

Sammakorn Public Company Limited and its subsidiaries  
Report and interim consolidated financial statements  
For the three-month period ended 31 March 2019

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

To the Shareholders of Sammakorn Public Company Limited

I have reviewed the accompanying consolidated statement of financial position of Sammakorn Public Company Limited and its subsidiaries as at 31 March 2019, the related consolidated statements of comprehensive income and the related consolidated statements of changes in shareholders' equity, and cash flows for the three-month period then ended, as well as the condensed notes to the consolidated financial statements. I have also reviewed the separate financial information of Sammakorn 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*.

Chatchai Kasemsrithanawat

Certified Public Accountant (Thailand) No. 5813

EY Office Limited

Bangkok: 9 May 2019

**Sammakorn Public Company Limited and its subsidiaries**

**Statements of financial position**

**As at 31 March 2019**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents		74,580	39,336	61,094	27,998
Current investments		39,051	12,502	39,051	12,502
Short-term loans to the subsidiaries	3	-	-	10,000	60,000
Trade and other receivables	4	38,281	36,963	23,264	23,602
Project development costs	5	2,839,641	2,525,645	2,310,987	2,525,645
Advance for land acquisition	5	125,338	125,338	-	-
Advance payment to constructors		9,426	10,659	9,426	10,659
Other current assets		21,152	6,389	7,420	3,384
<b>Total current assets</b>		<b>3,147,469</b>	<b>2,756,832</b>	<b>2,461,242</b>	<b>2,663,790</b>
<b>Non-current assets</b>					
Land held for development	6	121,989	650,321	121,989	121,989
Investment in subsidiaries	7	-	-	408,399	408,399
Investment properties	8	1,057,255	1,056,799	522,373	524,482
Plant and equipment	9	42,721	45,035	28,719	30,963
Intangible assets	10	6,578	6,794	6,505	6,791
Deferred tax assets		16,624	16,668	16,536	16,503
Other non-current assets		12,304	12,231	11,913	11,798
<b>Total non-current assets</b>		<b>1,257,471</b>	<b>1,787,848</b>	<b>1,116,434</b>	<b>1,120,925</b>
<b>Total assets</b>		<b>4,404,940</b>	<b>4,544,680</b>	<b>3,577,676</b>	<b>3,784,715</b>

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

**Sammakorn Public Company Limited and its subsidiaries**

**Statements of financial position (continued)**

**As at 31 March 2019**

(Unit: Thousand Baht)

		Consolidated financial statements		Separate financial statements	
		As at	As at	As at	As at
	Note	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans					
from financial institutions	12	393,353	396,190	35,000	37,517
Trade and other payables	13	184,231	191,693	167,806	171,221
Short-term loans from related parties	3	100,000	157,000	100,000	100,000
Short-term loans from other parties	14	203,038	199,998	203,038	199,998
Deposits and advances received from customers	5	195,646	42,608	54,352	40,290
Current portion of long-term loans	15	119,913	177,926	70,236	130,339
Current portion of rental deposits		33,565	34,836	6,180	6,063
Income tax payable		3,418	3,418	1,693	1,693
Other current liabilities		9,057	11,867	7,539	10,121
Total current liabilities		1,242,221	1,215,536	645,844	697,242
Non-current liabilities					
Long-term loans, net of current portion	15	654,793	825,253	494,816	658,968
Provision for long-term employee benefits	16	14,451	14,200	14,451	14,200
Rental deposits, net of current portion		18,168	20,054	4,699	5,675
Other non-current liabilities		10,547	10,793	9,131	9,327
Total non-current liabilities		697,959	870,300	523,097	688,170
Total liabilities		1,940,180	2,085,836	1,168,941	1,385,412

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

**Sammakorn Public Company Limited and its subsidiaries**

**Statements of financial position (continued)**

**As at 31 March 2019**

(Unit: Thousand Baht)

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	As at	As at	As at	As at
	<u>31 March 2019</u>	<u>31 December 2018</u>	<u>31 March 2019</u>	<u>31 December 2018</u>
	(Unaudited but reviewed)	(Audited)	(Unaudited but reviewed)	(Audited)
<b>Shareholders' equity</b>				
Share capital				
Registered				
641,800,446 ordinary shares of Baht 1 each	<u>641,800</u>	<u>641,800</u>	<u>641,800</u>	<u>641,800</u>
Issued and fully paid				
641,800,446 ordinary shares of Baht 1 each	641,800	641,800	641,800	641,800
Share premium	636,258	636,258	636,258	636,258
Retained earnings				
Appropriated-statutory reserve	64,180	64,180	64,180	64,180
Unappropriated	1,093,887	1,085,651	1,066,497	1,057,065
Deficit from change in the ownership interest				
in subsidiary	<u>(67,017)</u>	<u>(67,017)</u>	<u>-</u>	<u>-</u>
Equity attributable to owner of the Company	2,369,108	2,360,872	2,408,735	2,399,303
Non-controlling interests of the subsidiaries	<u>95,652</u>	<u>97,972</u>	<u>-</u>	<u>-</u>
<b>Total shareholders' equity</b>	<u>2,464,760</u>	<u>2,458,844</u>	<u>2,408,735</u>	<u>2,399,303</u>
<b>Total liabilities and shareholders' equity</b>	<u>4,404,940</u>	<u>4,544,680</u>	<u>3,577,676</u>	<u>3,784,715</u>
	-	-	-	-

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

Directors

(Unaudited but reviewed)

**Sammakorn Public Company Limited and its subsidiaries****Statement of comprehensive income****For the three-month period ended 31 March 2019**

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

		<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>Note</u>	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Revenues</b>					
Revenue from real estate sales		458,384	147,045	458,384	147,045
Rental income		30,178	26,475	16,692	17,045
Service income		39,063	39,485	16,299	14,720
Other income		2,120	5,190	6,464	5,456
<b>Total revenues</b>		<b>529,745</b>	<b>218,195</b>	<b>497,839</b>	<b>184,266</b>
<b>Expenses</b>					
Cost of real estate sales		379,382	116,304	379,382	116,304
Cost of rental		16,125	9,053	3,265	2,902
Cost of services		36,227	34,530	21,288	20,043
Selling expenses		31,504	18,300	31,046	18,072
Administrative expenses		35,756	33,492	35,723	33,416
<b>Total expenses</b>		<b>498,994</b>	<b>211,679</b>	<b>470,704</b>	<b>190,737</b>
<b>Profit (loss) before finance cost and income tax expenses</b>		<b>30,751</b>	<b>6,516</b>	<b>27,135</b>	<b>(6,471)</b>
Finance cost		(21,948)	(15,805)	(15,215)	(14,141)
<b>Profit (loss) before income tax expenses</b>		<b>8,803</b>	<b>(9,289)</b>	<b>11,920</b>	<b>(20,612)</b>
Income tax expenses	11	(2,887)	(2,650)	(2,488)	(350)
<b>Profit (loss) for the period</b>		<b>5,916</b>	<b>(11,939)</b>	<b>9,432</b>	<b>(20,962)</b>
Other comprehensive income for the period		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>5,916</b>	<b>(11,939)</b>	<b>9,432</b>	<b>(20,962)</b>
<b>Total comprehensive income attributable to:</b>					
Equity holders of the Company		8,236	(11,939)	9,432	(20,962)
Non-controlling interests of the subsidiaries		(2,320)	-	-	-
		<u>5,916</u>	<u>(11,939)</u>		
<b>Earnings (loss) per share</b>					
17					
Basic earnings (loss) per share					
Profit (loss) attributable to equity holders of the Company		<u>0.013</u>	<u>(0.019)</u>	<u>0.015</u>	<u>(0.033)</u>

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

(Unaudited but reviewed)

**Sammakorn Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity**

**For the three-month period ended 31 March 2019**

(Unit: Thousand Baht)

	Consolidated financial statements						
	Equity attributable to owners of the Company					Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity
	Issued and fully paid-up share capital	Share premium	Retained earnings		Deficit from change in the ownership interest in subsidiary	Total equity attributable to owners of the Company	
			Appropriated	Unappropriated			
<b>Balance as at 1 January 2018</b>	641,800	636,258	64,180	1,034,213	(67,017)	2,309,434	- 2,309,434
Total comprehensive income for the period	-	-	-	(11,939)	-	(11,939)	- (11,939)
<b>Balance as at 31 March 2018</b>	<u>641,800</u>	<u>636,258</u>	<u>64,180</u>	<u>1,022,274</u>	<u>(67,017)</u>	<u>2,297,495</u>	<u>- 2,297,495</u>
<b>Balance as at 1 January 2019</b>	641,800	636,258	64,180	1,085,651	(67,017)	2,360,872	97,972 2,458,844
Total comprehensive income for the period	-	-	-	8,236	-	8,236	(2,320) 5,916
<b>Balance as at 31 March 2019</b>	<u>641,800</u>	<u>636,258</u>	<u>64,180</u>	<u>1,093,887</u>	<u>(67,017)</u>	<u>2,369,108</u>	<u>95,652 2,464,760</u>

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

(Unaudited but reviewed)

**Sammakorn Public Company Limited and its subsidiaries**

**Statement of changes in shareholders' equity (continued)**

**For the three-month period ended 31 March 2019**

(Unit: Thousand Baht)

	Separate financial statements				
	Issued and fully paid-up share capital	Share premium	Retained earnings		Total shareholders' equity
			Appropriated	Unappropriated	
Balance as at 1 January 2018	641,800	636,258	64,180	1,032,479	2,374,717
Total comprehensive income for the period	-	-	-	(20,962)	(20,962)
Balance as at 31 March 2018	641,800	636,258	64,180	1,011,517	2,353,755
Balance as at 1 January 2019	641,800	636,258	64,180	1,057,065	2,399,303
Total comprehensive income for the period	-	-	-	9,432	9,432
Balance as at 31 March 2019	641,800	636,258	64,180	1,066,497	2,408,735

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



(Unaudited but reviewed)

**Sammakorn Public Company Limited and its subsidiaries****Cash flow statement****For the three-month period ended 31 March 2019**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from operating activities</b>				
Profit (loss) before tax	8,803	(9,289)	11,920	(20,612)
Adjustments to reconcile profit (loss) before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	12,788	12,000	4,853	4,899
Allowance for doubtful accounts (reversal)	(303)	240	-	26
Gain on sales of current investments	(195)	(76)	(195)	(76)
Loss on sales/write-off of equipment	63	4	71	4
Loss on sales of investment properties	10	-	-	-
Income from realisation of unearned leasehold compensation	(4,223)	(4,025)	(3,968)	(3,771)
Provision for long-term employee benefits	286	520	286	520
Interest expenses	20,229	14,755	13,518	13,017
Profit (loss) from operating activities before changes in operating assets and liabilities	37,458	14,129	26,485	(5,993)
Operating assets (increase) decrease				
Trade and other receivables	(1,015)	(6,427)	338	(3,469)
Project development costs	214,336	28,609	214,658	28,609
Advance for land acquisition	-	(6,531)	-	4,969
Advances payment to constructors	1,233	916	1,233	916
Other current assets	(11,139)	(41)	(1,098)	(480)
Land held for development	-	(34,487)	-	(34,487)
Other non-current assets	(73)	166	(115)	110
Operating liabilities increase (decrease)				
Trade and other payables	(7,447)	(4,897)	(4,073)	66
Down payments received and advance received from customers	157,261	21,581	18,030	17,897
Rental deposits	(3,157)	549	(859)	55
Other current liabilities	(2,542)	(2,421)	(2,314)	(2,205)
Cash paid for provision for long-term employee benefits	(35)	(1,820)	(35)	(1,820)
Other non-current liabilities	(246)	1,296	(196)	1,296
Cash flows from operating activities	384,634	10,622	252,054	5,464
Cash paid for interest expenses	(17,204)	(11,065)	(9,820)	(9,289)
Cash paid for corporate income tax	(6,467)	(2,939)	(5,459)	(1,954)
<b>Net cash flows from (used in) operating activities</b>	<b>360,963</b>	<b>(3,382)</b>	<b>236,775</b>	<b>(5,779)</b>

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

(Unaudited but reviewed)

**Sammakorn Public Company Limited and its subsidiaries****Cash flow statement (continued)****For the three-month period ended 31 March 2019**

(Unit: Thousand Baht)

	<u>Consolidated financial statements</u>		<u>Separate financial statements</u>	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Cash flows from investing activities</b>				
Purchase of current investments	(137,059)	(104,000)	(137,059)	(104,000)
Proceeds from sales of current investments	110,705	142,093	110,705	142,093
Decrease in short-term loans to subsidiaries	-	-	50,000	-
Acquisitions of investment properties	(9,649)	(1,022)	(27)	-
Acquisitions of equipment	(1,085)	(4,814)	(264)	(3,509)
Acquisitions of intangible assets	(74)	-	-	-
Proceeds from sales of equipment	14	-	6	-
Proceeds from sales of investment properties	7	-	-	-
<b>Net cash flows from (used in) investing activities</b>	<u>(37,141)</u>	<u>32,257</u>	<u>23,361</u>	<u>34,584</u>
<b>Cash flows from financing activities</b>				
Decrease in bank overdrafts and short-term loans				
from financial institutions	(2,837)	(14,928)	(2,517)	(14,928)
Decrease in short-term loans from other parties	-	(51,483)	-	(51,483)
Decrease in short-term loans from related party	(57,000)	-	-	-
Cash receipt from long-term loans from financial institutions	71,136	105,510	64,125	93,510
Repayment of long-term loans from financial institutions	(299,609)	(70,380)	(288,380)	(59,533)
Payment of liabilities under finance lease agreements	(268)	(78)	(268)	(78)
<b>Net cash flows used in financing activities</b>	<u>(288,578)</u>	<u>(31,359)</u>	<u>(227,040)</u>	<u>(32,512)</u>
<b>Net increase (decrease) in cash and cash equivalents</b>	35,244	(2,484)	33,096	(3,707)
Cash and cash equivalents at beginning of period	39,336	45,235	27,998	43,071
<b>Cash and cash equivalents at end of period</b>	<u>74,580</u>	<u>42,751</u>	<u>61,094</u>	<u>39,364</u>

**Supplemental disclosures of cash flow information**

## Non-cash transactions:

Acquisition of vehicle under finance lease agreements	-	1,631	-	1,631
Transfer land held for development to project development costs	528,332	-	-	-

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

**Sammakorn Public Company Limited and its subsidiaries**

**Notes to interim consolidated financial statements**

**For the three-month period ended 31 March 2019**

**1. General information**

**1.1 The Company's general information**

Sammakorn Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is RPCG Public Company Limited, which was incorporated in Thailand. The Company is principally engaged in the real estate development. The registered office of the Company is 86 Sammakorn Place Building, 3rd floor, Ramkhamhaeng Road, Saphan Sung, Bangkok.

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

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

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

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

**1.3 Basis of consolidation**

The interim consolidated financial statements incorporate the financial statements of Sammakorn Public Company Limited and its subsidiaries. They have been prepared on the same basis as that used in the consolidated financial statements for the year ended 31 December 2018, and there have been no changes in the composition of the subsidiaries during the period.

## 1.4 New financial reporting standards

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

During the period, the Company and its subsidiaries have adopted the revised (revised 2018) and new financial reporting standards and interpretations which are effective for fiscal periods beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards. The adoption of these financial reporting standards does not have any significant impact on the Company's and its subsidiaries' financial statements. However, the new standard involves changes to key principles, which are summarised below:

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

TFRS 15 supersedes the following accounting standards together with related interpretations.

TAS 11 (revised 2017)	Construction Contracts
TAS 18 (revised 2017)	Revenue
TSIC 31 (revised 2017)	Revenue - Barter Transactions Involving Advertising Services
TFRIC 13 (revised 2017)	Customer Loyalty Programmes
TFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
TFRIC 18 (revised 2017)	Transfers of Assets from Customers

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

The Company adopted TFRS 15 using the modified retrospective method of adoption of which the cumulative effect is recognised as an adjustment to the retained earnings as at 1 January 2019, and the comparative information was not restated.

The cumulative effect of the change is described in Note 2.

**(b) Financial reporting standards that became effective for fiscal years beginning on or after 1 January 2020**

The Federation of Accounting Professions issued a number of new financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. These new standards involve changes to key principles, which are summarised below.

**Financial reporting standards related to financial instruments**

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

Financial reporting standards:

TFRS 7                                      Financial Instruments: Disclosures

TFRS 9                                      Financial Instruments

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.

**TFRS 16 Leases**

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

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

## 1.5 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 2018, except for the change in the accounting policies due to the adoption of TFRS 15, *Revenue from Contracts with Customers*, as follow:

### Revenue recognition

#### *Revenue from real estate sales*

Revenue from real estate sales is recognised at a point in time when control over the property is transferred to the customer, generally when ownership of the property has been passed to the buyer. Revenue is measured at the amount of the consideration received or receivable for the property of which the ownership is transferred after deducting sales promotion given to the customers which is considered to be payable to customer.

## 2. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 1.4 to the financial statements, during the current period, the Company and its subsidiaries have adopted TFRS 15 using the modified retrospective method of adoption. The cumulative effect of initially applying TFRS 15 is recognised as an adjustment to retained earnings as at 1 January 2019. Therefore, the comparative information was not restated. However, the adoption of this accounting standard will have an impact on accounting classification in the statement of comprehensive income but not on net profit or loss of the Company.

The amounts of adjustments affecting the accounting classification in the statement of comprehensive income for the three-month period ended 31 March 2019 are summarised below.

	(Unit: Million Baht)		
	Consolidated / Separate financial statements		
	Previous accounting policy	decrease	TFRS 15
<b>Statement of comprehensive income</b>			
Revenue from real estate sales	465	(7)	458
Cost of real estate sales	383	(4)	379
Selling expenses	34	(3)	31

The nature of these adjustments is described below:

- Regarding sales promotion given to customers upon transfer of ownership of property under the agreement to sell and to purchase land and house/condominium unit, the Company considered transfer fee paid on behalf of customers, waiver of common area fee or cash discount to be payable to customers and thus are treated as a deduction of revenue. Previously, these expenses were presented as cost of real estate sales and selling expenses.

### 3. Related party transactions

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 31 March				
	Consolidated		Separate		
	financial statements		financial statements		Transfer pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with a subsidiary</u>					
(eliminated from the consolidated of financial statements)					
Rental income	-	-	3.2	3.1	Contract price
Management income	-	-	4.5	4.5	Contract price
Interest income	-	-	0.4	0.1	6.00 to 7.60 percent per annum
Rental expenses	-	-	0.3	0.3	Contract price
Services expenses	-	-	0.6	0.5	Contract price
<u>Transactions with related parties</u>					
Rental income	0.7	0.6	0.4	0.3	Contract price
Service income	0.7	0.6	-	-	Contract price
Interest expense	1.6	-	1.2	-	5.00 to 7.60 percent per annum
Services expenses	0.1	0.1	0.1	0.1	Market price

As at 31 March 2019 and 31 December 2018, the balances of the accounts between the Company, its subsidiaries and those related parties are as follow:

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
			(Audited)		(Audited)
<b><u>Trade and other receivables - related parties</u></b>					
<b>(Note 4)</b>					
Subsidiaries		-	-	3,827	4,258
Others		1,800	1,633	125	124
Total trade and other receivables - related parties		1,800	1,633	3,952	4,382
<b><u>Prepaid rental expense - related parties</u></b>					
(Presented in other current assets)					
Subsidiaries		-	-	42	60
Total prepaid rental expense - related parties		-	-	42	60
<b><u>Trade and other payables - related parties</u></b>					
<b>(Note 13)</b>					
Subsidiaries		-	-	76	77
Others		5,411	4,735	2,112	880
Total trade and other payables - related parties		5,411	4,735	2,188	957
<b><u>Unearned revenue of rental - related parties</u></b>					
(Presented in deposits and advances received from customers)					
Subsidiaries		-	-	35	50
Total unearned revenue of rental - related parties		-	-	35	50

#### **Short-term loans to subsidiaries**

As at 31 March 2019 and 31 December 2018, the balance of loans between the Company and its subsidiaries and the movement is as follows:

		(Unit: Thousand Baht)			
		Separate financial statements			
		Balance as at	Increase	Decrease	Balance as at
		31 December	during the	during the	31 March
		2018	period	period	2019
Loan to subsidiaries	Related by				
Pure Sammakorn Development Company Limited	Subsidiary	-	10,000	-	10,000
Sammakorn Plus Company Limited	Subsidiary	60,000	-	(60,000)	-
		60,000	10,000	(60,000)	10,000



Short-term loans to subsidiaries are in form of on call promissory notes, carrying interest rate of 7.60 percent per annum.

#### Short-term loans from related parties

As at 31 March 2019 and 31 December 2018, the balance of loans between the Group and its related parties and the movement is as follows:

		(Unit: Thousand Baht)			
		Consolidated financial statements			
Loan from related parties	Related by	Balance as at 31 December 2018	Increase during the period	Decrease during the period	Balance as at 31 March 2019
RPCG Public Company Limited	Major shareholder	100,000	-	-	100,000
Assets Pro Group Co., Ltd.	Shareholder of subsidiary	57,000	-	(57,000)	-
Total		157,000	-	(57,000)	100,000

		(Unit: Thousand Baht)			
		Separate financial statements			
Loan from a related party	Related by	Balance as at 31 December 2018	Increase during the period	Decrease during the period	Balance as at 31 March 2019
RPCG Public Company Limited	Major shareholder	100,000	-	-	100,000
Total		100,000	-	-	100,000

Short-term loan from RPCG Public Company Limited is full settlement of loan and interest within April 2019, carrying interest rate of 5.00 percent per annum.

#### Directors and management's benefits

During the three-month periods ended 31 March 2019 and 2018, the Company had employee benefit expenses of their directors and managements as below:

		(Unit: Million Baht)	
		Consolidated / Separate financial statements	
		2019	2018
Short-term employee benefits		4.4	6.2
Post-employment benefits		0.1	0.2
Total		4.5	6.4

**4. Trade and other receivables**

		(Unit: Thousand Baht)	
		Consolidated	Separate
		financial statements	financial statements
		31 March	31 March
		2019	2019
		31 December	31 December
		2018	2018
		(Audited)	(Audited)
<b><u>Trade receivables - related parties</u></b>			
Aged on the basis of due dates			
Past due			
Up to 3 months	1,675	1,509	-
Total trade receivables - related parties	1,675	1,509	-
<b><u>Trade receivables - unrelated parties</u></b>			
Aged on the basis of due dates			
Past due			
Up to 3 months	15,031	13,422	-
3 - 6 months	684	753	-
6 - 12 months	319	755	-
Over 12 months	3,341	3,761	-
Total	19,375	18,691	-
Less: Allowance for doubtful debts	(3,341)	(3,644)	-
Total trade receivables - unrelated parties - net	16,034	15,047	-
Total trade receivable - net	17,709	16,556	-
<b><u>Other receivables</u></b>			
Accrued income - related parties	125	124	3,927
Accrued income - unrelated parties	49,714	49,425	48,580
Interest receivables - related parties	-	-	25
Advances	5,191	5,205	5,191
Other receivables	5,306	5,417	5,305
Total	60,336	60,171	63,028
Less: Allowance for doubtful debts	(39,764)	(39,764)	(39,764)
Total other receivables - net	20,572	20,407	23,264
Total trade and other receivables	38,281	36,963	23,602

**5. Project development costs**

Movement of the project development costs during the three-month period ended 31 March 2019 is summarised as below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	2,525,645	2,525,645
Increase in construction costs	150,755	150,433
Transferring from land held for development	528,332	-
Recognised in cost of real estate sales	(365,091)	(365,091)
Net book value as at 31 March 2019	2,839,641	2,310,987

As at 31 March 2019, the Company and its subsidiary have mortgaged their land and constructions thereon in the projects of Baht 2,770 million (31 December 2018: 2,492 million) to secure bank overdraft, short-term loans and long-term loans from financial institutions (the Company only: 2,276 million (31 December 2018: 2,492 million)).

On 7 February 2019, a subsidiary entered into an agreement to sell and to purchase land, which consists of several plots of land and entered into an agreement to transfer rights and obligations under the agreement to sell and to purchase land for another plot of land (for which the subsidiary had an outstanding deposit of Baht 125 million) with a customer, totaling Baht 1,062 million. The subsidiary received a deposit payment from the customer on the agreement date of Baht 135 million, represented in "Deposits and advances received from customer" account in the consolidated statement of financial position. However, the subsidiary transferred the ownership of the land and the rights and obligations under the agreement to sell and to purchase land to the customer in April 2019.

**6. Land held for development**

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Net book value as at 1 January 2019	650,321	121,989
Transfers out to project development costs	(528,332)	-
Net book value as at 31 March 2019	121,989	121,989

## 7. Investment in subsidiaries

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

Company's name	Paid-up capital		Percentage of shareholding		(Unit: Thousand Baht) Costs	
	31 March	31 December	31 March	31 December	31 March	31 December
	2019	2018	2019	2018	2019	2018
			Percent	Percent		(Audited)
Pure Sammakorn Development Co., Ltd.	260,000	260,000	100	100	305,900	305,900
PRO Cube Venture Co., Ltd.	500	500	100	100	500	500
Sammakorn Plus Co., Ltd.	200,000	200,000	51	51	101,999	101,999
Total investment in subsidiaries					408,399	408,399

During the three-month periods ended 31 March 2019 and 2018, there was no dividend paid from subsidiaries.

## 8. Investment properties

Movements of the investment properties account during the three-month period ended 31 March 2019 are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2019</b>	1,056,799	524,482
Acquisitions during the period - at cost	9,649	27
Sales - Net book value	(17)	-
Depreciation for the period	(9,176)	(2,136)
<b>Net book value as at 31 March 2019</b>	1,057,255	522,373

The Company and its subsidiary have mortgaged their investment properties with a total net book value as at 31 March 2019 of Baht 608 million (31 December 2018: Baht 609 million) as collateral for the facilities of bank overdrafts, short-term and long-term loans from financial institutions (the Company only: Baht 73 million (31 December 2018: 76 million)).

On 15 March 2019, a meeting of the Company's Board of Directors passed a resolution to allow the Company and/or its subsidiaries to enter into asset disposal transactions and other related transactions with Real Estate Investment Trust for leasehold of a community mall. Currently, in the founder and the manager of the Trust are preparing documentation in order to request an approval for the establishment of the Real Estate Investment Trust from the Securities and Exchange Commission.

**9. Plant and equipment**

Movements of the plant and equipment account during the three-month period ended 31 March 2019 are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2019</b>	45,035	30,963
Acquisitions during the period - at cost	1,085	264
Sales / Write off of assets during the period - net book value	(77)	(77)
Depreciation for the period	(3,322)	(2,431)
<b>Net book value as at 31 March 2019</b>	<u>42,721</u>	<u>28,719</u>

**10. Intangible assets**

Movements of the intangible assets account during the three-month period ended 31 March 2019 are summarised as below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
<b>Net book value as at 1 January 2019</b>	6,794	6,791
Acquisitions during the period - at cost	74	-
Amortisation for the period	(290)	(286)
<b>Net book value as at 31 March 2019</b>	<u>6,578</u>	<u>6,505</u>

**11. Income tax**

Income tax expenses for the three-month periods ended 31 March 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
<b>Current income tax:</b>				
Current income tax charge	2,843	2,050	2,521	-
<b>Deferred tax:</b>				
Decrease (increase) in deferred tax assets	44	600	(33)	350
<b>Income tax expenses reported in the statement of comprehensive income</b>	<u>2,887</u>	<u>2,650</u>	<u>2,488</u>	<u>350</u>

**12. Bank overdraft and short-term loans from financial institutions**

The balances of bank overdraft and short-term loans from financial institutions comprise the following:

		(Unit: Thousand Baht)			
	Interest rate (percent per annum)	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		(Audited)		(Audited)	
Bank overdraft	MOR	12,353	12,673	-	-
Promissory note	MLR - 1.75 and 3.90	381,000	383,517	35,000	37,517
Total		393,353	396,190	35,000	37,517

Bank overdraft and short term loan facilities from financial institutions of the Company are secured by the pledge of investment properties, land and construction thereon of projects of the Company.

Bank overdraft of the subsidiary are secured by the pledge of investment properties. Short term loan facilities from financial institutions of the subsidiary are secured by the Company and land and construction thereon of projects of the subsidiary.

**13. Trade and other payables**

		(Unit: Thousand Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		(Audited)		(Audited)	
Trade payables - unrelated parties		63,481	79,316	59,187	75,449
Trade payables - related parties		3,299	3,294	-	-
Other payables - unrelated parties		41,677	32,168	35,301	22,848
Other payables - related parties		16	17	92	94
Accrued expenses - unrelated parties		15,122	21,152	13,173	19,304
Accrued interests - unrelated parties		561	1,248	518	1,093
Accrued interests - related parties		2,096	1,424	2,096	863
Accrued construction cost		9,485	7,684	9,485	7,684
Retention for construction		48,494	45,390	47,954	43,886
Total trade and other payables		184,231	191,693	167,806	171,221

**14. Short-term loans from other parties**

The balances represent bills of exchange which carry interest at rates of 6.20 percent per annum and have no collateral.

**15. Long-term loans**

The balances of long-term loans from financial institutions account as at 31 March 2019 and 31 December 2018 are summarised as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	(Audited)		(Audited)	
<u>The Company:</u>				
Sammakorn Public Company Limited	565,052	789,307	565,052	789,307
<u>Subsidiary:</u>				
Pure Sammakorn Development Co., Ltd.	209,654	213,872	-	-
Total long-term loans	774,706	1,003,179	565,052	789,307
Less: Current portion	(119,913)	(177,926)	(70,236)	(130,339)
Total long-term loans - net current portion	654,793	825,253	494,816	658,968

Movements in the long-term loans account during the three-month period ended 31 March 2019 are summarised below:

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2019	1,003,179	789,307
Add: Additional borrowings during the period	71,136	64,125
Less: Repayment during the period	(299,609)	(288,380)
Balance as at 31 March 2019	774,706	565,052

The Company has mortgaged its investment properties, land and construction projects as collateral for its long-term loans.

Long-term loans of a subsidiary are secured by the pledge of its land leasehold rights and the mortgage of the construction in its projects.

The majority of loan agreements of the Company and its subsidiary contain covenants such as maintenance of certain debt-to-equity ratio.

**16. Provision for long-term employee benefits**

Movements of the provision for long-term employee benefits account during the three-month period ended 31 March 2019 are summarised below:

	(Unit: Thousand Baht) Consolidated / Separate financial statements
<b>Balance as at 1 January 2019</b>	14,200
Recognition during the period	286
Benefits paid during the period	(35)
<b>Balance as at 31 March 2019</b>	<b>14,451</b>

**17. Earnings (loss) per share**

Basic earnings (loss) per share is calculated by dividing profit (loss) 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.

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

	For the three-month periods ended 31 March			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Profit (loss) attributable to equity holders of the Company (Thousand Baht)	8,236	(11,939)	9,432	(20,962)
Weighted average number of ordinary shares (Thousand shares)	641,800	641,800	641,800	641,800
Earnings (loss) per share (Baht / Share)	0.013	(0.019)	0.015	(0.033)

**18. Financial information by segment**

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 table presents revenue and profit information regarding the Company and its subsidiaries' operating segments for the three-month periods ended 31 March 2019 and 2018 which is provided to the Board of Directors of the group, who is the chief operating decision maker of the Company and its subsidiaries.



(Unaudited but reviewed)

(Unit: Million Baht)

	Consolidated financial statements									
	Real estate development segment						Elimination of inter-segment revenues		Total	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Revenues from external customers	458	147	30	26	39	39	-	-	527	212
Inter-segment revenues	-	-	3	3	1	1	(4)	(4)	-	-
Total revenues	458	147	33	29	40	40	(4)	(4)	527	212
Segment profit	64	25	14	17	3	5			81	47
Unallocated income and expenses										
Other income									2	5
Selling expenses									(16)	(12)
Administrative expenses									(36)	(33)
Finance cost									(22)	(16)
Income tax expenses									(3)	(3)
Profit (loss) for the period									6	(12)

The following table presents segment assets of the Company and its subsidiaries' operating segments as at 31 March 2019 and 31 December 2018.

(Unit: Million Baht)

	Real estate development segment							
	segment		Rental segment		Service segment		Consolidation	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Trade and other receivables	7	7	22	21	9	9	38	37
Project development costs	2,840	2,526	-	-	-	-	2,840	2,526
Advance for land acquisition	125	125	-	-	-	-	125	125
Land held for development	122	650	-	-	-	-	122	650
Investment properties	-	-	1,057	1,057	-	-	1,057	1,057
Plant and equipment	29	31	14	14	-	-	43	45
Intangible assets	7	7	-	-	-	-	7	7
Other assets							173	98
Total assets							<u>4,405</u>	<u>4,545</u>

## 19. Commitments and contingent liabilities

### 19.1 Guarantees

As at 31 March 2019, the Company and its subsidiaries had outstanding letters of guarantee for a total of Baht 409 million (31 December 2018: Baht 409 million) (the Company only: Baht 405 million (31 December 2018: Baht 405 million)) issued by banks to guarantee electricity use and utility systems in the projects of the Company and its subsidiaries.

### 19.2 Capital commitments

As at 31 March 2019, the Company and its subsidiaries had capital commitments as below:

- a) The Company and its subsidiaries had outstanding commitments totaling approximately Baht 50 million in respect of survey, design and construction agreements in relation of the Company and its subsidiaries' projects (31 December 2018: Baht 79 million) (the Company only: Baht 46 million (31 December 2018: Baht 43 million)).
- b) The Company had outstanding commitments amounting to Baht 2 million in respect of its obligations to develop real estate projects which contracts have been executed to completion (31 December 2018: Baht 12 million).

### 19.3 Operating lease commitments

The Company and its subsidiaries have entered into several lease agreements in respect of the advertising billboard, office building space, motor vehicles and equipment. The terms of the agreements are generally between 1 and 3 years.

Future minimum lease payments required under these non-cancellable operating leases contracts were as follows:

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March	31 December	31 March	31 December
	2019	2018	2019	2018
Payable within:				
In up to 1 year	2.4	4.2	3.3	5.4

The Company and its subsidiary entered into the non-cancellable operating lease agreements in respect of land and the area in its community mall. As at 31 March 2019 and 31 December 2018, future minimum lease payments of the Company and its subsidiary expected to be received under these operating leases agreements are as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Receivable within:				
In up to 1 year	62	48	43	27
In over 1 and up to 5 years	77	75	73	72
Up to 5 years	105	109	164	169

#### 19.4 Service commitments

As at 31 March 2019, the Company and its subsidiaries have entered into several service agreements related to cleaning services, security services, advertising, management and commission expenses. The terms of the agreements are generally between 1 and 3 years.

Future minimum payments required under these service agreements were as follows.

	(Unit: Million Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
Payable:				
In up to 1 year	111	34	42	31
In over 1 and up to 3 years	3	-	3	-

#### 19.5 Other commitments

There were 11 houses which the Company had sold in 2006 for which the home buyers had obtained mortgage loans from a commercial bank to fund their purchases. Since the houses are located outside the area covered by a land development license, the bank requires that the Company provided it with undertakings to buy the houses back from the home buyers in the event they default on payment of their debts or their access is blocked. The buyback price is the higher of the market value of the house and the home buyer's outstanding debt to the bank. As at 31 March 2019, the home buyers' outstanding debts totaled Baht 6.5 million (31 December 2018: Baht 6.9 million).

**20. Events after the reporting period**

- 20.1 On 4 April 2019, the Annual General Meeting of the Company's shareholders passed the following resolutions to approve the payment of a dividend for 2018 to the Company's shareholders of Baht 0.07 per share, or a total of Baht 44.9 million.
- 20.2 On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law is effective from 5 May 2019. This change is considered a post-employment benefits plan amendment and the Company has additional long-term employee benefit liabilities of Baht 3.4 million as a result. The Company will reflect the effect of the change by recognising past service costs as expenses in the income statement of the period in which the law is effective, which is the second quarter of 2019.

**21. Approval of interim financial statements**

These interim financial statements were authorised for issue by the Company's Board of Directors on 9 May 2019.