

**Sansiri Public Company Limited and its subsidiaries**

**Notes to interim financial statements**

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

**1. General information**

**1.1 The Company's general information**

Sansiri Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. The Company operates in Thailand and is principally engaged in property development.

The Company’s top 5 major shareholders as at 29 August 2018, the latest closing date of the shares register book, are as follows:

	Percentage of shareholding (based on paid-up capital)
1. The Viriyah Insurance Public Company Limited	6.18
2. UBS AG SINGAPORE BRANCH	5.88
3. Thai NVDR Company Limited	5.58
4. Mr. Srettha Thavisin	4.43
5. BNY MELLON NOMINESS LIMITED	3.57

The registered office of the Company is at 475, Siripinyo Building, Sri Ayutthaya Road, Phayathai, Rajthevi, Bangkok.

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

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

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

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

### 1.3 Basis of consolidation

These consolidated interim financial statements are prepared on the same basis as that applied for the preparation of the consolidated financial statements for the year ended 31 December 2017.

Details of subsidiaries included in the consolidated financial statements of the Company are as follows:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			30 September 2018 Percent	31 December 2017 Percent
<b><u>Directly owned</u></b>				
Chanachai Ltd.	Property development	Thailand	100	100
Plus Property Co., Ltd.	Property development	Thailand	100	100
Sansiri China Co., Ltd.	Dormant	Thailand	100	100
S.U.N. Management Co., Ltd.	Property development	Thailand	100	100
Arnawat Ltd.	Property development	Thailand	100	100
Piwattana Ltd.	Property development	Thailand	100	100
Red Lotus Properties Ltd.	Property development	Thailand	100	100
Sansiri Global Investment Pte. Ltd.	Holding Company	Singapore	100	100
Plus Property Space Co., Ltd.	Property development	Thailand	100	100
Papanan Ltd.	Property development	Thailand	100	100
NED Management Co., Ltd.	Property development and holder of Satit Pattana School's license	Thailand	100	100
Satit Pattana Personnel Center Ltd.	Dormant	Thailand	100	100
Siriwattana Holding Ltd.	Property development	Thailand	100	100
Jirapas Realty Co., Ltd.	Property development	Thailand	100	100
Paranat Co., Ltd. (Formerly known as "Paranat Property Co., Ltd.")	Property development	Thailand	100	100
Siri Smart One Co., Ltd.	Property development	Thailand	100	100
Siri Ventures Co., Ltd.	Holding Company	Thailand	97	90
Siri TK One Co., Ltd.	Property development	Thailand	-	70
Sansiri US, Inc.	Holding Company	United States	100	100
Siri Smart Two Co., Ltd.	Property development	Thailand	100	-
Siri Smart Three Co., Ltd.	Property development	Thailand	100	-
Sirir Smart Four Co., Ltd.	Property development	Thailand	100	-
<b><u>Indirectly owned</u></b>				
QT Lifestyle Co., Ltd.	Event management	Thailand	100	100
Touch Property Co., Ltd.	Property development	Thailand	100	100
Sansiri Guernsey (2009) Limited	Property development	Guernsey	100	100
Satit Pattana School	Education business	Thailand	100	100
QEW (Thailand) Co., Ltd.	Events management and full wedding planning services	Thailand	70	70
Sansiri Guernsey (2015) Limited	Property development	Guernsey	100	100
Sansiri International Pte. Ltd.	Centralised administrative and subsidiary management offices in Singapore	Singapore	100	-

Details of changes in the composition of the group of companies during the current period are presented in Note 8 and 9.

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

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

During the period, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

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

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

##### **TFRS 15 Revenue from Contracts with Customers**

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

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

### **Thai Financial Reporting Standards related to financial instruments**

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

Financial reporting standards:

TFRS 9	Financial Instruments
TFRS 7	Financial Instruments: Disclosures

Accounting standard:

TAS 32	Financial Instruments: Presentation
--------	-------------------------------------

Financial Reporting Standard Interpretations:

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

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

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

## **2. Significant accounting policies**

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

### 3. Related party transactions

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

Details of subsidiaries are presented in Note 1.3 and details of joint ventures are presented in Note 9.1. Other related companies have common directors with the Company.

(Unit: Thousand Baht)

	For the three-month periods ended 30 September				
	Consolidated financial statements		Separate financial statements		Transfer Pricing Policy
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	18,410	-	Cost plus certain margin at a rate of 5%
Revenues from business management and project management	-	-	1,178	25,623	Based on agreement (1)
Sales of land	-	-	-	604,695	Cost plus margin
Interest income	-	-	103,662	105,124	3.50% p.a.
Commission income	-	-	10,106	13,015	Based on agreement (3)
Revenue from projects for rent	-	-	349	-	Rental rate given to general customers
Project management fee and other expenses	-	-	14,650	5,529	Based on agreement (2)
Commission expenses	-	-	20,819	9,195	Based on agreement (3)
Interest expenses	-	-	3,434	5,758	3.50% p.a.
<b><u>Transactions with joint ventures</u></b>					
Revenues from business management and project management	831,079	797,451	1,599,965	1,511,136	Based on agreement (1)
Sales of land	67,447	-	224,823	-	Cost plus margin
Commission income	52,165	31,583	-	-	Based on agreement (3)
Interest income	70,411	49,438	70,411	49,438	3.85% - 4.88% p.a. (2017: 3.85% p.a.)
Dividend income	-	-	270,000	-	As declared
Sale of other long-term investment	91,818	-	91,818	-	Based on agreement (Detail as described in Note 11)
<b><u>Transactions with related person</u></b>					
Revenues from project sales	-	5,610	-	-	Cost plus certain margin at a rate of 74%

(Unaudited but reviewed)

(Unit: Thousand Baht)

	For the nine-month periods ended 30 September				
	Consolidated		Separate		
	financial statements		financial statements		Transfer Pricing Policy
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
<b><u>Transactions with subsidiaries</u></b>					
(eliminated from the consolidated financial statements)					
Sales of precast concrete	-	-	20,814	3,388	Cost plus certain margin at a rate of 5%
Revenues from business management and project management	-	-	3,533	27,923	Based on agreement (1)
Interest income	-	-	327,407	299,068	3.50% p.a.
Commission income	-	-	22,250	31,163	Based on agreement (3)
Sales of land	-	-	-	604,695	Cost plus margin
Revenue from project for rent	-	-	1,348	-	Rental rate given to general customers
Dividend income	-	-	802,000	274	As declared
Project management fee and other expenses	-	-	28,040	15,033	Based on agreement (2)
Commission expenses	-	-	51,587	28,494	Based on agreement (3)
Interest expenses	-	-	13,671	14,816	3.50% p.a.
<b><u>Transactions with joint ventures</u></b>					
Revenues from business management and project management	2,220,878	2,453,565	4,245,300	4,558,339	Based on agreement (1)
Sales of land	402,513	79,443	1,341,711	158,886	Cost plus margin
Commission income	119,419	79,158	-	-	Based on agreement (3)
Interest income	196,287	144,474	196,287	144,474	3.85% - 4.88% p.a. (2017: 3.85% p.a.)
Dividend income	-	-	270,000	50	As declared
Purchase of condominium units	710,046	-	691,081	-	Average price of Baht 183,000 per sq.m.
Sales of other investments	91,818	-	91,818	-	Based on agreement
					(Detail as described in Note 11)
<b><u>Transactions with related person</u></b>					
Revenues from project sales	-	5,610	-	-	Cost plus certain margin at a rate of 74%

Transactions, pricing policies and related contracts are as follows: -

- (1) Revenue from business service and project management fees is charged based on costs plus certain margin. Those charges are allocated to subsidiaries and joint ventures based on revenue and investment costs, respectively.
- (2) Project management fees are charged monthly, depended upon the size of the project.
- (3) Commission from sale of projects is charged at a rate of 0.78 - 2 percent of selling price per the contract, with payments divided between the time the customer executes the agreement and when the properties are transferred.

(Unaudited but reviewed)

## 3.2 Directors and management's benefits

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

(Unit: Thousand Baht)

	Consolidated financial statements / Separate financial statements			
	For the three-month periods		For the nine-month periods	
	ended 30 September		ended 30 September	
	2018	2017	2018	2017
Short-term employee benefits	35,602	120,686	119,209	260,062
Post-employment benefits	642	923	1,925	2,769
<b>Total</b>	<b>36,244</b>	<b>121,609</b>	<b>121,134</b>	<b>262,831</b>

## 3.3 The balances of the accounts as at 30 September 2018 and 31 December 2017 between the Company and those related parties are as follows: -

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<b><u>Accounts receivable</u></b>				
Subsidiaries	-	-	298,818	6,983
Joint ventures	30,057	32,254	-	-
<b>Total</b>	<b>30,057</b>	<b>32,254</b>	<b>29,818</b>	<b>6,983</b>
<b><u>Prepaid expenses</u></b>				
Subsidiaries	-	-	3,125	350
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,125</b>	<b>350</b>
<b><u>Loans to related parties</u></b>				
Subsidiaries	-	-	10,270,889	12,956,234
Joint ventures	6,242,113	5,806,213	6,242,113	5,806,213
Related party	5,000	5,000	-	-
<b>Total</b>	<b>6,247,113</b>	<b>5,811,213</b>	<b>16,513,002</b>	<b>18,762,447</b>
Current portion	840,000	598,000	1,120,420	874,133
Less: Allowance for doubtful accounts	-	-	-	-
<b>Net</b>	<b>840,000</b>	<b>598,000</b>	<b>1,120,420</b>	<b>874,133</b>
Long-term portion	5,407,113	5,213,213	15,392,582	17,888,314
Less: Allowance for doubtful accounts	(5,000)	(5,000)	-	-
<b>Net</b>	<b>5,402,113</b>	<b>5,208,213</b>	<b>15,392,582</b>	<b>17,888,314</b>
<b><u>Interest receivables</u></b>				
Subsidiaries	-	-	42,208	102,288
Joint ventures	71,823	52,564	71,823	52,564
Related party	333	333	-	-
<b>Total</b>	<b>72,156</b>	<b>52,897</b>	<b>114,031</b>	<b>154,852</b>
Less: Allowance for doubtful accounts	(333)	(333)	-	-
<b>Net</b>	<b>71,823</b>	<b>52,564</b>	<b>114,031</b>	<b>154,852</b>
<b><u>Unearned income</u></b>				
Related person	-	2,050	-	2,050
<b>Total</b>	<b>-</b>	<b>2,050</b>	<b>-</b>	<b>2,050</b>
<b><u>Trade accounts payable</u></b>				
Subsidiaries	-	-	11,694	22,562
Joint Ventures	528	-	528	-
<b>Total</b>	<b>528</b>	<b>-</b>	<b>12,222</b>	<b>22,562</b>

(Unaudited but reviewed)

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<b><u>Loans from related parties</u></b>				
Subsidiaries	-	-	403,312	892,525
<b>Total</b>	-	-	403,312	892,525
Current portion	-	-	-	-
Long-term portion	-	-	403,312	892,525
<b>Total</b>	-	-	403,312	892,525
<b><u>Interest payables</u></b>				
Subsidiaries	-	-	3,013	5,455
<b>Total</b>	-	-	3,013	5,455
<b><u>Advance received from customer</u></b>				
Joint ventures	2,323,172	2,913,432	2,323,172	2,913,432
<b>Total</b>	2,323,172	2,913,432	2,323,172	2,913,432

3.4 During the period, movements of loans to/loans from related parties were as follows: -

(Unit: Million Baht)

	Consolidated financial statements			
	Balance as at 1 January 2018	During the period		Balance as at 30 September 2018
Loans to		Increase	Decrease	
<b>Joint ventures</b>				
BTS Sansiri Holding One Limited	410.00	-	(410.00)	-
BTS Sansiri Holding Two Limited	137.69	35.50	-	173.19
BTS Sansiri Holding Three Limited	-	38.00	-	38.00
BTS Sansiri Holding Four Limited	1,017.00	-	(963.00)	54.00
BTS Sansiri Holding Five Limited	39.00	25.00	-	64.00
BTS Sansiri Holding Six Limited	38.00	50.00	(38.00)	50.00
BTS Sansiri Holding Seven Limited	217.00	95.00	(21.00)	291.00
BTS Sansiri Holding Eight Limited	188.00	148.00	(131.00)	205.00
BTS Sansiri Holding Nine Limited	86.00	225.00	(17.00)	294.00
Nuvo Line Agency Co., Ltd.	321.50	69.00	(15.00)	375.50
BTS Sansiri Holding Eleven Limited	196.00	234.00	(25.00)	405.00
BTS Sansiri Holding Twelve Limited	646.00	185.00	(65.00)	766.00
BTS Sansiri Holding Thirteen Limited (Formerly known as "Prime Area 38 Co., Ltd.")	801.02	194.00	(499.00)	496.02
BTS Sansiri Holding Fourteen Limited	60.00	39.00	(28.00)	71.00
BTS Sansiri Holding Fifteen Limited	436.00	26.00	-	462.00
BTS Sansiri Holding Sixteen Limited	532.00	11.00	(81.00)	462.00
BTS Sansiri Holding Seventeen Limited	25.00	10.00	-	35.00
BTS Sansiri Holding Nineteen Limited	214.00	142.00	(100.00)	256.00
BTS Sansiri Holding Twenty One Limited	367.00	38.00	-	405.00
BTS Sansiri Holding Twenty Two Limited	75.00	112.00	-	187.00
BTS Sansiri Holding Twenty Three Limited (Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd.")	-	63.00	(20.00)	43.00
BTS Sansiri Holding Twenty Four Limited (Formerly known as "Siripat One Co, Ltd.")	-	354.88	(314.88)	40.00
BTS Sansiri Holding Twenty Five Limited (Formerly known as "Siripat Two Co, Ltd.")	-	1,220.00	(1,140.00)	80.00
Siripat Three Co, Ltd.	-	682.05	(569.05)	113.00
Siri TK One Co., Ltd	-	293.30	-	293.30
Siri TK Two Co., Ltd	-	620.90	(315.00)	305.90
Siri TK Three Co., Ltd	-	308.70	(117.60)	191.10
Siri TK Four Co., Ltd	-	86.10	-	86.10
<b>Related party</b>				
Regency One Co., Ltd.	5.00	-	-	5.00
<b>Total</b>	<b>5,811.21</b>	<b>5,305.43</b>	<b>(4,869.53)</b>	<b>6,247.11</b>



## (Unaudited but reviewed)

(Unit: Million Baht)

Loans to	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January 2018	Increase	Decrease	30 September 2018
<b>Subsidiaries</b>				
Arnawat Ltd.	4,546.88	2,771.53	(5,669.09)	1,649.32
Plus Property Co., Ltd.	529.00	65.98	(594.98)	-
Piwattana Ltd.	1,936.46	855.04	(1,453.37)	1,338.13
Plus Property Space Co., Ltd.	355.67	37.18	(14.47)	378.38
NED Management Co., Ltd.	1,039.43	29.47	(497.92)	570.98
Sansiri China Co., Ltd.	6.10	-	(0.50)	5.60
Siriwattana Holding Ltd.	540.00	42.28	-	582.28
Jirapas Realty Co., Ltd.	1,852.00	258.06	(77.27)	2,032.79
Paranat Co., Ltd.				
(Formerly known as "Paranat Property Co., Ltd.")	1,709.50	106.33	(1,538.55)	277.28
Siri Smart One Co., Ltd.	225.60	6.03	(2.39)	229.24
Siri Smart Two Co., Ltd.	-	506.11	(49.22)	456.89
Siri Smart Three Co., Ltd.	-	2,750.00	-	2,750.00
Siri Smart Four Co., Ltd.	-	725.86	(725.86)	-
Siri Ventures Co., Ltd.	-	1.50	(1.50)	-
<b>Joint ventures</b>				
BTS Sansiri Holding One Limited	410.00	-	(410.00)	-
BTS Sansiri Holding Two Limited	137.69	35.50	-	173.19
BTS Sansiri Holding Three Limited	-	38.00	-	38.00
BTS Sansiri Holding Four Limited	1,017.00	-	(963.00)	54.00
BTS Sansiri Holding Five Limited	39.00	25.00	-	64.00
BTS Sansiri Holding Six Limited	38.00	50.00	(38.00)	50.00
BTS Sansiri Holding Seven Limited	217.00	95.00	(21.00)	291.00
BTS Sansiri Holding Eight Limited	188.00	148.00	(131.00)	205.00
BTS Sansiri Holding Nine Limited	86.00	225.00	(17.00)	294.00
Nuvo Line Agency Co., Ltd.	321.50	69.00	(15.00)	375.50
BTS Sansiri Holding Eleven Limited	196.00	234.00	(25.00)	405.00
BTS Sansiri Holding Twelve Limited	646.00	185.00	(65.00)	766.00
BTS Sansiri Holding Thirteen Limited	801.02	194.00	(499.00)	496.02
(Formerly known as "Prime Area 38 Co., Ltd.")				
BTS Sansiri Holding Fourteen Limited	60.00	39.00	(28.00)	71.00
BTS Sansiri Holding Fifteen Limited	436.00	26.00	-	462.00
BTS Sansiri Holding Sixteen Limited	532.00	11.00	(81.00)	462.00
BTS Sansiri Holding Seventeen Limited	25.00	10.00	-	35.00
BTS Sansiri Holding Nineteen Limited	214.00	142.00	(100.00)	256.00
BTS Sansiri Holding Twenty One Limited	367.00	38.00	-	405.00
BTS Sansiri Holding Twenty Two Limited	75.00	112.00	-	187.00
BTS Sansiri Holding Twenty Three Limited	-	63.00	(20.00)	43.00
(Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd.")				
BTS Sansiri Holding Twenty Four Limited	-	354.88	(314.88)	40.00
(Formerly known as "Siripat One Co, Ltd.")				
BTS Sansiri Holding Twenty Five Limited	-	1,220.00	(1,140.00)	80.00
(Formerly known as "Siripat Two Co, Ltd.")				
Siripat Three Co., Ltd.	-	682.05	(569.05)	113.00
Siri TK One Co., Ltd.	215.60	77.70	-	293.30
Siri TK Two Co., Ltd.	-	620.90	(315.00)	305.90
Siri TK Three Co., Ltd.	-	308.70	(117.60)	191.10
Siri TK Four Co., Ltd.	-	86.10	-	86.10
<b>Total</b>	<b>18,762.45</b>	<b>13,245.20</b>	<b>(15,494.65)</b>	<b>16,513.00</b>

(Unaudited but reviewed)

(Unit: Million Baht)

Loans from	Separate financial statements			
	Balance as at	During the period		Balance as at
	1 January			30 September
	2018	Increase	Decrease	2018
<b>Subsidiaries</b>				
Papanan Ltd.	191.93	25.48	(213.84)	3.57
Chanachai Ltd.	197.00	44.88	(39.12)	202.76
Plus Property Co., Ltd.	-	102.66	(6.91)	95.75
Red Lotus Properties Ltd.	503.60	165.86	(568.23)	101.23
Siri Ventures Co., Ltd.	-	39.88	(39.88)	-
Total	892.53	378.76	(867.98)	403.31

As at 30 September 2018, loans to and loans from related parties are clean loans, due for repayment at call, and carry interest at rates of 3.50 to 4.88 percent per annum (31 December 2017: 3.50 to 3.85 percent per annum).

#### 4. Current investments

(Unit: Million Baht)

	Consolidated / Separate financial statements	
	30 September 2018	31 December 2017
Bills of exchange - face value	2,000.00	1,000.00
Less: Discount	(28.31)	(26.86)
Bills of exchange - net	1,971.69	973.14
Investment in short-term fixed income fund	447.70	0.05
Total	2,419.39	973.19

#### 5. Trade accounts receivable

Trade accounts receivable as at 30 September 2018 and 31 December 2017 are presented as follows: -

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<u>Trade receivables - related parties</u>				
Aged on the basis of due dates				
Not yet due	27.84	22.57	-	-
Past due				
Up to 3 months	2.22	9.68	29.82	6.98
Total trade receivables - related parties	30.06	32.25	29.82	6.98

(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	71.68	73.55	-	-
Past due				
Up to 3 months	3.02	30.31	5.41	12.78
3 - 6 months	13.53	22.90	4.67	17.25
6 - 12 months	26.51	14.08	4.39	3.81
Over 12 months	41.26	34.41	15.66	11.99
Total	156.00	175.25	30.13	45.83
Less: Allowance for doubtful debts	(45.21)	(50.64)	(22.05)	(32.73)
Total trade receivables - unrelated parties, net	110.79	124.61	8.08	13.10
Total trade receivables - net	140.85	156.86	37.90	20.08

**6. Property development for sale**

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Land	57,845.63	44,726.49	35,349.69	26,149.23
Construction costs	62,369.50	57,582.03	30,441.91	26,593.16
Utility costs	18,632.12	16,650.08	12,053.38	10,405.19
Construction material	61.01	43.32	61.01	43.32
Capitalised financial costs	5,558.55	4,907.34	4,536.56	4,089.95
Total	144,466.81	123,909.26	82,442.55	67,280.85
Less: Accumulated transfer to cost of projects	(89,253.37)	(80,107.48)	(45,070.62)	(39,029.53)
Allowance for loss on diminution in value of projects	(409.94)	(417.32)	(14.26)	(14.26)
Balance	54,803.50	43,384.46	37,357.67	28,237.06

- 6.1 As at 30 September 2018 and 31 December 2017, land and construction thereon of projects of the Company and its subsidiaries with net book value of Baht 43,859 million and Baht 27,199 million, respectively, were pledged as collateral for loans obtained from banks (Separate financial statements: Baht 28,889 million and Baht 20,797 million, respectively).
- 6.2 As at 30 September 2018 and 31 December 2017, the additional estimated expenses of the Company and subsidiaries for the development and construction to complete the launched projects (excluding the costs of land and construction already recorded) are Baht 67,847 million and Baht 43,100 million, respectively (Separate financial statements: Baht 41,851 million and Baht 27,283 million, respectively).
- 6.3 During the nine-month periods ended 30 September 2018 and 2017, the Company and its subsidiaries included borrowing costs in the cost of property development amounting to Baht 651 million and Baht 452 million, respectively (Separate financial statements: Baht 447 million and Baht 479 million, respectively). Capitalisation rates for the nine-month periods ended 30 September 2018 and 2017 were 3.39% and 3.79%, respectively (Separate financial statements: 3.35% and 3.77%, respectively).
- 6.4 During the nine-month periods ended 30 September 2018, a subsidiary has reversed loss on diminution in value of property development for sale amounting to Baht 1.12 million (2017: A subsidiary had recorded loss on diminution in value of property development for sale amounting to Baht 148 million).
- 6.5 Additional information of the Company's and its subsidiaries' projects are as follows:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September	31 December	30 September	31 December
	2018	2017	2018	2017
Sales with signed agreements	166,806	134,441	86,507	66,761
Total estimated project value	230,396	182,521	126,737	101,270
The ratio of sales with signed agreements	72.40%	73.66%	68.26%	65.92%
Unearned income	3,585	1,228	1,309	241

## 7. Long-term loan receivable

As at 30 September 2018 and 31 December 2017, the long-term loan receivable is an unsecured loan of a subsidiary to an overseas company amounting to USD 0.30 million which carries interest at the rate of 4 percent per annum and will be matured on 24 March 2019. This loan can be convertible to preferred stocks within the maturity date under conditions as stipulated in the loan agreement.

## 8. Investments in subsidiaries

As at 30 September 2018 and 31 December 2017, investments in subsidiaries presented in separate financial statements are as follows: -

(Unit: Million Baht)

	Paid-up capital		Percentage of shareholding		Investment at cost		Dividend income			
							For the three-month periods ended		For the nine-month periods ended	
	30 September	31 December	30 September	31 December	30 September	31 December	30 September		30 September	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
			(%)	(%)						
<b>Subsidiaries - Directly owned</b>										
Chanachai Ltd.	90.00	90.00	100	100	101.52	101.52	-	-	-	9.90
Plus Property Co., Ltd.	150.00	150.00	100	100	160.53	160.53	-	-	-	-
Sansiri China Co., Ltd.	3.00	3.00	100	100	4.52	4.52	-	-	-	-
S.U.N. Management Co., Ltd.	10.00	10.00	100	100	20.08	20.08	-	-	-	-
Arnawat Ltd.	2.50	2.50	100	100	2.50	2.50	-	-	-	-
Piwattana Ltd.	100.00	100.00	100	100	100.00	100.00	-	-	-	-
Red Lotus Properties Ltd.	20.00	20.00	100	100	20.00	20.00	-	-	590.00	-
Plus Propety Space Co., Ltd.	2.50	2.50	100	100	4.06	4.06	-	-	-	-
Papanan Ltd.	20.00	20.00	100	100	20.00	20.00	-	-	212.00	264.00
Satit Pattana Personnel Center Ltd.	1.00	1.00	100	100	1.00	1.00	-	-	-	-
NED Management Co., Ltd.	40.00	40.00	100	100	40.00	40.00	-	-	-	-
Sansiri Global Investment Pte. Ltd.	(2)	(1)	100	100	1,703.89	1,667.38	-	-	-	-
Siriwattana Holding Ltd.	100.00	100.00	100	100	100.00	100.00	-	-	-	-
Jirapas Realty Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-	-	-
Paranat Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-	-	-
(Formerly known as "Paranat Property Co., Ltd.")										
Siri Ventures Co., Ltd.	300.00	100.00	97	90	290.00	90.00	-	-	-	-
Siri Smart One Co., Ltd.	10.00	10.00	100	100	10.00	10.00	-	-	-	-
Siri TK One Co., Ltd.	-	10.00	-	70	-	7.00	-	-	-	-
Sansiri US, Inc.	USD 28.36 million	USD 18.76 million	100	100	933.39	622.48	-	-	-	-
Siri Smart Two Co., Ltd.	50.00	-	100	-	50.00	-	-	-	-	-
Siri Smart Three Co., Ltd.	50.00	-	100	-	50.00	-	-	-	-	-
Siri Smart Four Co., Ltd.	50.00	-	100	-	50.00	-	-	-	-	-
<b>Total investment in subsidiaries</b>					<b>3,681.49</b>	<b>2,991.07</b>	<b>-</b>	<b>-</b>	<b>802.00</b>	<b>273.90</b>

(1) Paid-up capital as at 31 December 2017 consists of GBP 0.02 million called up in year 2009, GBP 24.91 million called up in year 2015 and USD 12 million called up in year 2017.

(2) Paid-up capital as at 30 September 2018 consists of GBP 0.02 million called up in year 2009, GBP 24.91 million called up in year 2015, USD 12 million called up in year 2017 and SGD 1.5 million called up in the nine-month period ended 30 September 2018.

(1) Establishment of new subsidiaries held by the Company

During the current period, the meeting of the Board of Directors approved the establishment of new subsidiaries in Thailand to engage in property development business as detailed below:

Company's name	Date of incorporation	Registered share capital (Million Baht)	Paid-up share capital (Million Baht)	Shareholding percentage (%)
Siri Smart Two Co.,Ltd.	4 January 2018	50.00	50.00	100.00
Siripat One Co.,Ltd.	16 February 2018	50.00	50.00	100.00
Siripat Two Co.,Ltd.	2 March 2018	50.00	50.00	100.00
Siripat Three Co.,Ltd.	12 March 2018	50.00	50.00	100.00
Siri Smart Three Co.,Ltd.	28 June 2018	50.00	50.00	100.00
Siri Smart Four Co.,Ltd.	23 July 2018	50.00	50.00	100.00

(2) Establishment of a new indirect subsidiary

On 19 June 2018, the meeting of the Company's Board of Directors passed a resolution to approve the establishment of a new subsidiary in Singapore named Sansiri International Pte.Ltd., with the registered capital of SGD 1,500,000 whereby Sansiri Global Investment Pte. Ltd., a wholly owned subsidiary, has 100% shareholding percentage in a new indirect subsidiary in order to be used as the centralised administrative offices and subsidiary management offices in Singapore. A new indirect subsidiary has registered the incorporation on 5 July 2018.

(3) Acquisition of new subsidiary by a subsidiary

On 30 March 2018, Arnawat Ltd. (a subsidiary) acquired 10,000 ordinary shares or 100% shareholding in Bangkok Sky Sukhumvit 34 Co., Ltd. ("BKS34") from the existing shareholders, with consideration of Baht 0.84 million (equivalent to the book value of BKS34 as of 29 March 2018 according to the management account (internal account)). The consideration value is a jointly determined price between the Purchaser and the Seller. As a result of this transaction, the subsidiary has control over Bangkok Sky Sukhumvit 34 Co., Ltd. Therefore, it became a subsidiary of the Group (an indirect subsidiary of the Company).

(4) Changes of status from subsidiaries to joint ventures

According to the joint venture agreement of Siri TK One Limited between the Company and Tokyu Corporation Ltd., which was incorporated in Japan (including Saha Tokyu Corporation Co., Ltd. which is Tokyu Corporation's alliance), the Company considered that they had no any control over Siri TK One Limited. Therefore, the status of such company was changed from a subsidiary to a joint venture and the Company presented the investment in such company as investment in joint venture.

During the current period, the Company sold its ordinary shares in Siripat One Co.,Ltd., Siripat Two Co.,Ltd. and Siripat Three Co.,Ltd.. In addition, Arnawat Co.,Ltd. (a subsidiary) sold its ordinary shares in Bangkok Sky Sukhumvit 34 Limited. The Company considered that it had no control over these companies. As a result, their status was changed from subsidiaries to joint ventures as described in Note 9 to the financial statements.

(5) Increase in share capital of subsidiaries

On 8 June 2018, the Extraordinary General Meeting of Shareholders of Siri Ventures Co., Ltd. (a subsidiary) approved the increase in the registered capital of Baht 200 million, from the existing registered capital of Baht 100 million to the new registered capital of Baht 300 million, through the issuance of new 2,000,000 ordinary shares at a price of Baht 100 per share which were fully called up. The Company paid for the capital increase of Baht 200 million. As a result, the Company's shareholding in this company increased from 90% to 97%. The subsidiary registered the increase in the registered share capital with the Ministry of Commerce on 12 June 2018.

During the current period, the Company invested in Sansiri US, Inc. (a subsidiary) totaling USD 9.6 million or equivalent to Baht 311 million and invested in Sansiri Global Investment Pte. Ltd. (a subsidiary) totaling SGD 1,500,000 or equivalent to Baht 36.5 million.

**9. Investments in joint ventures**

**9.1 Details of investments in joint ventures:**

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

## (Unaudited but reviewed)

(Unit: Thousand Baht)

		Consolidated financial statements					
Joint ventures	Nature of business	Shareholding		Cost		Carrying amounts based	
		percentage				on equity method	
		30	31	30	31	30	31
		September	December	September	December	September	December
		2018	2017	2018	2017	2018	2017
		(%)	(%)				
<u>Jointly controlled by the Company and U City Public Company Limited</u>							
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	181,931
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000	53,508	74,747
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Five Limited	Property development	50	50	25,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000	35,237	- <sup>(1)</sup>
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000	86,271	- <sup>(1)</sup>
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	76,882	- <sup>(1)</sup>	13,284
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Thirteen Limited <sup>(2)</sup>	Property development	50	50	55,951	35,951	55,301	31,970
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000	45,563	49,772
BTS Sansiri Holding Eighteen Limited	Property development	50	50	25,000	50,000	20,589	49,146
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000	- <sup>(1)</sup>	- <sup>(1)</sup>
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000	43,861	46,673
BTS Sansiri Holding Twenty One Limited	Property development	50	50	50,000	50,000	22,645	34,881
BTS Sansiri Holding Twenty Two Limited	Property development	50	50	50,000	50,000	35,143	41,446
BTS Sansiri Holding Twenty Three Limited <sup>(3)</sup>	Property development	50	-	25,000	-	21,053	-
BTS Sansiri Holding Twenty Four Limited <sup>(4)</sup>	Property development	50	-	25,000	-	20,290	-
BTS Sansiri Holding Twenty Five Limited <sup>(5)</sup>	Property development	50	-	25,000	-	20,159	-
Siripat Three Co., Ltd.	Property development	50	-	25,000	-	19,608	-
<u>Jointly controlled by the Company and Tokyo Corporation</u>							
Siri TK One Co., Ltd.	Property development	70	-	7,000	-	- <sup>(1)</sup>	-
Siri TK Two Co., Ltd.	Property development	70	-	35,000	-	- <sup>(1)</sup>	-
Siri TK Three Co., Ltd.	Property development	70	-	35,000	-	- <sup>(1)</sup>	-
Siri TK Four Co., Ltd.	Property development	70	-	35,000	-	- <sup>(1)</sup>	-
Total				1,294,833	1,112,833	479,228	523,850

<sup>(1)</sup> Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures".<sup>(2)</sup> Formerly known as "Prime Area 38 Co., Ltd."<sup>(3)</sup> Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd."<sup>(4)</sup> Formerly known as "Siripat One Co., Ltd."<sup>(5)</sup> Formerly known as "Siripat Two Co., Ltd."



(Unaudited but reviewed)

Investments under equity method presented under “Provision for transaction under equity method of investments in joint ventures” are detailed as follows:

(Unit: Thousand Baht)

Joint ventures	Consolidated financial statements	
	30 September 2018	31 December 2017
BTS Sansiri Holding One Limited	23,811	-
BTS Sansiri Holding Two Limited	172,040	164,464
BTS Sansiri Holding Four Limited	303,863	273,289
BTS Sansiri Holding Five Limited	44,134	15,405
BTS Sansiri Holding Six Limited	119,698	177,584
BTS Sansiri Holding Seven Limited	-	61,717
BTS Sansiri Holding Eight Limited	-	85,113
BTS Sansiri Holding Nine Limited	32,049	91,054
Nuvo Line Agency Co., Ltd.	3,312	-
BTS Sansiri Holding Eleven Limited	95,101	77,460
BTS Sansiri Holding Twelve Limited	143,664	88,138
BTS Sansiri Holding Fourteen Limited	20,899	7,363
BTS Sansiri Holding Fifteen Limited	11,227	10,465
BTS Sansiri Holding Sixteen Limited	58,313	62,804
BTS Sansiri Holding Nineteen Limited	53,876	38,025
Siri TK One Co., Ltd.	104,950	-
Siri TK Two Co., Ltd.	163,792	-
Siri TK Three Co., Ltd.	16,321	-
Siri TK Four Co., Ltd.	66,856	-
Total	1,433,906	1,152,881

The Company presented the negative investment value based on equity method as “Provision for transaction under equity method of investments in joint ventures” in the consolidated statement of financial position. The negative investment value was resulted from elimination of gain on related party transactions in proportion to the Company’s shareholding in joint ventures.

(Unaudited but reviewed)

(Unit: Thousand Baht)

		Separate financial statements			
Joint ventures	Nature of business	Shareholding percentage		Carrying amounts based on cost method - net	
		30 September	31 December	30 September	31 December
		2018	2017	2018	2017
		(%)	(%)		
<u>Jointly controlled by the Company and U City Public Company Limited</u>					
BTS Sansiri Holding One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Three Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Four Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Five Limited	Property development	50	50	25,000	50,000
BTS Sansiri Holding Six Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eight Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Nine Limited	Property development	50	50	50,000	50,000
Nuvo Line Agency Co., Ltd.	Property development	50	50	76,882	76,882
BTS Sansiri Holding Eleven Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twelve Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Thirteen Limited <sup>(1)</sup>	Property development	50	50	55,951	35,951
BTS Sansiri Holding Fourteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Fifteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Sixteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Seventeen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Eighteen Limited	Property development	50	50	25,000	50,000
BTS Sansiri Holding Nineteen Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty One Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Two Limited	Property development	50	50	50,000	50,000
BTS Sansiri Holding Twenty Three Limited <sup>(2)</sup>	Property development	50	-	25,000	-
BTS Sansiri Holding Twenty Four Limited <sup>(3)</sup>	Property development	50	-	25,000	-
BTS Sansiri Holding Twenty Five Limited <sup>(4)</sup>	Property development	50	-	25,000	-
Siripat Three Co., Ltd.	Property development	50	-	25,000	-
<u>Jointly controlled by the Company and Tokyo Corporation</u>					
Siri TK One Co., Ltd.	Property development	70	-	7,000	-
Siri TK Two Co., Ltd.	Property development	70	-	35,000	-
Siri TK Three Co., Ltd.	Property development	70	-	35,000	-
Siri TK Four Co., Ltd.	Property development	70	-	35,000	-
Total				1,294,833	1,112,833

<sup>(1)</sup> Formerly known as "Prime Area 38 Co., Ltd."<sup>(2)</sup> Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd."<sup>(3)</sup> Formerly known as "Siripat One Co., Ltd."<sup>(4)</sup> Formerly known as "Siripat Two Co., Ltd."

(1) Establishment of new joint ventures during the period

During the current period, the meeting of the Board of Directors approved the establishment of new joint ventures which are venture companies between the Company and Tokyu Corporation Ltd., which was incorporated in Japan (including Saha Tokyu Corporation Co., Ltd. which is Tokyu Corporation's alliance). The new joint ventures are engaged in property development as detailed below:

Company's name	Date of incorporation	Registered share capital (Million Baht)	Paid-up share capital (Million Baht)	Shareholding percentage (%)
Siri TK Two Co., Ltd.	12 March 2018	50.00	50.00	70.00
Siri TK Three Co., Ltd.	12 March 2018	50.00	50.00	70.00
Siri TK Four Co., Ltd.	3 September 2018	50.00	50.00	70.00

(2) Changes of status from subsidiaries to joint ventures

On 1 June 2018, the Company sold its ordinary shares in the following subsidiaries as detailed below.

Company	Registered and paid-up share capital (Baht)	Sold shares (shares)	Selling price (Baht per share)	Total selling price (Baht)	Shareholding percentage after completing the transaction (%)
Siripat One Co., Ltd.	50,000,000	250,000	100	25,000,000	50
Siripat Two Co., Ltd.	50,000,000	250,000	100	25,000,000	50
Siripat Three Co., Ltd.	50,000,000	250,000	100	25,000,000	50

The selling price was mutually agreed between the Company and U City Public Company Limited. As a result of the transaction, the shareholding percentage of the Company in the subsidiary was decreased from 100% to 50%. The Company therefore considered that the Company had no control over the subsidiary and the status of this company was changed from a subsidiary to a joint venture.

In addition, on 1 June 2018, Arnawat Co.,Ltd. (a subsidiary) sold all 10,000 ordinary shares of Bangkok Sky Sukhumvit 34 Co.,Ltd. (an indirect subsidiary) to the Company for 5,000 ordinary shares (or equivalent to 50% shareholding) at a price of Baht 100 per share or totaling Baht 500,000 and to U City Public Company Limited for 5,000 ordinary shares (or equivalent to 50% shareholding) at a price of Baht 100 per share or totaling Baht 500,000. The selling price was mutually agreed by and between Arnawat Co.,Ltd., U City Public Company Limited and the Company. As a result of this transaction, the Company holds 50% in Bangkok Sky Sukhumvit 34 Co., Ltd. The Group considered that they had no control over Bangkok Sky Sukhumvit 34 Co., Ltd. but it is a joint control between the Company and U City Public Company Limited. Therefore, the status of Bangkok Sky Sukhumvit 34 Co., Ltd. was changed from an indirect subsidiary to a joint venture.

The purpose of the above sale of investments of the Company and Arnawat Co.,Ltd. (a subsidiary), is to turn the subsidiaries, including an indirect subsidiary, into 50:50 joint venture companies between the Company and U City Public Company Limited which is an associate of BTS Group Holdings Public Company Limited under the Strategic Alliance Framework made between the Company and BTS Group Holdings Public Company Limited.

(3) Increase in share capital of joint ventures

On 18 June 2018, the Extraordinary General Meeting of Shareholders of Prime Area 38 Co., Ltd. passed a resolution to increase the registered share capital of Baht 40 million from the existing registered capital of Baht 10 million to Baht 50 million by issuing new 400,000 ordinary shares at a price of Baht 100 each, fully called up. The Company paid for the capital increase on a pro rata basis amounting to Baht 20 million to Bangkok Sky Sukhumvit 34 Co., Ltd. The joint venture registered the capital increase with the Ministry of Commerce on 25 June 2018.

On 18 June 2018, the Extraordinary General Meeting of Shareholders of Bangkok Sky Sukhumvit 34 Co. Ltd. passed a resolution to increase the registered share capital of Baht 49 million from the existing registered capital of Baht 1 million to Baht 50 million by issuing new 490,000 shares of Baht 100 each, fully called up. The Company paid for the capital increase Baht 24.5 million to that company. The joint venture registered the capital increase with the Ministry of Commerce on 25 June 2018.

(4) Decrease in share capital of joint ventures

On 26 June 2018, the Extraordinary General Meeting of Shareholders of BTS Sansiri Holding Five Co., Ltd. passed a resolution to decrease the registered share capital of Baht 50 million from the existing registered capital of Baht 100 million to Baht 50 million by decreasing 1,000,000 ordinary shares to 500,000 ordinary shares at a price of Baht 100 each. The Company received of the capital decrease amounting to Baht 25 million. The joint venture registered the capital decrease with the Ministry of Commerce on 3 September 2018.

On 26 June 2018, the Extraordinary General Meeting of Shareholders of BTS Sansiri Holding Eighteen Co., Ltd. passed a resolution to decrease the registered share capital of Baht 50 million from the existing registered capital of Baht 100 million to Baht 50 million by decreasing 1,000,000 ordinary shares to 500,000 ordinary shares at a price of Baht 100 each. The Company received of the capital decrease amounting to Baht 25 million. The joint venture registered the capital decrease with the Ministry of Commerce on 3 September 2018.

(5) Approval of dividend payment of a joint venture

On 18 July 2018, the meeting of the Board of Directors of BTS Sansiri Holding One Limited approved a payment of cash dividend of Baht 540 per share, or a total of Baht 540 million from its retained earnings as at 30 June 2018. The Company received cash dividend on 23 July 2018.

9.2 Share of comprehensive income (loss)

During the periods, the Company recognised its share of comprehensive income (loss) from investments in the joint ventures in the consolidated financial statements as follows:

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the three-month period ended 30 September

Joint ventures	Consolidated financial statements				Separate financial statements	
	Share of profit (loss) from investments in joint ventures		Share of other comprehensive income (loss) from investments in joint ventures		Dividend Income	
	2018	2017	2018	2017	2018	2017
<u>Jointly controlled by the Company and U City Public Company Limited</u>						
BTS Sansiri Holding One Ltd.	(180)	213,440	-	-	270,000	-
BTS Sansiri Holding Two Ltd.	(1,948)	(3,516)	-	-	-	-
BTS Sansiri Holding Three Ltd.	(555)	3,590	-	-	-	-
BTS Sansiri Holding Four Ltd.	(6,272)	(5,860)	-	-	-	-
BTS Sansiri Holding Five Ltd.	(1,328)	(1,177)	-	-	-	-
BTS Sansiri Holding Six Ltd.	1,128	(2,176)	-	-	-	-
BTS Sansiri Holding Seven Ltd.	106,185	(3,274)	-	-	-	-
BTS Sansiri Holding Eight Ltd.	15,186	(1,265)	-	-	-	-
BTS Sansiri Holding Nine Ltd.	73,806	(2,267)	-	-	-	-
Nuvo Line Agency Co., Ltd.	(4,344)	(7,434)	-	-	-	-
BTS Sansiri Holding Eleven Ltd.	(1,085)	(6,936)	-	-	-	-
BTS Sansiri Holding Twelve Ltd.	(5,587)	(4,946)	-	-	-	-
BTS Sansiri Holding Thirteen Limited <sup>(1)</sup>	(836)	-	-	-	-	-
BTS Sansiri Holding Fourteen Ltd.	(2,203)	(24,739)	-	-	-	-
BTS Sansiri Holding Fifteen Ltd.	(22)	(7,695)	-	-	-	-
BTS Sansiri Holding Sixteen Ltd.	(3,286)	(3,149)	-	-	-	-
BTS Sansiri Holding Seventeen Ltd.	(1,425)	(23)	-	-	-	-
BTS Sansiri Holding Eighteen Ltd.	(546)	(159)	-	-	-	-
BTS Sansiri Holding Nineteen Ltd.	(5,056)	(503)	-	-	-	-
BTS Sansiri Holding Twenty Ltd.	(780)	(779)	-	-	-	-
BTS Sansiri Holding Twenty One Ltd.	(8,647)	(22)	-	-	-	-
BTS Sansiri Holding Twenty Two Ltd.	(8,185)	919	-	-	-	-
BTS Sansiri Holding Twenty Three Limited <sup>(2)</sup>	(83)	-	-	-	-	-
BTS Sansiri Holding Twenty Four Limited <sup>(3)</sup>	(61)	-	-	-	-	-
BTS Sansiri Holding Twenty Five Limited <sup>(4)</sup>	(2,475)	-	-	-	-	-
Siripat Three Co., Ltd.	(3,488)	-	-	-	-	-
<u>Jointly controlled by the Company and Tokyo Corporation</u>						
Siri TK One Co., Ltd.	(823)	-	-	-	-	-
Siri TK Two Co., Ltd.	(112,271)	-	-	-	-	-
Siri TK Three Co., Ltd.	(7,069)	-	-	-	-	-
Siri TK Four Co., Ltd.	(1,064)	-	-	-	-	-
Total	16,686	142,029	-	-	270,000	-

<sup>(1)</sup> Formerly known as "Prime Area 38 Co., Ltd."<sup>(2)</sup> Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd."<sup>(3)</sup> Formerly known as "Siripat One Co., Ltd."<sup>(4)</sup> Formerly known as "Siripat Two Co., Ltd."

(Unaudited but reviewed)

(Unit: Thousand Baht)

For the nine-month period ended 30 September						
Joint ventures	Consolidated financial statements				Separate financial statements	
	Share of profit (loss)		Share of other		Dividend Income	
	from investments		comprehensive income			
	in joint ventures		(loss) from investments			
	2018	2017	2018	2017	2018	2017
<u>Jointly controlled by the Company and U City Public Company Limited</u>						
BTS Sansiri Holding One Ltd.	79,350	207,974	-	-	270,000	-
BTS Sansiri Holding Two Ltd.	(7,576)	(10,367)	-	-	-	-
BTS Sansiri Holding Three Ltd.	(16,275)	46,600	-	-	-	50,000
BTS Sansiri Holding Four Ltd.	(10,727)	(17,977)	-	-	-	-
BTS Sansiri Holding Five Ltd.	(3,728)	(3,455)	-	-	-	-
BTS Sansiri Holding Six Ltd.	64,984	(6,444)	-	-	-	-
BTS Sansiri Holding Seven Ltd.	100,424	(17,746)	-	-	-	-
BTS Sansiri Holding Eight Ltd.	189,647	(21,779)	-	-	-	-
BTS Sansiri Holding Nine Ltd.	66,772	(7,137)	-	-	-	-
Nuvo Line Agency Co., Ltd.	(16,596)	(18,398)	-	-	-	-
BTS Sansiri Holding Eleven Ltd.	(14,624)	(48,264)	-	-	-	-
BTS Sansiri Holding Twelve Ltd.	(9,040)	(45,400)	-	-	-	-
BTS Sansiri Holding Thirteen Limited <sup>(1)</sup>	1,488	-	-	-	-	-
BTS Sansiri Holding Fourteen Ltd.	(14,820)	(38,602)	-	-	-	-
BTS Sansiri Holding Fifteen Ltd.	(179)	(22,967)	-	-	-	-
BTS Sansiri Holding Sixteen Ltd.	2,145	(30,688)	-	-	-	-
BTS Sansiri Holding Seventeen Ltd.	(4,209)	(53)	-	-	-	-
BTS Sansiri Holding Eighteen Ltd.	(3,558)	721	-	-	-	-
BTS Sansiri Holding Nineteen Ltd.	(19,341)	(684)	-	-	-	-
BTS Sansiri Holding Twenty Ltd.	(2,812)	(2,421)	-	-	-	-
BTS Sansiri Holding Twenty One Ltd.	(15,438)	(4,228)	-	-	-	-
BTS Sansiri Holding Twenty Two Ltd.	(11,891)	(931)	-	-	-	-
BTS Sansiri Holding Twenty Three Limited <sup>(2)</sup>	(2,094)	-	-	-	-	-
BTS Sansiri Holding Twenty Four Limited <sup>(3)</sup>	(2,006)	-	-	-	-	-
BTS Sansiri Holding Twenty Five Limited <sup>(4)</sup>	(3,883)	-	-	-	-	-
Siripat Three Co., Ltd.	(3,443)	-	-	-	-	-
<u>Jointly controlled by the Company and Tokyo Corporation</u>						
Siri TK One Co., Ltd.	(1,859)	-	-	-	-	-
Siri TK Two Co., Ltd.	(115,456)	-	-	-	-	-
Siri TK Three Co., Ltd.	(16,242)	-	-	-	-	-
Siri TK Four Co., Ltd.	(1,064)	-	-	-	-	-
Total	207,949	(42,246)	-	-	270,000	50,000

<sup>(1)</sup> Formerly known as "Prime Area 38 Co., Ltd."<sup>(2)</sup> Formerly known as "Bangkok Sky Sukhumvit 34 Co., Ltd."<sup>(3)</sup> Formerly known as "Siripat One Co., Ltd."<sup>(4)</sup> Formerly known as "Siripat Two Co., Ltd."

## 10. Investment in associate

### 10.1 Details of associate

(Unit: Thousand Baht)

Company's name	Nature of business	Country of incorporation	Consolidated financial statements					
			Shareholding percentage		Cost		Carrying amounts based on equity method	
			30	31	30	31	30	31
			September	December	September	December	September	December
			2018	2017	2018	2017	2018	2017
			(%)	(%)				
Standard International, LLC ("The Standard")	Hotel management	United States	18	13	761,385	541,469	692,997	524,369
Appy Corporation (Thailand) Limited	Software Development	Thailand	25	-	10,000	-	10,000	-
Onionshack Company Limited	Software Development	Thailand	20	-	10,000	-	10,000	-
Total					781,385	541,469	712,697	524,369

On 7 November 2017, the subsidiary entered into an agreement with Standard International, LLC, a company incorporated under the laws of the United States, to purchase of the ordinary shares of Standard International, LLC, with a total investment of the share acquisition of approximately USD 58 million, or 35.09% of its total shares. The investment will be made from time to time up to the total investment within 5 years. The Company and its subsidiary also granted the right to appoint 4 members of the total 7 members of the board of directors.

As at 30 September 2018 the subsidiary paid totaling USD 23.49 million or Baht 761.39 million for an investment in associate which is in accordance with the agreement to purchase of ordinary shares.

Standard International, LLC operates hotel management business by offering management contract and franchise under the brands "Standard" and "Bunkhouse", restaurant management business, and hotel reservation business through mobile booking application named "One night" for The Standard Hotel and other boutique hotels.

On 6 September 2018, the subsidiary entered into an agreement with Appy Corporation (Thailand) Limited to purchase of the ordinary shares with a total investment of the share acquisition of Baht 10 million, or 25% of its total shares.

Appy Corporation (Thailand) Limited is a company incorporated in Thailand. It is a startup business operating in software development.



(Unaudited but reviewed)

On 27 September 2018, the subsidiary entered into an agreement with Onionshack Company Limited to purchase of the ordinary shares with a total investment of the share acquisition of Baht 10 million, or 20% of its total shares.

Onionshack Company Limited is a company incorporated in Thailand. It is a startup business operating in software development.

## 10.2 Share of comprehensive income (loss)

During the period, the subsidiary has recognised their share of comprehensive loss from investment in associate in the consolidated financial statements as follows:

(Unit: Million Baht)

Company's name	For the three-month periods ended 30 September			
	Consolidated financial statements			
	Share of loss from investment in associate		Share of other comprehensive income (loss) from investment in associate	
	2018	2017	2018	2017
Standard International, LLC ("The Standard")	(23.92)	-	-	-
Appy Corporation (Thailand) Limited	-	-	-	-
Onionshack Company Limited	-	-	-	-
Total	(23.92)	-	-	-

(Unit: Million Baht)

Company's name	For the nine-month periods ended 30 September			
	Consolidated financial statements			
	Share of loss from investment in associate		Share of other comprehensive income (loss) from investment in associate	
	2018	2017	2018	2017
Standard International, LLC ("The Standard")	(50.99)	-	-	-
Appy Corporation (Thailand) Limited	-	-	-	-
Onionshack Company Limited	-	-	-	-
Total	(50.99)	-	-	-

During the three-month and nine-month periods ended 30 September 2018 and 2017, the subsidiary did not receive dividend income from an associate company.

The subsidiaries recorded investment in associate based on the basis of financial information provided by that companies' management. Due to time constraints, the companies' management cannot provide the financial information which were audited by external auditor.

(Unaudited but reviewed)

**11. Other long-term investments**

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
<b>Investments in other companies</b>				
JustGroup Holding Pte. Ltd.	397.45	400.20	-	-
Flying Jamon Ltd	219.75	219.75	219.75	219.75
Winkontent AG	109.79	195.87	109.79	195.87
Yip In Tsoi Co., Ltd.	0.33	0.33	0.33	0.33
Artsy, Inc.	32.41	-	-	-
Hauxing Growth Capital III L.P.	41.13	-	-	-
<b>Total</b>	<b>800.86</b>	<b>816.15</b>	<b>329.87</b>	<b>415.95</b>

On 15 August 2018, the Company entered into an agreement with BTS Sansiri Holding Three Limited (a joint venture) to sell 7,134 ordinary shares in Winkontent AG at a price of Baht 12,870 per share totaling Baht 91.8 million.

**12. Investment properties**

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

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2018</b>	272.52	228.89
Acquisition during the period	83.53	83.53
Transfer to property development for sale	(15.97)	(4.18)
Disposals during the period	(1.26)	-
Depreciation for period	(12.56)	(11.71)
<b>Net book value as at 30 September 2018</b>	<b>326.26</b>	<b>296.53</b>

**13. Land held for development**

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Land held for development	15,122.78	15,281.93	11,918.50	12,065.31
Less: Allowance for diminution in value of project	(120.79)	(120.79)	-	-
<b>Net</b>	<b>15,001.99</b>	<b>15,161.14</b>	<b>11,918.50</b>	<b>12,065.31</b>

(Unaudited but reviewed)

As at 30 September 2018 and 31 December 2017, land held for development of the Company and its subsidiaries amounting to Baht 12,259 million and Baht 13,223 million, respectively, was pledged as collateral for loans obtained from banks (Separate financial statements: Baht 10,378 million and Baht 10,824 million, respectively).

#### 14. Land, building and equipment

Movements of the land, building and equipment account during the nine-month period ended 30 September 2018 are summarised below.

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2018</b>	1,950.33	922.68
Acquisitions during period	210.94	179.59
Transfer to property development for sale	(68.00)	-
Disposals during period - net book value	(3.72)	(0.34)
Depreciation for period	(154.54)	(94.17)
<b>Net book value as at 30 September 2018</b>	<u>1,935.01</u>	<u>1,007.76</u>

As at 30 September 2018 and 31 December 2017, the Company and subsidiaries' land and construction thereon of which the net book value amounting to Baht 902 million and Baht 946 million, respectively, were mortgaged to secure loans from banks (Separate financial statements: Baht 643 million and Baht 620 million, respectively).

#### 15. Other intangible assets

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

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2018</b>	165.40	148.65
Acquisitions during period	59.91	57.25
Amortisation for period	(35.99)	(32.34)
<b>Net book value as at 30 September 2018</b>	<u>189.32</u>	<u>173.56</u>

**16. Leasehold rights**

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

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2018</b>	253.48	32.79
Amortisation for period	(21.52)	(1.57)
<b>Net book value as at 30 September 2018</b>	<u>231.96</u>	<u>31.22</u>

The amortisation of leasehold rights has been charged to cost of project for rent.

As at 30 September 2018, the Company's leasehold rights which net book value amount Baht 31 million were mortgaged to secure loans from banks.

**17. Short-term loans from banks/bills of exchange**

	(Unit: Million Baht)	
	Consolidated / Separate financial statements	
	30 September 2018	31 December 2017
<u>Short-term loans from banks</u>		
Promissory notes	<u>6,250.00</u>	<u>2,400.00</u>
<u>Bills of exchange</u>		
Face value	4,950.00	6,000.00
Less: Prepaid interest expense	<u>(22.06)</u>	<u>(31.60)</u>
Bills of exchange - net	<u>4,927.94</u>	<u>5,968.40</u>

As at 30 September 2018, short-term loans from banks carry interest at rates of 2.27 to 2.90 percent per annum (31 December 2017: 2.85 to 2.90 percent per annum) and were secured by land and constructions of projects of the Company and its subsidiaries. Bills of exchange carry interest at rates of 2.10 to 2.15 percent per annum (31 December 2017: 2.10 to 2.25 percent per annum).

**18. Long-term loans**

As at 30 September 2018 and 31 December 2017, long-term loans are presented below: -

	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Loans from banks	10,539.94	10,095.46	7,785.81	8,073.65
Less: Current portion of long-term loans	(2,779.27)	(3,974.17)	(2,594.18)	(3,243.49)
Net	<u>7,760.67</u>	<u>6,121.29</u>	<u>5,191.63</u>	<u>4,830.16</u>

Long-term loans of the Company and its subsidiaries carry interest at the rates of MLR - 2.90 percent per annum to MLR - 1.75 percent per annum. They are due for repayment at a percentage of the value of property transferred to customers and on a quarterly basis.

Land and constructions of projects of the Company and its subsidiaries are mortgaged as collaterals for loans obtained from banks.

Most of the loan agreements contain certain covenants and restrictions, such as dividend payment, capital increase and decrease, loan guarantees, changes of directors and maintenance of certain financial ratios.

Movements in the long-term loans account during the nine-month period ended 30 September 2018 are detailed as follows.

	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2018	10,095.46	8,073.65
Additional borrowings	4,401.54	2,496.50
Repayment	(3,523.89)	(2,780.78)
Exchange difference	(10.17)	(3.56)
Change of status from subsidiary to joint venture	(423.00)	-
Balance as at 30 September 2018	<u>10,539.94</u>	<u>7,785.81</u>

(Unaudited but reviewed)

During the nine-month period ended 30 September 2018, the Company entered into agreements with local commercial banks granting new loans amounting to Baht 29,147 million, on which the interest is charged at the rate of MLR - 3.00 percent per annum to MLR - 2.00 percent per annum. Payments of the principal are to be made at a percentage of the value of property transferred to customers and the full payment is to be made within 2025. The loans are secured by land and construction thereon of the projects.

## 19. Long-term promissory notes - purchase of land

Long-term promissory notes - purchase of land are notes which the Company issued to land sellers. The notes mature in December 2020, February 2021, July 2021 and July 2022 are interest free, and are avaled by a bank (Separate financial statements as at 31 December 2017: August 2018 and October 2018).

## 20. Unsecured debentures

The Company has issued unsecured, unsubordinated and registered debentures, as detailed below:

				(Unit: Million Baht)	
				Consolidated / Separate financial statements	
				30 September 2018	31 December 2017
Debentures	Interest rate	Terms	Due date		
Debentures # 1/2013	4.99% p.a.	5 years	24 January 2018	-	3,000.00
Debentures # 2/2013	4.75% p.a. for 1st - 2nd year 5.00% p.a. for 3rd - 4th year 5.30% p.a. for 5th year	5 years	30 May 2018	-	1,000.00
Debentures # 3/2013	4.95% p.a.	5 years	23 August 2018	-	2,000.00
Debentures # 4/2013	5.20% p.a.	5 years, 6 months	4 April 2019	1,000.00	1,000.00
Debentures # 1/2015	4.75% p.a.	5 years	2 June 2020	2,000.00	2,000.00
Debentures # 2/2015	3.90% p.a.	3 years, 6 months	19 April 2019	1,000.00	1,000.00
Debentures # 1/2016	3.50% p.a.	3 years	21 July 2019	1,000.00	1,000.00
Debentures # 2/2016	3.25% p.a.	3 years	3 October 2019	1,000.00	1,000.00
Debentures # 1/2017	3.40% p.a.	3 years	27 April 2020	2,000.00	2,000.00
Debentures # 2/2017	3.25% p.a.	3 years	30 May 2020	1,000.00	1,000.00
Debentures # 3/2017	3.35% p.a.	5 years	22 September 2022	2,000.00	2,000.00
Debentures # 1/2018	3.35% p.a.	5 years	24 January 2023	4,000.00	-
Debentures # 2/2018	3.00% p.a.	3 years, 6 months	30 November 2021	2,000.00	-
Debentures # 3/2018	3.20% p.a.	3 years	23 August 2021	5,000.00	-
Total debentures, at face value				22,000.00	17,000.00
Less: Unamortised portion of deferred transaction costs				(53.65)	(29.23)
Debentures - net				21,946.35	16,970.77
Less: Debentures - due within one year				(2,997.63)	(5,998.31)
Debentures - due over one year				18,948.72	10,972.46

(Unaudited but reviewed)

Under rights and responsibilities of debenture issuer, the Company has to comply with certain covenants and restrictions including maintenance of a debt to equity ratio of consolidated financial statements with no excess of 2.5:1 along with debentures' periods ("debts" means interest bearing loans).

## 21. Provision for long-term employee benefits

Movements in the provision for long-term employee benefits for the nine-month period ended 30 September 2018 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements	Separate financial statements
Beginning balance	145.18	101.77
Increase during the period	13.86	8.83
Paid during the period	(10.73)	(9.22)
Ending balance	148.31	101.38

## 22. Provisions

Movements of provisions for the nine-month period ended 30 September 2018 are as follow:

### Short-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Provision for law suits	Provision for home care warranty	Total	Provision for law suits	Provision for home care warranty	Total
Beginning balance	1.15	107.15	108.30	1.15	75.01	76.16
Increase during the period	0.11	94.50	94.61	0.11	70.24	70.35
Paid during the period	(0.11)	(93.85)	(93.96)	(0.11)	(64.03)	(64.14)
Reversal	-	(4.85)	(4.85)	-	-	-
Ending balance	1.15	102.95	104.10	1.15	81.22	82.37

(Unaudited but reviewed)

Long-term provisions

(Unit: Million Baht)

	Consolidated financial statements			Separate financial statements		
	Compensation		Total	Compensation		Total
	for Housing	Provision		for Housing	Provision	
	Estate Juristic	for hotel		Estate Juristic	for hotel	
	Persons	maintenance		Persons	maintenance	
Beginning balance	178.14	4.82	182.96	135.18	1.49	136.67
Increase during the period	62.38	1.91	64.29	55.18	0.73	55.91
Paid during the period	(2.45)	(0.79)	(3.24)	(0.17)	(0.10)	(0.27)
Reversal	(3.76)	-	(3.76)	(0.94)	-	(0.94)
Ending balance	234.31	5.94	240.25	189.25	2.12	191.37

**23. Share capital**Reconciliation of number of ordinary shares

	Number of shares	Par value	Paid up capital
	(Shares)	(Baht)	(Baht)
<u>Registered ordinary shares</u>			
Number of ordinary shares as at 1 January 2018	17,991,720,358	1.07	19,251,140,783
Decrease during the period <sup>(1)</sup>	(2,828,986,038)	1.07	(3,027,015,061)
Number of ordinary shares as at 30 September 2018	15,162,734,320	1.07	16,224,125,722

- <sup>(1)</sup> On 27 April 2018, the meeting of the Annual General Meeting of Shareholders approved the reduction of the registered capital of the Company, which will be made from the existing registered capital of Baht 19,251,140,783.06 to be the new registered capital of Baht 16,224,125,722.40 by canceling its registered but unissued share of 2,828,986,038 shares at the par value of Baht 1.07 per share. The remaining shares were reserved for the exercise of warrants SIRI-W2 which the maturity date was 24 November 2017. The Company registered the reduction of the registered capital with the ministry of commerce on 28 May 2018.



## 24. Warrants / Earnings per share

### 24.1 Warrants

The Company's warrants are as follows:

Type of warrant	Exercise price per share	Exercise ratio per 1 warrant	Number of warrants outstanding as at 1 January 2018	Number of warrants exercised during the period	Number of warrants outstanding as at 30 September 2018
ESOP#7	2.500	1 : 1.000	300,000,000	-	300,000,000

During the nine-month periods ended 30 September 2018 and 2017, the Company recorded expenses of the ESOP#7 amounting to Baht 4.84 million and Baht 9.11 million, respectively, as employee related expenses, together with a corresponding increase in capital reserve for share-based payment transactions in shareholders' equity.

### 24.2 Earnings per share

Basic earnings per share is determined 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 might need to be issued for the conversion of all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the period or on the date the potential ordinary shares were issued.

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

For the three-month periods ended 30 September						
Consolidated financial statements						
Profit for the periods		Weighted average number of ordinary shares		Earnings per share		
<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
363,074	729,637	14,862,734	14,286,371	0.024	0.051	

(Unaudited but reviewed)

For the three-month periods ended 30 September						
Separate financial statements						
Weighted average						
Profit for the periods		number of		Earnings per share		
<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
578,000	805,229	14,862,734	14,286,371	0.039	0.056	

For the nine-month periods ended 30 September						
Consolidated financial statements						
Weighted average						
Profit for the periods		number of		Earnings per share		
<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
1,002,540	2,045,897	14,862,734	14,285,794	0.067	0.143	

For the nine-month periods ended 30 September						
Separate financial statements						
Weighted average						
Profit for the periods		number of		Earnings per share		
<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)	
Basic earnings per share						
Profit attributable to equity holders of the Company						
2,019,046	1,911,052	14,862,734	14,285,794	0.136	0.134	

There is no disclosure of diluted earnings per share from effect of SIRI-W2 and ESOP#7 warrants in the financial statements for the three-month and nine-month periods ended 30 September 2018 and 2017 since the exercise aggregated amounts of price and fair value of warrants exceeded the fair value of the Company's ordinary shares.

(Unaudited but reviewed)

## 25. Revenues from other services and Cost of other services

(Unit: Million Baht)

	For the three-month periods ended 30 September			
	Consolidated financial		Separate financial	
	statements		statements	
	2018	2017	2018	2017
<u>Revenues from other services</u>				
Revenues from hotel business	20.17	18.72	7.16	7.16
Revenues from education business	65.33	66.24	-	-
Total	85.50	84.96	7.16	7.16
<u>Cost of other services</u>				
Cost of hotel business	23.09	23.46	8.20	8.87
Cost of education business	65.87	62.63	-	-
Total	88.96	86.09	8.20	8.87

(Unit: Million Baht)

	For the nine-month periods ended 30 September			
	Consolidated financial		Separate financial	
	statements		statements	
	2018	2017	2018	2017
<u>Revenues from other services</u>				
Revenues from hotel business	62.22	59.44	24.51	23.28
Revenues from education business	153.24	148.94	-	-
Total	215.46	208.38	24.51	23.28
<u>Cost of other services</u>				
Cost of hotel business	70.12	70.28	26.08	25.25
Cost of education business	174.21	172.67	-	-
Total	244.33	242.95	26.08	25.25

**26. Income tax**

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

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

(Unit: Thousand Baht)				
For the three-month periods ended 30 September				
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
<b>Current income tax:</b>				
Interim corporate income tax charge	211,253	234,342	83,008	231,324
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(108,502)	(54,901)	(2,132)	(19,233)
<b>Income tax expense reported in the statements of comprehensive income</b>	<b>102,751</b>	<b>179,441</b>	<b>80,876</b>	<b>212,091</b>

(Unit: Thousand Baht)				
For the nine-month periods ended 30 September				
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
<b>Current income tax:</b>				
Interim corporate income tax charge	440,605	689,684	259,762	465,742
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	(174,198)	(72,068)	(10,137)	(47,339)
<b>Income tax expense reported in the statements of comprehensive income</b>	<b>266,407</b>	<b>617,616</b>	<b>249,625</b>	<b>418,403</b>

**27. Dividends**

Dividends of the Company which were declared during the nine-month periods ended 30 September 2018 and 2017 consist of the following:

(Unit: Baht)

Dividends	Approved by	Total dividend	Dividend per share	Date of dividends payment
Interim dividend from earnings for the six month period ended 30 June 2018	The Board of Directors' meeting on 14 August 2018	594,509,373 <sup>(2)</sup>	0.04	12 September 2018
Final dividend from 2017 earnings	The Annual General Meeting of the Shareholders on 27 April 2018 <sup>(1)</sup>	1,040,391,402 <sup>(3)</sup>	0.07	11 May 2018
Total		<u>1,634,900,775</u>	<u>0.11</u>	
Interim dividend from earnings for the six month period ended 30 June 2017	The Board of Directors' meeting on 11 August 2017	714,275,064 <sup>(4)</sup>	0.05	8 September 2017
Final dividend from 2016 earnings	The Annual General Meeting of the Shareholders on 20 April 2017	1,142,840,120 <sup>(5)</sup>	0.08	9 May 2017
Total		<u>1,857,115,184</u>	<u>0.13</u>	

<sup>(1)</sup> On 27 April 2018, the Annual General Meeting of the Company's shareholders approved the dividend payment from the operating results for the year 2017. The dividend will be paid by cash at the rate of Baht 0.12 per share. As the Company's Board of Directors Meeting held on 11 August 2017 approved interim dividend payment to the shareholders as cash dividend of Baht 0.05 per share. The interim dividend was paid on 8 September 2017. The Company will pay a final dividend of Baht 0.07 per share.

<sup>(2)</sup> Actual dividend paid amounted to Baht 594,505,259.56 because some shareholders were not entitled to receive dividend

<sup>(3)</sup> Actual dividend paid amounted to Baht 1,039,467,939 because some shareholders were not entitled to receive dividend

<sup>(4)</sup> Actual dividend paid amounted to Baht 714,246,024 because some shareholders were not entitled to receive dividend

<sup>(5)</sup> Actual dividend paid amounted to Baht 1,142,838,022 because some shareholders were not entitled to receive dividend

## 28. Commitments and contingent liabilities

### 28.1 Capital commitments

As at 30 September 2018 and 31 December 2017, the Company and its subsidiaries have the following capital commitments:

- a) The Company and its subsidiaries have commitments of Baht 15,646 million and Baht 13,703 million, respectively, under project construction agreements, decoration agreements, advisory service agreements and system development agreements (Separate financial statements: Baht 10,433 million and Baht 10,624 million, respectively).
- b) The Company and its subsidiaries have commitments of Baht 3,862 million and Baht 6,188 million, respectively, under land and condominium units purchase agreements (Separate financial statements: Baht 3,845 million and Baht 5,291 million, respectively).

### 28.2 Operating lease commitments and service agreements

- a) The Company and the subsidiaries have entered into several lease agreements in respect of the lease of office building space, motor vehicles and equipment. The terms of the agreements are generally between 3 and 4 years.

As at 30 September 2018 and 31 December 2017, future minimum lease payments required under non-cancellable operating lease contracts were as follows.

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	30 September 2018	31 December 2017	30 September 2018	31 December 2017
Payable within:				
In up to 1 year	73	119	57	102
In over 1 and up to 4 years	43	83	38	65
Total	116	202	95	167

- b) As at 30 September 2018 and 31 December 2017, the Company and its subsidiaries have commitments of Baht 120 million and Baht 70 million, respectively, in relation to advertising and public relations for the projects (Separate financial statements: Baht 83 million and Baht 45 million, respectively).
- c) As at 30 September 2018 and 31 December 2017, the Company and subsidiaries have servitude over land of approximately 57 rai and 47 rai, respectively, of which the cost is included in the cost of projects.

d) The significant long-term lease agreements are as follows:

- Sansiri Public Company Limited entered into a 30-year land rental agreement at Sukhumvit 77 alley for construction of a community mall for the Habito Project, covering the period from 16 August 2013 to 15 August 2043. Total amounts of Baht 42 million are to be paid, divided into 3 installments. In August 2013, the Company made an initial payment of Baht 21 million and the remainder is to be paid Baht 10.5 million each over the period of 10 and 20 years of rental agreement.
- Chanachai Limited entered into a 30-year land rental agreement with the Office of the Privy Purse for construction of a condominium for the Baan Sansiri Project, covering the period from 1 November 1993 to 31 October 2023. Total amounts are Baht 118 million. On the agreement date, Chanachai Limited made an initial payment of Baht 30 million and the remainder is to be paid over the period of 30 years as stipulated in the agreement.
- S.U.N. Management Company Limited entered into a land rental agreement with the Crown Property Bureau in order to construct buildings and structures thereon. The agreement term is 30 years, starting from 16 September 2002, and the total rental payable is approximately Baht 88 million. The subsidiary paid the rental in the full amount in July 2004.

### **28.3 Bank guarantees**

As at 30 September 2018, there were outstanding bank guarantees of Baht 3,368 million and EURO 0.67 million (31 December 2017: Baht 2,081 million and EURO 0.88 million), issued by the banks on behalf of the Company and subsidiaries in respect of certain performance bonds as required in the normal course of business. These included letters of guarantee to guarantee contractual performance regarding preparation and maintenance of public utilities, public services and land improvement and to guarantee electricity use (Separate financial statements as at 30 September 2018: Baht 2,880 million and EURO 0.67 million, 31 December 2017: Baht 2,303 million and EURO 0.88 million).

## 28.4 Litigations

As at 30 September 2018 and 31 December 2017, the Company and its subsidiaries have various outstanding litigation cases, relating to allegations of breaches of agreements to purchase and to sell and torts, with total damages claimed amounting to Baht 1,879 million and Baht 165 million, respectively (Separate financial statements: Baht 154 million and Baht 147 million, respectively). Some cases are detailed below.

- a) In 2017, the Company was sued for tort and claim of compensation by an owner of land located nearby Sretthasiri Prachchuen project (project). The case is on the ground that the project main sewers was broken, resulting in waste water flowing from the project into nearby land. As a result, the nearby land was flooded causing the damage to the property and business interruption. The land owner requested that the Company pay for the compensation amounting to Baht 126 million. As the case is a tort case claiming the compensation, the complainant is responsible for proving that actual losses incurred as claimed. In case the complainant fails to do so, it is possible that the Court may order the case to be dismissed.
- b) During the third quarter of 2018, a subsidiary was sued in the amount of Baht 1,698 million for revocation of a juristic act of sale and purchase of land as an executor sold the land to the Company without legal rights. The case is in the process of hearing of evidence from the plaintiff and the Company's legal team are gathering evidences and investigating facts.

In addition, during the second quarter of 2018, a joint venture, a developer of The Line Sathorn project, was sued by a juristic person of a condominium located nearby the project. The juristic person requested that the joint venture revoke Environmental Impact Assessment (EIA) report and undertake public hearing on this matter for neighbouring stakeholders by using independent entities as accepted by the Court. As at 30 September 2018, the project costs (book value) amounting to Baht 1,394 million consists of land cost of Baht 793 million and construction cost and interest capitalised of Baht 601 million. Currently, the case is preparing the statement to be filed with the Court to defend the case.

However, the Company, its subsidiaries and a joint venture (the Group) are defending the lawsuits. Since the Group's lawyers and the management believe that the Group will not incur any losses from the litigation, no additional provisions have been made in respect of these cases other than the provision previously recorded (Note 22).



## 28.5 Cross Currency and Interest Rate Swap agreement

The details of the cross Currency and Interest Rate Swap agreement outstanding as at 30 September 2018 are as follows:

	Currency and Interest Revenue Rate Swap agreement		Currency and Interest Expense Rate Swap agreement		Termination date
	Principal amount	Interest rate	Principal amount	Interest rate	
1	Baht 651 million	Fixed rate at 4.80% per annum	GBP 15 million	Fixed rate at 4.40% per annum	December 2019

## 29. Segment information

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

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

(Unit: Million Baht)

	For the three-month period ended 30 September 2018					
	Real estate	Building management, project management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	5,435	1,121	85	6,641	-	6,641
Inter-segment	69	871	11	951	(951)	-
Interest revenue	198	2	2	202	(112)	90
Financial cost	(256)	-	(9)	(265)	116	(149)
Depreciation and amortisation	(32)	(4)	-	(36)	-	(36)
Segment profit	974	1,088	-	2,062	(947)	1,115
Other income						151
Share of profit from investments in joint ventures						17
Share of loss from investments in associates						(24)
Common expense						(793)
Profit before income tax expenses						466
Income tax expense						(103)
Profit for the period						363

## (Unaudited but reviewed)

(Unit: Million Baht)

For the three-month period ended 30 September 2017

	Real estate	Building management, project management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	5,982	1,163	85	7,230	-	7,230
Inter-segment	17	800	11	828	(828)	-
Interest revenue	161	6	2	169	(118)	51
Interest expense	(237)	(5)	(10)	(252)	51	(201)
Depreciation and amortisation	(22)	(3)	-	(25)	-	(25)
Segment profit	1,311	1,141	2	2,454	(895)	1,559
Other income						65
Share of loss from investments in joint ventures						142
Common expense						(879)
Profit before income tax expenses						887
Income tax expense						(179)
Profit for the period						708

(Unit: Million Baht)

For the nine-month period ended 30 September 2018

	Real estate	Building management, project management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	13,784	3,063	215	17,062	-	17,062
Inter-segment	109	2,202	33	2,344	(2,344)	-
Interest revenue	600	13	6	619	(358)	261
Interest expense	(753)	(7)	(27)	(787)	372	(415)
Depreciation and amortisation	(87)	(10)	(1)	(98)	-	(98)
Reversal of loss on diminution in value of property development for sale	1	-	-	1	-	1
Segment profit	2,478	2,802	(18)	5,262	(2,330)	2,932
Other income						422
Share of profit from investments in joint ventures						208
Share of loss from investments in associates						(51)
Common expense						(2,245)
Profit before income tax expense						1,266
Income tax expense						(266)
Profit for the period						1,000

(Unit: Million Baht)

For the nine-month period ended 30 September 2017						
	Real estate	Building management, project management and real estate brokerage	Other business	Total Segments	Eliminated	Consolidated
Revenues						
External customers	19,274	3,265	208	22,747	-	22,747
Inter-segment	27	2,290	33	2,350	(2,350)	-
Interest revenue	463	11	5	479	(328)	151
Interest expense	(699)	(8)	(50)	(757)	197	(560)
Depreciation and amortisation	(62)	(7)	(1)	(70)	-	(70)
Loss on diminution in value of property development for sale	(148)	-	-	(148)	-	(148)
Segment profit	4,233	2,930	(47)	7,116	(2,481)	4,635
Other income						230
Share of loss from investments in joint ventures						(42)
Common expense						(2,183)
Profit before income tax expense						2,640
Income tax expense						(618)
Profit for the period						2,022

### 30. Events after the reporting period

30.1 On 10 October 2018, Sansiri US, Inc. (a subsidiary) has invested in Aspen Digital Token, a non-voting security token, issued and offered by Aspen Digital, Inc. It is an incorporated company in United States and operates in St Regis Aspen Resort in United States. The investment value is USD 1,700,000 which is equivalent to 1,700,000 Aspen Digital Token.

The token has total offering value up to USD 18,000,000 or equivalent to up to 18,000,000 Aspen Digital Token.

30.2 On 12 November 2018, the Company's Board of Directors' meeting has passed a resolution to issue and offer Baht 1,500 million of unsecured and unsubordinated debentures number 4/2018. The debentures will be redeemed on 22 September 2022 and carry interest at a rate of 3.35. The debenture will be issued and offered on 28 November 2018.

### 31. Approval of interim financial statements

These interim financial statements were authorised for issue by the Company's Board of Directors on 12 November 2018.