

## **1 General information**

WHA Industrial Development Public Company Limited (Formerly Hemaraj Land and Development Public Company Limited) (“the Company”) is incorporated and resident in Thailand. The Company was listed on the Stock Exchange of Thailand. On 23 February 2016, the Company received an approval for delisting the Company’s securities from the Stock Exchange of Thailand which was effective on 2 March 2016. The address of the Company’s registered office is as follows:

18<sup>th</sup> floor, UM Tower, 9 Ramkhamhaeng Road, Suanluang subdistrict, Suanluang district, Bangkok, Thailand 10250.

For reporting purposes, the Company and its subsidiaries are referred to as the Group.

The principal business operations of the Group have engaged in providing rent and sale of lands, buildings, factories, warehouses, and other real estates, development and management of real estates in Industrial estate and industrial zone, providing services public utilities, facilities, and the other services.

These group consolidated and separate financial statements were authorised for issue by the Board of Directors on 22 February 2019.

## **2 Accounting policies**

The principal accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

### **2.1 Basis for preparation**

The consolidated and separated financial statements have been prepared in accordance with Thai generally accepted accounting principles under the accounting Act B.E. 2543, being those Thai financial reporting standards issued under the accounting profession Act B.E. 2547.

The consolidated and separated financial statements have been prepared under the historical cost convention, except as disclosed in the accounting policies.

The preparation of financial statements in conformity with Thai generally accepted accounting principles requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the consolidated financial statements are disclosed in Note 4.

An English version of the consolidated and separated financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

### **2.2 Revised financial reporting standards**

The Group has applied the revised financial reporting standards which are effective on 1 January 2018 and relevant to the Group. The application of those financial reporting standards does not have significant impact to the Group.

The Group has not yet early adopted the new and revised financial reporting standards which are effective on 1 January 2019 and 1 January 2020. The Group’s management is currently assessing the impact of adoption of these standards.

**2 Accounting policies** (continued)

**2.3 Group accounting - investments in subsidiaries, associates and interests in joint ventures**

1) **Subsidiaries**

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group applies the acquisition method to account for business combinations. The consideration transferred for the acquisition of a subsidiary is the fair value of the assets transferred, the liabilities incurred to the former owners of acquiree and the equity interests issued by the Group. The consideration transferred includes the fair value of any asset or liability resulting from a contingent consideration arrangement. Acquisition-related costs are expensed as incurred. Identifiable assets acquired and liabilities and contingent liabilities assumed in a business combination are measured initially at their fair values at the acquisition date. On an acquisition-by-acquisition basis, the Group recognises any non-controlling interest in the acquiree either at fair value or at the non-controlling interest's proportionate share of the acquiree's net assets.

If the business combination is achieved in stages, the acquisition date carrying value of the acquirer's previously held equity interest in the acquiree is re-measured to fair value at the acquisition date; any gains or losses arising from such re-measurements are recognised in profit or loss.

Any contingent consideration to be transferred by the Group is recognised at fair value at the acquisition date. Subsequent changes to the fair value of the contingent consideration that is deemed to be an asset or liability is recognised in profit or loss. Contingent consideration that is classified as equity is not re-measured, and its subsequent settlement is accounted for within equity.

The excess of the consideration transferred, the amount of any non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree over the fair value of the identifiable net assets acquired is recorded as goodwill. If the total of consideration transferred, non-controlling interest in the acquiree and the acquisition-date fair value of any previous equity interest in the acquiree is less than the fair value of the net assets of the subsidiary acquired in the case of a bargain purchase, the difference is recognised directly in profit or loss.

Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the Group.

2) **Transactions with non-controlling interests**

The Group treats transactions with non-controlling interests as transactions with equity owners of the Group. For purchases from non-controlling interests, the difference between any consideration paid and the relevant share acquired of the carrying value of net assets of the subsidiary is recorded in equity. Gains or losses on disposals to non-controlling interests are also recorded in equity.

3) **Disposal of subsidiaries**

When the Group ceases to have control it shall re-assess to consolidate its subsidiaries. Any retained interest in the entity is re-measured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value is the initial carrying amount for the purposes of subsequently accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognised in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities.

**2 Accounting policies** (continued)

**2.3 Group accounting - investments in subsidiaries, associates and interests in joint ventures** (continued)

4) Associates

Associates are all entities over which the Group has significant influence but not control, generally accompanying a shareholding of between 20% and 50% of the voting rights. Investments in associates are accounted for using the equity method of accounting.

5) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations each investor, rather than the legal structure of the joint arrangements

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interest in joint ventures are accounted for using the equity method.

6) Accounting under equity method

Under the equity method, the investment is initially recognised at cost, and the carrying amount is increased or decreased to recognise the investor's share of the profit or loss of the investee after the date of acquisition. The Group's investment in associates includes goodwill identified on acquisition.

If the ownership interest in associates and joint ventures is reduced but significant influence is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in an associates and joint ventures is recognise in profit or loss

The Group's share of its associates and joint ventures' post-acquisition profits or losses is recognised in the profit or loss, and its share of post-acquisition movements in other comprehensive income is recognised in other comprehensive income. The cumulative post-acquisition movements are adjusted against the carrying amount of the investment. When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, together with any long-term interests that, in substance, form part of the entity's net investment in the associates or joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures

The Group determines at each reporting date whether there is any objective evidence that the investments in the associates and joint ventures are impaired. If this is the case, the Group calculates the amount of impairment as the difference between the recoverable amount of the investments and its carrying value and recognises the amount adjacent to share of profit/(loss) of associates and joint ventures in profit or loss.

Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred. Accounting policies of associates and joint ventures have been changed where necessary to ensure consistency with the policies adopted by the Group.

7) Separate financial statement

In the separate financial statements, investments in subsidiaries, associates and joint ventures are accounted for at cost less impairment. Cost is adjusted to reflect changes in consideration arising from contingent consideration amendments. Cost also includes direct attributable costs of investment.

**2 Accounting policies (continued)**

**2.4 Foreign currency translation**

1) Functional and presentation currency

Items included in the financial statements of each of the Group's entities are measured using the currency of the primary economic environment in which the entity operates ('the functional currency'). The financial statements are presented in Baht, which is the Company's functional and the Group's presentation currency.

2) Transactions and balances

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions or valuation where items are re-measured. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

3) Group companies

The results and financial position of all the Group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for each statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

Goodwill and fair value adjustments arising on the acquisition of a foreign operation are treated as assets and liabilities of the foreign operation and translated at the closing rate.

**2.5 Cash and cash equivalents**

In the statements of cash flows, cash and cash equivalents includes cash in hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

**2.6 Short-term investments**

Short-term investments comprise fixed deposits that have maturity between 3 and 12 months from the date of acquisition which carried at amortised cost and investment in debt mutual fund which is initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost and is subsequently measured at fair value. The fair value of investment is based on Net Asset Value (NAV) announced by the Asset Management Company. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

**2.7 Trade accounts receivable**

Trade accounts receivable are carried at the original invoice amount and subsequently measured at the remaining amount less any allowance for doubtful receivables based on a review of all outstanding amounts at the year-end. The amount of the allowance is the difference between the carrying amount of the receivable and the amount expected to be collectible. Bad debts are written-off during the year in which they are identified and recognised in profit or loss within administrative expenses.

**2 Accounting policies (continued)**

**2.8 Real estate development costs**

Real estate development costs are stated at the lower of cost and net realisable value. Real estate development costs comprise land costs, development costs, pre-fabricated factory costs, condominium construction costs, and finance costs on borrowings for projects development, pre-fabricated factory, condominium construction, land deposits and advances for construction costs. These costs are transferred to cost of sales when revenue from sales is recognised.

**2.9 Non-current assets held for sale**

Non-current assets (or disposal groups) are classified as assets held for sale when their carrying amount is to be recovered principally through a sale transaction and a sale is considered highly probable. They are stated at the lower of the carrying amount or fair value less cost to sell.

In addition, the Group will also classify other assets and liabilities related to assets held for sale which comprise leasehold rights, deferred income from operating lease agreement and other non-current assets as non-current assets held for sale, and long-term loans, interest payable, deposits from long-term lease agreement and deferred expenses from operating lease agreement as liabilities directly associated with assets classified as held for sale since they will be disposed when the assets are sold.

**2.10 Investments**

Investments other than investments in subsidiaries, associates and joint ventures are classified as available-for-sale investments and other long-term investments. The classification is dependent on the purpose for which the investments were acquired. Management determines the appropriate classification of its investments at the time of the purchase and re-evaluates such designation on a regular basis.

Investments intended to be held for an indefinite period of time, which may be sold in response to liquidity needs or changes in interest rates, are classified as available-for-sale.

Investments in non-marketable equity securities are classified as other long-term investments.

Investments are initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost.

Available-for-sale investments are subsequently measured at fair value. The fair value of investments is based on quoted bid price at the close of business on the statement of financial position date by reference to the Stock Exchange of Thailand or Net Asset Value (NAV) announced by the Asset Management Company. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

General investments are carried at cost less impairment loss.

A test for impairment is carried out when there is a factor indicating that an investment might be impaired. If the carrying value of the investment is higher than its recoverable amount, impairment loss is charged to profit or loss.

On disposal of an investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the profit or loss. When disposing of part of the Company's holding of a particular investment in debt or equity securities, the carrying amount of the disposed part is determined by the weighted average carrying amount of the total holding of the investment.

**2 Accounting policies (continued)**

**2.11 Investment property**

Property that is held for long-term rental yields or for capital appreciation or both, and that is not occupied by the companies in the consolidated Group, is classified as investment property. Investment property also includes property that is being constructed or developed for future use as investment property.

Land held under operating leases is classified and accounted for by the Group as investment property when the rest of the definition of investment property is met. The operating lease is accounted for as if it were a finance lease.

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing or producing a qualifying investment property are capitalised as part of its cost. Borrowing costs are capitalised while acquisition or construction is actively underway and cease once the asset is substantially complete, or suspended if the development of the asset is suspended.

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Buildings and building improvement	5 - 30 years
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**2.12 Property, plant and equipment**

Property, plant and equipment are stated at historical cost less accumulated depreciation. Historical cost includes expenditure that is directly attributable to the acquisition of the items.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight line method to allocate their cost to their residual values over their estimated useful lives, as follows:

Land improvements, buildings and Utility systems	5 - 30 years
Furniture and fixture, office equipment and tools	5 years
Vehicles	5 years

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period.

The asset's carrying amount is written-down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals are determined by comparing the proceeds with the carrying amount and are recognised within statement of comprehensive income.

**2 Accounting policies** (continued)

**2.13 Impairment of assets**

Assets that have an indefinite useful life, for example goodwill, are not subject to amortisation and are tested annually for impairment. Assets that are subject to amortisation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. For the purposes of assessing impairment, assets are grouped at the lowest level for which there are separately identifiable cash flows. Non-financial assets other than goodwill that suffered an impairment are reviewed for possible reversal of the impairment at each reporting date.

**2.14 Leases**

*Leases - Where the Group is the lessee*

Leases in which a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

The Group leases certain property, plant and equipment. Leases of property, plant or equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the inception of the lease at the lower of the fair value of the leased property and the present value of the minimum lease payments.

Each lease payment is allocated between the liability and finance charges so as to achieve a constant rate on the finance balance outstanding. The corresponding rental obligations, net of finance charges, are included in other long-term payables. The interest element of the finance cost is charged to profit or loss over the lease period so as to achieve a constant periodic rate of interest on the remaining balance of the liability for each period. The property, plant or equipment acquired under finance leases is depreciated over the shorter period of the useful life of the asset and the lease term.

*Leases - Where the Group is the lessor*

Assets leased out under operating leases are included in investment properties in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar investment properties owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

**2 Accounting policies** (continued)

**2.15 Borrowings**

Borrowings are recognised initially at the fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost; any difference between proceeds (net of transaction costs) and the redemption value is recognised in profit or loss over the period of the borrowings using the effective yield method.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it is probable that some or all of the facility will be drawn down. In this case, the fee is deferred until the draw-down occurs. To the extent that there is no evidence that it is probable that some or all of the facility will be drawn down, the fee is capitalised as a pre-payment for liquidity services and amortised over the period of the facility to which it relates.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the end of reporting date.

*Borrowing costs*

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

**2.16 Deferred revenue**

Cash received from unearned rental income to Real Estate Investment Trust but was not recognised since the Group entered into agreements to guarantee the minimum rental and service income from rental contract of real estate with no lessees for a period of 3 years. Revenue will be recognised based on the present value of the discounted cash flows which pay to the trust.

Cash received from land leasehold right to Real Estate Investment Trust for a lease term of 30 years and renew 30 years, totally 60 years. Revenue will be recognised based on the present value of the monthly revenue installments.

**2.17 Current and deferred income taxes**

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

The current income tax charge is calculated on the basis of the tax laws enacted or substantively enacted at the end of reporting period in the countries where the Company and its subsidiaries operate and generate taxable income. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

Deferred income tax is recognised, using the liability method, on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements.

**2 Accounting policies** (continued)

**2.17 Current and deferred income taxes** (continued)

However, the deferred income tax is not accounted for if it arises from initial recognition of an asset or liability in a transaction other than a business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realised or the deferred income tax liability is settled.

Deferred income tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries, associates and joint arrangements, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to income taxes levied by the same taxation authority on either the same taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

**2.18 Employee benefits obligations**

The Group operate various retirement benefits schemes. The Group has both defined benefit and defined contribution plans. The Group recognises a liability and an expense for bonuses and expected benefit. The Group recognises a provision where contractually obliged or where there is a past practice that has created a constructive obligation.

A defined contribution plan is a plan under which the Group pays fixed contributions into a separate entity. The Group has no legal or constructive obligations to pay further contributions if the fund does not hold sufficient assets to pay all employees the benefits relating to employee service in the current and prior periods. The Group pays contributions to a separate fund which is managed by an external fund manager in accordance with the provident fund Act. B.E. 2530. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due. Prepaid contributions are recognised as an asset to the extent that a cash refund or a reduction in the future payments is available.

A defined benefit plan is a retirement plan that is not a defined contribution plan. Typically defined benefit plans define an amount of retirement benefit that an employee will receive on retirement, usually depends on one or more factors such as age, years of service and compensation.

The liability recognised in the statement of financial position in respect of defined benefit retirement plans is the present value of the defined benefit obligation at the end of the reporting period less the fair value of plan assets. The defined benefit obligation is calculated annually by independent actuaries using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating to the terms of the related retirement liability.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise.

Past-service costs are recognised immediately in profit or loss.

**2 Accounting policies** (continued)

**2.19 Provisions**

Provisions are recognised when: the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Where there are a number of similar obligations, the likelihood that an outflow will be required in settlement is determined by considering the class of obligations as a whole. A provision is recognised even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation using a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the obligation. The increase in the provision due to passage of time is recognised as interest expense.

**2.20 Share capital**

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

**2.21 Revenue recognition**

*Revenues from sales of real estate*

Revenue from sales of real estate comprises the value of the consideration received or receivable for the sale of real estate net of output tax, returns, rebates and discounts which is recognised when significant risks and rewards of ownership of the real estate are transferred to the buyer.

*Revenues from water business*

Revenue from water business comprises the value of the consideration received or receivable for the sales net of output tax, returns, rebates and discounts which is recognised when significant risks and rewards of ownership of the goods to the buyer.

*Revenues from leases and services*

Revenue comprises the value of the consideration received or receivable for the service net of output tax, returns, rebates and discounts. Revenue from leases is recognised on a straight-line basis over the lease term. Revenue from services is recognised when service is rendered.

*Other income*

Other income is recognised on an accrual basis. Interest income is recognised on a time proportion basis, taking account of the principal outstanding and the interest rate over the period to maturity, when it is determined that such income will accrue to the Company. Dividend income is recognised when the right to receive payment is established.

**2.22 Dividend distribution**

Dividend distribution to the Company's shareholders is recognised as a liability in the Group's financial statements in the period in which the dividends are approved by the Company's shareholders.

**2 Accounting policies** (continued)

**2.23 Segment reporting**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

**3 Financial risk management**

**3.1 Financial risk factors**

The Group's activities expose it to a variety of financial risks: foreign exchange risk, cash flow interest rate risk, credit risk and liquidity risk. The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimize potential adverse effects on the Group's financial performance.

Risk managements is carried out by management under policies approved by the Board of Directors. They identify, evaluate and provide written principles for overall risk management, as well as written policies covering specific areas.

1) Foreign exchange risk

The Group operates internationally and is exposed to foreign exchange risk arising from various currency exposures. Foreign exchange risk arises from future commercial transactions, recognised assets and liabilities.

Entities in the Group use forward contracts, transacted with the Group treasury, to hedge their exposure to foreign currency risk in connection with measurement currency. The Group treasury is responsible for hedging the net position in each currency by using currency borrowings and external forward currency contracts.

2) Interest rate risk

The Group's income and operating cash flows are substantially independent of changes in market interest rates. All interest rate derivative transactions are subject to approval by the finance director before execution. The Group has no significant interest-bearing assets. The Group issued debentures at fixed rates and uses interest rate swaps from fixed rates to floating rates for some debenture balances in order to reduce finance costs.

3) Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Cash transactions are limited to high credit quality financial institutions.

4) Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities. Due to the dynamic nature of the underlying business, the Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

### **3 Financial risk management (continued)**

#### **3.2 Accounting for derivative financial instruments and hedging activities**

The Group is party to derivative financial instruments, which mainly comprise foreign currency forward contracts and interest rate swap agreements. Such instruments are not recognised in the financial statements on inception.

Foreign currency forward contracts protect the Group from movements in exchange rates by establishing the rate at which a foreign currency asset will be realised or a foreign currency liability settled. Any increase or decrease in the amount required to realise the asset or settle the liability is offset by a corresponding movement in the value of the forward exchange contract. The gains and losses on the derivative instruments and the underlying financial asset or liability are therefore offset for financial reporting purposes and are not recognised in the financial statements. The fee incurred in establishing each agreement is amortised over the contract period.

Interest rate swap agreements protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest revenue or expense over the period of the agreement. Gains and losses on early termination of interest rate swaps or on repayment of the borrowing are taken to profit or loss.

Disclosures about derivative financial instruments to which the Group is a party are provided in Note 29.

#### **3.3 Fair value estimation**

The fair values of the financial assets and liabilities are disclosed in relevant notes.

##### **1) Financial instruments in level 1**

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. The quoted market price used for financial assets held by the Group is the current bid price by reference to the Stock Exchange of Thailand. These instruments are included in level 1.

##### **2) Financial instruments in level 2**

The fair value of financial instruments that are not traded in an active market (over-the-counter) is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

##### **3) Financial instruments in level 3**

If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

Specific valuation techniques used to value financial instruments include:

- Quoted market prices or dealer quotes for similar instruments;
- The fair value of interest rate swaps is calculated as the present value of the estimated future cash flows based on observable yield curves;
- The fair value of forward foreign exchange contracts is determined using forward exchange rates at the statement of financial position date, with the resulting value discounted back to present value;
- Other techniques, such as discounted cash flow analysis, are used to determine fair value for the remaining financial instruments.

There were no transfers between level 1 and level 2 during the year.

#### **4 Critical accounting estimates, assumptions and judgements**

Estimates, assumptions and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

The Group makes estimates and assumptions concerning the future. The resulting accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

##### **4.1 Retirement benefits obligation**

The present value of the retirement benefits obligations depend on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for retirement benefits. It include the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the employee benefit obligation. In determining the appropriate discount rate, the Group considers the market yield of government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits obligation.

Other key assumptions for retirement benefits obligation and additional information are disclosed in Note 22.

##### **4.2 Impairment of investments**

The Group will recognise an impairment loss when there is a factor indicating that an impairment might be impaired. The Group will use future cash flow that expect to return from investment and discounted with the rate which is reflected with related risk.

##### **4.3 Deferred income taxes assets**

The Group will recognise deferred income tax assets only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised. Deferred income tax is provided on temporary differences arising from investments in subsidiaries and associates, except where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

#### **5 Capital risk management**

The Group's objectives when managing capital are to safeguard the Group's 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 Group may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares, or sell assets to reduce debt.

**6 Segment information**

The Company reported operating segments in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The factors used to identify the Group's reportable segments include types of products and services, and geographical areas. There are six reportable segments i.e. (1) domestic real estate business (2) power business (3) water business (4) other domestic business (5) real estate business in overseas and (6) other business in overseas.

The Board of Director assesses the performance of the operating segments based on revenues from segment. Interest income and expenditure are allocated to segments, as this type of activity can be assigned to each segment incurred during the year-end period. However, the Board of Director do not allocate some financial liabilities to segment due from the central treasury function, which manages the cash position of the Group.

The Company's revenues between segments are carried out at arm's length. The revenue from external parties reported to the Board of Director is measured in a manner consistent with that in the income statement.

Revenues from 1 customer of the domestic real estate business segment are amounting to Baht 1,688.62 million (2017: 1 customer amounting to Baht 1,300.21 million).

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**6 Segment information** (continued)

Incomes and profits information by business segment for the year ended 31 December are as follows:

	2018						Total Baht
	Domestic			Overseas			
	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Real Estate business Baht		
Revenues from sales of real estate	3,880,067,986	-	-	-	-	-	3,880,067,986
Revenues from water business	1,385,687	-	1,522,902,495	-	-	-	1,524,288,182
Revenues from leases and services	624,878,282	3,168,467	177,904,499	295,684,636	-	-	1,101,635,884
<b>Total revenues</b>	<b>4,506,331,955</b>	<b>3,168,467</b>	<b>1,700,806,994</b>	<b>295,684,636</b>	<b>-</b>	<b>-</b>	<b>6,505,992,052</b>
Gain (loss) from operations	1,669,991,833	157,005	718,800,075	182,179,267	(16,191,205)	(12,501,308)	2,542,435,667
Other income	825,181,903	155,123,600	7,544,114	809,938	7,466,436	64,212	996,190,203
Finance costs	(329,362,492)	(287,125,136)	(43,898,157)	-	-	-	(660,385,785)
Share of profit of associates and joint ventures	12,499,974	1,836,073,186	-	-	-	-	1,848,573,160
Income tax	(310,407,204)	(23,046,838)	(45,760,612)	(38,978,065)	-	-	(418,192,719)
<b>Profit (loss) for the year</b>	<b>1,867,904,014</b>	<b>1,681,181,817</b>	<b>636,685,420</b>	<b>144,011,140</b>	<b>(8,724,769)</b>	<b>(12,437,096)</b>	<b>4,308,620,526</b>
Profit attributable to non-controlling interests							(860,735,764)
Profit attributable to owners of the parent							<u>3,447,884,762</u>

6 Segment information (continued)

Assets and liabilities information by business segment as at 31 December are as following:

	2018						Total Baht
	Domestic			Overseas			
	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Real Estate business Baht	Other business Baht	
Non-current assets							
Segment non-current assets	3,991,770,753	13,232,810,225	1,530,734,174	241,879,195	329,846,964	981,407	19,328,022,718
Other assets							
Segment other assets	14,007,606,281	516,934,171	853,763,115	80,696,330	351,618,159	57,336,157	15,867,954,213
Unallocated other assets	-	-	-	-	-	-	14,175,002,259
Total assets	<u>17,999,377,034</u>	<u>13,749,744,396</u>	<u>2,384,497,289</u>	<u>322,575,525</u>	<u>681,465,123</u>	<u>58,317,564</u>	<u>49,370,979,190</u>
Segment liabilities	12,374,869,844	20,920,882	172,590,928	89,549,294	98,076,386	1,861,832	12,757,869,166
Unallocated liabilities	-	-	-	-	-	-	9,287,977,050
Total liabilities	<u>12,374,869,844</u>	<u>20,920,882</u>	<u>172,590,928</u>	<u>89,549,294</u>	<u>98,076,386</u>	<u>1,861,832</u>	<u>22,045,846,216</u>

Non-current assets presented above are non-current assets other than financial instruments and deferred tax assets.

Depreciation and amortisation by business segment for the year ended 31 December are as follows:

	2018						Total Baht
	Domestic			Overseas			
	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Real Estate business Baht	Other business Baht	
Segment depreciation	149,420,609	1,239,789	66,288,235	17,461,218	223,480	46,988	234,680,319
Segment amortisation	6,025,082	-	833,975	-	91,416	3,578	6,954,051
Total depreciation and amortisation	<u>155,445,691</u>	<u>1,239,789</u>	<u>67,122,210</u>	<u>17,461,218</u>	<u>314,896</u>	<u>50,566</u>	<u>241,634,370</u>

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**6 Segment information (continued)**

The Group has changed reportable segments in order to be consistent with the present internal organisation in a manner. The Group has not restated the prior year's segment information since the cost to develop it would be excessive. Thus, the Group discloses the segment information for the current year on the old basis for comparison as below.

Incomes and profits information by business segment for the year ended 31 December are as follows:

	2018						2017					
	Domestic				Overseas		Domestic				Overseas	
	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Holding company Baht	Total Baht	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Holding company Baht	Total Baht
Revenues from sales of real estate	3,880,067,986	-	-	-	-	3,880,067,986	3,342,888,598	-	-	-	-	3,342,888,598
Revenues from water business	1,385,687	-	1,522,902,495	-	-	1,524,288,182	1,028,391	-	1,437,286,722	-	-	1,438,315,113
Revenues from leases and services	624,878,282	3,168,467	177,904,499	295,684,636	-	1,101,635,884	748,566,601	-	189,783,341	210,016,571	-	1,148,366,513
Total revenues	4,506,331,955	3,168,467	1,700,806,994	295,684,636	-	6,505,992,052	4,092,483,590	-	1,627,070,063	210,016,571	-	5,929,570,224
Gain (loss) from operations	1,653,800,628	157,005	718,800,075	172,927,425	(3,249,466)	2,542,435,667	1,203,515,559	(802,667)	659,133,621	175,014,461	(1,622,434)	2,035,238,540
Other income	832,648,339	155,123,600	7,544,114	757,823	116,327	996,190,203	1,232,372,574	131,116,594	3,241,133	965,354	274,768	1,367,970,423
Finance costs	(329,362,492)	(287,125,136)	(43,898,157)	-	-	(660,385,785)	(632,981,356)	(365,853,255)	(61,229,002)	(2,154)	-	(1,060,065,767)
Share of profit of associates and joint ventures	12,499,974	1,836,073,186	-	-	-	1,848,573,160	41,245,802	1,940,607,101	-	-	-	1,981,852,903
Income tax	(310,407,204)	(23,046,838)	(45,760,612)	(38,978,065)	-	(418,192,719)	(146,208,565)	(21,630,990)	(18,498,491)	(27,638,775)	-	(213,976,821)
Profit (loss) for the period	1,859,179,245	1,681,181,817	636,685,420	134,707,183	(3,133,139)	4,308,620,526	1,697,944,014	1,683,436,783	582,647,261	148,338,886	(1,347,666)	4,111,019,278
Profit attributable to non-controlling interests						(860,735,764)						(522,352,976)
Profit attributable to owners of the parent						3,447,884,762						3,588,666,302

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**6 Segment information (continued)**

Assets and liabilities information by business segment as at 31 December are as following:

	2018					2017						
	Domestic			Overseas		Domestic				Overseas		
	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Holding company Baht	Total Baht	Real Estate business Baht	Power business Baht	Water business Baht	Other business Baht	Holding company Baht	Total Baht
Cash and cash equivalents	1,869,739,346	516,934,170	334,898,688	80,404,573	39,012,323	2,840,989,100	955,085,020	101,886,013	478,420,476	39,103,048	42,409,327	1,616,903,884
Real estate development costs	11,529,117,236	-	-	-	-	11,529,117,236	11,692,919,477	-	-	-	-	11,692,919,477
Non-current assets held for sale	-	-	-	-	-	-	482,739,314	-	-	-	-	482,739,314
Investment in associates	621,604,834	12,206,134,157	-	-	-	12,827,738,991	647,190,404	10,410,533,152	-	-	-	11,057,723,556
Interests in joint ventures	96,756,971	766,021,686	-	-	-	862,778,657	-	436,810,605	-	-	-	436,810,605
Investment properties, net	2,251,432,995	-	-	-	-	2,251,432,995	2,430,051,890	-	-	-	-	2,430,051,890
Property, plant and equipment, net	774,347,494	99,056,071	1,544,907,380	194,950,391	-	2,613,261,336	833,512,273	33,720,617	1,412,195,779	108,570,385	-	2,387,999,054
Other assets	1,537,843,281	161,598,312	504,691,221	66,070,832	454,970	2,270,658,616	1,691,263,326	29,179,655	603,960,289	14,498,021	456,911	2,339,358,202
Unallocated assets	-	-	-	-	-	14,175,002,259	-	-	-	-	-	15,983,850,390
<b>Total assets</b>	<b>18,680,842,157</b>	<b>13,749,744,396</b>	<b>2,384,497,289</b>	<b>341,425,796</b>	<b>39,467,293</b>	<b>49,370,979,190</b>	<b>18,732,761,704</b>	<b>11,012,130,042</b>	<b>2,494,576,544</b>	<b>162,171,454</b>	<b>42,866,238</b>	<b>48,428,356,372</b>

**7 Cash and cash equivalents**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cash on hand	2,361,642	5,709,614	989,823	1,168,535
Deposits held at call with banks	2,838,627,458	1,611,194,270	646,297,442	204,656,689
	<u>2,840,989,100</u>	<u>1,616,903,884</u>	<u>647,287,265</u>	<u>205,825,224</u>

The interest rates on deposits are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 % per annum	2017 % per annum	2018 % per annum	2017 % per annum
Deposits held at call with banks	0.10 - 0.625	0.10 - 0.75	0.10 - 0.625	0.10 - 0.75

**8 Short-term investments**

	Consolidated financial statements	
	2018 Baht	2017 Baht
Opening balance	-	-
Additions	530,647,175	-
Disposals	(530,000,000)	-
Closing balance	<u>647,175</u>	<u>-</u>

The fair values of short-term investments are based on Net Asset Value (NAV) announced by the Asset Management Company. The fair values are within level 1 of the fair value hierarchy.

**9 Trade and other receivables, net**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Trade receivables	197,486,256	217,244,755	15,585,639	7,756,275
<u>Less</u> Allowance for doubtful debt	<u>(19,015,505)</u>	<u>(32,875,325)</u>	<u>(7,228,482)</u>	<u>(4,334,045)</u>
	178,470,751	184,369,430	8,357,157	3,422,230
Amounts due from related parties (Note 30.2)	166,835,879	89,692,646	168,871,521	87,464,614
Prepaid expenses	8,625,761	14,117,595	3,415,057	3,351,133
Advance payment for purchase investment in available-for-sale	-	163,927,168	-	163,927,168
Accrued income	61,859,714	52,121,192	-	-
Others	10,954,055	3,323,411	9,384,101	1,727,387
	<u>426,746,160</u>	<u>507,551,442</u>	<u>190,027,836</u>	<u>259,892,532</u>

**9 Trade and other receivables, net (continued)**

Outstanding trade receivables can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Within due	145,350,545	135,977,114	4,890,060	2,896,428
Over due				
Up to 3 months	33,120,207	48,392,316	3,467,097	525,802
3 - 6 months	1,917,308	25,032,000	480,322	28,707
6 - 12 months	4,048,892	2,612,135	960,644	867,567
Over 12 months	13,049,304	5,231,190	5,787,516	3,437,771
	197,486,256	217,244,755	15,585,639	7,756,275
<u>Less</u> Allowance for doubtful debt	(19,015,505)	(32,875,325)	(7,228,482)	(4,334,045)
	<u>178,470,751</u>	<u>184,369,430</u>	<u>8,357,157</u>	<u>3,422,230</u>

Outstanding amounts due from related parties can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Within due	164,750,085	86,644,482	167,929,780	83,803,519
Over due				
Up to 3 months	2,085,794	3,048,164	941,741	3,661,095
	<u>166,835,879</u>	<u>89,692,646</u>	<u>168,871,521</u>	<u>87,464,614</u>

**10 Real estate development costs**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening balance	11,692,919,477	12,469,962,015	3,740,186,397	4,167,362,241
Additions	707,055,717	1,119,934,441	102,353,999	182,587,538
Transfer to investment properties (Note 15)	-	(498,371,128)	-	-
Recognise as expense	(870,857,958)	(1,398,605,851)	(538,943,734)	(609,763,382)
Closing balance	<u>11,529,117,236</u>	<u>11,692,919,477</u>	<u>3,303,596,662</u>	<u>3,740,186,397</u>

Real estate development costs of Baht 1,348.32 million (2017: Baht 1,288.41 million) has been pledged as securities for credit facilities.

**Consolidated financial statements**

Borrowing cost of Baht 221.03 million (2017: Baht 57.78 million) were capitalised during the year and included in 'Additions'. A capitalisation rate of 5.46% (2017: 3.86%) was used calculating the borrowing cost.

**11 Non-current assets held for sale**

**Consolidated financial statement**

During the year, the assets and liabilities of 1 project (2017: 5 projects) have been classified as held for sale following the approval of the Group's management and subsequently sold within the year 6 project.

Non-current assets held for sale's assets and liabilities were premeasured to the lower of carrying amount and fair value less costs to sell at the end of held for sale classification.

The major classes of assets and liabilities of non-current assets held for sale are as follows:

	<b>Consolidated financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>
<b>Assets of disposal group classified as held for sale</b>		
Investment properties	-	471,713,129
Other non-current assets	-	11,026,185
	<u>-</u>	<u>482,739,314</u>
<b>Liabilities directly associated with assets classified as held for sale</b>		
Deposits from long-term lease agreement	-	32,332,916
	<u>-</u>	<u>32,332,916</u>

**12 Available-for-sale investments**

	<b>Consolidated and Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>
Opening balance	705,099,746	854,537,620
Purchase of securities	163,927,168	-
Capital reduction of securities	(68,180,420)	(40,421,945)
Adjust securities value from merge	142,980	-
Change in revaluation	(94,414,985)	(109,015,929)
Closing balance	<u>706,574,489</u>	<u>705,099,746</u>

The fair value of the available-for-sale investments are as follows:

	<b>Consolidated and Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>
Cost	909,813,968	813,924,240
Unrealised loss	<u>(203,239,479)</u>	<u>(108,824,494)</u>
	<u>706,574,489</u>	<u>705,099,746</u>

The fair value of available-for-sale investments are based on last quoted bid price by reference to the Stock Exchange of Thailand or Net Asset Value (NAV) announced by the Asset Management Company. The fair values are within level 1 of the fair value hierarchy.

**13 Investments in associates, subsidiaries and interests in joint ventures**

**a) Investments in associates**

Associates	Place of Business and country of incorporation	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		2018	2017	2018	2017
Hemaraj Industrial Property and Leasehold Fund	Thailand	23	23	-	-
GHECO-One Company Limited	Thailand	-	-	25	25
Gulf JP NLL Company Limited	Thailand	-	-	18	18
Gulf Solar Company Limited and its subsidiaries:	Thailand	-	-	18	18
Gulf Solar KKS Company Limited	Thailand	-	-	18	18
Gulf Solar BV Company Limited	Thailand	-	-	18	18
Gulf Solar TS1 Company Limited	Thailand	-	-	18	18
Gulf Solar TS2 Company Limited	Thailand	-	-	18	18
B.Grimm Power (WHA) 1 Limited	Thailand	-	-	18	18
Gulf VTP Company Limited	Thailand	-	-	18	18
Gulf TS1 Company Limited	Thailand	-	-	18	18
Gulf TS2 Company Limited	Thailand	-	-	18	18
Gulf TS3 Company Limited	Thailand	-	-	18	18
Gulf TS4 Company Limited	Thailand	-	-	18	18
Gulf NLL2 Company Limited	Thailand	-	-	18	18

The fair value of the Group interest in Hemaraj Industrial Property and Leasehold Fund, which is listed on the Stock Exchange of Thailand, was Baht 550.22 million (2017: Baht 598.77 million) and the carrying amount of the Group's interest was Baht 1,065.38 million (2017: Baht 1,066.57 million).

Other associates are private companies and there is no quoted market price available for its shares.

The Group has contingent liabilities relating to guarantee of associates' loans by ordinary shares of such associates.

The movements of investments in associates are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening balance	11,057,723,556	8,628,187,960	1,062,687,935	1,078,871,000
Additions	432,422,900	1,219,487,600	-	-
Capital reduction of associates	-	(16,183,065)	-	(16,183,065)
Share of profit	1,815,452,814	1,954,344,677	-	-
Dividend	(477,860,279)	(728,113,616)	-	-
Closing balance	<u>12,827,738,991</u>	<u>11,057,723,556</u>	<u>1,062,687,935</u>	<u>1,062,687,935</u>

During the year, the 4 associates issued increased ordinary shares. The Group purchased increased ordinary shares to maintain their ownership interest.

*Material associate*

The associate of the Group which, in the opinion of the directors, is material to the Group is GHECO-One Company Limited.

Set out below are the summarised financial information for the associate that are material to the Group. The information disclosed reflects the amounting presented in the financial statements of the relevant associate (not the Group's shares of those amounts). They have been amended to reflect adjustments made using the equity method, including fair value adjustments and modifications for differences in accounting policy.

**13 Investments in associates, subsidiaries and interests in joint ventures (continued)**

**a) Investments in associates (continued)**

*Material associate (continued)*

**Summarised statement of financial position**

	<b>2018 Baht</b>	<b>2017 Baht</b>
Current assets	7,408,308,582	6,425,088,494
Non-current assets	31,499,500,993	32,685,790,826
Current liabilities	(4,317,401,153)	(5,977,216,366)
Non-current liabilities	(10,336,051,766)	(11,905,618,362)
Net assets	<u>24,254,356,656</u>	<u>21,228,044,592</u>

**Summarised statement of comprehensive income**

	<b>2018 Baht</b>	<b>2017 Baht</b>
Revenue	12,293,643,284	11,108,954,715
Profit before income tax	3,698,354,836	4,077,716,976
Income tax	(408,177,974)	(58,939,378)
Profit for the year	3,290,176,862	4,018,777,598
Other comprehensive income	-	-
Total comprehensive income	<u>3,290,176,862</u>	<u>4,018,777,598</u>
Dividends received from associate	92,352,679	570,796,516

Reconciliation of the summarised financial information presented to the carrying amount of its interest in the material associate is as follows:

	<b>2018 Baht</b>	<b>2017 Baht</b>
Closing net assets	<u>24,254,356,656</u>	<u>21,228,044,592</u>
Interests in associate	35%	35%
Carrying value	<u>8,489,024,766</u>	<u>7,429,815,552</u>

*Individually immaterial associates*

In addition to the interests in associates disclosed above, the Group also has interests in a number of individually immaterial associates that are accounted for using the equity method.

	<b>2018 Baht</b>	<b>2017 Baht</b>
Aggregate carrying amount of individually immaterial associates	<u>4,338,714,224</u>	<u>3,627,908,004</u>
Aggregate amounts of the Group's share of:		
Profit for the year	663,890,920	547,772,529
Other comprehensive income	-	-
Total comprehensive income	<u>663,890,920</u>	<u>547,772,529</u>

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**13 Investments in associates, subsidiaries and interests in joint ventures (continued)**

**b) Investments in subsidiaries**

Subsidiaries	Place of business and country of incorporation	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		2018	2017	2018	2017
WHA Eastern Industrial Estate Co., Ltd. (Formerly Eastern Industrial Estate Co., Ltd.)	Thailand	100	100	-	-
Eastern Seaboard Industrial Estate (Rayong) Company Limited	Thailand	60	60	-	-
WHA Eastern Seaboard Industrial Estate Co., Ltd. (Formerly Hemaraj Eastern Seaboard Industrial Estate Co., Ltd.)	Thailand	100	100	-	-
WHA Saraburi Industrial Land Co., Ltd. (Formerly Hemaraj Saraburi Industrial Land Co., Ltd.)	Thailand	100	100	-	-
WHA Rayong Industrial Land Co., Ltd. (Formerly Hemaraj Rayong Industrial Land Co., Ltd.)	Thailand	-	-	100	100
WHA Rayong 36 Co., Ltd. (Formerly Rayong 2012 Co., Ltd.)	Thailand	70	70	30	30
WHA Eastern Seaboard Industrial Estate 4 Co., Ltd. (Formerly Hemaraj Eastern Seaboard Industrial Estate 4 Co., Ltd.)	Thailand	100	100	-	-
WHA Eastern Pipeline Services Co., Ltd. (Formerly Eastern Pipeline Services Co., Ltd.)	Thailand	75	75	25	25
WHA Industrial Development Engineering Co., Ltd. (Formerly H-Construction Management and Engineering Co., Ltd.)	Thailand	100	100	-	-
WHA Industrial Building Co., Ltd. (Formerly SME Factory Co., Ltd.)	Thailand	100	100	-	-
The Park Residence Company Limited	Thailand	100	100	-	-
WHA Industrial REIT Management Co., Ltd. (Formerly Hemaraj REIT Management Co., Ltd.)	Thailand	100	100	-	-
Eastern Seaboard Property and Marina Services Company Limited	Thailand	100	100	-	-
WHA Industrial Development International Co., Ltd. (Formerly WHA Hemaraj International Co., Ltd.)	Thailand	100	100	-	-
Hemaraj International Limited	Cayman Islands	100	100	-	-
WHA Industrial Development International (BVI) Co., Ltd. (Formerly H-International (BVI) Company Limited)	British Virgin Islands	100	100	-	-
WHA Industrial Development International (SG) Pte. Ltd. (Formerly H - International (SG) Pte. Ltd.)	Singapore	-	-	100	100
WHA Industrial Development (SG) Pte. Ltd. (Formerly WHA Hemaraj Land and Development (SG) Pte. Ltd.)	Singapore	-	-	100	100
WHA Industrial Zone Nghe An Joint Stock Company (Formerly WHA Hemaraj Cienco4 Nghe An Joint Stock Company)	Vietnam	-	-	99	99
WHA Industrial Management Services Vietnam Company Limited (Formerly WHA Hemaraj Management Services Vietnam Company Limited)	Vietnam	-	-	100	100
WHA Utilities and Power Public Company Limited	Thailand	69	69	1	1
WHA Water Company Limited	Thailand	-	-	70	70
WHA Energy Company Limited	Thailand	-	-	70	70
WHA Energy 2 Company Limited	Thailand	-	-	70	70
WHAUP International Co., Ltd.	Thailand	-	-	70	70
WHAUP (SG) 1 Pte. Ltd.	Singapore	-	-	70	70
WHAUP (SG) 2 Pte. Ltd.	Singapore	-	-	70	70
WHAUP Nghe An Joint Stock Company	Vietnam	-	-	70	-
WHA Solar Company Limited	Thailand	-	-	70	-

All subsidiary undertakings are included in the consolidation. The proportion of the voting rights in the subsidiary undertakings held directly by the parent company do not differ from the proportion of ordinary shares held.

**13 Investments in associates, subsidiaries and interests in joint ventures (continued)**

**b) Investments in subsidiaries (continued)**

The movements of investments in subsidiaries are as follows:

	<u>Separate financial statements</u>	
	<u>2018</u> <u>Baht</u>	<u>2017</u> <u>Baht</u>
Opening balance	7,827,611,591	7,351,861,591
Additions	-	475,750,000
Closing balance	<u>7,827,611,591</u>	<u>7,827,611,591</u>

During the year, the Group registered incorporation of WHAUP Nghe An Joint Stock Company in Vietnam for the purpose of production and distribution of industrial water and providing wastewater treatment services and WHA Solar Company Limited in Thailand for the purpose of carrying out solar power business.

*Subsidiary with material non-controlling interests*

The subsidiary of the Group which, in the opinion of the directors, has material non-controlling interests to the Group is WHA Utilities and Power Public Company Limited and its subsidiaries. The proportion of ownership interests held by non-controlling interests is 30% (2017: 30%).

Set out below are the summarised financial information for subsidiary that has non-controlling interests that are material to the Group. The amounts disclosed for subsidiary are before inter-company eliminations.

**Summarised statement of financial position**

	<u>2018</u> <u>Baht</u>	<u>2017</u> <u>Baht</u>
Current assets	2,073,598,034	2,081,742,159
Non-current assets	21,699,667,814	19,296,444,157
Current liabilities	(234,153,372)	(386,031,709)
Non-current liabilities	<u>(9,489,842,612)</u>	<u>(8,415,176,643)</u>
Net assets	<u>14,049,269,864</u>	<u>12,576,977,964</u>
Non-controlling interests	3,105,423,021	2,729,665,227

**Summarised statement of comprehensive income**

	<u>2018</u> <u>Baht</u>	<u>2017</u> <u>Baht</u>
Revenue	1,708,285,007	1,633,756,626
Profit for the year	2,251,897,863	1,980,915,605
Other comprehensive income	<u>(1,600,972)</u>	<u>(6,261,917)</u>
Total comprehensive income	<u>2,250,296,891</u>	<u>1,974,653,688</u>
Profit for the year allocated to non-controlling interests	609,639,544	508,317,086
Total comprehensive income allocated to non-controlling interests	609,159,289	505,111,700
Dividends paid to non-controlling interests	(233,401,540)	-

**13 Investments in associates, subsidiaries and interests in joint ventures (continued)**

**b) Investments in subsidiaries (continued)**

*Subsidiary with material non-controlling interests (continued)*

**Summarised statement of cash flows**

	<b>2018</b>	<b>2017</b>
	<b>Baht</b>	<b>Baht</b>
Net cash generated from operating activities	730,877,864	870,317,781
Net cash used in investing activities	(682,592,035)	(1,101,605,350)
Net cash generated from financing activities	214,032,894	675,377,780
Net income in cash and cash equivalents	262,318,723	444,090,211
Cash and cash equivalents at the beginning of the year	591,566,584	147,476,373
Unrealised gain (loss) on cash and cash equivalents	(423,012)	-
Cash and cash equivalents at the end of the year	<u>853,462,295</u>	<u>591,566,584</u>

**c) Interests in joint ventures**

Joint ventures	Place of business and country of incorporation	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		2018	2017	2018	2017
WHA Industrial Estate Rayong Company Limited	Thailand	60	-	-	-
WHA Gunkul Green Solar Roof 1 Co., Ltd.	Thailand	-	-	53	53
WHA Gunkul Green Solar Roof 3 Co., Ltd.	Thailand	-	-	53	53
WHA Gunkul Green Solar Roof 6 Co., Ltd.	Thailand	-	-	53	53
WHA Gunkul Green Solar Roof 17 Co., Ltd.	Thailand	-	-	53	53
Houay Ho Thai Company Limited and its associate:	Thailand	-	-	36	36
Houay Ho Power Company Limited	Laos People's Democratic Republic	-	-	9	9
Eastern Seaboard Clean Energy Company Limited and its subsidiaries:	Thailand	-	-	23	23
Glow Hemaraj Wind Company Limited	Thailand	-	-	23	23
Chonburi Clean Energy Company Limited	Thailand	-	-	23	23
Rayong Clean Energy Company Limited	Thailand	-	-	23	23
Gulf WHA MT Gas Distribution Company Limited and its subsidiaries:	Thailand	-	-	25	36
WHA Eastern Seaboard NGD2 Company Limited	Thailand	-	-	25	36
WHA Eastern Seaboard NGD4 Company Limited	Thailand	-	-	25	36

The Group has joint control over this arrangement as under the contractual agreements, unanimous consent is Group required from all parties to the agreements for all relevant activities.

The Group's joint arrangement is structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, this arrangement is classified as a joint venture.

All joint ventures are private companies and there are no quoted market price available for its shares.

The movements of interests in joint ventures are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	Baht	Baht	Baht	Baht
Opening balance	436,810,605	298,623,428	-	-
Additions	418,077,495	138,747,500	97,499,995	6,247,500
Disposal	-	-	-	(6,247,500)
Dividend	(24,051,829)	(15,313,035)	-	-
Liquidation of joint ventures	-	(2,295,975)	-	-
Share of profit	33,120,346	27,508,226	-	-
Currency translation differences	(1,177,960)	(10,459,539)	-	-
Closing balance	<u>862,778,657</u>	<u>436,810,605</u>	<u>97,499,995</u>	<u>-</u>

**13 Investments in associates, subsidiaries and interests in joint ventures (continued)**

**c) Interests in joint ventures (continued)**

**Consolidated financial statements**

During the year, Eastern Seaboard Clean Energy Company Limited increased its share capital by issuing new ordinary shares. The Group purchased all increased ordinary shares to maintain its ownership interests. And Gulf WHA MT Gas Distribution Company Limited increased its share capital by issuing new ordinary shares. The Group did not purchase new ordinary shares at a proportion of its previous ownership interests which resulted in a reduction of its ownership interests from 36% to 25%. However, the Group still maintain its investment status of this company as joint venture.

**Separate financial statements**

During the year, the Company registered incorporation of WHA Industrial Estate Rayong Company Limited in Thailand for the purpose of industrial estate operation.

There are no commitments and contingent liabilities relating to the Group's interests in joint ventures.

*Individually immaterial joint ventures*

The Group has interests in a number of individually immaterial joint ventures that are accounted for using the equity method.

	<b>2018</b>	<b>2017</b>
	<b>Baht</b>	<b>Baht</b>
Aggregate carrying amount of individually immaterial associates	<u>862,778,657</u>	<u>436,810,605</u>
Aggregate amounts of the Group's share of:		
Profit for the year	34,298,306	37,967,765
Other comprehensive expense	<u>(1,177,960)</u>	<u>(10,459,539)</u>
Total comprehensive income	<u><u>33,120,346</u></u>	<u><u>27,508,226</u></u>

**14 Other long-term investments, net**

	<b>Consolidated</b>	
	<b>financial statements</b>	
	<b>2018</b>	<b>2017</b>
	<b>Baht</b>	<b>Baht</b>
Cost	145,000,010	145,000,010
Allowance for impairment	<u>(717,000)</u>	<u>(717,000)</u>
	<u><u>144,283,010</u></u>	<u><u>144,283,010</u></u>

The Group has contingent liabilities relating to guarantee of Glow IPP Co., Ltd. Is loan by ordinary shares of such company.

The Group does not disclose information regarding the fair value of other long-term investments, as the fair value cannot be measured reliably due to investments are in non-marketable equity securities and cannot find sufficient are appropriate reference information.

15 Investment properties, net

	Consolidated financial statements			
	Land Baht	Buildings and building improvements Baht	Construction in progress Baht	Total Baht
<b>At 1 January 2017</b>				
Cost	770,666,748	1,410,730,215	679,768,015	2,861,164,978
<u>Less</u> Accumulated depreciation	-	(353,913,486)	-	(353,913,486)
Net book amount	<u>770,666,748</u>	<u>1,056,816,729</u>	<u>679,768,015</u>	<u>2,507,251,492</u>
<b>For the year ended 31 December 2017</b>				
Opening net book amount	770,666,748	1,056,816,729	679,768,015	2,507,251,492
Additions	-	635,000	1,408,459	2,043,459
Transfers	17,833,583	164,992,431	(182,826,014)	-
Disposals	(15,555,442)	(41,529,596)	-	(57,085,038)
Depreciation charge	-	(48,267,572)	-	(48,267,572)
Transfer from real estate development costs (Note 10)	63,102,470	381,261,308	54,007,350	498,371,128
Transfer to property, plant and equipment (Note 16)	-	-	(548,450)	(548,450)
Classify to non-current assets held for sale	-	(471,713,129)	-	(471,713,129)
Closing net book amount	<u>836,047,359</u>	<u>1,042,195,171</u>	<u>551,809,360</u>	<u>2,430,051,890</u>
<b>At 31 December 2017</b>				
Cost	836,047,359	1,351,708,973	551,809,360	2,739,565,692
<u>Less</u> Accumulated depreciation	-	(309,513,802)	-	(309,513,802)
Net book amount	<u>836,047,359</u>	<u>1,042,195,171</u>	<u>551,809,360</u>	<u>2,430,051,890</u>
<b>For the year ended 31 December 2018</b>				
Opening net book amount	836,047,359	1,042,195,171	551,809,360	2,430,051,890
Additions	-	-	3,220,500	3,220,500
Transfers	60,047,724	354,304,939	(414,352,663)	-
Depreciation charge	-	(50,885,654)	-	(50,885,654)
Transfer to property, plant and equipment (Note 16)	(10,841,024)	-	-	(10,841,024)
Classify to non-current assets held for sale	-	(120,112,717)	-	(120,112,717)
Closing net book amount	<u>885,254,059</u>	<u>1,225,501,739</u>	<u>140,677,197</u>	<u>2,251,432,995</u>
<b>At 31 December 2018</b>				
Cost	885,254,059	1,584,788,834	140,677,197	2,610,720,090
<u>Less</u> Accumulated depreciation	-	(359,287,095)	-	(359,287,095)
Net book amount	<u>885,254,059</u>	<u>1,225,501,739</u>	<u>140,677,197</u>	<u>2,251,432,995</u>

15 Investment properties, net (continued)

	Separate financial statements		
	Land Baht	Buildings and building improvements Baht	Total Baht
<b>At 1 January 2017</b>			
Cost	22,538,116	1,863,440	24,401,556
<u>Less</u> Accumulated depreciation	-	(701,500)	(701,500)
Net book amount	<u>22,538,116</u>	<u>1,161,940</u>	<u>23,700,056</u>
<b>For the year ended 31 December 2017</b>			
Opening net book amount	22,538,116	1,161,940	23,700,056
Depreciation charge	-	(372,687)	(372,687)
Closing net book amount	<u>22,538,116</u>	<u>789,253</u>	<u>23,327,369</u>
<b>At 31 December 2017</b>			
Cost	22,538,116	1,863,440	24,401,556
<u>Less</u> Accumulated depreciation	-	(1,074,187)	(1,074,187)
Net book amount	<u>22,538,116</u>	<u>789,253</u>	<u>23,327,369</u>
<b>For the year ended 31 December 2018</b>			
Opening net book amount	22,538,116	789,253	23,327,369
Depreciation	-	(372,687)	(372,687)
Closing net book amount	<u>22,538,116</u>	<u>416,566</u>	<u>22,954,682</u>
<b>At 31 December 2018</b>			
Cost	22,538,116	1,863,440	24,401,556
<u>Less</u> Accumulated depreciation	-	(1,446,874)	(1,446,874)
Net book amount	<u>22,538,116</u>	<u>416,566</u>	<u>22,954,682</u>

The Group transferred investment properties to property, plant and equipment due to change in use.

**Consolidated financial information**

Investment properties of Baht 784.72 million (2017: Baht 710.89 million) have been pledged as securities for performance bond on lease agreement.

**Separate financial information**

Investment properties of Baht 21.63 million (2017: Baht 21.63 million) have been pledged as securities for performance bond on lease agreement.

**15 Investment properties, net** (continued)

The fair values of investment properties are as follows:

**Consolidated financial information**

Investment properties has assessed the fair values of Baht 5,403.37 million (2017: Baht 5,767.31 million).

**Separate financial information**

Investment properties has assessed the fair values of Baht 68.58 million (2017: Baht 67.86 million).

The fair values of investment properties are within level 3 of the fair value hierarchy which uses significant unobservable inputs.

The fair values of investment properties ready to use and used were valued using the income method with discounted cash flows expected to be generated in the future to their present value and sales comparison approach by independent professionally qualified valuers who hold a recognised relevant professional qualification and have recent experience in the locations and segments of the investment properties valued. For all investment properties, their current use equates to the highest and best use.

The Company's finance department includes a team that review the valuations performed by the independent valuers for financial reporting purposes. This team reports directly to the chief financial officer (CFO) and the audit committee (AC). Discussions of valuation processes and results are held between the CFO, AC, the valuation team and the independent valuers at least once every year, in line with the Company's yearly reporting dates. The finance department:

- verifies all major inputs to the independent valuation report;
- assesses property valuation movements when compared to the prior year valuation report;
- holds discussions with the independent valuer.

Investment properties under construction were not assessed fair value by independent professionally qualified valuers. Management considered that the fair values of those assets approximated their net book value.

There were no changes to the valuation techniques during the year.

Amounts recognised in profit and loss that are related to investment properties are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Rental and service income	199,667,237	263,504,635	1,519,452	1,519,452
Direct operating expense arise from investment properties that generated rental income for the year	82,289,904	76,992,340	29,238	199,555
Direct operating expense arise from investment properties that did not generated rental income for the year	15,056,330	13,047,505	-	-

The future aggregate minimum lease income under non-cancellable operating leases are as follows:

	<b>Consolidated financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>
Not later than 1 year	86,388,738	176,154,708
Later than 1 year but not later than 5 years	61,531,198	134,604,079
	<b>147,919,936</b>	<b>310,758,787</b>

WHA Industrial Development Public Company Limited (Formerly Hemaraj Land and Development Public Company Limited)  
Notes to the Consolidated and Separate Financial Statements  
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16 Property, plant and equipment, net

	Consolidated financial statements					
	Land Baht	Land improvements, buildings and utility system Baht	Furniture, fixture, office equipment, and tools Baht	Vehicles Baht	Construction in progress Baht	Total Baht
<b>As at 1 January 2017</b>						
Cost	2,198,288	2,681,658,079	1,137,239,413	119,655,536	37,385,373	3,978,136,689
<u>Less</u> Accumulated depreciation	-	(998,391,421)	(818,430,910)	(94,454,676)	-	(1,911,277,007)
<u>Less</u> Provision for impairment	-	-	-	-	(10,165,993)	(10,165,993)
Net book amount	<u>2,198,288</u>	<u>1,683,266,658</u>	<u>318,808,503</u>	<u>25,200,860</u>	<u>27,219,380</u>	<u>2,056,693,689</u>
<b>For the year ended 31 December 2017</b>						
Opening net book amount	2,198,288	1,683,266,658	318,808,503	25,200,860	27,219,380	2,056,693,689
Additions	-	36,126,891	21,433,402	7,898,533	405,969,074	471,427,900
Transfers	7,979,577	159,270,505	(57,691,185)	-	(109,558,897)	-
Disposals	-	(3)	(46,684)	(17)	-	(46,704)
Depreciation charge	-	(82,460,500)	(46,963,488)	(11,159,635)	-	(140,583,623)
Currency translation differences	-	-	(40,658)	-	-	(40,658)
Transfers from investment properties (Note 15)	-	-	-	-	548,450	548,450
Closing net book amount	<u>10,177,865</u>	<u>1,796,203,551</u>	<u>235,499,890</u>	<u>21,939,741</u>	<u>324,178,007</u>	<u>2,387,999,054</u>
<b>As at 31 December 2017</b>						
Cost	10,177,865	3,196,342,984	720,430,164	116,077,718	334,344,000	4,377,372,731
Currency translation differences	-	-	(40,658)	-	-	(40,658)
<u>Less</u> Accumulated depreciation	-	(1,400,139,433)	(484,889,616)	(94,137,977)	-	(1,979,167,026)
<u>Less</u> Provision for impairment	-	-	-	-	(10,165,993)	(10,165,993)
Net book amount	<u>10,177,865</u>	<u>1,796,203,551</u>	<u>235,499,890</u>	<u>21,939,741</u>	<u>324,178,007</u>	<u>2,387,999,054</u>

**WHA Industrial Development Public Company Limited (Formerly Hemaraj Land and Development Public Company Limited)**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2018**

**16 Property, plant and equipment, net (continued)**

	<b>Consolidated financial statements</b>					
	<b>Land Baht</b>	<b>Land improvements, buildings and utility system Baht</b>	<b>Furniture, fixture, office equipment, and tools Baht</b>	<b>Vehicles Baht</b>	<b>Construction in progress Baht</b>	<b>Total Baht</b>
<b>For the year ended 31 December 2018</b>						
Opening net book amount	10,177,865	1,796,203,551	235,499,890	21,939,741	324,178,007	2,387,999,054
Additions	-	24,323,650	16,345,001	2,590,536	355,155,213	398,414,400
Transfers	-	434,960,067	77,681,343	-	(512,641,410)	-
Disposals	-	-	(2,904)	(188,379)	-	(191,283)
Depreciation charge	-	(120,517,363)	(53,676,312)	(9,600,990)	-	(183,794,665)
Currency translation differences	-	-	(7,194)	-	-	(7,194)
Classifies from investment properties (Note 15)	10,841,024	-	-	-	-	10,841,024
Closing net book amount	<u>21,018,889</u>	<u>2,134,969,905</u>	<u>275,839,824</u>	<u>14,740,908</u>	<u>166,691,810</u>	<u>2,613,261,336</u>
<b>At 31 December 2018</b>						
Cost	21,018,889	3,655,626,700	814,452,714	105,248,750	176,857,803	4,773,204,856
Currency translation differences	-	-	(47,852)	-	-	(47,852)
<u>Less</u> Accumulated depreciation	-	(1,520,656,795)	(538,565,038)	(90,507,842)	-	(2,149,729,675)
<u>Less</u> Provision for impairment	-	-	-	-	(10,165,993)	(10,165,993)
Net book amount	<u>21,018,889</u>	<u>2,134,969,905</u>	<u>275,839,824</u>	<u>14,740,908</u>	<u>166,691,810</u>	<u>2,613,261,336</u>

**WHA Industrial Development Public Company Limited (Formerly Hemaraj Land and Development Public Company Limited)**  
**Notes to the Consolidated and Separate Financial Statements**  
**For the year ended 31 December 2018**

**16 Property, plant and equipment, net (continued)**

	Separate financial statements				
	Land improvements, buildings and utility system Baht	Furniture, fixture, office equipment, and tools Baht	Vehicles Baht	Construction in progress Baht	Total Baht
<b>At 1 January 2017</b>					
Cost	7,612,318	123,592,672	41,924,388	1,161,669	174,291,047
<u>Less</u> Accumulated depreciation	(3,724,890)	(96,748,180)	(28,392,573)	-	(128,865,643)
<u>Less</u> Provision for impairment	-	-	-	(723,664)	(723,664)
Net book amount	<u>3,887,428</u>	<u>26,844,492</u>	<u>13,531,815</u>	<u>438,005</u>	<u>44,701,740</u>
<b>For the year ended 31 December 2017</b>					
Opening net book amount	3,887,428	26,844,492	13,531,815	438,005	44,701,740
Additions	1,125,082	4,348,047	-	4,882,723	10,355,852
Transfers	1,047,000	-	-	(1,047,000)	-
Disposals	(3)	(13,028)	(6)	-	(13,037)
Depreciation charge	(480,675)	(8,494,100)	(5,169,693)	-	(14,144,468)
Closing net book amount	<u>5,578,832</u>	<u>22,685,411</u>	<u>8,362,116</u>	<u>4,273,728</u>	<u>40,900,087</u>
<b>At 31 December 2017</b>					
Cost	7,987,851	79,175,310	34,101,988	4,997,392	126,262,541
<u>Less</u> Accumulated depreciation	(2,409,019)	(56,489,899)	(25,739,872)	-	(84,638,790)
<u>Less</u> Provision for impairment	-	-	-	(723,664)	(723,664)
Net book amount	<u>5,578,832</u>	<u>22,685,411</u>	<u>8,362,116</u>	<u>4,273,728</u>	<u>40,900,087</u>
<b>For the year ended 31 December 2018</b>					
Opening net book amount	5,578,832	22,685,411	8,362,116	4,273,728	40,900,087
Additions	4,931,354	3,384,375	-	946,157	9,261,886
Transfers	5,693,043	(1,819,862)	-	(3,873,181)	-
Disposals	-	(2,904)	(4)	-	(2,908)
Depreciation charge	(1,267,448)	(8,467,838)	(3,952,407)	-	(13,687,693)
Closing net book amount	<u>14,935,781</u>	<u>15,779,182</u>	<u>4,409,705</u>	<u>1,346,704</u>	<u>36,471,372</u>
<b>At 31 December 2018</b>					
Cost	21,041,578	78,306,699	27,764,493	2,070,368	129,183,138
<u>Less</u> Accumulated depreciation	(6,105,797)	(62,527,517)	(23,354,788)	-	(91,988,102)
<u>Less</u> Provision for impairment	-	-	-	(723,664)	(723,664)
Net book amount	<u>14,935,781</u>	<u>15,779,182</u>	<u>4,409,705</u>	<u>1,346,704</u>	<u>36,471,372</u>

**16 Property, plant and equipment, net** (continued)

Leased assets included above, where the Group and the Company is a lessee under a finance lease, as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cost - Capitalised finance leases	4,755,060	11,872,408	4,755,060	6,057,586
<u>Less</u> Accumulated depreciation	<u>(3,328,847)</u>	<u>(7,065,752)</u>	<u>(3,328,847)</u>	<u>(3,254,988)</u>
Net book amount	<u>1,426,213</u>	<u>4,806,656</u>	<u>1,426,213</u>	<u>2,802,598</u>

**17 Deferred income tax**

The analysis of deferred income tax assets and deferred income tax liabilities is as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Deferred income tax assets:</b>				
to be recovered within 12 months				
to be recovered after more than 12 months	11,049,523	11,796,659	(542,165)	742,603
	<u>88,839,232</u>	<u>80,594,522</u>	<u>11,306,103</u>	<u>8,917,228</u>
	<u>99,888,755</u>	<u>92,391,181</u>	<u>10,763,938</u>	<u>9,659,831</u>
<b>Deferred income tax liabilities:</b>				
to be settled within 12 months	(6,382,436)	(11,925,430)	-	-
to be settled after more than 12 months	<u>(969,728,463)</u>	<u>(819,961,820)</u>	<u>-</u>	<u>-</u>
	<u>(976,110,899)</u>	<u>(831,887,250)</u>	<u>-</u>	<u>-</u>
Deferred income tax, net	<u>(876,222,144)</u>	<u>(739,496,069)</u>	<u>10,763,938</u>	<u>9,659,831</u>

The movements in deferred income taxes account are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Opening balance	(739,496,069)	(831,345,948)	9,659,831	(13,237,613)
Recognised to profit and loss (Note 27)	(155,609,072)	69,976,519	(17,778,890)	1,094,258
Recognised to other comprehensive income (Note 27)	<u>18,882,997</u>	<u>21,873,360</u>	<u>18,882,997</u>	<u>21,803,186</u>
Closing balance	<u>(876,222,144)</u>	<u>(739,496,069)</u>	<u>10,763,938</u>	<u>9,659,831</u>

**WHA Industrial Development Public Company Limited (Formerly Hemaraj Land and Development Public Company Limited)**  
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**17 Deferred income tax (continued)**

The movements in deferred income tax assets and deferred income tax liabilities are as follows:

	<b>Consolidated financial statements</b>			
	<b>At 1 January 2018</b>	<b>Recognised to profit or loss</b>	<b>Recognised to other comprehensive income</b>	<b>At 31 December 2018</b>
<b>Deferred income tax assets</b>				
Allowance for doubtful debt	6,575,066	(2,771,825)	-	3,803,241
Available-for-sale investments	21,764,900	-	18,882,997	40,647,897
Prepaid expenses	19,153,622	6,160,690	-	25,314,312
Allowance for impairment of other long-term investments	143,400	-	-	143,400
Allowance for Impairment of assets	2,033,199	-	-	2,033,199
Provision for repair and maintenance	968,837	726,639	-	1,695,476
Interest paid on loans	13,750,349	24,083,557	-	37,833,906
Deferred revenue	8,750,835	2,085,658	-	10,836,493
Employee benefits obligations	16,175,470	2,732,956	-	18,908,426
Gain/loss from intercompany	50,227,284	1,902,310	-	52,129,594
Tax loss carry forward	24,292,731	(23,180,108)	-	1,112,623
	<u>163,835,693</u>	<u>11,739,877</u>	<u>18,882,997</u>	<u>194,458,567</u>
<b>Deferred income tax liabilities</b>				
Fair value adjustment from business combination	(4,862,235)	136,464	-	(4,725,771)
Depreciation	(2,480,958)	2,480,958	-	-
Deferred income from operating lease agreement	(1,424,084)	-	-	(1,424,084)
Bond underwriting	-	(3,317,000)	-	(3,317,000)
Deferred revenue from rental	(894,564,485)	(166,649,371)	-	(1,061,213,856)
	<u>(903,331,762)</u>	<u>(167,348,949)</u>	<u>-</u>	<u>(1,070,680,711)</u>
Deferred income tax, net	<u>(739,496,069)</u>	<u>(155,609,072)</u>	<u>18,882,997</u>	<u>(876,222,144)</u>

	<b>Consolidated financial statements</b>			
	<b>At 1 January 2017</b>	<b>Recognised to profit or loss</b>	<b>Recognised to other comprehensive income</b>	<b>At 31 December 2017</b>
<b>Deferred income tax assets</b>				
Allowance for doubtful debt	1,401,007	5,174,059	-	6,575,066
Available-for-sale investments	-	-	21,764,900	21,764,900
Prepaid expenses	20,912,851	(1,759,229)	-	19,153,622
Allowance for impairment of other long-term investments	143,400	-	-	143,400
Allowance for impairment of assets	2,033,199	-	-	2,033,199
Provision for repair and maintenance	1,201,133	(232,296)	-	968,837
Interest paid on loans	8,544,277	5,206,072	-	13,750,349
Deferred revenue	12,905,663	(4,154,828)	-	8,750,835
Employee benefits obligations	13,804,081	2,301,215	70,174	16,175,470
Gain/loss from intercompany	-	50,227,284	-	50,227,284
Tax loss carry forward	23,343,265	949,466	-	24,292,731
	<u>84,288,876</u>	<u>57,711,743</u>	<u>21,835,074</u>	<u>163,835,693</u>
<b>Deferred income tax liabilities</b>				
Fair value adjustment from business combination	-	(4,862,235)	-	(4,862,235)
Available-for-sale investments	(38,286)	-	38,286	-
Depreciation	-	(2,480,958)	-	(2,480,958)
Deferred income from operating lease agreement	-	(1,424,084)	-	(1,424,084)
Deferred revenue from rental	(915,596,538)	21,032,053	-	(894,564,485)
	<u>(915,634,824)</u>	<u>12,264,776</u>	<u>38,286</u>	<u>(903,331,762)</u>
Deferred income tax, net	<u>(831,345,948)</u>	<u>69,976,519</u>	<u>21,873,360</u>	<u>(739,496,069)</u>

**17 Deferred income tax (continued)**

The movements of deferred income tax assets and liabilities comprise the following:

	Separate financial statements			
	At 1 January 2018	Recognised to profit or loss	Recognised to other comprehensive income	
<b>Deferred income tax assets</b>				
Allowance for doubtful debt	866,809	578,887	-	1,445,696
Available-for-sale investments	21,764,900	-	18,882,997	40,647,897
Prepaid expenses	12,828,653	(469,109)	-	12,359,544
Allowance for impairment of assets	144,733	-	-	144,733
Deferred revenue	741,307	(434,548)	-	306,759
Employee benefits obligations	2,601,674	446,920	-	3,048,594
Tax loss carry forward	17,353,904	(17,353,904)	-	-
	<u>56,301,980</u>	<u>(17,231,754)</u>	<u>18,882,997</u>	<u>57,953,223</u>
<b>Deferred income tax liabilities</b>				
Deferred income from operating lease agreement	(160,532)	-	-	(160,532)
Bond underwriting	-	(888,177)	-	(888,177)
Deferred revenue from rental	(46,481,617)	341,041	-	(46,140,576)
	<u>(46,642,149)</u>	<u>(547,136)</u>	<u>-</u>	<u>(47,189,285)</u>
Deferred income tax, net	<u>9,659,831</u>	<u>(17,778,890)</u>	<u>18,882,997</u>	<u>10,763,938</u>
	Separate financial statements			
	At 1 January 2017	Recognised to profit or loss	Recognised to other comprehensive income	At 31 December 2017
<b>Deferred income tax assets</b>				
Allowance for doubtful debt	784,058	82,751	-	866,809
Allowance for impairment of assets	144,733	-	-	144,733
Available-for-sale investments	-	-	21,764,900	21,764,900
Prepaid expenses	12,160,870	667,783	-	12,828,653
Deferred revenue	1,084,282	(342,975)	-	741,307
Employee benefits obligations	2,238,903	362,771	-	2,601,674
Tax loss carry forward	17,353,904	-	-	17,353,904
	<u>33,766,750</u>	<u>770,330</u>	<u>21,764,900</u>	<u>56,301,980</u>
<b>Deferred income tax liabilities</b>				
Available-for-sale investments	(38,286)	-	38,286	-
Deferred income from operating lease agreement	-	(160,532)	-	(160,532)
Deferred revenue from rental	(46,966,077)	484,460	-	(46,481,617)
	<u>(47,004,363)</u>	<u>323,928</u>	<u>38,286</u>	<u>(46,642,149)</u>
Deferred income tax, net	<u>(13,237,613)</u>	<u>1,094,258</u>	<u>21,803,186</u>	<u>9,659,831</u>

**17 Deferred income tax (continued)**

Deferred income tax assets are recognised for tax loss and carry forwards only to the extent that realisation of the related tax benefit through the future taxable profits is probable. The Group did not recognise deferred income tax assets in respect of losses that can be carried forward against future taxable income as follows:

	<b>Consolidated financial statements</b>	
	<b>2018</b>	<b>2017</b>
Unused tax loss carry forwards (Baht)	9,103,341	-
Unrecognised deferred income tax (Baht)	1,820,668	-
Expired year	2019 - 2023	-

**18 Loans**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
<b>Current</b>				
Short-term loans	300,000,000	400,000,000	300,000,000	400,000,000
Short-term loans from related parties (Note 30.5)	-	-	4,534,184,170	4,365,184,170
	<u>300,000,000</u>	<u>400,000,000</u>	<u>4,834,184,170</u>	<u>4,765,184,170</u>
<b>Non-current</b>				
Long-term loans	-	3,936,901,708	-	-
Long-term loans from a related party (Note 30.6)	-	-	1,011,391,559	1,016,876,202
	<u>-</u>	<u>3,936,901,708</u>	<u>1,011,391,559</u>	<u>1,016,876,202</u>
<b>Total loans</b>	<u>300,000,000</u>	<u>4,336,901,708</u>	<u>5,845,575,729</u>	<u>5,782,065,729</u>

The movements in loans from financing activities during the year are as follows:

	<b>Consolidated financial statements</b>		
	<b>Short-term loans Baht</b>	<b>Long-term loans Baht</b>	<b>Total Baht</b>
Opening balance 2017	2,840,212,152	10,421,438,406	13,261,650,558
Cash flows	(2,450,000,000)	(6,500,000,000)	(8,950,000,000)
Amortisation front-end fee	9,787,848	15,463,302	25,251,150
Closing balance 2017	400,000,000	3,936,901,708	4,336,901,708
Cash flows	(100,000,000)	(3,999,000,000)	(4,099,000,000)
Amortisation front-end fee	-	62,098,292	62,098,292
Closing balance 2018	<u>300,000,000</u>	<u>-</u>	<u>300,000,000</u>

**18 Loans (continued)**

The movements in loans from financing activities during the year are as follows: (continued)

	Separate financial statements			Total Baht
	Short-term loans Baht	Short-term loans from related parties Baht	Long-term loans from related party Baht	
Opening balance 2017	2,840,212,152	3,425,627,835	1,086,597,118	7,352,437,105
Cash flows	(2,450,000,000)	939,556,335	(96,820)	(1,510,540,485)
Amortisation front-end fee	9,787,848	-	-	9,787,848
Difference from exchange rate	-	-	(69,624,096)	(69,624,096)
Closing balance 2017	400,000,000	4,365,184,170	1,016,876,202	5,782,060,372
Cash flows	(100,000,000)	169,000,000	(640,554)	68,359,446
Difference from exchange rate	-	-	(4,844,089)	(4,844,089)
Closing balance 2018	300,000,000	4,534,184,170	1,011,391,559	5,845,575,729

The interest rate exposure on the loans of the Group is as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Fixed rates	300,000,000	400,000,000	3,775,575,729	5,782,060,372
Floating rates	-	3,936,901,708	2,070,000,000	-
	300,000,000	4,336,901,708	5,845,575,729	5,782,060,372

The effective interest rates at the statement of financial position date are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 %	2017 %	2018 %	2017 %
Short-term loans	2.40	2.40	2.40	2.40
Short-term loans from related parties	-	-	1.45 - 1.75	4.25
Long-term loans	-	4.92	-	-
Long-term loans from a related party	-	-	-	-

The carrying amounts and fair values of long-term loans are as follows:

	Consolidated financial statements	
	2018 Baht	2017 Baht
Carrying amounts	-	3,936,901,708
Fair values	-	4,037,286,929

In year 2017, The fair values are based on discounted cash flows using a discount rate based upon the loan rate of 4.92% and are within level 2 of the fair value hierarchy.

Fair value of short-term loans are approximated to their book value resulting from the insignificant impact of the discount rate.

**18 Loans (continued)**

Maturity of long-term loans is as follows:

	<b>Consolidated financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>
Within 1 year	-	-
Between 2 - 5 years	-	3,936,901,708
	<u>-</u>	<u>3,936,901,708</u>

**19 Trade and other payables**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Trade payables	307,755,418	308,836,705	43,430,476	44,366,993
Amounts due to related parties (Note 30.4)	398,976	3,504,753	95,564,649	55,287,048
Accrued cost of real estate developments	765,186,548	1,158,576,287	134,058,376	175,855,348
Interest payables	118,069,516	231,520,764	66,052,489	81,610,841
Dividend payable	11,083,736	14,198,029	11,076,316	14,198,029
Income received in advance	275,663,799	203,541,047	108,018,641	51,101,436
Others	193,756,400	172,729,149	86,839,253	85,559,504
	<u>1,671,914,393</u>	<u>2,092,906,734</u>	<u>545,040,200</u>	<u>507,979,199</u>

**20 Debentures**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Current portion of debentures	637,719,864	-	637,719,864	-
Debentures	15,970,305,631	14,102,263,823	6,982,328,581	10,108,842,343
	<u>16,608,025,495</u>	<u>14,102,263,823</u>	<u>7,620,048,445</u>	<u>10,108,842,343</u>

The movements in debentures from financing activities during the year are as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Opening balance	14,102,263,823	12,405,883,550	10,108,842,343	12,405,883,550
Cash flows	2,491,030,511	1,692,536,600	(2,500,000,000)	(2,300,000,000)
Amortisation of bond underwriting	14,731,161	3,843,673	11,206,102	2,958,793
Closing balance	<u>16,608,025,495</u>	<u>14,102,263,823</u>	<u>7,620,048,445</u>	<u>10,108,842,343</u>

**20 Debentures (continued)**

The interest rate on all debenture of the Group is fixed rates. The effective interest rates at the statement of financial position date were as follows:

	Consolidated financial statements		Separate financial statements	
	2018 %	2017 %	2018 %	2017 %
Debentures	2.70 - 5.79	3.37 - 5.79	4.76 - 5.79	4.76 - 5.79

The carrying amounts and fair value of debentures are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Carrying amounts	16,608,025,495	14,102,263,823	7,620,048,445	10,108,842,343
Fair values	16,916,700,222	14,537,409,989	7,871,265,876	10,548,109,517

The fair values of debentures are based on clean price announced by Thai Bond Market Association that are within level 2 of the fair value hierarchy.

Maturity of debentures is as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Within 1 year	637,719,864	-	637,719,864	-
Between 2 - 5 years	10,664,661,468	7,623,394,399	2,994,440,495	3,629,972,919
Over 5 years	5,305,644,163	6,478,869,424	3,987,888,086	6,478,869,424
	<u>16,608,025,495</u>	<u>14,102,263,823</u>	<u>7,620,048,445</u>	<u>10,108,842,343</u>

**21 Deferred revenue**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Current portion of deferred revenue	124,573,234	114,776,964	25,451,091	25,778,027
Deferred revenue	1,917,266,841	1,658,273,764	629,457,188	654,908,278
	<u>2,041,840,075</u>	<u>1,773,050,728</u>	<u>654,908,279</u>	<u>680,686,305</u>

**21 Deferred revenue (continued)**

The movements of deferred revenue are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening balance	1,773,050,728	1,880,547,003	680,686,305	705,378,245
Additions	386,771,062	-	-	-
Recognise income	(117,981,715)	(107,496,275)	(25,778,026)	(24,691,940)
Closing balance	2,041,840,075	1,773,050,728	654,908,279	680,686,305

**22 Employee benefit obligations**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Statement of financial position				
Retirement benefits	94,764,914	80,877,352	15,242,972	13,008,373
Profit or loss				
Retirement benefits	13,887,562	14,320,413	2,234,599	2,004,054
Other Comprehensive income				
Remeasurements	-	295,255	-	-

The movements of retirement benefit obligations are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Opening balance	80,877,352	66,878,684	13,008,373	11,194,519
Current service cost	11,884,412	12,531,369	1,875,695	1,695,086
Interest cost	2,003,150	1,789,044	358,904	308,968
	94,764,914	81,199,097	15,242,972	13,198,573
Remeasurements				
Loss from change in demographic assumptions	-	157,461	-	-
Gain from change in financial assumptions	-	(311,707)	-	-
Experience loss	-	449,501	-	-
	-	295,255	-	-
Benefits paid during the year	-	(617,000)	-	(190,200)
Closing balance	94,764,914	80,877,352	15,242,972	13,008,373

22 Employee benefit obligations (continued)

The principal actuarial assumptions used were as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Percentage	2017 Percentage	2018 Percentage	2017 Percentage
Discount rate	2.39 - 3.38	2.39 - 3.38	2.76	2.76
Future salary increases	6.35 - 6.63	6.35 - 6.63	6.63	6.63
Resignation rate	3.00 - 13.00	3.00 - 13.00	3.00 - 13.00	3.00 - 13.00
Retirement age	55 years	55 years	55 years	55 years

	Change in assumption	Consolidated financial statements			
		Increase in assumption		Decrease in assumption	
		2018	2017	2018	2017
Discount rate	1%	Decrease by 5.76-12.65%	Decrease by 6.46-13.31%	Increase by 6.41-14.90%	Increase by 7.20-15.75%
Future salary increases	1%	Increase by 8.08-16.42%	Increase by 7.84-16.16%	Decrease by 7.36-14.04%	Decrease by 7.15-13.86%
Resignation rate	1%	Decrease by 6.09-13.66	Decrease by 6.83-14.38	Increase by 2.57-11.18%	Increase by 3.43-12.07%

	Change in assumption	Separate financial statements			
		Increase in assumption		Decrease in assumption	
		2018	2017	2018	2017
Discount rate	1%	Decrease by 7.54%	Decrease by 8.18%	Increase by 8.44%	Increase by 9.19%
Future salary increases	1%	Increase by 10.07%	Increase by 9.77%	Decrease by 8.84%	Decrease by 8.84%
Resignation rate	1%	Decrease by 7.99%	Decrease by 8.67%	Increase by 4.49%	Increase by 5.13%

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

23 Dividends per share

Dividend	Approved by	Dividend paid (Baht)	Dividend paid per share (Baht)	Payment date
<u>Year 2018</u>				
Dividend from the profit of year 2017	Annual General Meeting of Shareholders held on 30 April 2018	1,199,561,014	0.1236	23 May 2018
		<u>1,199,561,014</u>	<u>0.1236</u>	
<u>Year 2017</u>				
Dividend from the profit of year 2016	Annual General Meeting of Shareholders held on 28 April 2017	1,999,268,100	0.2060	18 May 2017
Interim dividend for year 2017	Board of Directors Meeting held on 9 November 2017	1,399,487,669	0.1442	8 December 2017
		<u>3,398,755,769</u>	<u>0.3502</u>	

24 Other components of equity

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Available-for-sale investments:				
Unrealised loss	(202,488,650)	(108,783,951)	(203,055,956)	(108,783,951)
<u>Less</u> Reclassification adjustments for gain included in profit or loss	(710,286)	-	(142,980)	-
	(203,198,936)	(108,783,951)	(203,198,936)	(108,783,951)
Currency translation differences	(61,217,531)	(58,799,173)	-	-
Remeasurements of employee benefit obligations	15,187,325	15,187,325	21,323,895	21,323,895
Share of other comprehensive income of joint ventures	(17,579,956)	(16,755,384)	-	-
Total other comprehensive income	(266,809,098)	(169,151,183)	(181,875,041)	(87,460,056)
Income tax relating to other components of equity	37,618,219	18,735,222	36,383,117	17,500,120
	<u>(229,190,879)</u>	<u>(150,415,961)</u>	<u>(145,491,924)</u>	<u>(69,959,936)</u>

25 Finance costs

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Loans from financial institutions	83,857,648	384,488,897	6,837,260	43,266,341
Debentures	524,888,249	634,670,452	499,962,932	621,000,839
Short-term loans from related parties	-	-	107,873,545	195,343,382
Bond underwriting	10,857,803	3,638,140	11,206,102	2,958,792
Others	40,782,085	37,268,278	2,189,302	3,225,681
	<u>660,385,785</u>	<u>1,060,065,767</u>	<u>628,069,141</u>	<u>865,795,035</u>

26 Expense by nature

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Cost of sales of real estate	1,475,799,904	1,455,690,889	538,943,734	609,763,382
Employee benefits expenses	254,190,171	306,609,303	17,675,851	93,243,358
Depreciation and amortisation	241,634,370	198,200,061	19,783,499	23,447,531
Consulting fees	31,408,744	61,970,784	16,374,697	27,087,330
Land transfer fee and specific business tax	119,932,055	210,146,562	51,181,787	68,439,960
Remuneration of directors and management (Note 30.7)	391,247,954	327,791,482	240,138,486	133,859,587

**27 Income tax**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Current income tax	262,583,647	283,953,340	51,601,680	54,808,356
Deferred income tax (Note 17)	155,609,072	(69,976,519)	17,777,890	(1,094,258)
	<u>418,192,719</u>	<u>213,976,821</u>	<u>69,380,570</u>	<u>53,714,098</u>

The income tax on the Group's profit before tax differ from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Profit before income tax	4,726,813,245	4,324,996,099	1,935,717,574	4,268,158,868
<u>Less</u> Profit from promoted activities which exempt from payment of corporate income tax	(755,973,667)	(1,295,449,246)	(195,466,692)	(201,049,290)
Share of profit from investments in associates and interests in joint ventures	<u>(1,848,573,160)</u>	<u>(1,981,852,903)</u>	-	-
	2,122,266,418	1,047,693,950	1,740,250,882	4,067,109,578
Tax calculated at a tax rate of 20%	424,453,283	209,538,790	348,050,176	813,421,916
Tax effects of:				
Income not subject to tax	(50,111,911)	(41,480,775)	(328,671,941)	(764,611,987)
Expenses not deductible for tax purposes	7,461,433	6,027,099	20,761	3,866,345
Additional expenses deductible for tax purposes	(815,158)	(1,852,824)	(42,327)	(42,327)
Tax losses for which no deferred income tax asset was recognised	18,370,149	29,390,082	-	-
Adjustment in respect of prior year	18,834,923	12,354,449	50,023,901	1,080,151
Income tax expense	<u>418,192,719</u>	<u>213,976,821</u>	<u>69,380,570</u>	<u>53,714,098</u>

27 Income tax (continued)

The tax relating to components of other comprehensive income is as follows:

	Consolidated financial statements					
	2018			2018		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Change in value of available-for-sale investments	(94,414,985)	18,882,997	(75,531,988)	(109,015,929)	21,803,186	(87,212,743)
Currency translation differences	(2,545,262)	-	(2,545,262)	(27,983,635)	-	(27,983,635)
Remeasurements of employee benefit obligations	-	-	-	(295,255)	70,174	(225,081)
Share of other comprehensive income of joint venture	(1,177,960)	-	(1,177,960)	(10,459,539)	-	(10,459,539)
	<u>(98,138,207)</u>	<u>18,882,997</u>	<u>(79,255,210)</u>	<u>(147,754,358)</u>	<u>21,873,360</u>	<u>(125,880,998)</u>
	Separate financial statements					
	2018			2018		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Change in value of available-for-sale investments	(94,414,985)	18,882,997	(75,531,988)	(109,015,929)	21,803,186	(87,212,743)
	<u>(94,414,985)</u>	<u>18,882,997</u>	<u>(75,531,988)</u>	<u>(109,015,929)</u>	<u>21,803,186</u>	<u>(87,212,743)</u>

**28 Earnings per share**

Basic earnings per share is calculated by dividing the net profit attributable to shareholders of the parent by the weighted average number of ordinary shares.

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Profit attributable to ordinary shareholders of the parent (Baht)	3,447,884,762	3,588,666,302	1,866,337,004	4,214,444,770
Weighted average number of ordinary shares outstanding (shares)	9,705,186,191	9,705,186,191	9,705,186,191	9,705,186,191
Basic earnings per share (Baht)	0.36	0.37	0.19	0.43

**29 Financial instruments**

**Net fair values of financial instruments**

The net fair values of financial instruments at 31 December and designated for cash flow hedges were as follow:

	Consolidated, Separate financial statements	
	2018 Baht	2017 Baht
Interest rate swaps		
Contracts with negative fair values(loss):	(54,390,068)	(86,879,873)

The fair value of interest rate swaps is within level 2 of the fair value hierarchy.

**30 Related-party transactions**

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

The Company is controlled by WHA Corporation Public Company Limited, a company incorporated in Thailand, by indirectly owns in WHA Venture Holdings Co., Ltd. which owns 98.54% of the Company's shares. The remaining 1.46% of the shares are widely held.

In considering each possible related-party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

**30 Related-party transactions (continued)**

The following material transactions were carried out with related parties:

**30.1 Revenue and expenses**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
<b>Parent</b>				
Revenue from sales of real estate	66,545,625	-	22,875,250	-
Revenue from water business	62,455	28,000	-	-
Revenue from leases and services	3,281,447	268,236	20,858	-
Interest income	609,599,349	856,675,431	609,599,349	856,675,431
Administrative expense	1,579,200	121,115	-	-
<b>Associates</b>				
Revenue from water business	188,129,278	102,564,044	-	-
Revenue from leases and service	45,387,673	50,731,508	639,540	1,040,990
Other income	58,536,153	67,907	11,474	16,304
Commission and management income	9,203,894	6,987,212	9,203,894	6,987,212
Dividend income	-	-	38,828,567	30,747,823
Interest income	54,087,897	71,336,338	-	-
<b>Subsidiaries</b>				
Revenue from water business	-	-	43,624,186	33,038,123
Revenue from leases and services	-	-	8,014,603	4,804,061
Commission and management income	-	-	170,833,749	122,018,661
Deferred leasehold right income	-	-	11,740,000	11,740,000
Dividend income	-	-	1,603,805,074	3,769,648,962
Interest income	-	-	48,911,220	76,764,984
Cost of leases and services	-	-	7,326,729	-
Finance costs	-	-	107,873,545	195,343,383
<b>Joint Ventures</b>				
Revenue from water business	97,440	-	-	-
Revenue from leases and services	4,063,805	3,248,172	4,045,362	3,248,172
Commission and management income	899,000	-	-	-
Interest income	849,463	553,063	-	45,271
<b>Other related parties</b>				
Revenue from leases and services	680,432	522,494	468,300	359,100
Interest income	448,904	-	-	-
Cost of leases and services	196,667	3,271,028	-	-
Administrative expenses	1,100,803	587,621	890,969	312,888

**30.2 Amount due from related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Parent	99,375,071	41,722,570	98,639,431	41,711,014
Associates	66,384,459	46,695,510	3,034,945	1,841,139
Subsidiaries	-	-	67,103,808	43,533,361
Joint ventures	844,893	860,687	19,560	-
Other related parties	231,456	413,879	73,777	359,100
	<u>166,835,879</u>	<u>89,692,646</u>	<u>168,871,521</u>	<u>87,464,614</u>

**30 Related-party transactions (continued)**

The following material transactions were carried out with related parties: (continued)

**30.3 Short-term loans to related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Parent	13,273,140,000	14,926,000,000	13,273,140,000	14,926,000,000
Associate	701,550,500	974,750,000	-	-
Subsidiaries	-	-	1,245,031,930	1,433,450,000
Joint venture	53,000,000	39,015,000	-	-
Other related party	100,000,000	-	-	-
	<b>14,127,690,500</b>	<b>15,939,765,000</b>	<b>14,518,171,930</b>	<b>16,359,450,000</b>

**Consolidated financial statements**

Short-term loans to related parties can be called at any time and are unsecured. The loans bear interest at 1.45% - 4.25% and MLR - 1.25% and MLR per annum (2017: 4.25% - 12.00% and MLR per annum).

**Separate financial statements**

Short-term loans to related parties can be called at any time and are unsecured. The loan bear interest at 3.75% - 4.25% per annum (2017: 4.25% - 5.75% per annum).

**30.4 Amounts due to related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Parent	-	3,504,753	-	2,093,036
Subsidiaries	-	-	95,564,649	53,194,012
Other related party	398,976	-	-	-
	<b>398,976</b>	<b>3,504,753</b>	<b>95,564,649</b>	<b>55,287,048</b>

**30.5 Short-term loans from related parties**

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<b>2018 Baht</b>	<b>2017 Baht</b>	<b>2018 Baht</b>	<b>2017 Baht</b>
Subsidiaries	-	-	4,534,184,170	4,365,184,170

Short-term loans from related parties can be called at any time and are unsecured. The loans bear interest at 1.45% - 4.25% per annum (2017: 2.50% - 5.75% per annum).

**30 Related-party transactions (continued)**

The following material transactions were carried out with related parties: (continued)

**30.6 Long-term loans from a related party**

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Subsidiary	-	-	1,011,391,559	1,016,876,202

The long-term loan from a related party are unsecured and denominated in Thai Baht and USD dollar. The loans shall not bear interest and repayment at call. However, the related party and the Company made the agreement not to call the loans the Company classified these loan as non-current liabilities.

**30.7 Key management compensation**

Key management includes directors (executive and non-executive), members of the Executive committee and the Company secretary. The compensation paid or payable to the management for employee services is as following:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Short-term benefits	385,196,223	321,104,569	239,452,780	133,243,435
Post-employment benefit	6,051,731	6,686,913	685,706	616,152
	391,247,954	327,791,482	240,138,486	133,859,587

**31 Commitments**

**31.1 Capital commitment**

Capital expenditure contracted at the statement of financial position date but not recognised in the financial statements is as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Purchase of land and leasehold rights	464,102,600	-	-	-
Construction of ready-built factories and public utilities	314,252,646	146,155,007	22,244,659	32,473,816
	778,355,246	146,155,007	22,244,659	32,473,816

**31.2 Operating lease commitments**

The future aggregate minimum lease payments under non-cancellable operating lease are as follows:

	Consolidated financial statements		Separate financial statements	
	2018 Baht	2017 Baht	2018 Baht	2017 Baht
Not later than 1 year	30,630,430	18,212,564	16,555,739	8,670,720
Later than 1 year but not later than 5 years	41,464,185	30,786,757	19,161,985	12,891,836
	72,094,615	48,999,321	35,717,724	21,562,556

## 32 Contingencies

### 32.1 Bank guarantees

Banks have provided guarantees on behalf of the Company and the Group are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
<b>Baht currency</b>				
Infrastructure	20,994,100	73,575,030	13,379,000	66,101,830
Industrial Estate Authority of Thailand	336,506,951	430,099,510	336,506,951	430,099,510
Performance bond with power group	257,962,477	999,501,856	-	-
Tax refund before tax audited	393,933,930	-	-	-
Others	139,726,330	181,032,018	139,726,330	181,032,018
	<u>1,149,123,788</u>	<u>1,684,208,414</u>	<u>489,612,281</u>	<u>677,233,358</u>
<b>USD currency</b>				
Performance bond with power group	7,721,436	9,042,844	-	-
	<u>7,721,436</u>	<u>9,042,844</u>	<u>-</u>	<u>-</u>

The guarantees are issued in the ordinary course of business. No liabilities are expected to arise from the above guarantees.

### 32.2 Other guarantees

Guarantees in the ordinary course of business are as follows:

The Group has entered into land sale and purchase contracts, which the contract term requires the Group to contingently liable to repay deposits and installments in the event that buyers are unable to obtain satisfactory approvals from the Board of Investment and/or the IEAT to set up their operations.