

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED
AND ITS SUBSIDIARIES
AUDITOR'S REPORT AND FINANCIAL STATEMENTS
FOR THE YEAR ENDED DECEMBER 31, 2016

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED

Opinion

I have audited the accompanying consolidated and separate financial statements of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED (the Company), which comprise the consolidated and separate statements of financial position as at December 31, 2016, and the consolidated and separate statements of comprehensive income, consolidated and separate statements of changes in equity and consolidated and separate statements of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND SUBSIDIARIES and of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED as at December 31, 2016, and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements section of my report. I am independent of the Group in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King's Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Presentation of valuation of cost of land development (consolidated and separated financial statements)

As stated in notes 9 to financial statements, the Company and subsidiaries have material amount of costs of land developments as at December 31, 2016 of Baht 7,281.75 million in the financial statements presented at the lower of cost or net realizable value. The plants construction in the industrial zone is delayed since the current economic condition resulted to the financial institution has carefully provided in credit and promotional privileges of plants constructed structured inside and outside of industrial zone is different from the previous privileges. As a result, some entities choose to invest in the outside of industrial zone. Therefore, each real estate development project for sale have not been sold for long period. The Management has to make estimation for obtaining net realizable value Accordingly, I have addressed as key audit matter.

I have obtained an assurance in respect of presentation of valuation of cost of land for development, by included;

- Obtained an understanding of the sale plan and selling price determination policy of the Management and sale promotion policy in order to stimulate sale volume to meet a target as expected by the Management.
- Assessed the significant judgment of the Management related to salable price determination in the future.
- Compared the selling price of the Company and subsidiaries with the competitor in the same or nearby area and it is believed that such nearby area has resulted in making decision of the buyer.
- Checked the previous actual selling price of such project to compare with the current selling price.
- Checked the subsequent selling price of land sold after the reporting date including related sale promotion.

Presentation of cost of land development project for sale valuation (consolidated and separated financial statements)

The Group and the Company have recognized cost of sales amount of Baht 704.80 million and Baht 564.90 million respectively since the Group engaged in real estate development in type of industrial zone of which each project have plenty of area with high cost of infrastructure development, and each project will be divided into different size under demand of customers. The Group will gradually sell and develop infrastructure even if the infrastructure is not completely developed and development cost have not been recognized. Therefore, revenues recognition from sale of each plot should be assessed the estimated cost of infrastructure of each project on the ratio of area sold. The Management must use significant judgment for estimating the necessary cost of infrastructure development and properly changing in estimated infrastructure construction cost of each industrial zone until project completely developed with environment changed in each year. Accordingly, judgment of the Management is addressed as key audit matter.

I have obtained an assurance in respect of the recognition of cost of real estate development for sale, by included;

- Obtained an understanding and assessed the design of internal control in estimating cost of infrastructure construction and reviewed the changes in estimates including sampling tested the control for taking consideration of the effectiveness of such system.
- Inquired the Management involving the reasons and assumptions used in preparation of cost of infrastructure project construction and the proposal of construction contractual and all issues relating to assumptions.
- Considered the appropriate reasons and assumptions which the Management used in estimates preparation.
- Compared total actual cost and estimated existing cost , followed up the difference, inquired the reason for considering the completeness and accuracy of cost and compared with the estimates.

Other Matter

The consolidated financial statements of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND SUBSIDIARIES (the Group) and of ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED (the Company) for the year ended December 31, 2015, were audited by the other auditor whose report dated February 29, 2016, expressed an unqualified opinion on those statements.

Other Information

Management is responsible for the other information. The other information comprises the annual report but does not include the financial statements and my auditor's report thereon, , which is expected to be made available to me after that date.

My opinion on the financial statements does not cover the other information and I do not and will not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit, or otherwise appears to be materially misstated.

When I read the annual report of the Company, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

Management is responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of the consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated and separate financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgment and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the consolidated and separate financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the consolidated and separate financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the Group or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

D I A International Audit Company Limited

(Mrs. Suvimol Chrityakierne)

C.P.A. (Thailand)

Registration No. 2982

February 28, 2017

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION

AS AT DECEMBER 31, 2016

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes	2016	2015	2016	2015	
Assets					
Current Assets					
Cash and cash equivalents	6	410,498,000	1,438,603,377	218,271,035	176,978,449
Temporary investments		-	22,183,200	-	-
Cash at bank with restriction on withdrawal	7	634,854,123	764,673,625	-	-
Trade and other receivables	8	1,207,605,048	1,400,968,314	49,013,788	49,254,796
Short-term loans to related companies	5	-	-	1,094,501,756	846,401,756
Property development costs	9	7,281,746,785	7,321,968,162	5,638,301,593	5,848,780,303
Inventories		448,889	605,511	-	-
Spare part		285,010,333	267,600,982	-	-
Other current assets	10	492,471,887	1,090,983,800	103,578,627	98,688,478
Total Current Asset		10,312,635,065	12,307,586,971	7,103,666,799	7,020,103,782
Non-current assets classified as held-for-sale	17	42,280,468,437	-	6,829,407,097	-
		52,593,103,502	12,307,586,971	13,933,073,896	7,020,103,782
Non-Current Assets					
Deposit at financial institution with commitment		5,521,142	63,048,112	100,000	100,000
Unbilled operating leases receivables		-	80,315,732	-	-
Investments in associates	11	107,433,776	6,032,872,410	24,071,000	24,071,000
Investments in subsidiaries	12	-	-	4,641,084,269	11,356,241,366
Investments in joint ventures	13	-	4,068,278	-	-
Investment in related company		-	256,500	-	-
Land held for development		2,020,397,389	1,942,928,023	1,160,935,817	1,083,466,450
Investment properties	14	-	33,015,925,853	226,842,147	226,842,147
Property, plant and equipment	15	22,173,821,539	20,092,955,409	1,451,934,952	1,471,940,419
Goodwill		-	1,171,358,203	-	-
Intangible asset	16	78,354,585	92,794,496	-	-
Deferred tax assets	32	-	306,177,978	-	-
Advances to purchase land and construction		20,273,789	128,159,283	-	4,000
Prepaid rental expenses		-	714,983,875	-	-
Other non-current assets		8,381,727	69,847,631	3,755,615	7,504,100
Total Non-Current Assets		24,414,183,947	63,715,691,783	7,508,723,800	14,170,169,482
Total Assets		77,007,287,449	76,023,278,754	21,441,797,696	21,190,273,264

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2016

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes	2016	2015	2016	2015	
Liabilities and Shareholders' Equity					
Current Liabilities					
Short-term loans from financial institutions	18	6,157,723,532	7,540,823,912	6,157,723,532	5,500,823,912
Trade and other payables	19	512,281,363	1,092,498,138	21,650,669	14,315,890
Assets payables		189,729,909	332,313,786	-	-
Retention payables		262,142,106	219,953,877	3,266,207	388,092
Accrued expenses		176,513,653	199,609,485	60,597,944	63,516,661
Advance received from customers		5,043,182	76,086,338	3,668,374	63,512,474
Current portion of liabilities under financial					
lease agreements	20	-	1,149,769	-	-
Current portion of long-term loans from related parties	5	-	71,600,000	-	-
Current portion of long-term loan from					
financial institutions	21	1,515,039,238	2,018,242,403	821,884,411	903,896,364
Current portion of debenture	22	180,000,000	3,962,000,000	180,000,000	712,000,000
Short-term loan from related parties	5	-	-	15,192,895	126,192,895
Unearned income		138,436,144	327,070,333	42,356,375	184,735,006
Corporate income tax payable		5,107,368	36,736,525	-	-
Short-term provisions	24	-	76,327,864	-	-
Other current liabilities		283,156,399	219,747,656	3,058,622	2,479,592
Total current liability		9,425,172,894	16,174,160,086	7,309,399,029	7,571,860,886
Liabilities directly associated with assets					
as held for sale		25,347,943,428	-	-	-
		34,773,116,322	16,174,160,086	7,309,399,029	7,571,860,886
Non-Current Liabilities					
Financial lease liabilities	20	-	2,910,640	-	-
Long-term loans from related party	5	-	676,780,000	-	-
Long-term loans from financial institutions	21	14,900,257,795	15,022,580,865	3,359,655,894	3,680,243,202
Debenture	22	2,100,000,000	16,220,000,000	2,100,000,000	1,280,000,000
Other liabilities - deposit received		31,614,219	339,653,917	38,254,482	40,336,407
Employee benefit obligations	23	26,978,885	58,881,823	10,878,997	11,406,785
Long-term provisions	24	-	59,690,523	-	-
Unearned land rental income		-	1,382,486,942	-	-
Deferred tax liabilities	32	-	728,129,912	-	-
Total Non-Current Liabilities		17,058,850,899	34,491,114,622	5,508,789,373	5,011,986,394
Total Liabilities		51,831,967,221	50,665,274,708	12,818,188,402	12,583,847,280

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AS AT DECEMBER 31, 2016

		Unit: Baht			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
Shareholders' Equity					
Share capital					
	25				
Registered capital					
		2,035,588,788	2,036,579,204	2,035,588,788	2,036,579,204
		(2015 : 2,036,579,204 common shares, at Baht 1 each)			
Authorized, issued and fully paid-up,					
		2,020,461,863	1,967,256,174	2,020,461,863	1,967,256,174
		(2015 : 1,967,256,174 common shares, at Baht 1 each)			
Cash receipts from share subscription					
		-	4,597,382	-	4,597,382
Premium on share capital					
	25	5,621,975,851	5,470,700,457	5,621,975,851	5,470,700,457
Retained earnings					
Appropriated					
	27	203,558,878	199,703,849	203,558,878	199,703,849
Unappropriated					
		3,883,672,998	4,264,801,071	777,612,702	964,168,122
Other components of shareholders' equity					
		-	(1,730,066)	-	-
Amount recognised in equities relating to					
		(562,241)	-	-	-
Total Shareholders' Equity attributable to owners of pare					
		11,729,107,349	11,905,328,867	8,623,609,294	8,606,425,984
Non-controlling interests					
		13,446,212,879	13,452,675,179	-	-
Total Shareholders' Equity					
		25,175,320,228	25,358,004,046	8,623,609,294	8,606,425,984
Total Liabilities and Shareholders' Equity					
		77,007,287,449	76,023,278,754	21,441,797,696	21,190,273,264

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME

FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit: Bah			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
Continued operation					
Revenues					
	<i>Sales of lana</i>	1,266,308,667	2,215,106,225	943,089,700	1,203,248,500
	<i>Sales of electricity</i>	7,879,764,365	9,177,364,715	-	-
	<i>Service income</i>	581,744,399	457,428,558	413,782,857	344,084,978
	<i>Rental income</i>	32,392,727	33,837,180	66,916,447	68,360,900
	<i>Dividend income</i>	-	-	450,349,810	1,011,308,772
	<i>Other income</i>	54,591,453	6,521,222	36,684,368	21,365,390
	<i>Total revenues</i>	<u>9,814,801,611</u>	<u>11,890,257,900</u>	<u>1,910,823,182</u>	<u>2,648,368,540</u>
Expenses					
	<i>Cost of lana</i>	704,795,785	882,195,703	564,895,980	516,315,151
	<i>Cost of electricity</i>	6,525,210,466	7,767,502,974	-	-
	<i>Cost of service</i>	478,470,051	435,323,391	337,313,201	365,738,460
	<i>Cost of rental</i>	66,500,142	48,312,239	66,500,142	48,312,239
	<i>Selling expenses</i>	75,941,321	87,143,353	57,380,250	66,402,278
	<i>Administrative expenses</i>	369,057,845	514,830,607	132,645,515	196,660,309
	<i>Total expenses</i>	<u>8,219,975,610</u>	<u>9,735,308,267</u>	<u>1,158,735,088</u>	<u>1,193,428,437</u>
	<i>Profit (loss) before share of profit from investment in associates and joint ventures, financial costs and income tax</i>	1,594,826,001	2,154,949,633	752,088,094	1,454,940,103
	<i>Share of profit from investment in associate</i>	33,313,839	27,553,813	-	-
	<i>Profit (loss) before financial costs and income tax</i>	1,628,139,840	2,182,503,446	752,088,094	1,454,940,103
	<i>Finance costs</i>	(1,000,015,369)	(1,074,988,014)	(442,682,860)	(454,144,749)
	<i>Profit (loss) before income tax</i>	628,124,471	1,107,515,432	309,405,234	1,000,795,354
	<i>Income tax expenses</i>	(5,067,127)	(55,553,458)	-	-
	<i>Profit (loss) from continued operation for the year</i>	623,057,344	1,051,961,974	309,405,234	1,000,795,354
	<i>Profit (loss) from discontinued operation for the year</i>	(204,760,469)	(138,632,377)	-	-
	<i>Profit (loss) for the year</i>	<u>418,296,875</u>	<u>913,329,597</u>	<u>309,405,234</u>	<u>1,000,795,354</u>
Other comprehensive income					
<i>Items that may be reclassified subsequently to profit or loss</i>					
	Foreign currency translation differences	2,681,572	1,651,151	-	-
	Surplus (deficit) on change in shareholding in subsidiary	-	(2,449,142)	-	-
		<u>2,681,572</u>	<u>(797,991)</u>	<u>-</u>	<u>-</u>
Items that be reclassified subsequently to profit or loss					
	<i>Actuarial loss - net income tax</i>	(2,445,448)	1,000,559	1,569,268	-
	<i>Less: Taxable effects</i>	766,904	(200,112)	-	-
		<u>(1,678,544)</u>	<u>800,447</u>	<u>1,569,268</u>	<u>-</u>
	<i>Comprehensive income (expense) for the year</i>	<u>1,003,028</u>	<u>2,456</u>	<u>1,569,268</u>	<u>-</u>
	<i>Total comprehensive income (expense) for the years</i>	<u>419,299,903</u>	<u>913,332,053</u>	<u>310,974,502</u>	<u>1,000,795,354</u>

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

		Unit: Bah			
		Consolidated financial statements		Separate financial statements	
Notes		2016	2015	2016	2015
<i>Total income (loss) attributable to</i>					
<i>Equity holders of the Company</i>					
	<i>Profit (loss) from continued operatio</i>	370,191,799	812,912,419	309,405,234	1,000,795,354
	<i>Profit (loss) from discontinued operatio</i>	(253,937,958)	(115,372,803)	-	-
		<u>116,253,841</u>	<u>697,539,616</u>	<u>309,405,234</u>	<u>1,000,795,354</u>
<i>Non-controlling interest.</i>					
	<i>Profit (loss) from continued operatio</i>	252,865,545	239,049,555		
	<i>Profit (loss) from discontinued operatio</i>	49,177,489	(23,259,574)		
		<u>302,043,034</u>	<u>215,789,981</u>		
		<u>418,296,875</u>	<u>913,329,597</u>		
<i>Total comprehensive attributable to</i>					
<i>Equity holders of the Company</i>					
	<i>Total comprehensive income from continued operation.</i>	371,675,753	812,912,419	310,974,502	1,000,795,354
	<i>Total comprehensive income from discontinued operation.</i>	(254,106,080)	(115,371,733)	-	-
		<u>117,569,673</u>	<u>697,540,686</u>	<u>310,974,502</u>	<u>1,000,795,354</u>
<i>Non-controlling interest.</i>					
	<i>Total comprehensive income from continued operation.</i>	252,770,662	239,049,555		
	<i>Total comprehensive income from discontinued operation.</i>	48,959,568	(23,258,188)		
		<u>301,730,230</u>	<u>215,791,367</u>		
		<u>419,299,903</u>	<u>913,332,053</u>		
<i>Earnings (loss) per share</i>					
	<i>Basic earnings (loss) per shar(Baht/ share)</i>	0.06	0.36	0.16	0.52
	<i>Diluted earnings (loss) per shar(Baht/ share)</i>		0.41		0.51
<i>Earnings (loss) per share from continuing operations</i>					
	<i>Basic earnings (loss) per shar(Baht/ share)</i>	0.19	0.42	0.16	0.52
	<i>Diluted earnings (loss) per shar(Baht/ share)</i>		0.41		0.51

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF PROFIT OR LOSS AND OTHER COMPREHENSIVE INCOME
 FOR THE YEAR ENDED DECEMBER 31, 2016

Unit: Bah

Consolidated financial statements													
Equity attributable to equity holders of the Company													
Notes	Issued and paid-up share capita	Retained earnings				Other components of equity			Amount recognised in equities relating to assets classified as held for sale	Total equity holders of the Company	Non-controlling interests	Total	
		Cash receipts from share subscription	Premium on share capital	Appropriated to legal reserve	Unappropriated	Deficit on change in shareholding in subsidiary	Exchange differences on translation of financial statements in foreign currency	Total other components of equity					
	Balance as at January 1, 2015	1,755,087,815	2,863,952	4,686,062,103	168,820,036	4,068,273,525	-	-	-	-	10,681,107,431	13,320,931,438	24,002,038,869
	Share capital increase	173,618,005	-	784,638,354	-	-	-	-	-	-	958,256,359	-	958,256,359
	Cash receipts from share subscription												
	transferred as share capital during the year	-	(2,863,952)	-	-	-	-	-	-	-	(2,863,952)	-	(2,863,952)
	Advance received from warrant	-	4,597,382	-	-	-	-	-	-	-	4,597,382	-	4,597,382
	Profit (loss) for the year	-	-	-	-	697,539,616	-	-	-	-	697,539,616	215,789,980	913,329,596
	Other comprehensive income (expense) for the year	-	-	-	-	348,595	(2,449,142)	719,076	(1,730,066)	-	(1,381,471)	1,383,927	2,456
	Total comprehensive income (expense) for the year	-	-	-	-	697,888,211	(2,449,142)	719,076	(1,730,066)	-	696,158,145	217,173,907	913,332,052
	Legal reserve	-	-	-	30,883,813	(30,883,813)	-	-	-	-	-	-	-
	Dividend stock	28	38,550,354	-	-	(38,550,354)	-	-	-	-	-	-	-
	Dividend paid	28	-	-	-	(431,926,498)	-	-	-	-	(431,926,498)	(310,729,262)	(742,655,760)
	Share capital increased in subsidiary	-	-	-	-	-	-	-	-	-	-	225,299,096	225,299,096
	Balance as at December 31, 2015	1,967,256,174	4,597,382	5,470,700,457	199,703,849	4,264,801,071	(2,449,142)	719,076	(1,730,066)	-	11,905,328,867	13,452,675,179	25,358,004,046
	Balance as at January 1, 2016	1,967,256,174	4,597,382	5,470,700,457	199,703,849	4,264,801,071	(2,449,142)	719,076	(1,730,066)	-	11,905,328,867	13,452,675,179	25,358,004,046
	Share capital increase	25	53,205,689	-	151,275,394	-	-	-	-	-	204,481,083	-	204,481,083
	Cash receipts from share subscription												
	transferred as share capital during the year	25	-	(4,597,382)	-	-	-	-	-	-	(4,597,382)	-	(4,597,382)
	Advance received from warrant	25	-	-	-	-	-	-	-	-	-	-	-
	Profit (loss) for the year	-	-	-	-	116,253,841	-	-	-	-	116,253,841	302,043,034	418,296,875
	Other comprehensive income (expense) for the year	-	-	-	-	148,008	-	1,167,825	1,167,825	-	1,315,833	(312,805)	1,003,028
	Total comprehensive income (expense) for the year	-	-	-	-	116,401,849	-	1,167,825	1,167,825	-	117,569,674	301,730,229	419,299,903
	Legal reserve	-	-	-	3,855,029	(3,855,029)	-	-	-	-	-	-	-
	Dividend paid	28	-	-	-	(493,674,893)	-	-	-	-	(493,674,893)	(429,192,529)	(922,867,422)
	Share capital increased in subsidiary	-	-	-	-	-	-	-	-	-	-	121,000,000	121,000,000
	Discontinuing operation	-	-	-	-	-	2,449,142	(1,886,901)	562,241	(562,241)	-	-	-
	Balance as at December 31, 2016	2,020,461,863	-	5,621,975,851	203,558,878	3,883,672,998	-	-	-	(562,241)	11,729,107,349	13,446,212,879	25,175,320,228

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CHANGES IN SHAREHOLDER'S EQUITY

FOR THE YEAR ENDED DECEMBER 31, 2016

		<i>Separate financial statements</i>					<i>Unit: Bah</i>
				<u>Retained earning</u>			
	<i>Notes</i>	Issued and paid-up share capital	Cash receipts from share subscription	Premium on share capital	Appropriated to legal reserve	Unappropriated	Total
Balance as at January 1, 2015		1,755,087,815	2,863,952	4,686,062,103	168,820,036	464,733,246	7,077,567,152
Share capital increase	25	173,618,005	-	784,638,354	-	-	958,256,359
Cash receipts from share subscription							
transferred as share capital during the year	25	-	(2,863,952)	-	-	-	(2,863,952)
Advance received from warrant	25	-	4,597,382	-	-	-	4,597,382
Profit (loss) for the year		-	-	-	-	1,000,795,354	1,000,795,354
Other comprehensive income (expense) for the year		-	-	-	-	-	-
Total comprehensive income (expense) for the year		-	-	-	-	1,000,795,354	1,000,795,354
Legal reserve		-	-	-	30,883,813	(30,883,813)	-
Dividend stock	28	38,550,354	-	-	-	(38,550,354)	-
Dividend paid	28	-	-	-	-	(431,926,311)	(431,926,311)
Balance as at December 31, 2015		<u>1,967,256,174</u>	<u>4,597,382</u>	<u>5,470,700,457</u>	<u>199,703,849</u>	<u>964,168,122</u>	<u>8,606,425,984</u>
Balance as at January 1, 2016		1,967,256,174	4,597,382	5,470,700,457	199,703,849	964,168,122	8,606,425,984
Share capital increase	25	53,205,689	-	151,275,394	-	-	204,481,083
Cash receipts from share subscription							
transferred as share capital during the year	25	-	(4,597,382)	-	-	-	(4,597,382)
Profit (loss) for the year		-	-	-	-	309,405,234	309,405,234
Other comprehensive income (expense) for the year		-	-	-	-	1,569,268	1,569,268
Total comprehensive income (expense) for the year		-	-	-	-	310,974,502	310,974,502
Dividend paid	28	-	-	-	-	(493,674,893)	(493,674,893)
Legal reserve		-	-	-	3,855,029	(3,855,029)	-
Balance as at December 31, 2016		<u>2,020,461,863</u>	<u>-</u>	<u>5,621,975,851</u>	<u>203,558,878</u>	<u>777,612,702</u>	<u>8,623,609,294</u>

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS

FOR THE YEAR ENDED DECEMBER 31, 2016

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash Flows from Operating Activities:				
<i>Profit (loss) before income tax from continued operation</i>	628,124,471	1,107,515,432	309,405,234	1,000,795,354
<i>Profit (loss) before tax from discontinued operation</i>	(120,170,783)	(129,960,011)	-	-
<i>Profit (loss) before tax</i>	507,953,688	977,555,421	309,405,234	1,000,795,354
<i>Adjustments profit before income tax to cash receipt</i> <i>(disbursement) from operating activities</i>				
<i>Depreciation and amortisatio</i>	1,550,409,448	2,318,494,187	28,009,449	57,118,777
<i>Adjustment prior year depreciation</i>	(2,531,050)	-	-	-
<i>Amortization of intangible asse</i>	10,978,612	-	-	-
<i>Allowance for doubtful account.</i>	-	(1,907,915)	(956,936)	-
<i>Doubtful account:</i>	(14,191,224)	-	-	-
<i>Bad debt</i>	-	-	-	-
<i>Unrealized (gain) loss on exchange rat</i>	-	13,828,444	-	-
<i>Amortized income tax deducted at source</i>	-	21,933,508	-	21,933,508
<i>Dividend income from associate:</i>	-	-	(420,349,810)	(988,808,772)
<i>Loss on write-off of investment in dissolved subsidiary</i>	-	5,150,496	-	-
<i>Exchange difference on translating financial stateme</i> <i>from dissolved subsidiary</i>				
	-	(12,722,177)	-	-
<i>Gain on sales of investment in associate</i>	(31,232,985)	(18,542,140)	-	-
<i>Share of profit from investments in associate</i>	(285,530,729)	(276,021,013)	-	-
<i>Unrealized gain on sales of properties to associate</i>	-	18,220,881	-	-
<i>Dividend income from associate:</i>	-	-	(30,000,000)	(22,500,000)
<i>Share of (gain) loss from investments in joint venture</i>	(772,197)	136,303	-	-
<i>Gain on sales of land held for developmem</i>	-	(502,597,093)	-	-
<i>Cost of properties sold</i>	150,510,666	2,678,863,857	-	-
<i>Reversal of provision related to sales of propertie</i>	(59,325,829)	33,316,822	-	-
<i>(Gain) loss on disposal of asset:</i>	(7,153,726)	32,159,849	(3,913,961)	4,245,119
<i>Employee benefits obligation provision.</i>	11,572,475	8,083,452	1,041,480	1,129,830
<i>Interest income</i>	(11,954,661)	(7,466,039)	(28,672,820)	(16,966,631)
<i>Adjusted depreciation to interest expense.</i>	23,069,043	22,117,373	23,069,043	22,117,373
<i>Interest expense:</i>	1,811,973,055	1,826,315,958	442,682,860	454,144,749
<i>Profit from operating activities before changes in</i> <i>operating assets and liabilities</i>	3,653,774,586	7,136,920,174	320,314,539	533,209,307
<i>Changes in operating assets (increased) decreased</i>				
<i>Trade and other receivable.</i>	29,317,196	(15,701,712)	1,197,944	(7,827,668)
<i>Property development costs</i>	40,221,377	(1,743,396,957)	210,478,711	(1,876,784,821)
<i>Inventories</i>	156,622	(376,134)	-	-
<i>Spare part</i>	(17,083,851)	(9,205,171)	-	-
<i>Advances payment to acquire land and construction</i>	(5,382,214)	-	4,000	-
<i>Other current assets</i>	476,297,593	(10,035,504)	20,112,175	4,628,740
<i>Prepaid land rental expense</i>	30,791,814	43,285,564	-	-
<i>Other non-current asse</i>	38,159,651	4,901,122	3,748,485	(18,209,852)

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

STATEMENTS OF CASH FLOWS (CONTINUED)

FOR THE YEAR ENDED DECEMBER 31, 2016

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Changes in operating liabilities increased (decreased)</i>				
Trade and other payable	34,409,657	(563,868,849)	7,334,778	(5,116,256)
Retention payables	42,188,229	34,190,570	2,878,115	-
Accrued expenses	(15,435,963)	3,396,495	4,741,152	(6,097,303)
Advance received from customers	(71,043,156)	63,032,474	(59,844,100)	63,032,474
Unearned installments income	(188,634,189)	(431,531,293)	(142,378,631)	(324,101,994)
Other current liabilities	203,376,861	(6,383,808)	579,030	(14,749)
Provisions	(63,387,623)	(39,388,347)	-	-
Unearned land rental income	(63,728,580)	196,725,161	-	-
Other liabilities - deposit received	59,905,772	24,934,379	(2,081,925)	3,118,643
<i>Cash provided from (used in) operating activities</i>	4,183,903,782	4,687,498,164	367,084,273	(1,634,163,479)
Employee benefit obligations paid	(1,758,200)	(1,117,000)	-	-
Interest received	11,307,574	7,459,184	28,672,820	16,966,631
Interest paid	(1,848,276,198)	(1,782,526,086)	(458,443,109)	(440,021,877)
Income tax paid	(169,143,430)	(178,038,462)	(16,901,945)	(15,568,901)
<i>Net cash provided (used in) operating activities</i>	2,176,033,528	2,733,275,800	(79,587,961)	(2,072,787,626)
Cash Flows from Investing Activities:				
<i>(Increase) decrease in temporary investment</i>	39,060	235,501,396	-	-
<i>Increase in temporary investment used as collateral</i>	129,819,502	(589,355,864)	-	-
<i>(Increase) decrease in cash at bank with restriction on withdrawal</i>	-	-	-	-
Proceeds from short-term loans to related parties	-	1,600,000,000	-	755,906,000
Payments short-term loans to related parties	(108,668,574)	(1,600,000,000)	(248,100,000)	(679,685,201)
Decrease in deposits at financial institutions with commitment	57,286,970	13,193,411	-	1,881
Proceeds from sales of investment in associate	1,013,520,985	955,472,500	-	-
Proceeds from decrease in value of trust units from capital reduction	-	15,786,399	-	-
Payments for acquisition of investments in associate	(33,698,244)	(1,136,478,850)	-	-
Dividend income	353,866,663	399,442,736	450,349,810	1,011,308,772
Payment for investment in subsidiary	-	-	(114,250,000)	(177,150,046)
Proceeds from dissolved subsidiary	-	7,571,681	-	-
Deficit on change in shareholding in subsidiary	-	(2,449,142)	-	-
Payments acquire of land held for development	(77,469,366)	-	(77,469,366)	-
Proceeds from sale of land held for development	-	787,500,000	-	-
Payments for acquire of investment properties	(1,845,274,907)	(7,024,035,468)	-	-
Payments for acquire of fixed asset	(3,393,101,215)	(1,091,970,109)	(32,400,653)	(31,748,375)
Proceeds from sale of fixed asset	9,824,697	21,103,270	5,241,589	15,060,000
Payments for acquire of intangible asset	-	(2,427,543)	-	-
Advances to purchase land and construction	-	(24,094,548)	-	-
<i>Net cash from (used in) investing activities</i>	(3,893,854,429)	(7,435,240,131)	(16,628,620)	893,693,031

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES
 STATEMENTS OF CASH FLOWS (CONTINUED)
 FOR THE YEAR ENDED DECEMBER 31, 2016

Unit: Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<i>Cash flows from financing activities:</i>				
<i>(Decrease) Increase in bank overdraft and short-term loan</i>				
<i>from financial institution</i>	643,147,283	1,008,012,074	656,899,620	(370,746,445)
<i>Proceeds from short-term loans from related parties</i>	1,060,000,000	71,600,000	-	2,118,430,000
<i>Repayments of short-term loans from related parties</i>	-	(71,600,000)	(111,000,000)	(2,320,592,226)
<i>Proceeds from long-term loans from related parties</i>	1,513,386,532	-	-	-
<i>Proceeds from long-term loan from financial institution</i>	430,000,000	983,783,393	-	-
<i>Repayments for long-term loans from financial institution</i>	(1,501,136,015)	(1,911,495,908)	(402,599,261)	(237,180,379)
<i>Proceeds from issuance of debenture</i>	3,400,000,000	7,050,000,000	1,000,000,000	1,500,000,000
<i>Redemption of debenture:</i>	(3,962,000,000)	(2,170,000,000)	(712,000,000)	-
<i>Proceeds from share subscription</i>	-	4,597,382	-	4,597,382
<i>Proceeds from increase in share capital</i>	199,883,701	955,392,407	199,883,701	955,392,407
<i>Dividends paid</i>	(922,867,421)	(741,723,685)	(493,674,893)	(431,926,311)
<i>Proceeds from common share increase</i>				
<i>from non-controlling interest</i>	121,000,000	225,299,096	-	-
<i>Net cash from financing activities</i>	981,414,080	5,403,864,759	137,509,167	1,217,974,428
<i>Exchange differences on translation of financial statements</i>				
<i>in foreign currency</i>	(7,430,305)	(6,567,058)	-	-
<i>Net increase (decrease) in cash and cash equivalents</i>	(743,837,126)	695,333,370	41,292,586	38,879,833
Cash and cash equivalents, beginning of years	1,438,603,377	743,270,007	176,978,449	138,098,616
Cash and cash equivalents of subsidiary transferred to be				
<i>assets classified as held for sale</i>	(284,268,251)	-	-	-
Cash and cash equivalents, End of years	410,498,000	1,438,603,377	218,271,035	176,978,449
Supplemental disclosures of cash flows information				
Cash paid during the period :				
<i>Interest expense capitalized in cost of the assets</i>	20,542,895	60,482,762	-	25,363,825
<i>Non-cash items:</i>				
<i>Transfer of investment properties under development and available</i>				
<i>for rent/sale and investment property for rent to be cost of sale</i>				
<i>of properties</i>	150,571,004	2,280,414,365	-	323,331,160
<i>Assets payables increase</i>	-	309,273,390	-	-
<i>Purchase of investment properties and property, plant and</i>				
<i>equipment for which cash has not yet been paid</i>	230,307,866	349,288,052	-	29,797,124
<i>Deposits for land capitalized as cost of assets</i>	-	647,848,590	-	100,117,550
<i>Stock dividend paid</i>	-	38,550,354	-	38,550,354

Notes to the financial statements are part of these financial statements.

ROJANA INDUSTRIAL PARK PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

NOTES TO THE FINANCIAL STATEMENTS

FOR THE YEAR ENDED DECEMBER 31, 2016

1. GENERAL INFORMATION

Rojana Industrial Park Public Company Limited (“The Company”) is listed on the Stock Exchange of Thailand. The Company’s main business operations are the development of industrial estates in Ayuthaya and Rayong Provinces. The head office is located at 2034/115, Ital Thai Tower, 26th Floor, New Petchaburi Road, Bang Kapi, HuaiKhwang, Bangkok.

As at December 31, 2016 and 2015, The major shareholders’ of the Company is Vinichbutr Group (holds 29.97 percent) and Nippon Steel & Sumikin Bussan Corporation (holds 20.73 percent)

2. BASIS OF FINANCIAL STATEMENTS PREPARATION

The financial statements have been prepared in conformity with Thai Financial Reporting Standards, enunciated under the Accounting Professions Act B.E. 2547 and presented in accordance with the notification of Department of Business Development, the Ministry of Commerce dated September 28, 2011 regarding the condensed form should be included in the financial statements B.E. 2554 and the regulation of the Securities and Exchange Commission regarding the preparation and presentation of the financial reporting under the Securities and Exchange Act B.E. 2535.

The financial statements have been prepared under the historical cost convention, except as transaction disclosed in related accounting policy.

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

Basis for preparation of the consolidated financial statement

The consolidated financial statements included the financial statements of Rojana Industrial Park Public Company Limited (Referred to as the “Company”) and its subsidiaries (Referred to as the “subsidiaries”) that together referred to as the “Group”.

The details of the subsidiaries are as follows:

Company's name	Nature of business	Country of Incorporation	Ownership interest	
			2016	2015
			%	%
Subsidiaries directly held by the Company				
Rojana Industrial Management Co., Ltd.	Production and distribution industrial water	Thailand	90.00	90.00
Rojana Power Co., Ltd.	Manufacturing electricity	Thailand	41.00	41.00 ⁽¹⁾
Rojana Property Co., Ltd.	Real estate development	Thailand	100.00	100.00
Rojana Energy Co., Ltd.	Manufacturing electricity from solarcell system	Thailand	70.00	70.00
Rojana Industrial Park Rayong 2 Co., Ltd.	Real estate development	Thailand	100.00	100.00
Rojana Industrial Park Prachinburi Co., Ltd.	Real estate development	Thailand	100.00	100.00
TICON Industrial Connection PLC. ("TICON")	Real estate development and the provision of construction services	Thailand	43.55	43.55 ⁽²⁾
Rojana Etouch Co.,Ltd	Electronic commerce service	Thailand	100.00	-
Beidou Rojana Industrial City Co.,Ltd	Real estate development	Thailand	100.00	-
Subsidiaries held by Ticon Industrial Connection PLC.				
ECO Industrial Services Co., Ltd.	Real estate development	Thailand	99.99	99.99
TICON Logistics Park Co., Ltd.	Real estate development	Thailand	99.99	99.99
TICON Management Co., Ltd.	REIT manager	Thailand	69.99	69.99
Shanghai TICON Investment Management Company Limited	Fund management	China	100.00	100.00
TICON (HK) Limited	Investment in real estate in overseas	Hong Kong	100.00	100.00

⁽¹⁾ The Company and a shareholder which carries the share more than 60% and has management policy in the same direction. Therefore, the Company has power to exercise control. The consolidated financial statements included the financial statement of Rojana Power Company Limited.

⁽²⁾ The Company has two representative of directors in Ticon Industrial Connection PLC. (TICON) from 5 directors excluding independent directors. Two directors with the company's seal are able to sign on behalf of Ticon. The Company has the majority voting right in the shareholders' meeting. As a result, the Company is able to control Ticon and therefore includes the financial statements of Ticon to prepare the consolidated financial statements.

The financial statements of TICON Industrial Connection PLC and its subsidiaries for the years ended December 31, 2016 and 2015, included in the consolidated financial statements of the Company were audited by its auditor

The financial statements of Shanghai TICON Investment Management Company Limited (“the subsidiary of TICON”) for the years ended December 31, 2016 and 2015, included in the consolidated financial statements of the Company, were audited by its auditor.

The financial statements of TICON (HK) Limited (“the subsidiary”) for the year ended December 31, 2016 and for the period as from April 16, 2015 to December 31, 2015, included in the consolidated financial statements of the Company, were prepared by the management of the subsidiary.

- The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders’ equity.
- Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not belong to the Company and are presented separately in the consolidated statement of comprehensive income, and within equity in the consolidated statement of financial position.
- The separate financial statements, which present investments in subsidiaries and associates under the cost method, have been prepared solely for the benefit of the public.

3. NEW FINANCIAL REPORTING STANDARDS

3.1 Financial reporting standards that became effective in the current period

The Federation of Accounting Professions issued accounting standards, financial reporting standards, standing interpretations committee and financial reporting interpretations committee which are effective for the financial statements beginning on or after January 1, 2016 as detailed below:

Contents

Accounting Standards

TAS 1 (Revised 2015)	Presentation of Financial Statements
TAS 2 (Revised 2015)	Inventories
TAS 7 (Revised 2015)	Statement of Cash Flows
TAS 8 (Revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (Revised 2015)	Events After the Reporting Period
TAS 11 (Revised 2015)	Construction Contracts
TAS 12 (Revised 2015)	Income Taxes
TAS 16 (Revised 2015)	Property, Plant and Equipment
TAS 17 (Revised 2015)	Leases
TAS 18 (Revised 2015)	Revenue
TAS 19 (Revised 2015)	Employee Benefits
TAS 20 (Revised 2015)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (Revised 2015)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (Revised 2015)	Borrowing Costs
TAS 24 (Revised 2015)	Related Party Disclosures
TAS 26 (Revised 2015)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (Revised 2015)	Separate Financial Statements
TAS 28 (Revised 2015)	Investments in Associates and Joint Venture
TAS 29 (Revised 2015)	Financial Reporting in Hyperinflationary Economics
TAS 33 (Revised 2015)	Earnings per Share
TAS 34 (Revised 2015)	Interim Financial Reporting
TAS 36 (Revised 2015)	Impairment of Assets

Contents

TAS 37 (Revised 2015)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (Revised 2015)	Intangible Assets
TAS 40 (Revised 2015)	Investment Property
TAS 41	Agriculture

Financial Reporting Standards

TFRS 2 (Revised 2015)	Share-Based Payments
TFRS 3 (Revised 2015)	Business Combinations
TFRS 4 (Revised 2015)	Insurance Contracts
TFRS 5 (Revised 2015)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (Revised 2015)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (Revised 2015)	Operating Segments
TFRS 10 (Revised 2015)	Consolidated Financial Statements
TFRS 11 (Revised 2015)	Joint Arrangements
TFRS 12 (Revised 2015)	Disclosure of Interests in Other Entities
TFRS 13 (Revised 2015)	Fair Value Measurement

Standing Interpretations Committee

TSIC 10 (Revised 2015)	Government Assistance - No Specific Relation to Operating Activities
TSIC 15 (Revised 2015)	Operating Leases - Incentives
TSIC 25 (Revised 2015)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (Revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (Revised 2015)	Service Concession Arrangements: Disclosures
TSIC 31 (Revised 2015)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (Revised 2015)	Intangible Assets - Web Site Costs

Financial Reporting Interpretations Committee

TFRIC 1 (Revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (Revised 2015)	Determining Whether an Arrangement Contains a Lease
TFRIC 5 (Revised 2015)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (Revised 2015)	Applying the Restatement Approach under TAS 29 (Revised 2015)

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TFRIC 10 (Revised 2015)	Interim Financial Reporting and Impairment
TFRIC 12 (Revised 2015)	Service Concession Arrangements
TFRIC 13 (Revised 2015)	Customer Loyalty Programmers
TFRIC 14 (Revised 2015)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2015)

Employee Benefits

TFRIC 15 (Revised 2015)	Agreements for the Construction of Real Estate
TFRIC 17 (Revised 2015)	Distributions of Non - cash Assets to Owners
TFRIC 18 (Revised 2015)	Transfers of Assets from Customers
TFRIC 20 (Revised 2015)	Stripping Costs in the Production Phase of Surface Mine
TFRIC 21	Levies

During the period, the Company has adopted the revised and new financial reporting standards and accounting guidance issued by the Federation of Accounting Professions. From aforementioned adoption, these financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the financial statements of the Company.

3.2 Financial Reporting Standards issued and revised which will be effective in the future

The Federation of Accounting Professions has issued the Notifications regarding Thai Financial Reporting Standards (TFRSs), which are effective for the financial statements for the periods beginning on or after January 1, 2017 onwards, as follows:

Contents

Thai Accounting Standards (“TAS”)

TAS 1 (revised 2016)	Presentation of Financial Statements
TAS 2 (revised 2016)	Inventories
TAS 7 (revised 2016)	Statement of Cash Flows
TAS 8 (revised 2016)	Accounting Policies, Changes in Accounting Estimates and Errors
TAS 10 (revised 2016)	Events after the Reporting Period
TAS 11 (revised 2016)	Construction Contracts
TAS 12 (revised 2016)	Income Taxes
TAS 16 (revised 2016)	Property, Plant and Equipment
TAS 17 (revised 2016)	Leases

Contents

TAS 18 (revised 2016)	Revenue
TAS 19 (revised 2016)	Employee Benefits
TAS 20 (revised 2016)	Accounting for Government Grants and Disclosure of Government Assistance
TAS 21 (revised 2016)	The Effects of Changes in Foreign Exchange Rates
TAS 23 (revised 2016)	Borrowing Costs
TAS 24 (revised 2016)	Related Party Disclosures
TAS 26 (revised 2016)	Accounting and Reporting by Retirement Benefit Plans
TAS 27 (revised 2016)	Separate Financial Statements
TAS 28 (revised 2016)	Investments in Associates and Joint Ventures
TAS 29 (revised 2016)	Financial Reporting in Hyperinflationary Economies
TAS 33 (revised 2016)	Earnings per Share
TAS 34 (revised 2016)	Interim Financial Reporting
TAS 36 (revised 2016)	Impairment of Assets
TAS 37 (revised 2016)	Provisions, Contingent Liabilities and Contingent Assets
TAS 38 (revised 2016)	Intangible Assets
TAS 40 (revised 2016)	Investment Property
TAS 41 (revised 2016)	Agriculture
TAS 104 (Revised 2016)	Accounting for Troubled Debt Restructuring
TAS 105 (Revised 2016)	Accounting for Investments in Debt and Equity Securities
TAS 107 (Revised 2016)	Financial Instruments Disclosure and Presentation

Thai Financial Report Standards (“TFRS”)

TFRS 2 (revised 2016)	Share-based Payment
TFRS 3 (revised 2016)	Business Combinations
TFRS 4 (revised 2016)	Insurance Contracts
TFRS 5 (revised 2016)	Non-current Assets Held for Sale and Discontinued Operations
TFRS 6 (revised 2016)	Exploration for and Evaluation of Mineral Resources
TFRS 8 (revised 2016)	Operating Segments
TFRS 10 (revised 2016)	Consolidated Financial Statements
TFRS 11 (revised 2016)	Joint Arrangements
TFRS 12 (revised 2016)	Disclosure of Interests in Other Entities
TFRS 13 (revised 2016)	Fair Value Measurement

Thai Accounting Standard Interpretations (“TSIC”)

TSIC 10 (revised 2016)	Government Assistance - No Specific Relation to Operating Activities
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Contents

TSIC 15 (revised 2016)	Operating Leases – Incentives
TSIC 25 (revised 2016)	Income Taxes - Changes in the Tax Status of an Entity or its Shareholders
TSIC 27 (revised 2016)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease
TSIC 29 (revised 2016)	Service Concession Arrangements: Disclosures
TSIC 31 (revised 2016)	Revenue - Barter Transactions Involving Advertising Services
TSIC 32 (revised 2016)	Intangible Assets - Web Site Costs
<u>Thai Financial Reporting Standard Interpretations (“TFRIC”)</u>	
TFRIC 1 (revised 2016)	Changes in Existing Decommissioning, Restoration and Similar Liabilities
TFRIC 4 (revised 2016)	Determining whether an Arrangement contains a Lease
TFRIC 5 (revised 2016)	Rights to Interests arising from Decommissioning, Restoration and Environmental Rehabilitation Funds
TFRIC 7 (revised 2016)	Applying the Restatement Approach under TAS 29 (Revised 2016) Financial Reporting in Hyperinflationary Economies
TFRIC 10 (revised 2016)	Interim Financial Reporting and Impairment
TFRIC 12 (revised 2016)	Service Concession Arrangements
TFRIC 13 (revised 2016)	Customer Loyalty Programmes
TFRIC 14 (revised 2016)	The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction for TAS 19 (Revised 2016) Employee Benefits
TFRIC 15 (revised 2016)	Agreements for the Construction of Real Estate
TFRIC 17 (revised 2016)	Distributions of Non-cash Assets to Owners
TFRIC 18 (revised 2016)	Transfers of Assets from Customers
TFRIC 20 (revised 2016)	Stripping Costs in the Production Phase of a Surface Mine
TFRIC 21 (revised 2016)	Levies

The Company still has not a plan to adopt such financial reporting standards early application and expected that they will have no material impacts on the financial statements in the year in which they are applied.

4. SIGNIFICANT ACCOUNTING POLICIES

4.1 Revenue

Revenues from sales of land

Revenues from sales of land are recognized as income when transfer right of land or transfer significant risk.

Revenues from sales of condominium

Revenues from sales of condominium are recognized as income when the significant risk and rewards of ownership have been transferred to the buyer and the Company does not involve neither continuing management nor effective control over the condominium sold.

Revenue from sales of electricity

Sales are shown net of value added tax and discounts. Sales under the Power Purchase Agreements (PPA) comprise Availability Payments and Energy Payments. Availability Payments are recognized according to the terms set out in the Power Purchase Agreement. Energy Payments are calculated based on electricity delivered. Sales under the Electricity and Steam Sales/Purchase Agreements with industrial users are recognized on delivery of electricity and steam and the customer acceptance.

Sales of water for industrial estates and raw water

Sales of water for industrial estates and raw water, which are included in revenue from services, are recognized when water is delivered to customers.

Service income

Service revenues, which include waste water treatment and management of common areas of the industrial estates, which are included in revenue from services, are recognized when services have been rendered taking into account the stage of completion.

Rental income

Rental income which consists of land rental, rental of apartment is recognized as an income on straight-line basis over the lease term. The recognized revenue which is not yet due per the operating lease agreements has been presented under the caption of "Unbilled operating leases receivables" at the end of reporting period.

Dividends

Dividends are recognized when the right to receive the dividends is established.

Interest income

Interest income is recognized on an accrual basis based on the effective interest rate.

4.2. Cash and cash equivalents

Cash and cash equivalents represented cash on hand and at financial institute and short-term investment with high liquidity of less than 3 months due date and no restrictions on use.

4.3. Trade receivables

Account receivables are presented on anticipated realizable value. The Company and subsidiary record the allowance for doubtful accounts by historical uncollected experiences, condition of economic and the account receivable's ability for the repayment.

4.4 Investments

Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.

Investments in debt securities, both due within one year and expected to be held to maturity, are recorded at amortised cost. The premium/discount on debt securities is amortised/accreted by the effective rate method with the amortised/accreted amount presented as an adjustment to the interest income.

Investments in non-marketable equity securities, which the Company classifies as other investments, are stated at cost net of allowance for impairment loss (if any).

Investments in joint venture and associates are accounted for in the consolidated financial statements using the equity method.

Investments in subsidiaries and associates are accounted for in the separate financial statements using the cost method net of allowance for impairment loss (if any).

The weighted average method is used for computation of the cost of investments.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.5 Inventories

Inventories are stated at cost or net realizable value whichever is lower. Net realizable value is estimated on selling price in normal business condition less expenses that needed to be paid for sales of that specific goods. Cost is calculated as follow:

- Raw material and spare parts are calculated by the first-in first-out.

4.6 Property development cost

Property development cost is stated at the lower of cost or net realizable value. Cost consists of cost of land, land development expenditures, borrowing cost which related directly to the project. The Company and subsidiaries record borrowing costs as cost of land development since the beginning of the project until the development is completed and ready to sell.

4.7. Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20-50 years. Depreciation of the investment properties is included in determining income.

No depreciation is provided on land and construction in progress.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period when the asset is derecognized.

4.8. Property, plant and equipment

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of buildings and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives:

	Years
Power plants	5-25
Water and wastewater treatment systems for industrial use	5-20 50
Bunding	5-25
Building and constructions	20
Buildings, rooms for rent	5-20
Tool and equipment	3-5
Furniture and equipment	5

Depreciation is included in determining income.

No depreciation is provided on land and assets under construction.

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in the income statement when the asset is derecognized.

4.9. Government grants

Government grants related to assets measured at fair value are recorded as Deferred Income and presented by the deduction from the value of the related assets in the statements of financial position. Government grants are recognized in profit or loss over the useful life of the asset deterioration in the form of a reduced depreciation for a period of 50 years.

4.10. Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalized as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.11. Land awaiting for future development

Land awaiting for future development is valued at the lower of specific cost or net realizable value. Cost included costs of land.

4.12. Intangible assets

Intangible assets initially acquired are measured at cost. Following initial recognition, intangible assets are carried at cost less any accumulated amortization and any accumulated impairment losses.

Intangible assets with finite lives are amortized on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method of such intangible assets are reviewed at least at each financial year end. The amortization expense is charged to profit and loss.

A summary of the intangible assets with finite useful lives is as follows:

	Years
Computer software	3, 5 and 10
Right of use the gas pipelines system	19

4.13. Goodwill

Goodwill represents the excess of the cost of an acquisition over the fair value of the Group's share of the net assets of the acquired subsidiaries, associated companies or joint venture at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in consolidated statements of financial position and of associated companies and joint ventures is included in investments in the consolidated statements of financial position.

Recognized goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of a subsidiaries, associated companies or a joint venture include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash generating units for the purpose of impairment testing. The allocation is made to those cash generating units or group of cash generating units that are expected to benefit from the business combination in which the goodwill arose.

4.14. Assets held for sale and discontinued operations

The Company classifies assets and disposal groups as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the asset or disposal group is available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Gain or loss from discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the profit or loss.

4.15. Treasury share

Treasury share is stated at cost and presented in statement of financial position as a reduction from shareholders' equity. Gains on disposal of treasury stock are determined by reference to its carrying amount and are taken to premium on treasury share, losses on disposal of treasury share are determined by reference to its carrying amount and are taken to premium on treasury share and retained earnings, consecutively.

4.16. Related party transactions

Related parties comprise enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies and individuals which directly or indirectly own a voting interest in the entities that gives them significant influence over the Company, key management personnel, directors, and officers with authority in the planning and direction of the Company's operations.

4.17. Long-term leases

Leases which the Company and its subsidiaries transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalized at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset

Leases of assets which do not transfer substantially all the risks and rewards of ownership are classified as operating leases. Operating lease income is recognized in profit and loss on a straight line basis over the lease term.

4.18. Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.19. Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the investment properties, property, plant and equipment or intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognized when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount.

An impairment loss is recognized in profit and loss.

In the assessment of asset impairment if there is any indication that previously recognized impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognized impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognized. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognized for the asset in prior years. Such reversal is recognized in profit or loss.

4.20. Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund are recognized as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiary and their employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiary. The fund's assets are held in a separate trust fund and the Company and its subsidiary's contributions are recognized as expenses when incurred.

Defined benefit plans

The Company and its subsidiary have obligations in respect of the severance payments it must make to employees upon retirement under labor law. The Company and its subsidiary treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.21. Provisions

Provisions are recognized when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.22. Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognize deferred tax liabilities for all taxable temporary differences while it recognizes deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilized.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilized.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.23. Earnings per share and diluted earnings per share

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

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

4.24. Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value. All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

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

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

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

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

4.25. SIGNIFICANT ACCOUNTING JUDGMENTS AND ESTIMATES

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgments and estimates regarding matters that are inherently uncertain. These judgments and estimates affect reported amounts and disclosures, and actual results could differ from these estimates. Significant judgments and estimates are as follows:

Recognition of investments in joint ventures by equity method when TICON holds more than half of shares

The management of TICON determined that TICON and its subsidiary has no control over TICON Demco Power 6 Company Limited and TICON Demco Power 11 Company Limited, even though the subsidiary holds 51% of shares and voting rights, which is more than half of shares and voting rights because TICON's subsidiary and the other shareholder have mutual control over these companies. One shareholder is not able to direct the significant activities without the other shareholder's consent.

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset have been transferred, taking into consideration terms and conditions of the arrangement.

Allowance for doubtful accounts

In determining an allowance for doubtful accounts, the management needs to make judgement and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

Fair value of financial instruments

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercise judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

Impairment of securities investments

The Company treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgment of the management.

Impairment of investments in subsidiaries, joint ventures and associates

The Company treats investment in subsidiaries, joints venture and associates as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is “significant” or “prolonged” requires judgement of the management.

Investment properties available for rent/sale, investment properties for rent, and property, plant and equipment and depreciation

In determining depreciation of investment properties available for rent/sale, investment properties for rent, and property, plant and equipment, the management is required to make estimates of the useful lives and residual values of the Company and its subsidiaries’ investment properties available for rent/sale, investment properties for rent, and property, plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review investment properties available for rent/sale, investment properties for rent, and property, plant and equipment for impairment on a periodical basis and record impairment losses in the period when it is determined that their recoverable amount is lower than the carrying amount. This requires judgements regarding forecast of future revenues and expenses relating to the assets subject to the review.

Deferred tax assets

Deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilized. Significant management judgement is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Provision related to sale of properties

In recording provision related to sale of properties, the management needs to estimate the operating results of properties based on historical data on rental income and related expenses, and other current available information, including the estimation of the compensation for the difference between the fair market price and the net exercise price to TICON Freehold and Leasehold Real Estate Investment Trust (“the Trust”) when tenants exercise the option to buy, and record the amount that is expected to be paid to the Trust as provision.

5. RELATED PARTIES TRANSACTIONS

The following present relationships with enterprises and individuals that control or are controlled by the Company, whether directly or indirectly, or have common directors or shareholders with the Company.

Name of entities	Nature of relationships
Rojana Industrial Management Co., Ltd.	Subsidiary company
Rojana Power Co., Ltd.	Subsidiary company
Rojana Property Co., Ltd.	Subsidiary company
Rojana Energy Co., Ltd.	Subsidiary company
Rojana Industrial Park Rayong 2 Co., Ltd.	Subsidiary company
Rojana Industrial Park Prachinburi Co., Ltd.	Subsidiary company
Rojana Etouch Co., Ltd.	Subsidiary company
Beidou Rojana Industrial City Co., Ltd.	Subsidiary company
TICON Industrial Connection PLC.	Subsidiary company
Operational Energy Group Limited	Associated company
ECO Industrial Services Co., Ltd.	Subsidiary company of TICON
TICON Logistics Park Co., Ltd.	Subsidiary company of TICON
TICON Management Co., Ltd.	Subsidiary company of TICON
Shanghai TICON Investment Management Company Limited	Subsidiary company of TICON
TICON (HK) Limited	Subsidiary company of TICON
TICON Demco Power 6 Co., Ltd.	Joint venture (Held by subsidiary company of TICON)
TICON Demco Power 11 Co., Ltd.	Joint venture (Held by subsidiary

Name of entities	Nature of relationships
TPARK BFTZ Co.,Ltd	company of TICON) Joint venture (Held by subsidiary company of TICON)
TICON Property Fund	Associated of TICON
TPARK Logistics Property Fund	Associated of TICON
TICON Industrial Growth Leasehold Property Fund	Associated of TICON
TICON Freehold and Leashold Real Estate Investment Trust	Associated (Held by subsidiary company of TICON)
PT SLP Surya TICON Internusa	Associated (Held by subsidiary company of TICON)
PT SLP Internusa Karawang	Common shareholder of TICON
PT Surya Semesta Internusa Tbk	Common shareholder of TICON
PT Surya Internusa Timur	Subsidiarie of Common shareholder of TICON
Asia Plus Securities PLC.	Co-Director of TICON
Asia Industrial Estate Co., Ltd.	Co-Director of TICON
SVI PLC.	Co-Director of TICON
Sathron City Tower Property Fund	Common shareholder of TICON
Bangkok Bank PLC.	Directors of TICON are in the same family
Nippon Steel & Sumiki Bussan Corporation	Common directors and shareholdings
Rojana Distribution Center Co., Ltd.	Common directors and shareholdings
Bangkok Office 3 Co., Ltd.	Common directors and shareholdings
Bangkok Office 4 Co., Ltd.	Common directors and shareholdings

The Company had business transactions with related parties. These parties are directly and indirectly related through common shareholding and/or directorship. The financial statements reflect the effects of these transactions on the basis determined by the Company and the parties concerned. For the years ended December 31, 2016 and 2015 the significant transactions with related parties can be summarized as follows:

	Unit: Thousand Baht			
	For the year ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Transactions between the Company and its subsidiaries and associates				
Revenue from sales of land	-	-		91,037
Service income	-	-	81,995	63,726
Rental income	-	-	34,523	34,524
Dividend income	-	-	450,349	1,011,309
Other income	-	-	2,400	2,400
Interest income	-	-	27,775	15,538
Cost of land sold	-	-	-	31,170
Cost of water supply and waste water treatment	-	-	175,889	174,697
Interest expenses	-	-	2,676	4,828
Transactions between the Group and its associates				
Revenue from sales of land and factory buildings	-	3,037,000	-	-
Service income	4,974	8,275	-	-
Land rental income	61,997	54,000	-	-
Management fee income from associates	114,692	128,000	-	-
Assurance for rental and service income	772	50,000	-	-
Common area service fees	22,354	5,000	-	-
Other service expense	21,243	32,812	-	-
Cost of services - management fee	220,900	221,641	-	-
Cost of services - rental machine	130,803	87,010	-	-
Management fee income	86,159	76,000	-	-
Transactions between the Group and its related companies				
Revenue from sales of land	128,577	-	128,577	-
Service income	429	380	429	380
Commission expenses	13,798	7,873	8,892	5,653
Service expenses	61,716	1,500	-	-
Office rental and related fees	29,046	26,190	3,432	3,130
Interest income	1,573	3,000	-	-
Cost of land sold	105,410	-	105,410	-
Interest expenses	31,347	37,280	-	4,280
Utility services expenses	2,849	4,000	-	-

Such transactions are on commercial terms and bases agreed upon between the Company and those related parties in the normal course of business as follows:

<u>Transactions with related companies</u>	<u>Pricing policy</u>
Revenue from sale of land	Market price under the agreement in the prescribed dosage
Service income	Mutually agreed
Rental income	Mutually agreed (32,000 Baht/rai/month and 40,000 Baht/rai/year)
Management free income	Defined as the percentage variation as defined in the agreement
Interest income	Interest rate at the average 6 month fixed deposit interest rate of Thai Financial Institution +1% per annum. (Since July 4, 2016, at +2% per annum.)
Other income	Mutually agreed (200,000 Baht/month)
Water and waste treatment costs	Market price or mutually agreed (Water cost 15-22 Baht per cubic meter) (Waste treatment costs as announced (IEAT))
Service fee	Contracted price
Commission	4%
Interest expenses	
- Short-term loans	Interest rate at the average 6 month fixed deposit interest rate of Thai Financial Institution +1% per annum. (Since July 4, 2016, at +2% per annum.)
- - Long-term loans	MLR minus certain rate and market rate

Management compensation – for key management personnel

For the year ended December 31, 2016 and 2015 these consist of the following:

Unit: Thousand Baht

	For the year ended December 31,			
	Consolidated financial		Separate financial	
	statements		statement	
	2016	2015	2016	2015
Short-term benefits	100,265	109,034	16,225	21,691
Post-employment benefits	4,610	3,929	355	250
Total	<u>104,875</u>	<u>112,963</u>	<u>16,850</u>	<u>21,941</u>

The outstanding balances with the relate parties as at December 31, 2016 and 2015 were as following:

Unit: Thousand Baht

	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Cash at bank				
Related company of TICON	96,365	96,210	-	-
Trade and other receivables				
Subsidiaries	-	-	19,034	18,522
Related company	-	11	-	11
Associates of TICON	30,946	33,114	94	89
Joint of TICON	37	-	-	-
Short-term loans to related parties				
Subsidiaries	-	-	1,094,501	846,402
Related company of TICON	106,269	-	-	-
Associates of TICON	2,400	-	-	-
Prepaid commission				
Related company	2,404	8,249	-	6,329
Pledged deposits at financial institutions				
Related company of TICON	240	57,431	-	-
Assurance for rental and service income				
Related company	2,731	2,291	739	740
Other deposits				
Related company of TICON	6,934	7,494	-	-
Short-term loans from related parties				
Subsidiaries	-	-	15,193	126,193
Related company of TICON	1,060,000	-	-	-

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statement	
	2016	2015	2016	2015
Trade payables				
Subsidiaries	-	-	11,502	8,969
Other payables				
Associates	68,799	43,068	-	-
Related company	61,716	2,490	-	990
Associates of TICON	4,239	6,364	-	-
Unearned income				
Related company	-	101,683	-	101,683
Accrued interest expense				
Related company of TICON	159	82	-	-
Accrued expenses				
Associates	-	45,758	-	-
Related company	2,304	-	45	-
Related company of TICON	126	133	-	-
Unearned land rental income (presented under other current liabilities)				
Associates of TICON	50,425	50,918	-	-
Other liabilities - deposit received				
Subsidiaries	-	-	10,462	10,462
Associates of TICON	15	45	-	-
Long-term loans from related parties				
Related company of TICON	783,766	748,380	-	-
Unearned land rental income				
Associates of TICON	1,318,758	1,382,487	-	-

The Group has movements on short-term loans to related parties, short-term loans from related parties and long-term loans from related parties during the year and their balances as follows.

Unit: Thousand Baht

	Consolidated financial statements				
	Balance as at			Liabilities directly	Balance as at
	December 31,			associated with	December 31,
	2015	Increase	Decrease	assets classified	2016
			as held for sale		
Short-term loans					
TPARK BFTZ Co.,Ltd	-	2,400	-	(2,400)	-
PT Surya Internusa Timur	-	106,269	-	(106,269)	-
	-	108,669	-	(108,669)	-
Short-term loans					
Bangkok Bank PCL	-	1,060,000	-	(1,060,000)	-

As at December 31, 2016, short-term loans from related companies of TICON amounting to Baht 1,060 million were loans from a financial institution, related company, and carried interest at rate of 2.48%.

Unit: Thousand Baht

	Separate financial statements			
	Balance			Balance
	As at			As at
	December 31, 2015	Increase	Decrease	December 31, 2016
Short-term loans to related parties				
Rojana Industrial Management Co., Ltd.	551,435	154,000	(10,000)	695,435
Rojana Industrial Park Rayong 2 Co.,Ltd	27,967	33,700	-	61,667
Rojana Property Co.,Ltd	267,000	70,400	-	337,400
	846,402	258,100	(10,000)	1,094,502
Short-term loans from related parties				
Rojana Energy Co.,Ltd	-	50,000	(50,000)	-
Rojana Industrial Park Prachinburi Co.,Ltd	126,193	40,000	(151,000)	15,193
	126,193	90,000	(201,000)	15,193

Unit: Thousand Baht

	Consolidated financial statements				
	Balance as at December 31, 2015	Increase	Decrease	Liabilities directly associated with assets classified as held for sale	Balance as at December 31, 2016
Long-term loans					
Bangkok Bank PCL	748,380	106,986	(71,600)	(783,766)	-

The outstanding long-term loan obtained from a financial institution, which is considered as a related company, is as follows

Unit: Million Baht

No.	Contract date	Consolidated financial statements 2016	Significant conditions				Interest rate
			Period	Repayment Schedule	Installment	Period	
1.	April 23, 2013	636	9 Years	Every 6 months	November 2016 - May 2022	MLR minus certain rate	
2.	April 3, 2014	20	9 Years	Every 6 months	November 2017 - May 2023	MLR minus certain rate	
3.	April 3, 2014	128	9 Years	Every 6 months	November 2017 - November 2022	MLR minus certain rate	
Total		784					
<u>Less</u> Liabilities directly associated with assets classified as held for sale		(784)					
Total Long term loan- net		-					

As at December 31, 2016, investment properties under development and available for rent/sale, investment properties for rent, land and buildings of the subsidiary of TICON, have been pledged as collateral for the loans mentioned above.

As at December 31, 2016 TICON's subsidiary had available long-term loan facilities from a related party which had not yet been drawn down by the subsidiary of approximately Baht 4,065 Million

6. CASH AND CASH EQUIVALENTS

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	295	1,032	110	110
Saving account	410,203	1,437,571	218,161	176,868
Total	<u>410,498</u>	<u>1,438,603</u>	<u>218,271</u>	<u>176,978</u>

As at December 31, 2016, bank deposits in saving accounts, fixed deposits and current investment with an original maturity of 3 months or less carried interests between 1% and 1.7% per annum (2015: between 0.1% and 1.7% per annum).

7. DEPOSITS AT FINANCIAL INSTITUTION WITH COMMITMENT

Cash at financial institute of the subsidiary are considered bank security according to the credit facility agreement. The subsidiary cannot use investment for any purpose other than repayments of loans and interest as approved by commercial bank and financial institute (Note 21).

8. TRADE AND OTHER RECEIVABLES

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Trade receivables				
Receivables from sales of real estate	-	-	12,480	12,480
Services and rental receivables	21,261	79,847	38,781	39,979
Water supply receivables	91,308	52,840	-	-
Receivables from sale of electricity	1,097,283	1,239,128	-	-
Total trade receivables	1,209,852	1,371,815	51,261	52,459
Unbilled operating leases receivables	-	14,274	-	-
Less Allowance for doubtful debt	(2,247)	(25,018)	(2,247)	(3,204)
Trade receivables - net	1,207,605	1,361,071	49,014	49,255
Other receivable	-	39,897	-	-
Trade and other receivables - net	1,207,605	1,400,968	49,014	49,255

The Company had outstanding balances of trade receivables aged as follows:

	Unit: Million Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Less than 3 months	1,054	1,292	36	36
More than 3 - 6 months	151	41	-	-
More than 6 - 12 months	3	3	-	-
Over 12 months	2	36	15	16
Total	1,210	1,372	51	52

9. PROPERTY DEVELOPMENT COSTS

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Land	12,456,868	12,212,723	10,356,467	10,112,322
Fair value over the book value of land	104,023	104,023	-	-
Development cost	6,737,246	6,316,832	3,854,107	3,743,835
Borrowing cost	543,953	543,953	384,113	384,113
	<u>19,842,090</u>	<u>19,177,531</u>	<u>14,594,687</u>	<u>14,240,270</u>
Less: Transfer to :				
Cost of sales	(12,540,706)	(11,835,926)	(8,956,386)	(8,391,490)
Investment properties	(19,637)	(19,637)	-	-
Property development cost	<u>7,281,747</u>	<u>7,321,968</u>	<u>5,638,301</u>	<u>5,848,780</u>

The Company acquired a subsidiary at price higher than net book value of the a subsidiary because of the land to be developed as an industrial park for sale in Prachinburi. The fair value was estimated by independent valuer. The Company presents the amount of fair value over the book value of land from acquired two subsidiaries in property development costs.

The Company and subsidiaries have mortgaged 85% of total area of land that presented in property development cost and under property, plant and equipment with the financial institutions as collaterals for bank overdraft, short-term loans and long-term loans from financial institutions (Notes 18 and 21).

10. OTHER CURRENT ASSETS

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Revenue Department receivable	264,841	634,367	52,675	56,662
Refundable Value Added Tax	40,973	39,539	27	-
Withholding income tax	80,658	232,363	16,902	15,569
Advance for construction	11,435	22,923	6,990	10,819
Prepaid expenses	84,065	125,550	21,109	13,035
Other	10,500	36,242	5,876	2,604
Total other current assets	<u>492,472</u>	<u>1,090,984</u>	<u>103,579</u>	<u>98,689</u>

11. INVESTMENTS IN ASSOCIATES

11.1. Investments in associates as at December 31, consisted of:

Unit: Thousand Baht

		Consolidated financial statements						Share of profit from investments in associates	
Company's name	Business	Paid up share capital (Million Baht)		Investment portion (%)		Investment at equity method		For the year ended December 31,	
		2016	2015	2016	2015	2016	2015	2016	2015
Operational Energy Group Limited	Provide maintenance, manage and operate the electric plant	30	30	25.00	25.00	107,434	104,120	33,314	27,554
TICON Property Fund ⁽¹⁾	Investing in properties	11,825	11,825	15.00	18.46	-	2,147,576	98,517	115,812
TPARK Logistics Property Fund ⁽¹⁾	Investing in properties	4,469	4,469	16.05	16.21	-	764,288	35,545	36,142
TICON Industrial Growth Leasehold Property Fund ⁽¹⁾	Investing in properties and/or leasehold rights in properties	5,555	5,555	23.95	25.48	-	1,493,367	83,270	75,236
TICON Freehold and Leasehold Real Estate Investment Trust ⁽¹⁾	Investing in properties and/or leasehold rights in properties	5,542	5,542	12.08	19.62	-	1,101,913	32,987	19,487
PT SLP Surya TICON Internusa ⁽¹⁾	Development of factories and warehouse	1,657	1,657	25.00	25.00	-	421,608	1,899	1,790
Total investments in associated company						<u>107,434</u>	<u>6,032,872</u>	<u>285,532</u>	<u>276,021</u>

⁽¹⁾ As stated in notes 17 to financial statements, The Company has reclassified as assets classified as held for sale

Unit: Thousand Baht

		Separate financial statements						Dividend income	
Company's name	Business	Paid up share capital (Million Baht)		Investment portion (%)		Investment at Cost method		For the year ended December 31,	
		2016	2015	2016	2015	2016	2015	2016	2015
Operational Energy Group Limited	Provide maintenance, manage and operate the electric plant	30	30	25.00	25.00	24,071	24,071	30,000	22,500
Total investments in associated company						<u>24,071</u>	<u>24,071</u>	<u>30,000</u>	<u>22,500</u>

11.2. Movements of investments in associates

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Investment in associates				
Balance at beginning of year	6,042,194	5,976,196	24,071	24,071
Purchases of investment	33,698	1,136,479	-	-
Sales of investment	(986,694)	(936,932)	-	-
Share of profit	285,532	276,021	-	-
Dividend received	(353,867)	(399,443)	-	-
Translation adjustment	6,982	5,659	-	-
Balance at end of year	<u>5,027,845</u>	<u>6,042,194</u>	<u>24,071</u>	<u>24,071</u>
Less: Deferred gains on sales of properties				
Balance at beginning of year	18,221	-		
Increase during the year	-	18,221		
Decrease during the year	-	-		
Balance at end of year	<u>18,221</u>	<u>18,221</u>		
Increase : Unrealised expenses on provision related to sales of properties				
Balance at beginning of year	8,899	-		
Increase during the year	-	9,863		
Decrease during the year	(8,899)	(964)		
Balance at end of year	<u>-</u>	<u>8,899</u>		
Reclassified as assets classified as held for sale	(4,902,190)	-		
Investment in associates, net	<u>107,434</u>	<u>6,032,872</u>		

Summarised financial information of associates

Financial information of the associated companies is summarised below.

Operational Energy Group Limited

Summarised information about Financial Position

	Unit: Million Baht	
	As at December 31,	
	2016	2015
Current assets	349	288
Non-current assets	213	237
Current liabilities	(68)	(54)
Non-current liabilities	(64)	(54)
Assets-net	430	417
Shareholding percentage (%)	25.00%	25.00%
Share of net assets	107	104
Elimination entries	-	-
Carrying amounts of associates based on equity method	107	104

Summary information about profit or loss and other comprehensive income

	Unit: Thousand Baht	
	For the year ended December 31,	
	2016	2015
Revenue	614	554
Profit	133	110
Other comprehensive income	-	-
Total Comprehensive income	133	110

12. INVESTMENTS IN SUBSIDIARIES

Investments in subsidiaries presented in separate financial statements consisted of:

		Separate financial statements						Unit: Thousand Baht	
Company's name	Type of business	Paid up share capital (Million Baht)		Investment portion (%)		Cost method		Dividend income For the year end December 31,	
		2016	2015	2016	2015	2016	2015	2016	2015
Rojana Power Co., Ltd.	Manufacturing electricity	4,700	4,500	41	41	1,980,764	1,898,764	41,000	-
Rojana Industrial Management Co., Ltd.	Production and distribution industrial water	200	170	90	90	180,000	153,000	-	-
Rojana Property Co., Ltd.	Real estate development	400	400	100	100	399,999	399,999	-	250,000
Rojana Energy Co., Ltd.	Manufacturing electricity from solarcell system	714	714	70	70	499,800	499,800	140,000	-
Rojana Industrial Park Rayong 2 Co., Ltd.	Real estate development	327	327	100	100	500,733	500,733	-	-
Rojana Industrial Park Prachinburi Co., Ltd.	Real estate development	557	557	100	100	1,074,537	1,074,537	-	500,000
Beidou Rojana Industrial City Co.,Ltd	Real estate development	1	-	100	-	250	-	-	-
Rojana Etouch Co.,Ltd	Electronic commerce service	5	-	100	-	5,000	-	-	-
TICON Industrial Connection PLC. and its subsidiaries ⁽¹⁾	Real estate development and the provision of construction services	1,099	1,099	44	44	-	6,829,408	239,350	238,809
Total						4,641,083	11,356,241	420,350	988,809

⁽¹⁾As stated in notes 17 to financial statements ,The Company has reclassified as assets classified as held for sale

Rojana Power Co., Ltd.

- On September 29, 2015, at the shareholders' extraordinary meeting no.2/2015 of Rojana Power Co., Ltd., passed the resolution to increase share capital amount Baht 820 million by issuing 82 million shares of Baht 10 each to new registered share capital amount of Baht 4,920 million, the paid-up of increase share capital is determined as follow

The 1st within December 2015 at value of Baht 4.88 each amounted to Baht 400 million.

The 2nd within June 2016 at value of Baht 2.44 each amounted to Baht 200 million.

The 3rd within December 2016 at value of Baht 2.68 each amounted to Baht 220 million.

The Company paid for the 1st increase share capital based on the proportion of share holding amount of Baht 160 million, and has registered the increase share capital with the Ministry of Commerce on December 25, 2015. And on July, 2016, the company has made payment for the 2nd increase share capital based on proportion of share holding amount of Baht 82 million.

As at December 31, 2016, subsidiary has not called for the paid-up of the 3rd increase share capital in accordance with abovementioned resolution.

- On November 28, 2016, at the Board of directors' meeting No.2/2016 of Rojana Power Co., Ltd., pass the resolution to pay interim dividend to the shareholders amount of Baht 100 million (belonging to the Company amount of Baht 41 million)

Rojana Industrial Management Co., Ltd.

On April 29, 2016, at the shareholders' general meeting for the year 2016 of Rojana Industrial Management Co., Ltd., passed the resolution to increase share capital amount of Baht 30 million by issuing 3 million shares, of Baht 10 each to new registered share capital amount of Baht 200 million. The subsidiary paid for increase share amount of Baht 27 million, and has registered the increase share capital with the Ministry of Commerce on June 29, 2016.

Rojana Energy Co., Ltd.

- On March 8, 2016, at the shareholders' general meeting for the year 2016 of Rojana Energy Co., Ltd., passed the resolution to pay dividend to the shareholders' in the amount of Baht 100 million (belonging to the Company amount of Baht 70 million)
- On December 13, 2016, at the shareholders' extraordinary meeting No.1/2016 of Rojana Energy Co., Ltd., passed the resolution to pay dividend to the shareholders' amount of Baht 100 million (belonging to the Company amount of Baht 70 million)

TICON INDUSTRIAL CONNECTION PUBLIC COMPANY LIMITED ("TICON")

- On April 26, 2016, at shareholders' general meeting for the year 2016 of TICON, passed the resolution to pay dividend to the shareholders' at Baht 0.50 per share (belonging to the Company amount of Baht 70 million)

- On December 23, 2016, at the shareholders' extraordinary meeting No.1/2016 of TICON, passed the significant resolution as follows:
 - 1) Decrease TICON registered share capital from Baht 1,115.9 million to Baht 1,099.1 million by cancel the unissued share capital for 16.8 million shares at par value of Baht 1 each, amounting to Baht 16.8 million.
 - 2) Increase TICON registered share capital from Baht 1,099.1 million to Baht 1,834.1 million to reserve the subscription of the newly issued shares by Frasers Property Holdings (Thailand) Co., Ltd., a subsidiary of Frasers Centrepoint Limited which is a company listed on the Singapore Exchange Securities Trading Limited, by issuing 735 million newly ordinary shares at par value of Baht 1 each.
 - 3) Offer and allocated TICON increased share capital not exceeding 735 million shares at par value of Baht 1 each to Frasers Property Holding (Thailand) Co., Ltd ("FPHT") by offering to private placement in the offering price amount of Baht 18 each, total amount not exceeding Baht 13,230 million or approximately 40% of total registered share capital of TICON after the increase share capital.

The subsidiary has registered the changes in share capital with the Ministry of Commerce on December 28, 2016.

Subsidiary establishment

On November 3, 2016, at the Board of directors' meeting No.4/2016, passed the resolution to establish subsidiary as follows:

- 1) Beidou Rojana Industrial City Co., Ltd. for real estate development with the registered share capital in amount of Baht 1 million divided into 100,000 ordinary shares at par value of Baht 10 each and the Company held 100 percent of its registered share capital. And such company has registered the established with the Ministry of Commerce on November 25, 2016.
- 2) Rojana Etouch Co., Ltd. for engaging in business of selling, purchasing goods, or providing service via the internet in amount of Baht 5 million divided into 500,000 ordinary shares at par value of Baht 10 each and such company has registered the establishment with the Ministry of Commerce on November 9, 2016.

The Company has pledged all ordinary shares of Rojana Energy Co., Ltd. and part of ordinary share of Rojana Industrial Park Rayong 2 Co., Ltd. and part of ordinary shares of TICON Industrial Connection Public Company Limited with the financial institutions as collateral for long-term loans from financial institutions (Note 21).

13. INVESTMENTS IN JOINT VENTURE

Details of joint ventures

Investment in joint ventures represent investments in entities which are jointly controlled by TICON's subsidiary. Details of these investments are as follow:

Joint ventures	Nature of business	Country of incorporation	Consolidated financial statements					
			Registered capital		Paid-up-capital		Percentage of investment	
			2016	2015	2016	2015	2016	2015
			(Million Baht)	(Million Baht)	(Million Baht)	(Million Baht)	(%)	(%)
TICON Demco Power 6 Co., Ltd.	Electric generator and seller	Thailand	5.00	5.00	5.00	5.00	51.00	51.00
TICON Demco Power 11 Co., Ltd.	Electric generator and seller	Thailand	4.00	4.00	4.00	4.00	51.00	51.00
TPARK BFTZ Company Limited	Development of real estate, development of warehouses for rent/sale	Thailand	1.00	-	1.00	-	59.99	-

On 10 August 2016, the meeting of the Board of Directors No. 3/2559 of TICON Logistics Park Company Limited ("the subsidiary") approved the subsidiary to joined with Prospect Development Company Limited to establish TPARK BFTZ Company Limited ("the joint venture") for developing warehouses for lease and/or for sale, with the initial registered capital of Baht 1 million, comprising 100,000 shares at par value of Baht 10 per share. The subsidiary will hold 59.99 percent of its registered shares. The joint venture company was registered for the establishment with the Ministry of Commerce on 20 October 2016.

Details of investments in joint ventures

(A) Carrying amounts of investments in joint ventures

	Unit: Thousand Baht			
	Consolidated financial statements			
	Cost method		Equity method	
	2016	2015	2016	2015
TICON Demco Power 6 Company Limited ⁽¹⁾	2,550	2,550	-	2,218
TICON Demco Power 11 Company Limited ⁽¹⁾	2,040	2,040	-	1,850
TPARK BFTZ Company Limited	600	-	-	-
Total	5,190	4,590	-	4,068

⁽¹⁾ As stated in notes 17 to financial statements ,The Company has classified as assets classified as held for sale

(B) Share of losses from investments in joint ventures

Joint ventures	Unit: Thousand Baht	
	Consolidated financial statements	
	For the year end December 31,	
	2016	2015
TICON Demco Power 6 Company Limited	273	(64)
TICON Demco Power 11 Company Limited	176	(72)
TPARK BFTZ Company Limited	(277)	-
Total	172	(136)

During the year,The Group of Company has not received devidend from joint venture

14. INVESTMENT PROPERTIES

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Investment properties under development				
Investment properties for rent	- ⁽¹⁾	22,680,977	-	-
Investment properties for rent	- ⁽¹⁾	10,334,949	226,842	226,842
Total	-	33,015,926	226,842	226,842

⁽¹⁾ As stated in notes 17 to financial statements ,The Company has reclassified as assets classified as held for sale

14.1. Investment properties under development and available for rent/sale

14.1.1 Movements of the net book value

Unit: Thousand Baht

Consolidated financial statements									
	Investment properties under development				Investment properties available for rent/sale				Grand Total
	Land and land Improvement	Construction in progress	Common assets	Total	Land and land Improvement	Factory and warehouse building	Condominium for rent	Total	
Cost:									
January 1, 2015	10,840,639	2,661,558	-	13,502,197	1,381,685	6,114,043	19,637	7,515,365	21,017,562
Purchase	2,631,778	4,877,124	-	7,508,902	-	-	-	-	7,508,902
Disposal	(158,558)	-	-	(158,558)	(27,798)	(173,727)	-	(201,525)	(360,083)
Transfer in/out	(1,954,179)	(3,275,962)	-	(5,230,141)	252,668	408,165	-	660,833	(4,569,308)
Capitalised interest	-	60,843	-	60,843	-	-	-	-	60,843
December 31, 2015	11,359,680	4,323,563	-	15,683,243	1,606,555	6,348,481	19,637	7,974,673	23,657,916
Purchase	82,350	1,641,775	-	1,724,125	-	-	-	-	1,724,125
Disposal	(91,599)	-	(4,841)	(96,440)	(471)	(66)	-	(537)	(96,977)
Transfer in/out	(1,069,857)	(4,498,151)	215,554	(5,352,454)	368,208	797,665	(19,637)	1,146,236	(4,206,218)
Capitalised interest	-	20,543	-	20,543	-	-	-	-	20,543
Classified as assets classified as held for sale	10,280,574	1,487,730	210,713	11,979,017	1,974,292	7,146,080	-	9,120,372	21,099,389
December 31, 2016	-	-	-	-	-	-	-	-	-

Unit: Thousand Baht

Consolidated financial statements

	Investment properties under development				Investment properties available for rent/sale				Grand Total
	Land and land Improvement	Construction in progress	Common assets	Total	Land and land Improvement	Factory and warehouse building	Condominium for rent	Total	
Accumulated depreciation									
January 1, 2015	23,908	3,371	-	27,279	5,504	528,664	467	534,635	561,914
Depreciation for the year	-	-	-	-	-	490,295	467	490,762	490,762
Depreciation on disposal	-	-	-	-	(28,132)	(10,533)	-	(38,665)	(38,665)
Transfer in/out	10,837	1,932	-	12,769	8,501	(58,342)	-	(49,841)	(37,072)
December 31, 2015	34,745	5,303	-	40,048	(14,127)	950,084	934	936,891	976,939
Depreciation for the year	-	-	12,118	12,118	4,565	220,373	194	225,132	237,250
Depreciation on disposal	-	-	(1,445)	(1,445)	(154)	(6)	-	(160)	(1,605)
Transfer in/out	-	-	(14,309)	(14,309)	8,130	(29,988)	(1,128)	(22,986)	(37,295)
Depreciation for classified as assets classified as held for sale	34,745	5,303	(3,636)	36,412	(1,586)	1,140,463	-	1,138,877	1,175,289
December 31, 2015	-	-	-	-	-	-	-	-	-
Net book value									
December 31, 2015	11,324,935	4,318,260	-	15,643,195	1,592,428	5,398,397	18,703	7,037,782	22,680,977
December 31, 2016	-	-	-	-	-	-	-	-	-

14.2 Investment properties for rent

14.2.1 Movements of the net book value

Unit: Thousand Baht

	Consolidated financial statements		
	Land and land improvement	Factory and Warehouse building	Total
Cost			
January 1, 2015	2,379,691	6,973,322	9,353,013
Disposal	(298,091)	(1,766,752)	(2,064,843)
Transfer in/out	1,987,225	2,660,995	4,648,220
December 31, 2015	4,068,825	7,867,565	11,936,390
Disposal	(46,025)	(2,658)	(48,683)
Transfer in/out	761,658	3,408,095	4,169,753
Reclassified as assets classified as held for sale			
	(4,784,458)	(11,273,002)	(16,057,460)
December 31, 2016	-	-	-
Accumulated depreciation			
January 1, 2015	84,949	782,442	867,391
Depreciation for the year	-	764,815	764,815
Depreciation on disposal	(4,673)	(113,221)	(117,894)
Transfer in/out	34,752	52,377	87,129
December 31, 2015	115,028	1,486,413	1,601,441
Depreciation for the year	18,659	299,484	318,143
Depreciation on disposal	(6,158)	(265)	(6,423)
Transfer in/out	8,867	27,327	36,194
Depreciation for reclassified as assets classified as held for sale			
	(136,396)	(1,812,959)	(1,949,355)
December 31, 2016	-	-	-
Net book value			
December 31, 2015	3,953,797	6,381,152	10,334,949
December 31, 2016	-	-	-

Unit: Thousand Baht

	Separate financial statements			
	Land	Development	Borrowings	Total
		cost for sale	cost	
January 1, 2015	181,622	43,721	1,499	226,842
No change during year	-	-	-	-
December 31, 2015	181,622	43,721	1,499	226,842
No change during year	-	-	-	-
December 31, 2016	181,622	43,721	1,499	226,842

14.2.2 The fair value of the investment properties

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land and factory and warehouse buildings available for rent/sale	254,934 ⁽¹⁾	13,757,244	254,934	254,934

⁽¹⁾ The fair value of investment properties classified as held for sale amount of baht 18,790 million

For 2016 and 2015, the fair value of investment properties has been determined based on independent values. The fair value of the land and land improvement under development has been determined based on market prices, while that of the factory and warehouse buildings available for rent/sale has been determined using the income approach. The main assumptions used in the valuation are yield rate, vacancy rate and long-term growth in real rental rates.

14.2.3 Investment properties for rent under operating leases

The Company has entered into land lease contract for solar energy building total 3 contracts with subsidiary to lease the land at Ayutthaya Provinces total 22 land plots for 12 years. The rental is Baht 40,000 per rai per year. The payment will be made monthly of Baht 1.47 million each for 12 years totaling of Baht 211.6 million

TICON and its subsidiaries have several operating lease agreements in respect of the lease of land, factory and warehouse buildings. The terms of the agreements are generally between 2 months to 15 years.

As at December 31, 2016 and 2015, future minimum rental income to be generated under these operating leases is as follows.

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Period	18	863	18	18
Less than 1 year	71	2,123	71	71
Over 1-5 years	54	789	54	72

14.2.4 Collateralized investment properties for rent

As at December 31, 2016, part of investment properties for rent of the Group of company have been used as collateral against bank overdrafts, short-term loans and long-term loans from financial institutions (Note 18 and 21).

15. PROPERTY, PLANT AND EQUIPMENT

Unit: Thousand Baht

Consolidated financial statements											
	Land and land improvement	Building and constructions	Buildings for rental	Bunding	Water and wastewater treatment systems for industrial use	Power plants	Machinery, tool and equipment	Furniture and equipment	Vehicles	Construction in progress	Total
Cost											
As at January 1, 2015	1,140,882	661,647	474,143	2,228,640	1,686,269	19,389,173	261,118	157,415	157,702	578,729	26,735,718
Increase	3,591	3,607	1,850	-	-	8,936	9,763	12,455	36,040	1,367,295	1,443,537
Decrease	(8,284)	(51,969)	-	-	(5,080)	-	(6,019)	(1,631)	(6,842)	(3,431)	(83,256)
Transfer in/ Transfer out	(127,464)	136,592	-	-	433,404	23,405	21,714	3,112	-	(570,434)	(79,671)
Translation adjustment	-	1,895	-	-	-	-	-	77	(67)	-	1,905
As at December 31, 2015	1,008,725	751,772	475,993	2,228,640	2,114,593	19,421,514	286,576	171,428	186,833	1,372,159	28,018,233
Increase	14,609	24,497	3,635	-	3,566	47	12,692	14,228	19,246	3,149,986	3,242,506
Decrease/Amortization	-	(3,100)	-	-	(310)	-	(5,173)	(805)	(11,084)	-	(20,472)
Transfer in/ Transfer out	3,384	34,132	-	-	240,635	98,547	12,304	505	-	(348,017)	41,490
Reclassified as assets classified											
as held for sale	(34,234)	(96,679)	-	-	-	-	(130,235)	(67,552)	(33,185)	-	(361,885)
Translation adjustmen	-	(3,050)	-	-	-	-	-	(82)	(33)	-	(3,165)
As at December 31, 2016	992,484	707,572	479,628	2,228,640	2,358,484	19,520,108	176,164	117,722	161,777	4,174,128	30,916,707

Unit: Thousand Baht

Consolidated financial statements

	Land and land improvement	Building and constructions	Buildings for rental	Bunding	Water and wastewater treatment systems for industrial use	Power plants	Machinery, tool and equipment	Furniture and equipment	Vehicles	Construction in progress	Total
Accumulated Depreciation											
As at January 1, 2015	-	251,259	335,711	31,515	394,670	4,265,797	95,543	118,218	109,758	-	5,602,471
Depreciation for the year	49,059	45,281	12,420	17,974	63,056	789,896	19,874	24,503	20,799	-	1,072,862
Depreciation on disposal	-	(15,728)	-	-	(4,010)	-	(2,747)	(4,125)	(3,384)	-	(29,994)
Transfer in/out	(48,973)	(4,910)	-	-	-	-	-	3,588	-	-	(50,295)
Translation adjustment	-	266	-	-	-	-	52	-	(41)	-	277
As at December 31, 2015	86	276,168	348,131	49,489	483,716	5,055,693	112,722	142,184	127,132	-	6,595,321
Depreciation for the year	296	22,519	4,301	17,974	104,619	785,356	42,136	20,964	21,739	-	1,019,904
Depreciation on disposal	-	(1,848)	-	-	(140)	-	(5,016)	(725)	(10,071)	-	(17,800)
Depreciation for reclassified as assets classified held for sale	-	(17,985)	(87,184)	-	-	-	-	(57,284)	(18,870)	-	(181,323)
Transfer in/out	-	(171)	(2,740)	-	(4)	-	948	(565)	-	-	(2,532)
Translation adjustment	-	(573)	-	-	-	-	(9)	(60)	-	-	(642)
As at December 31, 2016	382	278,110	262,508	67,463	588,191	5,841,049	150,781	104,514	119,930	-	7,412,928
Less :Government Grants	-	-	-	(1,329,957)	-	-	-	-	-	-	(1,329,957)
Net book value											
As at December 31, 2015	1,008,639	475,604	127,862	849,194	1,630,877	14,365,821	173,854	29,244	59,701	1,372,159	20,092,955
As at December 31, 2016	992,102	429,462	217,120	831,220	1,770,293	13,679,059	25,383	13,208	41,847	4,174,128	22,173,822

Unit: Thousand Baht

Separate financial statements

	Land and land improvement	Building and constructions	Buildings for rental	Bunding	Machinery, tool and equipment	Furniture and equipment	Vehicles	Construction in progress	Total
Cost									
As at January 1, 2015	145,253	435,140	474,143	2,228,640	141,481	9,667	90,155	55,038	3,579,517
Increase	-	2,349	1,850	-	4,228	2,305	20,867	148	31,747
Decrease	(7,059)	(12,518)	-	-	(1,394)	-	-	(2,331)	(23,302)
Transfer in/ Transfer out	-	52,706	-	-	-	-	-	(52,706)	-
As at December 31, 2015	138,194	477,677	475,993	2,228,640	144,315	11,972	111,022	149	3,587,962
Increase	-	13,201	3,635	-	8,554	3,587	3,297	127	32,401
Decrease	-	(3,100)	-	-	(620)	(5)	(450)	-	(4,175)
Transfer in/ Transfer out	-	276	-	-	-	-	-	(276)	-
As at December 31, 2016	138,194	488,054	479,628	2,228,640	152,249	15,554	113,869	-	3,616,188

Unit: Thousand Baht

Separate financial statements

	Land and land improvement	Building and constructions	Buildings for rental	Bunding	Machinery, tool and equipment	Furniture and equipment	Vehicles	Construction in progress	Total
Accumulated Depreciation									
As at January 1, 2015	-	220,417	335,711	31,515	45,621	7,583	69,980	-	710,827
Depreciation for the year	-	26,965	12,420	17,973	9,797	970	11,110	-	79,235
Depreciation on disposal	-	(2,603)	-	-	(1,394)	-	-	-	(3,997)
Transfer in/out	-	-	-	-	-	-	-	-	-
Translation adjustment	-	-	-	-	-	-	-	-	-
As at December 31, 2015	-	244,779	348,131	49,488	54,024	8,553	81,090	-	786,065
Depreciation for the year	-	8,589	4,301	17,974	10,527	1,151	11,067	-	53,609
Depreciation on disposal	-	(1,848)	-	-	(605)	(5)	(390)	-	(2,848)
Transfer in/out	-	(171)	(2,740)	-	946	(565)	-	-	(2,530)
As at December 31, 2016	-	251,349	349,692	67,462	64,892	9,134	91,767	-	834,296
Less :Government Grants	-	-	-	(1,329,957)	-	-	-	-	(1,329,957)
Net book value									
As at December 31, 2015	138,194	232,898	127,862	849,195	90,291	3,419	29,932	149	1,471,940
As at December 31, 2016	138,194	236,705	129,936	831,221	87,357	6,420	22,102	-	1,451,935

As at December 31, 2016, Land of the Company, land improvement, plant and buildings, machinery and equipment of the subsidiaries are mortgaged to guarantee overdraft, short-term loans from financial institute and long-term loans (Notes 18 and 21).

The consolidated financial statements has depreciation for the years ended December 31, 2016 and 2015 of Baht 427 million and Baht 481.6 million, respectively, including in the statements of profit and loss.

16. INTANGIBLE ASSETS

Unit: Thousand Baht

	Consolidated financial statements		
	Right of use the gas		
	pipelines	Computer software	Total
Cost			
As at January 1, 2015	192,951	31,094	224,045
Increase during the year	-	2,427	2,427
Disposal/write off during the year	-	(168)	(168)
As at December 31, 2015	192,951	33,353	226,304
Increase during the year	-	1,374	1,374
Reclassified as assets classified as held for sale	-	(31,954)	(31,954)
As at December 31, 2016	192,951	2,773	195,724
Amortization			
As at January 1, 2015	96,044	25,461	121,505
Increase during the year	10,155	1,876	12,031
Disposal/write off during the year	-	(26)	(26)
As at December 31, 2015	106,199	27,311	133,510
Increase during the year	10,156	2,132	12,288
Amortized for reclassified as assets classified as held for sale	-	(28,428)	(28,428)
As at December 31, 2016	116,355	1,015	117,370
Net book value			
As at December 31, 2015	86,752	6,042	92,794
As at December 31, 2016	76,596	1,758	78,354

In 2005, a subsidiary has transferred right of gas pipeline system linking to the pipeline system of PTT to PTT Public Company Limited for gas transmission from PTT Public Company Limited. According to the condition of supply agreement to purchase gas, a subsidiary has right to use gas pipeline for 21 years which is renewable for another 4 years

17. ASSETS CLASSIFIED AS HELD FOR SALE/DISCONTINUED OPERATIONS

As stated in note 12 to financial statements, at the shareholders' extraordinary meeting No. 1/2016 held on December 23, 2016 of TICON, passed the resolution to increase share capital from Baht 1,099 million to Baht 1,834.1 million by issuing 735 million ordinary shares at par value of Baht 1 each, amounting to Baht 735.0 million and approved to offer and allot to Fresher Property Holding (Thailand) Co., Ltd. ("FPHT") by offering to Private placement in the price of Baht 18 each, total amount not exceeding Baht 13,230 million or approximately 40% of total registered share capital of TICON. After the increase share capital, resulting to the proportion in shareholding of the Company will be decreased from 43.55% to 26.10%. The Company has assessed the control over TICON and concluded that the Company has lost the control over TICON and changed investment in TICON from investment in subsidiary to investment in associate. The Company ceased the power to control TICON and did not take TICON's financial statements for preparing the consolidated statements when the completion of increased share capital. On January 16, 2017, FPHT has made payment for the increase share capital to TICON. The increase share capital has been registered with the Ministry of Commerce on January 16, 2017.

Nevertheless, to comply with the requirement of TFRS 5 (Revised 2015) "Non-current Assets Held for Sale and Discontinued Operations", the Company has separately presented assets, liabilities and equity relating to TICON under the caption "Assets classified as held for sale", "Liabilities directly associated with assets classified as held for sale" and "Amount recognized in equity relating to assets classified as held for sale" in the statements of financial position as at December 31, 2016 and separately presented the operating results of TICON as "Profit from discontinued operations for the year" in the consolidated statements of income for the year ended December 31, 2016 and for the year ended December 31, 2015 presented for comparative purpose.

Details of assets, liabilities and equity relating to TICON as at December 31, 2016 and the operating results of TICON for the years ended December 31, 2016 and 2015 are as follows:

	Unit: Thousand Baht	
	Consolidated	Separate financial
	<u>financial statements</u>	<u>statements</u>
<u>Statement of financial position</u>		
Assets		
Cash and cash equivalents	284,268	-
Temporary investments	22,144	-
Trade and other receivables	138,030	-
Loans to related parties	108,669	-
Other current assets	249,377	-
Restricted deposit at financial institutions	240	-
Unbilled operating leases receivables	121,171	-
Investments in associates	4,902,190	-
Investments in subsidiaries	-	6,829,407
Investments in joint ventures	4,840	-
Investment in related company	257	-
Investment properties under development and		
available for rent/sale	19,924,101	-
Investment property lease	14,108,105	-
Property, Plant and Equipment	180,562	-
goodwill	1,171,358	-
Intangible Assets	3,526	-
Deferred tax assets	244,365	-
Prepaid rental expenses	684,192	-
Advances to purchase land and construction	109,767	-
Other non-current assets	23,306	-
Reclassified as assets classified as held for sale	<u>42,280,468</u>	<u>6,829,407</u>

	Unit: Thousand Baht	
	Consolidated	Separate financial
	<u>financial statements</u>	<u>statements</u>
Liabilities		
Short-term loan	2,026,248	-
Short-term loan from related parties	1,060,000	-
Trade and other payables	493,477	-
Corporate income tax payable	1,319	-
Other current liabilities	139,968	-
Liabilities under financial lease agreements	6,204	-
Long-term loans from related parties	783,766	-
Long-term loans from financial institutions	1,032,391	-
Debenture	17,340,000	-
Other liabilities - deposit received	367,945	-
Employee benefit obligations	41,998	-
Unearned land rental income	1,318,758	-
Deferred tax liabilities	735,869	-
Liabilities directly associated with assets classified as held for sale	<u>25,347,943</u>	<u>-</u>
Shareholder's equity		
Discount on changes in proportion of shareholding in subsidiaries	2,449	-
(Gain) loss on translating of financial statement of subsidiary	<u>(1,887)</u>	<u>-</u>
Amounts recognized in owners equity associated with assets classified as held for sale	<u><u>562</u></u>	<u><u>-</u></u>

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
<u>Statement of comprehensive income</u>		
Revenue from sales of land and factory buildings	250,676	3,345,606
Service income	606,352	532,798
Rental income	644,660	581,531
Management fee income from associates	201,121	204,123
Gain on change in investment classification	31,233	-
Other income	66,075	82,114
Total	<u>1,800,117</u>	<u>4,746,172</u>
Expense		
Cost of land and factory buildings sold	174,733	2,799,865
Cost of services	106,129	90,393
Cost of rental	342,936	485,569
Provision related to sales of properties (Reverse)	(59,326)	33,317
Selling expenses	43,330	36,437
Administrative expenses	752,916	898,448
Total	<u>1,360,718</u>	<u>4,344,029</u>
Profit before share of profit from investment in and joint ventures, unrealised gains on sales of properties to associates, financial costs and income tax from discontinued operations	439,399	402,143
Share of profit from investment in associates	252,217	248,467
Share of gain(loss) from investments in joint ventures	172	(136)
Unrealised gains on sales of properties to associates	-	(18,221)
Profit before financial costs and income tax	691,788	632,253
financial costs	(811,958)	(762,212)
Loss before income tax from discontinued operations	(120,170)	(129,959)
Income tax	(84,590)	(8,672)
Loss for the year from discontinued operations	<u>(204,760)</u>	<u>(138,631)</u>

Cash flow information of TICON for the years ended December 31,2016 and 2015 is as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Cash flows from operating activities	87,143	3,247,265
Cash flows used in investing activities	(626,233)	(6,672,438)
Cash flows used in financing activities	(308,754)	4,230,118

Details of loss per share of the discontinued operation are as below.

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Basic loss per share (Baht)	0.10	(0.07)
Diluted loss per share (Baht)	-	0.07

18. SHORT-TERM LOANS FROM THE FINANCIAL INSTITUTE

Short-term loans from the financial institute consisted of:

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Short-term loans	1,230,000	3,550,000	1,230,000	1,510,000
Bill of exchange	4,950,000	4,005,000	4,950,000	4,005,000
Less: Deferred interest	(22,277)	(14,176)	(22,277)	(14,176)
Bill of exchange -net	4,927,723	3,990,824	4,927,723	3,990,824
Total	<u>6,157,723</u>	<u>7,540,824</u>	<u>6,157,723</u>	<u>5,500,824</u>

The short-term loans and long-term loans are guaranteed by the mortgage of property development cost, land held for development, investments properties, plant and property, machinery, and construction in progress of the Group

As at December 31, 2016 and 2015, the Group had short-term loans credit facilities which have not yet been drawn down totaling Baht 2,440 million and Baht 2,230 million, respectively.

19. Trade and other payables

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Trade payables				
Trade payables - related parties	133,473	-	11,561	8,969
Trade payables - other	375,941	785,421	7,223	4,357
Total trade payables	509,414	785,421	18,784	13,326
Other payables				
Other payables - related parties	2,867	52,547	2,867	990
Trade payables - other	-	254,530	-	-
Total other payables	2,867	307,077	2,867	990
Total trade and other payables	512,281	1,092,498	26,651	14,316

20. FINANCIAL LEASE A LIABILITIES AGREEMENTS

	Unit: Thousand Baht	
	Consolidated	
	financial statements	
	2016	2015
Financial lease a liabilities agreements	-	4,727
<u>Less</u> Deferred interest expenses	-	(666)
Total	-	4,061
<u>Less</u> Portion due within one year	-	(1,150)
Financial lease a liabilities agreements – net		
of current portion	-	2,911

subsidiaries have entered into finance lease agreements for rental of vehicles for use in their operations, whereby they are committed to pay rental on a monthly basis. The terms of the agreements are generally 4 years.

The Company reclassified financial lease liabilities as liabilities directly associated with assets classified as held for sale.

21. LONG-TERM LOANS FROM FINANCIAL INSTITUTIONS - NET

	Unit: Thousand Baht			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2015	2016	2015
Long-term loans :				
Rojana Industrial Park PLC.	4,189,847	4,593,744	4,189,847	4,593,744
Rojana Power Co., Ltd.	10,150,357	9,036,957	-	-
Rojana Industrial Management Co., Ltd.	399,900	519,900	-	-
Rojana Energy Co., Ltd.	1,683,500	1,872,947	-	-
Ticon Industrial Connection PLC.	-	1,026,880	-	-
Total	16,423,604	17,050,428	4,189,847	4,593,744
Less deferred the benefit of lower interest rate	(8,307)	(9,605)	(8,307)	(9,605)
Net	16,415,297	17,040,823	4,181,540	4,584,139
Less Current portion of long-term loans				
due within 1 year	(1,515,039)	(2,018,242)	(821,884)	(903,896)
Long-term loans from financial institutions - net	14,900,258	15,022,581	3,359,656	3,680,243

Movements in the long-term loans from financial institutions during the years ended December 31, 2016 are summarized below.

	Unit: Thousand Baht	
	Consolidated	Separate
	financial statements	financial statements
Balance as at December 31, 2015	17,040,823	4,584,139
Add: Additional borrowings	2,730,000	500,000
Less: Repayment	(2,323,135)	(902,599)
Transfer as liabilities directly associated with assets classified as held for sale	(1,032,391)	-
Balance as at December 31, 2016	16,415,297	4,181,540

The Company

As at December 31, 2016, the Company's long-term loans from banks carried interest at MLR minus certain rate, as stipulated in the agreement. The loan principle is to be repaid in monthly, semi-annually, or quarterly and interest is to be paid every month. Full settlement of these loans is to be made within December 2016 to November 2027 (2014: December 2016 to November 2027)

Subsidiaries

As at December 31, 2016, the Company's long-term loans from banks carried interest at MLR minus certain rate, as stipulated in the agreement. The loan principle is to be repaid in monthly, semi-annually, or quarterly and interest is to be paid every month. Full settlement of these loans is to be made within June 2016 to July 2026 (2015: December 2016 to July 2026)

The loan agreements contain several covenants which, among other things, require the Company and its subsidiaries to maintain debt-to-equity ratio and debt service coverage ratio at the rate prescribed in the agreements, and the Company and its subsidiaries agreed not to mortgage or otherwise encumber the land with any other parties throughout the loan periods.

As at December 31, 2016, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 1,800 million. (December 31, 2015: Baht 8,533 million.)

As at December 31, 2016, property development cost, land held for development, investment properties under development and available for rent/sale, investment properties for rent of the Company and its subsidiary land and buildings, have been used as collateral for aforesaid long-term loans.

22. DEBENTURES

As at December 31, 2016 and 2015, the Group had outstanding of debentures All debentures are name specified, unsubordinated, and unsecured debentures. The debentures were sold at the price of Baht 1,000 per unit, with a face value of Baht 1,000 each. Among other things, the Group is obliged to maintain its debt-to-equity ratio as specified in the terms and condition of the debentures. Significant details of the debentures are summarised below.

No	Issued date	Balance as at December 31,				Coupon rate	Tenure	Maturity date
		Unit		Amount				
		2016 (million unit)	2015 (million unit)	2016 (million baht)	2015 (million baht)	(%per annum)		
Company								
1/2011	13 May 2011	-	0.21	-	212	4.35	5 year	13 May 2016
1/2011	13 May 2011	0.10	0.10	100	100	4.75	7 year	13 May 2018
1/2014	30 April 2014	0.08	0.08	80	80	4.27	3 year	28 April 2017
2/2014	23 July 2014	0.10	0.10	100	100	4.27	3 year	23 July 2017
1/2015	27 April 2015	-	0.50	-	500	2.85	11 month 30 day	27 April 2016
2/2015	29 May 2015	0.38	0.38	382	382	4.00	3 year	29 May 2018
2/2015	29 May 2015	0.62	0.62	618	618	4.40	5 year	29 May 2020
1/2016	19 May 2016	0.37	-	374	-	3.40	3 year	19 May 2019
1/2016	19 May 2016	0.63	-	626	-	4.10	5 year	19 May 2021
	Total	2.28	1.99	2,280	1,992			

No	Issued date	Balance as at December 31,				Coupon rate (%per annum)	Tenure	Maturity date
		Unit		Amount				
		<u>2016</u> (million unit)	<u>2015</u> (million unit)	<u>2016</u> (million baht)	<u>2015</u> (million baht)			
Subsidiaries								
1/2011	20 May 2011	-	0.65	-	650	4.23	5 year	20 May 2016
2/2011	8 July 2011	-	0.35	-	350	4.78	7 year	8 July 2018
3/2011	28 December 2011	-	0.65	-	650	4.60	5 year	2 December 2016
4/2011	30 December 2011	-	0.35	-	350	4.60	5 year	30 December 2016
1/2012	10 January 2012	-	0.10	-	100	4.60	5 year	10 January 2017
3/2012	18 May 2012	-	-	-	-	4.28	3 year	18 May 2015
4/2012	5 July 2012	-	0.50	-	500	4.49	5 year	5 July 2017
5/2012	17 August 2012	-	-	-	-	4.05	3 year	17 August 2015
5/2012	17 August 2012	-	0.30	-	300	4.17	5 year	17 August 2017
6/2012	26 September 2012	-	1.00	-	1,000	4.90	10 year	26 September 2022
1/2013	11 February 2013	-	0.50	-	500	3.62	3 year	11 February 2016
2/2013	15 May 2013	-	0.30	-	300	3.60	3 year	15 May 2016
2/2013	15 May 2013	-	1.20	-	1,200	4.00	5 year	15 May 2018
2/2013	15 May 2013	-	0.50	-	500	4.30	7 year	15 May 2020
3/2013	12 September 2013	-	0.60	-	600	4.13	3 year	12 September 2016
3/2013	12 September 2013	-	0.30	-	300	4.73	5 year	12 September 2018
4/2013	8 October 2013	-	0.44	-	440	4.49	3 year 11 month 12 day	20 September 2017
5/2013	18 October 2013	-	0.62	-	620	4.85	6 year	18 October 2019
1/2014	17 January 2014	-	1.00	-	1,000	3.89	3 year	17 January 2017
1/2014	17 January 2014	-	0.60	-	600	4.71	5 year	17 January 2019
2/2014	18 July 2014	-	1.15	-	1,150	3.82	3 year	18 July 2017
2/2014	18 July 2014	-	0.80	-	800	4.80	7 year	18 July 2021
3/2014	21 July 2014	-	0.53	-	530	3.82	3 year 4day	25 July 2017
4/2014	3 December 2014	-	0.20	-	200	2.90	2 year 4 day	7 December 2016
1/2015	19 January 2015	-	1.55	-	1,550	3.08	3 year	19 January 2018
2/2015	15 May 2015	-	1.00	-	1,000	2.91	4 year	15 May 2019
2/2015	15 May 2015	-	1.00	-	1,000	3.69	7 year	15 May 2022
3/2015	14 August 2015	-	0.70	-	700	2.44	3 year	14 August 2018
3/2015	14 August 2015	-	0.60	-	600	3.22	5 year	14 August 2020
3/2015	14 August 2015	-	0.70	-	700	4.03	8 year	14 August 2023
	Total	-	18.19	-	2,280			18,190
	Grand total	2.28	20.18	2,280	20,182			

The outstanding balance of the debentures as at December 31, 2016 and 2015, are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2016	2016	2016	2016
Debenture	2,280,000	20,182,000	2,280,000	1,992,000
Less: current portion	(180,000)	(3,962,000)	(180,000)	(712,000)
Debenture-net	<u>2,100,000</u>	<u>16,220,000</u>	<u>2,100,000</u>	<u>1,280,000</u>

Movements of debentures for year ended December 31, 2016, are summarized below:

	(Unit: Thousand Baht)	
	Consolidated	Separate
	financial statements	financial statements
Balance as at December 31, 2015	20,182,000	1,992,000
Add: Issuance of debentures during the year	3,400,000	1,000,000
Less: Redemption during the year	(3,962,000)	(712,000)
Transfer to liabilities directly associated with assets classified as held for sale.	(17,340,000)	-
Balance as at December 31, 2016	<u>2,280,000</u>	<u>2,280,000</u>

23. EMPLOYEE BENEFITS OBLIGATIONS

The Group has defined benefit plan in accordance with severance payment under the labor law which entitled retired employee within work service period in various rates, such as more than 10 years to receive severance payment not less than 300 days or 10 months of the last salary.

Movements of the present value of employee benefits obligation for the years ended December 31, are as follows:

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Defined benefit obligation at beginning of year	58,882	52,916	11,407	10,277
Included in profit or loss:				
Current service cost	8,261	7,003	745	1,002
Current service cost	1,147	1,080	296	128
Included in other comprehensive income:				
Included in other comprehensive income:	2,445	(1,000)	(1,569)	-
Actuarial (gain) loss arising from				
Demographic assumptions changes				
Benefits paid during the year	(1,758)	(1,117)	-	-
Transfer to liabilities directly associated with assets classified as held for sale.	(41,998)	-	-	-
Defined benefit obligation at end of year	26,979	58,882	10,879	11,407

Employee benefit expenses in the statements of profit or loss, consisted of:-

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Continued operation	1,691	2,166	1,041	1,130
Discontinued operation	7,717	5,917	-	-
Total	8,408	8,083	1,040	1,130

Actuarial (gains) losses recognized in other comprehensive income arising from:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Financial assumptions	(2)	(4,164)	-	-
Demographic assumptions	3,977	1,978	52	-
Experience adjustment	(1,530)	1,186	1,517	-
Total	<u>2,445</u>	<u>(1,000)</u>	<u>1,569</u>	<u>-</u>

Key actuarial assumptions used for the valuation are as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
	(%)	(%)	(%)	(%)
Discount rate	1.83 - 3.48	2.92 - 3.74	3.48	2.92 - 3.74
Future salary increase rate	3.0 - 5.0	4.0 - 5.0	5.0	4.0 - 5.0
Staff turnover rate (depending on age)	0.0 - 55.0	0.0 - 40.0	0.0 - 45.0	0.0 - 40.0

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligations as at December 31, 2016 are summarized below:

	Unit: Thousand Baht			
	Consolidated financial statements		Separate financial statements	
	Increase	Decrease	Increase	Decrease
Discount rate (0.5%)	(606)	653	(327)	350
Future salary increase rate (0.5%)	640	(600)	343	(324)
Staff turnover rate (depending on age) (10.0%)	(357)	381	(661)	711

24. Provision

Unit: Thousand Baht

	Consolidated financial statements		
	Guarantees of rental and service income	Guarantees of purchase price for properties with options to buy at market price	Total
Balance as of January 1, 2015	78,828	57,191	136,019
Increase during the year	1,037	-	1,037
Utilised	(64,064)	-	(64,064)
Reversal	(15,800)	(57,191)	(72,991)
Balance as at December 31, 2016	-	-	-

25. SHARE CAPITAL

	2016		2015	
	Number of shares (shares)	Amount (Thousand Baht)	Number of shares (shares)	Amount (Thousand Baht)
Balance as at January 1	2,036,579,204	2,036,579	1,997,038,492	1,997,039
Decrease	(990,416)	(990)	(58)	(1)
Increase	-	-	39,540,770	39,541
Balance as at December 31,	2,035,588,788	2,035,589	2,036,579,204	2,036,579

On April 26, 2016, at the shareholders' ordinary meeting of the year 2016, passed the resolution to decrease share capital amount of Baht 990,416, from share capital Baht 2,306 million to Baht 2,035 million, by cutting unissued share capital for reserving the dividend share. The company has registered decrease share capital with the ministry of Commerce on May 11, 2016.

Reconciliation of issued and paid-up share capital year 2016:

	Number of shares	Paid-up share capital	Premium on share capital	Registration date
	(shares)	(Thousand Baht)	(Thousand Baht)	
Balance as at January 1, 2016	1,967,256,174	1,967,256	5,470,701	
Exercise of warrants				
- ROJNA - W3 No. 17	1,172,802	1,173	3,424	8 January 2016
- ROJNA - W3 No. 18	6,643,726	6,644	19,400	5 April 2016
- ROJNA - W3 No. 19	497,066	497	1,407	5 July 2016
- ROJNA - W3 No. 20	44,892,095	44,892	127,044	22 July 2016
Balance as at December 31, 2016	<u>2,020,461,863</u>	<u>2,020,462</u>	<u>5,621,976</u>	

Reconciliation of issued and paid-up share capital year 2015:

	Number of shares	Paid-up share capital	Premium on share capital	Registration date
	(shares)	(Thousand Baht)	(Thousand Baht)	
Balance as at January 1, 2015	1,755,087,815	1,755,088	4,686,062	
Exercise of warrants				
- ROJNA - W3 No. 13	715,988	716	2,148	January 9, 2015
- ROJNA - W3 No. 14	84,268,571	84,269	252,806	April 7, 2015
- ROJNA - W3 No. 15	773,546	774	2,258	July 7, 2015
Share capital increase				
- Private placement	87,859,900	87,860	557,911	February 3, 2015
- Underwriting fee	-	-	(30,484)	
- Stock dividend	38,550,354	38,550	-	May 22, 2015
Balance as at December 31, 2015	<u>1,967,256,174</u>	<u>1,967,257</u>	<u>5,470,701</u>	

Capital management

The Group of company objective in the management of capital is to maintain the ability to run the operation and generate the return to equity holder and for the benefit of other shareholders, and to maintain proper equity structure to reduce the cost of capital.

The Group of company may adjust dividend payment policy to equity holder, returning capital to equity holder, the issuing of new equity, or selling assets to reduce debt burden in order to maintain its capital structure.

Warrants

Movements of the warrants during the year, are as follows:

	Unit: Thousand Baht			
	As at January 1, 2016	Movement during the year		As at December 31, 2016
		Increase	Decrease	* cancel
Warrants				
- ROJNA - W3	54,829	-	(49,969)	(4,860)
Total	54,829	-	(49,969)	(4,860)

- On April 29, 2016 ,the Company has adjusted the exercise price and the exercise ratio of the warrants ROJANA-W3 from 1 unit of warrants to 1.02051 ordinary share at the exercise price of Baht 3.920 per share to 1 unit of warrants to 1.04441 ordinary shares at the exercise price of Baht 3.830 per share. This is to maintain the interests of the shareholders no to be inferior than the initial rights, which the Company pay stock dividends excess from the exercise ratio.

* On July 16, 2016 ,Warrants (ROJANA-W3) expired.

26. TREASURY STOCK/RETAINED EARNINGS APPROPRIATION FOR TREASURY STOCK

On November 3, 2016, at the Board of directors' meeting of the Company passed the resolution to approve the share repurchasing project for financial management for 22 million shares (at par value of Baht 1 each) or equal to 1.09 of total issued share capital and had the repurchasing prices not exceed the average closing prices plus 15% of previous 5 trading days of each repurchase commencement date with the maximum amount not exceeding Baht 100 million. The Company will offer the repurchase stock from the public through the procedures of The Stock of Thailand during the period from November 21, 2016 to May 19, 2017, and the offering of the share repurchasing is determined within 6 month from the end of treasury stock program but not exceed 3 years.

As at December 31, 2016, the Company has not operated the share repurchasing.

According to the letter of The Office of Securities Exchange Commission No. Kor.Lor.Tor. ChorSor. (Wor) 2/2548 dated February 14, 2016 regarding the share repurchasing of the listed company can be conducted by less than amount of total retained earnings. The Company should allocate retained earnings as a reserve equivalent to the amount paid for share repurchasing until all repurchased shares were resold, or reduces capital by reducing shares unsold, as the case may be.

27. STATUTORY RESERVE

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside a statutory reserve at least 5 percent of its net profit after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered share capital. The statutory reserve is not available for dividend distribution.

28. DIVIDEND

28.1 On April 26, 2016, At the annual meeting of shareholders of the year 2016 passed the resolution to pay dividend from the result of operation for the year 2015 and retained earnings to the shareholders for share at Baht 0.45 each, which paid interim dividend payment at Baht 0.20 each, On September 14, 2015, the remaining dividend to be paid at Baht 0.25 each totaling amount of baht 494 million and the Company has already paid on May 26, 2016.

28.2 According to the Minutes Shareholders' Meeting of 2015 held on April 22, 2015, approved the allotment of 2014 net profit and retained earnings for pay dividend to the shareholders of Baht 0.20 per share, in form of cash dividend at the rate of Baht 0.02 per share and common stock dividend not exceeding 39,540,770 shares at a rate of 50 old shares for 1 new ordinary share (50: 1), or Baht 0.18 per share (determined by the market price with discount at Baht 9 per share according to the objective and resolution of the shareholders). The dividend payment was made on May 22, 2015.

On August 14, 2015, the Board of Directors Meeting No.7/2015 approved the allotment of six-months interim net profit from January 1, 2015 until June 30, 2015, for dividend payment to shareholders of Baht 0.20 per share. The dividend payment was made on September 14, 2015.

29. GOVERNMENT GRANTS

In 2013, the Company received government grants for the construction of flood protection in Rojana Industrial Park, Ayutthaya province totaling Baht 1,330 million and received in full amount in 2013. This was recorded as deferred income and presented net in property, plant and equipment. The amount is amortized by the straight-line method for fifty years throughout the useful life of assets and the amortization amount is presented by netting with the depreciation of the assets.

In 2012, the Company entered into a long-term loan agreement with a commercial bank of Baht 752.9 million, with interest rate at 0.01 per annum. The interest rate is lower than the market rate since the government had a policy to subsidize the victims of the floods in year 2011. In the third quarter of the year 2013, the Company drew down the full amount of the loan. The Company had recorded the difference of the lower rate against the market rate (reference to the 12 months fixed deposit rate of Savings Bank at 3 percent per annum) plus the operating cost at the rate of 0.98 per annum totaling of Baht 247.1 million. The Company recorded the loans at fair value (Notes 21) calculated from the present value of future cash flows discounted using a market interest rate. This is amortized as interest expenses with the effective rate over the term of the loan net of depreciation.

30. EXPENSES BY NATURE

Significant expenses by nature are as follows:

	Unit: Thousand Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Continued operations				
Changing in property development cost	21,954	4,059,363	210,479	4,114,243
Used raw material and supplies	4,967,612	6,297,937	-	-
Purchase land and development	664,559	4,698,852	354,418	4,630,558
Depreciation and amortization	1,072,985	979,531	48,991	57,119
Expenses for employees	107,297	89,900	62,082	50,710
Management and directors benefit expenses	34,641	41,386	16,580	21,942
Specific business tax	44,265	83,857	33,599	40,202
Commission	21,716	23,719	14,607	16,499
Repair and maintenance	322,990	253,025	44,984	50,950
Discontinued operations				
Depreciation and amortization	436,122	522,395	-	-
Expenses for employees	202,418	212,585	-	-
Repair and maintenance	56,184	44,415	-	-
Financial Lease agreement	70,344	65,682	-	-

31. Provident fund

The Company, its subsidiaries and their employees have jointly established a provident fund. The fund is contributed to by both employees and the Company and its subsidiaries at the rates of 2 - 5% of wages. The fund was managed by SCB Asset Management Company Limited and Bank Ayudhya Public Company Limited. During the year 2015, the Company and its subsidiaries contributed Baht 7.26 million (2014: Baht 7.21 million) to the fund.

32. INCOME TAX

32.1 Income tax expenses

Income tax expenses for the years ended December 31, 2016 and 2015 are made up as follows:

	Unit: Thousand Baht			
	For the years ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Income tax recognized in profit or loss:				
Current income tax:				
Current income tax charge	5,067	55,553	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	-	-	-	-
Income tax (Income) expenses reported in income statement	<u>5,067</u>	<u>55,553</u>	<u>-</u>	<u>-</u>
Income tax realized in other comprehensive income:				
Deferred tax on actuarial gain	<u>767</u>	<u>200</u>	<u>-</u>	<u>-</u>

The reconciliation between accounting profit and income tax expense is shown below.

Unit: Thousand Baht

	For the years ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit before income tax from continued operations	628,124	1,107,515	310,974	1,000,795
Loss before income tax from discontinued operations	(120,170)	(129,960)	-	-
Accounting profit before income tax	<u>507,954</u>	<u>977,555</u>	<u>310,974</u>	<u>1,000,795</u>
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	101,591	195,511	62,195	200,159
Effects of:				
Promotional privileges	(40,567)	(249,090)	-	-
Dividend income from subsidiary and associates	-	-	(90,069)	(202,262)
The difference between the fair value of the business combination	21,730	81,090	-	
Eliminations	-	101,057	-	
Non-deductible expenses and income	29,436	(21,922)	43,991	14,989
Tax losses are not expected to be utilized and the use of tax losses not recorded	(22,533)	(42,420)	(16,117)	(12,886)
Income tax expenses reported in income statement	<u>89,657</u>	<u>64,226</u>	<u>-</u>	<u>-</u>
Income tax expenses from continued operations	5,067	55,553	-	-
Income tax expenses from discontinued operations	<u>84,590</u>	<u>8,672</u>	<u>-</u>	<u>-</u>
	<u>89,657</u>	<u>64,225</u>	<u>-</u>	<u>-</u>

32.2 Deferred tax assets and deferred tax liabilities

As at December 31, 2016 and 2015 the components of deferred tax assets and deferred tax liabilities are as follows:

	Unit: Thousand Baht	
	Consolidated financial statements	
	2016	2015
Deferred tax assets		
Unrealised gains on sales of properties to associates	-	229,372
Provision for long-term employee benefits	-	6,374
Doubtful accounts	-	903
Provisions	-	28,623
Customer deposits	-	16,158
Write-off property and plant	-	1,811
Cost of sales of properties	-	22,640
Tax losses	-	297
Total	-	306,178
Deferred tax liabilities		
Operating leases receivables	-	4,301
Building sales by finance lease	-	273,580
Profit from valuation of investment property	-	450,249
Total	-	728,130
	-	(421,952)

As at December 31, 2016, The Company and four subsidiaries have the taxable loss totaling of Baht 1,448 million and Baht 2,915 million, respectively, which the Group have not been recognized defer tax assets, because the Group considers that the future taxable profit on the non-granted promotional privileges transactions may not be sufficient to allow utilization of the unused taxable losses which will be expired by 2020.

33. BASIC AND DILUTED EARNINGS PER SHARE

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

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

Earnings per share for the year ended December 31, 2016 and 2015 were calculated as follows:

	For the year ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Basic earnings per share				
Profit attributable to equity holders of the Company (Thousand Baht)	116,254	697,540	309,405	1,000,795
Number of ordinary share outstanding at beginning of year	1,967,256	1,755,088	1,967,256	1,755,088
Effect of the stock dividend	-	38,550	-	38,550
Effect of shares issued during the year	-	79,916	-	79,916
Effect of conversion warrants to shares capital	26,379	55,574	26,379	63,195
Weighted average number of ordinary shares outstanding during the period (basic)(thousand shares)	1,993,635	1,936,750	1,993,635	1,936,750
Basic earnings (loss) per share (Baht)	0.06	0.36	0.16	0.52

	For the year ended December 31,2015	
	Consolidated financial statements	Separate financial statements
Diluted earnings per share		
Profit attributable to equity holders of the Company (Thousand Baht)	697,540	1,000,795
Number of ordinary share outstanding (basic)	1,936,750	1,936,750
Effect of warrants to be exercised Allocated to the existing shareholders	26,189	26,189
Weighted average number of ordinary shares outstanding during the period (diluted)(thousand shares)	1,962,939	1,962,939
Diluted earnings (loss) per share (Baht)	0.36	0.52

Earnings per share from discontinued operations for the year ended December 31,2016 and 2015 were calculated as follows:

	For the year ended December 31,			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Basic earnings per share				
Profit attributable to equity holders of the Company (Thousand Baht)	370,192	814,130	309,405	1,000,795
Weighted average number of ordinary shares outstanding during the period (basic)(thousand shares)	1,993,635	1,936,750	1,993,635	1,936,750
Basic earnings (loss) per share (Baht)	0.19	0.42	0.16	0.52

	For the year ended December 31,	
	Consolidated financial statements	Separate financial statements
Diluted earnings per share		
Profit attributable to equity holders of the Company (Thousand Baht)	1,814,130	1,000,795
Weighted average number of ordinary shares outstanding during the period (diluted)(thousand shares)	1,988,675	1,988,675
Diluted earnings (loss) per share (Baht)	0.41	0.50

34. BUSINESS SEGMENT INFORMATION

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. The chief operating decision maker has been identified as Managing Director.

For management purposes, the Company and its subsidiaries are organised into business units based on its products and services and have four reportable segments as follows:

- Real estate development and related service
- Manufacturing electricity
- Production and distribution industrial water

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

Geographical

The Company and its subsidiaries operate their business in Thailand only. As a result, all of revenues and assets as reflected in these financial statements pertain exclusively to this geographical reportable segments

Majority Customers

Major customers

For the year 2016, the Company and its subsidiaries have revenue from one major customer in the amount of Baht 3,955.2 million, arising from Manufacturing electricity.

Business segment information of the Company and subsidiaries, consist of:

Business segments

Unit:Million Bhat

	Consolidated financial statements									
	For the year end December 31,									
	Real estate sold and related service		Power plant		Utility		Eliminations		Total	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Revenues	1,768	2,160	7,880	9,177	428	360	(315)	187	9,761	11,884
Profit (loss) from operations by segment									1,986	2,750
Other income									54	(21)
Share of profit from investment in associates									33	27
Unallocated costs									(1,450)	(1,704)
Profit for continued operations									623	1,052
Loss for discontinued operations									(205)	(139)
Profit for the year									418	913
Non-controlling interests									253	239
Equity holders of the Company									370	813
Operating assets as at December 31,									77,007	76,023

35. PROMOTIONAL PRIVILEGES

The Company and its subsidiaries have promotional privileges from the Board of Investment. Subject to certain imposed condition, the privileges include an exemption from corporate income tax.

Based on the announcement of the Board of the Investment No. 14/1998 dated December 30, 1998 regarding revenues reporting of a promoted industry, the Company is required to report the revenues from domestic sales and export sales separately, also report separately between the promoted and non-promoted business. The required information are as follows:

The Company and its subsidiaries' operating revenues for the years ended December 31, 2016 and 2015, divided between promoted and non-promoted operations, are summarised below.

Unit:Thousand

	Consolidated financial statements					
	Promoted		Non-Promoted		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Revenue from sales of land	346,582	320,564	919,729	1,894,542	1,266,311	2,215,106
Revenue from sales of land and factory buildings	-	1,490,022	-	1,855,584	-	3,345,606
Revenue from sales of electricity	4,645,786	6,170,893	3,233,979	3,006,472	7,879,765	9,177,365
Service income	262,831	489,523	318,909	500,704	581,740	990,227
Rental income	-	-	32,393	615,369	32,393	615,369
Management fee income from associates	-	-	239,350	204,123	23,350	204,123
Other income	1,457	480	53,136	60,221	53,136	60,701
Total revenues	<u>5,256,656</u>	<u>8,471,482</u>	<u>4,797,496</u>	<u>8,137,015</u>	<u>9,836,695</u>	<u>16,608,497</u>

Unit:Thousand

	Separate financial statements					
	Promoted		Non-Promoted		Total	
	2016	2015	2016	2015	2016	2015
Revenues						
Revenue from sales of land	98,985	315,692	844,105	887,557	943,090	1,203,249
Service income	1,863	10,341	411,920	333,744	413,083	344,085
Rental income	-	-	66,916	68,361	66,916	68,361
Dividend income	-	-	450,350	1,011,309	450,350	1,011,309
Other income	-	-	36,684	21,365	36,684	21,365
Total revenues	<u>100,848</u>	<u>326,033</u>	<u>1,809,975</u>	<u>2,322,336</u>	<u>1,910,823</u>	<u>2,648,369</u>

36. COMMITMENTS AND CONTINGENT LIABILITIES

36.1 Long-term lease agreements

The Group of company

- 1) The Company has entered into the office rental and services agreement with a related company for 3 years. The monthly rental and services charge of Baht 0.25 Million. The Company has paid deposit in the amount of Baht 0.74 Million.
- 2) Two subsidiaries have entered into the office rental and services agreement with a related company for 3 years. The monthly rental and services charge of Baht 0.52 Million. A Subsidiary have paid deposit in the amount of Baht 1.54 Million.

As at December 31, 2016, The Group of company and the Company have future minimum lease payments required under these operating leases contracts as follows:

	Unit: Million Baht			
	Consolidated financial		Separate financial	
	statements		statements	
	2016	2015	2016	2015
Payable :				
within 1 year	46	46	3	3
Over 1 and up to 5 years	70	98	3	7
Over 5 years	46	49	-	-

36.2 Commitments from long-term agreement

Subsidiaries

- 1) Agreement to sale electricity to the Electricity Generation Authority of Thailand (EGAT), which is effective for a period of 25 years commencing from May 1999. Such company has to provide security of Baht 163.08 million in form of bank guarantee according to the Power Purchase Agreement with EGAT.
- 2) Agreement to purchase gas from PTT Public Company limited for the period of 21 years. Such agreement can be renewed or extended for another 4 years.

36.3 Capital commitments

- 1) As at December 31, 2016 and 2015, The Group of company and the Company have commitments in respect of projects development and constructions of approximately as follow:

Unit: Million Baht

Unit	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Million Baht	1,579	2,700	244	-
Million USD	11	43	-	-

- 2) A subsidiary has power plant management agreement with a related party amount of Baht 351.53 million, the agreement will consider by annual

36.4 Bank guarantees

As at December 31, 2016 and 2015, the Group has obligations for letter of guarantees issued by commercial banks as follows:

Unit: Million Baht

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Letter of guarantee	1,816	1,973	642	642

36.5 Servitude over properties

As at December 31, 2016, the Group of company has servitude over part land is presented under the caption of Property development costs, land held for development, investment properties and property, plant and equipment

36.6 Undertaking

As of December 31, 2016, the group guarantees the credit lines from financial institutions of the subsidiaries Baht 345 million.

37. PRESENTATION AND DISCLOSURE FOR FINANCIAL INSTRUMENTS

Interest rate risk

Interest rate risk has arising from changes in market interest rates, that lead to losses to the Company and subsidiaries in the current period and the next period. A subsidiary has risk management to hedge interest rate, by interest rate swap to change fixed deposit 3-month plus 1.80 per annum to THBFX-REUTERS 3 Months for the loan of Baht 600 million, having fair value as at December 31, 2016 and 2015 of Baht 18.93 million and Bath 9.90 million respectively.

Investment and account receivable risk

The Company and subsidiaries has no significant concentrations of investment and account receivable risk related to its cash and short-term investments. The subsidiaries place its cash and short-term investments in low risk investment accounts and with banks and high quality financial institution. The Company has a policy in place to ensure that when land is sold, ownership will be transferred only when the customers have make full payment.

Foreign exchange rate risk

As at December 31, 2016 a subsidiary had balance of foreign exchange forward contracts USD 19.25 Million and as at December 31, 2016 and 2015; the subsidiary had liabilities in foreign currency as follows:

Unit	Consolidated financial statements	
	2016	2015
Million USD	5.27	48.35

Fair value for financial assets and financial liabilities

The Company and subsidiaries use following method to determine the fair value of financial assets and financial liabilities:

- Cash and cash equivalents, temporary investment, accounts and other receivable and short-term loan to related company is short-term financial instruments: Book value is equal to the estimated fair value
- Account payable, assets payable, payable - related company and other current liabilities: Book value is equal to the estimated fair value.

- Overdraft and short-term loans from financial institute and long-term loans having floating interest rate: Book value is equal to the estimated fair value, except of loans from related companies which had fixed interest rates.

As at December 31, 2016 and 2015, fair values of financial assets are not materiality different from book value. Financial liabilities are presented at book value with equal to the estimated fair value.

Fair value is estimated by using the above method and assumption. The actual fair value may be different.

38. Fair value hierarchy

As at December 31 2015, the Company and its subsidiaries had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

Unit: Million Baht

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investments in associates	5,723	-	-	5,723
Investment properties	-	-	33,145	33,145
Liabilities for which fair value are disclosed				
Debenture	-	20,728	-	20,728

Unit: Million Baht

	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	255	255
Liabilities for which fair value are disclosed				
Debenture	-	2,009	-	2,009

39. EVENTS AFTER THE REPORTING PERIOD

39.1 On January 16, 2017, TICON received payment of share subscription from allotment of 735.0 million shares at a price of Baht 18 per share, or a total of Baht 13,230.0 million, from Frasers Property Holdings (Thailand) Company Limited. The Company registered the increase in paid-up capital from Baht 1,099.1 million to Baht 1,834.1 million with the Ministry of Commerce on January 16, 2017.

39.2 On February 23, 2017, the Board of Directors Meeting No. 3/2017 of TICON resolved to propose to the 2017 Annual General Meeting of Shareholders to be held on April 24, 2017 for consideration and approval as follows:

- the allotment of retained earnings of the Company for dividend payment of Baht 0.08 per share. The payment will be made on May 19, 2017.
- the increase of registered capital from Baht 1,834.1 million to Baht 2,384.4 million by issuing 550.3 million newly issued ordinary shares at a par value of Baht 1 per share and the allotment of newly issued ordinary shares under a General Mandate.

40. APPROVAL OF FINANCIAL STATEMENT

These financial statements have been approved by the Company's authorized director to be issued on February 28, 2017.