.18)</b>	<b>-</b>	<b>-</b>	<b>-</b>

	Unit: Baht					
	Consolidated financial statement			Consolidated financial statement		
	As at		As at	As at		As at
	As at	Profit (loss)	September 30, 2017	As at	Profit (loss)	September 30, 2017
January 1, 2017	Profit (loss)	2017	January 1, 2017	Profit (loss)	2017	
<b>Deferred tax assets - net</b>						
Allowance for doubtful accounts	2,653,569.79	(722,015.97)	1,931,553.82	1,952,753.56	(204,571.87)	1,748,181.69
Allowance for obsolete of inventories	729,439.61	89,672.89	819,112.50	581,068.86	61,918.01	642,986.87
Employee benefit obligations	1,391,775.60	(134.86)	1,391,640.74	1,061,319.00	(46,759.87)	1,014,559.13
Different from depreciation	-	7,575.34	7,575.34	-	92,692.42	92,692.42
<b>Total</b>	<b>4,774,785.00</b>	<b>(624,902.60)</b>	<b>4,149,882.40</b>	<b>3,595,141.42</b>	<b>(96,721.31)</b>	<b>3,498,420.11</b>
<b>Deferred tax liabilities - net</b>						
Employee benefit obligations	-	188,006.18	188,006.18	-	-	-
Tax depreciation - investment properties	-	(108,286.56)	(108,286.56)	-	-	-
Gain on fair value adjustment of investment properties	-	(5,027,440.80)	(5,027,440.80)	-	-	-
Liability for guarantee refund to lessee	-	72,537.99	72,537.99	-	-	-
<b>Total</b>	<b>-</b>	<b>(4,875,183.19)</b>	<b>(4,875,183.19)</b>	<b>-</b>	<b>-</b>	<b>-</b>

All subsidiaries have unutilized tax loss carried forward as at September 30, 2018 and December 31, 2017 in the amounts of Baht 77.27 million and Baht 53.56 million, respectively. As such subsidiaries will not have sufficient taxable profit to utilize unused tax loss as a tax credit, Management, therefore, will not account for the deferred tax on these unutilized tax losses carried forward in the financial statements.

## 23. INCOME TAX

Income tax for the nine-month periods ended September 30, 2018 and 2017 were as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Current tax expense</b>				
Current period	8,316,458.88	7,642,146.02	8,316,458.88	7,642,146.02
<b>Deferred tax expense</b>				
<b>Movements in temporary differences</b>				
- Deferred tax assets - net	239,669.31	624,902.60	102,843.83	96,721.31
- Deferred tax liabilities - net	6,873,021.44	4,875,183.19	-	-
<b>Income tax expenses</b>	<b>15,429,149.63</b>	<b>13,142,231.81</b>	<b>8,419,302.71</b>	<b>7,738,867.33</b>

## 24. SHARE CAPITAL

Minutes of the Extraordinary General Meeting of Shareholders No. 1/2018, held on January 10, 2018, resolved to:

1. Approve to issue and offer, for Private Placement, 200,000,000 new ordinary shares with a par value of Baht 0.10 per share. The Company is offering the Private Placement shares at the price of Baht 0.65 per share, totaling Baht 130.00 million, to Mr. Warut Panupattanapong and three other persons as mentioned in the MOU between the Company and Mr. Warut Panupattanapong, dated September 25, 2017. The Company will use proceeds from such transaction to invest in the subsidiary to purchase The Teak Sukhumvit 39 project. The Private Placement offer date is January 18, 2018.
2. Approve to decrease the registered capital by cancelling 72,804,280 unsold ordinary shares with a par value of Baht 0.10 per share, equivalent to Baht 7,280,428.00, from the registered capital of Baht 204,736,151.00, by way of a decrease of the reserve of 36,402,140 ordinary shares for subscription by the Company's existing shareholders in proportion to their shareholding (Right Offering) and a decrease of the reserve of 36,402,140 ordinary shares for the exercise of warrant rights to purchase the Company's Ordinary Shares No.2 (BSM-W2) where, after said capital decrease, the Company will have a registered capital of Baht 197,455,723.00. The Company registered the decrease with the Ministry of Commerce on January 19, 2018.
3. Approval to increase of the registered capital by issuing 210,585,910 new ordinary shares with a par value of Baht 0.10 per share, equivalent to Baht 21,058,591.00, from the registered capital of Baht 197,455,723.00 to yield Baht 218,514,314.00 to accommodate the Private Placement offer and to accommodate the adjusted warrant rights to purchase the Company's Ordinary Shares No.2 (BSM-W2). The Company registered the increase with the Ministry of Commerce on January 19, 2018.

4. Allocate the newly issued shares for the Private Placement offer and to accommodate the warrant rights to purchase the Company's Ordinary Shares No.2 (BSM-W2) as follows:

4.1 200,000,000 newly issued shares with a par value of Baht 0.10 per share for the Private Placement at the offer price of Baht 0.65.

4.2 10,585,910 newly issued shares with a par value of Baht 0.10 per share to accommodate the adjusted warrant rights to purchase the Company's Ordinary Shares No.2 (BSM-W2) of 278,576,554 units that have not been exercised. However, due to the (BSM-W2) right adjustment in case the Company issues Private Placement in lower price criteria, the Company will inform the right adjustment calculation prior effective date. Subsequent to the notification letter, dated January 17, 2018, informed the adjusted warrant rights to purchase the Company's Ordinary Shares No.2 (BSM-W2) as follows:

**Where the Private Placement offer price**

<b>is lower than 90% of market price</b>	<b>Original</b>	<b>Adjustment</b>
Exercise price	Baht 0.50 per share	Baht 0.489 per share
Exercise ratio	One warrant unit has the right to purchase one ordinary share	One warrant unit has the right to purchase 1.021 ordinary shares

However, the right adjustment will be effective on the Private Placement's first subscription date on January 18, 2018.

During nine-month period ended September 30, 2018, the existing shareholders had exercised the rights to purchase the increase share capital of 94,206,614 ordinary shares at Baht 0.10 per share amounting Baht 9,420,661.40. The Company registered new paid-in share capital amount with the Ministry of Commerce on April 10, July 12, and October 10, 2018.

Features of Warrants allotted to existing shareholders

Type:	Registered and transferable warrants for the purchase of ordinary shares
Offering units:	278,576,554 units
Offer price per unit:	Baht 0.00 (Baht Zero)
The date of issue and offering:	July 1, 2016
Term:	2 years 6 months from the date of issue and offering
Exercise ratio:	1 warrant: 1.021 ordinary share
Exercise price:	One warrant unit is entitled to purchase one ordinary share at Baht 0.489 per share.
Exercise of Warrants:	Warrant holders may exercise their warrants on the last business day of each quarter.

Market for Alternative Investment of Thailand (mai) has granted a listing of certificates representing the right to purchase shares (warrants) of the Company from July 12, 2016. As at September 30, 2018, 92,268,968 warrants were exercised, the remaining BSM-W2 are 186,307,586 units of Baht 91,104,409.55.

## 25. EARNINGS PER SHARE

For the three-month and nine-month periods ended September 30, 2018, there is diluting effect from warrant conversions because the fair value of the ordinary shares exceeds the exercise price. As such, there is dilution of earnings per share.

For the three-month period ended September 30, 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit equity holders of the company for the period	7,124,975.03	2,030,314.19	16,764,788.67	7,017,671.58
Weighted average number of ordinary shares				
(Thousands shares)	1,917,848.95	1,695,980.68	1,917,848.95	1,695,980.68
Effect of dilutive potential ordinary shares				
Rights to purchase the Company's				
Ordinary Shares No.2 (BSM-W2) (Thousands shares)	57,795.45	-	57,795.45	-
Weighted average number of ordinary shares outstanding				
during the year (diluted) (Thousands shares)	1,975,644.40	1,695,980.68	1,975,644.40	1,695,980.68
<b>Earnings per share</b>				
Basic earnings per share (Baht/share)	0.004	0.001	0.009	0.004
Diluted earnings per share (Baht/share)	0.004	-	0.008	-

For the nine-month period ended September 30, 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit equity holders of the company for the period	36,884,612.07	35,970,214.99	32,788,243.77	28,144,979.48
Weighted average number of ordinary shares				
(Thousands shares)	1,896,748.33	1,695,980.68	1,896,748.33	1,695,980.68
Effect of dilutive potential ordinary shares				
Rights to purchase the Company's				
Ordinary Shares No.2 (BSM-W2) (Thousands shares)	61,756.19	-	61,756.19	-
Weighted average number of ordinary shares outstanding				
during the year (diluted) (Thousands shares)	1,958,504.52	1,695,980.68	1,958,504.52	1,695,980.68
<b>Earnings per share</b>				
Basic earnings per share (Baht/share)	0.019	0.021	0.017	0.017
Diluted earnings per share (Baht/share)	0.019	-	0.017	-

For the three-month and nine-month periods ended September 30, 2017, there is no diluting effect from converting warrants because exercise price exceeds the fair value of common shares which not result in dilution of earnings per share.

## **26. LEGAL RESERVE**

Pursuant to the Public Limited Companies Act B.E. 2535, the Company must appropriate annual net profit as a reserve fund of not less than 5% of the annual net profit deducted by the total deficit brought forward (if any) until reserve reaches an amount no less than 10% of the registered capital. This legal reserve is not available for dividend distribution.

## **27. PROVIDENT FUND**

For the nine-month period ended September 30, 2018, the Group's contributions to the provident fund are Baht 1.30 million. (2017: Baht 1.62 million)

## **28. DIVIDENDS PAID**

Minutes of the Annual General Meeting of Shareholders, held on April 24, 2018, resolved to approve the payment of a dividend of Baht 0.01 per share, totaling Baht 19.15 million. The dividend payment will be made on May 22, 2018.

## 29. FINANCIAL INFORMATION BY SEGMENT

Segment information is presented with respect to the Group's business segment which based on the Group's Management and internal reporting structure.

Segment results and assets include items directly attributable to a segment as well as those that can be allocated on a reasonable basis. Unallocated items comprise corporate assets, other income, selling expenses, administrative expenses and finance costs.

The Group's business segment information and reconciliation of reportable segment profit or loss for the three-month periods ended September 30, 2018 and 2017 were as follows:

	Unit: Thousand Baht													
	Sales of		Real estate				Elimination of		Consolidated					
	construction materials	Selling and installing	Senior Living Project		development	Unallocated assets		inter-segment revenue		financial statements				
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from sales and services	140,821.22	118,617.45	26,881.77	27,080.91	-	-	-	-	-	-	-	-	167,702.99	145,698.36
Inter-segment revenue	135.52	97.52	5,413.86	291.22	-	-	-	-	-	-	(5,549.38)	(388.74)	-	-
Cost of sales and services	(94,062.13)	(81,526.08)	(25,443.76)	(22,039.20)	-	-	-	-	-	-	5,660.31	1,789.94	(113,845.58)	(101,775.34)
<b>Segment gross profit</b>	<b>46,894.61</b>	<b>37,188.89</b>	<b>6,851.87</b>	<b>5,332.93</b>	-	-	-	-	-	-	<b>110.93</b>	<b>1,401.20</b>	<b>53,857.41</b>	<b>43,923.02</b>
Other income					-	-	61.80	-	2,574.45	2,825.88	(175.48)	(1,526.87)	2,460.77	1,299.01
Gain on fair value adjustment of investment properties					(2,491.67)	(5,171.42)	(1,142.32)	-	(14,845.40)	(12,978.72)	53.49	9.31	(18,425.90)	(18,140.83)
Selling expenses					(4,136.38)	(4,462.94)	(2,312.71)	-	(19,023.79)	(17,231.56)	(202.50)	10.50	(25,675.38)	(21,684.00)
Administrative expenses					-	-	-	-	-	(2,729.56)	-	2,729.56	-	-
Finance costs					(20.72)	(12.62)	(423.59)	-	(1,758.16)	(1,808.43)	1,482.78	1,382.98	(719.69)	(438.07)
<b>Profit (loss) before income tax expense</b>					<b>(6,648.77)</b>	<b>(9,646.98)</b>	<b>(3,816.82)</b>	-	<b>(33,052.90)</b>	<b>(31,922.39)</b>	<b>1,269.22</b>	<b>4,006.68</b>	<b>11,497.21</b>	<b>4,959.13</b>
Income tax expenses					63.72	(27.92)	-	-	(4,438.87)	(2,907.33)	-	-	(4,375.15)	(2,935.25)
<b>Profit (loss) for the period</b>					<b>(6,585.05)</b>	<b>(9,674.90)</b>	<b>(3,816.82)</b>	-	<b>(37,491.77)</b>	<b>(34,829.72)</b>	<b>1,269.22</b>	<b>4,006.68</b>	<b>7,122.06</b>	<b>2,023.88</b>

The Group's business segment information and reconciliation of reportable segment profit or loss for the nine-month periods ended September 30, 2018 and 2017 were as follows:

	Unit: Thousand Baht													
	Sales of				Real estate				Elimination of				Consolidated	
	construction materials		Selling and installing		Senior Living Project		development		Unallocated assets		inter-segment revenue		financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenue from sales and services	353,638.80	320,390.48	83,472.01	83,386.09	-	-	-	-	-	-	-	-	437,110.81	403,776.57
Inter-segment revenue	274.83	465.31	5,529.46	409.66	-	-	-	-	-	-	(5,804.29)	(874.97)	-	-
Cost of sales and services	(236,923.99)	(217,385.85)	(72,689.32)	(68,372.91)	-	-	-	-	-	-	6,194.47	4,094.37	(303,418.84)	(281,664.39)
<b>Segment gross profit</b>	<b>116,989.64</b>	<b>103,469.94</b>	<b>16,312.15</b>	<b>15,422.84</b>	-	-	-	-	-	-	<b>390.18</b>	<b>3,219.40</b>	<b>133,691.97</b>	<b>122,112.18</b>
Other income					42.61	7.50	86.29	-	8,011.76	13,948.18	(578.59)	(4,653.53)	7,562.07	9,302.15
Gain on fair value adjustment of investment properties					36,220.42	25,137.20	-	-	-	-	-	-	36,220.42	25,137.20
Selling expenses					(9,027.90)	(9,705.82)	(1,177.29)	-	(38,929.10)	(36,672.10)	128.34	17.71	(49,005.95)	(46,360.21)
Administrative expenses					(12,100.77)	(11,537.80)	(5,926.54)	-	(55,624.54)	(48,277.22)	(29.92)	31.50	(73,681.77)	(59,783.52)
Loss on impairment of investment in subsidiary					-	-	-	-	(254.95)	(2,729.56)	254.95	2,729.56	-	-
Finance costs					(46.08)	(38.04)	(1,157.77)	-	(3,284.54)	(5,309.12)	2,032.82	4,031.90	(2,455.57)	(1,315.26)
<b>Profit (loss) before income tax expense</b>					<b>15,088.28</b>	<b>3,863.04</b>	<b>(8,175.31)</b>	-	<b>(90,081.37)</b>	<b>(79,039.82)</b>	<b>2,197.78</b>	<b>5,376.54</b>	<b>52,331.17</b>	<b>49,092.54</b>
Income tax expenses					(6,873.02)	(4,875.18)	-	-	(8,556.13)	(8,267.05)	-	-	(15,429.15)	(13,142.23)
<b>Profit (loss) for the period</b>					<b>8,215.26</b>	<b>(1,012.14)</b>	<b>(8,175.31)</b>	-	<b>(98,637.50)</b>	<b>(87,306.87)</b>	<b>2,197.78</b>	<b>5,376.54</b>	<b>36,902.02</b>	<b>35,950.31</b>



The reconciliations of each segment total assets to the Group's assets and other material items as at September 30, 2018 and December 31, 2017 were as follows:

Unit: Thousand Baht

	Sale of construction materials		Selling and installing		Senior Living Project		Real estate development project		Unallocated assets		Elimination of inter-segment revenue		Consolidated financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
	<b>Non-current assets</b>													
Restricted deposits with financial institutions	32,000.00	29,750.00	4,500.00	3,000.00	-	-	-	-	-	-	-	-	36,500.00	32,750.00
Investment in debt securities held to maturity - net	11,085.48	11,188.80	-	-	-	-	-	-	-	-	-	-	11,085.48	11,188.80
Senior living project under development	-	-	-	-	164,842.17	140,371.51	-	-	-	-	(380.80)	(1,107.85)	164,461.37	139,263.66
Investment properties - net	-	-	-	-	144,700.00	62,500.00	-	-	-	-	-	-	144,700.00	62,500.00
Building improvement and equipment - net	12,740.31	10,944.24	4,004.83	5,408.34	10,907.79	12,956.41	807.85	-	10.25	18.65	-	-	28,471.03	29,327.64
Intangible asset - net	6,343.44	5,324.15	5,323.23	7,044.02	1,179.80	695.67	-	-	-	-	-	-	12,846.47	13,063.84
Deferred tax assets - net	3,793.29	3,896.14	742.01	878.83	-	-	-	-	-	-	-	-	4,535.30	4,774.97
Other non-current assets	279.09	743.77	2,109.45	3,509.36	308.06	852.79	1,647.00	-	-	-	-	-	4,343.60	5,105.92
<b>Total non-current assets</b>	<b>66,241.61</b>	<b>61,847.10</b>	<b>16,679.52</b>	<b>19,840.55</b>	<b>321,937.82</b>	<b>217,376.38</b>	<b>2,454.85</b>	<b>-</b>	<b>10.25</b>	<b>18.65</b>	<b>(380.80)</b>	<b>(1,107.85)</b>	<b>406,943.25</b>	<b>297,974.83</b>

For the nine-month periods ended September 30, 2018 and 2017, the Group has a major customer account for sales of construction material in the amounts of Baht 39.50 million and Baht 38.32 million, respectively.

**Geographical segments information**

In presenting information on the basis of geographical segment, segment revenue is based on the geographical location of customers. In addition, the Group has insignificant assets located in foreign countries.

The Group's geographical segments information for the three-month and nine-month periods ended September 30, 2018 and 2017 was as follows:

	Unit: Thousand Baht							
	Thailand		Foreign countries		Elimination of inter-segment revenue		Consolidated financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017
<b>For the three-month period ended</b>								
<b>September 30</b>								
Revenue from sales and services	143,633.37	119,515.66	29,619.00	26,571.44	(5,549.38)	(388.74)	167,702.99	145,698.36
<b>For the nine-month period ended</b>								
<b>September 30</b>								
Revenue from sales and services	383,376.55	334,944.95	59,538.55	69,706.59	(5,804.29)	(874.97)	437,110.81	403,776.57

### 30. FINANCIAL INSTRUMENTS

#### a) FINANCIAL RISK MANAGEMENT POLICIES

The principal financial risks faced by the Group are interest rate risk, foreign currency risks and credit risks. The Group borrows at floating rates of interest to finance its operations. Some sales and purchases of goods are entered into in foreign currencies. Credit risk arises when sales are made on deferred credit terms.

The Group uses derivative instruments, when it considers appropriate, to manage such risks.

The Group did not intend to engage in trading derivative instruments for speculative purposes.

#### b) INTEREST RATE RISK

The Group was exposed to interest risks because it held deposits in financial institutions, highly liquid short-term investment, borrowings from financial institutions and debentures. However, as such financial assets and liabilities are short-term, the Group believes that future market interest rate fluctuations would not significantly affect their operation and cash flows. Therefore, no financial derivative was adopted to manage such risks.

As at September 30, 2018 and December 31, 2017, significant financial assets and liabilities classified by type of interest rates are summarized 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 statement							
As at September 30, 2018							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
	At call	Within 1 year	Over 1 year				
<b>Financial assets</b>							
Cash and cash equivalents	-	-	-	132.81	5.90	138.71	0.13-0.75
Trade and other current receivables	-	-	-	-	147.78	147.78	-
Restricted deposits with financial institutions	-	-	33.50	3.00	-	36.50	0.50-1.50
Investment in debt securities held to maturity - net	-	-	11.09	-	-	11.09	2.22
<b>Financial liabilities</b>							
Short-term loans from financial institutions	-	43.42	-	0.47	-	43.89	4.50-11.25
Trade and other current payables	-	-	-	-	164.75	164.75	-
Short-term loans from other parties - net	-	-	-	58.75	-	58.75	6.20
Liabilities under finance leases	-	1.67	1.13	-	-	2.80	3.99-6.69
Long-term loans from financial institutions	-	-	-	144.67	-	144.67	5.50, 6.65

Unit: Million Baht							
Consolidated financial statement							
As at December 31, 2017							
	Fixed interest rates			Floating interest rate	Non- interest bearing	Total	Effective interest rate (% p.a.)
	Within		Over 1 year				
	At call	1 year		Over 1 year			
<b>Financial assets</b>							
Cash and cash equivalents	-	50.20	-	27.54	3.43	81.17	0.13-3.30
Trade and other current receivables	-	-	-	-	87.19	87.19	-
Restricted deposits with financial institutions	-	-	32.75	-	-	32.75	0.37-1.50
Investment in debt securities held to maturity - net	-	-	11.19	-	-	11.19	2.22
<b>Financial liabilities</b>							
Short-term loans from financial institutions	-	-	-	5.20	-	5.20	5.25-9.25
Trade and other current payables	-	-	-	-	104.93	104.93	-
Liabilities under finance leases	-	1.54	1.54	-	-	3.08	3.99-6.49

#### c) FOREIGN CURRENCY RISK

The Group exposed to foreign currency related primarily to its accounts payables and anticipated purchases denominated in foreign currencies. During the nine-month periods ended September 30, 2018 and 2017, the Group unhedged the foreign currency on accounts payable and part of its anticipated purchases.

However, the unhedged balances of financial assets and liabilities denominated in foreign currencies as at September 30, 2018 and December 31, 2017, are summarised below.

Unit: Baht						
As at September 30, 2018					Exchange rate as at	
Foreign currency	Consolidated financial statement		Separate financial statement		September 30, 2018	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	(Baht per foreign currency unit)	
					Buying rate	Selling rate
US Dollars	35,503,184.21	20,718,319.28	34,412,105.22	21,277,517.10	32.24	32.58
New Zealand Dollars	-	764,079.70	-	-	21.12	21.72
Australian Dollars	-	505,838.30	-	-	22.97	23.75
Chinese Yuan	-	622,067.74	-	622,067.74	4.65	4.77

  

Unit: Baht						
As at December 31, 2017					Exchange rate as at	
Foreign currency	Consolidated financial statement		Separate financial statement		December 31, 2017	
	Financial assets	Financial liabilities	Financial assets	Financial liabilities	(Baht per foreign currency unit)	
					Buying rate	Selling rate
US Dollars	16,304,676.07	15,658,456.34	15,009,737.25	16,198,527.40	32.51	32.85
New Zealand Dollars	-	1,377,272.94	-	-	22.89	23.49
Australian Dollars	-	183,598.91	-	-	25.08	25.87
Chinese Yuan	-	3,793,954.87	-	3,793,954.87	4.95	5.08

#### d) CREDIT RISK

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products are made to customers with an appropriate credit history.

#### e) FAIR VALUE

Fair value means the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

The methods and assumptions are used by the Company and its subsidiaries in estimating fair value of financial instruments are as follows:

- Financial assets and liabilities held for the short-term maturities, such as cash on hand and deposits at financial institutions, account receivable and payable, short-term loans to and borrowing, the carrying amounts in the statements of financial position approximate at their fair value.
- Leases, which fair values calculated by the present value of the contractually determined stream of future cash flow discounted at the rate of interest applied at that time by the market to instruments, presented as at the statements of financial position.

### 31. CAPITAL COMMITMENTS AND CONTINGENT LIABILITIES

#### 31.1 Operating leases and service agreements

As at September 30, 2018, the Group entered into long-term rental agreements with third parties for land, building, cars and services for periods of 1 year to 5 years. The commitment to repay leases and service fees, according to agreements, are summarized as follows:

<b>Year</b>	<b>Unit: Baht</b>
Within 1 year	16,044,105.43
Over 1 year but not over 5 years	18,248,787.23

#### 31.2 Capital expenditure

As at September 30, 2018, the subsidiary company has several construction contracts. The subsidiary company has commitment under these contracts totaling amount of Baht 35.53 million. (December 31, 2017: Baht 25.26 million).

### 31.3 Bank guarantee issued by financial institutions

As at September 30, 2018 the Group has outstanding commitments and contingent liabilities with financial institutions as follows:

	Consolidated financial statement					
	Unit: Million Baht			Unit: Million US Dollars		
	Credit limit	Used	Unused	Credit limit	Used	Unused
1) Bank overdrafts	32.05	-	32.05	-	-	-
2) Short-term loan - trust receipts, letters of credit and promissory notes	204.38	(44.29)	160.09	-	-	-
3) Forward contract	35.00	-	35.00	1.83	-	1.83
4) Letter of guarantee	113.63	(51.92)	61.71	-	-	-
5) Long-term loan	285.47	(144.67)	140.80	-	-	-
	<b>670.53</b>	<b>(240.88)</b>	<b>429.65</b>	<b>1.83</b>	<b>-</b>	<b>1.83</b>

As at September 30, 2018, the Group had letters of guarantee issued by financial institutions for payment of goods to certain suppliers amounting to Baht 51.92 million.

Fixed deposits of the Company and subsidiary and the investment in government bond of the Company were pledged as collateral for above trade financing facilities (Note 9 and 11).

## 32. CAPITAL MANAGEMENT

The primary objective of the Group's capital management is to ensure that it has an appropriate financial structure and can maintain the ability of the Group to continue its business as a going concern.

According to the statement of financial position as at September 30, 2018, the Group and the Company's debt-to-equity ratio were 1.03: 1.00 and 0.40: 1.00 respectively (December 31, 2017: 0.54: 1.00 and 0.27: 1.00)

## 33. EVENTS AFTER THE DATE OF THE FINANCIAL STATEMENTS

Board of Directors' Meeting No. 8/2018 of the subsidiary, Teak Development Limited, held on October 4, 2018, approved to enter into an agreement to receive the financial support credit facilities with a local commercial bank in the credit limit of Baht 170.00 million. These credit facilities were guaranteed by its land and any structures thereon of project "The Teak Ratchada". (Note 4.3.1)

## 34. APPROVAL OF INTERIM FINANCIAL STATEMENTS

These interim financial statements were authorized for issue by the Company's Board of Directors on November 9, 2018.