

Land and Houses Public Company Limited  
and its subsidiaries  
Review report and interim financial statements  
For the three-month and six-month periods ended  
30 June 2017

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

To the Shareholders of Land and Houses Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Land and Houses Public Company Limited and its subsidiaries as at 30 June 2017, the related consolidated statements of income, and comprehensive income for the three-month and six-month periods ended 30 June 2017, the related consolidated statements of changes in shareholders' equity, and cash flows for the six-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Land and Houses Public Company Limited for the same period. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34 *Interim Financial Reporting*. My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

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

### **Conclusion**

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

**Emphasis of matter**

I draw attention to Note 1.4 and Note 3 to the financial statements, during the current period, the Company made the change in accounting policy as the adoption of TAS 27 (revised 2016) *Separate Financial Statements* which it elected to change the accounting policy for investments in subsidiaries and associates in separate financial statements to equity method. The Company has restated the 2016 financial statements to reflect the changes in the above accounting policy. In my opinion, the adjustments made for the preparation of the restated financial statements are appropriate and have been properly applied. My conclusion is not qualified in respect of this matter.

Rungnapa Lertsuwankul  
Certified Public Accountant (Thailand) No. 3516

EY Office Limited  
Bangkok: 11 August 2017

**Land and Houses Public Company Limited and its subsidiaries**

**Statement of financial position**

**As at 30 June 2017**

(Unit: Thousand Baht)

|   | Note | Consolidated financial statements |                    | Separate financial statements |                         |
|---|------|-----------------------------------|--------------------|-------------------------------|-------------------------|
|   |      | As at                             | As at              | As at                         | As at                   |
|   |      | 30 June 2017                      | 31 December 2016   | 30 June 2017                  | 31 December 2016        |
|   |      | (Unaudited<br>but reviewed)       | (Audited)          | (Unaudited<br>but reviewed)   | (Audited)<br>(Restated) |
| <b>Assets</b>                                     |      |                                   |                    |                               |                         |
| <b>Current assets</b>                             |      |                                   |                    |                               |                         |
| Cash and cash equivalents                         | 4, 5 | 10,576,706                        | 2,600,578          | 6,347,059                     | 1,443,056               |
| Current investments                               | 4, 6 | 1,200,236                         | 410,280            | 1,200,236                     | -                       |
| Trade and other receivables                       | 7    | 132,619                           | 156,929            | 29,276                        | 26,065                  |
| Short-term loans and accrued interest receivables |      |                                   |                    |                               |                         |
| - related parties                                 | 4    | 2,762                             | 762                | 1,362,196                     | 265,794                 |
| Inventories                                       | 8    | 46,578,864                        | 48,925,724         | 44,851,384                    | 47,273,349              |
| Advance payment for constructions                 |      | 566,308                           | 540,773            | 305,982                       | 412,883                 |
| Deposits for purchase of land and others          |      | 520,998                           | 341,281            | 517,195                       | 337,788                 |
| Other current assets                              |      | 494,932                           | 364,321            | 64,892                        | 65,685                  |
| <b>Total current assets</b>                       |      | <b>60,073,425</b>                 | <b>53,340,648</b>  | <b>54,678,220</b>             | <b>49,824,620</b>       |
| <b>Non-current assets</b>                         |      |                                   |                    |                               |                         |
| Restricted deposit at financial institutions      |      | 10,008                            | -                  | -                             | -                       |
| Investments in subsidiaries                       | 9    | -                                 | -                  | 6,156,648                     | 5,994,791               |
| Investments in associates                         | 10   | 20,532,219                        | 20,258,980         | 20,532,219                    | 20,258,980              |
| Other long-term investments                       | 11   | 5,800,071                         | 5,512,076          | 4,182,195                     | 4,430,574               |
| Long-term loans and accrued interest              |      |                                   |                    |                               |                         |
| receivables - related party                       | 4    | -                                 | -                  | 9,667,227                     | 9,868,139               |
| Land held for development                         | 12   | 3,199,436                         | 3,215,936          | 3,069,893                     | 3,086,393               |
| Investment properties                             | 13   | 13,873,292                        | 14,545,298         | 209,338                       | 208,963                 |
| Property, plant and equipment                     | 14   | 605,026                           | 574,092            | 339,513                       | 281,643                 |
| Leasehold rights                                  | 15   | 2,685,383                         | 3,778,856          | -                             | -                       |
| Other intangible assets                           | 16   | 39,237                            | 45,665             | 18,499                        | 20,320                  |
| Deferred tax assets                               |      | 246,675                           | 215,617            | 213,318                       | 134,633                 |
| Other non-current assets                          |      | 17,549                            | 18,374             | 11,546                        | 11,540                  |
| <b>Total non-current assets</b>                   |      | <b>47,008,896</b>                 | <b>48,164,894</b>  | <b>44,400,396</b>             | <b>44,295,976</b>       |
| <b>Total assets</b>                               |      | <b>107,082,321</b>                | <b>101,505,542</b> | <b>99,078,616</b>             | <b>94,120,596</b>       |

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

**Land and Houses Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2017**

(Unit: Thousand Baht)

|  | <b>Consolidated financial statements</b> |                             | <b>Separate financial statements</b> |                             |                         |
|--|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
|  | As at                                    | As at                       | As at                                | As at                       |                         |
|  | Note                                     | 30 June 2017                | 31 December 2016                     | 30 June 2017                | 31 December 2016        |
|  |  | (Unaudited<br>but reviewed) | (Audited)                            | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) |
| <b>Liabilities and shareholders' equity</b>          |  |                             |                                      |                             |                         |
| <b>Current liabilities</b>                           |  |                             |                                      |                             |                         |
| Short-term loans from financial institutions         | 17                                       | 1,995,308                   | -                                    | 1,995,308                   | -                       |
| Trade and other payables                             | 18                                       | 2,455,051                   | 3,317,003                            | 1,851,051                   | 2,759,391               |
| Retention guarantees                                 |  | 538,258                     | 574,144                              | 492,504                     | 492,142                 |
| Current portion of financial lease liabilities       |  | 3,715                       | 3,365                                | -                           | -                       |
| Current portion of long-term loans                   | 19                                       | 3,107,180                   | 3,075,180                            | 3,075,180                   | 3,075,180               |
| Current portion of debentures                        | 20                                       | 12,000,000                  | 8,000,000                            | 12,000,000                  | 8,000,000               |
| Income tax payable                                   |  | 625,308                     | 667,247                              | 607,001                     | 491,188                 |
| Provisions   |  | 761,714                     | 656,839                              | 737,296                     | 632,919                 |
| Advance received from customers                      |  | 2,030,862                   | 2,737,849                            | 2,007,675                   | 2,706,541               |
| Other current liabilities                            |  | 306,156                     | 573,492                              | 200,056                     | 517,695                 |
| <b>Total current liabilities</b>                     |  | <b>23,823,552</b>           | <b>19,605,119</b>                    | <b>22,966,071</b>           | <b>18,675,056</b>       |
| <b>Non-current liabilities</b>                       |  |                             |                                      |                             |                         |
| Financial lease liabilities - net of current portion |  | 17,768                      | 17,146                               | -                           | -                       |
| Long-term loans - net of current portion             | 19                                       | 4,207,636                   | 4,331,056                            | -                           | -                       |
| Debentures - net of current portion                  | 20                                       | 27,250,000                  | 28,250,000                           | 27,250,000                  | 28,250,000              |
| Provision for long-term employee benefits            |  | 343,852                     | 330,869                              | 270,202                     | 260,470                 |
| Deferred tax liabilities                             |  | 1,362,222                   | 964,490                              | -                           | -                       |
| Other non-current liabilities                        |  | 142,786                     | 55,307                               | -                           | -                       |
| <b>Total non-current liabilities</b>                 |  | <b>33,324,264</b>           | <b>33,948,868</b>                    | <b>27,520,202</b>           | <b>28,510,470</b>       |
| <b>Total liabilities</b>                             |  | <b>57,147,816</b>           | <b>53,553,987</b>                    | <b>50,486,273</b>           | <b>47,185,526</b>       |

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

**Land and Houses Public Company Limited and its subsidiaries**

**Statement of financial position (continued)**

**As at 30 June 2017**

(Unit: Thousand Baht)

|   | <b>Consolidated financial statements</b> |                             | <b>Separate financial statements</b> |                             |                         |
|---|--|-----------------------------|--------------------------------------|-----------------------------|-------------------------|
|   | As at                                    | As at                       | As at                                | As at                       |                         |
|   | Note                                     | 30 June 2017                | 31 December 2016                     | 30 June 2017                | 31 December 2016        |
|   |  | (Unaudited<br>but reviewed) | (Audited)                            | (Unaudited<br>but reviewed) | (Audited)<br>(Restated) |
| <b>Shareholders' equity</b>   |  |                             |                                      |                             |                         |
| Share capital   | 21                                       |                             |                                      |                             |                         |
| Registered  |  |                             |                                      |                             |                         |
| 12,031,105,828 ordinary shares of Baht 1 each   |  | 12,031,106                  | 12,031,106                           | 12,031,106                  | 12,031,106              |
| Issued and paid-up  |  |                             |                                      |                             |                         |
| 11,949,713,176 ordinary shares of Baht 1 each<br>(31 December 2016: 11,786,545,992 ordinary shares<br>of Baht 1 each) |  | 11,949,713                  | 11,786,546                           | 11,949,713                  | 11,786,546              |
| Premium on ordinary shares  |  | 15,452,854                  | 15,044,936                           | 15,452,854                  | 15,044,936              |
| Cash receipts from share subscription   |  | -                           | 374,493                              | -                           | 374,493                 |
| Retained earnings   |  |                             |                                      |                             |                         |
| Appropriated - Statutory reserve  |  | 1,203,111                   | 1,203,111                            | 1,203,111                   | 1,203,111               |
| Unappropriated  |  | 17,490,877                  | 15,673,941                           | 17,490,877                  | 15,673,941              |
| Other components of shareholders' equity  |  | 2,495,788                   | 2,852,043                            | 2,495,788                   | 2,852,043               |
| Equity attributable to the shareholders of the Company  |  | 48,592,343                  | 46,935,070                           | 48,592,343                  | 46,935,070              |
| Non-controlling interests of subsidiaries   |  | 1,342,162                   | 1,016,485                            | -                           | -                       |
| <b>Total shareholders' equity</b>   |  | 49,934,505                  | 47,951,555                           | 48,592,343                  | 46,935,070              |
| <b>Total liabilities and shareholders' equity</b>   |  | 107,082,321                 | 101,505,542                          | 99,078,616                  | 94,120,596              |
|   |  | -                           | -                                    | -                           | -                       |

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

Directors

## Land and Houses Public Company Limited and its subsidiaries

## Income statement

For the three-month period ended 30 June 2017

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

|  | Note | Consolidated financial statements |                  | Separate financial statements |                  |
|--|------|-----------------------------------|------------------|-------------------------------|------------------|
|  |      | 2017                              | 2016             | 2017                          | 2016             |
|  |      |                                   |                  |                               | (Restated)       |
| <b>Revenues</b>  |      |                                   |                  |                               |                  |
| Sales income   |      | 9,201,505                         | 7,211,256        | 9,025,665                     | 7,037,867        |
| Rental and services income   |      | 737,232                           | 576,730          | -                             | -                |
| Other income   |      |                                   |                  |                               |                  |
| Dividend income  |      | 42,086                            | 32,193           | 14,245                        | 13,454           |
| Interest income  |      | 14,656                            | 10,516           | 114,317                       | 62,226           |
| Infrastructure service income  |      | 59,123                            | 49,587           | 53,770                        | 43,015           |
| Gain on sales of property, plant and equipment   |      | 1,841                             | -                | 2,287                         | -                |
| Gain on sales of land held for development   |      | -                                 | 1,240,000        | -                             | -                |
| Gain on sales of assets to REIT  | 15   | 2,080,095                         | -                | -                             | -                |
| Others   |      | 13,899                            | 12,767           | 14,237                        | 11,739           |
| <b>Total revenues</b>  |      | <b>12,150,437</b>                 | <b>9,133,049</b> | <b>9,224,521</b>              | <b>7,168,301</b> |
| <b>Expenses</b>  |      |                                   |                  |                               |                  |
| Cost of sales and services   |      | 5,864,003                         | 4,663,077        | 5,735,206                     | 4,542,219        |
| Cost of rental and services  |      | 551,436                           | 458,116          | -                             | -                |
| Selling expenses   |      | 240,982                           | 240,287          | 209,491                       | 213,199          |
| Specific business tax and transfer fee   |      | 355,028                           | 255,714          | 348,451                       | 249,424          |
| Administrative expenses  |      | 481,121                           | 516,440          | 382,714                       | 442,276          |
| Other expenses   |      |                                   |                  |                               |                  |
| Loss on derivatives  |      | -                                 | -                | -                             | -                |
| Loss on exchange rate  |      | 34,474                            | -                | 34,474                        | -                |
| Others   |      | -                                 | 26,085           | -                             | 19,123           |
| <b>Total expenses</b>  |      | <b>7,527,044</b>                  | <b>6,159,719</b> | <b>6,710,336</b>              | <b>5,466,241</b> |
| <b>Profit before share of profit from investments<br/>in subsidiaries and associates, finance cost<br/>and income tax expenses</b> |      | <b>4,623,393</b>                  | <b>2,973,330</b> | <b>2,514,185</b>              | <b>1,702,060</b> |
| Share of profit from investments in subsidiaries   | 9    | -                                 | -                | 951,826                       | 550,536          |
| Share of profit from investments in associates   | 10   | 752,396                           | 798,165          | 752,396                       | 798,165          |
| <b>Profit before finance cost and income tax expenses</b>  |      | <b>5,375,789</b>                  | <b>3,771,495</b> | <b>4,218,407</b>              | <b>3,050,761</b> |
| Finance cost   |      | (165,393)                         | (88,989)         | (134,108)                     | (66,696)         |
| <b>Profit before income tax expenses</b>   |      | <b>5,210,396</b>                  | <b>3,682,506</b> | <b>4,084,299</b>              | <b>2,984,065</b> |
| Income tax expenses  | 24   | (933,116)                         | (579,750)        | (475,266)                     | (353,138)        |
| <b>Profit for the period</b>   |      | <b>4,277,280</b>                  | <b>3,102,756</b> | <b>3,609,033</b>              | <b>2,630,927</b> |
| <b>Net income attributable to:</b>   |      |                                   |                  |                               |                  |
| Equity holders of the Company  |      | 3,609,033                         | 2,630,927        | 3,609,033                     | 2,630,927        |
| Non-controlling interests of the subsidiaries  |      | 668,247                           | 471,829          |                               |                  |
|  |      | <b>4,277,280</b>                  | <b>3,102,756</b> |                               |                  |
| <b>Earnings per share</b>  | 25   | -                                 | -                |                               |                  |
| <b>Basic earnings per share</b>  |      |                                   |                  |                               |                  |
| Profit attributable to equity holders of the Company   |      | 0.30                              | 0.22             | 0.30                          | 0.22             |
| <b>Diluted earnings per share</b>  |      |                                   |                  |                               |                  |
| Profit attributable to equity holders of the Company   |      |                                   | 0.22             |                               | 0.22             |

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

(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the three-month period ended 30 June 2017**

(Unit: Thousand Baht)

| Note  | <u>Consolidated financial statements</u> |                  | <u>Separate financial statements</u> |                  |
|---|--|------------------|--------------------------------------|------------------|
|   | 2017                                     | 2016             | 2017                                 | 2016             |
|   |  |                  |                                      | (Restated)       |
| <b>Profit for the period</b>  | <u>4,277,280</u>                         | <u>3,102,756</u> | <u>3,609,033</u>                     | <u>2,630,927</u> |
| <b>Other comprehensive income:</b>  |  |                  |                                      |                  |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i> |  |                  |                                      |                  |
| Gain (loss) on change in value of available-for-sale investments                              |  |                  |                                      |                  |
| - net of income taxes   | (115,942)                                | (225,218)        | (84,821)                             | (287,460)        |
| Exchange rate differences on translation of financial statements in foreign currency          | (14,022)                                 | (2,360)          | -                                    | -                |
| Share of other comprehensive income of subsidiaries   | 9  | -                | (45,143)                             | 59,882           |
| Share of other comprehensive income of associates   | 10                                       | (59,169)         | (59,169)                             | 69,165           |
| <b>Other comprehensive income for the period</b>  | <u>(189,133)</u>                         | <u>(158,413)</u> | <u>(189,133)</u>                     | <u>(158,413)</u> |
| <b>Total comprehensive income for the period</b>  | <u>4,088,147</u>                         | <u>2,944,343</u> | <u>3,419,900</u>                     | <u>2,472,514</u> |
| <b>Total comprehensive income attributable to:</b>  |  |                  |                                      |                  |
| Equity holders of the Company   | 3,419,900                                | 2,472,514        | <u>3,419,900</u>                     | <u>2,472,514</u> |
| Non-controlling interests of the subsidiaries   | 668,247                                  | 471,829          |                                      |                  |
|   | <u>4,088,147</u>                         | <u>2,944,343</u> |                                      |                  |
|   | -  | -                | -                                    | -                |

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



## Land and Houses Public Company Limited and its subsidiaries

## Income statement

For the six-month period ended 30 June 2017

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

|  | Note | Consolidated financial statements |                   | Separate financial statements |                   |
|--|------|-----------------------------------|-------------------|-------------------------------|-------------------|
|  |      | 2017                              | 2016              | 2017                          | 2016              |
|  |      |                                   |                   |                               | (Restated)        |
| <b>Revenues</b>  |      |                                   |                   |                               |                   |
| Sales income   |      | 15,570,857                        | 14,227,016        | 15,296,257                    | 13,872,520        |
| Rental and services income   |      | 1,522,391                         | 1,206,118         | -                             | -                 |
| Other income   |      |                                   |                   |                               |                   |
| Dividend income  |      | 67,758                            | 72,775            | 25,517                        | 36,685            |
| Interest income  |      | 19,252                            | 24,722            | 211,381                       | 124,096           |
| Infrastructure service income  |      | 136,436                           | 125,737           | 124,472                       | 111,936           |
| Gain on sales of property, plant and equipment   |      | 14,676                            | -                 | 13,145                        | -                 |
| Gain on sales of land held for development   |      | 80,195                            | 1,240,000         | 80,195                        | -                 |
| Gain on sales of assets to REIT  | 15   | 2,080,095                         | -                 | -                             | -                 |
| Others   |      | 21,924                            | 155,166           | 32,774                        | 154,173           |
| <b>Total revenues</b>  |      | <b>19,513,584</b>                 | <b>17,051,534</b> | <b>15,783,741</b>             | <b>14,299,410</b> |
| <b>Expenses</b>  |      |                                   |                   |                               |                   |
| Cost of sales and services   |      | 10,004,118                        | 9,271,821         | 9,830,226                     | 9,018,761         |
| Cost of rental and services  |      | 1,118,171                         | 915,920           | -                             | -                 |
| Selling expenses   |      | 463,102                           | 440,186           | 395,316                       | 384,131           |
| Specific business tax and transfer fee   |      | 597,837                           | 487,403           | 586,904                       | 475,168           |
| Administrative expenses  |      | 987,638                           | 1,026,070         | 784,272                       | 879,274           |
| Other expenses   |      |                                   |                   |                               |                   |
| Loss on derivatives  |      | -                                 | 121,406           | -                             | 121,406           |
| Loss on exchange rate  |      | 166,342                           | -                 | 166,342                       | -                 |
| Others   |      | -                                 | 22,488            | -                             | 16,748            |
| <b>Total expenses</b>  |      | <b>13,337,208</b>                 | <b>12,285,294</b> | <b>11,763,060</b>             | <b>10,895,488</b> |
| <b>Profit before share of profit from investments<br/>in subsidiaries and associates, finance cost<br/>and income tax expenses</b> |      | <b>6,176,376</b>                  | <b>4,766,240</b>  | <b>4,020,681</b>              | <b>3,403,922</b>  |
| Share of profit from investments in subsidiaries   | 9    | -                                 | -                 | 896,772                       | 575,664           |
| Share of profit from investments in associates   | 10   | 1,444,007                         | 1,452,594         | 1,444,007                     | 1,452,594         |
| <b>Profit before finance cost and income tax expenses</b>  |      | <b>7,620,383</b>                  | <b>6,218,834</b>  | <b>6,361,460</b>              | <b>5,432,180</b>  |
| Finance cost   |      | (289,283)                         | (176,953)         | (220,992)                     | (130,342)         |
| <b>Profit before income tax expenses</b>   |      | <b>7,331,100</b>                  | <b>6,041,881</b>  | <b>6,140,468</b>              | <b>5,301,838</b>  |
| Income tax expenses  | 24   | (1,261,437)                       | (926,095)         | (757,882)                     | (675,396)         |
| <b>Profit for the period</b>   |      | <b>6,069,663</b>                  | <b>5,115,786</b>  | <b>5,382,586</b>              | <b>4,626,442</b>  |
| <b>Net income attributable to:</b>   |      |                                   |                   |                               |                   |
| Equity holders of the Company  |      | 5,382,586                         | 4,626,442         | 5,382,586                     | 4,626,442         |
| Non-controlling interests of the subsidiaries  |      | 687,077                           | 489,344           |                               |                   |
|  |      | 6,069,663                         | 5,115,786         |                               |                   |
| <b>Earnings per share</b>  | 25   | -                                 | -                 |                               |                   |
| <b>Basic earnings per share</b>  |      |                                   |                   |                               |                   |
| Profit attributable to equity holders of the Company   |      |                                   |                   |                               |                   |
| <b>Diluted earnings per share</b>  |      | <b>0.45</b>                       | <b>0.39</b>       | <b>0.45</b>                   | <b>0.39</b>       |
| Profit attributable to equity holders of the Company   |      |                                   |                   |                               |                   |
|  |      |                                   | 0.39              |                               | 0.39              |

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

(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries**  
**Statement of comprehensive income**  
**For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

| Note  | <u>Consolidated financial statements</u> |                  | <u>Separate financial statements</u> |                  |
|---|--|------------------|--------------------------------------|------------------|
|   | 2017                                     | 2016             | 2017                                 | 2016             |
|   |  |                  |                                      | (Restated)       |
| <b>Profit for the period</b>  | <u>6,069,663</u>                         | <u>5,115,786</u> | <u>5,382,586</u>                     | <u>4,626,442</u> |
| <b>Other comprehensive income:</b>  |  |                  |                                      |                  |
| <i>Other comprehensive income to be reclassified to profit or loss in subsequent periods:</i> |  |                  |                                      |                  |
| Gain (loss) on change in value of available-for-sale investments                              |  |                  |                                      |                  |
| - net of income taxes   | 23                                       | (217,276)        | 476,740                              | (198,703)        |
| Exchange rate differences on translation of financial statements in foreign currency          |  | (64,243)         | 20,638                               | -                |
| Share of other comprehensive income of subsidiaries   | 9  | -                | -                                    | (82,816)         |
| Share of other comprehensive income of associates   | 10                                       | (74,736)         | 187,929                              | (74,736)         |
| <b>Other comprehensive income for the period</b>  |  | <u>(356,255)</u> | <u>685,307</u>                       | <u>(356,255)</u> |
| <b>Total comprehensive income for the period</b>  |  | <u>5,713,408</u> | <u>5,801,093</u>                     | <u>5,026,331</u> |
| <b>Total comprehensive income attributable to:</b>  |  |                  |                                      |                  |
| Equity holders of the Company   |  | 5,026,331        | 5,311,749                            | 5,026,331        |
| Non-controlling interests of the subsidiaries   |  | 687,077          | 489,344                              |                  |
|   |  | <u>5,713,408</u> | <u>5,801,093</u>                     |                  |
|   |  | -                | -                                    | -                |

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

(Unaudited but reviewed)

## Land and Houses Public Company Limited and its subsidiaries

## Statement of changes in shareholders' equity

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

| <b>Consolidated financial statements</b>   |      |  |                            |                                       |                                  |                   |  |   |   |  |                  |  |  |                            |  |
|--|------|--|----------------------------|---------------------------------------|----------------------------------|-------------------|--|---|---|--|------------------|--|--|----------------------------|--|
| Equity attributable to the shareholders of the Company                                       |      |  |                            |                                       |                                  |                   |  |   |   |  |                  |  |  |                            |  |
|  | Note | Other components of shareholders' equity |                            |                                       |                                  |                   |  |   |   |  |                  | Total equity attributable to the shareholders of the Company | Equity attributable to non-controlling interests of the subsidiaries | Total shareholders' equity |  |
|  |      | Retained earnings                        |                            |                                       |                                  |                   | Other comprehensive income                                   |   |   |  |                  |  |  |                            |  |
|  |      | Issued and paid-up share capital         | Premium on ordinary shares | Cash receipts from share subscription | Appropriated - Statutory reserve | Unappropriated    | Surplus on change in value of available-for-sale investments | Exchange differences on translation of financial statements in foreign currency | Share of other comprehensive income of associates | Premium on share capital of associates | Other surplus    |  |  |                            | Total other components of shareholders' equity |
| <b>Balance as at 31 December 2015</b>  |      | 11,730,035                               | 14,903,658                 | 61,419                                | 1,203,111                        | 15,287,289        | 982,277  | 181,496   | (41,719)  | 91,042                                 | 1,227,782        | 2,440,878  | 45,626,390   | 1,268,736                  | 46,895,126                                     |
| Profit for the period  |      | -  | -                          | -                                     | -                                | 4,626,442         | -  | -   | -   | -                                      | -                | -  | 4,626,442  | 489,344                    | 5,115,786                                      |
| Other comprehensive income for the period  |      | -  | -                          | -                                     | -                                | -                 | 476,740  | 20,638  | 187,929   | -                                      | -                | 685,307  | 685,307  | -                          | 685,307  |
| Total comprehensive income for the period  |      | -  | -                          | -                                     | -                                | 4,626,442         | 476,740  | 20,638  | 187,929   | -                                      | -                | 685,307  | 5,311,749  | 489,344                    | 5,801,093                                      |
| Converted warrants to share capital  | 21   | 42,271                                   | 105,677                    | (61,419)                              | -                                | -                 | -  | -   | -   | -                                      | -                | -  | 86,529   | -                          | 86,529   |
| Cash receipts from share subscription  |      | -  | -                          | 23,680                                | -                                | -                 | -  | -   | -   | -                                      | -                | -  | 23,680   | -                          | 23,680   |
| Dividend paid  | 26   | -  | -                          | -                                     | -                                | (4,107,704)       | -  | -   | -   | -                                      | -                | -  | (4,107,704)  | -                          | (4,107,704)                                    |
| Subsidiary additional called up share capital from non-controlling interests of subsidiaries |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | 60,000                     | 60,000   |
| Capital refund of subsidiary to non-controlling interests of subsidiaries                    |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | (384,800)                  | (384,800)                                      |
| Subsidiaries paid dividend to non-controlling interests of subsidiaries                      |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | (345,593)                  | (345,593)                                      |
| Income tax from unpaid dividend  |      | -  | -                          | -                                     | -                                | (2,521)           | -  | -   | -   | -                                      | -                | -  | (2,521)  | -                          | (2,521)  |
| <b>Balance as at 30 June 2016</b>  |      | <u>11,772,306</u>                        | <u>15,009,335</u>          | <u>23,680</u>                         | <u>1,203,111</u>                 | <u>15,803,506</u> | <u>1,459,017</u>   | <u>202,134</u>  | <u>146,210</u>                                    | <u>91,042</u>                          | <u>1,227,782</u> | <u>3,126,185</u>   | <u>46,938,123</u>  | <u>1,087,687</u>           | <u>48,025,810</u>                              |
| <b>Balance as at 31 December 2016</b>  |      | 11,786,546                               | 15,044,936                 | 374,493                               | 1,203,111                        | 15,673,941        | 1,231,959  | 292,822   | 8,438   | 91,042                                 | 1,227,782        | 2,852,043  | 46,935,070   | 1,016,485                  | 47,951,555                                     |
| Profit for the period  |      | -  | -                          | -                                     | -                                | 5,382,586         | -  | -   | -   | -                                      | -                | -  | 5,382,586  | 687,077                    | 6,069,663                                      |
| Other comprehensive income for the period  |      | -  | -                          | -                                     | -                                | -                 | (217,276)  | (64,243)  | (74,736)  | -                                      | -                | (356,255)  | (356,255)  | -                          | (356,255)                                      |
| Total comprehensive income for the period  |      | -  | -                          | -                                     | -                                | 5,382,586         | (217,276)  | (64,243)  | (74,736)  | -                                      | -                | (356,255)  | 5,026,331  | 687,077                    | 5,713,408                                      |
| Converted warrants to share capital  | 21   | 163,167                                  | 407,918                    | (374,493)                             | -                                | -                 | -  | -   | -   | -                                      | -                | -  | 196,592  | -                          | 196,592  |
| Dividend paid  | 26   | -  | -                          | -                                     | -                                | (3,563,235)       | -  | -   | -   | -                                      | -                | -  | (3,563,235)  | -                          | (3,563,235)                                    |
| Subsidiaries paid dividend to non-controlling interests of subsidiaries                      |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | (361,400)                  | (361,400)                                      |
| Income tax from unpaid dividend  |      | -  | -                          | -                                     | -                                | (2,415)           | -  | -   | -   | -                                      | -                | -  | (2,415)  | -                          | (2,415)  |
| <b>Balance as at 30 June 2017</b>  |      | <u>11,949,713</u>                        | <u>15,452,854</u>          | <u>-</u>                              | <u>1,203,111</u>                 | <u>17,490,877</u> | <u>1,014,683</u>   | <u>228,579</u>  | <u>(66,298)</u>                                   | <u>91,042</u>                          | <u>1,227,782</u> | <u>2,495,788</u>   | <u>48,592,343</u>  | <u>1,342,162</u>           | <u>49,934,505</u>                              |
|  |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | -                          | -  |
|  |      | -  | -                          | -                                     | -                                | -                 | -  | -   | -   | -                                      | -                | -  | -  | -                          | -  |

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

Land and Houses Public Company Limited and its subsidiaries  
Statement of changes in shareholders' equity (continued)  
For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

| Separate financial statements   |      |  |                                  |                                       |                   |             |  |   |   |  |               |                            |  |
|---|------|--|----------------------------------|---------------------------------------|-------------------|-------------|--|---|---|--|---------------|----------------------------|--|
|   | Note | Other components of shareholders' equity |                                  |                                       |                   |             |  |   |   |  |               | Total shareholders' equity |  |
|   |      | Other comprehensive income               |                                  |                                       |                   |             |  |   |   |  |               |                            |  |
|   |      | Issued and paid-up share capital         | Premium on ordinary shares       | Cash receipts from share subscription | Retained earnings |             | Surplus on change in value of available-for-sale investments | Share of other comprehensive income of subsidiaries | Share of other comprehensive income of associates | Premium on share capital of associates | Other surplus |                            | Total other components of shareholders' equity |
|   |      |  | Appropriated - Statutory reserve | Unappropriated                        |                   |             |  |   |   |  |               |                            |  |
| <b>Balance as at 31 December 2015 - as previously reported</b>                                  |      | 11,730,035                               | 14,903,658                       | 61,419                                | 1,203,111         | 5,873,815   | 969,350  | -   | -   | -                                      | 1,501,855     | 2,471,205                  | 36,243,243                                     |
| Cumulative effect of change in accounting policy for investments in subsidiaries and associates | 3    | -  | -                                | -                                     | -                 | 9,413,474   | -  | 194,423   | (41,719)  | 91,042                                 | (274,073)     | (30,327)                   | 9,383,147                                      |
| <b>Balance as at 31 December 2015 - as restated</b>   |      | 11,730,035                               | 14,903,658                       | 61,419                                | 1,203,111         | 15,287,289  | 969,350  | 194,423   | (41,719)  | 91,042                                 | 1,227,782     | 2,440,878                  | 45,626,390                                     |
| Profit for the period - restated  |      | -  | -                                | -                                     | -                 | 4,626,442   | -  | -   | -   | -                                      | -             | -                          | 4,626,442                                      |
| Other comprehensive income for the period - restated  |      | -  | -                                | -                                     | -                 | -           | 300,675  | 196,703   | 187,929   | -                                      | -             | 685,307                    | 685,307  |
| Total comprehensive income for the period - restated  |      | -  | -                                | -                                     | -                 | 4,626,442   | 300,675  | 196,703   | 187,929   | -                                      | -             | 685,307                    | 5,311,749                                      |
| Converted warrants to share capital   | 21   | 42,271                                   | 105,677                          | (61,419)                              | -                 | -           | -  | -   | -   | -                                      | -             | -                          | 86,529   |
| Cash receipts from share subscription   |      | -  | -                                | 23,680                                | -                 | -           | -  | -   | -   | -                                      | -             | -                          | 23,680   |
| Dividend paid   | 26   | -  | -                                | -                                     | -                 | (4,107,704) | -  | -   | -   | -                                      | -             | -                          | (4,107,704)                                    |
| Income tax from unpaid dividend   |      | -  | -                                | -                                     | -                 | (2,521)     | -  | -   | -   | -                                      | -             | -                          | (2,521)  |
| <b>Balance as at 30 June 2016 - as restated</b>   |      | 11,772,306                               | 15,009,335                       | 23,680                                | 1,203,111         | 15,803,506  | 1,270,025  | 391,126   | 146,210   | 91,042                                 | 1,227,782     | 3,126,185                  | 46,938,123                                     |
| <b>Balance as at 31 December 2016 - as previously reported</b>                                  |      | 11,786,546                               | 15,044,936                       | 374,493                               | 1,203,111         | 5,174,251   | 1,022,642  | -   | -   | -                                      | 1,501,855     | 2,524,497                  | 36,107,834                                     |
| Cumulative effect of change in accounting policy for investments in subsidiaries and associates | 3    | -  | -                                | -                                     | -                 | 10,499,690  | -  | 502,139   | 8,438   | 91,042                                 | (274,073)     | 327,546                    | 10,827,236                                     |
| <b>Balance as at 31 December 2016 - as restated</b>   |      | 11,786,546                               | 15,044,936                       | 374,493                               | 1,203,111         | 15,673,941  | 1,022,642  | 502,139   | 8,438   | 91,042                                 | 1,227,782     | 2,852,043                  | 46,935,070                                     |
| Profit for the period   |      | -  | -                                | -                                     | -                 | 5,382,586   | -  | -   | -   | -                                      | -             | -                          | 5,382,586                                      |
| Other comprehensive income for the period   |      | -  | -                                | -                                     | -                 | -           | (198,703)  | (82,816)  | (74,736)  | -                                      | -             | (356,255)                  | (356,255)                                      |
| Total comprehensive income for the period   |      | -  | -                                | -                                     | -                 | 5,382,586   | (198,703)  | (82,816)  | (74,736)  | -                                      | -             | (356,255)                  | 5,026,331                                      |
| Converted warrants to share capital   | 21   | 163,167                                  | 407,918                          | (374,493)                             | -                 | -           | -  | -   | -   | -                                      | -             | -                          | 196,592  |
| Dividend paid   | 26   | -  | -                                | -                                     | -                 | (3,563,235) | -  | -   | -   | -                                      | -             | -                          | (3,563,235)                                    |
| Income tax from unpaid dividend   |      | -  | -                                | -                                     | -                 | (2,415)     | -  | -   | -   | -                                      | -             | -                          | (2,415)  |
| <b>Balance as at 30 June 2017</b>   |      | 11,949,713                               | 15,452,854                       | -                                     | 1,203,111         | 17,490,877  | 823,939  | 419,323   | (66,298)  | 91,042                                 | 1,227,782     | 2,495,788                  | 48,592,343                                     |
|   |      | -  | -                                | -                                     | -                 | -           | -  | -   | -   | -                                      | -             | -                          | -  |
|   |      | -  | -                                | -                                     | -                 | -           | -  | -   | -   | -                                      | -             | -                          | -  |

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

(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries****Cash flow statement**

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

|  | <b>Consolidated financial statements</b> |                  | <b>Separate financial statements</b> |                           |
|--|--|------------------|--------------------------------------|---------------------------|
|  | <b>2017</b>                              | <b>2016</b>      | <b>2017</b>                          | <b>2016</b><br>(Restated) |
| <b>Cash flows from operating activities</b>  |  |                  |                                      |                           |
| Profit before income tax expenses  | 7,331,100                                | 6,041,881        | 6,140,468                            | 5,301,838                 |
| Adjustments to reconcile profit before income tax expenses to net cash provided by (paid from) operating activities: |  |                  |                                      |                           |
| Inventories and land held for development decrease from transfer to cost of sales                                    | 9,416,389                                | 8,719,864        | 9,264,392                            | 8,486,083                 |
| Depreciation and amortisation  | 289,980                                  | 183,011          | 25,626                               | 23,656                    |
| Share of profit from investments in subsidiaries   | -  | -                | (896,772)                            | (575,664)                 |
| Share of profit from investments in associates   | (1,444,007)                              | (1,452,594)      | (1,444,007)                          | (1,452,594)               |
| Provision for legal cases  | 11,685                                   | 28,479           | 11,685                               | 28,479                    |
| Gain on sales of assets to REIT  | (2,080,095)                              | -                | -                                    | -                         |
| Loss on diminution in value of land held for development   | -  | 12,388           | -                                    | 5,957                     |
| Loss on impairment of other long-term investments  | -  | 10,000           | -                                    | 10,000                    |
| (Gain) loss on sales of property, plant and equipment  | (14,676)                                 | 100              | (13,145)                             | 791                       |
| Gain on sales of land held for development   | (80,195)                                 | (1,240,000)      | (80,195)                             | -                         |
| Loss on exchange rate  | 163,955                                  | -                | 163,955                              | -                         |
| Loss on derivative   | -  | 121,406          | -                                    | 121,406                   |
| Provision for after-sale maintenance expenses  | 103,295                                  | 45,443           | 103,155                              | 45,310                    |
| Provision for compensation for Housing Estate Juristic Persons   | 16,397                                   | 14,802           | 15,984                               | 14,269                    |
| Provision for public utilities maintenance   | 26,465                                   | 20,388           | 26,339                               | 20,222                    |
| Provision for long-term employee benefits  | 16,366                                   | 26,772           | 10,825                               | 11,048                    |
| Interest income  | (19,252)                                 | (24,722)         | (211,381)                            | (124,096)                 |
| Dividend income  | (67,758)                                 | (72,775)         | (25,517)                             | (36,685)                  |
| Interest expenses  | 284,451                                  | 170,688          | 216,160                              | 124,076                   |
| Profit from operating activities before change in operating assets and liabilities                                   | 13,954,100                               | 12,605,131       | 13,307,572                           | 12,004,096                |
| Decrease (increase) in operating assets  |  |                  |                                      |                           |
| Current investment   | (789,956)                                | 701,547          | (1,200,236)                          | 701,547                   |
| Trade and other receivables  | 25,013                                   | 57,686           | (2,673)                              | 7,242                     |
| Inventories  | (6,710,135)                              | (8,203,755)      | (6,485,012)                          | (8,067,602)               |
| Other current assets   | (282,839)                                | 410,595          | (71,714)                             | 311,762                   |
| Other non-current assets   | 825                                      | 3,948            | (6)                                  | 884                       |
| Increase (decrease) in operating liabilities   |  |                  |                                      |                           |
| Trade and other payables   | (866,375)                                | 65,256           | (901,899)                            | 54,292                    |
| Retention guarantees   | (35,886)                                 | 11,761           | 361                                  | (9,578)                   |
| Other current liabilities  | (672,843)                                | (133,034)        | (714,843)                            | 181,923                   |
| Paid for long-term employee benefits   | (3,382)                                  | (3,400)          | (1,093)                              | (3,400)                   |
| Other non-current liabilities  | 87,478                                   | (11,750)         | -                                    | -                         |
| Cash flows from operating activities   | 4,706,000                                | 5,503,985        | 3,930,457                            | 5,181,166                 |
| Cash paid for income tax   | (937,823)                                | (692,930)        | (673,492)                            | (642,804)                 |
| <b>Net cash flows from operating activities</b>  | <b>3,768,177</b>                         | <b>4,811,055</b> | <b>3,256,965</b>                     | <b>4,538,362</b>          |

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

(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries****Cash flow statement (continued)**

For the six-month period ended 30 June 2017

(Unit: Thousand Baht)

|   | <b>Consolidated financial statements</b> |                    | <b>Separate financial statements</b> |                    |
|---|--|--------------------|--------------------------------------|--------------------|
|   | 2017                                     | 2016               | 2017                                 | 2016               |
|   |  |                    |                                      | (Restated)         |
| <b>Cash flows from investing activities</b>   |  |                    |                                      |                    |
| (Increase) decrease in restricted deposit at financial institutions                             | (10,008)                                 | 12,000             | -                                    | 12,000             |
| (Increase) decrease in short-term loans to related parties                                      | -  | -                  | (1,083,000)                          | 198,294            |
| Decrease in long-term loan to related party   | -  | -                  | (313,800)                            | (746,787)          |
| Cash paid for share subscription of subsidiary  | -  | -                  | -                                    | (1,575,700)        |
| Cash paid for purchase of other long-term investments   | (559,590)                                | -                  | -                                    | -                  |
| Cash received from share reduction of subsidiary  | -  | -                  | -                                    | 577,200            |
| Dividend received from subsidiaries   | -  | -                  | 652,099                              | 518,009            |
| Dividend received from associates   | 1,096,032                                | 1,002,012          | 1,096,032                            | 1,002,012          |
| Dividend received from other companies  | 67,758                                   | 72,775             | 25,517                               | 36,685             |
| Proceeds from sale of land held for development   | 100,697                                  | 2,185,000          | 100,697                              | -                  |
| Proceed from sales of property, plant and equipment   | 16,440                                   | 6,158              | 13,254                               | 3,907              |
| Cash received from sales of assets to REIT  | 3,749,300                                | -                  | -                                    | -                  |
| Cash paid for purchase of leasehold rights, property, plant,<br>equipment and intangible assets | (722,940)                                | (837,853)          | (82,139)                             | (55,172)           |
| Cash paid for purchase of investment properties   | (216,614)                                | (3,560,362)        | (375)                                | -                  |
| Cash paid for guarantee income of fund  | -  | (18,171)           | -                                    | (18,171)           |
| Cash received from interest income  | 16,549                                   | 31,571             | 193,749                              | 162,411            |
| <b>Net cash flows from (used in) investing activities</b>                                       | <b>3,537,624</b>                         | <b>(1,106,870)</b> | <b>602,034</b>                       | <b>114,688</b>     |
| <b>Cash flows from financing activities</b>   |  |                    |                                      |                    |
| Increase (decrease) in short-term loans from financial institutions                             | 2,000,000                                | (219,799)          | 2,000,000                            | -                  |
| Cash paid for financial lease liabilities   | (2,286)                                  | (1,335)            | -                                    | -                  |
| Decrease in short-term loans from related parties   | -  | (46,301)           | -                                    | -                  |
| Cash paid for debentures repayment  | (4,000,000)                              | (5,000,000)        | (4,000,000)                          | (5,000,000)        |
| Cash received from issue of debentures  | 7,000,000                                | 5,000,000          | 7,000,000                            | 5,000,000          |
| Cash received from drawdown loans   | 74,000                                   | 1,935,074          | -                                    | -                  |
| Cash paid for long-term loans repayment   | -  | (4,654,838)        | -                                    | (4,012,704)        |
| Cash received from convert warrants to share capital  | 196,592                                  | 86,528             | 196,592                              | 86,528             |
| Cash received from share subscription   | -  | 23,680             | -                                    | 23,680             |
| Interest paid   | (665,124)                                | (699,513)          | (588,353)                            | (617,784)          |
| Cash received from additional called up capital from<br>non-controlling interests of subsidiary | -  | 60,000             | -                                    | -                  |
| Cash paid for capital refund to non-controlling interests of subsidiaries                       | -  | (384,800)          | -                                    | -                  |
| Subsidiaries paid dividend to non-controlling interests of subsidiaries                         | (361,400)                                | (345,593)          | -                                    | -                  |
| Dividend paid   | (3,563,235)                              | (4,107,704)        | (3,563,235)                          | (4,107,704)        |
| <b>Net cash flows from (used in) financing activities</b>                                       | <b>678,547</b>                           | <b>(8,354,601)</b> | <b>1,045,004</b>                     | <b>(8,627,984)</b> |
| Exchange differences on translation of financial statements in foreign currency                 | (8,220)                                  | 146,745            | -                                    | -                  |
| <b>Net increase (decrease) in cash and cash equivalents</b>                                     | <b>7,976,128</b>                         | <b>(4,503,671)</b> | <b>4,904,003</b>                     | <b>(3,974,934)</b> |
| Cash and cash equivalents at beginning of period  | 2,600,578                                | 8,956,752          | 1,443,056                            | 7,108,991          |
| <b>Cash and cash equivalents at end of period</b>   | <b>10,576,706</b>                        | <b>4,453,081</b>   | <b>6,347,059</b>                     | <b>3,134,057</b>   |
|   | -  | -                  | -                                    | -                  |

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

(Unaudited but reviewed)

**Land and Houses Public Company Limited and its subsidiaries**

**Cash flow statement (continued)**

**For the six-month period ended 30 June 2017**

(Unit: Thousand Baht)

|   | <b>Consolidated financial statements</b> |             | <b>Separate financial statements</b> |             |
|---|--|-------------|--------------------------------------|-------------|
|   | <b>2017</b>                              | <b>2016</b> | <b>2017</b>                          | <b>2016</b> |
|   |  |             |                                      | (Restated)  |
| <b>Supplemental cash flow information</b>   |  |             |                                      |             |
| Non-cash items  |  |             |                                      |             |
| Purchases of property, plant and equipment and leasehold rights recorded as liabilities                               | 148,718                                  | 166,807     | 5,971                                | 10,818      |
| Transfer inventories to land held for development (book value)  | -  | 67,234      | -                                    | 73,191      |
| Transfer inventories to property, plant and equipment (book value)  | -  | 1,526       | -                                    | 1,526       |
| Interest expenses recorded as cost of projects  | 359,394                                  | 475,360     | 357,415                              | 462,364     |
| Interest expenses recorded as leasehold rights  | 6,195                                    | -           | -                                    | -           |
| Income tax payable from unpaid dividend   | 2,415                                    | 2,521       | 2,415                                | 2,521       |
| Increase (decrease) in revaluation surplus on change in value of available-for-sale investments - net of income taxes | (217,276)                                | 476,740     | (198,703)                            | 300,675     |
| Exchange differences on translation of financial statement in foreign currency  | (64,243)                                 | 20,638      | -                                    | -           |
| Share of other comprehensive income of subsidiaries   | -  | -           | (82,816)                             | 196,703     |
| Share of other comprehensive income of associates   | (74,736)                                 | 187,929     | (74,736)                             | 187,929     |

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

**Land and Houses Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

**For the three-month and six-month periods ended 30 June 2017**

**1. General information**

**1.1 The Company's general information**

Land and Houses Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company is principally engaged in property development. The registered office of the Company is at No. 1 South Sathon Road, 37<sup>th</sup> Floor, Q. House Lumpini Building, Tungmahamek, Sathon, Bangkok.

**1.2 Basis of preparation of interim financial statements**

These interim financial statements are prepared in accordance with Thai Accounting Standard No. 34 (revised 2016) Interim Financial Reporting, with the Company choosing to present condensed interim financial statements. However, the Company has presented the statements of financial position, income statement, comprehensive income, changes in shareholders' equity, and cash flows in the same format as that used for the annual financial statements.

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

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

**1.3 Basis of consolidation**

These consolidated interim financial statements are prepared by applying the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2016, with there being no changes in the structure of shareholding in subsidiaries during the period, except the significant changes of investments in subsidiaries and associates as described in Note 9 and Note 10.



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

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which are effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements. However, one standard involves changes to key principles, which are summarised below.

##### **TAS 27 (revised 2016) Separate Financial Statements**

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

The Company has decided to change its accounting policy for investment in subsidiaries and associates in separate financial statements from cost method to equity method since 1 January 2017. The Company adjusted the transaction retrospectively. The cumulative effect of the change is described in Note 3.

#### **2. Significant accounting policies**

The interim financial statements are prepared using the same accounting policies and methods of computation as were used for the financial statements for the year ended 31 December 2016, except change in accounting policy as described in Note 1.4 to the financial statements.

#### **3. Cumulative effect of change in accounting policy due to the adoption of new accounting standard**

During the current period, as described in Note 1.4 and Note 2, the Company has changed its significant accounting policy, as a result of the adoption of the revised financial reporting standards. The cumulative effect of the change in the accounting policy has been separately presented in the statements of changes in shareholders' equity.

(Unaudited but reviewed)

The amounts of adjustments affecting the statements of financial position, the income statements and the statements of comprehensive income are summarised below.

(Unit: Million Baht)

|   | Separate financial statements |             |             |
|---|-------------------------------|-------------|-------------|
|   | 30 June                       | 31 December | 31 December |
|   | 2017                          | 2016        | 2015        |
| <b>Statements of financial position</b>                         |                               |             |             |
| Increase in investments in subsidiaries                         | 964                           | 802         | 653         |
| Increase in investments in associates                           | 10,298                        | 10,025      | 8,730       |
| Increase in unappropriated retained earnings                    | 11,093                        | 10,500      | 9,413       |
| Increase (decrease) in other components of shareholders' equity | 169                           | 327         | (30)        |

(Unit: Million Baht)

|  | Separate financial statements             |         |   |         |
|--|---|---------|---|---------|
|  | For the three-month periods ended 30 June |         | For the six-month periods ended 30 June |         |
|  | 2017                                      | 2016    | 2017                                    | 2016    |
| <b>Statements of income</b>  |   |         |   |         |
| Decrease in gain on exchange rate  | -   | (1)     | -                                       | (60)    |
| Decrease in dividend income from subsidiaries                              | (652)                                     | (518)   | (652)                                   | (518)   |
| Decrease in dividend income from associates                                | (1,052)                                   | (1,002) | (1,096)                                 | (1,002) |
| Increase in share of profit from investments in subsidiaries               | 952                                       | 551     | 897                                     | 576     |
| Increase in share of profit from investments in associates                 | 752                                       | 798     | 1,444                                   | 1,452   |
| Decrease in finance cost   | -   | -       | -                                       | 1       |
| Increase (decrease) in profit for the period                               | -   | (172)   | 593                                     | 449     |
| <b>Statements of comprehensive income</b>                                  |   |         |   |         |
| Increase (decrease) in share of other comprehensive income of subsidiaries | (45)                                      | 60      | (83)                                    | 197     |
| Increase (decrease) in share of other comprehensive income of associates   | (59)                                      | 69      | (75)                                    | 188     |
| <b>Earnings per share (Baht)</b>   |   |         |   |         |
| Increase (decrease) in basic earnings per share                            | -   | (0.02)  | 0.05                                    | 0.03    |
| Increase (decrease) in diluted earnings per share*                         | -   | (0.02)  | -                                       | 0.04    |

\* There is no disclosure of diluted earnings per share for the three-month and six-month periods ended 30 June 2017 as the final exercise of LH-W3 was on 4 May 2017.

#### 4. Related party transactions

The relationships between the Company and its related parties are summarised below.

| Name of related parties                   | Relationship   |
|---|--|
| Atlantic Real Estate Co., Ltd.            | Subsidiary   |
| LH Mall & Hotel Co., Ltd.                 | Subsidiary   |
| L&H Retail Management Co., Ltd.           | Subsidiary (99.95 percent held by LH Mall & Hotel Co., Ltd.)     |
| L&H Management Co., Ltd.                  | Subsidiary (99.93 percent held by LH Mall & Hotel Co., Ltd.)     |
| Land and Houses North Co., Ltd.           | Subsidiary   |
| Land and Houses Northeast Co., Ltd.       | Subsidiary   |
| Siam Tanee Property Co., Ltd.             | Subsidiary   |
| Siam Tanee Real Estate Co., Ltd.          | Subsidiary (99.99 percent held by Siam Tanee Property Co., Ltd.) |
| L H Real Estate Co., Ltd.                 | Subsidiary   |
| L H Asset Co., Ltd.                       | Subsidiary   |
| L H Muang Mai Co., Ltd.                   | Subsidiary   |
| Phuket Future Plan Co., Ltd.              | Subsidiary (99.99 percent held by L H Muang Mai Co., Ltd.)       |
| Double Tree Co., Ltd.                     | Subsidiary (99.99 percent held by L H Muang Mai Co., Ltd.)       |
| L&H Property Co., Ltd.                    | Subsidiary   |
| L&H Hotel Management Co., Ltd.            | Subsidiary (99.99 percent held by L&H Property Co., Ltd.)        |
| Land and Houses U.S.A., Inc.              | Subsidiary   |
| Asia Asset Advisory Co., Ltd.             | Subsidiary   |
| LH Financial Group Plc.                   | Associate  |
| Land and Houses Bank Plc.                 | Associate (99.99 percent held by LH Financial Group Plc.)        |
| Land and Houses Fund Management Co., Ltd. | Associate (99.99 percent held by LH Financial Group Plc.)        |
| Quality Construction Products Plc.        | Associate  |
| Home Product Center Plc.                  | Associate  |
| Land and Houses Property and Loan Fund-II | Associate  |
| Quality Houses Plc.                       | Associate  |
| Q.H. International Co., Ltd.              | Associate (99.99 percent held by Quality Houses Plc.)            |
| Quality Houses Leasehold Property Fund    | Associate of Quality Houses Plc.                                 |

(Unaudited but reviewed)

| Name of related parties                                    | Relationship              |
|--|---------------------------|
| Muang Mai Property Co., Ltd.                               | Shareholder of subsidiary |
| Reco Resorts Pte Ltd.                                      | Shareholder of subsidiary |
| Siam Retail Development Co., Ltd.                          | Common shareholder        |
| Land and Houses Freehold and Leasehold Property Fund       | Common shareholder        |
| LH Shopping Centers Leasehold Real Estate Investment Trust | Related company           |
| LH Hotel Leasehold Real Estate Investment Trust            | Related company           |
| Trinity Securities Company Limited                         | Common director           |

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

(Unit: Million Baht)

|   | For the three-month periods ended 30 June |                      |                      |                      | Transfer pricing policy                        |
|---|---|----------------------|----------------------|----------------------|--|
|   | Consolidated                              |                      | Separate             |                      |  |
|   | financial statements                      | financial statements | financial statements | financial statements |  |
|   | 2017                                      | 2016                 | 2017                 | 2016                 |  |
| <u>Transactions with subsidiaries</u>                   |   |                      |                      |                      |  |
| (Eliminated from the consolidated financial statements) |   |                      |                      |                      |  |
| Interest received                                       | -   | -                    | 106                  | 56                   | 1.75 - 4.60% p.a.<br>(2016: 3.50 - 5.50% p.a.) |
| Management fee income                                   | -   | -                    | 2                    | 2                    | Approximate cost                               |
| Dividend received                                       | -   | -                    | 652                  | 518                  | Declared rate                                  |
| Sale of land  | -   | -                    | -                    | 6                    | Approximate cost                               |
| Cash paid for use of land                               | -   | -                    | -                    | 7                    | Approximate cost                               |
| Interest expenses                                       | -   | -                    | 1                    | 1                    | 2.00% p.a.                                     |
| <u>Transactions with associates</u>                     |   |                      |                      |                      |  |
| Management fee  | 1   | 1                    | -                    | -                    | Contract price                                 |
| Interest received                                       | 9   | 7                    | 7                    | 5                    | The interest rate as declared by the bank      |
| Dividend received                                       | 1,051                                     | 1,002                | 1,051                | 1,002                | Declared rate                                  |
| Purchase of goods                                       | 13  | 25                   | 12                   | 23                   | Cost plus margin                               |
| Property rental fee expenses                            | 33  | 31                   | -                    | -                    | Contract price                                 |
| <u>Transactions with related companies</u>              |   |                      |                      |                      |  |
| Property management fee                                 | 50  | 28                   | -                    | -                    | Contract price                                 |
| Human-resources management income                       | 7   | 5                    | -                    | -                    | Contract price                                 |
| Dividend income   | 32  | 32                   | 9                    | 14                   | Declared rate                                  |
| Sale of assets to REIT                                  | 3,749                                     | -                    | 3,749                | -                    | Contract price                                 |
| Rental and services expenses                            | 17  | 15                   | 13                   | 13                   | Baht 750 - 880 per square metre per month      |
| Property rental fee expenses                            | 108                                       | 87                   | -                    | -                    | Contract price                                 |

## (Unaudited but reviewed)

(Unit: Million Baht)

|   | For the six-month periods ended 30 June |       |                      |       | Transfer pricing policy                        |
|---|---|-------|----------------------|-------|--|
|   | Consolidated                            |       | Separate             |       |  |
|   | financial statements                    |       | financial statements |       |  |
|   | 2017                                    | 2016  | 2017                 | 2016  |  |
| <u>Transactions with subsidiaries</u>                   |   |       |                      |       |  |
| (Eliminated from the consolidated financial statements) |   |       |                      |       |  |
| Interest income   | -                                       | -     | 202                  | 109   | 1.75 - 4.60% p.a.<br>(2016: 3.50 - 5.50% p.a.) |
| Management fee income                                   | -                                       | -     | 4                    | 4     | Approximate cost                               |
| Dividend received                                       | -                                       | -     | 652                  | 518   | Declared rate                                  |
| Sale of land  | -                                       | -     | -                    | 6     | Approximate cost                               |
| Cash paid for use of land                               | -                                       | -     | -                    | 7     | Approximate cost                               |
| Interest expenses                                       | -                                       | -     | 1                    | 1     | 2.00% p.a.                                     |
| <u>Transactions with associates</u>                     |   |       |                      |       |  |
| Management fee  | 2                                       | 1     | -                    | -     | Contract price                                 |
| Interest income   | 12                                      | 19    | 8                    | 11    | The interest rate as<br>declared by the bank   |
| Dividend received                                       | 1,096                                   | 1,002 | 1,096                | 1,002 | Declared rate                                  |
| Purchase of goods                                       | 25                                      | 53    | 24                   | 48    | Cost plus margin                               |
| Property rental fee expenses                            | 78                                      | 76    | -                    | -     | Contract price                                 |
| <u>Transactions with related companies</u>              |   |       |                      |       |  |
| Property management fee                                 | 87                                      | 55    | -                    | -     | Contract price                                 |
| Human-resources management income                       | 13                                      | 11    | -                    | -     | Contract price                                 |
| Dividend income   | 58                                      | 73    | 20                   | 37    | Declared rate                                  |
| Sale of assets to REIT                                  | 3,749                                   | -     | 3,749                | -     | Contract price                                 |
| Rental and services expenses                            | 33                                      | 31    | 26                   | 26    | Baht 750 - 880 per square<br>metre per month   |
| Property rental fee expenses                            | 212                                     | 185   | -                    | -     | Contract price                                 |
| Commission expenses                                     | -                                       | 1     | -                    | -     | Contract price                                 |
| Project management fee expenses                         | -                                       | 2     | -                    | -     | Contract price                                 |
| <u>Transactions with directors of subsidiary</u>        |   |       |                      |       |  |
| Interest expenses                                       | -                                       | 1     | -                    | -     | 5.50% p.a.                                     |

(Unaudited but reviewed)

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

(Unit: Million Baht)

|  | Consolidated financial statements |                     | Separate financial statements |                     |
|--|-----------------------------------|---------------------|-------------------------------|---------------------|
|  | 30 June<br>2017                   | 31 December<br>2016 | 30 June<br>2017               | 31 December<br>2016 |
| <b>Deposit at financial institution</b><br>(shown under cash and cash equivalents) |                                   |                     |                               |                     |
| Associate  | 3,321                             | 1,420               | 2,694                         | 589                 |
| <b>Current investments (Note 6)</b>  |                                   |                     |                               |                     |
| Associate  | 1,200                             | 70                  | 1,200                         | -                   |
| <b>Amounts due from and other receivables - related parties (Note 7)</b>           |                                   |                     |                               |                     |
| Associates   | 1                                 | 1                   | -                             | -                   |
| Related companies  | 22                                | 28                  | -                             | -                   |
| Total  | 23                                | 29                  | -                             | -                   |
| <b>Short-term loans and accrued interest receivables - related parties</b>         |                                   |                     |                               |                     |
| Subsidiaries   | -                                 | -                   | 1,362                         | 266                 |
| Associate  | 2                                 | 1                   | -                             | -                   |
| Total  | 2                                 | 1                   | 1,362                         | 266                 |
| <b>Long-term loans and accrued interest receivables - related party</b>            |                                   |                     |                               |                     |
| Subsidiary   | -                                 | -                   | 9,667                         | 9,868               |
| <b>Deposit to related companies</b><br>(shown under other non-current assets)      |                                   |                     |                               |                     |
| Related company  | 15                                | 15                  | 12                            | 12                  |
| <b>Trade accounts payable - related parties (Note 18)</b>                          |                                   |                     |                               |                     |
| Associates   | 4                                 | 5                   | 3                             | 5                   |
| <b>Amounts due to related parties (Note 18)</b>                                    |                                   |                     |                               |                     |
| Associates   | 40                                | 40                  | -                             | -                   |
| Related companies  | 102                               | 96                  | -                             | -                   |
| Total  | 142                               | 136                 | -                             | -                   |

Short-term loans from/to - related parties are unsecured loans in the form of promissory notes without collateral. The loans are due within one year or at call.

Long-term loans - related party are unsecured loans to Land and Houses U.S.A. Inc. ("LH USA") in the form of promissory notes without collateral. Interest charged at the rate between 4% and 4.6% per annum. The current portion of long-term loans is presented in long-term loans - related party due to the Company has no intension to call for such loans from LH USA within next in 12 months.

During the six-month period ended 30 June 2017, movements of loans to/loans from/between the Company, subsidiaries and related companies were as follows:

(Unit: Million Baht)

|  | Consolidated financial statements |          |          |         |
|--|-----------------------------------|----------|----------|---------|
|  | 1 January                         |          |          | 30 June |
|  | 2017                              | Increase | Decrease | 2017    |
| <b>Short-term loans and accrued interest receivables - related party</b> |                                   |          |          |         |
| <u>Associate</u>   |                                   |          |          |         |
| Land and Houses Bank Plc.  | 1                                 | 12       | (11)     | 2       |

(Unit: Million Baht)

|  | Separate financial statements |          |          |         |
|--|-------------------------------|----------|----------|---------|
|  | 1 January                     |          |          | 30 June |
|  | 2017                          | Increase | Decrease | 2017    |
| <b>Short-term loans and accrued interest receivables - related parties</b> |                               |          |          |         |
| <u>Subsidiaries</u>  |                               |          |          |         |
| Atlantic Real Estate Co., Ltd.   | 17                            | 1        | -        | 18      |
| LH Mall & Hotel Co., Ltd.  | 133                           | 1,077    | -        | 1,210   |
| Land and Houses Northeast Co., Ltd.  | -                             | 20       | -        | 20      |
| L H Asset Co., Ltd.  | 116                           | -        | (2)      | 114     |
|  | 266                           | 1,098    | (2)      | 1,362   |
| <u>Associate</u>   |                               |          |          |         |
| Land and Houses Bank Plc.  | -                             | 7        | (7)      | -       |
| Total  | 266                           | 1,105    | (9)      | 1,362   |

**Long-term loan and accrued interest receivables - related party**Subsidiary

|                              |       |     |       |       |
|------------------------------|-------|-----|-------|-------|
| Land and Houses U.S.A., Inc. | 9,868 | 503 | (704) | 9,667 |
|------------------------------|-------|-----|-------|-------|

**Short-term loans and accrued interest payables - related parties**Subsidiaries

|                                 |   |     |       |   |
|---------------------------------|---|-----|-------|---|
| L H Real Estate Co., Ltd.       | - | 16  | (16)  | - |
| Siam Tanee Property Co., Ltd.   | - | 110 | (110) | - |
| Land and Houses North Co., Ltd. | - | 15  | (15)  | - |
| Total                           | - | 141 | (141) | - |

Directors and management's benefits

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

(Unaudited but reviewed)

(Unit: Million Baht)

|                              | Consolidated financial statements |      |                           |      |
|------------------------------|-----------------------------------|------|---------------------------|------|
|                              | For the three-month periods       |      | For the six-month periods |      |
|                              | ended 30 June                     |      | ended 30 June             |      |
|                              | 2017                              | 2016 | 2017                      | 2016 |
| Short-term employee benefits | 51                                | 51   | 110                       | 102  |
| Post-employment benefits     | 3                                 | 10   | 5                         | 12   |
| Total                        | 54                                | 61   | 115                       | 114  |

(Unit: Million Baht)

|                              | Separate financial statements |      |                           |      |
|------------------------------|-------------------------------|------|---------------------------|------|
|                              | For the three-month periods   |      | For the six-month periods |      |
|                              | ended 30 June                 |      | ended 30 June             |      |
|                              | 2017                          | 2016 | 2017                      | 2016 |
| Short-term employee benefits | 44                            | 42   | 92                        | 87   |
| Post-employment benefits     | 2                             | 2    | 3                         | 3    |
| Total                        | 46                            | 44   | 95                        | 90   |

#### Commitments and contingent liabilities of related parties

The Company and its subsidiaries had commitments related to project management, consulting, and operating lease and service agreement with related companies as described in Note 28.

The Company had outstanding guarantee obligations with its related parties, as described in Note 28.3.

#### 5. Cash and cash equivalents

(Unit: Thousand Baht)

|                        | Consolidated         |             | Separate             |             |
|------------------------|----------------------|-------------|----------------------|-------------|
|                        | financial statements |             | financial statements |             |
|                        | 30 June              | 31 December | 30 June              | 31 December |
|                        | 2017                 | 2016        | 2017                 | 2016        |
| Cash                   | 4,338                | 4,128       | 2,125                | 2,015       |
| Bank deposits          | 5,035,599            | 2,261,662   | 1,051,805            | 1,312,945   |
| Cheques in transit     | 899,092              | 128,096     | 874,292              | 128,096     |
| Fixed deposits receipt | 4,637,677            | 206,692     | 4,418,837            | -           |
| Total                  | 10,576,706           | 2,600,578   | 6,347,059            | 1,443,056   |



(Unaudited but reviewed)

As at 30 June 2017, bank deposits and fixed deposits receipt carried interests between 0.25% and 1.90% per annum (31 December 2016: 0.25% and 1.40% per annum).

## 6. Current investments

(Unit: Thousand Baht)

|  | Consolidated<br>financial statements |                     | Separate<br>financial statements |                     |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
|  | 30 June<br>2017                      | 31 December<br>2016 | 30 June<br>2017                  | 31 December<br>2016 |
| Fixed deposits over three months<br>but not over one year  | -                                    | 410,280             | -                                | -                   |
| Investments in LH Money Market<br>Fund, Cost               | 1,200,000                            | -                   | 1,200,000                        | -                   |
| Add: Unrealised gain on changes<br>in value of investments | 236                                  | -                   | 236                              | -                   |
| Investments in LH Money Market<br>Fund - fair value        | 1,200,236                            | -                   | 1,200,236                        | -                   |
| Total  | 1,200,236                            | 410,280             | 1,200,236                        | -                   |

As at 31 December 2016, fixed deposits carried interests between 1.35% and 1.40% per annum.

## 7. Trade and other receivables

(Unit: Thousand Baht)

|  | Consolidated<br>financial statements |                     | Separate<br>financial statements |                     |
|--|--------------------------------------|---------------------|----------------------------------|---------------------|
|  | 30 June<br>2017                      | 31 December<br>2016 | 30 June<br>2017                  | 31 December<br>2016 |
| <u>Trade receivables - unrelated parties</u>                   |                                      |                     |                                  |                     |
| Not yet due  | -                                    | -                   | -                                | -                   |
| Past due   |                                      |                     |                                  |                     |
| Less than 3 months   | 75,310                               | 84,776              | -                                | -                   |
| 3 - 6 months   | 266                                  | 2,255               | -                                | -                   |
| 6 - 9 months   | -                                    | -                   | -                                | -                   |
| 9 - 12 months  | -                                    | -                   | -                                | -                   |
| Over 12 months   | 2,057                                | 8,622               | -                                | -                   |
| Total trade receivables - unrelated<br>parties                 | 77,633                               | 95,653              | -                                | -                   |
| <u>Other receivables</u>                                       |                                      |                     |                                  |                     |
| Amounts due from and accounts<br>receivables - related parties | 22,688                               | 29,178              | 50                               | 157                 |
| Other  | 32,298                               | 32,098              | 29,226                           | 25,908              |
| Total other receivables  | 54,986                               | 61,276              | 29,276                           | 26,065              |
| Total trade and other receivables                              | 132,619                              | 156,929             | 29,276                           | 26,065              |

**8. Real estate development cost (inventories)**

A subsidiary have mortgaged land and structures thereon to secure the loans and the overdraft facilities of the subsidiary, of with net book values as follows:

(Unit: Million Baht)

|  | Consolidated         |                     | Separate             |                     |
|--|----------------------|---------------------|----------------------|---------------------|
|  | financial statements |                     | financial statements |                     |
|  | 30 June<br>2017      | 31 December<br>2016 | 30 June<br>2017      | 31 December<br>2016 |
| Net book value of land and structures<br>thereon mortgaged as collateral | 809                  | 819                 | -                    | -                   |

**9. Investments in subsidiaries**

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

(Unit: Thousand Baht)

| Company's name                                      | Separate financial statements |                        |                            |                        |                    |                        |   |                        |
|---|-------------------------------|------------------------|----------------------------|------------------------|--------------------|------------------------|---|------------------------|
|   | Paid-up capital               |                        | Shareholding<br>percentage |                        | Cost               |                        | Carrying amount based<br>on equity method |                        |
|   | 30<br>June<br>2017            | 31<br>December<br>2016 | 30<br>June<br>2017         | 31<br>December<br>2016 | 30<br>June<br>2017 | 31<br>December<br>2016 | 30<br>June<br>2017                        | 31<br>December<br>2016 |
|   |                               |                        | (Percent)                  | (Percent)              |                    |                        |   | (Restated)             |
| Atlantic Real Estate Co., Ltd.                      | 15,000                        | 15,000                 | 99.99                      | 99.99                  | 14,998             | 14,998                 | (9,689)                                   | 3,758                  |
| LH Mall & Hotel Co., Ltd.<br>and it subsidiaries    | 2,000,000                     | 2,000,000              | 99.99                      | 99.99                  | 2,000,000          | 2,000,000              | 2,281,922                                 | 2,210,556              |
| Land and Houses North<br>Co., Ltd.                  | 13,500                        | 13,500                 | 99.99                      | 99.99                  | 13,500             | 13,500                 | 15,729                                    | 15,831                 |
| Land and Houses Northeast<br>Co., Ltd.              | 150,000                       | 150,000                | 99.99                      | 99.99                  | 149,999            | 149,999                | 310,513                                   | 301,166                |
| Siam Tanee Property<br>Co., Ltd. and its subsidiary | 100,000                       | 100,000                | 99.99                      | 99.99                  | 64,859             | 64,859                 | 114,431                                   | 237,055                |
| L H Real Estate Co., Ltd.                           | 58,000                        | 58,000                 | 99.99                      | 99.99                  | 25,000             | 25,000                 | 19,007                                    | 19,123                 |
| L H Asset Co., Ltd.                                 | 100,000                       | 100,000                | 99.99                      | 99.99                  | 52,734             | 52,734                 | 495,467                                   | 466,968                |
| L H Muang Mai Co., Ltd.<br>and its subsidiaries     | 900,000                       | 900,000                | 55.00                      | 55.00                  | 495,000            | 495,000                | 697,006                                   | 702,302                |
| L&H Property Co., Ltd.<br>and its subsidiary        | 1,638,000                     | 1,638,000              | 60.00                      | 60.00                  | 1,078,800          | 1,078,800              | 1,157,715                                 | 669,892                |
| Land and Houses U.S.A., Inc.                        | (a)                           | (a)                    | 100.00                     | 100.00                 | 1,343,127          | 1,343,127              | 1,068,382                                 | 1,368,847              |
| Asia Asset Advisory Co., Ltd.                       | 5,000                         | 5,000                  | 99.99                      | 99.99                  | 5,000              | 5,000                  | 6,165                                     | (707)                  |
|   |                               |                        |                            |                        | <u>5,243,017</u>   | <u>5,243,017</u>       | <u>6,156,648</u>                          | <u>5,994,791</u>       |

(a) As at 30 June 2017 and 31 December 2016, Land and Houses U.S.A., Inc. had paid-up capital amounted to USD 40 million..

## 9.2 Share of comprehensive income and dividend received

During the periods, the Company has recognised its share of comprehensive income from investments in subsidiaries in the separate financial statements as follows:

(Unit: Thousand Baht)

| Company's name                                   | Separate financial statements             |                |                                     |               |                   |                |
|--|---|----------------|-------------------------------------|---------------|-------------------|----------------|
|  | For the three-month periods ended 30 June |                |                                     |               |                   |                |
|  | Share of profit or loss                   |                | Share of other comprehensive income |               | Dividend received |                |
|  | 2017                                      | 2016           | 2017                                | 2016          | 2017              | 2016           |
|  |   | (Restated)     |                                     | (Restated)    |                   |                |
| Atlantic Real Estate Co., Ltd.                   | (820)                                     | (8,718)        | -                                   | -             | -                 | -              |
| LH Mall & Hotel Co., Ltd. and its subsidiaries   | 68,021                                    | (4,473)        | (31,120)                            | 62,242        | -                 | -              |
| Land and Houses North Co., Ltd.                  | (120)                                     | 47             | -                                   | -             | -                 | -              |
| Land and Houses Northeast Co., Ltd.              | 1,623                                     | 18,694         | -                                   | -             | -                 | -              |
| Siam Tanee Property Co., Ltd. and its subsidiary | (12,570)                                  | (218)          | -                                   | -             | 109,999           | -              |
| L H Real Estate Co., Ltd.                        | 14  | 63             | -                                   | -             | -                 | -              |
| L H Asset Co., Ltd.                              | 16,131                                    | 7,334          | -                                   | -             | -                 | -              |
| L H Muang Mai Co., Ltd. and its subsidiaries     | (1,397)                                   | 561,760        | -                                   | -             | -                 | 173,250        |
| L&H Property Co., Ltd. and its subsidiary        | 998,686                                   | 16,506         | -                                   | -             | 542,100           | 305,760        |
| Land and Houses U.S.A., Inc.                     | (117,692)                                 | (40,448)       | (14,023)                            | (2,360)       | -                 | -              |
| Asia Asset Advisory Co., Ltd.                    | (50)                                      | (11)           | -                                   | -             | -                 | 38,999         |
| Total  | <u>951,826</u>                            | <u>550,536</u> | <u>(45,143)</u>                     | <u>59,882</u> | <u>652,099</u>    | <u>518,009</u> |

(Unit: Thousand Baht)

| Company's name                                   | Separate financial statements           |                |                                     |                |                   |                |
|--|---|----------------|-------------------------------------|----------------|-------------------|----------------|
|  | For the six-month periods ended 30 June |                |                                     |                |                   |                |
|  | Share of profit or loss                 |                | Share of other comprehensive income |                | Dividend received |                |
|  | 2017                                    | 2016           | 2017                                | 2016           | 2017              | 2016           |
|  |   | (Restated)     |                                     | (Restated)     |                   |                |
| Atlantic Real Estate Co., Ltd.                   | (13,447)                                | (8,265)        | -                                   | -              | -                 | -              |
| LH Mall & Hotel Co., Ltd. and its subsidiaries   | 89,939                                  | 3,869          | (18,573)                            | 176,065        | -                 | -              |
| Land and Houses North Co., Ltd.                  | (102)                                   | 35             | -                                   | -              | -                 | -              |
| Land and Houses Northeast Co., Ltd.              | 9,347                                   | 36,410         | -                                   | -              | -                 | -              |
| Siam Tanee Property Co., Ltd. and its subsidiary | (12,625)                                | (1,003)        | -                                   | -              | 109,999           | -              |
| L H Real Estate Co., Ltd.                        | (116)                                   | (95)           | -                                   | -              | -                 | -              |
| L H Asset Co., Ltd.                              | 28,499                                  | 7,907          | -                                   | -              | -                 | -              |
| L H Muang Mai Co., Ltd. and its subsidiaries     | (5,296)                                 | 557,366        | -                                   | -              | -                 | 173,250        |
| L&H Property Co., Ltd. and its subsidiary        | 1,029,923                               | 46,371         | -                                   | -              | 542,100           | 305,760        |
| Land and Houses U.S.A., Inc.                     | (236,222)                               | (67,863)       | (64,243)                            | 20,638         | -                 | -              |
| Asia Asset Advisory Co., Ltd.                    | 6,872                                   | 932            | -                                   | -              | -                 | 38,999         |
| Total  | <u>896,772</u>                          | <u>575,664</u> | <u>(82,816)</u>                     | <u>196,703</u> | <u>652,099</u>    | <u>518,009</u> |

### 9.3 Significant changes in investments in subsidiaries

#### L H Muang Mai Co., Ltd. and its subsidiaries

On 29 June 2017, the Extraordinary General Meeting of Shareholders of Double Tree Co., Ltd. (“DBT”), the Company’s 55% owned indirect subsidiary (99.99% held by L H Muang Mai Co., Ltd.) passed a resolution approving the dissolution of its legal entity which will be effective on 30 June 2017. DBT filed for deregistration on 5 July 2017. Currently, DBT has been during the liquidation process.

## 10. Investments in associates

10.1 Details of investments in associates as presented in the consolidated and separate financial statements are as follows:

(Unit: Thousand Baht)

| Company's name                            | Nature of business                    | Country of incorporation | Consolidated and separate financial statements |                  |                   |                   |   |                   |
|---|---------------------------------------|--------------------------|--|------------------|-------------------|-------------------|---|-------------------|
|   |                                       |                          | Shareholding percentage                        |                  | Cost              |                   | Carrying amounts based on equity method |                   |
|   |                                       |                          | 30 June 2017                                   | 31 December 2016 | 30 June 2017      | 31 December 2016  | 30 June 2017                            | 31 December 2016  |
|   |                                       |                          | (Percent)                                      | (Percent)        |                   |                   |   |                   |
| LH Financial Group Plc.                   | Holding company                       | Thai                     | 33.98  | 33.98            | 4,538,712         | 4,538,712         | 7,017,044                               | 6,913,223         |
| Quality Construction Products Plc.        | Manufacture of construction materials | Thai                     | 21.16  | 21.16            | 179,178           | 179,178           | 373,808                                 | 378,263           |
| Home Product Center Plc.                  | Trading of construction materials     | Thai                     | 30.23  | 30.23            | 1,489,020         | 1,489,020         | 5,967,851                               | 5,906,439         |
| Land and Houses Property and Loan Fund-II | Real estate business                  | Thai                     | 49.99  | 49.99            | 743,925           | 743,925           | 447,145                                 | 467,359           |
| Quality Houses Plc.                       | Real estate business                  | Thai                     | 24.98  | 24.98            | 3,282,682         | 3,282,682         | 6,726,371                               | 6,593,696         |
|   |                                       |                          |  |                  | <u>10,233,517</u> | <u>10,233,517</u> | <u>20,532,219</u>                       | <u>20,258,980</u> |

### 10.2 Share of comprehensive income and dividend received

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

(Unit: Thousand Baht)

| Company's name                            | Consolidated and separate financial statements |                |                                     |               |                   |                  |
|---|--|----------------|-------------------------------------|---------------|-------------------|------------------|
|   | For the three-month periods ended 30 June      |                |                                     |               |                   |                  |
|   | Share of profit or loss                        |                | Share of other comprehensive income |               | Dividend received |                  |
| 2017                                      | 2016   | 2017           | 2016                                | 2017          | 2016              |                  |
| LH Financial Group Plc.                   | 209,591  | 272,594        | (50,760)                            | 63,937        | 241,008           | 152,947          |
| Quality Construction Products Plc.        | (2,056)  | (5,417)        | -                                   | -             | -                 | 11,849           |
| Home Product Center Plc.                  | 341,985  | 299,502        | (385)                               | (4,139)       | 596,381           | 596,381          |
| Land and Houses Property and Loan Fund-II | 9,038  | 8,043          | -                                   | -             | -                 | -                |
| Quality Houses Plc.                       | 193,838  | 223,443        | (8,024)                             | 9,367         | 214,076           | 240,835          |
| Total                                     | <u>752,396</u>                                 | <u>798,165</u> | <u>(59,169)</u>                     | <u>69,165</u> | <u>1,051,465</u>  | <u>1,002,012</u> |

(Unaudited but reviewed)

(Unit: Thousand Baht)

| Company's name                            | Consolidated and separate financial statements |           |                                     |         |                   |           |
|---|--|-----------|-------------------------------------|---------|-------------------|-----------|
|   | For the six-month periods ended 30 June        |           |                                     |         |                   |           |
|   | Share of profit or loss                        |           | Share of other comprehensive income |         | Dividend received |           |
|   | 2017   | 2016      | 2017                                | 2016    | 2017              | 2016      |
| LH Financial Group Plc.                   | 408,942  | 466,789   | (64,113)                            | 156,852 | 241,008           | 152,947   |
| Quality Construction Products Plc.        | (4,455)  | (8,174)   | -                                   | -       | -                 | 11,849    |
| Home Product Center Plc.                  | 658,281  | 561,367   | (488)                               | 5,549   | 596,381           | 596,381   |
| Land and Houses Property and Loan Fund-II | 24,353   | 23,250    | -                                   | -       | 44,567            | -         |
| Quality Houses Plc.                       | 356,886  | 409,362   | (10,135)                            | 25,528  | 214,076           | 240,835   |
| Total                                     | 1,444,007                                      | 1,452,594 | (74,736)                            | 187,929 | 1,096,032         | 1,002,012 |

### 10.3 Significant changes in investments in associates

#### LH Financial Group Public Company Limited

On 29 March 2016, LH Financial Group Public Company Limited (“LHFG”) entered into a memorandum of understanding in relation to a share subscription agreement (“SSA MOU”) with CTBC Bank Co., Ltd. (“CTBC”). Under the SSA MOU, LHFG agrees in principle to issue 7,545 million new ordinary shares (“Shares”) through a private placement to CTBC and CTBC agrees in principle to subscribe to the Shares at Baht 2.20 per share (the “Transaction”), provided that certain conditions precedent are met. Moreover, the price and the Transaction are subject to change or cancellation should due diligence uncover material adverse findings related to the business or financial position of LHFG. On the same date, a meeting of the Board of Directors of the Company passed a resolution to approve a memorandum of understanding in relation to the shareholders agreement (“SHA MOU”) with Quality Houses Public Company Limited (“QH”) and CTBC, in order to stipulate the respective rights and obligations as the shareholders of LHFG upon the completion of the Transaction. The SHA MOU was executed by the Company, QH and CTBC on 29 March 2016.

On 8 June 2016, LHFG entered into a share subscription agreement (“SSA”) with CTBC, whereby key terms and conditions are in accordance with the SSA MOU. On the same date, a meeting of the Board of Directors of the Company passed a resolution to approve the entering into the shareholders agreement (“SHA”) with QH and CTBC, in order to stipulate the respective rights and obligations as the shareholders of LHFG upon the completion of the Transaction, whereby key terms and conditions are in accordance with the SHA MOU.

On 23 December 2016, LHFG has passed a resolution to agree the extension of the co-investment with CTBC period from 31 December 2016 to 30 September 2017 for the flexibility of the operational processes period.

Upon the completion of the Transaction, CTBC will hold 35.62% of the issued and paid-up share capital of LHFG and the Company's shareholding in LHFG will be diluted to 21.88%.

On 12 July 2017, Extraordinary General Meeting of Shareholders of LHFG approved the following transactions:

- 1) Approved reduction of the registered capital by Baht 5,998 by cancelling the authorised but unissued shares, from the registered capital of Baht 13,638,705,250 to Baht 13,638,699,252.
- 2) Approved increase of the registered capital by Baht 7,544,961,342 from the registered capital of Baht 13,638,699,252 to Baht 21,183,660,594.
- 3) Approved the issuance and allotment of 7,544,961,342 newly issued ordinary shares, each with a par value of Baht 1, to be allotted to CTBC under the private placement scheme at Baht 2.20 per share of Baht 16,598,914,952 or 35.62% of the registered share capital.
- 4) Approved CTBC request for waiver from the requirement to make a tender offer for all of the LHFG's securities, by virtue of the resolution of the LHFG's shareholders meeting

On 27 July 2017, LHFG received the subscription of the newly issued ordinary shares from CTBC of Baht 16,599 million and register the increase of its share capital with the Ministry of Commerce. As a result, the Company's shareholding in LHFG diluted from 33.98% to 21.88% of the issued and paid-up share capital. In this connection, the Company will recognise gain due to the reduction in ownership interest in the profit or loss in July 2017. However, this transaction does not have any impact on the classification of investment in LHFG in the consolidated and separate financial statements.

(Unaudited but reviewed)

## 10.4 Fair values of investments in listed associates

In respect of investments in associated companies that are listed companies in the Stock Exchange of Thailand, their fair values are as follows:

| Company's name                     | (Unit: Million Baht)                           |                     |
|------------------------------------|--|---------------------|
|                                    | Consolidated and separate financial statements |                     |
|                                    | 30 June<br>2017                                | 31 December<br>2016 |
| LH Financial Group Plc.            | 8,343  | 7,972               |
| Quality Construction Products Plc. | 499  | 418                 |
| Home Product Center Plc.           | 37,970   | 40,156              |
| Quality Houses Plc.                | 6,850  | 6,904               |
| <b>Total</b>                       | <b>53,662</b>                                  | <b>55,450</b>       |

10.5 The Company's interim financial statements for the three-month and six-month periods ended 30 June 2017 included investments in the following associates accounted for under the equity method, and share of profit from investments in the associates under the equity method, determined based on the financial statements of those companies which have been reviewed and/or have not been reviewed as stipulated.

(Unit: Thousand Baht)

| Investments under the equity method as at 30 June              | Consolidated and separate financial statements           |                |   |                  |                  |
|--|--|----------------|---|------------------|------------------|
|  | Share of profit from investments under the equity method |                |   |                  |                  |
|  | For the three-month periods ended 30 June                |                | For the six-month periods ended 30 June |                  |                  |
|  | 2017   | 2016           | 2017                                    | 2016             |                  |
| <b>Reviewed by auditor and other auditors of the same firm</b> |  |                |   |                  |                  |
| Home Product Center Plc.                                       | 5,967,851  | 341,985        | 299,502                                 | 658,281          | 561,367          |
| Land and Houses Property and Loan Fund-II                      | 447,145  | 9,038          | 8,043                                   | 24,353           | 23,250           |
| Quality Houses Plc.  | 6,726,371  | 193,838        | 223,443                                 | 356,886          | 409,362          |
| <b>Reviewed by other auditor</b>                               |  |                |   |                  |                  |
| Quality Construction Products Plc.                             | 373,808  | (2,056)        | (5,417)                                 | (4,455)          | (8,174)          |
| <b>Unaudited and unreviewed by auditor</b>                     |  |                |   |                  |                  |
| LH Financial Group Plc. <sup>(1)</sup>                         | 7,017,044  | 209,591        | 272,594                                 | 408,942          | 466,789          |
| <b>Total</b>   | <b>20,532,219</b>  | <b>752,396</b> | <b>798,165</b>                          | <b>1,444,007</b> | <b>1,452,594</b> |

<sup>(1)</sup> Determined based on the financial statements for the three-month and six-month periods ended 30 June 2017 which were prepared by its management.

(Unaudited but reviewed)

## 11. Other long-term investments

(Unit: Thousand Baht)

|  | Consolidated            |                         | Separate                |                         |
|--|-------------------------|-------------------------|-------------------------|-------------------------|
|  | financial statements    |                         | financial statements    |                         |
|  | 30 June<br>2017         | 31 December<br>2016     | 30 June<br>2017         | 31 December<br>2016     |
| <b>Available-for-sale securities</b>     |                         |                         |                         |                         |
| Equity securities - Overseas             | 2,368,704               | 2,368,704               | 2,368,704               | 2,368,704               |
| Unit trust - Domestic                    | 2,073,502               | 1,513,912               | 783,568                 | 783,568                 |
| Add: Changes in fair value of securities | 1,263,961               | 1,535,556               | 1,029,923               | 1,278,302               |
| Available-for-sale securities - net      | <u>5,706,167</u>        | <u>5,418,172</u>        | <u>4,182,195</u>        | <u>4,430,574</u>        |
| <b>Other investments</b>                 |                         |                         |                         |                         |
| Equity securities - Domestic             | 204,239                 | 204,239                 | 26,000                  | 26,000                  |
| Unit trust - Domestic                    | 165                     | 165                     | -                       | -                       |
| Less: Allowance for impairment           | <u>(110,500)</u>        | <u>(110,500)</u>        | <u>(26,000)</u>         | <u>(26,000)</u>         |
| Other investments - net                  | <u>93,904</u>           | <u>93,904</u>           | <u>-</u>                | <u>-</u>                |
| Total                                    | <u><u>5,800,071</u></u> | <u><u>5,512,076</u></u> | <u><u>4,182,195</u></u> | <u><u>4,430,574</u></u> |

## 12. Land held for development

As at 30 June 2017 and 31 December 2016, the Company has mortgaged some of the land held for development to secure long-term loans with net book value as follows:

(Unit: Million Baht)

|  | Consolidated         |                     | Separate             |                     |
|--|----------------------|---------------------|----------------------|---------------------|
|  | financial statements |                     | financial statements |                     |
|  | 30 June<br>2017      | 31 December<br>2016 | 30 June<br>2017      | 31 December<br>2016 |
| Net book value of mortgaged land<br>held for development to secure loans | 2,551                | 2,551               | 2,551                | 2,551               |



**13. Investment properties**

Movements of the investment properties account during the six-month period ended 30 June 2017 are presented below.

|                                     | (Unit: Thousand Baht)                |                                  |
|-------------------------------------|--------------------------------------|----------------------------------|
|                                     | Consolidated<br>financial statements | Separate<br>financial statements |
| Net book value as at 1 January 2017 | 14,545,298                           | 208,963                          |
| Acquisition at cost                 | 216,614                              | 375                              |
| Depreciation                        | (149,634)                            | -                                |
| Translation adjustment              | (738,986)                            | -                                |
| Net book value as at 30 June 2017   | <u>13,873,292</u>                    | <u>209,338</u>                   |

The apartments with a total net book value as at 30 June 2017 of Baht 6,095 million (31 December 2016: Baht 6,277 million) have been used as collateral for long-term loans from overseas financial institutions.

**14. Property, plant and equipment**

Movements of the property, plant and equipment account during the six-month period ended 30 June 2017 are presented below.

|                                     | (Unit: Thousand Baht)                |                                  |
|-------------------------------------|--------------------------------------|----------------------------------|
|                                     | Consolidated<br>financial statements | Separate<br>financial statements |
| Net book value as at 1 January 2017 | 574,092                              | 281,643                          |
| Acquisitions - at cost              | 149,455                              | 81,783                           |
| Disposals - net book value          | (56,985)                             | (109)                            |
| Depreciation                        | (61,527)                             | (23,804)                         |
| Translation adjustment              | (9)                                  | -                                |
| Net book value as at 30 June 2017   | <u>605,026</u>                       | <u>339,513</u>                   |

**15. Leasehold rights**

(Unit: Thousand Baht)

| Consolidated financial statements   |   |                  |                |                    |                 |                  |
|---|---|------------------|----------------|--------------------|-----------------|------------------|
| Project   | Remaining periods of leasehold rights (years) | 1 January        | Increase       | Disposal -         | Amortisation    | 30 June          |
|   |   | 2017             |                | net book value     |                 | 2017             |
| Grande Centre Point Hotel Ratchadamri                                     | -   | 1,514,203        | 7,171          | (1,476,303)        | (45,071)        | -                |
| Grande Centre Point Hotel Sukhumvit 55                                    | 30  | 1,613,201        | 17,856         | -                  | (19,717)        | 1,611,340        |
| Grande Centre Point Hotel Pattaya and Terminal 21 Shopping Center Pattaya | 31  | 651,084          | 427,909        | -                  | (5,299)         | 1,073,694        |
| Vacant land   | 10  | 368              | -              | -                  | (19)            | 349              |
| <b>Total</b>  |   | <b>3,778,856</b> | <b>452,936</b> | <b>(1,476,303)</b> | <b>(70,106)</b> | <b>2,685,383</b> |

The land leasehold rights of Grande Centre Point Hotel Sukhumvit 55 project, Grande Centre Point Hotel Pattaya and Terminal 21 Shopping Center Pattaya project and structures thereon have been pledged as collateral for bank overdrafts and long-term loans.

**Grande Centre Point Hotel Ratchadamri**

On 15 June 2017, L&H Property Co., Ltd. (“LHP”), the subsidiary which the Company hold 60% of shares, entered into an agreement to transfer the leasehold rights (lease agreement has a term of 21 years) and an agreement to sell movable assets of Grande Centre Point Hotel Ratchadamri Project to LH Hotel Leasehold Real Estate Investment Trust (“LHHOTEL”) at a total price of Baht 3,749 million. The management of LHP considered the selling prices was appropriated, considering to the equivalent assets. LHP had gains on such transactions totaling Baht 2,080 million (net of relevant expenses), and recognised such transactions in the profit or loss for the current period.

In this connection, LH Mall & Hotel Company Limited (“LHMH”), a subsidiary in which the Company holds 99.99% of the total share capital, invested Baht 560 million in the additional trust units of LHHOTEL, comprising 43,045,410 trust unit at Baht 13 each (offering price). This results in a change of shareholding of LHMH in LHHOTEL from 9% to 13.25%. The investment in LHHOTEL is included in other long-term investments.

**16. Other intangible assets**

Movements of other intangible assets (computer software) during the six-month period ended 30 June 2017 are presented below.

|                                     | (Unit: Thousand Baht)                |                                  |
|-------------------------------------|--------------------------------------|----------------------------------|
|                                     | Consolidated<br>financial statements | Separate<br>financial statements |
| Net book value as at 1 January 2017 | 45,665                               | 20,320                           |
| Acquisitions - at cost              | 451                                  | -                                |
| Disposal - Net book value           | (382)                                | -                                |
| Amortisation                        | (5,645)                              | (1,821)                          |
| Translation adjustment              | (852)                                | -                                |
| Net book value as at 30 June 2017   | <u>39,237</u>                        | <u>18,499</u>                    |

**17. Short-term loans from financial institutions**

|   | (Unit: Thousand Baht) |                        |                      |                        |                      |                        |
|---|-----------------------|------------------------|----------------------|------------------------|----------------------|------------------------|
|   | Interest rate         |                        | Consolidated         |                        | Separate             |                        |
|   | (Percent per annum)   |                        | financial statements |                        | financial statements |                        |
|   | 30<br>June<br>2017    | 31<br>December<br>2016 | 30<br>June<br>2017   | 31<br>December<br>2016 | 30<br>June<br>2017   | 31<br>December<br>2016 |
| <u>Short-term loans from financial institutions</u> |                       |                        |                      |                        |                      |                        |
| Bill of exchange                                    | 1.63 - 1.76           | -                      | 2,000,000            | -                      | 2,000,000            | -                      |
| Less : Prepaid interest                             |                       |                        | <u>(4,692)</u>       | -                      | <u>(4,692)</u>       | -                      |
| Total short-term loans from financial institutions  |                       |                        | <u>1,995,308</u>     | <u>-</u>               | <u>1,995,308</u>     | <u>-</u>               |

Short-term loans is unsecured loans and repayable in August 2017.

(Unaudited but reviewed)

**18. Trade and other payables**

(Unit: Thousand Baht)

|                                       | Consolidated         |                     | Separate             |                     |
|---------------------------------------|----------------------|---------------------|----------------------|---------------------|
|                                       | financial statements |                     | financial statements |                     |
|                                       | 30 June<br>2017      | 31 December<br>2016 | 30 June<br>2017      | 31 December<br>2016 |
| Trade payables - unrelated parties    | 1,418,941            | 1,813,285           | 1,178,524            | 1,609,412           |
| Trade payables - related parties      | 3,708                | 5,369               | 3,344                | 4,881               |
| Other payables - related parties      | 141,633              | 135,840             | 485                  | 162                 |
| Accrued expenses                      | 807,551              | 1,030,037           | 638,127              | 860,889             |
| Others                                | 83,218               | 332,472             | 30,571               | 284,047             |
| <b>Total trade and other payables</b> | <b>2,455,051</b>     | <b>3,317,003</b>    | <b>1,851,051</b>     | <b>2,759,391</b>    |

**19. Long-term loans**

(Unit: Thousand Baht)

|                       | Consolidated         |                     | Separate             |                     |
|-----------------------|----------------------|---------------------|----------------------|---------------------|
|                       | financial statements |                     | financial statements |                     |
|                       | 30 June<br>2017      | 31 December<br>2016 | 30 June<br>2017      | 31 December<br>2016 |
| Long-term loans       | 7,314,816            | 7,406,236           | 3,075,180            | 3,075,180           |
| Less: Current portion | (3,107,180)          | (3,075,180)         | (3,075,180)          | (3,075,180)         |
| <b>Net</b>            | <b>4,207,636</b>     | <b>4,331,056</b>    | <b>-</b>             | <b>-</b>            |

Movements in the long-term loans during the six-month period ended 30 June 2017 are summarised below.

(Unit: Thousand Baht)

|                                   | Consolidated         | Separate             |
|-----------------------------------|----------------------|----------------------|
|                                   | financial statements | financial statements |
| Balance as at 1 January 2017      | 7,406,236            | 3,075,180            |
| Add: Additional borrowing         | 74,000               | -                    |
| Less: Translation adjustment      | (165,420)            | -                    |
| <b>Balance as at 30 June 2017</b> | <b>7,314,816</b>     | <b>3,075,180</b>     |

As at 30 June 2017 and 31 December 2016, the Company and its subsidiaries have pledged part of land and structures there on of projects, investment properties, land held for development and land leasehold rights as collateral for long-term loans.

(Unaudited but reviewed)

Most loan agreements contain certain covenants and restrictions imposed by the lenders regarding, the proportion of shareholding of the major shareholders, changes in management, guarantees to loans or aval to promissory notes of any other persons or other companies, dividend payments, merger or consolidation with any other companies, the maintenance of certain financial ratios and formal reporting when the Company has a legal case which may affect its ability to repay loan.

As at 30 June 2017 and 31 December 2016, there were available long-term loan facilities from financial institutions as follows:

|                            | (Unit: Million Baht) |             |                      |             |
|----------------------------|----------------------|-------------|----------------------|-------------|
|                            | Consolidated         |             | Separate             |             |
|                            | financial statements |             | financial statements |             |
|                            | 30 June              | 31 December | 30 June              | 31 December |
|                            | 2017                 | 2016        | 2017                 | 2016        |
| Undrawdown loan facilities | 151                  | 268         | 70                   | 70          |

## 20. Debentures

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

|                    |   |
|--------------------|---|
| Approved by        | The Annual General Meeting of the Company's shareholders held on 27 April 2017  |
| Amount             | Revolving amount of Baht 60,000 million or the equivalent in any other currencies   |
| Term               | Maximum terms of 10 years   |
| Type               | Any types of debentures such as unsubordinated and/or subordinated, unsecured and/or secured, with and/or without debenture holder representation |
| Method of issuance | To be issued in Thailand and/or offshore  |

As at 30 June 2017, the Company has unissued debentures under the approved facilities totaling Baht 20,750 million (31 December 2016: Baht 3,750 million).

(Unaudited but reviewed)

The outstanding balance of debentures as at 30 June 2017 and 31 December 2016 are detailed below.

|  |                         |           |             |                   | Consolidated and separate financial statements |                     |                        |                     |
|--|-------------------------|-----------|-------------|-------------------|--|---------------------|------------------------|---------------------|
|  |                         |           |             |                   | Number of debenture (Shares)                   |                     | Amount (Thousand Baht) |                     |
| No.  | Interest rate per annum | Age       | Repayment   | Maturity          | 30 June<br>2017                                | 31 December<br>2016 | 30 June<br>2017        | 31 December<br>2016 |
| <u>Unsubordinated and unsecured debentures</u> |                         |           |             |                   |  |                     |                        |                     |
| No. 1/2014                                     | Fixed rate 3.63%        | 3 years   | At maturity | 27 February 2017  | -  | 500,000             | -                      | 500,000             |
| No. 2/2014                                     | Fixed rate 3.59%        | 3 years   | At maturity | 4 April 2017      | -  | 3,500,000           | -                      | 3,500,000           |
| No. 4/2014                                     | Fixed rate 3.70%        | 3.5 years | At maturity | 17 March 2018     | 1,000,000                                      | 1,000,000           | 1,000,000              | 1,000,000           |
| No. 5/2014                                     | Fixed rate 3.50%        | 3 years   | At maturity | 6 October 2017    | 4,000,000                                      | 4,000,000           | 4,000,000              | 4,000,000           |
| No. 1/2015                                     | Fixed rate 3.02%        | 3.5 years | At maturity | 25 September 2018 | 1,000,000                                      | 1,000,000           | 1,000,000              | 1,000,000           |
| No. 2/2015 (1)                                 | Fixed rate 2.81%        | 3 years   | At maturity | 2 April 2018      | 7,000,000                                      | 7,000,000           | 7,000,000              | 7,000,000           |
| No. 2/2015 (2)                                 | Fixed rate 3.31%        | 5 years   | At maturity | 2 April 2020      | 1,000,000                                      | 1,000,000           | 1,000,000              | 1,000,000           |
| No. 3/2015 (1)                                 | Fixed rate 2.41%        | 3 years   | At maturity | 8 October 2018    | 4,000,000                                      | 4,000,000           | 4,000,000              | 4,000,000           |
| No. 3/2015 (2)                                 | Fixed rate 2.66%        | 4 years   | At maturity | 8 October 2019    | 1,000,000                                      | 1,000,000           | 1,000,000              | 1,000,000           |
| No. 3/2015 (3)                                 | Fixed rate 2.99%        | 5 years   | At maturity | 8 October 2020    | 1,000,000                                      | 1,000,000           | 1,000,000              | 1,000,000           |
| No. 1/2016                                     | Fixed rate 1.82%        | 3 years   | At maturity | 29 April 2019     | 5,000,000                                      | 5,000,000           | 5,000,000              | 5,000,000           |
| No. 2/2016                                     | Fixed rate 2.23%        | 3 years   | At maturity | 28 October 2019   | 7,250,000                                      | 7,250,000           | 7,250,000              | 7,250,000           |
| No. 1/2017                                     | Fixed rate 2.48%        | 3 years   | At maturity | 28 April 2020     | 6,000,000                                      | -                   | 6,000,000              | -                   |
| No. 2/2017                                     | Fixed rate 2.22%        | 2 years   | At maturity | 28 April 2019     | 1,000,000                                      | -                   | 1,000,000              | -                   |
| Total  |                         |           |             |                   | <u>39,250,000</u>                              | <u>36,250,000</u>   | <u>39,250,000</u>      | <u>36,250,000</u>   |
| Less: Current portion of debentures            |                         |           |             |                   |  |                     | <u>(12,000,000)</u>    | <u>(8,000,000)</u>  |
| Net  |                         |           |             |                   |  |                     | <u>27,250,000</u>      | <u>28,250,000</u>   |

Movements in the debentures during the six-month period ended 30 June 2017 are summarised below.

|                                  | (Unit: Thousand Baht) |
|----------------------------------|-----------------------|
| Balance as at 1 January 2017     | 36,250,000            |
| Addition: Issue of new debenture | 7,000,000             |
| Less: Redemption                 | <u>(4,000,000)</u>    |
| Balance as at 30 June 2017       | <u>39,250,000</u>     |

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

## 21. Share capital

The increase in share capital of the Company during the six-month period ended 30 June 2017 resulting from exercising of warrants are summarised below.

| Date of exercised                     | Type of warrant | Number of exercised warrants<br>(Unit) | Ordinary shares issued for exercised warrants<br>(Shares) | Exercise price<br>(Baht per share) | Date of registration of share capital with the Ministry of Commerce | Date of the Stock Exchange of Thailand approved ordinary shares as listed securities |
|---------------------------------------|-----------------|--|---|------------------------------------|---|--|
| 30 December 2016                      | LH-W3           | 106,998,154                            | 106,998,154   | 3.50                               | 6 January 2017  | 11 January 2017  |
| 31 March 2017                         | LH-W3           | 24,157,575                             | 24,157,575  | 3.50                               | 5 April 2017  | 10 April 2017  |
| 4 May 2017<br>(a final exercise date) | LH-W3           | 32,011,455                             | 32,011,455  | 3.50                               | 23 May 2017   | 25 May 2017  |
| <b>Total</b>                          |                 | <b>163,167,184</b>                     | <b>163,167,184</b>  |                                    |   |  |

### Reconciliation of number of shares

|   | (Unit: Shares)                                    |                       |
|---|---|-----------------------|
|   | Consolidated and<br>separate financial statements |                       |
|   | For the six-month periods ended<br>30 June        |                       |
|   | <u>2017</u>                                       | <u>2016</u>           |
| <u>Registered share capital</u>         | <u>12,031,105,828</u>                             | <u>12,031,105,828</u> |
| <u>Issued and paid-up share capital</u> |   |                       |
| Balance beginning of period             | 11,786,545,992                                    | 11,730,034,787        |
| Increased due to exercise of warrants   | <u>163,167,184</u>                                | <u>42,270,827</u>     |
| Balance ending of period                | <u>11,949,713,176</u>                             | <u>11,772,305,614</u> |

## 22. Warrants

On 6 May 2014, the Company issued of 1,998,184,856 registered warrants free of charge to existing shareholders (LH-W3) in a ratio of 5 existing shares per 1 unit of warrant which will be expired in 3 years from issuance date. These warrants have an exercise price of Baht 3.50 per share, an exercise ratio of 1 warrant to 1 new ordinary share, and can be exercised on the last working day of every March, June, September and December, beginning on 30 June 2014 and with a final exercise date of 4 May 2017. The Stock Exchange of Thailand accepted the warrants as listed securities, to be traded as from 30 May 2014.

Details of the warrants of the Company (LH-W3) are as follows:

| Type of warrant | Exercise price   | Exercise ratio per 1 warrant            | Number of warrants outstanding as at 1 January 2017 | Number of warrants exercised during the period | Number of warrants expired during the period | Number of warrants outstanding as at 30 June 2017 |
|-----------------|------------------|---|---|--|--|---|
|                 | (Baht per share) |   | (Unit)  | (Unit)   | (Unit)                                       | (Unit)  |
| LH-W3           | 3.50             | 5 existing shares per 1 unit of warrant | 130,562,233   | (56,169,030)                                   | (74,393,203)                                 | -   |

### 23. Surplus on changes in value of available-for-sale investments

During the six-month periods ended 30 June 2017 and 2016, movement of surplus on changes in value of available-for-sale investments are as follows:

|                                   | (Unit: Thousand Baht) |                      |                      |                      |
|-----------------------------------|-----------------------|----------------------|----------------------|----------------------|
|                                   | Consolidated          |                      | Separate             |                      |
|                                   | financial statements  | financial statements | financial statements | financial statements |
|                                   | 2017                  | 2016                 | 2017                 | 2016                 |
| Balance as at beginning of period | 1,231,959             | 982,277              | 1,022,642            | 969,350              |
| Changes during the period due to  |                       |                      |                      |                      |
| - Revaluation                     | (271,595)             | 595,925              | (248,379)            | 375,844              |
| - Income taxes                    | 54,319                | (119,185)            | 49,676               | (75,169)             |
| Balance as at end of period       | 1,014,683             | 1,459,017            | 823,939              | 1,270,025            |

### 24. Income tax

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



(Unaudited but reviewed)

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

(Unit: Thousand Baht)

|   | For the three-month periods ended 30 June |                |                      |                |
|---|---|----------------|----------------------|----------------|
|   | Consolidated                              |                | Separate             |                |
|   | financial statements                      |                | financial statements |                |
|   | 2017                                      | 2016           | 2017                 | 2016           |
| <b>Current income tax:</b>                                      |   |                |                      |                |
| Interim corporate income tax charge                             | 509,489                                   | 598,013        | 486,652              | 359,227        |
| <b>Deferred tax:</b>  |   |                |                      |                |
| Relating to origination and reversal of temporary differences   | 423,627                                   | (18,263)       | (11,386)             | (6,089)        |
| <b>Income tax expenses reported in the statements of income</b> | <b>933,116</b>                            | <b>579,750</b> | <b>475,266</b>       | <b>353,138</b> |

(Unit: Thousand Baht)

|   | For the six-month periods ended 30 June |                |                      |                |
|---|---|----------------|----------------------|----------------|
|   | Consolidated                            |                | Separate             |                |
|   | financial statements                    |                | financial statements |                |
|   | 2017                                    | 2016           | 2017                 | 2016           |
| <b>Current income tax:</b>                                      |   |                |                      |                |
| Interim corporate income tax charge                             | 840,444                                 | 950,246        | 786,891              | 678,755        |
| <b>Deferred tax:</b>  |   |                |                      |                |
| Relating to origination and reversal of temporary differences   | 420,993                                 | (24,151)       | (29,009)             | (3,359)        |
| <b>Income tax expenses reported in the statements of income</b> | <b>1,261,437</b>                        | <b>926,095</b> | <b>757,882</b>       | <b>675,396</b> |

(Unaudited but reviewed)

The amounts of income tax relating to each component of other comprehensive income for the three-month and six-month periods ended 30 June 2017 and 2016 are as follows:

(Unit: Thousand Baht)

|  | For the three-month periods ended 30 June |        |                      |        |
|--|---|--------|----------------------|--------|
|  | Consolidated                              |        | Separate             |        |
|  | financial statements                      |        | financial statements |        |
|  | 2017                                      | 2016   | 2017                 | 2016   |
| Deferred tax relating to gain/loss on changes in value of available-for-sale investments | 28,985                                    | 56,305 | 21,206               | 71,865 |

(Unit: Thousand Baht)

|  | For the six-month periods ended 30 June |           |                      |          |
|--|---|-----------|----------------------|----------|
|  | Consolidated                            |           | Separate             |          |
|  | financial statements                    |           | financial statements |          |
|  | 2017                                    | 2016      | 2017                 | 2016     |
| Deferred tax relating to gain/loss on changes in value of available-for-sale investments | 54,319                                  | (119,185) | 49,676               | (75,169) |

## 25. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the period attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the period, plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued. There is no disclosure of diluted earnings per share for the three-month and six-month periods ended 30 June 2017 as the final exercise of LH-W3 was on 4 May 2017.

(Unaudited but reviewed)

| Consolidated financial statements  |                  |  |                    |                    |             |
|--|------------------|--|--------------------|--------------------|-------------|
| For the three-month periods ended 30 June  |                  |  |                    |                    |             |
| Profit for the period  |                  | Weighted average number of ordinary shares |                    | Earnings per share |             |
| 2017   | 2016             | 2017                                       | 2016               | 2017               | 2016        |
| (Thousand Baht)  | (Thousand Baht)  | (Thousand shares)                          | (Thousand shares)  | (Baht)             | (Baht)      |
| <b>Basic earnings per share</b>  |                  |  |                    |                    |             |
| Profit attributable to equity holders of the Company                                   |                  |  |                    |                    |             |
| <u>3,609,033</u>   | <u>2,630,927</u> | <u>11,938,105</u>                          | <u>11,772,380*</u> | <u>0.30</u>        | <u>0.22</u> |
| <b>Effect of dilutive potential ordinary shares</b>                                    |                  |  |                    |                    |             |
| Warrants (LH-W3)   |                  |  | <u>152,398</u>     |                    |             |
| <b>Diluted earnings per share</b>  |                  |  |                    |                    |             |
| Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares |                  |  |                    |                    |             |
|  | <u>2,630,927</u> |  | <u>11,924,778</u>  |                    | <u>0.22</u> |

\* Included ordinary shares from cash receipts from share subscription

| Separate financial statements  |                  |  |                    |                    |             |
|--|------------------|--|--------------------|--------------------|-------------|
| For the three-month periods ended 30 June  |                  |  |                    |                    |             |
| Profit for the period  |                  | Weighted average number of ordinary shares |                    | Earnings per share |             |
| 2017   | 2016             | 2017                                       | 2016               | 2017               | 2016        |
| (Thousand Baht)  | (Thousand Baht)  | (Thousand shares)                          | (Thousand shares)  | (Baht)             | (Baht)      |
|  | (Restated)       |  |                    |                    | (Restated)  |
| <b>Basic earnings per share</b>  |                  |  |                    |                    |             |
| Profit attributable to equity holders of the Company                                   |                  |  |                    |                    |             |
| <u>3,609,033</u>   | <u>2,630,927</u> | <u>11,938,105</u>                          | <u>11,772,380*</u> | <u>0.30</u>        | <u>0.22</u> |
| <b>Effect of dilutive potential ordinary shares</b>                                    |                  |  |                    |                    |             |
| Warrants (LH-W3)   |                  |  | <u>152,398</u>     |                    |             |
| <b>Diluted earnings per share</b>  |                  |  |                    |                    |             |
| Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares |                  |  |                    |                    |             |
|  | <u>2,630,927</u> |  | <u>11,924,778</u>  |                    | <u>0.22</u> |

\* Included ordinary shares from cash receipts from share subscription

| Consolidated financial statements  |                  |  |                    |                    |             |
|--|------------------|--|--------------------|--------------------|-------------|
| For the six-month periods ended 30 June  |                  |  |                    |                    |             |
| Profit for the period  |                  | Weighted average number of ordinary shares |                    | Earnings per share |             |
| 2017   | 2016             | 2017                                       | 2016               | 2017               | 2016        |
| (Thousand Baht)  | (Thousand Baht)  | (Thousand shares)                          | (Thousand shares)  | (Baht)             | (Baht)      |
| <b>Basic earnings per share</b>  |                  |  |                    |                    |             |
| Profit attributable to equity holders of the Company                                   |                  |  |                    |                    |             |
| <u>5,382,586</u>   | <u>4,626,442</u> | <u>11,916,081</u>                          | <u>11,760,117*</u> | <u>0.45</u>        | <u>0.39</u> |
| <b>Effect of dilutive potential ordinary shares</b>                                    |                  |  |                    |                    |             |
| Warrants (LH-W3)   |                  |  | <u>158,152</u>     |                    |             |
| <b>Diluted earnings per share</b>  |                  |  |                    |                    |             |
| Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares |                  |  |                    |                    |             |
|  | <u>4,626,442</u> |  | <u>11,918,269</u>  |                    | <u>0.39</u> |

\* Included ordinary shares from cash receipts from share subscription

(Unaudited but reviewed)

| Separate financial statements                       |                               |   |                   |                       |                      |
|---|-------------------------------|---|-------------------|-----------------------|----------------------|
| For the six-month periods ended 30 June             |                               |   |                   |                       |                      |
| Profit for the period                               |                               | Weighted average number of<br>ordinary shares |                   | Earnings<br>per share |                      |
| 2017  | 2016                          | 2017  | 2016              | 2017                  | 2016                 |
| (Thousand Baht)                                     | (Thousand Baht)<br>(Restated) | (Thousand shares)                             | (Thousand shares) | (Baht)                | (Baht)<br>(Restated) |
| <b>Basic earnings per share</b>                     |                               |   |                   |                       |                      |
| Profit attributable to equity holders               |                               |   |                   |                       |                      |
| of the Company                                      |                               |   |                   |                       |                      |
| 5,382,586   | 4,626,442                     | 11,916,081                                    | 11,760,117*       | 0.45                  | 0.39                 |
| <b>Effect of dilutive potential ordinary shares</b> |                               |   |                   |                       |                      |
| Warrants (LH-W3)                                    |                               |   |                   |                       |                      |
|   | -                             |   | 158,152           |                       |                      |
| <b>Diluted earnings per share</b>                   |                               |   |                   |                       |                      |
| Profit of ordinary shareholders                     |                               |   |                   |                       |                      |
| assuming the conversion of                          |                               |   |                   |                       |                      |
| warrants to ordinary shares                         |                               |   |                   |                       |                      |
|   | 4,626,442                     |   | 11,918,269        |                       | 0.39                 |

\* Included ordinary shares from cash receipts from share subscription

## 26. Dividend

| Dividends               | Approved by  | Approved<br>dividend per<br>share | Interim<br>dividend<br>per share | Additional<br>dividend paid<br>per share | Total additional<br>dividend<br>paid | Portion belonging                              |                      |
|-------------------------|--|-----------------------------------|----------------------------------|--|--------------------------------------|--|----------------------|
|                         |  |                                   |                                  |  |                                      | to shareholders<br>not entitled to<br>dividend | Net dividend<br>paid |
|                         |  | (Baht)                            | (Baht)                           | (Baht)                                   | (Million Baht)                       | (Million Baht)                                 | (Million Baht)       |
| Final dividend for 2015 | Annual General Meeting of the<br>shareholders on 26 April 2016 | 0.60                              | (0.25)                           | 0.35                                     | 4,120                                | (12)   | 4,108                |
| Final dividend for 2016 | Annual General Meeting of the<br>shareholders on 27 April 2017 | 0.65                              | (0.35)                           | 0.30                                     | 3,575                                | (12)   | 3,563                |

## 27. Segment information

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services. During the period, the Company and its subsidiaries have no change on operating segment information.

Revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month and the six-month periods ended 30 June 2017 and 2016 are as follows.

(Unaudited but reviewed)

(Unit: Million Baht)

| Consolidated financial statements              |                         |                                   |            |                                 |                                    |   |
|--|-------------------------|-----------------------------------|------------|---------------------------------|------------------------------------|---|
| For the three-month period ended 30 June 2017  |                         |                                   |            |                                 |                                    |   |
|  | Real estate<br>business | Rental and<br>service<br>business | Others     | Total<br>reportable<br>segments | Adjustments<br>and<br>eliminations | Consolidated<br>financial<br>statements |
| Revenue from external customers                | 9,202                   | 737                               | -          | 9,939                           | -                                  | 9,939                                   |
| Inter-segment revenue                          | -                       | 74                                | -          | 74                              | (74)                               | -                                       |
| Interest revenue                               | 116                     | 4                                 | -          | 120                             | (106)                              | 14                                      |
| Infrastructure service income                  | 59                      | -                                 | -          | 59                              | -                                  | 59                                      |
| Interest expense                               | (134)                   | (137)                             | -          | (271)                           | 106                                | (165)                                   |
| Depreciation and amortisation                  | (14)                    | (131)                             | -          | (145)                           | -                                  | (145)                                   |
| Gain on sales of assets                        | 2                       | 2,056                             | -          | 2,058                           | 24                                 | 2,082                                   |
| Share of profit from investments in associates | 192                     | 9                                 | 551        | 752                             | -                                  | 752                                     |
| <b>Segment profit</b>                          | <b>2,592</b>            | <b>2,046</b>                      | <b>551</b> | <b>5,189</b>                    | <b>(1)</b>                         | <b>5,188</b>                            |
| <b>Unallocated revenue and expenses:</b>       |                         |                                   |            |                                 |                                    |   |
| Other income                                   |                         |                                   |            |                                 |                                    | 56                                      |
| Other expenses                                 |                         |                                   |            |                                 |                                    | (34)                                    |
| Income tax expenses                            |                         |                                   |            |                                 |                                    | (933)                                   |
| Non-controlling interests of the subsidiaries  |                         |                                   |            |                                 |                                    | (668)                                   |
| <b>Profit for the period</b>                   |                         |                                   |            |                                 |                                    | <b>3,609</b>                            |

(Unit: Million Baht)

| Consolidated financial statements                                    |                         |                                   |            |                                 |                                    |   |
|--|-------------------------|-----------------------------------|------------|---------------------------------|------------------------------------|---|
| For the three-month period ended 30 June 2016                        |                         |                                   |            |                                 |                                    |   |
|  | Real estate<br>business | Rental and<br>service<br>business | Others     | Total<br>reportable<br>segments | Adjustments<br>and<br>eliminations | Consolidated<br>financial<br>statements |
| Revenue from external customers                                      | 7,211                   | 577                               | -          | 7,788                           | -                                  | 7,788                                   |
| Inter-segment revenue  | 6                       | 29                                | -          | 35                              | (35)                               | -                                       |
| Interest revenue   | 64                      | 3                                 | -          | 67                              | (56)                               | 11                                      |
| Infrastructure service income  | 50                      | -                                 | -          | 50                              | -                                  | 50                                      |
| Interest expense   | (70)                    | (76)                              | -          | (146)                           | 57                                 | (89)                                    |
| Depreciation and amortisation  | (12)                    | (80)                              | -          | (92)                            | -                                  | (92)                                    |
| Loss on diminution in value of project and land held for development | (12)                    | -                                 | -          | (12)                            | -                                  | (12)                                    |
| Gain on sales of assets  | 1,239                   | -                                 | -          | 1,239                           | -                                  | 1,239                                   |
| Share of profit from investments in associates                       | 218                     | 8                                 | 572        | 798                             | -                                  | 798                                     |
| <b>Segment profit</b>  | <b>3,092</b>            | <b>(14)</b>                       | <b>572</b> | <b>3,650</b>                    | <b>1</b>                           | <b>3,651</b>                            |
| <b>Unallocated revenue and expenses:</b>                             |                         |                                   |            |                                 |                                    |   |
| Other income   |                         |                                   |            |                                 |                                    | 45                                      |
| Other expenses   |                         |                                   |            |                                 |                                    | (13)                                    |
| Income tax expenses  |                         |                                   |            |                                 |                                    | (580)                                   |
| Non-controlling interests of the subsidiaries                        |                         |                                   |            |                                 |                                    | (472)                                   |
| <b>Profit for the period</b>   |                         |                                   |            |                                 |                                    | <b>2,631</b>                            |

(Unaudited but reviewed)

(Unit: Million Baht)

| Consolidated financial statements              |                         |                                   |              |                                 |                                    |   |
|--|-------------------------|-----------------------------------|--------------|---------------------------------|------------------------------------|---|
| For the six-month period ended 30 June 2017    |                         |                                   |              |                                 |                                    |   |
|  | Real estate<br>business | Rental and<br>service<br>business | Others       | Total<br>reportable<br>segments | Adjustments<br>and<br>eliminations | Consolidated<br>financial<br>statements |
| Revenue from external customers                | 15,571                  | 1,522                             | -            | 17,093                          | -                                  | 17,093                                  |
| Inter-segment revenue                          | -                       | 108                               | -            | 108                             | (108)                              | -                                       |
| Interest revenue                               | 215                     | 6                                 | -            | 221                             | (202)                              | 19                                      |
| Infrastructure service income                  | 136                     | -                                 | -            | 136                             | -                                  | 136                                     |
| Interest expense                               | (221)                   | (270)                             | -            | (491)                           | 202                                | (289)                                   |
| Depreciation and amortisation                  | (27)                    | (263)                             | -            | (290)                           | -                                  | (290)                                   |
| Gain on sales of assets                        | 93                      | 2,058                             | -            | 2,151                           | 24                                 | 2,175                                   |
| Share of profit from investments in associates | 353                     | 24                                | 1,067        | 1,444                           | -                                  | 1,444                                   |
| <b>Segment profit</b>                          | <b>4,270</b>            | <b>2,021</b>                      | <b>1,067</b> | <b>7,358</b>                    | <b>49</b>                          | <b>7,407</b>                            |
| <b>Unallocated revenue and expenses:</b>       |                         |                                   |              |                                 |                                    |   |
| Other income                                   |                         |                                   |              |                                 |                                    | 90                                      |
| Other expenses                                 |                         |                                   |              |                                 |                                    | (166)                                   |
| Income tax expenses                            |                         |                                   |              |                                 |                                    | (1,261)                                 |
| Non-controlling interests of the subsidiaries  |                         |                                   |              |                                 |                                    | (687)                                   |
| <b>Profit for the period</b>                   |                         |                                   |              |                                 |                                    | <b>5,383</b>                            |

(Unit: Million Baht)

| Consolidated financial statements                                    |                         |                                   |              |                                 |                                    |   |
|--|-------------------------|-----------------------------------|--------------|---------------------------------|------------------------------------|---|
| For the six-month period ended 30 June 2016                          |                         |                                   |              |                                 |                                    |   |
|  | Real estate<br>business | Rental and<br>service<br>business | Others       | Total<br>reportable<br>segments | Adjustments<br>and<br>eliminations | Consolidated<br>financial<br>statements |
| Revenue from external customers                                      | 14,227                  | 1,206                             | -            | 15,433                          | -                                  | 15,433                                  |
| Inter-segment revenue  | 6                       | 62                                | -            | 68                              | (68)                               | -                                       |
| Interest revenue   | 126                     | 8                                 | -            | 134                             | (109)                              | 25                                      |
| Infrastructure service income  | 126                     | -                                 | -            | 126                             | -                                  | 126                                     |
| Interest expense   | (141)                   | (147)                             | -            | (288)                           | 111                                | (177)                                   |
| Depreciation and amortisation  | (25)                    | (158)                             | -            | (183)                           | -                                  | (183)                                   |
| Loss on diminution in value of project and land held for development | (12)                    | -                                 | -            | (12)                            | -                                  | (12)                                    |
| Gain on sales of assets  | 1,240                   | -                                 | -            | 1,240                           | -                                  | 1,240                                   |
| Share of profit from investments in associates                       | 401                     | 23                                | 1,029        | 1,453                           | -                                  | 1,453                                   |
| <b>Segment profit</b>  | <b>4,880</b>            | <b>33</b>                         | <b>1,029</b> | <b>5,942</b>                    | <b>2</b>                           | <b>5,944</b>                            |
| <b>Unallocated revenue and expenses:</b>                             |                         |                                   |              |                                 |                                    |   |
| Other income   |                         |                                   |              |                                 |                                    | 228                                     |
| Other expenses   |                         |                                   |              |                                 |                                    | (131)                                   |
| Income tax expenses  |                         |                                   |              |                                 |                                    | (926)                                   |
| Non-controlling interests of the subsidiaries                        |                         |                                   |              |                                 |                                    | (489)                                   |
| <b>Profit for the period</b>   |                         |                                   |              |                                 |                                    | <b>4,626</b>                            |

## 28. Commitments and contingent liabilities

### 28.1 Commitments

28.1.1 As at 30 June 2017 and 31 December 2016, the Company and its subsidiaries have commitments to complete projects on hand as follows:

|  | (Unit: Million Baht) |             |                      |             |
|--|----------------------|-------------|----------------------|-------------|
|  | Consolidated         |             | Separate             |             |
|  | financial statements |             | financial statements |             |
|  | 30 June              | 31 December | 30 June              | 31 December |
|  | 2017                 | 2016        | 2017                 | 2016        |
| Commitments under construction contracts   | 5,341                | 3,546       | 1,724                | 1,917       |
| Commitment in respect of the installation of central utilities of projects on hand | 1,393                | 1,311       | 1,343                | 1,249       |

28.1.2 As at 30 June 2017 and 31 December 2016, L&H Property Company Limited (“LHP”), the subsidiary which the Company hold 60% of shares and LH Mall & Hotel Company Limited (“LHMH”), the subsidiary which the Company hold 99.99% of shares, have the following commitments under, land and construction lease agreement and land lease agreement as follows:

a) Land and construction lease agreement - LHP

| Agreement date | Agreement period | Maturity date | Rental rate  |
|----------------|------------------|---------------|--|
| 7 June 2005    | 30 years*        | 31 May 2038   | From 1 June 2008, the following rental is to be paid in monthly installments<br>1st - 5th year, total rental payment of Baht 33 million<br>(Full amount has been paid)<br>6th - 10th year, total rental payment of Baht 42 million<br>(As at 30 June 2017: already paid Baht 34 million in total)<br>11th - 15th year, total rental payment of Baht 54 million<br>16th - 20th year, total rental payment of Baht 69 million<br>21st - 25th year, total rental payment of Baht 88 million<br>26th - 30th year, total rental payment of Baht 112 million |

\* The agreement runs from 1 June 2008 (3 years after the period of construction).

In addition, as at 30 June 2017 and 31 December 2016, LHP is committed to pay security expenses at the rate of Baht 11,160 per month throughout the period of construction and the period of the lease.

The rentals under the above land lease agreement are recognised as liabilities in the consolidated financial statement, at present value, as part of relevant expenses in the sales of assets of Grande Centre Point Hotel Ratchadamri project to REIT.

b) Land lease agreement - LHP

| Agreement<br>date | Agreement<br>period | Rental rate  |
|-------------------|---------------------|--|
| 10 March 2006     | 30 years*           | Land leasing fee is to be monthly paid as follows:<br>1st - 5th year, total rental of Baht 20 million<br>(Full amount has been paid)<br>6th - 10th year, total rental of Baht 23 million<br>(As at 30 June 2017: already paid Baht 8 million in total)<br>11th - 15th year, total rental of Baht 27 million<br>16th - 20th year, total rental of Baht 31 million<br>21st - 25th year, total rental of Baht 35 million<br>26th - 30th year, total rental of Baht 41 million |

\* The agreement runs from 1 September 2010 to 31 August 2040. However, the lessor consented to allow LHP to develop or construct on the leased land between 1 September 2007 and 31 August 2010, and LHP agreed to pay additional ground rental fee of Baht 160,000 per month.

The rentals under the above land lease agreement are recognised as liabilities in the consolidated financial statement, at present value, as part of relevant expenses in the sales of assets of Terminal 21 Shopping Center project and Grande Centre Point Hotel Terminal 21 project to REIT.

c) Land lease agreements - LHMH

| Agreement<br>date | Agreement<br>period | Maturity date | Rental rate   |
|-------------------|---------------------|---------------|---|
| 3 October 2013    | 30 years*           | 30 June 2047  | From 1 April 2017, the following rental is to be paid in annually installments<br>1st - 7th year, total rental payment of Baht 35 million<br>(As at 30 June 2017: already paid Baht 5 million in total)<br>8th - 17th year, total rental payment of Baht 100 million<br>18th - 27th year, total rental payment of Baht 150 million<br>28th - 30th year, total rental payment of Baht 75 million |

\* The agreement runs from 1 April 2017 (3 years after the period of construction).

In addition, as at 30 June 2017 and 31 December 2016, LHMH, is committed to pay commission at Baht 5 million per year in the second and third year of construction period.



## d) Land lease agreements - LHMH

| Agreement date | Agreement period | Rental rate  |
|----------------|------------------|--|
| 4 August 2015  | 30 years*        | Land leasing fee is to be monthly paid as follows:<br>1st - 3rd year, total rental payment of Baht 71 million<br>4th - 6th year, total rental payment of Baht 78 million<br>7th - 9th year, total rental payment of Baht 86 million<br>10th - 12th year, total rental payment of Baht 95 million<br>13th - 15th year, total rental payment of Baht 104 million<br>16th - 18th year, total rental payment of Baht 115 million<br>19th - 21st year, total rental payment of Baht 126 million<br>22nd - 24th year, total rental payment of Baht 139 million<br>25th - 27th year, total rental payment of Baht 153 million<br>28th - 30th year, total rental payment of Baht 168 million |

\* The agreement runs after the construction period of 3 years. However, the lessor consented to allow LHMH, to develop or construct on the leased land for 3 years after the transfer and lease registration date. LHMH is committed to pay commission at Baht 1,716,000 per month in the first and second year of construction period and Baht 1,980,000 per month in the third year of construction period.

28.1.3 As at 30 June 2017 and 31 December 2016, the subsidiary, is committed to pay a fixed rental fee and variable rental fee in accordance with the conditions stipulated in the lease agreements to lease assets of the followings:

| Fund and/or REIT                                | Project                   | Term                   |
|---|---------------------------|------------------------|
| Land and Houses Property and Loan Fund-II       | Grande Centre Point Hotel | From 1 January 2016 to |
|   | Ploenchit                 | 31 December 2018       |
| LH Hotel Leasehold Real Estate Investment Trust | Grande Centre Point Hotel | From 1 January 2016 to |
|   | Terminal 21               | 31 December 2018       |
|   | Grande Centre Point Hotel | From 15 June 2017 to   |
|   | Ratchadamri               | 14 June 2020           |

The subsidiary has the following future minimum lease payments required under the lease agreements for the fixed rental.

|                             | (Unit: Million Baht) |             |
|-----------------------------|----------------------|-------------|
|                             | Consolidated         |             |
|                             | financial statements |             |
|                             | 30 June              | 31 December |
|                             | 2017                 | 2016        |
| Payable:                    |                      |             |
| In up to 1 year             | 518                  | 317         |
| In over 1 and up to 3 years | 553                  | 317         |

(Unaudited but reviewed)

28.1.4 As at 30 June 2017 and 31 December 2016, the Company has commitment related to purchase of land as follows.

(Unit: Million Baht)

|                                | Consolidated and separate<br>financial statements |                     |
|--------------------------------|---|---------------------|
|                                | 30 June<br>2017                                   | 31 December<br>2016 |
| Commitment to purchase of land | 2,832   | 2,380               |

28.1.5 During the current period, LHMH entered into a memorandum of understanding (MOU) in relation to land lease agreement with a company. LHMH had commitment related to the land lease agreement as at transfer and lease registration date. As at 30 June 2017, LHMH has commitment under the MOU amounting to Baht 952 million.

28.1.6 As at 30 June 2017, the subsidiaries have servitude over land of approximately 93 rai (31 December 2016: 96 rai) of which the cost is included in the cost of projects.

28.1.7 Operating lease commitments

The Company and its subsidiaries have entered into lease agreements and service agreements in respect of the lease of office building space. The terms of the agreements are 3 years.

As at 30 June 2017 and 31 December 2016, the future minimum lease payments and services fee payments required under these non-cancellable contracts were as follows.

(Unit: Million Baht)

|                             | Consolidated<br>financial statements |                        | Separate<br>financial statements |                        |
|-----------------------------|--------------------------------------|------------------------|----------------------------------|------------------------|
|                             | 30<br>June<br>2017                   | 31<br>December<br>2016 | 30<br>June<br>2017               | 31<br>December<br>2016 |
| Payable:                    |                                      |                        |                                  |                        |
| In up to 1 year             | 34                                   | 57                     | 28                               | 45                     |
| In over 1 and up to 3 years | 7                                    | 19                     | 7                                | 13                     |

**28.2 Bank guarantees**

As at 30 June 2017 and 31 December 2016, there were the following outstanding bank guarantees issued by the banks in respect of certain performance bonds required in the normal course of business by the Company and its subsidiaries.

(Unit: Million Baht)

|  | Consolidated         |              | Separate             |              |
|--|----------------------|--------------|----------------------|--------------|
|  | financial statements |              | financial statements |              |
|  | 30                   | 31           | 30                   | 31           |
|  | June                 | December     | June                 | December     |
|  | 2017                 | 2016         | 2017                 | 2016         |
| Letter of guarantees for arrangement and maintenance of public utilities | 2,620                | 2,647        | 2,431                | 2,458        |
| Letter of guarantees for electricity usage                               | 70                   | 71           | 57                   | 58           |
|  | <u>2,690</u>         | <u>2,718</u> | <u>2,488</u>         | <u>2,516</u> |

**28.3 Guarantees**

28.3.1 As at 30 June 2017 and 31 December 2016, the Company has the following obligations in respect of guarantees.

(Unit: Million Baht)

| Guarantor            | Guarantee | 31 December  |          |
|----------------------|-----------|--------------|----------|
|                      |           | 30 June 2017 | 2016     |
| Land and Houses Plc. | Customers | <u>7</u>     | <u>7</u> |

28.3.2 The Company has contingent liabilities to a bank in relation to the financial support in form of issuance of a letter of comfort to provide to the subsidiaries company for loans and guarantee facilities obtained for development of the subsidiary's project. As at 30 June 2017, the subsidiaries have outstanding loans related to guarantee portion of the Company as specified in the letter of comfort amounting to Baht 1,208 million (31 December 2016: Baht 1,130 million).

**28.4 Litigations**

- 1) In 2006, two housing estate juristic persons and housing residents filed a lawsuit against the Company and Atlantic Real Estate Co., Ltd., the Company's 99.99% owned subsidiary for claim of Baht 1,013 million in relation to access to public thoroughfares. Subsequently, in June 2009, the plaintiffs requested to reduce the claim Baht 800 million. On 24 July 2014, the Court of First Instance dismissed the lawsuit. At present, the case is under the process of the Appeal Court. However, as at 30 June 2017, the Company has set aside a provision of Baht 25 million for liabilities arising as a result of this case (31 December 2016: Baht 25 million).

In February 2009, the Company and its subsidiary were additionally sued in 2 lawsuits which were under the claims Baht 310 million and Baht 102 million, in accordance with the Customer Protect Act.

- a) Currently, the Court has suspended the civil case amounting Baht 310 million while waiting for the Appeals Court decision of the civil case Baht 800 million.
  - b) The Court of First Instance issued a verdict on a civil case with the amount in dispute of Baht 102 million. The Court ordered the Company to pay for damages of Baht 104 million plus interest at a rate of 7.5% per annum, commencing from 8 December 2008 until the full amount is paid. Subsequently, the Appeals Court rendered a conflict judgement with the Court of First Instance, by instructing the Company to pay for damages of Baht 5 million plus interest at a rate of 7.5% per annum, commencing from 10 December 2008 until the full amount is paid. At present, the case is under the process of the Supreme Court. However, as at 30 June 2017, the Company has set aside a provision including interest of Baht 171 million for liabilities arising as a result of these cases (31 December 2016: Baht 167 million).
- 2) In 2010 - 2016, a housing estate juristic persons and housing residents filed totaling 10 lawsuits against the Company, involving the construction of a kindergarten demanding damages totaling Baht 494 million. The Court of First Instance ordered the Company to pay for damages of Baht 27 million plus interest at a rate of 7.5% per annum, commencing from 18 January 2008 until the full amount is paid. Subsequently, the Appeal Court rendered a conflict judgement with the Court of First Instance, by instructing the Company to pay for damages of Baht 13.5 million plus interest at a rate of 7.5% per annum, commencing from 18 January 2008 until the full amount is paid. At present, the case is under the process of the Supreme Court. However, as at 30 June 2017 the Company has set aside a provision including interest of Baht 160 million for liabilities arising as a result of these cases (31 December 2016: Baht 156 million).

(Unaudited but reviewed)

- 3) In August and September 2016, the Company has been sued by two condominium juristic persons in civil lawsuits (Consumer Protection legal cases) for breach of agreements, claiming for compensation total of Baht 544 million. The lawsuits are currently in the judicial process and the Company is during in negotiation with the plaintiffs. The management believes that the Company is in full compliance with such agreements, and the plaintiffs' claiming are unreasonable, without relevant evidences of demanding. However, for a reasons of prudence, the Company had set aside certain provision which the management deem to be an appropriate amount in the financial statements.
- 4) As at 30 June 2017, the Company has been sued for breach of agreements, claiming for a total of Baht 49 million (31 December 2016: Baht 20 million). However, the Company has set aside a provision including interest of Baht 4 million for liabilities arising as a result of these cases (31 December 2016: Baht 1 million).

## 28.5 Cross Currency and Interest Rate Swap agreements

The details of the Cross Currency and Interest Rate Swap agreements outstanding as at 30 June 2017 and 31 December 2016 are as follows:

| Consolidated and separate financial statements    |                         |   |  |                  |
|---|-------------------------|---|--|------------------|
| As at 30 June 2017 and 31 December 2016           |                         |   |  |                  |
| Currency and Interest Revenue Rate Swap agreement |                         | Currency and Interest Expense Rate Swap agreement |  | Termination date |
| Principal amount                                  | Interest rate           | Principal amount                                  | Interest rate                          |                  |
| Baht 3,075 million                                | Floating rate MLR-2.25% | USD 95.8 million                                  | Floating rate LIBOR 6 month plus 3.19% | 8 December 2017  |
| Baht 1,951 million                                | Fixed rate 3.00%        | USD 54.8 million                                  | Fixed rate 2.915%                      | 14 December 2017 |
| Baht 2,385 million                                | Fixed rate 3.00%        | USD 67.0 million                                  | Fixed rate 3.31%                       | 14 December 2021 |

The estimated fair values of the derivatives are as follows:

|  | (Unit: Million Baht)  |                           |
|--|-----------------------|---------------------------|
|  | As at<br>30 June 2017 | As at<br>31 December 2016 |
|  | Fair value            | Fair value                |
|  | Gain (loss)           | Gain (loss)               |
| Cross Currency and Interest Rate Swap agreements | (6)                   | (422)                     |

**29. Fair value hierarchy**

The Company and its subsidiaries use the market approach to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards, except that the cost approach or income approach is used when there is no active market or when a quoted market price is not available.

Fair value hierarchy

In applying the above-mentioned valuation techniques, the Company and its subsidiaries endeavor to use relevant observable inputs as much as possible. TFRS 13 *Fair Value Measurement* establishes a fair value hierarchy categorising such inputs into three levels as follows:

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

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

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

As at 30 June 2017 and 31 December 2016, the Company and its subsidiaries had the following assets that were measured at fair value using different levels of inputs as follows:

|   | (Unit: Million Baht)              |         |         |       |
|---|-----------------------------------|---------|---------|-------|
|   | Consolidated financial statements |         |         |       |
|   | As at 30 June 2017                |         |         |       |
|   | Level 1                           | Level 2 | Level 3 | Total |
| <b>Financial assets measured at fair value</b>              |                                   |         |         |       |
| Current investments - Trading securities                    | 1,200                             | -       | -       | 1,200 |
| Other long-term investments - Available-for-sale securities |                                   |         |         |       |
| Equity securities - Overseas                                | 3,411                             | -       | -       | 3,411 |
| Investment units - Domestic                                 | 2,295                             | -       | -       | 2,295 |

|   | (Unit: Million Baht)              |         |         |       |
|---|-----------------------------------|---------|---------|-------|
|   | Consolidated financial statements |         |         |       |
|   | As at 31 December 2016            |         |         |       |
|   | Level 1                           | Level 2 | Level 3 | Total |
| <b>Financial assets measured at fair value</b>              |                                   |         |         |       |
| Other long-term investments - Available-for-sale securities |                                   |         |         |       |
| Equity securities - Overseas                                | 3,654                             | -       | -       | 3,654 |
| Investment units - Domestic                                 | 1,764                             | -       | -       | 1,764 |

(Unaudited but reviewed)

(Unit: Million Baht)

|   | Separate financial statements |         |         |       |
|---|-------------------------------|---------|---------|-------|
|   | As at 30 June 2017            |         |         |       |
|   | Level 1                       | Level 2 | Level 3 | Total |
| <b>Financial assets measured at fair value</b>              |                               |         |         |       |
| Current investments - Trading securities                    | 1,200                         | -       | -       | 1,200 |
| Other long-term investments - Available-for-sale securities |                               |         |         |       |
| Equity securities - Overseas                                | 3,411                         | -       | -       | 3,411 |
| Investment units - Domestic                                 | 771                           | -       | -       | 771   |

(Unit: Million Baht)

|   | Separate financial statements |         |         |       |
|---|-------------------------------|---------|---------|-------|
|   | As at 31 December 2016        |         |         |       |
|   | Level 1                       | Level 2 | Level 3 | Total |
| <b>Financial assets measured at fair value</b>              |                               |         |         |       |
| Other long-term investments - Available-for-sale securities |                               |         |         |       |
| Equity securities - Overseas                                | 3,654                         | -       | -       | 3,654 |
| Investment units - Domestic                                 | 777                           | -       | -       | 777   |

During the current period, there were no transfers within the fair value hierarchy.

### 30. Subsequent events after reporting period

- 30.1 On 11 July 2017, an Extraordinary Meeting of Shareholders of L&H Property Co., Ltd. (“LHP”), the Company’s 60% owned subsidiary passed a resolution to decrease the registered share capital by change of the par value of the ordinary shares from Baht 63 each to Baht 15.75 each. As a result, LHP’s share registered will be Baht 409.50 million (26 million ordinary shares at Baht 15.75 each).
- 30.2 On 19 July 2017, an Extraordinary Meeting of Shareholders of Asia Asset Advisory Co., Ltd. (“AAA”), the Company’s 99.99% owned subsidiary passed a resolution to decrease the registered share capital from Baht 5 million (0.50 million ordinary shares at Baht 10 each) to Baht 1.25 million (0.125 million ordinary shares at Baht 10 each).
- 30.3 On 11 August 2017, a meeting of the Company's Board of Directors approved a resolution to pay an interim dividend from the income of six-month period ended 30 June 2017, at a rate of Baht 0.40 per share, a total of Baht 4,779.9 million. The payment of such dividend shall be made in September 2017.

**31. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 11 August 2017.