

## Financial Position and Performance

### Important financial information

#### 13.1 Summary of financial position and performance

##### 13.1.1 Audit Report

Periodic	Auditor	Summary of audit reports
2014	Mr. Somkid Tiaratrakul Certified Public Accountant Registration No. 2785 Grant Thornton Company Limited	<p>The auditor has expressed his opinion in the audit report. Unconditionally The financial statements show the financial position performance and cash flow. This is in accordance with the generally accepted accounting principles.</p> <p>However, the Company's management classifies certain cost items as selling expenses without affecting the results of operations and earnings per share. The auditor agrees, without extending the audit scope to the present.</p>
2015	Mr. Jiroj Siriroj Certified Public Accountant Registration No. 5113 Karin Audit Company Limited	<p>The auditor has expressed his opinion in the audit report. The statements of financial position, results of operations and cash flows in accordance with generally accepted accounting principles.</p> <p>Others Statement of financial position as at 31 December 2015 Statement of comprehensive income for the year ended 31 December 2015 and the statements of changes in shareholders' equity and the statements of cash flows for the year ended 31 December 2015, presented as comparative information, audited by another auditor. The unconditional statement of the report dated February 29, 2016.</p>
2016	Miss Kannikar Vipanurat Certified Public Accountant Registration No. 7305 Karin Audit Company Limited	<p>The auditor has expressed his opinion in the audit report. The statements of financial position, results of operations and cash flows in accordance with generally accepted accounting principles.</p> <p>Others Statement of financial position as at December 31, 2019 Statement of comprehensive income for the year ended 31 December 2016 and the statements of changes in shareholders' equity and the statements of cash flows for the year ended 31 December 2016, presented as comparative information, audited by another auditor. The unconditional statement of the report dated 28 February 2017</p>
2017	Mr. Jesada Hungsapruet Certified Public Accountant Registration No. 3759 Karin Audit Company Limited	<p>The auditor has expressed his opinion in the audit report. The statements of financial position, results of operations and cash flows in accordance with generally accepted accounting principles.</p> <p>Others Statement of financial position as at 31 December 2017 Statement of comprehensive income for the years ended 31 December 2017 and the statements of changes in shareholders' equity and the statements of cash flows for the year ended December 31, 2016, presented as comparative information, audited by another auditor. The Company presented its unconditional opinion as reported on February 27, 2018.</p>

### 13.1.2 Summary table of financial statements

#### RICHY PLACE 2002 PUBLIC COMPANY LIMITED

##### Statements of financial position

For the year ended December 31, 2015 - 2017

(Million Baht)

	Consolidated financial statements		Consolidated financial statements		Consolidated financial statements	
	31 December 2015		31 December 2016		31 December 2017	
<b>CURRENT</b>						
<b>CURRENT ASSETS</b>						
Cash and cash equivalents	18.10	0.41	18.04	0.32	84.86	1.40
Temporary investments – net	0.92	0.02	-	-	-	-
Account Receivable - Subsidiary Account receivable - net	-	-	-	-	-	-
Accounts receivable,refundable deposit - net	3.78	0.09	0.53	0.01	53.59	0.88
Costs of property development for sale - net	149.00	3.39	145.00	2.60	145.00	2.39
Prepaid construction costs	4,083.46	92.98	4,865.67	87.35	5,613.95	92.60
Advances for material purchases	94.28	2.15	125.53	2.25	25.83	0.43
Deposits for land purchases	0.91	0.02	5.43	0.11	6.79	0.11
Other current assets	-	-	35.64	0.64	40.00	0.66
	9.79	0.22	18.31	0.33	3.15	0.05
<b>Total Current Assets</b>	<b>4,360.24</b>	<b>99.28</b>	<b>5,214.15</b>	<b>93.61</b>	<b>5,973.19</b>	<b>98.53</b>
<b>NON CURRENT ASSETS</b>						
Restricted deposits with banks Investments in subsidiaries	5.09	0.12	5.17	0.09	-	-
Investment property - net	-	-	-	-	-	-
Equipment - net	4.41	0.10	6.66	0.12	8.76	0.14
Intangible asset – net	9.47	0.22	40.89	0.73	37.16	0.61
Unused asset of operation	2.10	0.05	1.42	0.03	0.71	0.01
Deferred income tax assets	-	-	283.66	5.09	-	-
Other non current assets	9.86	0.22	17.58	0.32	36.59	0.60
	0.36	0.01	0.77	0.01	6.10	0.10
<b>Total Non Current Assets</b>	<b>31.29</b>	<b>0.72</b>	<b>356.15</b>	<b>6.39</b>	<b>89.34</b>	<b>1.47</b>
<b>TOTAL ASSETS</b>	<b>4,391.53</b>	<b>100.00</b>	<b>5,570.30</b>	<b>100.00</b>	<b>6,062.54</b>	<b>100.00</b>

**RICHY PLACE 2002 PUBLIC COMPANY LIMITED**  
**Statements of financial position (Continued)**  
**For the year ended December 31, 2015 - 2017**

(Million Baht)

	Consolidated financial statements		Consolidated financial statements		Consolidated financial statements	
	31 December 2015		31 December 2016		31 December 2017	
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>						
<b>CURRENT LIABILITIES</b>						
Bank overdraft	9.96	0.23	1.40	0.03	6.78	0.11
Bills of exchange	1,129.75	25.72	620.00	11.13	-	-
Other payables	101.71	2.32	219.14	3.93	723.43	11.93
Short-term loans from related companies	-	-	10.00	0.18		
Long term - Debentures maturing within 1 year	-	-	540.00	9.69	500.00	8.25
Loan from financial institutions	511.41	11.64	1,719.93	30.88	1,932.48	31.88
Advances received from customers - general customers-normal person	62.29	1.42	229.40	4.12		
Advances received from customers - related parties	0.97	0.02	5.03	0.09		
Accrued expenses	26.67	0.61	20.85	0.37		
Accrued income tax	4.12	0.09	1.53	0.03	25.13	0.41
Retentions payable	43.36	0.99	69.16	1.24		
Other current liabilities	3.78	0.09	9.97	0.18	49.11	0.81
<b>Total Current Liabilities</b>	<b>1,894.02</b>	<b>43.13</b>	<b>3,446.41</b>	<b>61.87</b>	<b>3,236.94</b>	<b>53.39</b>
<b>NON CURRENT LIABILITIES</b>						
Debentures	940.00	21.40	600.00	10.77	955.14	15.75
Employee benefits obligation	3.93	0.09	3.53	0.06	2.96	0.05
<b>Total Non Current Liabilities</b>	<b>943.93</b>	<b>21.49</b>	<b>603.53</b>	<b>10.83</b>	<b>958.10</b>	<b>15.80</b>
<b>TOTAL LIABILITIES</b>	<b>2,837.95</b>	<b>64.62</b>	<b>4,049.94</b>	<b>72.70</b>	<b>4,195.05</b>	<b>69.20</b>

**RICHY PLACE 2002 PUBLIC COMPANY LIMITED**  
**Statements of financial position (Continued)**  
**For the year ended December 31, 2015 - 2017**

(Million Baht)

	Consolidated financial statements		Consolidated financial statements		Consolidated financial statements	
	31 December 2015		31 December 2016		31 December 2017	
<b>SHAREHOLDERS' EQUITY</b>						
Share capital - common shares at Baht 1 par value						
Registered - 985,400,000 shares in year 2015 and Registered - 785,399,982 shares in year 2016	985.40	22.44	785.40	14.11	1,289.36	21.27
2017 Registered - 1,289,364,969 shares at Baht 1 par value 2017 Registered - 975,203,604 shares at Baht 1 par value	785.40	17.88	785.40	14.11	975.20	16.09
Premium on share capital	476.30	10.85	476.30	8.55	538.40	8.88
Retained earnings						
Appropriated legal reserve	39.08	0.89	39.57	0.71	46.60	0.77
Unappropriated	252.80	5.76	218.37	3.92	307.26	5.07
Other components of shareholders' equity-	-	0.73	0.01	-	-	-
Total Shareholders' equity	1,553.58	35.38	1,520.37	27.30	1,867.48	30.80
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>4,391.53</b>	<b>100.00</b>	<b>5,570.31</b>	<b>100.00</b>	<b>6,062.54</b>	<b>100.00</b>



**RICHY PLACE 2002 PUBLIC COMPANY LIMITED**  
**Statements of financial position**  
**For the year ended December 31, 2015 - 2017**

(Million Baht)

	December31, 2015		December31, 2016		December31, 2017	
	Unit	%	Unit	%	Unit	%
Revenues from sales of property	507.48	98.75	553.18	97.35	1,314.41	99.04
Costs of property sold	(337.48)	(65.67)	(359.04)	(63.19)	(871.00)	(65.63)
Gross profit	170.00	33.08	194.14	34.16	443.40	33.41
<b>Interest income</b>	0.10	0.02	0.08	0.01	-	-
Other income	6.34	1.23	14.99	2.64	12.72	0.96
Total revenue	513.92	100.00	568.25	100.00	1,327.13	100.00
<b>Profit before expenses</b>	176.44	34.33	209.20	36.81	456.13	34.37
Selling expenses	(72.70)	(14.15)	(129.04)	(22.71)	(200.41)	(15.10)
Administrative expenses	(51.34)	(9.99)	(40.34)	(7.10)	(51.79)	(3.90)
<b>Total Expenses</b>	<b>(124.04)</b>	<b>(24.13)</b>	<b>(169.38)</b>	<b>(29.81)</b>	<b>(252.20)</b>	<b>(19.00)</b>
<b>Profit before financial cost and income tax</b>	52.40	10.20	39.82	7.01	203.93	15.37
Financial costs	(4.38)	(0.85)	(24.06)	(4.23)	(39.09)	(2.95)
<b>Profit before income tax</b>	<b>48.01</b>	<b>9.34</b>	<b>15.75</b>	<b>2.77</b>	<b>164.84</b>	<b>12.42</b>
Income tax	(8.41)	(1.64)	(6.50)	(1.14)	(31.92)	(2.41)
Net profit	39.60	7.71	9.26	1.63	132.92	10.02
Actuarial gains	-	-	0.73	0.13	-	-
<b>Profit for the years</b>	<b>39.60</b>	<b>7.71</b>	<b>9.99</b>	<b>1.76</b>	<b>132.92</b>	<b>10.02</b>

**RICHY PLACE 2002 PUBLIC COMPANY LIMITED**  
**Statements of Cash Flow**  
**For the year ended December 31, 2015 - 2017**

(Million Baht)

	December31, 2015	December31, 2016	December31, 2017
	Amount	Amount	Amount
<b>Cash flows from operating activities</b>			
Income before income tax	48.01	15.75	164.83
Adjustments to reconcile income before income tax to net cash provided from (used in) operating activities:	5.55	5.56	14.52
Provision for employee benefits obligation	0.70	0.33	
Realized gain on change in value of temporary investment	(1.56)	(0.23)	
Interest income	(0.10)	(0.08)	(0.52)
Interest expense	4.38	24.06	39.09
Income from operations before changes	56.99	45.41	217.92
Decrease (increase) in operating assets:			
Cost of property development for sales	(1,016.48)	(985.79)	(291.49)
Adjusted trade receivables (increase) decrease	-	-	55.59
Account receivable	(3.78)	3.26	
Account receivable - deposit for purchase agreement	(149.00)	4.00	
Prepaid construction costs	4.10	(31.25)	
Adjusted trade receivables (increase) decrease	-	-	213.32
Advances for purchases of construction materials	2.23	(4.54)	
Deposits for land purchases and condominium	42.00	(35.64)	
Other current assets	(2.72)	(7.49)	
Other non - current assets	(0.10)	(0.40)	(0.07)
Accounts payable	80.19	117.47	
Advances received from customers	6.36	171.17	
Adjusted trade receivables (increase) decrease	-	-	(20.04)
Accrued expenses	(12.11)	(6.92)	
Retentions payable	(8.42)	25.80	
Other current liabilities	3.45	6.19	-
Adjusted provisions for employee benefit (reversal)	-	-	0.31
Net cash provided from (used in) operating	(997.30)	(698.74)	175.55
Income tax payment	(22.03)	(17.85)	(27.33)
Cash received (paid) employee benefit	-	-	(0.88)
Net cash provided from (used in) operating activities	(1,019.32)	(716.59)	147.33

**RICHY PLACE 2002 PUBLIC COMPANY LIMITED**  
**Statements of Cash Flow (continued)**  
**For the year ended December 31, 2015 - 2017**

(Million Baht)

	December31, 2015	December31, 2016	December31, 2017
	Amount	Amount	Amount
<b>Cash flows from investing activities:</b>			
Cash paid for investment in subsidiary	-	-	-
Purchase of equipment	(1.21)	(36.01)	(9.82)
Purchase of Intangible asset	(2.47)	(0.28)	(0.22)
Proceeds from sales of equipment	-	-	-
Purchase of investment property	(0.12)	(2.25)	(2.14)
Cash received from the sale of equity or debt securities of other entities	1,168.15	234.45	-
Cash paid to purchase of equity or debt securities of other entities	(1,029.00)	(233.30)	-
Cash receipt from sale fix assets	-	-	-
Cash receipt from interest income	0.10	0.10	0.48
Increase in bank overdraft	(0.09)	(0.08)	(0.09)
Net cash provided from (used in) investing activities	135.37	(37.39)	(11.80)
<b>Cash flows from financing activities</b>			
Interest paid	(101.32)	(103.11)	(195.10)
Bank overdrafts and short-term loans from financial institutions	39.96	(518.31)	(614.61)
Short - term loans from relate paries	-	10.00	(10.00)
Interest paid	940.00	200.00	862.30
Cash Payment for Debentures	-	-	(540.00)
Increase in finacial institutions	410.87	1,938.68	1,232.07
Repayment for loan from financial institutions	(372.24)	(730.16)	(1,018.07)
Cash Advance	-	-	219.18
Dividend paid	(28.56)	(43.20)	(4.98)
Net cash provided from (used in) financing activities	888.71	753.91	(69.22)
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>4.76</b>	<b>(0.06)</b>	<b>66.30</b>
<b>CASH AND CASH EQUIVALENTS AT BEGINING OF THE YEARS</b>	<b>13.32</b>	<b>18.10</b>	<b>18.56</b>
<b>CASH AND CASH EQUIVALENTS AT END OF THE YEARS</b>	<b>18.07</b>	<b>18.56</b>	<b>84.86</b>

### Important Financial Ratio

List	Unit	December 31, 2015	December 31, 2016	December 31, 2017
<b>Liquidity Ratio</b>				
Liquidity Ratio	Times	2.30	1.51	1.85
Quick ratio	Times	0.01	0.01	0.03
Liquidity ratio Cash flow ratio	Times	(1.52)	(0.27)	0.05
Turnover ratio of trade receivables	Times	N/A	N/A	N/A
Average collection period	Day	N/A	N/A	N/A
Inventory turnover	Times	0.11	0.08	0.17
Average selling time	Day	3220	4549	2196
Turnover Ratio	Times	5.48	2.24	7.95
Repayment period	Day	67	163	46
Cash cycle	Day	3153	4386	2150
<b>Profitability Ratio</b>				
Gross margin	%	33.50	35.10	33.41
Operating margin	%	9.06	4.48	14.55
Net profit margin	%	7.71	1.63	10.02
equity	%	2.55	0.60	7.85
<b>Efficiency Ratio</b>				
Assets	%	1.59	0.8	3.51
Return on	%	167.37	20.55	91.55
Asset Turnover	Times	0.15	0.11	0.23
<b>Financial Policy Ratio</b>				
Debt to equity ratio	Times	1.83	2.66	2.25
Interest rate ratio	Times	11.95	1.65	5.22
Compensation Capability	Times	(7.53)	(8.75)	8.57
Dividend payout ratio	%	72.11	466.70	3.75
Per share				
Book value per share	Baht	1.98	1.94	1.91
Net earnings per share	Baht	0.05	0.01	0.14
<b>Fully Diluted</b>				
Book value per share	Baht	-	-	1.45
Net earnings per share	Baht	-	-	0.10



## Analysis and Description of Management

### Overview of past performance

Richie Place 2002 Public Company Limited (the Company) is a residential real estate development company. It focuses on developing projects in potential areas and near community centers. Especially the condominiums along the skytrain line and the junction area. The Company's main revenue is sales. Home Condominium Both horizontal and vertical. The Company has completed 5 projects including 1) Le Rich - Sathupradit Project. 2) Rich Park - Bang Son 3) Rich Park - Tao Poon Project 4) Rich Park - Chao Phraya 5) The Rich Sathorn-Taksin Project There are also 7 projects under construction: 1) Rich Park - Triple Station 2) The Rich - Nana 3) The Rich Project Bishome - Sukhumvit 4) The Richville - Ratchaphruek Project 5) The eight Collection 6) The Rich Avenue Project 7) Rich Park - Terminal

Since 2011, the Company has recognized revenue from the sale of immovable property upon the transfer of ownership to the buyer after the buyer has received the full payment from the purchaser and will record the cost of sale of the immovable property when the ownership is transferred to the buyer. For real estate projects under construction. Construction costs include other related expenses. The Company will recognize the asset in the cost of property development for sale. When the project is completed and the ownership is transferred. The Company will recognize the income as mentioned above.

### Analysis of the Company's Operating Results - Revenue

The Company's revenue consists of revenue from sales of real estate, interest income and other income. Revenue from sales of real estate is the main income. The income categories can be classified as follows.

#### Income structure

	Audited financial statements ended 31 December					
	2015		2016		2017	
	(Audited)		(Audited)		(Audited)	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Sales	507.48	98.75	553.18	97.35	1,314.41	99.04
Other income	6.44	1.25	15.06	2.65	12.72	0.96
<b>Total revenues</b>	<b>513.92</b>	<b>100.00</b>	<b>568.24</b>	<b>100.00</b>	<b>1,327.13</b>	<b>100.00</b>

### Revenue from the sale of real estate

The Company's sales of real estate for the period of 2015 - 2017 were Baht 507.48 million, Baht 553.18 million and Baht 1,314.41 million, or 98.75%, 97.35% and 99.04%, respectively.

In year 2016, the company had revenue from property sales of Baht 553.18m, an increase of Baht 45.7m or an increase of 9.01% from the previous year. This was due to the success of the Rich Park-Chao Phraya project. Finished construction the revenue can be recognized in 2016.

In the year 2017, the Company had revenue from real estate sales of Baht 1,314.41 million, an increase of 761.23% or an increase of 137.61% from the year 2016, as a result of the completion of the The Rich Sathorn-Taksin Project transfer of ownership and can be recognized in 2017.

## Income from sales of real estate by project

	Audited financial statements					
	2015		2016		2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
<u>Revenue from sales of real estate</u>						
<b>Condominium</b>						
- Le Rich Rama 3	11.86	2.31	6.20	1.09	125.74	9.47
- Le Rich Ratchada - Suthisarn	-	-	-	-	-	-
- Le Rich @ Aree station	-	-	-	-	-	-
- Le Rich Sathorn - Taksin	-	-	-	-	751.27	56.61
- Rich Park @ Bang Son Station	49.27	9.59	72.24	12.71	33.42	2.52
- Rich Park @ Taopoon Interchange	305.58	59.46	90.53	15.93	45.84	3.45
- Rich Park @ Chao Phraya	75.14	14.62	293.17	51.60	300.29	22.63
<b>Townhome</b>						
- The rich Ratchaphruek	7.29	1.42	35.85	6.31	22.70	1.71
- The Rich Biz Home Sukhumvit 105	58.34	11.35	55.19	9.71	35.15	2.65
<b>Total revenues from sales of real estate</b>	<b>507.48</b>	<b>98.75</b>	<b>553.18</b>	<b>97.35</b>	<b>1,314.41</b>	<b>99.04</b>
Other income	6.44	1.25	15.06	2.65	12.72	0.96
<b>Total revenues</b>	<b>513.92</b>	<b>100.00</b>	<b>568.24</b>	<b>100.00</b>	<b>1,327.13</b>	<b>100.00</b>

Remark: Other income includes income from breach of contract, change of assignment agreement Rental income and others.

## Other income

Other income includes water meter installation fee. Income from breach of contract. Change of transfer agreement Revenue from breach of contract is the amount of the contract and down payment that the customer has paid and recognized as income due to breach of contract or the customer fails to comply with the contract. Contract termination. In the years 2558 - 2560, the Company had other incomes of Baht 6.44 million, Baht 15.06 million and Baht 12.72 million, or 1.25%, 2.65 and 0.96 percent of total revenues, respectively.

In the year 2016, the Company's other income was Baht 12.72 million, a decrease of Baht 2.34 million or 15.54% from the same period of last year.

## Other income

No.	Name	2015		2016		2017	
		Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
1	Water / Electricity meter installation	0.24	3.73	0.26	1.72	0.58	4.85
2	Income from changing contract	0.06	0.93	0.64	4.25	0.66	5.52
3	Income from breaking contract	2.71	42.08	8.07	53.58	6.25	52.30
4	Difference in return (Condominium)	(0.03)	(0.46)	0.00	0.00	0.00	0.00
5	Interest	0.10	1.55	0.08	0.50	0.53	4.44
6	Others	3.36	52.17	6.01	39.95	3.93	32.89
<b>Total</b>		<b>6.44</b>	<b>100.00</b>	<b>15.06</b>	<b>100.00</b>	<b>11.95</b>	<b>100.00</b>



## Total Revenue

The Company's total revenues for the year 2015-2016 were Baht 513.92 million, Baht 568.24 million and Baht 1,327.13 million, respectively.

In 2015, the Company's total revenues decreased by Baht 725.46 million or 58.53% from the same period of last year due to the decrease in revenue from real estate sales of Baht 721.18 million or decreased A decrease of 58.70% compared to the previous year.

In 2016, the Company's total revenues increased by Baht 54.32 million or 10.57% from the same period of last year due to an increase in real estate sales of Baht 45.70 million or an increase of 9.01 percent compared to the previous year.

In 2017, the Company's total revenue increased by Baht 758.89 million or equivalent to 133.55% from the same period of last year due to an increase in real estate sales of Baht 761.23 million. 137.61% compared to the previous year.

## Cost of real estate sales

The cost of real estate sales is Real estate development costs during project development are recognized as cost in the statement of income when the realization of revenues from the sale of real estate comprises of cost of sales, salary and welfare of the construction department. Utilities and more

In the years 2015 - 2017, the Company's cost of sales of real estate was 337.47 million baht, 359.04 million baht and 871 million baht, respectively. The cost of sales of real estate was 66.50%, 64.91% and 66.27%, respectively, due to the cost of the Rich Sathorn-Taksin project, which was transferred in the year 2017, And the labor cost of skilled artisans rose.

In 2015, the Company's cost of sales of real estate decreased by Baht 424.50 million or a decrease of 55.71% from the same period of last year due to the decrease in property sales. Therefore, the cost decreases respectively.

In 2016, the Company's cost of sales of real estate increased by Baht 21.57 million or 6.39% from 2015 due to the cost of the Rich Park-Chao Phraya project. In addition, the cost of construction materials and skilled labor increased.

In the year 2017, the cost of sales of real estate increased by 511.96 million baht or 142.59% from the same period of last year. This was due to the cost of the construction of the Rich Sathorn-Taksin project. And the labor cost of skilled artisans rose.

## Cost of Sale of Real Estate

Cost of Sale of Real Estate	2015		2016		2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Cost of project sales	330.03	97.80	354.95	98.86	864.91	99.30
Salary and Welfare Construction department	5.54	1.64	2.15	0.60	2.64	0.30
Utility Bills	0.45	0.13	0.45	0.13	0.50	0.06
Others revenues	1.45	0.43	1.49	0.41	2.95	0.34
Total	337.47	100.00	359.04	100.00	871.00	100.00
Percentage Cost of Sale of Real Estate to Sales Revenue		66.50		64.91		66.27

## Cost of sales

Selling expenses include salaries, sales representatives, commission fees, project management fees, Promotion expenses Specific business tax Cost of ownership transfer Central area charge and other operating expenses. Commission The commission paid by the company to salespeople and other employees in the company according to the sales of the company. The commission will be paid on a quarterly basis. Project Management Fee Sales of projects. The company paid to the company that sold the project. The promotion costs include advertising costs and exhibition activities. The cost of public space is the cost that the company has to pay for the common room for the room that is not sold out to the corporate entity of the condominium. Other operating expenses included office tax and office expenses.

Selling expenses for the period of 2015 - 2017 amounted to Baht 72.70 million, Baht 129.04 million and Baht 200.41 million, respectively, representing a Selling Expense Ratio of 14.33%, 23.30% and 15.25% respectively

In 2015, the Company's selling expenses decreased by Baht 30.01 million or 29.22% from the same period of last year due to advertising and tax and transfer fee decreased from the previous year.

In 2016, the Company's selling expenses increased by Baht 56.34 million or 77.50% from the same period of last year. The main factor comes from the launch of new projects. There are various expenses. The advertising and branding cost increased by Baht 14 million, the management fee increased by Baht 16 million.

In 2017, the Company's selling expenses increased by Baht 71.37 million or 55.31% from the same period of last year. The main factor comes from the company's increased ownership transfer. There are various expenses. Specific business taxes increased by Baht 28.07 million, tax and customs fees increased by Baht 9.01 million.

### Selling expenses

Selling expenses	2015		2016		2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Salaries and benefits salespersons	6.97	9.59	10.41	8.06	17.49	8.73
Selling utilities	1.08	1.49	1.47	1.14	1.75	0.87
Tax 0.31	0.43	3.08	2.39	12.09	6.03	
Specific Business Tax	16.26	22.37	17.93	13.90	46.00	22.96
Commission	3.97	5.46	3.33	2.58	5.56	2.77
Promotion fee and Sale Promotion	2.66	3.66	3.27	2.54	6.84	3.41
Sales Management	3.82	5.25	16.15	12.52	55.30	27.59
Advertising costs and exhibition fees.	19.45	26.75	51.09	39.59	23.68	11.82
Central and office expenses	5.47	7.52	1.14	0.88	1.15	0.57
Other expense	12.71	17.48	21.17	16.40	30.55	15.25
Total selling expenses.	72.70	100.00	129.04	100.00	200.41	100.00
Percentage of Selling Costs to Sales Revenue		14.33		23.33		15.25



## Administrative expenses

The Company's management expenses are staff salaries, benefit and other benefits, utility bills, service charges and other administrative expenses.

### Administrative Expenses

Administrative expenses	2015		2016		2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Salaries and benefits	33.80	65.84	27.60	68.41	35.96	69.43
Utility	0.85	1.65	0.75	1.86	0.76	1.47
Service charge ex. audit fees	4.39	8.55	2.76	6.84	2.20	4.25
Meeting allowance	1.18	2.30	0.83	2.06	0.84	1.62
Other administrative expenses	11.12	21.66	8.40	20.83	12.03	23.23
Total administrative expenses	51.34	100.00	40.34	100.00	51.79	100.00
Percentage of administrative expenses to sales revenue.		10.12		7.29		3.94

In the year 2015-2017, the Company had administrative expenses of Baht 51.34 million, Baht 40.34 million and Baht 51.79 million. The ratio of administrative expenses to real estate sales was 10.12%, 7.29% and 3.94%, respectively.

In 2015, the Company's administrative expenses decreased from the previous year by Baht 12.98 million or 20.17% due to the decrease in bonus and employee's remuneration and the financial advisory fee decreased from the previous year.

In 2016, the Company's administrative expenses decreased by Baht 11 million or 21.43% from Baht 255 million due to the decrease in bonus and staff compensation.

In 2017, the Company's administrative expenses increased by Baht 11.45 million or 28.38% from the year 2016 due to salary Welfare and employee benefits increase proportionately.

### Gross margin and gross margin ratio

The Company's gross profit for the year 2015-2017 was Baht 170.01 million, Baht 194.14 million and Baht 443.41 million, respectively, or a gross margin of 33.08, 35.10 and 33.73, respectively. This is due to the increase in project development cost per unit. Increased cost of project development is mainly attributable to the variable cost of construction such as skilled labor, construction materials attributed to the rising competition of real estate. There are competing selling prices to motivate consumers.

### Net Profit and Net Profit Margin

The Company's net profit for the years 2015 - 2017 was 39.60 million baht, 9.26 million baht and 132.91 million baht, respectively. The net profit margin was 7.71%, 1.63% and 10.01%, respectively.

In 2015, the net profit was 39.60 million baht, or 7.71% of total revenue the net profit decreased from 2014 due to lower revenue.

In 2016, the net profit is Baht 9.25 million or 1.63% of total revenue. The net profit is lower than that of year 2015 due to the increase in selling expenses from the previous year by 77.50%. The main factor comes from the company launching new projects. There are various expenses. The advertising and branding cost increased by Baht 14 million, the management fee increased by Baht 16 million.

In 2017 net profit is 132.91 million baht or 10.01% of total revenue, with net profit increasing from 2016. This is due to the recognition of revenue from The Rich Sathorn-Taksin Project and Rich Park-Chao Phraya Project. The project has a high proportion of revenue recognition in 2560 or 57.16 percent, or 22.85 percent, respectively, of total property sales. The financial cost management has improved due to the reduction of financial cost.

## Return on equity

In the year 2015-2017, the Company's return on equity was 2.55%, 0.61% and 7.11%, respectively. For 2015, the return on equity was lower due to the lower profitability of the company. For the year 2016, the return on equity was lower due to the lower profitability of the company. For the year 2017, the return on equity was increased due to the increased profit.

## Analysis of financial status of the company

### Asset

Most of the company's assets are current assets. Especially, the development cost of real estate projects is 90% of total assets. Project development costs include: 1. Land 2. Project development, both of which are high-value assets, or approximately 90% of the project development cost.

As at 31 December 2015 - 2017, the Company had total assets of Baht 4,391.53 million, Baht 5,570.31 million and Baht 6,062.54 million. The rate of increase was 99.25%, 26.84% and 8.84%, respectively. The Company's total assets increased continuously as a result of new projects being launched.

As of December 31, 2015, the Company had total assets of Baht 4,391.53 million, an increase of Baht 2,187.50 million or an increase of 99.25% from the previous year. This resulted from the increase in real estate development expenses for the Company.

As of December 31, 2016, the Company had total assets of Baht 5,570.31 million, an increase of Baht 1,178.78 million or an increase of 26.84 percent from the previous year. This is due to the increase in real estate development expenses due to the business expansion of the Company.

As of December 31, 2017, the Company had total assets of Baht 6,062.54 million, an increase of Baht 492.23 million or an increase of 8.84% from the year 2016, as a result of the increase in real estate development expenses due to the business expansion of the Company.

The Company has no assets, receivables. The Company will recognize income when the condominium unit is transferred.

### Real estate development costs

The cost of real estate sales that occurred prior to the transfer of ownership is included in the cost of real estate development in the statement of financial position. Real estate sales are recognized in the statement of income when ownership is transferred to the buyer. The cost of real estate development consisted of land costs, construction costs, direct expenses, and project development costs, including interest on loans. The cost to be sold is based on the revenue ratio of each project.

As of December 31, 2015- 2017, the Company's real estate development costs were Baht 4,083.46 million, Baht 4,865.67 million and Baht 5,613.96 million, representing 92.98%, 87.35% and 92.60% of the Company's total assets.

As of December 31, 2015, the Company's property development cost was Baht 4,083.46 million, an increase of Baht 2,213.19 million or 118.33% from the previous year. This was due to the transfer of land ownership from the seller to develop the new project. Rich Park @ Triple Station and The Rich Nana

As of 31 December 2016, the Company's real estate development costs amounted to Baht 4,865.67 million, an increase of Baht 782.21 million or an increase of 19.16% from the previous year. This resulted from the transfer of land ownership from the seller to develop the new project. Rich Park @ Triple Station and The Rich Nana

As of December 31, 2017, the Company's property development cost was Baht 5,613.96 million, an increase of Baht 748.29 million or 15.38% from the same period of the previous year.



## Real estate development costs by project

Project	As of December 31, 2015		As of December 31, 2016		As of December 31, 2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Le Rich Rama 3	126.72	3.10	122.83	2.52	21.30	0.38
Rich Park @ Bang Son Station	65.88	1.61	21.68	0.45	0.00	0.00
Rich Park @ Taopoon Interchange	308.19	7.55	257.74	5.30	231.50	4.12
Rich Park @ Chao Phraya	768.84	18.83	667.87	13.73	433.03	7.71
Rich Park @ Triple Station	843.72	20.66	732.00	15.04	1,954.86	34.82
The Rich Sathorn – Taksin	468.75	11.48	1,111.14	22.84	777.89	13.86
The Rich Nana	1,022.91	25.05	1,082.40	22.25	1,132.13	20.17
The Rich Avenue	-	-	-	-	226.96	4.04
The 8 Collection	-	-	91.62	1.88	95.77	1.71
Richville - Ratchaphruek	206.28	5.05	197.45	4.06	184.78	3.29
The Rich Biz Home Sukumvit 105	272.17	6.67	245.58	5.05	188.61	3.36
Rich Park Terminal	-	-	335.36	6.88	366.48	6.53
Srinakarin phase 2	-	-	-	-	0.65	0.01
<b>Total cost of real estate development</b>	<b>4,083.46</b>	<b>100.00</b>	<b>4,865.67</b>	<b>100.00</b>	<b>5,613.96</b>	<b>100.00</b>

## Advance payment for construction

The company has paid construction costs to the contractor for construction. As at 31 December 2015, 2016, 2017, the Company paid construction expenses of Baht 94.28 million, Baht 125.53 million, Baht 25.83 million, or 2.15%, 2.25%. And 0.43 percent of total assets, respectively.

As of 31 December 2015, the Company had advance payment for construction of Baht 94.28 million, a decrease of Baht 4.09 million or 4.16% from the previous year. Rich Park @Chao Phraya and Project, The Rich Sathorn - Taksin

As of December 31, 2016, the company had advance payment for construction of Baht 125.53 million, an increase of Baht 31.25 million or 33.16% from the year 2015 due to the Rich Park @ Triple Station project. Construction increased in 2016

As of December 31, 2017, the Company had advance payment for construction of Baht 25.83 million, a decrease of Baht 99.70 million or 79.42% from the year 2016, as a result of the advance payment for the construction works. The Rich Sathorn - Taksin And Rich Park @ Triple Station.

## Deposit of land

The Company paid a deposit of land for the land to be used as land for the Company's projects. As at 31 December 2017, the Company paid a deposit of 40.00 million baht, equivalent to 0.66% of total assets.

As of 31 December 2015, the Company did not pay any deposit of land.

As of 31 December 2016, the Company paid land rental fee for the new project of the Company, which is in the process of studying the project for further development, amounting to 35.64 million baht.

As of December 31, 2017, the Company paid a deposit for the new project of the Company, which is in the process of continuing the development of the project of Baht 40.00 million.

## Equipment

Equipment includes office equipment. Office Furnishings Computer equipment, vehicles, etc. are stated at cost less accumulated depreciation. As of 31 December 2015, 2016 and 2017, the Company had net equipment of Baht 9.47 million, Baht 40.89 million and Baht 37.16 million, respectively.

As of December 31, 2015, the Company had net equipment amounting to Baht 9.47 million, a decrease of Baht 3.45 million or 26.70% from the previous year due to the depreciation of fixed assets.

As of December 31, 2016, the Company had net equipment of Baht 40.89 million, an increase of Baht 31.42 million or 331.68% from the previous year.

As of December 31, 2017, the Company had net equipment of Baht 37.16 million, a decrease of Baht 3.73 million or 9.11% from the same period of last year due to the depreciation of fixed assets.

## **Debt**

The Company's total liabilities are 1) loans from financial institutions. (Both revolving and non-renewable) and 2) loans from other persons. In some years, the Company will have a ratio of current liabilities to total liabilities. It will change significantly. However, the Company will manage its liabilities in accordance with the loan agreement. For efficiency in managing cash flow of the business.

As of December 31, 2015, 2016 and 2017, the Company had total liabilities of Baht 2,837.95 million, Baht 4,049.95 million and Baht 4,195.06 million, representing an increase of 42.71% from the previous year and 3.58% as of December 31, 2015, the Company had total liabilities of Baht 2,837.95 million, an increase of Baht 2,176.45 million from the year 2014, representing an increase of 329.02% from the year 2014, due to the issuance of promissory notes of Baht 1,130 million, debentures of Baht 940 million. To buy land for new projects and to develop new projects. The Company also had a pay increase of Baht 14.35 million, which is the payout for the construction of Rich Park @ Chao Phraya. Financial institutions increased by Baht 38.63 million.

As of December 31, 2016, the Company had total liabilities of Baht 4,049.95 million, an increase of Baht 1,211.99 million or 42.71% from the previous year, due to an increase in loans from financial institutions of Baht 1,208.53 million. 167.11 Advances for contributions increased by Baht 25.80 million

As at December 31, 2017, the Company had total liabilities of Baht 4,195.06 million, an increase of Baht 145.11 million or 3.58% from the previous year.

## **Accounts payable**

The Company's principal trade payables are The Company's trade accounts payable amounted to Baht 101.71 million, Baht 219.13 million and Baht 173.80 million, representing 2.32%, 3.93% and 2.87%, respectively, of liabilities and shareholders' equity.

As of December 31, 2015, the Company had an increase in trade accounts payable of Baht 101.71 million, an increase of Baht 80.19 million or 372.63% from the previous year. The increase was due to the creditor of the construction of Rich Park @ Chao Phraya.

As of December 31, 2019, the Company had an increase in trade accounts payable of Baht 219.13 million, an increase of Baht 117.42 million or 115.45% from that of the year 2011. The increased creditor was the payment for the construction of Rich Park @ Trip. Pleasant Station The Rich @ Sathorn - Taksin

As at of December 2017, the Company had a decrease in trade accounts payable from the year 2019 of Baht 45.33 million or 20.69%, which was decreased due to the completion of the The Rich Sathon-Taksin Project in 2017.

## **Long-term loans**

Long-term loans are loans from financial institutions for the development of the Company's projects. And debentures over 1 year





## Long-term loans

	As of December 31, 2015		As of December 31, 2016		As of December 31, 2017	
	Million Baht	Percent	Million Baht	Percent	Million Baht	Percent
Long-term loans due within 1 year	-	-	-	-	-	-
Loans from financial institutions - net	511.41	100.00	1,719.93	100.00	1,753.93	100.00
<b>Total</b>	<b>511.41</b>	<b>100.00</b>	<b>1,719.93</b>	<b>100.00</b>	<b>1,753.93</b>	<b>100.00</b>

As of December 31, 2015, the Company had long-term loans of Baht 511.41 million, an increase of Baht 38.63 million or an increase of 8.17 percent from the previous year. This was due to an increase in loans from financial institutions used in the development. Projects

As of December 31, 2016, the Company had long-term loans of Baht 1,719.93 million, an increase of Baht 1,208.52 million or an increase of 236.31% from the previous year. This was due to an increase in loans from financial institutions used in the development. New projects are increasing.

As of December 31, 2017, the Company had long-term loans of Baht 1,753.93 million, an increase of Baht 34.00 million or an increase of Baht 1.98 from the year 2016. This was an increase in loans from financial institutions used in the development. New projects are increasing.

## Loans from related parties

Loans borrowed by the Company from related parties The Company is a debtor and the Company has different interest payments.

As of 31 December 2015, the Company has no loans from related parties.

As of 31 December 2016, the Company had a loan of Baht 10.00 million from a related party, at a rate of 4.30% per annum, as a loan for normal operation. Due on 10 February 2017

As of December 31, 2017, the Company had no loans from related parties.

## Advance payment from customer – Guest

The money received by the company from the buyer before the transfer date, such as the deposit and the contract. It is recorded as advance receipt from the customer. The deposit and contract amount is 5-10% of the selling price, which depends on the policy of each project.

As of December 31, 2015, the Company had advance payment from customers - the general public was Baht 62.29 million, an increase of Baht 8.38 million or 15.55% from the previous year. Contract and down payment Increased from the project has not yet transferred. Is the project Rich Park @ Chao Phraya, The Rich - Sathorn Taksin project.

As of December 31, 2016, the Company received advance payment from customers - the general public was Baht 229.40 million, an increase of Baht 167.11 million or Baht 268.00 from 2015. Contract and down payment Increased from the project has not yet transferred. Is the project The Rich - Sathorn Taksin, Rich Park @ Triple Station, The Rich @ Nana, which will begin to transfer ownership in the year. 2017,2018,2019 respectively.

As of December 31, 2017, the Company received advance payment from customers - the general public was Baht 473.26 million, an increase of Baht 243.86 million from the same period of last year or an increase of 106.30%. Contract and down payment Increased from the project has not yet transferred. Is the project The Rich - Sathorn Taksin, Rich Park @ Triple Station, The Rich @ Nana, which will begin to transfer ownership in the year. 2017,2018,2019 respectively.

Table of the payment description of the development project as of December 31, 2017

Project	Sold Value (1)		Number of rooms transferred		Transferred ownership (2)		Remaining (3) = (1)-(2)		Accumulated funds (4) = (5)+(6)		Cumulative payment (5)		Remaining accumulated funds (6)		Outstanding balance (6) = (3)-(4)	
	Million Baht		Unit		Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage	Million Baht	Percentage
Le Rich Sathupradit - LR1	974.25		413.00		961.90	98.73	12.35	1.27	-	-	-	-	-	-	12.35	100.00
The 8 Collection -LR4	76.70		-		-	-	76.70	100.00	3.12	-	2.56	3.34	0.56	0.73	73.58	95.93
Rich Park Bang Son -RK1	1,395.69		803.00		1,395.69	100.00	-	-	-	-	-	-	-	-	-	-
Rich Park Jaopoon- RK2	1,431.84		581.00		1,419.12	99.11	12.72	0.89	2.80	22.01	-	-	2.80	22.01	9.92	77.99
Rich Park Chaophraya - RK3	822.09		339.00		729.04	88.68	93.05	11.32	14.34	15.41	0.14	0.15	14.20	15.26	78.71	84.59
Rich Park @ Triple Station-RK4	2,283.87		-		-	-	2,283.87	100.00	239.46	10.48	228.10	9.99	11.36	0.50	2,044.41	89.52
Rich Park Terminal -RK5	154.45		-		-	-	154.4	100.00	6.24	4.04	5.21	3.37	1.03	0.67	148.21	95.96
The Rich Sathorn - Taksin -R1	932.05		194.00		744.32	79.86	187.73	20.14	110.51	58.87	28.71	15.29	81.80	43.57	77.22	41.13
The Rich @ Nana -R2	1,133.41		-		-	-	1,133.41	100.00	211.97	18.70	172.76	15.24	39.21	3.46	921.44	81.30
The Rich Avenue -R4	36.16		-		-	-	36.16	100.00	3.81	10.54	3.81	10.54	-	-	32.35	89.46
The Rich Biz Home Ratchaphruek -RV2	106.96		28.00		85.21	79.67	21.75	20.33	-	-	-	-	-	-	-	-
The Rich Biz Home Sukumvit 105-RV3	267.97		54.00		267.97	100.00	-	-	-	-	-	-	-	-	21.75	100.00
<b>Total</b>	<b>9,615.44</b>		<b>2,412</b>		<b>5,603.25</b>	<b>58.2</b>	<b>4,012.19</b>		<b>592.25</b>		<b>441.29</b>		<b>150.96</b>		<b>3,419.94</b>	

Remark 1. Rich Park @ Triple Station has no room transfer.



#### Advance received from customers - related parties

As of December 31, 2015, the Company had advance payment from customers - related persons amounting to Baht 0.97 million, a decrease of Baht 2.02 million or 67.56% from the year 2014. Due to the transfer of ownership of Rich Park Chao Phraya in 2015

As of December 31, 2016, the Company received advances from customers - related parties amounting to Baht 5.03 million, an increase of Baht 4.06 million or an increase of 418.30% from that of fiscal year 2558 from The Rich Sathorn-Taksin and The Risks. @ Nana, Rich Park @ Triple Station

As of December 31, 2017, no advance received from customers - related parties.

#### Shareholders' Equity and Return on Equity

As of December 31, 2015, and 2016, the Company's shareholders' equity was Baht 1,553.58 million, Baht 1,520.37 million and Baht 1,867.48 million, respectively, accounting for 35.38% and 27.29%, respectively. And shareholders' equity, respectively, increase in shareholders' equity. This is due to the increase in net profit of the year and the increase in the Company's capital.

As of December 31, 2015, shareholders' equity increased by Baht 11.04 million or 0.72% from the year 2014 due to the Company paying dividends to stock dividend and cash to shareholders on May 29, 2015 at the rate of Baht 0.14 per share.

As of December 31, 2016, shareholders' equity decreased by Baht 33.21 million or a decrease of 2.14% from the previous year due to the Company paying a cash dividend of Baht 0.055 per share to the shareholders on May 25, 2016

As at 31 December 2017, shareholders' equity increased by Baht 347.11 million or a decrease of 22.83 percent from the year 2016 due to the Company paying cash dividend of 0.0063 baht per share to the shareholders on May 25, 2517

#### Liquidity Analysis

(Unit: Million Baht)

	2015	2016	2017
Cash flow from operating activities	(1,019.32)	(716.59)	147.33
Cash flow from investing activities	135.36	(37.39)	(11.81)
Cash flow from financing activities	888.71	753.91	(69.22)
<b>Net Increase (Decrease)</b>	<b>4.75</b>	<b>(0.07)</b>	<b>66.30</b>

#### Cash flow from operating activities

The Company's cash flow from operating activities in the year 2015-2017 was Baht 1,019.32 million, Baht 716.59 million and Baht 147.33 million, respectively.

In 2015, the Company's cash flow from operating activities amounted to Baht 1,019.32 million due to the Company has paid the land deposit of Baht 221.99 million.

In 2016, the Company's cash flow from operating activities amounted to Baht 716.59 million due to the company's investment in the development of new real estate projects namely The Rich @ Sathorn-Taksin, Rich Park @ Trich. Apollo Station In addition, the Company spent Baht 35.64 million in the ordinary course of business.

In 2017, the Company's cash flow from operating activities increased by Baht 147.33 million. As a result, the company has sold debt-free projects. The company's cash flow came in at a high level compared to 2016 and 2015.

### **Cash flow used in investing activities**

In 2015, the Company's cash flow used in investing activities was Baht 135.36 million, due to the Company's short-term investments to be used to purchase land to develop new projects.

In 2016, the Company had cash flow used in investing activities amounting to Baht 37.39 million because the Company sold the short-term investment to purchase equipment and invest in subsidiaries.

In the year 2017, the Company had cash flow used in investing activities amounting to Baht 11.81 million because the Company sold the short-term investment to purchase equipment and invest in subsidiaries.

### **Cash flow from financing activities**

In 2015, the Company had cash flow from financing activities amounting to Baht 888.71 million because the Company issued promissory notes of Baht 130 million and issued debentures of Baht 940.00 million.

In 2016, the Company's cash flow came from financing activities of Baht 753.91 million, as the Company had issued promissory notes of Baht 620 million and issued debentures of Baht 1,140.00 million for the development of existing projects and new projects 2016.

In 2017, the Company had cash flow from financing activities amounting to Baht 69.22 million due to the issuance of debentures of Baht 862.3 million for the development of existing projects and the addition of new projects in 2017 and for debt repayment. Debentures due 2017.

### **Total debt to equity ratio**

In 2015, the debt to equity ratio was 1.83x. The debt-to-equity ratio was 0.93x, an increase of 0.62x from the previous year, due to the issuance of Bt 1,130 mn of promissory notes. And debentures worth Bt940mn, resulting in higher debt and interest expenses.

In 2016, the debt to equity ratio was 2.66x. The company had a debt-to-equity ratio of 1.88x, due to the issuance of promissory notes of Bt 620 mn and debentures of Bt 1.140 mn. Increased liabilities and interest

In the year 2017, the debt to equity ratio was 2.25 times. The Company had a debt-to-equity ratio of 1.82 times, due to the issuance of additional debentures in 2017 amounting to Baht 862.3 million. Debt repayment from project recognized revenue in year The company has a debt and interest burden lower than 2016.

### **Remuneration of auditors**

In the fiscal year 2015, the Company paid audit fee to the auditor of Karin Audit Co., Ltd. amounting to Baht 854,176. In 2016, the Company entered into an agreement with Karin Audit Limited fee is 950,000 baht and in 2017, the service fee is 1,185,000 baht. There is no other service fee payable to the auditor.





### **Key factors and influences that may affect future financial position and performance.**

Risk factors affect the financial position is still affected by the economic situation. Interest rate Affects housing needs. Both positive factors supporting business growth or negative factors slow down business. According to the direction of the Bank of Thailand's monetary policy. Under current economic and political conditions, interest rates may remain low. This will support the real estate business.

Land acquisition projects tend to have more risk factors for project development, such as the Metro line, government projects, or near transportation to the city. This has a significant impact on the cost of property development. The slowdown in consumer purchasing decisions, especially in the market in Petchkasem.

And other factors. For example, the rising cost of doing business, such as labor costs. Construction materials Fuel prices, transportation costs may affect the delivery of contractors. All of the property development. Although some of the risk factors have affected the real estate business in 2017, there are also factors supporting the business such as reducing interest rates. The decline was in line with the tightening of mortgage lending rates. More customers are scrutinized. As a result, no bubbles in the real estate market. The entrepreneur has a management strategy with regard to efficiency. More planning As a result, the lower financial cost is good for the operation. The market is much more demanding.

On February 28, 2017, the Board of Directors' Meeting No. 1/2560 resolved to pay dividends in cash and stock dividend of Baht 4.97 million, at the rate of Baht 0.0063 per share and stock dividend at the rate of Baht 32.72 per share. Million shares at a rate 24 existing shares 1 new stock dividend, par value of Baht 1 per share, totaling Baht 32.72 million and approval of the issuance. The first and second warrants (W1) and the second warrants (W2) will be offered to the shareholders who subscribe. The Company will receive 314.16 new ordinary shares at the ratio of 1 new share to 2 warrants. RICHY-W1 and RICHY-W2 are free of charge. , Approved the increase of the Company's registered share capital of Baht 503.97 million, with a par value of Baht 1 from Baht 785.40 million to Baht 1,289.36 million, divided into 1289.36 million ordinary shares with a par value of Baht 1 and amendment of Clause 4 of the Memorandum of Association of the Company. To comply with the increase of the Company's registered capital.



# Independent Auditor's Report

To the Shareholders of Richy Place 2002 Public Company Limited

## Opinion

I have audited the financial statements of Richy Place 2002 Public Company Limited and its subsidiary, which comprise the consolidated and separate statements of financial position and as at December 31, 2017, and the related consolidated and separate statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies.

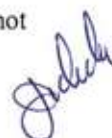
In my opinion, the consolidated and separate financial statements referred to above present fairly, in all material respects, the financial position of Richy Place 2002 Public Company Limited and its subsidiary and Richy Place 2002 Public Company Limited as at December 31, 2017, their financial performance 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 Financial Statements section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions under the Royal Patronage of His Majesty the King as relevant to my audit of the consolidated financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. 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 financial statements of the current period. These matters were addressed in the context of my audit of the consolidated financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.



**Consideration of allowance for doubtful belong to deposit receivable for WORA's project and estimate obligation of lawsuit**

The Company has deposit of the purchase and sales agreement with non - related company since 2015, then the Company has cancelled the contract and filed a lawsuit against the seller in relation to refund the deposit with interest rate 7.50% per annum and the seller has against to Civil Court, the seller claim that they followed by the contract they did not breach agreement, once the buyer breach agreement the seller can cancel the contract and keep all the deposit that buyer provided

And the seller has not to refund amends by buyer's request. Furthermore seller has filed a lawsuit against for the amends from buyer that buyer breach the agreement amount of Baht 144.20 million with interest rate 7.50% per annum. The Company has not estimated obligated that might occur from this case in the financial statement. Currently the case is under consideration at court. The consideration of allowance for doubtful of this deposit and the estimation obligation might occur if the Company loses the lawsuit will have significant for auditing. Because amount of deposit account as December 31, 2017, is of Baht 145 million that have a significant with consolidated financial statement, was calculated to 2.39% of total assets that not sure that the Company would receive back and not sure about the damage that may happen from this case. The method of my auditing including consideration financial position and the expect amount will be received from seller for that deposit; require the lawyer confirmation's opinion, and lawyer consultation of audit firm.

**Inventory (Cost of property developing for sale) and allowance for decreasing of inventory valuation**

The consideration of property developing cost is the significant judgmental which effects to inventory valuation in statement of financial position and gain recognition when occur the sale transactions. Moreover, the net realizable value of inventory requires management to make subjective judgement and estimates. It's the significant to auditing because of as at December 31, 2017, inventory amounting to Baht of 5,613.96 million, by 92.60% of total assets, so I focused on this area.

The audit procedure are included test of transaction cost increasing by check with accounting evident such as invoices, interest capitalized, evaluate and test sale pricing and discount, subsequence sale and discount, and also site survey to ensured that inventory physical are not abandoned and continuing construction.

*And*



## Other

The financial statements of Richy Place 2002 Public Company Limited, which comprise statements of financial position and as at 31 December 2016, and the related statements of comprehensive income, changes in shareholders' equity and cash flows for the year ended December 31, 2016, which have been presented herewith for comparative purposes were audited by another auditor in my firm, whose report dated on February 28, 2017 expressed an unqualified opinion.

## Other Information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do 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 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 Group, 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 Financial Statements

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

In preparing the consolidated 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 Financial Statements

My objectives are to obtain reasonable assurance about whether the consolidated 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 consolidated 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 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 consolidated 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 financial statements, including the disclosures, and whether the consolidated 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 entities 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 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.

The engagement partner on the audit resulting in this independent auditor's report is Mr. Jadesada Hungsapruerk



(Mr. Jadesada Hungsapruerk)

Certified Public Accountant

Registration No. 3759

Karin Audit Company Limited

Bangkok

February 27, 2018



## Statements of Financial Position

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT DECEMBER 31, 2017

		(Unit: Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>ASSETS</b>					
<b>CURRENT ASSETS</b>					
Cash and cash equivalents	5	84,869,243	18,564,814	83,307,483	18,304,814
Trade and other current receivables	6	274,366,868	329,916,929	273,318,133	329,326,175
Short-term loans	16.2	-	-	194,646,400	338,640,943
Inventories	7	5,613,957,998	4,865,672,929	5,247,476,231	4,530,307,194
<b>Total Current Assets</b>		<b>5,973,194,109</b>	<b>5,214,154,672</b>	<b>5,798,748,247</b>	<b>5,216,579,126</b>
<b>NON - CURRENT ASSETS</b>					
Investments in subsidiary	8	-	-	30,090,970	249,925
Investment property	9	8,768,126	290,328,577	8,768,126	290,328,577
Property, plant and equipment	10	37,162,607	40,889,649	31,017,421	38,346,223
Other intangible assets	11	710,172	1,419,148	710,172	1,419,148
Deferred tax assets	12	36,596,671	17,576,936	36,596,671	17,576,936
Other non-current assets	13	6,108,684	5,943,628	6,007,984	5,853,628
<b>Total Non - Current Assets</b>		<b>89,346,260</b>	<b>356,157,938</b>	<b>113,191,344</b>	<b>353,774,437</b>
<b>TOTAL ASSETS</b>		<b>6,062,540,369</b>	<b>5,570,312,610</b>	<b>5,911,939,591</b>	<b>5,570,353,563</b>

The accompanying notes form an integral part of these financial statements.



## Statements of Financial Position (Continued)

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES

AS AT DECEMBER 31, 2017

		(Unit: Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>					
<b>CURRENT LIABILITIES</b>					
Bank overdrafts and short-term borrowings					
from financial institutions	14	6,788,786	621,403,611	6,788,786	621,403,611
Trade and other current payables		723,430,867	484,386,741	714,764,855	484,084,706
Current portion of long-term liabilities	15	2,432,483,814	2,259,932,727	2,253,926,139	2,259,932,727
Short-term borrowings	16.2	-	10,000,000	29,932,926	10,000,000
Accrued income tax payable		25,135,992	1,532,897	25,135,992	1,532,897
Other current liabilities		49,110,168	69,156,952	48,891,635	69,070,789
<b>Total Current Liabilities</b>		<b>3,236,949,627</b>	<b>3,446,412,928</b>	<b>3,079,440,333</b>	<b>3,446,024,730</b>
<b>NON - CURRENT LIABILITIES</b>					
Long-term borrowings	15	955,145,338	600,000,000	955,145,338	600,000,000
Non-current provisions for employee benefit	17	2,964,046	3,533,659	2,964,046	3,533,659
<b>Total Non - Current Liabilities</b>		<b>958,109,384</b>	<b>603,533,659</b>	<b>958,109,384</b>	<b>603,533,659</b>
<b>TOTAL LIABILITIES</b>		<b>4,195,059,011</b>	<b>4,049,946,587</b>	<b>4,037,549,717</b>	<b>4,049,558,389</b>

The accompanying notes form an integral part of these financial statements.

## Statements of Financial Position (Continued)

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
AS AT DECEMBER 31, 2017

(Unit: Baht)				
Notes	Consolidated		Separate	
	financial statements		financial statements	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>LIABILITIES AND SHAREHOLDERS' EQUITY</b>				
<b>SHAREHOLDERS' EQUITY</b>				
Share capital - common shares				
Authorized capital				
2016 Registered - 785,399,982 shares at Baht 1 par value		785,399,982		785,399,982
2017 Registered - 1,289,364,969 shares at Baht 1 par value	1,289,364,969		1,289,364,969	
Issued and fully paid - up - common shares				
2016 Registered - 785,399,982 shares at Baht 1 par value		785,399,982		785,399,982
2017 Registered - 975,203,604 shares at Baht 1 par value	975,203,604		975,203,604	
Premium on share capital	538,406,193	476,302,298	538,406,193	476,302,298
Retained earnings				
- Appropriated - legal reserve	46,609,000	39,566,000	46,609,000	39,566,000
- Unappropriated	307,262,561	219,097,743	314,171,077	219,526,894
Other components of shareholders' equity	-	-	-	-
<b>TOTAL SHAREHOLDERS' EQUITY</b>	<b>1,867,481,358</b>	<b>1,520,366,023</b>	<b>1,874,389,874</b>	<b>1,520,795,174</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6,062,540,369</b>	<b>5,570,312,610</b>	<b>5,911,939,591</b>	<b>5,570,353,563</b>

The accompanying notes form an integral part of these financial statements.

# Statements of Comprehensive income

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR YEAR ENDED DECEMBER 31, 2017

(Unit: Baht)

	Notes	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
Revenues from sales		1,314,406,645	553,179,725	1,314,406,645	553,179,725
Costs of sales of goods		(871,000,869)	(359,043,349)	(871,000,869)	(359,043,349)
<b>Gross profit (loss)</b>		<b>443,405,776</b>	<b>194,136,376</b>	<b>443,405,776</b>	<b>194,136,376</b>
Other income		12,718,985	15,061,677	27,308,614	15,061,677
Distribution costs		(200,406,827)	(129,037,202)	(194,545,211)	(128,905,730)
Administrative expenses		(51,788,380)	(40,343,407)	(50,954,703)	(40,045,728)
Finance costs		(39,094,427)	(24,064,416)	(53,899,984)	(24,064,416)
<b>Profit (loss) before income tax expense</b>		<b>164,835,127</b>	<b>15,753,028</b>	<b>171,314,492</b>	<b>16,182,179</b>
Tax expense (income)	12	(31,920,130)	(6,497,186)	(31,920,130)	(6,497,186)
<b>Profit (loss) for the year</b>		<b>132,914,997</b>	<b>9,255,842</b>	<b>139,394,362</b>	<b>9,684,993</b>
<b>Other comprehensive income :</b>					
<b>Components of other comprehensive income that will not be reclassified to profit or loss</b>					
Gains (losses) on remeasurements of defined benefit plans		-	729,728	-	729,728
<b>Other comprehensive income (expense) for the year , net of tax</b>		<b>132,914,997</b>	<b>729,728</b>	<b>139,394,362</b>	<b>729,728</b>
<b>Total comprehensive income (expense) for the year</b>		<b>132,914,997</b>	<b>9,985,570</b>	<b>139,394,362</b>	<b>10,414,721</b>
<b>Basic earnings (loss) per share</b>					
Basic earnings (loss) per share from continuing operations	26	0.136	0.012	0.143	0.012
<b>Diluted Basic earnings (loss) per share</b>					
Basic earnings (loss) per share from continuing operations	26	0.136	0.012	0.143	0.012

The accompanying notes form an integral part of these financial statements.



## Statements of Changes in Shareholders' Equity

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR YEAR ENDED DECEMBER 31,2017

	Notes	Consolidated financial statements			
		Issued and Paid-up Share Capital	Premium on Share Capital	Retained Earnings	
				Appropriated Legal reserve	Unappropriated
<b>Balance as at January 1, 2016</b>		785,399,982	476,302,298	39,081,000	252,794,173
<u>Changes in shareholders' equity for year 2016:</u>					
Dividend payment	20	-	-	-	(43,197,000)
Appropriation for legal reserve		-	-	485,000	(485,000)
Comprehensive income for the year		-	-	-	9,255,842
Transferred to retained earnings		-	-	-	729,728
<b>Balance as at December 31, 2016</b>		785,399,982	476,302,298	39,566,000	219,097,743
<u>Changes in shareholders' equity for year 2017:</u>					
Increase shared-capital	18	157,079,996	62,103,895	-	-
Ordinary share dividend	20	32,723,626	-	-	(32,723,626)
Dividend payment	20	-	-	-	(4,983,553)
Appropriation for legal reserve		-	-	7,043,000	(7,043,000)
Comprehensive income for the year		-	-	-	132,914,997
<b>Balance as at December 31, 2017</b>		975,203,604	538,406,193	46,609,000	307,262,561

The accompanying notes form an integral part of these financial statements.

## Statements of Changes in Shareholders' Equity

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR YEAR ENDED DECEMBER 31, 2017

	Notes	Separate financial statements							(Unit: Baht)
		Retained Earnings			Other components of shareholders'				
		Issued and Paid-up Share Capital	Premium on Share Capital	Appropriated Legal reserve	Unappropriated	Unrealized gain (loss)		Total other components of shareholders' equity	
						For employee benefit plans	Shareholders' equity		
Balance as at January 1, 2016		785,399,982	476,302,298	39,081,000	252,794,173	-	-	1,553,577,453	
Changes in shareholders' equity for year 2016:									
Dividend payment	20	-	-	-	(43,197,000)	-	-	(43,197,000)	
Appropriation for legal reserve		-	-	485,000	(485,000)	-	-	-	
Comprehensive income for the year		-	-	-	9,684,993	729,728	729,728	10,414,721	
Transferred to retained earnings		-	-	-	729,728	(729,728)	(729,728)	-	
Balance as at December 31, 2016		785,399,982	476,302,298	39,566,000	219,526,894	-	-	1,520,795,174	
Changes in shareholders' equity for year 2017:									
Increase shared-capital	18	157,079,996	62,103,895	-	-	-	-	219,183,891	
Dividend Ordinary Shares	20	32,723,626	-	-	(32,723,626)	-	-	-	
Dividend payment	20	-	-	-	(4,983,553)	-	-	(4,983,553)	
Appropriation for legal reserve		-	-	7,043,000	(7,043,000)	-	-	-	
Comprehensive income for the year		-	-	-	139,394,362	-	-	139,394,362	
Balance as at December 31, 2017		975,203,604	538,406,193	46,609,000	314,171,077	-	-	1,874,389,874	

The accompanying notes form an integral part of these financial statements.

## Statements of Cash Flows

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR YEAR ENDED DECEMBER 31, 2017

(Unit: Baht)				
Notes	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
<b>Cash flows from operating activities:</b>				
Profit (loss) before income tax expense	164,835,127	15,753,028	171,314,492	16,182,179
<b>Adjustment of gain (loss) before income tax on cash received (paid)</b>				
Adjusted finance costs	39,094,427	24,064,416	53,899,984	24,064,416
Adjusted interest receive	(527,704)	(75,540)	(15,182,336)	(75,540)
Adjusted trade receivables (increase) decrease	55,595,343	(71,138,670)	56,053,323	(71,138,670)
Adjusted inventory (increase) decrease	(291,494,167)	(985,788,905)	(280,218,624)	(620,121,926)
Adjusted other assets (increase) decrease	(70,400)	(404,745)	(59,700)	(314,746)
Adjusted trade payable increase (decrease)	213,326,163	281,727,123	219,616,818	281,675,088
Adjusted other liabilities increase (decrease)	(20,046,784)	31,988,712	(20,179,153)	31,652,549
Depreciation and amortization	14,529,660	5,560,306	14,520,949	5,560,306
Adjusted loss (gain) from fair value adjustment	-	(229,084)	-	(229,084)
Adjusted provisions for employee benefit (reversal)	310,811	334,680	310,811	334,680
Profit (loss) for fixed asset disposals	-	(298)	-	(298)
<b>Net cash flows provided from (used in) operating</b>	<b>175,552,476</b>	<b>(698,208,977)</b>	<b>200,076,564</b>	<b>(332,411,046)</b>
Income tax return (pay out)	(27,336,770)	(17,848,071)	(27,336,770)	(17,848,071)
Cash received (paid) employee benefit	(880,424)	-	(880,424)	-
<b>Net cash provided from (used in) operating activities</b>	<b>147,335,282</b>	<b>(716,057,048)</b>	<b>171,859,370</b>	<b>(350,259,117)</b>
<b>Cash flows from investing activities:</b>				
Deposits at financial institution with commitment (increase) decrease	(94,657)	(88,367)	(94,657)	(88,367)
Cash paid for investment in subsidiary	-	-	(29,841,045)	(249,925)
Cash paid to purchase property, plant and equipment	(9,825,370)	(36,010,334)	(6,214,899)	(33,466,906)
Cash paid to purchase investment in property	(2,144,598)	(2,253,171)	(2,144,598)	(2,253,171)
Cash received from the sale of equity or debt securities of other entities	-	234,451,077	-	234,451,077
Cash paid to purchase of equity or debt securities of other entities	-	(233,300,000)	-	(233,300,000)
Cash paid to purchase intangible assets	(226,135)	(284,748)	(226,135)	(284,748)
Cash received from loan to subsidiary	-	-	180,000,000	-
Cash paid for loan from subsidiary	-	-	(21,350,825)	(338,050,189)
Cash received from sales property, plant and equipment	-	2,000	-	2,000
Interest received	482,423	96,948	482,423	96,948
<b>Net cash provided from (used in) investing activities</b>	<b>(11,808,337)</b>	<b>(37,386,595)</b>	<b>120,610,264</b>	<b>(373,143,281)</b>

The accompanying notes form an integral part of these financial statements.



## Statements of Cash Flows (Continued)

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
FOR YEAR ENDED DECEMBER 31, 2017

		(Unit: Baht)			
		Consolidated		Separate	
		financial statements		financial statements	
Notes		2017	2016	2017	2016
<b>Cash flows from financing activities:</b>					
		(614,614,825)	(518,311,754)	(614,614,825)	(518,311,754)
	Cash received (paid) bank overdrafts and short term loan institutions				
	Cash received loan from subsidiary	-	-	29,000,000	-
	Cash received loan from related parties	-	10,000,000	-	10,000,000
	Cash paid for loan from related parties	(10,000,000)	-	(10,000,000)	-
	Cash received from debentures	862,300,000	-	862,300,000	-
	Cash paid for detentures	(540,000,000)	-	(540,000,000)	-
	Cash receive from financial institutions	1,232,072,430	1,938,684,070	1,052,072,429	1,938,684,070
	Cash paid to pay the loan	(1,018,079,017)	(730,158,961)	(1,018,079,017)	(730,158,961)
	Cash received from capital shares	219,183,891	200,000,000	219,183,891	200,000,000
	Interest expense	(195,101,442)	(103,108,016)	(202,345,890)	(133,409,261)
	Dividend expense	(4,983,553)	(43,197,000)	(4,983,553)	(43,197,000)
	<b>Net cash provided from (used in) financing activities</b>	<b>(69,222,516)</b>	<b>753,908,339</b>	<b>(227,466,965)</b>	<b>723,607,094</b>
<b>NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>					
		66,304,429	464,696	65,002,669	204,696
	<b>CASH AND CASH EQUIVALENTS AT BEGINING OF YEAR</b>	<b>18,564,814</b>	<b>18,100,118</b>	<b>18,304,814</b>	<b>18,100,118</b>
	<b>CASH AND CASH EQUIVALENTS AT END OF YEAR</b>	<b>84,869,243</b>	<b>18,564,814</b>	<b>83,307,483</b>	<b>18,304,814</b>
<b>Supplementary disclosures of cash flows information :</b>					
	1 Recorded the interest expense as inventories cost.	173,127,990	111,736,059	153,287,500	1,348,233
	2 Dividend payment	32,723,626	-	32,723,626	-
	3 Transferred investment property to inventories	283,662,912	-	283,662,912	-

The accompanying notes form an integral part of these financial statements.

# Note to Financial Statements

RICHY PLACE 2002 PUBLIC COMPANY LIMITED AND ITS SUBSIDIARIES  
 DECEMBER 31, 2017

## 1. GENERAL INFORMATION

The Company was incorporated as a limited company under The Civil and Commercial Code of Thailand on 18 November 2002 in the name of Richy Place 2002 Company Limited. The Company changed its status to a public company and registered the change of its name to "Richy Place 2002 Public Company Limited" on 27 September 2013. The Company is engaged in the development and sale of property and condominiums. The Company's registered office is located at 7th Floor, 667/15 Ataboon Building., Charansanitwong Rd., Bangkoknoi, Bangkok. The Company is 53.62% owned by members of Ataboonwongs family.

## 2. BASIS OF PREPARATION OF THE FINANCIAL STATEMENT

### 2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards ("TFRS") including related interpretations and guidelines promulgated by the Federation of Accounting Professions (FAP); applicable rules and regulations of the Thai Securities and Exchange Commission.

The financial statements issued for Thai reporting purposes are prepared in the Thai language. This English translation of the financial statements has been prepared for the convenience of readers not conversant with the Thai language.

### 2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis (except where otherwise disclosed in the accounting policies).

### 2.3 Presentation currency

The financial statements are prepared and presented in Thai Baht. All financial information presented in Thai Baht has been rounded to the nearest thousand or million unless otherwise stated.

### 2.4 Significant accounting judgment and estimates

The preparation of financial statements in conformity with TFRS requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.



#### Deferred tax asset

The company and subsidiaries recognize deferred tax asset when it is probable that future taxable profits will be available against which the temporary differences can be utilized. On which deferred tax assets have not been recognized as the Company's management considers that there is uncertainty whether the Company will have sufficient future taxable income to utilize such items and/or they might not be used to offset taxable income in the future.

#### Post - employment benefits obligations

The Company's obligations in respect of post-employment benefits are performed by an independent actuary using the projected unit credit method. The important actuarial assumptions are discount rate, long-term salary increase rate, mortality rates, and turnover rates.

#### Provision and contingent liabilities

The company and subsidiaries has contingent liabilities from legal lawsuit. The management considers that the company and subsidiaries do not have material liabilities thus there is no provision has been recorded in the financial statements.

### 3. PRINCIPLES OF CONSOLIDATION PREPARATION

The financial statement has been prepared on a historical cost basis, except as otherwise disclosed specifically.

3.1 The consolidated financial statements include the financial statements of Richy Place 2002 Public Company Limited and its subsidiary as follows:

Name of Company	Type of business	(Unit : Baht)		Percentage of	
		Registered capital		direct and indirect	
		December	December	December	December
		31, 2017	31, 2016	31, 2017	31, 2016
Richy Development 2016 Co.,Ltd.	Property development for sale	30,100,000	250,000	99.97	99.97

3.2 The consolidated financial statements include only subsidiary which are controlled by Richy Place 2002 Public Company Limited. Significant inter-transactions and balances have been eliminated.



#### 4. SIGNIFICANT ACCOUNTING POLICIES

##### 4.1 Revised accounting standards and financial reporting standards

Revised accounting standards and revised financial reporting standards are effective on 1 January 2017 which are relevant and have significant impact to the Company as follows:

- TAS 1 (revised 2016) Presentation of financial statements
  - Materiality  
An entity should not aggregate or disaggregate information in a manner that obscures useful information. Where items are material, sufficient information must be provided to explain the impact on the financial position or performance.
  - Disaggregation and subtotals  
Line items specified in may need to be disaggregated where this is relevant to an understanding of the entity's financial position or performance. There is also new guidance on the use of subtotals.
  - Notes  
Confirmation that the notes do not need to be presented in a particular order.
  - OCI arising from investments accounted for under the equity method  
The share of OCI arising from equity-accounted investments is grouped based on whether the items will or will not subsequently be reclassified to profit or loss. Each group should then be presented as a single line item in the statement of other comprehensive income.
- TAS 34 (revised 2016) Interim financial reporting  
The amendments clarify that what is meant by the reference in the standard to 'information disclosed elsewhere in the interim financial report'; entities taking advantage of the relief must provide a cross-reference from the interim financial statements to the location of that information and make the information available to users on the same terms and at the same time as the interim financial statements.

The above revised accounting standards and revised financial reporting standards have no significant impact to the Company.

##### 4.2 Revised accounting standards are effective for annual periods beginning on or after 1 January 2018 which have significant changes and are relevant to the Company. The Company has not early adopted these revised standards as follows:

- TAS 7 (revised 2017) Statement of cash flows the amendments require additional disclosure of changes in liabilities arising from financing activities. This includes changes arising from cash and non-cash.



- TAS 12 (revised 2017) Income taxes the amendments clarify the accounting for deferred tax where an asset is measured at fair value and that fair value is below the asset's tax base. Specifically, the amendments confirm that:
  - A temporary difference exists whenever the carrying amount of an asset is less than its tax base at the end of the reporting period.
  - An entity can assume that it will recover an amount higher than the carrying amount of an asset to estimate its future taxable profits.
  - Where the tax law restricts the source of taxable profits against which particular types of deferred tax assets can be recovered, the recoverability of the deferred tax assets can only be assessed in combination with other deferred tax assets of the same type.
  - Tax deductions resulting from the reversal of deferred tax assets are excluded from the estimated future taxable profits.

Management has assessed and considered that the above revised standards will not have a material impact on the Company.

#### 4.3 Basis of Consolidation

The consolidated financial statements relate to the Company and its subsidiaries.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Company. Control exists when the Company has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. If subsidiaries of the Company uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to their financial statements in preparing the consolidated financial statements.

Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

##### *Transactions eliminated on consolidation*

Intra-group balances and transactions, and any revenue and expense, are eliminated in full in preparing the consolidated financial statements.

#### 4.4 Revenues and Expense recognition

Revenues from sales of land and houses and condominium units are recognized when the construction is completed and the ownership is respectively transferred to the buyers.

Other income and expenses are recognized on an accrual basis.



#### 4.5 Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, cash at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

#### 4.6 Current investments

Investments in trading securities are stated at fair value. Changes in fair value of these securities are recorded as gains or losses in the statements of comprehensive income.

#### 4.7 Costs of property development

Costs of property development are presented at costs or net realizable value whichever is lower. Costs of property development included land cost, construction costs and expenses directly related to the development projects, including interest expense incurred from financing loan interest. These will be amortized to costs of sales based on the percentage of space sold of each project.

#### 4.8 Borrowing costs

Interest expense incurred from loans to finance the acquisition and the development of the project is capitalized as cost of each project. The Company will cease the capitalization of interest when the project is completed or suspended until the further development is resumed.

#### 4.9 Land held for development

Land held for development consists of the cost of land and other related expenses for the acquisition of land based on the actual cost incurred. The value is presented at cost less allowance for impairment (if any).

#### 4.10 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).

#### 4.11 Related parties

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 Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and directing the Company's operations.





#### 4.12 Property, plant and equipment

Equipment is stated at costs less accumulated depreciation and allowance for impairment of assets (if any). Cost is measured by the cash or cash equivalent price of obtaining the asset to bring it to the location and condition necessary for its intended use.

The Company depreciates equipment by the straight - line method over their estimated useful lives of the assets based on the segregation of components of assets, if each part is significant with different useful lives. Estimate useful lives of the assets are as follows :

Building improvement	5	years
Office equipment	5	years
Computer equipment	3	years
Sale Office	2.5 - 3	years
Vehicle	5	years

Expenditures for addition, renewal and betterment are capitalized. Repair and maintenance costs are recognized as expenses when incur.

#### 4.13 Intangible assets

Intangible assets (Software) are stated at cost less accumulated amortization. Amortization of intangible assets is calculated by reference to their costs on a straight-line basis over the estimated useful lives of 3 years.

#### 4.14 Impairment

The Company reviewed the estimated value of assets at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the asset's recoverable amount is estimated. Impairment loss is determined, if the book value of an asset exceeds its recoverable amount, and recognized in the statement of income.

#### 4.15 Operating Lease

Lease of asset which all risks and rewards of ownership are effectively retained by the lessor are classified as operating lease. Lease payment under an operating lease is recognized as an expense on a systematic basis over the lease period.

#### 4.16 Employee benefits

##### *Short-term employment benefits*

Salaries, wages, bonuses, contribution to the social security and provident fund, are recognised as expenses when incurred on the accrual basis.



#### *Post-employment benefits (Defined benefit plan)*

The Company and its subsidiary have obligations in respect of the severance payment it must make to employee upon retirement under the labour law. The obligations under the defined benefits plan are determined by actuary, using the projected unit credit method.

Actuarial gains or losses for the computation of post-employee benefits are presented in other comprehensive income.

#### 4.17 Income tax

The income tax expense for the year comprises current and deferred income taxes. Current and deferred income taxes are recognized in profit or loss, except to the extent that it relates to items recognized directly in equity or other comprehensive income.

##### *Current income tax*

Current income tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantially enacted at the end of the reporting period, and any adjustment to tax payable in respect of earlier years.

##### *Deferred income tax*

Deferred income tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities and the amounts corresponding items used for income tax computation purpose. Deferred income tax is measured at the tax rate that are expected to be applied to the temporary differences when they reverse, using tax rate enacted or substantively enacted at the end of the reporting period.

Deferred income tax assets are recognized to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilized. Deferred tax assets are reviewed at the end of each reporting period and reduced to the extent that the related tax benefit will be realized.

#### 4.18 Segment reporting

Segment results that are reported to the executive committee (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

#### 4.19 Dividend payment

Dividend payment is recorded in the financial statements in the year in which they are approved by the Shareholders or Board of Directors.

#### 4.20 Basic earnings per share

Basic earnings per share are determined by dividing the income for the year by the weighted average number of ordinary shares outstanding during the year.



#### 4.21 Use of accounting estimates

The preparation of the financial statements requires management to make estimates and assumption that affect the reporting amounts of revenues, expenses, assets, liabilities and disclosure of contingent assets and liabilities. The actual result may differ from those estimates.

#### 4.22 Provisions for liabilities and expenses and contingent assets

Provisions are recognized in the financial statements when the Company and its subsidiaries have a present legal or constructive obligation as a result of past events with probable outflow of resources to settle the obligation and where a reliable estimate of the amount can be made. The contingent assets will be recognized as separate assets only when the realization is virtually certain.

- Critical accounting estimates, assumption judgments and risk management of capital.

*Critical accounting estimates, assumption and judgments*

*Allowance for declining values of houses and condominium units and land held for development.*

The Company and its subsidiaries treat cost of property development projects and land held for development as diminution when the management judges that there have been significant or prolonged declines in the fair value below cost. The management determines the devaluation of such cost of property development projects and land held for development based on net realizable value. The determination of what is "significant" and such devaluation requires the management to exercise judgment.

*Equipment and intangible assets*

In determining depreciation and amortisation of equipment and intangible assets, the management is required to make estimates of the useful lives and salvage values of its equipment and intangible assets and to review estimated useful lives and salvage values when there is an indication of change.

*Impairment of assets*

The Company and its subsidiaries consider allowances for impairment of assets when there is an indication that an asset may be impaired. When there has been a significant decline in the fair values of assets, the management will determine the estimated recoverable amount.





### *Leases*

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

### *Post-employment benefits under defined benefit plans*

The obligation under defined benefit plan is determined based on actuarial valuations. Inherent within these calculations are assumptions as to discount rates, future salary increases, mortality rates and other demographic factors. In determining the appropriate discount rate, management selects an interest rate that reflects the current economic situation. The mortality rate is based on publicly available mortality table for the country. Actual post-retirement costs may ultimately differ from these estimates.

### *Fair value estimation*

The Group estimates fair value for available for sale investments, investment property and long-term borrowings from financial institutions. The different levels of fair value estimation have been defined as follows:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The Group disclose the method for assessment the fair value of above detail in the relate note.

### *Contribution to Housing Estate Juristic Persons Fund*

The Company and its subsidiaries have estimates the contribution to Housing Estate Juristic Persons Fund using the rate specified by the regulator and the budgeted public utilities costs as a basis for the calculation.

### *Litigation*

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has exercised judgment to assess the results of the litigation and recorded certain provision as at the end of reporting period. However, actual results could differ from the estimates.

### *Deferred tax assets*

Deferred tax assets are recognized based on an assessment of the probability of future taxable income against which the deductible temporary differences can be utilized. In addition, management's judgment is required in assessing the impact of any legal or economic limits or uncertainties in various tax jurisdictions.



#### 4.23 Capital risk management

The Company's objectives in the management of capital is to safeguard its ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders, and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the Company may issue new shares or sell assets to reduce debts.

#### 5. CASH AND CASH EQUIVALENTS

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Cash	733,277	601,827	732,642	601,752
Cash at banks				
- Saving account	-	-	-	-
- Current account	73,381,482	17,434,218	71,820,357	17,174,293
Cheque on hand	10,754,484	528,769	10,754,484	528,769
Total	84,869,243	18,564,814	83,307,483	18,304,814

Deposit at bank - saving bears interest at floating interest rates which are set by banks.

## 6. TRADE AND OTHER CURRENT RECEIVABLES

(Unit : Baht)

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<u>Other current receivables</u>				
Deposit to be recalled	145,000,000	145,000,000	145,000,000	145,000,000
Advance payment for construction	25,832,249	125,528,594	25,814,911	125,472,349
Advance payment for materials	6,790,845	5,435,932	6,790,845	4,901,423
Deposits for land	40,000,000	35,644,000	40,000,000	35,644,000
Prepaid expenses	44,830,172	8,298,391	44,413,340	8,298,391
Advance	4,680,558	2,346,450	4,068,052	2,346,450
Revenue Department Debtors	4,081,000	3,879,454	4,078,941	3,879,454
Other current receivables	3,152,044	3,784,108	3,152,044	3,784,108
Total other current receivables	274,366,868	329,916,929	273,318,133	329,326,175

### Deposit to be recalled

Deposit to be recalled amount 145 million baht, paid to purchase the project for development amount 145 million baht.

As the Board of Directors meeting held on July 28, 2015 the Board of Directors approved the purchase "WORA" condominium at Sukhumvit Road 49 from Worulak Property Public Company Limited worth 945 million baht, the price is reasonable. According to an appraisal by Agency for Real Estate Affairs Co., Ltd. independent appraiser approved by the SEC, which has assessed the property is worth. 1,131 million baht or 83.55 percent of the appraised value. And the acquisition of such projects is beneficial to the company. Able to enhance the operations of the Company in the future. The company paid at the amount of 145 million baht on July 29, 2015 for the first time and amount of 650 million baht on the date of transfer (within September 28, 2015) and the last time is 150 million baht on the date of transfer of ownership by the Aval dated January 29, 2016. The Company did not transfer ownership and common property from the seller which due on September 25, 2015, due to seller breach the agreement.

Subsequently, on March 31, 2016 the Company filed a lawsuit against the seller in relation to refund the purchasing deposit for claim of Baht 145 million plus interest at a rate of 7.5% per annum since October 6, 2015, and a plaintiff for damages from deposit payment of Baht 145 million and other damages of 8.87 million. In addition the Company submitted the injunction to the court to order land department to suspense seller to re-sell WORA condominium of 109 rooms which is equivalent to the claims, or order the seller to submit letter of guarantee to the court, or other judgments by the court.



On May 25, 2016 the seller submitted petition to the court to reject the injunction seller did not breach the agreement, and buyer did not file the lawsuit against the seller to transfer the property, and due to buyer filed the lawsuit to claim an indemnity regardless of the ownership of the property.

On May 30, 2016 the seller submitted the deposition and made a counter charge to the Civil court that seller did not breach the agreement however buyer breach the agreement therefore seller has right to terminate the purchasing agreement and seize the purchasing deposit, and there is no claim liability to buyer. In addition seller made a counter charge to the Civil court to claim damage from buyer, totaling of Baht 144.2 million plus interest at a rate of 7.5% per annum from the filing date until buyer paid the claim.

On October 17, 2016 the court investigated the injunction and found that the seller sold the land and construction, then the company withdrawn the lawsuit. However the Court fixes the day for settlement of issues on March 29 and 31, 2017, April 4 and 7, 2017, May 3 and 29, 2017, July 12 and 25, 2017, October 16, 2017, November 20, 2017, December 15, 2017, February 2, 2018, the plaintiff and the defendant witnessed the testimony. The appointment is scheduled to be held again on March 27, 2018.

However, the management and their legal counselor believe that the Company will be refunded full amount purchasing deposit and claims, and no damages payment to the seller's counter charge therefore the company did not record and provision for deposit loss.

#### Deposits for land

As at December 31, 2017 deposits for land amounting to Baht 40 Million, it is paid to buy the land for the projects development, the value of contract is amount of Baht 277.20 million.

#### 7. INVENTORIES (COST OF PROPERTY DEVELOPMENT FOR SALE)

(Unit : Baht)

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Work in process	3,827,824,361	3,563,895,341	3,482,531,317	3,229,877,839
Cost of interest	313,844,166	208,670,972	292,655,443	207,322,739
Inventories	1,472,289,471	1,093,106,616	1,472,289,471	1,093,106,616
	<u>5,613,957,998</u>	<u>4,865,672,929</u>	<u>5,247,476,231</u>	<u>4,530,307,194</u>

Changes in costs of property development for the year ended 31 December 2017 and 2016 are as follows:

	(Unit : Baht)			
	Consolidated		Separate	
	2017	2016	2017	2016
Balance as at 1 January	4,865,672,929	4,083,460,353	4,530,307,194	4,083,460,353
Add Costs of construction	1,592,753,641	1,420,826,196	1,561,637,609	1,085,460,461
Less Costs of sales	(844,468,572)	(354,950,708)	(844,468,572)	(354,950,708)
Classify to unused asset of operation	-	(283,662,912)	-	(283,662,912)
Balance as at 31 December	5,613,957,998	4,865,672,929	5,247,476,231	4,530,307,194

Company and its subsidiaries have brought the land with property to mortgage for overdraft (Note14) Long-term loans from bank (Note15) and bank guarantee (Note28).

As at 2017, company and its subsidiaries have recorded cost of loans to 173.13 million baht (Separate financial statement of 2017: 153.29 million baht) to be a cost of the real estate development.

The projects of the Company are as follow:

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Number of projects on hand at beginning of year	11	9	10	9
Number of the new projects	2	2	2	1
Number of the end projects	(1)	-	(1)	-
Number of projects on hand at ending of year	12	11	11	10
Amount of sale contracts (Million Baht)	8,225.79	7,947.88	8,101.34	7,947.88
Percentage of amounts of sale contracts per projects on hand	49.70	47.31	54.18	50.88

# 8. INVESTMENT IN SUBSIDIARIES

(Unit : Baht)

		Percentage of Holdings (%)		Separate At Cost		Dividend	
		December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Type of business							
Richy Development 2016 Co., Ltd.	Real estate development for sale	99.97	99.97	30,090,970	249,925	-	-
Total investment in subsidiaries				30,090,970	249,925	-	-

The Board of Directors meeting No. 5, 2016 held on December 13, 2016, has approved the Company and subsidiary by share capital of Baht 1 million with the objective of property development the Company had already paid for the first paid-up shares in the amount of Baht 0.25 million on December 15, 2016, the date of incorporation.

The board of directors meeting resolution of Richy Place 2002 Public Company Limited No. 2,2017 held on May 12, 2017, has approved the subsidiary to increase share capital by Baht 30,000,000, 100 Baht per share from the existing registered share capital of Baht 1,000,000 include as registered share capital of Baht 31,000,000.



## 9. INVESTMENT IN PROPERTY

(Unit : Baht)

	Consolidated /Separate					
		Club house				
	Unused asset of operation	Land	Building	Equipment	Total Club house	Total
<u>Asset – At Cost</u>						
Balance as at January 1, 2017	283,662,912	4,295,650	2,370,015	-	6,665,665	290,328,577
Additions	-	-	-	-	-	-
Transfer in	-	-	1,968,598	176,000	2,144,598	2,144,598
Transfer out	(283,662,912)	-	-	-	-	(283,662,912)
As at December 31, 2017	-	4,295,650	4,338,613	176,000	8,810,263	8,810,263
<u>Accumulated depreciation</u>						
Balance as at January 1, 2017	-	-	-	-	-	-
Depreciation for the year	-	-	(36,254)	(5,883)	(42,137)	(42,137)
As at December 31, 2017	-	-	(36,254)	(5,883)	(42,137)	(42,137)
<u>Net book value:-</u>						
2017	-	4,295,650	4,302,359	170,117	8,768,126	8,768,126
2016	283,662,912	4,295,650	2,370,015	-	6,665,665	290,328,577
<u>Depreciations included in the statement of comprehensive income for the years:-</u>						
As at December 31, 2016						-
As at December 31, 2017						42,137

### Real estate in process

It is a land of club for a project which on the process of construction, to get the benefit from rental income in the future.

### Unused asset of operation

A land that company has not specifies the objective to use in the future.

As at 2017 the company has transfed the unused asset of operation amount of baht 283.66 million to inventories due to start to develop.

# 10. PROPERTY, PLANT AND EQUIPMENT

(Unit : Baht)

	Consolidated					
	Building improvement	Office equipment	Computer equipment	Sales office	Vehicle	Total
<b>At Cost</b>						
Balance as at January 1, 2016	3,099,170	8,846,817	1,697,163	5,254,547	5,000	18,902,697
Additions	-	5,680,916	373,683	29,955,733	-	36,010,332
Transfer in / (Transfer out)	-	-	-	-	(5,000)	(5,000)
As at December 31, 2016	3,099,170	14,527,733	2,070,846	35,210,280	-	54,908,029
Additions	555,739	1,930,814	225,564	7,113,253	-	9,825,370
Transfer in / (Transfer out)	-	-	-	-	-	-
Balance as at December 31, 2017	3,654,909	16,458,547	2,296,410	42,323,533	-	64,733,399
<b>Accumulated depreciation</b>						
Balance as January 1, 2016	1,158,438	4,625,871	1,068,372	2,574,731	3,049	9,430,461
Depreciation for the year	619,834	1,856,016	376,776	1,738,342	249	4,591,217
Transfer in / (Transfer out)	-	-	-	-	(3,298)	(3,298)
Balance as at December 31, 2016	1,778,272	6,481,887	1,445,148	4,313,073	-	14,018,380
Depreciation for the year	622,681	2,548,203	377,668	10,003,860	-	13,552,412
Transfer in / (Transfer out)	-	-	-	-	-	-
Balance as at December 31, 2017	2,400,953	9,030,090	1,822,816	14,316,933	-	27,570,792
<b>Net book value:-</b>						
As at December 31, 2016	1,320,898	8,045,846	625,698	30,897,207	-	40,889,649
As at December 31, 2017	1,253,956	7,428,457	473,594	28,006,600	-	37,162,607
<b>Depreciations included in the statement of comprehensive income for the years:-</b>						
As at December 31, 2016						4,591,217
As at December 31, 2017						13,522,412
<b>Fully depreciated assets:-</b>						
As at December 31, 2016						2,939,908
As at December 31, 2017						4,673,005

(Unit : Baht)

	Separate					
	Building improvement	Office equipment	Computer equipment	Sales office	Vehicle	Total
<u>At Cost</u>						
Balance as at January 1, 2016	3,099,170	8,846,817	1,697,163	5,254,547	5,000	18,902,697
Additions	-	5,680,916	373,683	27,412,307	-	33,466,906
Transfer in / (Transfer out)	-	-	-	-	(5,000)	(5,000)
Balance as at December 31, 2016	3,099,170	14,527,733	2,070,846	32,666,854	-	52,364,603
Additions	555,739	1,855,360	225,564	3,578,236	-	6,214,899
Transfer in / (Transfer out)	-	-	-	-	-	-
Balance as at December 31, 2017	3,654,909	16,383,093	2,296,410	36,245,090	-	58,579,502
<u>Accumulated depreciation</u>						
Balance as January 1, 2016	1,158,438	4,625,871	1,068,372	2,574,731	3,049	9,430,461
Depreciation for the year	619,835	1,856,015	376,776	1,738,342	249	4,591,217
Transfer in / (Transfer out)	-	-	-	-	(3,298)	(3,298)
Balance as at December 31, 2016	1,778,273	6,481,886	1,445,148	4,313,073	-	14,018,380
Depreciation for the year	622,682	2,539,491	377,668	10,003,860	-	13,543,701
Transfer in / (Transfer out)	-	-	-	-	-	-
Balance as at December 31, 2017	2,400,955	9,021,377	1,822,816	14,316,933	-	27,562,081
<u>Net book value:-</u>						
As at December 31, 2016	1,320,897	8,045,847	625,698	28,353,781	-	38,346,223
As at December 31, 2017	1,253,954	7,361,716	473,594	21,928,157	-	31,017,421
<u>Depreciations included in the statement of comprehensive income for the years:-</u>						
As at December 31, 2016						4,591,217
As at December 31, 2017						13,543,701
<u>Fully depreciated assets:-</u>						
As at December 31, 2016						2,939,908
As at December 31, 2017						4,673,005



# 11. OTHER INTANGIBLE ASSETS

	(Unit : Baht)
	Consolidated /Separate
	Computer software
<u>Cost :</u>	
Balance as of January 1, 2016	3,915,044
Increase / Transfer in	284,748
Sale / Transfer out	-
Balance as of December 31, 2016	4,199,792
Increase / Transfer in	226,135
Sale / Transfer out	-
Balance as of December 31, 2017	4,425,927
<u>Accumulated Amortization :</u>	
Balance as of January 1, 2016	1,811,555
Amortization for year	969,089
Sale / Transfer out	-
Balance as of December 31, 2016	2,780,644
Amortization for year	935,111
Sale / Transfer out	-
Balance as of December 31, 2017	3,715,755
<u>Book value:-</u>	
Balance as of December 31, 2016	1,419,148
Balance as of December 31, 2017	710,172
<u>Amortization expense included in the statements of comprehensive income for the years:-</u>	
Balance as of December 31, 2016	969,089
Balance as of December 31, 2017	935,111

## 12. DEFERRED EXPENSE

Deferred tax asset as at 31 December 2017 and 2016 are as follows:

	(Unit : Baht)	
	Consolidated / Separate	
	December 31, 2017	December 31, 2016
Deferred income tax asset	36,596,671	17,576,936

The movements in deferred tax asset as at 31 December 2016 are as follows:

	(Unit : Baht)			
	Consolidated/ Separate			
	Recognised as income (expense)			
	January 1, 2016	Statement of income	Shareholders' equity	December 31, 2016
<b>Deferred income tax asset:</b>				
Aadvances received from customers	8,436,544	8,433,660	-	16,870,204
From employee benefits obligation	1,422,674	(715,942)	-	706,732
<b>Total</b>	<b>9,859,218</b>	<b>7,717,718</b>	<b>-</b>	<b>17,576,936</b>

The movements in deferred tax asset as at 31 December 2017 are as follows:

	(Unit : Baht)			
	Consolidated/ Separate			
	Recognised as income (expense)			
	January 1, 2017	Statement of income	Shareholder' equity	December 31, 2017
<b>Deferred income tax asset:</b>				
Aadvances received from customers	16,870,204	19,133,658	-	36,003,862
From employee benefits obligation	706,732	(113,923)	-	592,809
<b>Total</b>	<b>17,576,936</b>	<b>19,019,735</b>	<b>-</b>	<b>36,596,671</b>

Income tax recognized in the statement of income for the year ended 31 December 2017 and 2016 are as follows:

(Unit : Baht)

	Consolidated		Separate	
	For the years ended December 31,		For the years ended December 31,	
	2017	2016	2017	2016
Current income tax	50,939,865	14,214,904	50,939,865	14,214,904
Deferred tax from temporary differences	(19,019,735)	(7,717,718)	(19,019,735)	(7,717,718)
Total	31,920,130	6,497,186	31,920,130	6,497,186

Reconciliation of effective tax rate

(Unit : Baht)

	Consolidated		Separate	
	2017	2016	2017	2016
Profit (loss) before tax	164,835,126	15,753,030	171,314,491	16,182,180
Tax rate	20%	20%	20%	20%
Current income tax expense as tax rate	32,967,025	3,150,606	34,262,898	3,236,436
Non – deductible expenses / Income item	16,676,967	10,978,468	16,676,967	10,978,468
Non – deductible income / Deductible expenses	(17,723,862)	(7,631,888)	(19,019,735)	(7,717,718)
Income tax expense	31,920,130	6,497,186	31,920,130	6,497,186
The average effective tax rate	19%	41%	19%	40%

OTHER NON – CURRENT ASSETS

(Unit : Baht)

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Deposits at financial institutions with commitment	5,269,649	5,174,992	5,269,649	5,174,992
Others	839,035	768,636	738,335	678,636
	6,108,684	5,943,628	6,007,984	5,853,628

Deposits at financial institutions with commitment

Fixed deposit account with commercial bank has limitation about usability because it has burden of overdraft guarantee.



#### 14. BANK OVERDRAFT AND SHORT-TERM BORROWING FROM FINANCIAL INSTITUTIONS

(Unit : Baht)

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Bank Overdraft	6,788,786	1,403,611	6,788,786	1,403,611
Bill of Exchange	-	620,000,000	-	620,000,000
Total	6,788,786	621,403,611	6,788,786	621,403,611

#### BANK OVERDRAFT

The consolidated and separate financial statement as at December 31, 2017 and December 31, 2016 the Company has bank overdraft facility with a bank for Baht 22 million and Baht 12 million. These bear interest at the rate MOR respectively, and are collateralized by constructions and by fixed deposit.

#### 15. LONG – TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

As at December 31, 2017 and December 31, 2016, the Company has borrowings from financial institutions as follow:

(Unit : Baht)

	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Bonds	1,455,145,338	1,140,000,000	1,455,145,338	1,140,000,000
Loans from financial institutions	1,932,483,814	1,719,932,727	1,753,926,139	1,719,932,727
	3,387,629,152	2,859,932,727	3,209,071,477	2,859,932,727
<b>Current portion of long-term liabilities</b>				
Bonds	(500,000,000)	(540,000,000)	(500,000,000)	(540,000,000)
Loans from financial institutions	(1,932,483,814)	(1,719,932,727)	(1,753,926,139)	(1,719,932,727)
	(2,432,483,814)	(2,259,932,727)	(2,253,926,139)	(2,259,932,727)
	955,145,338	600,000,000	955,145,338	600,000,000

## BONDS

Resolved to propose to the Extra - Ordinary Shareholders' Meeting of 2016 On April 25, 2016 to consider the issuance and offer of debentures with an aggregate principal amount, at any time, not is exceeding Bath of 3,000 million. By assign authority to Chief Executive to determine or change condition and details that involve with issue and offer for selling for each/for each time and assign authority to process the necessary things that involve to issue and sell these bonds to complete by the law.

As at December 31, 2017 the Company with having registered and bond holders' representative debentures as follow:

(Unit : Baht)

Consolidated /Separate							
Debtenture No.	Issuance Date	Maturity Date	No. of units	Par Value (Baht)/Unit	Interest rate per annum (% p.a.)	Term of interest payment	Outstanding balance as at December 31, 2017
3	27 Nov 15	26 Nov 20	100,000	1,000	5.50	August and November	100,000,000
4	21 Dec 15	21 Dec 18	300,000	1,000	5.60	September and December	300,000,000
5	29 Sep 16	1 Oct 18	200,000	1,000	5.10	March , June , September and December	200,000,000
6	1 Mar 17	1 Mar 20	334,500	1,000	5.60	September and December	334,500,000
7	9 Aug 17	9 Aug 19	527,800	1,000	6.25	February , May , August and	527,800,000
Less deferred expenses fee							(7,154,662)
							1,455,145,338
Less Current portion of long term debentures							(500,000,000)
Total							955,145,338

Movements in the bond from institutions for the year ended December 31, 2017 and 2016 are as follows:

	(Unit : Baht)
Beginning balance as at January 1, 2017	1,140,000,000
<u>Add</u> Additional borrowings	862,300,000
<u>Less</u> Repayments	(540,000,000)
Ending Balance as at December 31, 2017	1,462,300,000
Financial fee waiting for amortize	(7,154,662)
	<u>1,455,145,338</u>

#### Borrowings from financial institutions

As at December 31, 2017 and December 31, 2016, the Company has loans from financial institutions as follow:

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
Loans from financial institutions	1,933,926,139	1,719,932,727	1,753,926,139	1,719,932,727
Financial fee waiting for amortization	(1,442,325)	-	-	-
	<u>1,932,483,814</u>	<u>1,719,932,727</u>	<u>1,753,926,139</u>	<u>1,719,932,727</u>

Movements in the loans from institutions for the year ended December 31, 2017 and 2016 are as follows:

	(Unit : Baht)	
	Consolidated	Separate
Beginning balance as at January 1, 2017	1,719,932,727	1,719,932,727
<u>Add</u> Additional borrowings	1,232,072,430	1,052,072,429
<u>Less</u> Repayments	(1,018,079,018)	(1,018,079,017)
	<u>1,933,926,139</u>	<u>1,753,926,139</u>
Financial fee waiting for amortize	(1,442,325)	-
Ending Balance as at December 31, 2017	<u>1,932,483,814</u>	<u>1,753,926,139</u>




### Separate financial statements

As at December 31, 2017 and December 31, 2016, the Company had unused credit facilities for loans from financial institutions as follows:

Credit facilities	Interest rate	Repayment	(Unit : Million Baht)	
			Dec 31, 2017	Dec 31, 2016
* Baht 376.06 million (For Construction and Land)	MLR+ 0.75% P.A.	The principal is repayable within 72 months from the date of signing the agreement (11 April 2012)	375	135
* Baht 261.50 million (For Equipment instalment)	MLR % P.A.	The principal is repayable within 31 months from the date of signing the agreement (21 May 2013)	248	160
* Baht 691.01 million	MLR + 0.75% P.A.	The principal is repayable within 72 months from the date of signing the agreement (15 November 2013)	561	137
* Baht 858.86 million	MLR - 1.00% P.A.	The principal is repayable within 48 months from the date of signing the agreement (29 December 2014)	231	647
* Baht 1,450.00 million	MLR - 1.50% P.A.	The principal is repayable within 48 months from the date of signing the agreement (19 December 2016)	1,414	883

All the Company's land for each project has been mortgaged as collaterals for loans with the guarantee of the Company's director.

As the loan repayment schedule will be paid as proportionate to real estate sales. The Company therefore presented the loans from financial institutions as Current Liabilities.

Under the term of the loan agreement, the Company shall maintain Debt to equity ratio is not over than 3.5:1, which is computed on annual financial statements for the year ended 31 December (D/E means Net interest bearing debt/Shareholders' equity) and shall pay prepayment fee at 2% of the outstanding loan etc.

### Subsidiary

As at December 31, 2017 and December 31, 2016, the subsidiary had unused credit facilities for loans from financial institutions as follows:

Credit facilities	Interest rate	Repayment	(Unit : Million Baht)	
			Dec 31, 2017	Dec 31, 2016
Baht 588.50 million (Construction contract + Land)	MLR - 1.50% P.A.	The principal is repayable within 4 years from the date of signing the agreement (March 16, 2017)	409	-

All the subsidiary's land for each project has been mortgaged as collaterals for loans and guaranteed by the parent company.

Under the loan agreement Subsidiaries must comply with certain financial conditions, such as:

- The subsidiary shall maintain Debt to equity ratio is not over than 2:1, which is computed on the financial statement for the year ended 31 December (D/E means Net interest bearing debt/Shareholders' equity)
- Shall pay prepayment fee at 3% of the outstanding loan etc.

Since the terms of the loan agreement are repayable on a percentage basis of the selling price of the transferred goods, the Company therefore represents the loans from such financial institutions as current liabilities in full amount.

#### 16. TRANSACTIONS WITH RELATED PARTIES

The Company and subsidiary has some significant accounting transactions with its related parties which basis for execution of the transactions might be different from the basis used for transactions with unrelated parties.

Related Parties	Type of Relationship
Richy Development 2016 Co., Ltd.	Subsidiary
Ms. Apa Ataboonwong	Managing director and shareholder
Lt.Gen. Mrs. Samang Thongpan	Chairman of Audit Committee
Ms. Sunee Satatinun	Director and shareholder
Mr. Somsak Ataboonwong	Director and shareholder
Mrs. Nongluk Wanathumpong	Director and Shareholder
Mr. Werapol Ataboonwong	Director and Shareholder
Assoc.Prof. Suthat Ratanakuakangwan	Director
Mrs. Supamart Pinsumang	Shareholder
Mrs. Worapha Molarrak	Shareholder
Mrs. Nion Munipirakul	Shareholder
Mrs. Kultamas Nitcharoj	Shareholder
Ms. Pornapat Aksornwanich	Shareholder
Ms. Jarinee Krongyungyuan	Shareholder
Mr. Pichai Ataboonwong	Shareholder
Ms. Somporn Mewerasom	Shareholder
Mrs. Pimwanree Preansathaporn	Relative audit committee
Dr. Thanyanon Ratanakuakangwan	Relative director
Ms. Sathinee Ataboonwong	Relative shareholder
Mrs. Saranthon Srisoontorn	Management
Ataboon Asset Co., Ltd.	A related company with joint director
Ataboon Co., Ltd.	A related company with joint director
KCS and Associate Co., Ltd.	A related company with joint director

16.1 Significant transactions with related parties for the year ended December 31, 2017 and 2016 are as follows :

		(Unit : Thousand Baht)			
Transactions with related parties	Pricing policy	Consolidated		Separate	
		2017	2016	2017	2016
<u>Ataboon Asset Co., Ltd.</u>					
Sales office rental expense	Market price	11,538	6,465	11,538	6,465
<u>Interest receive</u>					
Richy Development 2016 Co., Ltd.	MLR-5% per annum	-	-	14,655	1,348
<u>Head office rental expense</u>					
Ataboon Asset Co., Ltd.	Baht 75,834 per month	910	910	910	910
<u>Common charge</u>					
Ataboon Asset Co., Ltd.	Baht 60,857 per month	730	730	730	730
<u>Project Management expense</u>					
KCS and Associate Co., Ltd.	Mutually agreed	7,319	10,486	7,319	10,486
<u>Interest expense</u>					
Richy Development 2016 Co., Ltd.	5% per annum	-	-	934	-
<u>Executive compensation</u>					
Current employment benefits		8,597	7,757	8,597	7,757
Post - employment benefits		265	424	265	424
Total		8,862	8,181	8,862	8,181

On March 1, 2014, the Company entered into an office rental and service agreement with a related company for a period of 3 years from March 1, 2014 to February 28, 2017, and the Company has renewed the contract for another 3 years. From March 1, 2017 to February 29, 2020, the Company paid the monthly rental and service fee at the rate specified in the agreement.



16.2 Significant balances with related parties the year ended December 31, 2017 and December 31, 2016 are as follows:

	(Unit : Baht)			
	January 1, 2017	Increase	Decrease	December 31, 2017
<b>Short-term borrowings</b>				
Richy Development 2016 Co., Ltd.				
Principle	337,292,710	21,350,825	(180,000,000)	178,643,535
Accrued interest	1,348,233	14,654,632	-	16,002,865
	<u>338,640,943</u>	<u>36,005,457</u>	<u>(180,000,000)</u>	<u>194,646,400</u>

Company charged interest to its subsidiaries by the same rate with paying loans of capital because it is loans that company have borrowed for buying the land of subsidiaries.

In 2016, the Company has transferred a contractual right to buy and sell the land to its subsidiaries with a building and a cost of project, the company has not pay and recorded this transaction in account "Short-term loans" repayment condition, the subsidiary will repay to the Company when finished the project development and transferred the ownership to the client.

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>Trade and other current payables</b>				
Advances received from customers				
Ataboon Asset Co., Ltd.	404,000	741,000	404,000	741,000
Mrs. Pitchaya Tansod	3,074,232	4,290,653	3,074,232	4,290,653
	<u>3,478,232</u>	<u>5,031,653</u>	<u>3,478,232</u>	<u>5,031,653</u>

	(Unit : Baht)			
	Consolidated		Separate	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<b>Short-term borrowings</b>				
Short-term borrowings to related parties	-	10,000,000	-	10,000,000
Short-term borrowings and accrued interest expend to related parties	-	-	29,932,926	-
	<u>-</u>	<u>10,000,000</u>	<u>29,932,926</u>	<u>10,000,000</u>

The significant movement short-term borrowings for the year ended December 31, 2017 as follows:

	(Unit : Baht)		
	Consolidated / Separate		
	January 1,2017	Increase	December 31, 2017
<b>Short-term borrowings to related parties</b>			
Ataboon Asset Co., Ltd.	6,000,000	-	(6,000,000)
Ataboon Co., Ltd.	4,000,000	-	(4,000,000)
	10,000,000	-	(10,000,000)

Short-term borrowing from relate parties amount 2 issues for normal operations of the Company. The interest bears at the rate of 4.3% p.a. and has maturity date on February 10 , 2017. However, the Company has refunded all of the loans.

	(Unit : Baht)		
	Separate		
	January 1,2017	Increase	December 31, 2017
<b>Short-term borrowings and accrued interest expend to related parties</b>			
Richy Development 2016 Co., Ltd.			
Principle	-	29,000,000	-
Accrued interest	-	932,926	-
	-	29,932,926	-

The Company and subsidiaries mutually agree to charge interest rate MLR - 1.5 per annum on borrowings, due in payable on demand for use in normal operations.

## 17. NON-CURRENT PROVISIONS FOR EMPLOYEE BENEFIT

An independent actuary carried out an evaluation of the Company's obligations for employees' long-term benefits using the Projected unit credit method. The Company has provided the provision for employees' long-term benefits as follows:

The statement of financial position obligations was determined as follows:

	(Unit : Baht)
	Consolidated / Separate
	31 December 2017
Present value of employee benefit obligation unfunded	2,964,046

Movement in the present value of the defined benefit obligations:

	(Unit : Baht)
	Consolidated / Separate
	31 December 2017
Provision for employee benefits - beginning	3,533,659
Current service cost and interest cost	310,811
Liabilities fell from the payment of employee retirement.	(880,424)
<b>Provision for employee benefits - ending</b>	<b>2,964,046</b>

Actuarial loss recognized in other comprehensive income:

	(Unit : Baht)
	Consolidated / Separate
	31 December 2017
Current service cost	292,041
Interest cost	18,770
<b>Total</b>	<b>310,811</b>

Principal actuarial assumptions at the reporting:

	2017
Discount rate	4.62%
Average increasing salary rate	5.00%
Retirement age	55 years



## 18. SHARE CAPITAL

### 2017

The Annual General Meeting of Shareholders held on April 25, 2017 resolved as follows:

Approved of a decrease of capital from the existing registered capital of 985,400,000 Baht to the new registered capital of 785,399,982 Baht. The Company has registered its decrease of paid-up share capital with the Ministry of Commerce on May 11, 2016

### 2016

The Annual General Meeting of Shareholders held on April 25, 2017 resolved as follows:

1. Approved the increase of the Company's registered capital for another Baht 503,964,987, divided into 503,964,987 shares at the par value of Baht 1.00, from the existing registered capital of Baht 785,399,982 to Baht Company's registered capital of Baht 1,289,364,969, divided into 1,289,364,969, shares at the par value of Baht 1.00 and the amendment to the Company's Memorandum of Association so as to reflect the capital increase.

The Company has registered its increase of paid-up share capital with the Ministry of Commerce on May 25, 2017.

2. Approved the allotment of 503,964,987 shares at the par value of Baht 1.00, be made as follows
  - 2.1 Consider the allotment of capital increase ordinary shares not more than 157,079,996 shares at the par value of Baht 1.00 to existing shareholders proportionately to their shareholding ("Right Offering"), the details of the allotment are as follows:
    - 2.1.1 The subscription ratio is 5 existing shares to 1 new ordinary share, any fraction will be disregarded. The offering price is Baht 1.40 per share.
    - 2.1.2 Any unsubscribed shares from the subscription of the existing shareholders (Right Offering) by way of rights issue (Unsubscribed Shares) will during the subscription period will be re-allot to the shareholders, who wish to subscribe such Unsubscribed Shares in excess of their entitlement (Excess Rights), in proportion to their shareholding at the same offer price.
  - 2.2 Consider the allotment of capital increase ordinary shares not more than 157,079,996 shares at the par value of Baht 1.00 to reserve for the exercise of the Warrants No.1 (RICHY-W1) which are issued and offered to the existing shareholders who subscribe and are allotted the new shares by way of rights issue.
  - 2.3 Consider the allotment of capital increase ordinary shares not more than 157,079,996 shares at the par value of Baht 1.00 to reserve for the exercise of the Warrants No.2 (RICHY-W2) which are issued and offered to the existing shareholders who subscribe and are allotted the new shares by way of rights issue.
  - 2.4 Consider the allotment of capital increase ordinary shares not more than 32,724,999 shares at the par value of Baht 1.00 to reserve the stock dividend.



## 19. WARRANTS

1. The warrants to purchase the ordinary shares of the Company No.1 (RICHY-W1) details of warrant are as follows:

Type of Securities	: Warrants to purchase the ordinary shares of Richy Place 2002 Public Company Limited No. 1 to be allotted to existing ordinary shareholders of the Company who subscribe for the capital increase ordinary shares of the Company proportionately to their shareholding.
Type of Warrants	: In named and transferable certificates
Number of Warrants	: 157,079,996 units
Number of Capital Increase Ordinary Shares Reserved for the Exercise of Right under Warrants	: 157,079,996 Shares (at a par value of Baht 1.00) and after including the number of Reserve shares that the Company reserves for the exercise of rights under the convertible debentures and warrants offered for sale, represent 33.33 percent of the total issued shares of the Company after the capital increase with no remaining shares from the right offering.
Offering Method	: Allotting to the existing ordinary shareholders of the Company who subscribe for the capital increase ordinary shares of the Company proportionately to their shareholding at the ratio of 1 new ordinary shares per 1 unit of warrants (any fraction shall be discarded by the Board of directors or persons entrusted by the Board of Directors) and determining the date of which the recorded ordinary shareholders are entitled to be allotted the Warrant No. 1 on May 4, 2017, and the date on which the name list of shareholders is compiled under Section 225 of the Securities and Exchange Act B.C. 1992 (as amended) by closing the share register book to suspend share transfers to be on May 5, 2017.
Offering Price	: Bath 0.00 per unit (0 Baht)
Term of Warrants	: 2 years from the Issue Date of the Warrants.
Issue Date	: July 3, 2017
Maturity Date of Warrants	: July 2, 2019
Exercise Ratio	: 1 unit of warrants for 1 ordinary share, unless the exercise ratio is adjusted pursuant to the conditions of the rights adjustment.
Exercise Price	: The exercise price of the Warrants is at Baht 1.80 per share (at a par value Baht 1.00 per share), unless the exercise ratio is adjusted pursuant to the conditions of the rights adjustment.

Exercise Period and Period for  
the Notification of the Intention  
to Exercise the Right

: Warrant Holders shall be entitled to exercise their rights under Warrants on the last Business Day of every January and July of each year throughout the term of the Warrants. The first Exercise Date shall be July 31, 2017 and the Last Exercise Date shall be the date of the 2<sup>nd</sup> anniversary from the Issue Date, which is falling on July 2, 2019. (In the event that the Last Exercise Date is on the Company's holiday, the Last Exercise Date shall be rescheduled to the last Business Day before the Last Exercise Date).

The Warrant Holders shall declare the intention to exercise the rights within 5 Business Days prior to each Exercise Date. From 9.00 hrs. to 16.00 hrs., Except for the last exercise period, The Warrant Holders shall declare the intention to exercise the rights within 15 days prior to the last Exercise Date.

Registrar

: Thailand Securities Depository Company Limited

Secondary Market of the  
Warrants

: The Company shall apply for a listing of the Warrants on the Stock Exchange of Thailand (SET).

Secondary Market of the  
Ordinary shares from the  
Exercise of Rights

: The Company shall apply for a listing of the ordinary shares from the exercise of rights under the Warrants on the Stock Exchange of Thailand (SET).



2. The warrants to purchase the ordinary shares of the Company No.2 (RICHY-W2) details of warrant are as follows:

Type of Securities	: Warrants to purchase the ordinary shares of Richy Place 2002 Public Company Limited No. 2 to be allotted to existing ordinary shareholders of the Company who subscribe for the capital increase ordinary shares of the Company proportionately to their shareholding.
Type of Warrants	: In named and transferable certificates
Number of Warrants	: 157,079,996 units
Number of Capital Increase Ordinary Shares Reserved for the Exercise of Right under Warrants	: 157,079,996 Shares (at a par value of Baht 1.00) and after including the number of Reserve shares that the Company reserves for the exercise of rights under the convertible debentures and warrants offered for sale, represent 33.33 percent of the total issued shares of the Company after the capital increase with no remaining shares from the right offering.
Offering Method	: Allotting to the existing ordinary shareholders of the Company who subscribe for the capital increase ordinary shares of the Company proportionately to their shareholding at the ratio of 1 new ordinary shares per 1 unit of warrants (any fraction shall be discarded by the Board of Directors or persons entrusted by the Board of Directors) and determining the date of which the recorded ordinary shareholders are entitled to be allotted the Warrant No. 1 on May 4, 2017, and the date on which the name list of shareholders is compiled under Section 225 of the Securities and Exchange Act B.C. 1992 (as amended) by closing the share register book to suspend share transfers to be on May 5, 2017.
Offering Price	: Bath 0.00 per unit (0 Baht)
Term of Warrants	: 3 years from the Issue Date of the Warrants.
Issue Date	: July 3, 2017
Maturity Date of Warrants	: July 2, 2020
Exercise Ratio	: 1 unit of warrants for 1 ordinary share, unless the exercise ratio is adjusted Pursuant to the conditions of the rights adjustment.
Exercise Price	: The exercise price of the Warrants is at Baht 2.75 per share (at a par value Baht 1.00 per share), unless the exercise ratio is adjusted pursuant to the Conditions of the rights adjustment.



Exercise Period and Period for  
the Notification of the Intention  
to Exercise the Right

: Warrant Holders shall be entitled to exercise their rights under Warrants on the last Business Day of every January and July of each year throughout the term of the Warrants. The first Exercise Date shall be July 31, 2017 and the Last Exercise Date shall be the date of the 3<sup>rd</sup> anniversary from the Issue Date, which is falling on July 2, 2020. (In the event that the Last Exercise Date is on the Company's holiday, the Last Exercise Date shall be rescheduled to the last Business Day before the Last Exercise Date.) The Warrant Holders shall declare the intention to exercise the rights within 5 Business Days prior to each Exercise Date. From 9.00 hrs. to 16.00 hrs., Except for the last exercise period, The Warrant Holders shall declare the intention to exercise the rights within 15 days prior to the Last Exercise Date.

Registrar

: Thailand Securities Depository Company Limited.

Secondary Market of the  
Warrants

: The Company shall apply for a listing of the Warrants on the Stock Exchange of Thailand (SET).

Secondary Market of the  
Ordinary shares from the  
Exercise of Rights

: The Company shall apply for a listing of the ordinary shares from the exercise of rights under the Warrants on the Stock Exchange of Thailand (SET).



## 20. DIVIDEND

### 2016

At the Annual General Meeting of Shareholders of 2016 held on April 25, 2016. The shareholders has approved the Profit Allocation and Dividend payment from the 2015 operation by the legal reserve of 1,981,000 Baht and approved the dividend payment of 0.055 Baht per share amount 43,196,700 Baht dividend paid on May 25, 2016.

### 2017

At the meeting of shareholding on April 25, 2017 has approved the allocation of profits derived from operational results for the year 2016 for cash dividend and stock dividend payments approximately Baht 37,699,199 (or approx. 397.41 % of net profit), details as follows.

1. Cash dividend payment at the rate Baht 0.0063 per share (Totaling Baht 4,974,200).
2. Stock dividend will be paid ordinary shares at the ratio of 24 existing ordinary shares to 1 newly issued ordinary share (Ordinary shares : 785,399,982 shares). The par value of the newly issued ordinary share is Baht 1 per share, totaling Baht 32,724,999 shares or equivalent to Baht 0.0417 per share. In case that any shareholder holds the indivisible share remaining after such allocation, cash will be paid instead of the stock dividend at the rate of Baht 0.0417 per share. And the dividend payment date will be on May 25, 2017.

## 21. LEGAL RESERVE

Section 116 of the Public Companies Act B.C. 1992 requires that a company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the registered authorized capital. The legal reserve is not available for dividend distribution.

## 22. PROVIDENT FUND

The Company and its staff have established a contributory Provident Fund. This Provident Fund has already been registered under the Provident Fund Act, B.C. 1987. Under the Fund plan, staff has to contribute to the fund at the specific rate and will be entitled to receive the fund when staff is no longer member in accordance with regulation of the fund.



## 23. EXPENSES BY NATURE

(Unit : Baht)

	Consolidated		Separate	
	For the years ended		For the years ended	
	31 December		31 December	
	2017	2016	2017	2016
Construction costs	1,622,685,770	1,420,826,197	1,592,161,690	1,085,460,462
Changes in costs of property development	844,468,572	1,065,875,488	844,468,572	730,509,753
Salaries, wages and other employee benefits	59,486,370	41,159,726	58,717,879	40,793,041
Depreciation and amortization	13,965,462	7,847,728	13,956,750	7,847,728
Rental expense	4,071,992	2,794,040	2,101,625	2,794,040
Sale promotion expenses	84,517,383	71,058,012	81,859,365	71,058,012
Office expenses	4,361,173	3,376,848	3,285,940	3,329,378
Other taxes and duties	2,394,757	1,717,336	2,170,431	1,715,208
Specific business tax	46,001,293	17,934,337	46,001,293	17,934,337

## 24. FINANCIAL INSTRUMENT

### 24.1 Risk management

The Company and subsidiary do not issue derivative financial instruments for speculative or trading purpose.

### 24.2 Interest rates risk

Interest rate risk is the risk that interest rates may change in the future which will affect the results of the company and subsidiary's operations and their cash flows. The Company and subsidiary have assets and liabilities with interest rate risk as follows :

	Consolidated			
	Amount (Baht)		Interest Rate (%)	
	December 31, 2017	December 31, 2016	December 31, 2017	December 31, 2016
<u>Financials Liabilities</u>				
Bill of exchange	-	620,000,000	-	4.30 – 4.40
Loan form financial Institution	1,932,438,814	1,719,932,727	5.15 – 7.90	5.10 – 7.90
Bond	1,455,145,338	1,140,000,000	5.10 – 6.25	5.10 - 5.60
Total	3,387,584,152	3,479,932,727		

	Separate			
	Amount (Baht)		Interest Rate (%)	
	December 31,2017	December 31,2016	December 31,2017	December 31, 2016
<u>Financials Liabilities</u>				
Bill of exchange	-	620,000,000	-	4.30 – 4.40
Loan form financial Institution	1,753,926,139	1,719,932,727	5.275 – 7.90	5.10 – 7.90
Bond	1,455,145,338	1,140,000,000	5.10 – 6.25	5.10 – 5.60
Total	3,209,071,477	3,479,932,727		

#### 24.3 Non - compliance risk

Non-compliance risk is the risk that customers do not comply with condition in purchase and sale agreements that may cause damages to the Company. Management believes that the Company does not have significant risk in respect of non-compliance since the Company holds policy to hedge risk by arranging down payment at the rates of 10% of purchase and sale agreement and ownership is transferred to customers when payments are completed in accordance with such agreements.

#### 24.4 Exchange rate risk

The Company and subsidiary have no exposure to the foreign exchange risk because they have not had the business transactions which are foreign currency exchange.

#### 24.5 Fair value

The financial assets and liabilities are mainly classified as short term. Long-term loans from commercial banks bear interest at the market rates. The management believes that book values of such financial assets and liabilities are not significantly different from fair values.





## 25. SEGMENTAL REPORTING

The group of Company has carries on business in the single geographic area in Thailand. The business segment is property development for sale is as follow:

(Unit : Million Baht)

	Consolidated							
	for the years ended 31 December							
	High rise		Low rise		Others		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Sale	1,233.97	452.01	57.68	90.65	22.76	10.52	1,314.41	553.18
Cost of sale	813.30	285.87	37.35	63.88	20.35	9.29	871.00	359.04
Gross margin	420.67	166.14	20.33	26.77	2.41	1.23	443.41	194.14
Net profit							132.92	9.26

(Unit : Million Baht)

	Separate							
	for the years ended 31 December							
	High rise		Low rise		Others		Total	
	2017	2016	2017	2016	2017	2016	2017	2016
Sale	1,233.97	452.01	57.68	90.65	22.76	10.52	1,314.41	553.18
Cost of sale	813.30	285.87	37.35	63.88	20.35	9.29	871.00	359.04
Gross margin	420.67	166.14	20.33	26.77	2.41	1.23	443.41	194.14
Net profit							139.39	9.68



## 26. EARNINGS (LOSS) PER SHARE

### Basic earnings (loss) per share

The calculations of basic earnings (loss) per share for the years ended 31 December 2017 and 2016 are as follow were based on the profit (loss) for the period attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

For the years ended 31 December 2017 and 2016 are as follow:

	(Thousand Baht / Thousand Share)			
	Consolidated		Separate	
	2017	2016	2017	2016
Profit (loss) attributable to equity holders of the Company (Basic)	132,915	9,256	139,934	9,685
Number of common shares as at beginning	785,400	785,400	785,400	785,400
Effectuated of share issued during the year	189,804	-	189,804	-
Weighted average number of common shares	975,204	785,400	975,204	785,400
Basic earnings (loss) per share (Baht/Shares)	0.136	0.012	0.143	0.012

### Diluted earnings (loss) per share

The calculations of diluted earnings (loss) per share for the years ended 31 December 2017 and 2016 are as follow: were based on the profit (loss) for the period attributable to equity holders of the Company and the weighted average number of ordinary shares outstanding during the period after adjusting for the effects of all dilutive potential ordinary shares as follows:

For the years ended 31 December 2017 and 2016 are as follow:

	(Thousand Baht / Thousand Share)			
	Consolidated		Separate	
	2017	2016	2017	2016
Profit (loss) attributable to equity holders of the Company (Basic)	132,915	9,256	139,934	9,685
Number of common shares as at beginning	785,400	785,400	785,400	785,400
Effectuated of share issued during the year	189,804	-	189,804	-
Weighted average number of common shares	975,204	785,400	975,204	785,400
Diluted basic earnings (loss) per share (Baht/Shares)	0.136	0.012	0.143	0.012

The company has not calculated the diluted earnings per share for year-ended December 31, 2017 and 2016, due to the fair value of common share has the lower price than the price of right to purchase common shares .

## 27. COMMITMENTS

27.1 As at December 31, 2017 group of Company have commitments agreement as follow:

(Unit : Million Baht)

	Consolidated		
	Contract Amount	Payment	Outstanding
Construction agreement	1,146.00	(987.00)	159.00
Purchase and sale lands agreement	277.00	(40.00)	237.00

(Unit : Million Baht)

	Separate		
	Contract Amount	Payment	Outstanding
Construction agreement	1,141.00	(987.00)	154.00
Purchase and sale lands agreement	277.00	(40.00)	237.00

27.2 As at December 31, 2017 group of Company have commitments for payment of operating lease as follow:

(Unit : Thousand Baht)

	Consolidated	Separate
Within		
1 year	1,640.29	1,640.29
Over 1 year	1,913.67	1,913.67
Total	3,553.96	3,553.96

## 28. BANK GUARANTEE

As at Decemberr 31, 2017 and December 31, 2016, the Company group has commitment in respect of bank guarantee for public utilities project to a government institute in amount of Baht 41.28 million baht and 41.14 million baht, respectively for commitments under normal business.

## 29. LITIGATION

During 2007, the Company was sued to be the Co-defendant with three others to pay the damage totalling Baht 43.75 million. On April 29, 2011, the Court of First Instance ordered the Company to pay for damages amounting to Baht 1 million with interest rate at 7.5% per annum from November 29, 2008 up to the payment date. On September 6, 2012, the Appeal Court ordered the Company to place collateral for the amount that would pay according to the judgment of the Court of First Instance plus additional interest for next 2 years from order date which Deves Insurance Co., Ltd who pledged the guarantee. The Company believes that there is no any damage from such case since the Co-defendant No.1 provided the indemnity letter to the plaintiff instead on behalf of the Company on April 1, 2011.

On October 8, 2013, the Court of Appeal judged the Company and Co-defendant No.2 to pay Baht 2,000,000 to the plaintiff and the Co-defendant No.3 to jointly pay Baht 900,000. The petition of this case is in the process of filing with the Supreme Court. The Company believes that there is no any damage from such case because the Company can reimburse any damages from Co-defendant No. 2 in accordance with construction agreement.

## 30. CAPITAL MANAGEMENT

The primary objectives of the Company's and subsidiaries' capital management are to maintain their abilities to continue as a going concern and to maintain an appropriate capital structure.

As at December 31, 2017, debt to equity ratio in the consolidated financial statements is 2.25 : 1 (Separate financial statements: Debt-to-equity ratio is 2.15 : 1).

## 31. DEBENTURES

Resolved to propose to the Extra - Ordinary Shareholders' Meeting of 2016 on April 25, 2016 to consider the issuance and offer of debentures with an aggregate principal amount, at any time, not is exceeding Bath of 3,000 million. By assign authority to Chief Executive to determine or change condition and details that involve with issue and offer for selling for each/for each time and assign authority to process the necessary things that involve to issue and sell these bonds to complete by the law.

The Company has issued bond for selling with limit to the institution's investors or/and the major investors for seven times with amount 2,002,300,000 Baht (Two thousand two million and three hundred baht),so still have amount for issue the bonds to 997,700,000 Baht (Nine hundred eighty seven and seven hundred baht).

## 32. EVEN AFTER FINANCIAL STATEMENT

Whereas Richy Place 2002 Public Company Limited held the Board of Directors Meeting No. 1/2018 on 27 February 2018 and the Meeting has passed the following resolutions :

1. Approved the profit allocation and dividend payment from the 2017 operation, which will be described the following:

1.1 The Company has allocated profit as statutory reserve according to the related law. The Company also raised additional reserve of 7,043,000 Baht as the minimum requirement mandated by law.



1.2 To pay the dividend in cash and in stock of 2017 operation in the amount of 78,141,671.35 Baht or at the rate of 0.08013 Baht per share, which will be described the following.

1.2.1 Paid by cash at the rate of 0.0087 Baht per share in the amount not exceed 8,484,271.35 Baht.

1.2.2 Paid by stock dividend to the existing shareholders of the company in ratio 14 existing shares for 1 new stock dividend for the dividend amount of 975,203,604 total stock dividend is 69,657,400 shares at the par value of Baht 1 per share, the total value shall not exceed 69,657,400 Baht or equivalent to 0.07143 Baht per share.

In case any shareholder hold the indivisible share remaining after such allocation, cash will be paid instead of the stock dividend at the rate of Baht 0.07143 per share

In case any shareholder has a fraction of shares remaining after the allocation of stock dividend will paid in cash at Baht 0.07143 per share.

In addition, The record date for the right to receive the dividend is expected to be on the 3<sup>rd</sup> May 2018 and the closure of the shareholder registers will be on the 4<sup>th</sup> May 2018. Finally, the dividend payment will be made on 24<sup>th</sup> May 2018.

2. Concluded for the Annual General Meeting of shareholders for the year 2018 to consider the and approve the increase of the Company's registered capital from 1,289,364,969 Baht to the amount of 1,381,462,369 Baht by issuing new ordinary shares of 92,097,400 share with a par value of 1.00 Baht each as dividend payment as a form of shares. A to uphold the adjustment of the right of the warrant of RICHY-W1 and RICHY-W2 and to adjust the amendment of Clause of 4 of the Company's Memorandum of Association to be in line with the increase of the registered capital of the Company.

3. The resolution to propose to the Annual General Meeting of Shareholders 2018 to consider and approve the allotment of 92,097,400 new ordinary shares with a par value of Baht 1.00 per share, with details as follows:

3.1 To consider the allotment of new ordinary shares not exceed the amount of 69,657,400 shares with a par value of Baht 1.00 each to support the stock dividend payment.

3.2 To consider the allotment of new ordinary shares not exceeding the amount of 22,440,000 shares with par value of Baht 1.00 per share to accommodate the adjustment of the exercise ratio of warrants RICHY-W1 and RICHY-W2.

### 33. RECLASSIFICATION

Certain transactions in the financial statement for period 2017 have been reclassified in accordance with the Notification of the Department of Business Development dated October 11, 2017 regarding "The Brief Particulars in the Financial Statement B.C.2017.

### 34. APPROVAL OF THE FINANCIAL STATEMENTS

These financial statements have been approved by the Company's Board of Directors on February 27, 2018.

