

HEMARAJ LAND AND DEVELOPMENT PUBLIC COMPANY LIMITED

CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

31 DECEMBER 2016



Independent Auditor's Report

To the Shareholders and the Board of Directors of Hemaraj Land and Development Public Company Limited

My opinion

In my opinion, the consolidated financial statements of Hemaraj Land and Development Public Company Limited (the Company) and its subsidiaries (the Group) and separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2016, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

What I have audited

I have audited the accompanying consolidated and separate financial statements of the Group and the Company, which comprise the consolidated and separate statements of financial position as at 31 December 2016, and the related consolidated and separate statements of comprehensive income, changes in equity and cash flows for the year then ended, and notes to the consolidated and separate financial statements, including a summary of significant accounting policies.

Basis for opinion

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

Other information

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the directors.



Responsibilities of the directors for the consolidated and separate financial statements

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

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

The directors are responsible for overseeing the Group and Company's financial reporting process.

Auditor's responsibilities for the audit of the consolidated and separate financial statements

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

As part of an audit in accordance with TSAs, I exercise professional judgment and maintain professional scepticism throughout the audit. I also:

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



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

PricewaterhouseCoopers ABAS Ltd.

A handwritten signature in black ink, appearing to read 'จจจจจจ'.

Chanchai Chaiprasit
Certified Public Accountant (Thailand) No. 3760
Bangkok
22 February 2017

Hemaraj Land and Development Public Company Limited

Statements of Financial Position

As at 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016	Restated	2016	Restated
		Baht	Baht	Baht	Baht
Assets					
Current assets					
Cash and cash equivalents	7	2,403,686,060	1,475,613,992	748,077,021	996,449,205
Short-term investment	8	-	1,460,829,078	-	1,460,829,078
Trade and other receivables, net	9	759,211,656	225,117,417	631,308,997	175,799,269
Short-term borrowings to related parties	35	18,531,900,000	1,432,900,000	18,753,391,010	7,788,300,000
Cost of real estate developments, net	10	12,469,962,015	12,881,194,747	4,167,362,241	3,945,501,749
Other current assets		677,479,707	65,470,132	40,433,523	10,223,680
Non-current assets held for sale	11	-	2,128,543,262	-	161,494,509
Total current assets		34,842,239,438	19,669,668,628	24,340,572,792	14,538,597,490
Non-current assets					
Investments in available-for-sale	12	854,537,620	495,980	854,537,620	495,980
Investments in associates	13	8,628,187,960	7,628,319,713	1,078,871,000	5,155,239,970
Investments in subsidiaries	13	-	-	7,351,861,591	9,828,861,581
Interests in joint ventures	13	298,623,428	266,191,677	-	267,219,274
Other long-term investments, net	14	144,283,010	144,283,003	-	142,500,003
Investment properties, net	15	2,507,251,492	2,467,691,585	23,700,056	23,032,446
Property, plant and equipment, net	16	2,056,693,689	1,986,239,598	44,701,740	56,784,466
Deferred tax assets	28	13,219,280	48,416,503	-	29,573,188
Deferred income from operation lease agreement		10,981,917	10,245,213	-	-
Other non-current assets		262,969,530	269,635,313	205,013,866	257,851,430
Total non-current assets		14,776,747,926	12,821,518,585	9,558,685,873	15,761,558,338
Total assets		49,618,987,364	32,491,187,213	33,899,258,665	30,300,155,828

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemaraj Land and Development Public Company Limited

Statements of Financial Position (continued)

As at 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	Restated	2016 Baht	Restated
			2015 Baht		2015 Baht
Liabilities and equity					
Current liabilities					
Short-term borrowings from financial institution	18	2,840,212,152	-	2,840,212,152	-
Trade and other payables	17	1,891,557,468	1,943,551,603	563,015,332	5,220,012,108
Income received in advance		533,645,929	247,130,600	199,782,746	5,436,802
Short-term borrowings from related parties	18, 35	-	-	3,425,627,835	489,908,990
Short-term borrowings from others		-	40,000,000	-	-
Current portion of long-term					
- borrowings from financial institutions	18	2,491,534,108	809,218,920	-	729,218,920
- debenture	19	2,299,361,371	1,492,928,518	2,299,361,371	1,492,928,518
- provision for liabilities arising from guarantee of rental income	21, 35	-	107,422,348	-	15,403,147
- cash received from unearned rental income	22	101,346,168	-	12,951,940	-
- unearned income from rental and leasehold rights	22	6,150,107	5,584,371	11,740,000	2,484,000
Accrued income tax		42,977,356	55,019,036	-	-
Other current liabilities		97,456,789	106,414,758	31,583,157	37,712,958
Liabilities related directly associated with assets classified as held for sale	11	-	144,773,684	-	3,324,840
Total current liabilities		10,304,241,448	4,952,043,838	9,384,274,533	7,996,430,283
Non-current liabilities					
Long-term borrowings from related parties	35	-	-	1,086,597,118	1,091,906,620
Long-term borrowings from financial institutions	18	7,929,904,298	198,775,000	-	120,900,000
Debentures	19	10,106,522,179	12,405,883,551	10,106,522,179	12,405,883,551
Deferred tax liabilities	28	844,565,228	113,885,978	13,237,613	-
Employee benefit obligations	20	66,878,684	75,354,651	11,194,519	31,223,089
Cash received from unearned rental income	22	1,621,321,432	-	114,231,305	-
Unearned income from rental and leasehold rights	22	151,729,296	157,880,953	566,455,000	40,975,792
Other non-current liabilities		280,753,239	292,721,318	104,510,836	92,908,479
Total non-current liabilities		21,001,674,356	13,244,501,451	12,002,748,570	13,783,797,531
Total liabilities		31,305,915,804	18,196,545,289	21,387,023,103	21,780,227,814

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemaraj Land and Development Public Company Limited
Statements of Financial Position (continued)
As at 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016	Restated	2016	Restated
		Baht	Baht	Baht	Baht
Liabilities and equity (continued)					
Equity					
Share capital					
Authorised share capital					
Ordinary shares 15,000,000,000 shares of par Baht 0.40 each		<u>6,000,000,000</u>	<u>6,000,000,000</u>	<u>6,000,000,000</u>	<u>6,000,000,000</u>
Issued and paid-up share capital					
Ordinary shares 9,705,186,191 shares of par Baht 0.40 each	23	3,882,074,476	3,882,074,476	3,882,074,476	3,882,074,476
Share premium account-ordinary shares	23	438,704,620	438,704,620	438,704,620	438,704,620
Retained earnings					
Appropriated - legal reserve	30	600,000,000	600,000,000	600,000,000	600,000,000
Unappropriated		13,230,057,406	9,073,902,779	7,574,203,659	3,598,303,964
Other components of equity	24	<u>(27,740,349)</u>	<u>(29,895,987)</u>	<u>17,252,807</u>	<u>844,954</u>
Equity attributable to owners of the parent		<u>18,123,096,153</u>	<u>13,964,785,888</u>	<u>12,512,235,562</u>	<u>8,519,928,014</u>
Non-controlling interests		<u>189,975,407</u>	<u>329,856,036</u>	<u>-</u>	<u>-</u>
Total equity		<u>18,313,071,560</u>	<u>14,294,641,924</u>	<u>12,512,235,562</u>	<u>8,519,928,014</u>
Total liabilities and equity		<u>49,618,987,364</u>	<u>32,491,187,213</u>	<u>33,899,258,665</u>	<u>30,300,155,828</u>

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemaraj Land and Development Public Company Limited
Statements of Comprehensive Income
For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Revenues					
Sales of real estate		8,704,918,104	4,679,213,788	969,522,252	2,845,991,575
Sales of water business		1,395,805,044	1,280,140,715	32,064,520	59,881,101
Rental, services and utilities income		1,447,372,019	1,511,774,690	71,959,841	77,486,319
Total revenues		11,548,095,167	7,471,129,193	1,073,546,613	2,983,358,995
Cost of sales and services					
Cost of sales of real estate	26	3,366,838,098	2,774,547,351	477,567,018	1,694,990,158
Cost of water business		746,381,689	773,446,573	28,857,676	47,721,195
Cost of rental, services and utilities		546,863,836	478,640,591	49,476,747	42,955,184
Total cost of sales and services		4,660,083,623	4,026,634,515	555,901,441	1,785,666,537
Gross profit		6,888,011,544	3,444,494,678	517,645,172	1,197,692,458
Other income					
Gain on discontinued operating in investment in subsidiary		-	-	153,677,049	-
Gain on sale of investments		9,109,407	98,054,654	8,461,957	-
Interest income		492,735,898	140,081,032	775,997,825	492,772,764
Management income and commission fee		23,782,760	13,327,446	272,619,687	176,076,524
Dividend income		27,328,208	4,803,536	4,618,958,848	2,267,259,534
Gain on exchange rate		-	-	5,261,925	-
Gain on sale of assets		2,435,476	45,569,362	3,715,759	32,636,410
Others		57,884,955	130,615,182	4,388,852	9,709,537
Selling expenses		(223,365,839)	(279,856,057)	(94,875,634)	(159,222,984)
Administrative expenses		(812,632,698)	(633,245,183)	(281,241,597)	(300,564,026)
Provision for loss arising from guarantee of minimum rental income	21, 35	(24,596,079)	(15,238,889)	(1,283,056)	(730,837)
Other expenses					
Loss on sales of investments		-	-	-	(153,478,511)
Loss on exchange rate		(5,577)	-	-	(65,836,433)
Finance costs	25	(1,124,260,588)	(760,643,314)	(911,795,778)	(766,057,063)
Share of profit from investments in associates and interests in joint ventures	13	1,024,391,790	1,305,072,583	-	-
Profit before income tax expenses		6,340,819,257	3,493,035,030	5,071,531,009	2,730,257,373
Income tax expenses	27	(949,535,226)	(157,241,466)	(80,481,520)	11,521,303
Net profit for the year		5,391,284,031	3,335,793,564	4,991,049,489	2,741,778,676

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemraj Land and Development Public Company Limited
 Statements of Comprehensive Income (continued)
 For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Other comprehensive income					
Item that will not be reclassified subsequently to profit or loss					
Remeasurements of employee benefit obligations		12,455,709	-	17,059,116	-
Total item that will not be reclassified subsequently to profit or loss		12,455,709	-	17,059,116	-
Items that will be reclassified subsequently to profit or loss					
Translation on financial statements differences		(9,508,303)	769,628	-	-
Gain on remeasuring available-for-sale investments		(651,263)	603,011	(651,263)	603,011
Total items that will be reclassified subsequently to profit or loss		(10,159,566)	1,372,639	(651,263)	603,011
Other comprehensive income - net of tax		2,296,143	1,372,639	16,407,853	603,011
Total comprehensive income for the year		5,393,580,174	3,337,166,203	5,007,457,342	2,742,381,687
Net profit attributable to					
Owners of the parent	29	5,171,304,421	3,288,930,658	4,991,049,489	2,741,778,676
Non-controlling interests		219,979,610	46,862,906	-	-
		5,391,284,031	3,335,793,564	4,991,049,489	2,741,778,676
Total comprehensive income attributable to					
Owners of the parent		5,173,460,059	3,290,303,297	5,007,457,342	2,742,381,687
Non-controlling interests		220,120,115	46,862,906	-	-
		5,393,580,174	3,337,166,203	5,007,457,342	2,742,381,687
Earnings per share					
Basic earnings per share	29	0.53	0.34	0.51	0.28

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemraj Land and Development Public Company Limited
Statements of Changes in Equity
For the year ended 31 December 2016

		Consolidated financial statements											
		Total equity attributable to owners of the parent						Other components of equity					
Notes		Issued and paid-up share capital	Share premium account-ordinary shares	Retained earnings		Translation on financial statements differences	Fair value change in investments available-for-sale	Remeasurements of employee benefit obligations	Total other components of equity	Total equity attributable to owners of the parent	Non-controlling interests	Total equity	
				Appropriated - legal reserve	Unappropriated								Baht
	Beginning balance as at 1 January 2015	3,882,074,476	438,704,620	600,000,000	10,084,389,142	(31,510,569)	241,943	-	(31,268,026)	14,973,879,612	322,894,919	15,296,874,531	
	Dividend from subsidiaries paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(40,000,607)	(40,000,607)	
	Total comprehensive income for the year	-	-	-	3,288,930,658	769,628	603,011	-	1,372,639	3,290,303,297	48,882,506	3,337,186,203	
30	Dividend paid	-	-	-	(4,299,397,021)	-	-	-	-	(4,299,397,021)	-	(4,299,397,021)	
	Decrease in non-controlling interests during the year	-	-	-	-	-	-	-	-	-	(1,192)	(1,192)	
	Ending balance as at 31 December 2015	3,882,074,476	438,704,620	600,000,000	9,073,902,779	(30,740,941)	844,954	-	(28,895,987)	13,954,785,888	329,656,036	14,284,641,924	
	Beginning balance as at 1 January 2016	3,882,074,476	438,704,620	600,000,000	9,073,902,779	(30,740,941)	844,954	-	(28,895,987)	13,984,785,888	329,656,036	14,284,641,924	
	Dividend from subsidiaries paid to non-controlling interests	-	-	-	-	-	-	-	-	-	(360,000,744)	(360,000,744)	
	Total comprehensive income for the year	-	-	-	5,171,304,421	(9,508,303)	(651,263)	12,315,204	2,155,638	5,173,460,059	220,120,115	5,393,580,174	
30	Dividend paid	-	-	-	(1,015,148,784)	-	-	-	-	(1,015,148,784)	-	(1,015,148,784)	
	Decrease in non-controlling interests during the year	-	-	-	-	-	-	-	-	-	(20)	(20)	
	Ending balance as at 31 December 2016	3,882,074,476	438,704,620	600,000,000	13,230,057,406	(40,249,244)	183,691	12,315,204	(27,740,349)	18,123,098,153	189,875,407	18,313,071,560	

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemaraj Land and Development Public Company Limited
 Statements of Changes in Equity (continued)
 For the year ended 31 December 2016

		Separate financial statements									
		Retained earnings					Other components of equity				
		Issued and paid-up share capital	Share premium account-ordinary shares	Legal reserve	Unappropriated legal reserve	Fair value change in available-for-sale investments	Remeasurement on employee benefit obligations	Total other components of equity	Notes		
Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	Baht	
Beginning balance as at 1 January 2015	3,882,074,476	438,704,620	600,000,000	5,155,922,309	241,943	-	241,943	10,076,943,348	30		
Dividend paid	-	-	-	(4,299,397,021)	-	-	-	(4,299,397,021)			
Total comprehensive income for the year	-	-	-	2,741,778,676	603,011	-	603,011	2,742,381,687			
Ending balance as at 31 December 2015	3,882,074,476	438,704,620	600,000,000	3,598,303,964	844,954	-	844,954	8,519,928,014			
Beginning balance as at 1 January 2016	3,882,074,476	438,704,620	600,000,000	3,598,303,964	844,954	-	844,954	8,519,928,014	30		
Dividend paid	-	-	-	(1,015,149,794)	-	-	-	(1,015,149,794)			
Total comprehensive income for the year	-	-	-	4,991,049,489	(651,263)	17,059,116	16,407,853	5,007,457,342			
Ending balance as at 31 December 2016	3,882,074,476	438,704,620	600,000,000	7,574,203,659	193,691	17,059,116	17,252,807	12,512,235,562			

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemraj Land and Development Public Company Limited
Statements of Cash Flows
For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash flows from operating activities					
Net profit before income tax expenses		6,340,819,257	3,493,035,030	5,071,531,009	2,730,257,373
Adjustments for:					
Gain on sales of short-term investments		(9,043,150)	(9,371,802)	(9,043,150)	(9,371,802)
Gain on sales of available for sales investments		(64,252)	-	(64,252)	-
Reversal of allowance for doubtful debt		(15,996,874)	2,016,107	704,076	(1,623,916)
Write-off Income tax expenses		2,148,329	-	-	-
Share of profit from investments in associates and joint ventures	13	(1,024,391,790)	(1,305,072,583)	-	-
(Gain) Loss on exchange rate		-	-	(5,267,502)	65,836,433
(Gain) Loss on sales of investment in subsidiaries		-	(88,502,774)	(153,677,049)	162,850,313
(Gain) Loss on sales of investment in associates		(2,495,924)	-	645,445	-
Gain on sales of investment in joint ventures		(784,117)	-	-	-
Gain on sales of other long-term investments		-	(180,000)	-	-
Gain on finance lease agreements of investment property		(5,834,676,584)	(26,736,896)	(345,373,206)	(26,736,896)
Deferred income from operating lease agreements		(736,702)	(17,782,600)	-	-
Gain from sales of assets		(2,435,476)	(45,232,486)	(3,715,759)	(32,636,410)
Depreciation	15,16	223,179,510	270,699,111	19,065,991	20,087,781
Amortisation		29,447,741	9,834,824	29,392,273	9,834,824
Employee benefit obligations	20	11,633,917	10,830,114	3,551,507	3,996,340
Provisions from guarantee	21	24,596,079	15,238,889	1,283,056	730,837
Provisions for maintenance		10,842,805	19,330,132	938,047	4,423,653
Deferred leasehold right income-related parties	22, 35	-	-	(9,417,493)	(2,483,999)
Unearned income from rent and leasehold right	22	(5,585,921)	(6,715,843)	-	-
Dividend income		(27,328,208)	(4,803,536)	(4,618,958,848)	(2,267,259,534)
Interest income		(492,735,898)	(140,081,032)	(775,997,825)	(492,772,764)
Finance costs		1,124,260,588	760,643,314	911,795,778	766,057,063
Changes in operating assets and liabilities					
Trade and other receivables		(92,571,214)	(56,696,228)	(73,963,270)	(34,948,442)
Cost of real estate developments		346,970,369	132,007,959	(221,218,245)	357,993,849
Other current assets		(146,153,372)	(10,225,042)	(6,303,002)	(736,943)
Other non-current assets		(33,789,952)	7,816,288	441,830	8,661,900
Advance received income		269,642,103	(171,612,858)	193,286,586	(92,626,119)
Proceeds from leasehold right income		-	-	555,152,701	-
Proceeds from unearned income	22	(5,193,431)	-	(798,014)	-
Cash paid for rental income guarantee	21	(132,018,427)	(122,661,237)	(16,686,203)	(16,133,984)
Trade and other payables		(211,608,094)	440,468,523	(238,983,857)	475,155,550
Other current liabilities		(10,210,923)	(22,613,413)	(6,153,927)	(9,676,721)
Employee benefit paid	20	(4,540,248)	(19,148,835)	(2,256,182)	(11,036,942)
Other non-current liabilities		(166,406,208)	59,591,092	7,339,470	42,881,030
Cash generated from operating activities		164,773,933	3,174,074,218	307,249,985	1,650,722,474
Interest received		67,209,747	140,630,637	393,747,291	625,248,345
Interest paid		(910,941,441)	(807,498,199)	(860,140,818)	(811,106,797)
Dividend received from operating activities		724,020,604	1,161,582,127	4,618,931,391	2,907,155,652
Income tax received		25,957,242	2,117,956	24,062,818	-
Income tax paid		(647,627,307)	(151,966,875)	(65,579,341)	(16,306,099)
Net cash generated from (used in) operating activities		(576,607,222)	3,518,939,864	4,418,271,326	4,355,713,575

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemraj Land and Development Public Company Limited
Statements of Cash Flows (continued)
For the year ended 31 December 2016

	Notes	Consolidated financial statements		Separate financial statements	
		2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash flows from investing activities					
Payments of short-term investments	8	-	(4,460,000,000)	-	(4,460,000,000)
Payments of available for sales investments		(854,044,910)	-	(854,044,910)	-
Proceeds from short-term investments		1,469,125,257	3,009,371,802	1,469,125,257	3,009,371,802
Proceeds from sale of other long-term investments		-	195,000	-	-
Payments of short-term borrowings to related parties		(18,199,000,000)	-	(30,052,305,541)	(2,828,600,000)
Proceeds from short-term borrowings to related parties		1,100,000,000	-	19,087,214,531	2,010,600,000
Payments of investments in associates	13	(731,180,405)	(325,534,528)	-	-
Proceeds from capital reduction of interest in joint venture		36,719,999	-	-	-
Payments of investments in subsidiaries, net		-	-	(2,005,902,623)	(843,555,224)
Proceeds from sale of investments in subsidiaries, net		-	2,818,619,734	-	2,391,149,649
Proceeds from sale of investments in associates, net		7,323,555	-	7,323,555	-
Payments of investments in joint ventures	13	(69,325,013)	-	-	-
Proceeds from sale of investments in joint ventures		1,274,998	-	-	-
Dividend received from other companies		27,328,208	4,803,535	27,456	3,567
Proceeds from finance lease agreements of of investments properties		8,171,827,449	33,500,000	538,159,694	33,500,000
Proceeds from leasehold rights		1,519,253,430	-	96,689,280	-
Payments of investment properties	15	(21,717,957)	(33,021,661)	-	(695,000)
Proceeds from sales of building and equipment		2,742,466	124,013,178	2,415,364	98,373,832
Payments of building and equipment	16	(245,657,181)	(376,454,957)	(16,309,161)	(37,791,402)
Net cash generated from (used in) investing activities		(7,785,330,104)	795,492,103	(11,727,607,098)	(627,642,776)
Cash flows from financing activities					
Proceeds from short-term borrowings from financial institution		18,034,553,243	-	18,034,553,243	-
Repayments of short-term borrowings from financial institution		(15,218,657,818)	(300,000,000)	(15,218,657,818)	(300,000,000)
Proceeds from issuing debentures		-	2,500,000,000	-	2,500,000,000
Payments of expired debentures		(1,500,000,000)	(1,500,000,000)	(1,500,000,000)	(1,500,000,000)
Payments of issuing debentures expenses		-	(11,235,000)	-	(11,235,000)
Repayment of short-term borrowings from related parties		-	-	(4,603,957,766)	-
Proceeds from short-term borrowing from related parties		-	-	12,171,865,440	489,908,990
Proceeds (repayments) of advance payment from related parties		-	-	39,222,953	(75,321,787)
Payments of long-term borrowings from related parties		-	-	(42,000)	(106,507)
Payments of short-term borrowings from others		(40,000,000)	(222,500,000)	-	(262,500,000)
Proceeds from long-term borrowings	18	10,894,010,000	-	500,000,000	-
Repayments of long-term borrowings	18	(1,507,993,920)	(1,057,536,902)	(1,350,118,920)	(890,786,902)
Dividend paid		(1,011,901,365)	(4,294,958,584)	(1,011,901,544)	(4,294,958,584)
Dividend paid from a subsidiaries to non-controlling interests		(360,000,726)	(40,000,946)	-	-
Payments of non-controlling interests		(20)	(1,183)	-	-
Net cash generated from (used in) financing activities		9,290,009,394	(4,926,232,615)	7,060,963,588	(4,344,999,790)
Net increase (decrease) in cash and cash equivalents		928,072,068	(611,800,648)	(248,372,184)	(616,928,991)
Cash and cash equivalents at the beginning of the year		1,475,613,992	2,087,414,640	996,449,205	1,613,378,196
Cash and cash equivalents at the end of the year		2,403,686,060	1,475,613,992	748,077,021	996,449,205

The accompanying notes are an integral part of these consolidated and separate financial statements.

Hemraj Land and Development Public Company Limited

Statements of Cash Flows (continued)

For the year ended 31 December 2016

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Non-cash transaction:				
Transfer cost of real estate development to investment properties	259,722,634	419,687,036	1,041,319	115,845,922
Transfer investment properties to assets classified as held for sale	-	2,121,005,878	-	161,494,509
Transfer investments in associate and interest in joint venture to subsidiary	-	266,191,677	4,335,619,244	267,219,274
Transfer other long-term investments to subsidiaries	-	-	142,500,003	-
Transfer investments in subsidiaries	-	-	240,000,000	-
Transfer investment properties to cost of real estate development	193,597,273	-	-	-
Offset short-term borrowings from related parties with investments	-	-	4,480,999,980	-
Transfer cost of real estate development to other non-current assets	-	166,788,542	-	157,129,088

The accompanying notes are an integral part of these consolidated and separate financial statements.

1. General information

Hemaraj Land and Development Public Company Limited ("the Company") was incorporated under the Civil and Commercial Code of Thailand and was subsequently 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 will be effective from 2 March 2016. The address of the Company's registered office is as follows:

18th 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", in which WHA Corporation Public Company Limited is an ultimate parent company of the Group.

The Group's major businesses are to produce and distribute the rental and selling land, building, warehouse, and other real estates. Development and management of real estates in Industrial estate and industrial area, provide service 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 2017.

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, and the financial reporting requirements of the Securities and Exchange Commission under the Securities and Exchange Act.

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 2016 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 revised financial reporting standards which are effective on 1 January 2017.

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 recognised and previously held interest measured 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 unrealized gains on transactions between group companies are eliminated. Unrealized 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.

In the separate financial statements, investments in subsidiaries 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) 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.

2. Accounting policies (Continued)

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

3) Disposal of subsidiaries

When the Group ceases to have control, 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.

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. 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 an associate 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.

The Group's share of its associates' 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 an associate equals or exceeds its interest in the associate, including any other unsecured receivables, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associate.

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

Unrealised gains on transactions between the Group and its associates are eliminated to the extent of the Group's interest in the associates. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the asset transferred.

Accounting policies of associates have been changed where necessary to ensure consistency with the policies adopted by the Group. Dilution gains and losses arising in investments in associates are recognised in the profit or loss.

In the separate financial statements, investments in associates 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)

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

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. The Group has assessed the nature of its joint arrangements and determined them to be joint ventures. Joint ventures are accounted for using the equity method.

Under the equity method of accounting, interests in joint ventures are initially recognised at cost and adjusted thereafter to recognise the Group's share of the post-acquisition profits or losses and movements in other comprehensive income. When the Group's share of losses in a joint venture equals or exceeds its interests in the joint ventures (which includes any long-term interests that, in substance, form part of the Group's net investment in the joint ventures), the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the joint ventures.

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

6) Reclassification

6.1) During the year 2016, the Group had reclassified of investments in Houay Ho Thai Company Limited and Glow Hemaraj Wind Company Limited and adjusted the assets from investments in associates to interests in joint ventures and share of profit from investments in associates that adjusted to share of profit from interests in joint ventures.

6.2) During the year 2016, the Group had reclassified cost of real estate developments to other current assets and reclassified property, plant and equipment to other non-current assets.

Where necessary, comparative figures have been adjusted to conform with changes in presentation in the current year. The effects of the reclassifications are as follows:

	Consolidated financial statements		
	As previously reported	Reclassification increase (decrease)	Amount after reclassification
	Baht	Baht	Baht
Statement of financial position as at 31 December 2015			
Investments in associates	7,894,511,390	(266,191,677)	7,628,319,713
Interests in joint ventures	-	266,191,677	266,191,677
Cost of real estate developments, net	12,982,025,794	(100,831,047)	12,881,194,747
Other current assets	131,275,146	(65,805,014)	65,470,132
Property, plant and equipment, net	1,986,392,080	(152,482)	1,986,239,598
Other non-current assets	102,846,771	166,788,542	269,635,313

2. Accounting policies (continued)

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

6) Reclassification (continued)

	Separate financial statements		
	As previously reported Baht	Reclassification increase (decrease) Baht	Amount after reclassification Baht
Statement of financial position as at 31 December 2015			
Investments in associates	5,422,459,244	(267,219,274)	5,155,239,970
Interests in joint ventures	-	267,219,274	267,219,274
Cost of real estate developments, net	4,046,332,796	(100,831,047)	3,945,501,749
Other current assets	66,521,721	(56,298,041)	10,223,680
Other non-current assets	100,722,342	157,129,088	257,851,430
Consolidated financial statements			
	As previously reported Baht	Reclassification increase (decrease) Baht	Amount after reclassification Baht
Statement of comprehensive income for the year ended 31 December 2015			
Share of profit from investments in associates	1,305,072,583	(9,046,598)	1,296,025,985
Share of profit from interests in joint ventures	-	9,046,598	9,046,598

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.

2. Accounting policies (continued)

2.4 Foreign currency translation (continued)

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 investment

Short-term investment comprises 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.

2.8 Real estate development costs

Real estate development costs are stated at the lower of cost or 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. Accounting policies (continued)

2.10 Investments

Investments other than investments in subsidiaries, associates and joint ventures are classified as available-for-sale investments and general 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; and are included in non-current assets unless management has expressed the intention of holding the investment for less than 12 months from the statement of financial position date or unless they will need to be sold to raise operating capital, in which case they are included in current assets.

Investments in non-marketable equity securities are classified as general 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 the statement of income.

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.

2.11 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.

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	20, 30 years
Electric system	10 years
Building Improvement	5 years
Equipment	5 years

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.

2. Accounting policies (continued)

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:

Assets for rent	15 years
Building, Improvement and Utilities systems	5-30 years
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.

2.13 Leasehold rights

Expenditure on acquired leasehold right is capitalised and amortised using the straight line method over the lease period, generally over 30 years.

2.14 Goodwills

Goodwill represents the excess of the consideration transferred over the fair value of the Group's share of the net identifiable assets, liabilities and contingent liability of the acquired subsidiary and the fair value of the non-controlling interest in the acquired subsidiary undertaking at the date of acquisition. Goodwill on acquisitions of subsidiaries is separately reported in the consolidated statement of financial position.

Goodwill is tested annually for impairment and carried at cost less accumulated impairment losses. Impairment losses on goodwill are not reversed. Gains and losses on the disposal of an entity include the carrying amount of goodwill relating to the entity sold.

Goodwill is allocated to cash-generating units for the purpose of impairment testing. The allocation is made to those cash-generating units or groups of cash-generating units that are expected to benefit from the business combination in which the goodwill arose, identified according to operating segment.

2. Accounting policies (continued)

2.15 Intangible assets

1) Computer software

Costs associated with maintaining computer software programmes are recognised as an expense as incurred. Development costs that are directly attributable to the design and testing of identifiable and unique software products controlled by the Group are recognised as intangible assets when the following criteria are met:

- It is technically feasible to complete the software product so that it will be available for use;
- Management intends to complete the software product and use or sell it;
- There is an ability to use or sell the software product;
- It can be demonstrated how the software product will generate probable future economic benefits;
- Adequate technical, financial and other resources to complete the development and to use or sell the software product are available; and
- The expenditure attributable to the software product during its development can be reliably measured.

Directly attributable costs that are capitalised as part of the software product include the software development employee costs and an appropriate portion of relevant overheads.

Other development expenditures that do not meet these criteria are recognised as an expense as incurred. Development costs previously recognised as an expense are not recognised as an asset in a subsequent period.

Computer software development costs recognised as assets are amortised over their estimated useful lives, which does not exceed 3 years.

2) Exclusive right

Exclusive right in sale of water to customers in the real estate, acquired on business combination, is recognised at fair value at the date of acquisition. There will be no reassessment on the asset value. Amortisation is reassessment on an annual basis, adjusted for impairment, if any.

3) Order backlog

Order backlog acquired on business combination is recognised at fair value at the date of acquisition. Order backlog is shown at fair value less amortisation. Amortisation to cost occurs when the income from the related assets is recognised.

There will be no reassessment on the asset value. Amortisation is reassessment on an annual basis, adjusted for impairment, if any.

4) Right to invest in power plant

Right to invest in power plant is recognised at fair value at the date of acquisition. Right to invest in power plant is recognized to cost of investment in associate as the first date acquisition.

2.16 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.

2.17 Deferred income from operating lease agreement

Deferred income from the operating lease agreement is incurred from the recognition of rental and service income by adjusting rental and service agreement rates to straight-line recognition over the term of the rental and service agreement.

The Group will stop using the straight-line method to recognise rental and service income once the investment property and related assets are classified as non-current assets held for sale.

2. Accounting policies (continued)

2.18 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.

2.19 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. Accounting policies (continued)

2.20 Cash received from unearned rental income

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.

2.21 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.

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.

2.22 Employee benefits

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 retirement 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.

2. Accounting policies (continued)

2.22 Employee benefits (continued)

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.

2.23 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.

2.24 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.

2.25 Revenue recognition

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.

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.

2. Accounting policies (continued)

2.25 Revenue recognition (continued)

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.

2.26 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.

2.27 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: 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 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. However, the Group has entered into long-term borrowing agreements with financial institutions bearing floating interest rates. The Group has not entered into interest rate swap contract covering the interest rate risk for such borrowings.

2 Credit risk

The Group has no significant concentrations of credit risk. The Group has policies in place to ensure that rental and services are provided to customers with an appropriate credit history. Deposits are limited to high credit quality financial institutions.

3 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash, 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 instrument, which comprises interest rate swap agreements. Such instrument is not recognised in the financial statements on inception.

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap contract 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 31.

3.3 Fair value estimation

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

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

The following table presents the Group's financial assets that are measured at fair value at 31 December 2016.

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Available-for-sale investments	854,537,620	-	-	854,537,620
Total assets	854,537,620	-	-	854,537,620

The following table presents the Group's financial assets that are measured at fair value at 31 December 2015.

	Level 1 Baht	Level 2 Baht	Level 3 Baht	Total Baht
Assets				
Short-term investments	1,460,829,078	-	-	1,460,829,078
Available-for-sale investments	495,980	-	-	495,980
Total assets	1,461,325,058	-	-	1,461,325,058

There were no transfers between Level 1 and 2 during the year. The fair values less any estimated credit adjustments for financial assets with a maturity of less than one year are assumed to approximate their fair values. The fair value of financial liabilities for disclosure purposes is estimated by discounting the future contractual cash flows at the current market interest rate available to the Group/Company for similar financial instruments.

Information on the fair values of investments is disclosed in Note 8, 12.

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.

(a) 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 20.

(b) 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.

(c) 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.

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6. Segment information

6.1 The segment information of revenue and profit for the years ended 31 December are as follows:

	2016						2015					
	Domestic			Overseas			Domestic			Overseas		
	Real Estate Baht	Power Baht	Water Baht	Other Baht	Holding Company Baht	Total Baht	Real Estate Baht	Power Baht	Water Baht	Other Baht	Holding Company Baht	Total Baht
Sales of real estate	8,704,918,104	-	-	-	-	8,704,918,104	4,679,213,788	-	-	-	-	4,679,213,788
Sales of water business	98,664,359	-	1,297,140,685	-	-	1,395,805,044	405,218,492	-	874,922,223	-	-	1,280,140,715
Service income	1,113,264,171	-	163,015,025	171,092,823	-	1,447,372,019	1,355,765,656	-	156,009,034	-	-	1,511,774,690
Total sales and services income	9,916,846,634	-	1,460,155,710	171,092,823	-	11,548,095,167	6,440,197,936	-	874,922,223	156,009,034	-	7,471,129,193
Gain (loss) from operations	5,054,976,546	(1,352,472)	691,451,186	83,140,064	(800,396)	5,827,416,928	2,023,921,193	(499,083)	406,731,040	88,240,898	(2,239,499)	2,516,154,549
Other income	513,425,935	83,113,257	581,055	4,605,883	114	601,726,244	287,727,745	10,707	307,326	780,532	886	289,827,196
Gain (loss) on sale of investment	8,325,290	784,117	-	-	-	9,109,407	(152,034,336)	-	-	180,000	249,908,990	98,054,654
Gain on sale of assets	2,285,945	-	-	149,531	-	2,435,476	45,569,362	-	-	-	-	45,569,362
Finance costs	(869,482,746)	(23,164,738)	(231,598,001)	(15,103)	-	(1,124,260,588)	(760,614,435)	-	-	(28,879)	-	(760,643,314)
Share of profit from investments in associates and joint ventures	70,876,705	953,515,085	-	-	-	1,024,391,790	73,367,367	1,231,705,216	-	-	-	1,305,072,583
Income tax expenses	(866,759,190)	(15,679,576)	(44,829,203)	(22,273,257)	-	(949,535,226)	(115,522,032)	-	(22,627,545)	(19,091,869)	-	(157,241,466)
Net profit (loss) for the year	3,913,650,485	997,221,673	415,605,037	65,607,118	(800,282)	5,391,284,031	1,402,414,864	1,231,216,940	384,410,821	70,080,662	247,670,377	3,335,793,564
Net profit attributable to non-controlling interests						(219,979,610)						(46,862,906)
Net profit attributable to owners of the parent						5,171,304,421						3,288,930,658

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6. Segment information (continued)

6.2 Business segment information in the consolidated financial statements of 31 December are as follows:

	2016						2015					
	Domestic			Overseas			Domestic			Overseas		
	Real Estate Baht	Power Baht	Water Baht	Other Baht	Holding Company Baht	Total Baht	Real Estate Baht	Power Baht	Water Baht	Other Baht	Holding Company Baht	Total Baht
Cash and cash equivalents	2,167,142,358	8,517,015	138,959,359	80,244,570	8,822,758	2,403,686,060	1,307,777,048	5,701,024	90,143,163	61,177,262	10,815,495	1,475,613,992
Cost of real estate developments, net	12,469,962,015	-	-	-	-	12,469,962,015	12,881,194,747	-	-	-	-	12,881,194,747
Investment in associates	652,875,490	7,975,312,470	-	-	-	8,628,187,960	659,324,190	6,966,995,523	-	-	-	7,628,319,713
Interests in joint venture	-	298,623,428	-	-	-	298,623,428	-	266,191,677	-	-	-	266,191,677
Investment property, net	2,507,251,492	-	-	-	-	2,507,251,492	2,467,691,585	-	-	-	-	2,467,691,585
Property, plant and equipment, net	866,877,231	-	1,079,334,529	110,481,929	-	2,056,693,689	863,754,173	-	997,589,587	124,895,838	-	1,986,239,598
Assets of group assets classified as held for sales	-	-	-	-	-	-	2,128,543,262	-	-	-	-	2,128,543,262
Other assets	1,641,236,774	160,825,282	480,632,355	9,873,963	466,154	2,293,034,528	1,913,651,757	147,175,361	151,419,808	7,925,530	198,142	2,220,370,598
Unallocated assets	-	-	-	-	-	18,961,548,192	-	-	-	-	-	1,437,022,041
Total assets	20,305,345,360	8,443,278,195	1,698,926,243	200,600,462	9,288,912	49,618,987,364	22,221,936,762	7,388,063,565	1,239,152,558	193,998,630	11,013,637	32,491,187,213

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7. Cash and cash equivalents

Cash and cash equivalents at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cash	12,281,190	8,173,741	927,832	595,454
Deposits held at call with banks	2,391,404,870	1,467,440,251	747,149,189	995,853,751
	<u>2,403,686,060</u>	<u>1,475,613,992</u>	<u>748,077,021</u>	<u>996,449,205</u>

The interest rates on deposits are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 % per annum	2015 % per annum	2016 % per annum	2015 % per annum
Deposits held at call with banks	0.10 - 0.625	0.05 - 2.08	0.10 - 0.625	0.10 - 0.40

8. Short-term investment

	Consolidated financial statement		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	1,460,829,078	-	1,460,829,078	-
Purchase unit trust-saving	-	4,460,000,000	-	4,460,000,000
Sale of unit trust-saving	(1,460,829,078)	(3,000,000,000)	(1,460,829,078)	(3,000,000,000)
Changes in fair value	-	829,078	-	829,078
At 31 December	<u>-</u>	<u>1,460,829,078</u>	<u>-</u>	<u>1,460,829,078</u>

The fair value of short-term investment is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost	-	1,460,000,000	-	1,460,000,000
Unrealised gain	-	829,078	-	829,078
	<u>-</u>	<u>1,460,829,078</u>	<u>-</u>	<u>1,460,829,078</u>

The fair value of short-term investment is based on the closing price as the end of year. The fair values are within level 1 of the fair value hierarchy.

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9. Trade and other receivables, net

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Trade accounts receivable - other companies	246,030,683	165,049,232	6,349,876	6,942,817
Trade accounts receivable - related parties (Note 35.2)	5,889,245	4,232,805	233,143,575	155,531,418
<u>Less</u> Allowance for doubtful account	<u>(7,005,030)</u>	<u>(23,001,904)</u>	<u>(3,920,292)</u>	<u>(3,216,215)</u>
Trade receivable, net	244,914,898	146,280,133	235,573,159	159,258,020
Accrued income	44,075,076	39,789,919	221,890	1,838,988
Prepaid expenses	19,291,877	23,930,261	4,690,589	7,000,688
Other receivables	21,281,613	10,995,063	2,144,675	1,760,131
Amounts due from related parties (Note 35.2)	429,648,192	4,122,041	388,678,684	5,941,442
	<u>759,211,656</u>	<u>225,117,417</u>	<u>631,308,997</u>	<u>175,799,269</u>

Outstanding trade accounts receivables - other companies at 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Within due	224,237,893	120,515,017	1,826,667	2,366,219
Up to 3 months	14,787,760	21,532,312	602,917	1,360,382
3 - 6 months	1,176,519	963,313	404,932	493,677
6 - 12 months	1,455,783	3,660,455	848,658	404,932
Over 12 months	4,372,728	18,378,135	2,666,702	2,317,608
	246,030,683	165,049,232	6,349,876	6,942,818
<u>Less</u> Allowance for doubtful account	<u>(7,005,030)</u>	<u>(23,001,904)</u>	<u>(3,920,292)</u>	<u>(3,216,216)</u>
	<u>239,025,653</u>	<u>142,047,328</u>	<u>2,429,584</u>	<u>3,726,602</u>

Outstanding receivables from related parties at 31 December were classified by aging as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Within due	5,889,245	4,232,805	198,155,020	57,309,726
Up to 3 months	-	-	34,988,555	98,221,692
	5,889,245	4,232,805	233,143,575	155,531,418
<u>Less</u> Allowance for doubtful account	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
	<u>5,889,245</u>	<u>4,232,805</u>	<u>233,143,575</u>	<u>155,531,418</u>

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10. Cost of real estate developments, net

	Consolidated financial statements		Separate financial statements	
	2016 Baht	Restated 2015 Baht	2016 Baht	Restated 2015 Baht
At 1 January	12,881,194,747	13,384,513,966	3,945,501,749	4,372,722,625
Additions during the year	881,949,747	2,634,168,246	536,373,750	1,328,255,383
Capitalised finance cost	1,862,998	50,323,598	1,683,566	48,566,717
Transferred to investment properties (Note 15)	(259,722,634)	(420,026,817)	(1,041,319)	(115,815,922)
Transferred from investment properties (Note 15)	193,597,273	-	-	-
Transferred to cost of sale during the year	(1,228,920,116)	(2,767,784,246)	(315,155,505)	(1,688,227,054)
At 31 December	12,469,962,015	12,881,194,747	4,167,362,241	3,945,501,749

At 31 December 2016, the partial of land in the projects of the Group has been mortgaged as collateral for borrowings from local financial institutions.

11. Non-current assets held for sales

The movement of assets classified as held for sales and direct liabilities relate directly to assets held for sale for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Assets held for sales				
At 1 January	2,128,543,262	-	161,494,509	-
Additions during the year	-	4,988,953,075	-	2,462,530,982
Disposals during the year	(2,128,543,262)	(2,860,490,813)	(161,494,509)	(2,301,036,473)
At 31 December	-	2,128,543,262	-	161,494,509
Direct liabilities relate to non-current assets held for sales				
At 1 January	144,773,684	-	3,324,840	-
Additions during the year	-	191,069,174	-	3,324,840
Disposals during the year	(144,773,684)	(46,295,490)	(3,324,840)	-
At 31 December	-	144,773,684	-	3,324,840

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12. Available-for-sale investments

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	495,980	571,295	495,980	571,295
Additions	854,047,277	-	854,047,277	-
Disposals	(65,307)	-	(65,307)	-
Change in fair value	59,670	(75,315)	59,670	(75,315)
At 31 December	854,537,620	495,980	854,537,620	495,980

Fair value of available-for-sale investments are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost	854,346,185	317,475	854,346,185	317,475
Unrealised gain	191,435	178,505	191,435	178,505
	854,537,620	495,980	854,537,620	495,980

The fair value of available-for-sale investments are based on close price at 31 December 2016. The fair values are within level 1 of the fair value hierarchy.

13. Investments associates, subsidiaries and interests in joint ventures

(a) Investments in associates

Associates	Incorporation country	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		31 December 2016 Baht	Restated 31 December 2015 Baht	31 December 2016 Baht	Restated 31 December 2015 Baht
Gheco-One Company Limited	Thailand	-	35	35	-
Hemaraj Industrial Property and Leasehold Fund	Thailand	23	23	-	-
Gulf JP NLL Company Limited	Thailand	-	-	25	25
Gulf Solar Company Limited and its subsidiaries:	Thailand	-	-	25	25
Gulf Solar KKS Company Limited	Thailand	-	-	25	25
Gulf Solar BV Company Limited	Thailand	-	-	25	25
Gulf Solar TS1 Company Limited	Thailand	-	-	25	25
Gulf Solar TS2 Company Limited	Thailand	-	-	25	25
Bowin Clean Energy Limited	Thailand	-	-	25	25
Gulf VTP Company Limited	Thailand	-	-	25	25
Gulf TS1 Company Limited	Thailand	-	-	25	25
Gulf TS2 Company Limited	Thailand	-	-	25	25
Gulf TS3 Company Limited	Thailand	-	-	25	25
Gulf TS4 Company Limited	Thailand	-	-	25	25
Gulf NLL2 Company Limited	Thailand	-	-	25	-

At 31 December 2016, the fair value of the Groups interest in Hemaraj Industrial Property and Leasehold Fund, which is listed on the Stock Exchange of Thailand, was Baht 1,065,180,127 (2015: Baht 1,108,457,248) and the carrying amount of the Group's interest was Baht 652,875,490 (2015: Baht 659,324,190).

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

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

(a) Investments in associates (continued)

The change in book value of investment in associates for the year ended 31 December can be analysed as follows:

	Consolidated financial statements		Separate financial statements	
	2106 Baht	Restated 2015 Baht	2016 Baht	Restated 2015 Baht
At 1 January	7,628,319,713	7,127,434,800	5,155,239,970	5,155,239,970
Additions	731,180,405	325,534,528	-	-
Disposals	(4,827,632)	-	(4,076,368,970)	-
Share of profit	997,536,078	1,296,025,985	-	-
Dividend income	(724,020,604)	(1,120,675,600)	-	-
At 31 December	<u>8,628,187,960</u>	<u>7,628,319,713</u>	<u>1,078,871,000</u>	<u>5,155,239,970</u>

The amounts recognised in the financial statement for the year ended 31 December are as follows:

	Consolidated financial statements (Equity method)		Separate financial statements (Cost method)	
	2016 Baht	Restated 2015 Baht	2016 Baht	Restated 2015 Baht
Associates	<u>8,628,187,960</u>	<u>7,628,319,713</u>	<u>1,078,871,000</u>	<u>5,155,239,970</u>
	<u>8,628,187,960</u>	<u>7,628,319,713</u>	<u>1,078,871,000</u>	<u>5,155,239,970</u>

The amounts recognized in the statement of income for the year ended 31 December are as follows:

	Consolidated financial statements	
	2016 Baht	Restated 2015 Baht
Associates	<u>997,536,078</u>	<u>1,296,025,985</u>
	<u>997,536,078</u>	<u>1,296,025,985</u>

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

(a) Investments in associates (continued)

During the year 2016, the Company disposed investments in associates which is Gheco-One Company Limited to WHA Energy 2 Company Limited (formerly: Hemaraj Energy 2 Company Limited) which is the subsidiary amounting Baht 4,068.40 million. Moreover, the Company sold investment in Hemaraj Industrial Property and Leasehold Fund amount Baht 7.97 million.

Set out below are the associates of the group at 31 December 2016, which, in the opinion of the directors, are material to the group. The associates as listed below have share capital consisting solely of ordinary shares, which are held directly by the group; the country of incorporation or registration is also their principal place of business. Nature of investment in associates for the year 2016 and 2015.

Name of entity	Paid-up share capital		Country registered in	Percentage of interest	Nature of the relationship	Measurement
	31 December 2016 Baht	31 December 2015 Baht				
Directed associates						
Gheco-One Company Limited	11,624,000,000	11,624,000,000	Thailand	35	Shareholders	Equity method

Gheco-One Company Limited is power plant operation and sale of electricity.

The associate of the Group which, in the opinion of the directors, is material to the Group is GHECO - One Company Limited. Summarised financial statements for material associate is as follows:

Summarised statement of financial position of GHECO-One

	2016 Baht	2015 Baht
Current assets		
Cash and cash equivalents	2,720,026,600	2,239,254,652
Other-current assets (excluding cash)	4,536,372,250	5,087,875,437
Total current assets	7,256,398,850	7,327,130,089
Non-current assets	33,543,512,700	34,468,281,121
Current liabilities		
Financial liabilities (excluding trade payables)	6,006,402,384	6,113,047,142
Other current liabilities (including trade payables)	1,235,541,296	1,187,260,127
Total current liabilities	7,241,943,680	7,300,307,269
Non-current liabilities		
Financial liabilities	14,422,647,886	16,407,655,998
Other non-current liabilities	295,205,790	297,702,865
Total non-current liabilities	14,717,853,676	16,705,358,863
Net assets	18,840,144,194	17,789,745,078

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

(a) Investments in associates (continued)

Summarised statement of comprehensive income of GHECO-One

	2016	2015
	Baht	Baht
Revenue	11,722,404,672	13,422,529,690
Depreciation and amortization	(1,053,980,221)	(1,071,275,236)
Interest income	11,880,406	8,384,381
Interest expense	(1,259,858,064)	(1,318,182,266)
Profit or loss from continuing operations	2,912,795,076	3,566,430,475
Income tax expense	(1,423,560)	(151,251,504)
Profit for the year	2,911,371,516	3,415,178,971
Other comprehensive income	-	-
Total comprehensive income	2,911,371,516	3,415,178,971
Dividend received from associates	651,350,835	1,018,727,352

Above information is included in the financial statements of the associates (This isn't share of the group in such associated companies) and adjustment of the difference between accounting policy of the consolidated and associates.

Reconciliation of the summarised financial information of GHECO-One

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

	2016	2015
	Baht	Baht
Opening net assets	17,789,745,078	17,285,215,707
Profit during the year	2,911,371,516	3,415,178,971
Dividends	(1,861,002,400)	(2,910,649,600)
Net assets at ending of the year	18,840,114,194	17,789,745,078
Interest in associates (35 Percent)	6,594,039,919	6,226,410,731

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.

	2016	2015
	Baht	Baht
Aggregate carrying amount of individually immaterial associates	2,034,148,141	1,401,908,982
Aggregate amounts of the Group's share of:		
Profit from continued operations	(21,443,946)	100,713,354
Total comprehensive income	(21,443,946)	100,713,354

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

(b) Investments in subsidiaries

Subsidiaries	Place of business / country of incorporation	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
Eastern Industrial Estate Company Limited	Thailand	99.99	99.99	-	-
Eastern Seaboard Industrial Estate (Rayong) Company Limited	Thailand	60.00	60.00	-	-
Hemaraj Eastern Seaboard Industrial Estate Company Limited	Thailand	99.99	99.99	-	-
Hemaraj Saraburi Industrial Land Company Limited	Thailand	99.99	99.99	-	-
Eastern Pipeline Services Company Limited	Thailand	74.99	74.99	25.00	25.00
Rayong 2012 Company Limited	Thailand	70.00	70.00	29.99	29.99
H-International(BVI) Company Limited	British Virgin Islands	100.00	100.00	-	-
Hemaraj International Limited	Cayman Islands	100.00	100.00	-	-
H-Construction Management and Engineering Company Limited	Thailand	99.99	99.99	-	-
The Park Residence Company Limited	Thailand	99.99	99.99	-	-
SME Factory Company Limited	Thailand	99.99	99.99	-	-
WHA Utilities and Power Public Company Limited (Formerly "Hemaraj Clean Water Company Limited")	Thailand	82.31	99.99	17.68	-
Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited	Thailand	99.99	99.99	-	-
Eastern Seaboard Property and Marina Services Company Limited	Thailand	99.99	99.99	-	-
Hemaraj Reit Management Company Limited	Thailand	99.99	99.99	-	-
H - International (SG) Pte. Ltd.	Singapore	-	100.00	100.00	-
WHA Hemaraj International Company Limited	Thailand	99.99	-	-	-
WHA Hemaraj Land and Development (SG) Pte. Ltd.	Singapore	-	-	100.00	-
Hemaraj Energy 3 Company Limited	Thailand	-	99.99	-	-
Hemaraj Rayong Industrial Land Company Limited	Thailand	-	-	99.99	99.99
WHA Water Company Limited (Formerly name as "Hemaraj Water Company Limited")	Thailand	-	-	99.99	99.99
WHA Energy Company Limited (Formerly name as "Hemaraj Energy Company Limited")	Thailand	-	-	99.99	99.99
WHA Energy 2 Company Limited (Formerly name as "Hemaraj Energy 2 Company Limited")	Thailand	-	-	99.99	99.99

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

(b) Investments in subsidiaries (continued)

The movements in net book value of investments in subsidiaries are as follows:

	<u>Separate financial statements</u>	
	<u>31 December 2016 Baht</u>	<u>31 December 2015 Baht</u>
At 1 January	9,828,861,581	7,059,284,449
Additions		
- Paid in cash	2,003,999,990	845,457,847
- Paid by transfer of investment in associates and other companies	-	4,478,119,247
Disposals	-	(2,553,999,962)
Disposals deducting the borrowing	<u>(4,480,999,980)</u>	<u>-</u>
At 31 December	<u>7,351,861,591</u>	<u>9,828,861,581</u>

During the year 2015, the Company registered a new subsidiary called Hemaraj Energy 2 Company Limited which had the initial paid-up capital share in amount of Baht 4,481 Million. The share paid by cash in amount of Baht 2.88 million and by transferring partial investment in associates and other companies for remaining amount of Baht 4,478.12 million. The transfer was completed on 15 February 2016.

Disposal of investment

The Group sold Million Island Pattaya Company Limited and H-Phoenix Property Company Limited which were subsidiaries and are the owner of the certain assets which are not in the Group's core business, to the winning bidders. The Company opened the bidding auction publicly during 20 March 2015 to 20 April 2015. On 21 April 2015, the meeting of the Executive Committee No. 15/2015 approved the winner bidder and entered into a sale and purchase agreement with the winner on 29 April 2015.

The disposal of this investment effects the loss in power of control of Million Island Pattaya Company Limited and H-Phoenix Property Company Limited and recorded net gain from sales with cost of sales amounted to Baht 88.5 million in statements of comprehensive income.

Net book value of assets of subsidiaries as at the date of disposal are as follows:

	<u>Consolidated financial statements Baht</u>	<u>Separate financial statements Baht</u>
Cash and cash equivalents	62,438,905	-
Trade and other receivables	13,127,176	-
Investments in subsidiaries	-	2,553,999,962
Investment property, net	2,762,414,827	-
Property, plant and equipment, net	45,931	-
Current assets and other assets	3,032,171	-
Trade and other payables	(10,729,335)	-
Deferred tax liabilities	(15,362,804)	-
Employee benefit obligations	(496,721)	-
Current and non-current liabilities	<u>(21,914,323)</u>	<u>-</u>
Total net assets of disposed subsidiaries	2,792,555,827	2,553,999,962
<u>Add</u> Non-controlling interests	40	-
<u>Less</u> Cash received from sale of investments in subsidiaries	<u>(2,881,058,639)</u>	<u>(2,391,149,649)</u>
(Gain) loss from sale of investments	<u>(88,502,772)</u>	<u>162,850,313</u>
Cash received from sale of investments in subsidiaries	2,881,058,639	2,391,149,649
<u>Less</u> Cash and cash equivalents of subsidiaries	<u>(62,438,905)</u>	<u>-</u>
Net cash received from sale of investments	<u>2,818,619,734</u>	<u>2,391,149,649</u>

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

(c) Interests in joint ventures

Joint ventures	Incorporated country	Proportion of ordinary shares held by the Company (%)		Proportion of ordinary shares held by the Group (%)	
		31 December 2016	31 December 2015	31 December 2016	31 December 2015
Glow Hemaraj Wind Company Limited	Thailand	-	-	33	51
Houay Ho Thai Company Limited	Thailand	-	51	51	-
WHA Gunkul Green Solar Roof 1 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 2 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 3 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 4 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 5 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 6 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 8 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 9 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 10 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 16 Company Limited	Thailand	-	-	75	-
WHA Gunkul Green Solar Roof 17 Company Limited	Thailand	-	-	75	-
Eastern Seaboard Clean Energy Company Limited	Thailand	-	-	33	-
Chonburi Clean Energy Company Limited	Thailand	-	-	33	-
Rayong Clean Energy Company Limited	Thailand	-	-	33	-

During the year 2016, the Company disposed interest in joint venture which is Houay Ho Thai Company Limited to WHA Energy 2 Company Limited (formerly: Hemaraj Energy 2 Company Limited) which is the Company's subsidiary amounting Baht 267.22 million.

The movements of interests in joint ventures are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	Restated 2015 Baht	2016 Baht	Restated 2015 Baht
At 1 January	266,191,677	298,051,606	267,219,274	267,219,274
Additions	69,325,013	-	-	-
Reclassification	(8)	-	-	-
Capital reduction	(53,824,378)	-	-	-
Disposals	(490,881)	-	(267,219,274)	-
Share of profit	26,855,712	9,046,598	-	-
Translation on financial statements differences	(9,433,707)	-	-	-
Dividend income	-	(40,906,527)	-	-
At 31 December	298,623,428	266,191,677	-	267,219,274

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14. Other long-term investments, net

At 31 December, other long-term investments, net comprise of:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Related parties</u>				
Eastern Fluid Transport Company Limited	1,500,000	1,500,000	-	-
	<u>1,500,000</u>	<u>1,500,000</u>	<u>-</u>	<u>-</u>
<u>Other parties</u>				
Glow IPP Company Limited	142,500,010	142,500,003	-	142,500,003
Other companies	1,000,000	1,000,000	-	-
Total	143,500,010	143,500,003	-	142,500,003
<u>Less Allowance for impairment</u>	<u>(717,000)</u>	<u>(717,000)</u>	<u>-</u>	<u>-</u>
	<u>142,783,010</u>	<u>142,783,003</u>	<u>-</u>	<u>142,500,003</u>
Other long-term investments, net	<u>144,283,010</u>	<u>144,283,003</u>	<u>-</u>	<u>142,500,003</u>

The movement of other long-term investments for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	144,283,003	144,298,003	142,500,003	142,500,003
Reclassification	7	-	7	-
Disposals	-	(15,000)	(142,500,010)	-
At 31 December	<u>144,283,010</u>	<u>144,283,003</u>	<u>-</u>	<u>142,500,003</u>

Other long-term investments are the investments in the limited company, which the holding percentage in such investments is insignificant cause to the Company has no influence control. Therefore, it is quite limit to obtain enough financial data for measurement of their fair value. In addition, the Company has no plan to dispose these investments, therefore, the appraisal report for investment value is not prepared. As a result, the fair value of other long-term investments is not available for disclosure. Other long-term investments are stated at cost less impairment, if any.

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15. Investment properties, net

	Consolidated financial statements			
	Land Baht	Building, building improvements and utility system Baht	Construction in progress Baht	Total Baht
At 1 January 2015				
Cost	2,814,381,816	3,633,079,707	1,213,968,072	7,661,429,595
<u>Less</u> Accumulated depreciation	-	(687,107,224)	-	(687,107,224)
Net book amount	2,814,381,816	2,945,972,483	1,213,968,072	6,974,322,371
For the year ended 31 December 2015				
Opening net book amount	2,814,381,816	2,945,972,483	1,213,968,072	6,974,322,371
Additions	-	5,856,681	26,825,199	32,681,880
Transfer in (out)	33,502,718	274,817,489	(308,320,207)	-
Transferred from cost of real estate developments (Note 10)	93,816,802	326,210,015	-	420,026,817
Disposals	-	(9,289,935)	-	(9,289,935)
Deconsolidation	(2,215,170,467)	(539,542,251)	(7,702,109)	(2,762,414,827)
Reclassify as assets held for sale	-	(2,121,005,878)	-	(2,121,005,878)
Depreciation	-	(69,155,674)	-	(69,155,674)
Accumulated depreciation for disposals	-	2,526,831	-	2,526,831
Closing net book amount	726,530,869	816,389,761	924,770,955	2,467,691,585
At 31 December 2015				
Cost	726,530,869	1,122,019,836	924,770,955	2,773,321,660
<u>Less</u> Accumulated depreciation	-	(305,630,075)	-	(305,630,075)
Net book amount	726,530,869	816,389,761	924,770,955	2,467,691,585

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15. Investment properties, net (continued)

	Consolidated financial statements			
	Land Baht	Building, building improvements and utility system Baht	Construction in progress Baht	Total Baht
At 1 January 2016				
Cost	726,530,869	1,122,019,836	924,770,955	2,773,321,660
<u>Less</u> Accumulated depreciation	-	(305,630,075)	-	(305,630,075)
Net book amount	726,530,869	816,389,761	924,770,955	2,467,691,585
For the year ended 31 December 2016				
Opening net book amount	726,530,869	816,389,761	924,770,955	2,467,691,585
Additions	112,343	385,000	21,220,614	21,717,957
Transfer in (out)	10,701,865	61,924,416	(72,626,281)	-
Transferred from cost of real estate developments (Note 10)	33,321,671	226,400,963	-	259,722,634
<u>Transferred to cost of real estate developments (Note 10)</u>	-	-	(193,597,273)	(193,597,273)
Depreciation	-	(48,283,411)	-	(48,283,411)
Closing net book amount	770,666,748	1,056,816,729	679,768,015	2,507,251,492
At 31 December 2016				
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	770,666,748	1,056,816,729	679,768,015	2,507,251,492

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15. Investment properties, net (continued)

	Separate financial statements		
	Land Baht	Building, building improvements and utility system Baht	Total Baht
At 1 January 2015			
Cost	8,581,027	74,339,596	82,920,623
<u>Less</u> Accumulated depreciation	-	(6,804,860)	(6,804,860)
Net book amount	8,581,027	67,534,736	76,115,763
For the year ended 31 December 2015			
Opening net book amount	8,581,027	67,534,736	76,115,763
Additions	-	725,000	725,000
Transferred from cost of real estate developments (Note 10)	12,915,770	102,900,152	115,815,922
Disposals	-	(6,763,104)	(6,763,104)
Reclassify as assets held for sale (Note 11)	-	(161,494,509)	(161,494,509)
Depreciation	-	(1,366,626)	(1,366,626)
Closing net book amount	21,496,797	1,535,649	23,032,446
At 31 December 2015			
Cost	21,496,797	1,863,440	23,360,237
<u>Less</u> Accumulated depreciation	-	(327,791)	(327,791)
Net book amount	21,496,797	1,535,649	23,032,446

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15. Investment properties, net (continued)

	Separate financial statements		
	Land Baht	Building, building improvements and utility system Baht	Total Baht
At 1 January 2016			
Cost	21,496,797	1,863,440	23,360,237
<u>Less</u> Accumulated depreciation	-	(327,791)	(327,791)
Net book amount	21,496,797	1,535,649	23,032,446
For the year ended 31 December 2016			
Opening net book amount	21,496,797	1,535,649	23,032,446
Transferred in from cost of real estate developments (Note 10)	1,041,319	-	1,041,319
Depreciation	-	(373,709)	(373,709)
Closing net book amount	22,538,116	1,161,940	23,700,056
At 31 December 2016			
Cost	22,538,116	1,863,440	24,401,556
<u>Less</u> Accumulated depreciation	-	(701,500)	(701,500)
Net book amount	22,538,116	1,161,940	23,700,056

15. Investment properties, net (continued)

Fair values were assessed by professional independent valuers, who qualified as expert and has extensive experiences in location and types of investment property.

The fair values of investment properties are reference from cost method and income method and classified in level 3 of the fair value hierarchy.

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Rental income and service income	638,666,778	665,471,958	16,334,911	12,456,382
Direct operating expense arise from investment property that generated rental income for the year	91,606,943	86,016,985	3,244,556	2,023,901
Direct operating expense arise from investment property that did not generated rental income for the year	9,221,152	5,531,795	-	-

At 31 December 2016, the Group has assessed the fair values of investment properties in an amount of Baht 5,600.50 million (The Company: Baht 68.24 million).

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16. Property, plant and equipment, net

Consolidated financial statements						
	Land Baht	Improvements, building and utility system Baht	Furniture, fixture, tools and vehicles Baht	Construction in progress Baht	Total Baht	
At 1 January 2015						
Cost	2,198,288	2,179,471,768	1,120,655,464	240,415,075	3,542,740,595	
Less Accumulated depreciation	-	(824,263,901)	(816,597,076)	-	(1,640,860,977)	
Less Provision for impairment	-	-	-	(10,165,993)	(10,165,993)	
Net book amount	2,198,288	1,355,207,867	304,058,388	230,249,082	1,891,713,625	
For the year ended 31 December 2015						
Opening net book amount	2,198,288	1,355,207,867	304,058,388	230,249,082	1,891,713,625	
Additions	-	17,531,626	110,004,291	245,195,111	372,731,028	
Transfer in (out)	-	323,315,507	32,107,618	(355,423,125)	-	
Disposals	-	(76,686,148)	(2,133,766)	-	(78,819,914)	
Depreciation charge	-	(121,970,548)	(77,414,593)	-	(199,385,141)	
Closing net book amount	2,198,288	1,497,398,304	366,621,938	120,021,068	1,986,239,598	
At 31 December 2015						
Cost	2,198,288	2,386,989,265	1,228,574,148	130,187,061	3,747,948,762	
Less Accumulated depreciation	-	(889,590,961)	(861,952,210)	-	(1,751,543,171)	
Less Provision for impairment	-	-	-	(10,165,993)	(10,165,993)	
Net book amount	2,198,288	1,497,398,304	366,621,938	120,021,068	1,986,239,598	

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

		Consolidated financial statements					
		Land improvements, building and utility system	Furniture, fixture, tools and vehicles	Construction in progress		Total	
		Baht	Baht	Baht	Baht	Baht	
At 1 January 2016							
Cost		2,198,288	1,228,574,148	130,187,061		3,747,948,762	
Less Accumulated depreciation		-	(861,952,210)	-		(1,751,543,171)	
Less Provision for impairment		-	-	(10,165,993)		(10,165,993)	
Net book amount		2,198,288	366,621,938	120,021,068		1,986,239,598	
For the year ended 31 December 2016							
Opening net book amount		2,198,288	366,621,938	120,021,068		1,986,239,598	
Additions		-	40,342,614	162,428,696		245,667,181	
Transfer in (out)		-	3,447,441	(255,230,384)		-	
Disposals		-	(306,990)	-		(306,990)	
Depreciation charge		-	(66,095,640)	-		(174,896,100)	
Closing net book amount		2,198,288	344,009,363	27,219,380		2,056,693,689	
At 31 December 2016							
Cost		2,198,288	1,256,894,949	37,385,374		3,978,136,689	
Less Accumulated depreciation		-	(912,885,586)	-		(1,911,277,006)	
Less Provision for impairment		-	-	(10,165,994)		(10,165,994)	
Net book amount		2,198,288	344,009,363	27,219,380		2,056,693,689	

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16 Property, plant and equipment, net (continued)

	Separate financial statements				Total Baht
	Land improvements, building and utility system Baht	Furniture, fixture, tools and vehicles Baht	Construction in progress Baht		
At 1 January 2015					
Cost	120,042,919	165,569,895	769,564		286,382,378
Less Accumulated depreciation	(48,810,685)	(131,989,945)	-		(180,800,630)
Less Provision for impairment	-	-	(723,664)		(723,664)
Net book amount	71,232,234	33,579,950	45,900		104,858,084
For the year ended 31 December 2015					
Opening net book amount	71,232,234	33,579,950	45,900		104,858,084
Additions	4,363,758	29,867,714	-		34,231,472
Transfer in (out)	-	45,900	(45,900)		-
Disposals	(64,256,988)	(1,473,725)	-		(65,730,713)
Depreciation charge	(1,461,367)	(15,113,010)	-		(16,574,377)
Closing net book amount	9,877,637	46,906,829	-		56,784,466
At 31 December 2015					
Cost	18,965,484	174,111,670	723,664		193,800,818
Less Accumulated depreciation	(9,087,847)	(127,204,841)	-		(136,292,688)
Less Provision for impairment	-	-	(723,664)		(723,664)
Net book amount	9,877,637	46,906,829	-		56,784,466

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

	Separate financial statements				Total Baht
	Land improvements, building and utility system Baht	Furniture, fixture, tools and vehicles Baht	Construction in progress Baht		
At 1 January 2016					
Cost	18,965,484	174,111,670	723,664		193,800,818
Less Accumulated depreciation	(9,087,847)	(127,204,841)	-		(136,292,688)
Less Provision for impairment	-	-	(723,664)		(723,664)
Net book amount	9,877,637	46,906,829	-		56,784,466
For the year ended 31 December 2016					
Opening net book amount	9,877,637	46,906,829	-		56,784,466
Additions	-	14,316,782	1,992,379		16,309,161
Transfer in (out)	1,289,674	264,700	(1,554,374)		-
Disposals	(6,691,865)	(3,007,739)	-		(9,699,604)
Depreciation charge	(588,018)	(18,104,265)	-		(18,692,283)
Closing net book amount	3,887,428	40,376,307	438,005		44,701,740
At 31 December 2016					
Cost	7,612,318	165,517,060	1,161,669		174,291,047
Less Accumulated depreciation	(3,724,890)	(125,140,753)	-		(128,865,643)
Less Provision for impairment	-	-	(723,664)		(723,664)
Net book amount	3,887,428	40,376,307	438,005		44,701,740

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

Property, plant and equipment that were sold during the year included some spaces of UM Tower used in operations, of which the book value were Baht 68 million and Baht 64 million for consolidated and separate financial statements respectively. These spaces were sold along with other non-core assets of the Group.

Depreciation expense of Baht 174.90 million (2015: Baht 201.55 million) has been charged in "cost of service" Baht 145.11 million (2015: Baht 169.94 million) and in "administrative expense" Baht 29.63 million (2015: million Baht 31.61).

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Cost - Capitalised finance leases	7,759,000	9,169,000	4,739,000	6,149,000
Less Accumulated depreciation	(5,488,549)	(4,956,306)	(3,967,794)	(4,039,550)
Net book amount	<u>2,270,451</u>	<u>4,212,694</u>	<u>771,206</u>	<u>2,109,450</u>

17. Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Trade payables from other parties	275,574,893	408,625,035	63,988,901	202,262,211
Trade payables from related parties (Note 35.2)	9,761,168	11,713,302	37,545,457	18,295,922
Accrued cost of real estate development	1,141,994,919	1,253,667,437	217,534,989	333,186,740
Interest payables	287,987,879	131,622,350	140,599,178	131,592,205
Accrued expenses	154,948,361	67,795,826	28,975,095	33,798,789
Dividend payables	19,801,128	16,552,540	19,800,789	16,552,540
Share held for transfer to settle for the investment in subsidiary (Note 35.2)	-	-	-	4,480,021,870
Payables from related parties (Note 35.2)	-	-	53,844,758	4,091,029
Others	1,489,120	53,575,113	726,165	210,802
	<u>1,891,557,468</u>	<u>1,943,551,603</u>	<u>563,015,332</u>	<u>5,220,012,108</u>

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18. Borrowings

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current				
Short-term borrowing from a financial institutions	2,840,212,152	-	2,840,212,152	-
Current portion of long-term borrowings from financial institutions	2,491,534,108	809,218,920	-	729,218,920
Short-term borrowing from related parties (Note 35.2)	-	-	3,425,627,835	489,908,990
	5,331,746,260	809,218,920	6,265,839,987	1,219,127,910
Non-current				
Long-term borrowings from financial institutions	7,929,904,298	198,775,000	-	120,900,000
Long-term borrowings from related parties (Note 35.2)	-	-	1,086,597,118	1,091,906,620
	13,261,650,558	1,007,993,920	7,352,437,105	2,431,934,530

The movements of long-term borrowings at 31 December are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
For the year ended 31 December 2016		
At 1 January	1,007,993,920	850,118,920
Additions during the year	10,999,000,000	500,000,000
Prepaid front-end fee	(104,990,000)	-
Repayment during the year	(1,507,993,920)	(1,350,118,920)
Amortisation of direct expenses in issuing debentures	27,428,406	-
At 31 December	10,421,438,406	-
Current portion of long-term borrowings	(2,491,534,108)	-
Long-term borrowings from financial institutions	7,929,904,298	-

At 31 December 2016, the Group has long-term borrowings in Thai Baht from local financial institutions, the outstanding amounting to Baht 10,421 million (2015: Baht 1,008 million). The long-term borrowings will be matured within 1 to 6 years after the agreement commencement date, with the interest rate at MLR-1.50 to MLR-1.00 per annum as stated in each contract.

At 31 December 2015, the Group has secured long-term borrowings in Thai Baht currency from local financial institutions amounting to Baht 850 million which the borrowings were paid full amount the year 2016.

The interest rate risks on the borrowings of the Group is as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At fixed rates	2,840,212,152	50,000,000	3,926,809,270	1,581,815,610
At floating rates	10,421,438,406	957,993,920	3,425,627,835	850,118,920
	13,261,650,558	1,007,993,920	7,352,437,105	2,431,934,530

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18. Borrowings (continued)

The exposure of the Group's borrowings to interest rate changes and the contractual re-pricing dates at the statement of financial position dates are as follows:

	Consolidated financial statements				
	6 months or less Baht	6-12 months Baht	1-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2016					
Total borrowings	-	-	-	10,421,438,406	10,421,438,406
At 31 December 2015					
Total borrowings	-	650,266,520	107,875,000	199,852,400	957,993,920

	Separate financial statements				
	6 months or less Baht	6-12 months Baht	1-5 years Baht	Over 5 years Baht	Total Baht
At 31 December 2016					
Total borrowings	-	3,425,627,835	-	-	3,425,627,835
At 31 December 2015					
Total borrowings	-	650,266,520	-	199,852,400	850,118,920

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

	Consolidated financial statements		Separate financial statements	
	2016 Percentage	2015 Percentage	2016 Percentage	2015 Percentage
Short-term borrowings from a financial institutions	4.20	-	4.20	-
Short-term borrowings from related parties	-	-	5.75	-
Long-term borrowings from financial institutions	3.58	4.52 - 5.10	-	4.52 - 5.10

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

	Consolidated financial statements			
	Carrying amounts		Fair Values	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Long-term borrowings from financial institutions	10,421,438,406	1,007,993,920	10,425,034,530	1,008,146,448
	<u>10,421,438,406</u>	<u>1,007,993,920</u>	<u>10,425,034,530</u>	<u>1,008,146,448</u>

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18. Borrowings (continued)

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

	Separate financial statements			
	Carrying amounts		Fair Values	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Long-term borrowings from financial institutions	-	850,118,920	-	849,287,249
	-	850,118,920	-	849,287,249

The fair values of long-term borrowings are based on future discounted cash flows using a discount rate based upon the borrowing rate at 3.58% (2015 : 4.52% - 5.10%) which the management expects the Group and the Company to pay at the statement of financial position date. The fair value of short-term borrowings, liabilities from long-term lease agreement and convertible bonds approximate their book value and are classified in level 3 of fair value hierarchy.

Fair value of current portion of borrowings are approximated to their book value resulting from the insignificant impact of the discount rate.

Maturity of long-term borrowings (exclude liabilities from long-term lease agreement) are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Within 1 year up to 2 years	-	700,266,520	-	650,266,520
Between 2 years and 5 years	-	107,875,000	-	-
Over 5 years	10,421,438,406	199,852,400	-	199,852,400
	10,421,438,406	1,007,993,920	-	850,118,920

Borrowing facilities

The Group and the Company have the following undrawn committed borrowing facilities:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Floating rate				
- expiring within one year	-	-	-	-
- expiring over one year	-	300,000,000	-	300,000,000
	-	300,000,000	-	300,000,000

The borrowing facilities expiring within one year are annual facilities subject to review during years. The other borrowing facilities have been used to expand the operations of the Group and the Company.

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19. Debenture

	Consolidated and separate financial statements	
	2016 Baht	2015 Baht
Face value of debentures	12,438,000,000	13,938,000,000
<u>Less</u> Deferred direct expenses in issuing debentures	(32,116,450)	(39,187,931)
Net book value	12,405,883,550	13,898,812,069
Current portion of debentures, net	(2,299,361,371)	(1,492,928,518)
Debentures, net	<u>10,106,522,179</u>	<u>12,405,883,551</u>

The movements of long-term debentures, net for the year ended 31 December are as follows:

	Consolidated and separate financial statements	
	2016 Baht	2015 Baht
At 1 January	13,898,812,069	12,902,624,719
Additions during the year		
- Debentures	-	2,500,000,000
- Deferred direct expenses in issuing debentures	-	(11,235,000)
Repayment during the year	(1,500,000,000)	(1,500,000,000)
Amortisation of direct expenses in issuing debentures	7,071,482	7,422,350
At 31 December	<u>12,405,883,551</u>	<u>13,898,812,069</u>

The effective interest rate at 31 December are as follows:

	Consolidated Separate financial statements	
	2016 Percentage	2015 Percentage
Debentures	4.70% - 5.96%	4.70% - 5.96%

During the year ended 31 December 2016, the Group has not issued unsubordinated and unsecured (2015: the Group issued unsubordinated and unsecured 2.5 million units at Baht 1,000 per unit totaling Baht 2,500 million).

Debentures, net at 31 December consisted of:

No.	Date	Maturity date	Interest rate (p.a.)	2016 Baht	2015 Baht
4/2553	21 July 2010	21 July 2017	Year 1-3 :4.90%, Year 4-6 :6.00% and Year 7 :6.50%	2,300,000,000	2,300,000,000
5/2553	5 October 2010	5 October 2019	Year 1-3 :4.90%, Year 4-6 :6.00%, Year 7 :6.50% and Year 8-9 :6.75%	638,000,000	638,000,000
1/2554	4 October 2011	4 October 2016	Year 1-3 :5.15%, Year 4 :5.50% and Year 5 :5.60%	-	1,500,000,000
1/2555	12 July 2012	12 July 2021	5.65%	2,000,000,000	2,000,000,000
1/2556	25 January 2013	25 January 2023	5.50%	2,500,000,000	2,500,000,000
1/2557	30 April 2014	30 April 2024	5.75%	2,500,000,000	2,500,000,000
1/2558	20 February 2015	20 February 2022	4.70%	1,000,000,000	1,000,000,000
2/2558	20 February 2015	20 February 2025	5.00%	1,500,000,000	1,500,000,000
Total				12,438,000,000	13,938,000,000
<u>Less</u> Current portion of debentures				(2,299,361,371)	(1,492,928,518)
Deferred direct expenses in issuing debentures, non-current portion				(32,116,450)	(39,187,931)
Debentures				<u>10,106,522,179</u>	<u>12,405,883,551</u>

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19. Debentures (Continued)

The Company entered into interest-swap agreements with one commercial bank residing in Thailand. The purpose is to swap the interest rate of the debentures issued. The details are as follows:

No.	Amount (Million Baht)	Term of debenture	Effective date of debenture (Issue date)	Payable from interest-swap agreements	
				Consolidated financial statements and Separate financial statements	
				2016 Baht	2015 Baht
1/2556	2,500	Swap fixed-rate interest at 5.50% per annum through the debenture life to floating rate 3m THBFX on 15 October 2015 + 4.77% in the first year, 5.50% in the second to fourth year, and 3m THBFX (In Arrears) + 2.90% in the fifth to eighth year	25 January 2013	-	(4,247,846)
1/2557	2,500	Swap fixed-rate interest at 5.70% per annum through the debenture life to floating rate 3m THBFX on 15 October 2015 + 4.77% in the first year, 5.70% in the second to fourth year, and 3m THBFX (In Arrears) + 2.90% in the fifth to ninth year	30 April 2014	-	(3,081,527)
1/2558	1,500	Swap fixed-rate interest at 5.00% per annum through the debenture life to floating rate 3m THBFX on 15 October 2015 + 4.77% in the first year, 5.00% in the second to fourth year, and 3m THBFX (In Arrears) + 2.90% in the fifth to tenth year	20 February 2015	-	(2,402,122)
Total effects from the interest-swap agreements				-	(9,731,495)

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

	Consolidated financial statements and Separate financial statements			
	Carrying amounts		Fair values	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Debentures	12,405,883,550	13,898,812,069	12,766,821,227	14,755,897,115
	12,405,883,550	13,898,812,069	12,766,821,227	14,755,897,115

The fair values are based on discounted cash flows at discount rate of 2.64% (2015: 5.87%) which is determined by Thai Bond Market Association as at financial statements date of the Group. This fair values measurement method complied with Level 2 input of fair values hierarchy.

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20. Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	75,354,651	83,673,372	31,223,089	38,263,691
Current service cost	8,982,698	8,034,118	2,602,535	2,742,832
Interest cost	2,651,219	2,795,996	948,972	1,253,508
Remeasurements on employee benefit obligations	(15,569,636)	-	(21,323,895)	-
<u>Less</u> Benefits paid during the year	<u>(4,540,248)</u>	<u>(19,148,835)</u>	<u>(2,256,182)</u>	<u>(11,036,942)</u>
At 31 December	<u>66,878,684</u>	<u>75,354,651</u>	<u>11,194,519</u>	<u>31,223,089</u>

Post-employment benefit expenses which are recognised as income or expense in operating profit in the statement of comprehensive income are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current service costs	8,982,698	8,034,118	2,602,535	2,742,832
Interest costs	2,651,219	2,795,996	948,972	1,253,508
Total employee benefits expenses	<u>11,633,917</u>	<u>10,830,114</u>	<u>3,551,507</u>	<u>3,996,340</u>

Remeasurement for the year 2016 and 2015 were included in other comprehensive income in statement of comprehensive income.

The principal actuarial assumptions used are as follows:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	2.39% - 3.38%	2.76% - 4.34%	2.76%	3.28%
Future salary increases	6.63%	5.42% - 6.55%	6.63%	5.42%
Retirement age	55 years old	55 years old	55 years old	55 years old
Resignation	3.00% - 13.00%	3.00% - 19.00%	3.00% - 13.00%	3.00% - 16.00%

20. Employee benefit obligations (continued)

The sensitivity analysis for each significant assumption disclosed in 2016 are as follows:

	Consolidated financial statement		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 6.93% - 13.96%	Increase by 7.24% - 16.61%
Future salary increases	1%	Increase by 6.87% - 15.90%	Decrease by 6.23% - 13.69%
Resignation	1%	Decrease by 6.78% - 15.08%	Increase by 3.81% - 12.94%
	Separate financial statements		
	Change in assumption	Increase in assumption	Decrease in assumption
Discount rate	1%	Decrease by 8.67%	Increase by 9.78%
Future salary increases	1%	Increase by 9.31%	Decrease by 8.45%
Resignation	1%	Decrease by 9.20%	Increase by 5.63%

The sensitivity analysis above 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 assumption the same method (present value of the defined benefit obligation calculated with the projected unit credit method) at the end of the reporting period of calculating the retirement benefit obligation recognised within the statement of financial position.

The weighted average durations of the retirement benefit obligation at 31 December 2016 and 2015 are 8.90 and 8.50 years, respectively.

Expected maturity analysis of undiscounted retirement benefits:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2015 Baht	2015 Baht
Less than 1 year	6,600,301	10,251,974	195,346	5,873,238
Between 1 - 2 years	2,021,362	17,323,250	-	7,546,827
Between 2 - 5 years	22,450,765	25,553,493	2,417,805	7,894,348
Between over 5 years	211,427,246	270,581,647	40,687,251	72,159,615
	242,499,674	323,710,364	43,300,402	93,474,028

21. Provision for liabilities arising from guarantee rental income, net

The Group has estimated provision for liabilities arising from guarantee rental income at the present value of the cash flows which the Group expects to pay to Hemaraj Industrial Property and Leasehold Fund are as follows:

	Consolidated financial statements Baht	Separate financial statements Baht
At 1 January 2015	214,844,696	30,806,294
Increase during the year	15,238,889	730,837
Decrease from actual paid	<u>(122,661,237)</u>	<u>(16,133,984)</u>
At 31 December 2015 (Note 35.2)	107,422,348	15,403,147
Increase during the year	24,596,079	1,283,056
Decrease from actual paid	<u>(132,018,427)</u>	<u>(16,686,203)</u>
At 31 December 2016	<u>-</u>	<u>-</u>

The Group entered into agreements to guarantee the minimum rental income that Hemaraj Industrial Property and Leasehold Fund will receive from the Group over the period of 3 years from the register transferring ownership date of Hemaraj Industrial Property and Leasehold Fund.

22. Cash received from unearned rental income and leasehold rights

Cash received from unearned rental income at 31 December comprise of:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current portion of cash received from unearned rental income	101,346,168	-	12,951,940	-
Cash received from unearned rental income	<u>1,621,321,432</u>	<u>-</u>	<u>114,231,305</u>	<u>-</u>
	<u>1,722,667,600</u>	<u>-</u>	<u>127,183,245</u>	<u>-</u>

The movements of cash received from unearned rental income are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	-	-	-	-
Additions	1,727,861,031	-	127,981,259	-
Recognised income	<u>(5,193,431)</u>	<u>-</u>	<u>(798,014)</u>	<u>-</u>
At 31 December	<u>1,722,667,600</u>	<u>-</u>	<u>127,183,245</u>	<u>-</u>

22. Cash received from unearned rental income and leasehold rights (continued)

Unearned income from rental and deferred leasehold right income at 31 December

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current portion of cash received from unearned rental income	6,150,107	5,584,371	11,740,000	2,484,000
Cash received from unearned rental income	151,729,296	157,880,953	566,455,000	40,975,792
	<u>157,879,403</u>	<u>163,465,324</u>	<u>578,195,000</u>	<u>43,459,792</u>

The movements of unearned rental income from rental and deferred leasehold right income are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	163,465,324	170,181,166	43,459,792	45,943,792
Additions	-	10,605,160	544,152,701	-
Recognised income	(5,585,921)	(17,321,002)	(9,417,493)	(2,484,000)
At 31 December	<u>157,879,403</u>	<u>163,465,324</u>	<u>578,195,000</u>	<u>43,459,792</u>

23 Share capital and premium on share capital

	Number of shares Shares	Ordinary shares Baht	Share premium Baht	Total Baht
At 1 January 2015	9,705,186,191	3,882,074,476	438,704,620	4,320,779,096
Issue of shares	-	-	-	-
At 31 December 2015	9,705,186,191	3,882,074,476	438,704,620	4,320,779,096
Issue of shares	-	-	-	-
At 31 December 2016	<u>9,705,186,191</u>	<u>3,882,074,476</u>	<u>438,704,620</u>	<u>4,320,779,096</u>

The total number of authorised ordinary shares is 9,705,186,191 shares (2015: 9,705,186,191 shares) with a par value of Baht 0.40 per share (2015: Baht 0.40 per share). All issued shares are fully paid.

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24. Components of other comprehensive income

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Available-for-sale investments:				
Unrealised gain	1,132,671	2,270,644	1,132,671	2,270,644
<u>Less</u> Reclassification adjustments for gain (loss) included in profit or loss	(890,557)	(1,214,451)	(890,557)	(1,214,451)
	242,114	1,056,193	242,114	1,056,193
Translation on financial statements differences	(40,249,244)	(30,740,941)	-	-
Remeasurements on employee benefit obligations	15,394,003	-	21,323,895	-
Total other comprehensive income	(24,613,127)	(29,684,748)	21,566,009	1,056,193
Income tax relating to components of other comprehensive income	(3,127,222)	(211,239)	(4,313,202)	(211,239)
	(27,740,349)	(29,895,987)	17,252,807	844,954

25. Finance costs

	Consolidated financial statements		Separate Financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Borrowings from financial institutions	322,619,039	19,923,263	89,981,005	14,079,089
Debentures	762,519,581	729,451,146	770,175,593	743,784,458
Short-term borrowings from related parties	-	-	43,358,624	-
Bond underwriting	7,071,482	7,422,349	7,071,482	7,422,349
Others	32,050,486	3,846,556	1,209,074	771,167
	1,124,260,588	760,643,314	911,795,778	766,057,063

26. Expense by nature

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Million Baht
Cost of real estate development	3,366,838,098	2,774,547,351	477,567,018	1,694,990,158
Employee benefits expenses	255,945,723	238,297,116	47,336,674	57,610,727
Depreciation and amortisation	286,601,209	276,177,958	48,458,264	25,753,033
Land transfer fee and specific business tax	111,172,085	183,791,380	29,166,067	105,348,904
Consulting fees	125,615,064	43,628,949	28,291,575	34,959,518
Remuneration of directors and Management (Note 35.5)	231,310,378	250,926,457	97,603,886	125,625,184

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27. Income tax expenses

Income tax expenses for the year ended 31 December summarises below;

Reconciliation of income tax expenses and the results of accounting profit using the basic tax rate of the year presents as follow;

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Profit before income tax expense	6,340,819,257	3,493,035,030	5,071,531,009	2,730,257,373
(Profit) loss from promoted activities which exempt from payment of corporate income tax (100%)	(718,111,579)	(659,087,532)	8,648,836	(401,762,521)
Share of net (profit) loss from Investments - equity method	(1,024,391,790)	(1,305,072,583)	-	-
	4,598,315,888	1,528,874,915	5,080,179,845	2,328,494,852
Tax calculated at a tax rate of 20% Impact:	919,663,178	305,774,983	1,016,035,969	465,698,771
Income not subject to tax	(155,539,687)	(226,982,010)	(923,791,770)	(453,451,907)
Prior year tax losses which recognised deferred income tax in current year	-	(17,353,905)	-	(17,353,905)
Under record of prior year income tax	1,417,983	13,141,543	-	-
Expenses not deductible for tax purpose and timing differences	183,993,752	82,660,855	(11,762,679)	(6,414,262)
Income tax expense	949,535,226	157,241,466	80,481,520	(11,521,303)

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Current income tax	186,609,450	172,442,993	41,772,268	-
Deferred tax (Note 28)	762,925,776	(15,201,527)	38,709,252	(11,521,303)
	949,535,226	157,241,466	80,481,520	(11,521,303)

	Consolidated financial statements					
	2016			2015		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Fair value change in available-for-sale investments	(814,493)	163,230	(651,263)	753,764	(150,753)	603,011
Translation on financial statements differences	(9,508,303)	-	(9,508,303)	769,628	-	769,628
Actuarial gain on defined employee benefit plans	15,569,636	(3,113,927)	12,455,709	-	-	-
	5,246,840	(2,950,697)	2,296,143	1,523,392	(150,753)	1,372,639

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27. Income tax expenses (continued)

	Separate financial statements					
	2016			2015		
	Before tax Baht	Tax Baht	After tax Baht	Before tax Baht	Tax Baht	After tax Baht
Fair value change in available- for-sale investments	(814,493)	163,230	(651,263)	753,764	(150,753)	603,011
Actuarial gain on defined employee benefit plans	21,323,895	(4,264,779)	17,059,116	-	-	-
	<u>20,509,402</u>	<u>(4,101,549)</u>	<u>16,407,853</u>	<u>753,764</u>	<u>(150,753)</u>	<u>603,011</u>

28. Deferred income tax assets liabilities

Deferred income tax assets and liabilities are as follows:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred income tax assets:				
to be recovered within 12 months	15,107,687	16,210,623	716,129	3,733,308
to be recovered after more than 12 months	665,662,293	64,366,286	33,050,621	26,041,396
	<u>680,769,980</u>	<u>80,576,909</u>	<u>33,766,750</u>	<u>29,774,704</u>
Deferred tax income liabilities:				
to be settled within 12 months	(48,772,294)	(1,168,750)	(150,352)	-
to be settled after more than 12 months	(1,463,343,634)	(144,877,634)	(46,854,011)	(201,516)
	<u>(1,512,115,928)</u>	<u>(146,046,384)</u>	<u>(47,004,363)</u>	<u>(201,516)</u>
Deferred tax income, net	<u>(831,345,948)</u>	<u>(65,469,475)</u>	<u>(13,237,613)</u>	<u>29,573,188</u>

The movement of deferred income taxes comprise the following:

	Unit: Baht			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
At 1 January	(65,469,475)	(95,883,053)	29,573,188	18,202,638
Recognised to profit and loss	(762,925,776)	15,201,527	(38,709,252)	11,521,303
Recognised to other comprehensive income	(2,950,697)	(150,753)	(4,101,549)	(150,753)
Disposal subsidiary, net	-	15,362,804	-	-
At 31 December	<u>(831,345,948)</u>	<u>(65,469,475)</u>	<u>(13,237,613)</u>	<u>29,573,188</u>

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28. Deferred income tax assets and liabilities (continued)

The movement in deferred income tax assets and deferred income tax liabilities comprise the following: (continued)

Separate financial statements					Unit: Baht
	At 1 January 2015	Recognised to profit or loss	Recognised to other comprehensive income	Classify to assets held for sale	At 31 December 2015
Deferred income tax assets					
Allowance for doubtful debt	968,026	(324,783)	-	-	643,243
Allowance for impairment of assets	144,733	-	-	-	144,733
Prepaid expenses	851,379	803,519	-	-	1,654,898
Provision for repair and maintenance	10,000	(10,000)	-	-	-
Employee benefits obligations	7,652,738	(1,408,121)	-	-	6,244,617
Provision for guarantee minimum rental income	6,161,260	(3,080,630)	-	-	3,080,630
Tax loss carried forward not over than 5 years	5,215,620	12,790,963	-	-	18,006,583
	<u>21,003,756</u>	<u>8,770,948</u>	<u>-</u>	<u>-</u>	<u>29,774,704</u>
Separate financial statements					Unit: Baht
	At 1 January 2015	Recognised to profit or loss	Recognised to other comprehensive income	Classify to assets held for sale	At 31 December 2015
Deferred income tax liabilities					
Timing differences depreciation of building	(2,750,355)	2,750,355	-	-	-
Unrealised gains on investments in available-for-sale securities	(50,763)	-	(150,753)	-	(201,516)
	<u>(2,801,118)</u>	<u>2,750,355</u>	<u>(150,753)</u>	<u>-</u>	<u>(201,516)</u>
Deferred income tax, net	<u>18,202,638</u>	<u>11,521,303</u>	<u>(150,753)</u>	<u>-</u>	<u>29,573,188</u>

28. Deferred income tax assets and liabilities (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:

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Unused tax loss carry forwards (Baht)	42,089,590	12,186,400	-	-
Unrecognised deferred income tax (Baht)	8,417,918	2,437,280	-	-
Expired year	2017 - 2021	2016-2020	-	-

29. 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 in issue during the year.

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Profit attributable to ordinary shareholders of the parent (Baht)	5,171,304,421	3,288,930,658	4,991,049,489	2,741,778,676
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)	0.53	0.34	0.51	0.28

30. Dividends per share

Dividend	Approved by	Dividend paid(Baht)	Dividend paid per share (Baht)	Payment date
Year 2016				
Dividend from the profit of year 2015	The 2016 Annual General Meeting of Shareholders held on 25 April 2016	1,015,149,794	0.10	19 May 2016
Total dividend paid during year 2016		1,015,149,794	0.10	
Year 2015				
Interim dividend for year 2015	The Board of Directors' Meeting held on 7 July 2015	4,299,397,021	0.44	31 July 2015
Total dividend paid during year 2015		4,299,397,021	0.44	

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30. Dividends per share (continued)

Legal reserve

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
At 1 January	600,000,000	600,000,000	600,000,000	600,000,000
Appropriation during the year	-	-	-	-
At 31 December	600,000,000	600,000,000	600,000,000	600,000,000

Under the public limited company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

In consolidated financial statements, legal reserve of subsidiaries included in unappropriated retained earnings.

31. Financial instruments

A financial instruments is any contract that gave rise to both a financial asset of one entity and a financial liability or equity instrument of another entity.

The Group has no policy to speculate or trade in off-balance sheet derivative financial instruments.

Outstanding balance as at 31 December of financial instruments that recorded in the statements of financial position is as follows:

	Consolidated financial statements				Separate financial statements			
	2016		2015		2016		2015	
	Assets Baht	Liabilities Baht	Assets Baht	Liabilities Baht	Assets Baht	Liabilities Baht	Assets Baht	Liabilities Baht
Derivative financial instruments								
Interest rate swaps	-	-	-	9,731,495	-	-	-	9,731,495

The Group entered into the interest rate swap contract in order to use it as a risk management instrument to manage on the fluctuation of future interest rate of debenture (Note 19) by changing from fixed interest rate to floating interest rate under the interest rate swap contract. Under the interest rate swap contracts, the Group agreed to exchange the difference between fixed rate and floating rate which are calculated by reference to the agreed notional principal amounts.

Net fair values of derivative financial instruments

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Contracts with positive/(negative) fair values:				
Interest rate swaps	(63,712,507)	(150,258,565)	(63,712,507)	(150,258,565)

Fair value of the interest rate swap contracts which is not in the liquidity market calculated by observable market data, and fall with Level 2 of the fair value hierarchy.

32. Assets pledged as collaterals

Company	Assets pledged as collaterals	Collaterals
Hemaraj Land and Development Public Company Limited	The Company's partial land as a part of cost of real estate development	Mortgaged as collateral for borrowings from a commercial bank
WHA Energy Company Limited	Investment in ordinary shares of associates - Gulf JP NLL Company Limited amounted to 34.61 million shares - Gulf Solar Company Limited amounted to 0.37 million shares - Bowin Clean Energy Company Limited amounted to 3.50 million shares - Gulf VTP Company Limited amounted to 16.63 million shares - Gulf TS1 Company Limited amounted to 17.36 million shares - Gulf TS2 Company Limited amounted to 17.61 million shares - Gulf TS3 Company Limited amounted to 16.61 million shares - Gulf TS4 Company Limited amounted to 16.38 million shares	Borrowings by Gulf JP NLL Co., Ltd. Borrowings by Gulf Solar Co., Ltd. Borrowings by Bowin Clean Energy Co., Ltd. Borrowings by Gulf VTP Co., Ltd. Borrowings by Gulf TS1 Co., Ltd. Borrowings by Gulf TS2 Co.,Ltd. Borrowings by Gulf TS3 Co.,Ltd. Borrowings by Gulf TS4 Co., Ltd
WHA Energy 2 Company Limited	Investment in ordinary shares of associates - Gheco-One Company Limited amounted to 406.84 million Shares Other long-term investment - Glow IPP Company Limited amounted to 14.25 million shares	Borrowings by Gheco-One Co.,Ltd. Borrowings by Glow IPP Co., Ltd.

33. Significant commitments

As of 31 December 2016, commitments are as follows:

The Group have participated in the industrial estate establishment with the Industrial Estate Authority of Thailand (IEAT) as the joint operation agreements as follows:

- 1) Hemaraj Chonburi Industrial Estate in Phase 1 and Phase 2 according to the joint operation agreements dated 5 July and 29 December 1989, respectively. On 31 October 2001, the Company entered into the amendment to such joint operation agreements with IEAT. On 29 March 2005, the Company combined such agreement into one joint operation agreement.
- 2) Hemaraj Eastern Industrial Estate (Map Ta Phut) according to the joint operation agreement dated 27 December 1989. On 31 October 2001, the Company entered into the amendment to such joint operation agreements with IEAT. On 29 March 2005, the Company combined such agreement into one joint operation agreement.
- 3) Eastern Seaboard Industrial Estate (Rayong) according to the joint operation agreement No. 1/2539 and 1/2540
- 4) Hemaraj Eastern Seaboard Industrial Estate according to the joint operation agreement No. 1/2542 (TS 21)
- 5) Hemaraj Chonburi Industrial Estate II according to the joint operation agreement No. 1/2556
- 6) Hemaraj Eastern Seaboard Industrial Estate II according to the joint operation agreement No. 4/2557
- 7) Hemaraj Eastern Seaboard Industrial Estate III according to the joint operation agreement No. 5/2557
- 8) Hemaraj Rayong 36 Industrial Estate according to the joint operation agreement No. 3/2557

The major conditions are summarised as follows:

- 1) The Group shall provide utilities systems and facilities to the entrepreneurs in the industrial estate with payment of expenses on its participation in the procedures to the IEAT.
- 2) The Group shall not transfer assets, component part and equipment as well as utilities systems and facilities to the IEAT.
- 3) The Group shall provide a fund for the maintenance and construction of utilities systems and facilities in the industrial estate (Sinking Fund).

Hemaraj Land and Development Public Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 104.70 million.

WHA Utility and Power Public Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 65.87 million.

Hemaraj Eastern Seaboard Industrial Estate Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 5.79 million.

SME Factory Company Limited

The Company has commitment under construction contracts to construct ready-built factories with the remaining commitment balance amounting to Baht 1.67 million.

Hemaraj Rayong Industrial Land Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 3.04 million.

Hemaraj Eastern Seaboard Industrial Estate 4 Company Limited

The Company has commitment under construction contracts in utilities system, with the remaining commitment balance amounting to Baht 120.48 million.

33. Significant commitments (continued)

Capital commitment

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

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Construction of ready-built factories and public utilities	301,546,327	464,072,217	104,701,382	359,123,933
	<u>301,546,327</u>	<u>464,072,217</u>	<u>104,701,382</u>	<u>359,123,933</u>

Operating lease commitments

The Company has the obligations under long-term lease agreements for office buildings and vehicles, the term of contracts are 3 years and 5 years, respectively. The obligations for rental payments are as follow:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Not later than 1 year	20,209,069	13,057,492	11,029,268	8,151,516
Later than 1 year but not later than 5 years	32,096,785	27,064,275	12,864,685	14,375,638
	<u>52,305,854</u>	<u>40,121,767</u>	<u>23,893,953</u>	<u>22,527,154</u>

34. Contingent liabilities

34.1 Letters of guarantee from banks

Letters of guarantee issued by the banks on behalf of the Company and the Group are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Joint operation agreements				
- Industrial Estate Authority of Thailand	301,329,915	382,935,758	301,329,915	128,310,700
- Power group	2,033,012,880	2,341,496,774	-	-
Power purchase agreement (PPA)	46,095,952	22,717,500	44,940,252	12,976,500
Others	157,231,330	309,846,230	157,231,330	278,596,230
	<u>2,537,670,077</u>	<u>3,056,996,262</u>	<u>503,501,497</u>	<u>419,883,430</u>

Guarantees issued arising in the ordinary course of business. The Company and the Group expect to no liabilities are anticipated to be arisen.

34.2 Other guarantees

Guarantees in the ordinary course of business are as follows:

Consolidated financial statements

- 1) 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.
- 2) The Group has obligations regarding guarantee of the hire purchase agreements of its related companies in the total balance of Baht 50.69 million (2015: Baht 56.28 million).

35. Related-party transactions

Individuals and enterprises 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.

The following material transactions were carried out with related parties:

35.1 Revenue and expenses

For the years ended 31 December, the Group had significant transactions with related parties as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Services income</u>				
Parent company	292,236	569,228	-	-
Associates	28,876,594	33,956,207	317,266	277,297
Subsidiaries	-	-	34,414,707	16,628,763
Total	29,168,830	34,525,435	34,731,973	16,906,060
<u>Interest income</u>				
Parent company	385,201,302	-	385,201,302	-
Associates	100,577,803	100,303,000	41,220,411	100,303,000
Subsidiaries	-	-	346,765,227	363,359,082
Total	485,779,105	100,303,000	773,186,940	463,662,082
<u>Commission and management income</u>				
Associates	12,051,383	13,327,446	12,051,383	13,327,446
Subsidiaries	-	-	2,491,144,587	162,749,078
Total	12,051,383	13,327,446	261,195,970	176,076,524
<u>Deferred leasehold right income</u>				
Subsidiaries	-	-	9,417,493	2,484,000
<u>Provision for liabilities arising from guarantee of rental income</u>				
Associates	24,596,079	15,238,889	1,283,056	730,837
<u>Dividend income</u>				
Associates	-	-	72,497,774	1,132,506,501
Subsidiaries	-	-	4,546,433,618	1,134,749,465
Total	-	-	4,618,931,392	2,267,255,966

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35. Related-party transactions (continued)

35.2 Balance with related parties

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Trade receivables - related parties</u>				
Parent company	4,708	4,708	-	-
Associates	5,884,537	4,228,097	2,942,014	1,646,142
Subsidiaries	-	-	230,201,561	153,885,276
Total	5,889,245	4,232,805	233,143,575	155,531,418
<u>Amounts due from related parties</u>				
Parent company	373,313,630	-	373,313,630	-
Associates	56,334,562	4,122,041	-	4,122,041
Subsidiaries	-	-	15,365,054	1,819,401
Total	429,684,192	4,122,041	388,678,684	5,941,442
<u>Short-term borrowings to related parties</u>				
Parent company	17,099,000,000	-	17,099,000,000	-
Associates	1,432,900,000	1,432,900,000	-	1,432,900,000
Subsidiaries	-	-	1,654,391,010	6,355,400,000
Total	18,531,900,000	1,432,900,000	18,753,391,010	7,788,300,000
<u>Trade payables - related parties</u>				
Associates	9,761,168	11,713,302	1,619,137	1,411,321
Subsidiaries	-	-	35,926,320	16,884,601
Total	9,761,168	11,713,302	37,545,457	18,295,922
<u>Amounts due to related parties</u>				
Associates	-	-	53,844,758	4,091,029
<u>Other payables</u>				
Subsidiaries	-	-	-	4,480,021,870

35 Related-party transactions (continued)

35.2 Balance with related parties (continued)

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
<u>Short-term borrowings from related parties</u>				
Subsidiaries	-	-	3,425,627,835	489,908,990
<u>Provision for liabilities arising from guarantee of rental income</u>				
Associates				
- Current portion	-	107,422,348	-	15,403,147
<u>Unearned income from rental - related parties</u>				
Associates				
- Current portion	5,234,737	5,584,371	-	-
- Non-current portion	145,086,546	150,670,917	-	-
Total	150,321,283	156,255,288	-	-
<u>Deferred leasehold right income</u>				
Subsidiaries				
Deferred leasehold right income	-	-	649,100,000	62,100,000
Less Accumulated amortisation	-	-	(70,905,000)	(18,640,208)
Deferred leasehold right income, net	-	-	578,195,000	43,459,792

35.3 Short-term borrowings to related parties

The movements of short-term borrowings to related parties for the years ended 31 December are as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Beginning balance	1,432,900,000	1,432,900,000	7,788,300,000	6,970,300,000
Addition during the year	18,631,900,000	-	30,052,305,541	2,828,600,000
Repayment during the year	(1,532,900,000)	-	(19,087,214,531)	(2,010,600,000)
Ending balance	18,531,900,000	1,432,900,000	18,753,391,010	7,788,300,000

35. Related-party transactions (continued)

35.4 Long-term borrowings from related parties

The movements of long-term borrowings from related parties for the year ended 31 December are as follows:

	Consolidated financial statements		Separate financial statement	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Beginning balance	-	-	1,091,906,620	1,026,176,694
Addition during the year	-	-	2,000	-
Repayment during the year	-	-	(44,000)	(34,000)
Unrealised gain on exchange rate	-	-	(5,267,502)	65,763,926
Ending balance	-	-	1,086,597,118	1,091,906,620

35.5 Remuneration of directors and management

For the years ended 31 December, the Group had remuneration of directors and management as follows:

	Consolidated financial statements		Separate financial statements	
	2016 Baht	2015 Baht	2016 Baht	2015 Baht
Remuneration of directors and management	231,310,378	250,926,457	97,603,886	125,625,184
Total	231,310,378	250,926,457	97,603,886	125,625,184

35.6 On 24 December 2013, the Group entered into an agreement relating to the lease of land and building in Hemaraj Chonburi Industrial Estate, Eastern Seaboard Industrial Estate (Rayong), Hemaraj Eastern Seaboard Industrial Estate, Hemaraj Saraburi Industrial Zone, and Hemaraj Industrial Property and Leasehold Fund, whereby the Group agreed to lease land, building and other related equipment to the Fund and in return received 30 years' rental for the land totaling Baht 167.53 million. The Group recorded this rental fees as "Rental income received in advance" in the statements of financial position, and it will be recognised as rental income by straight-line method over the period of the lease agreement.

36 Subsequent events

Initial Public offering of Ordinary shares

Offering the ordinary shares for sale in the initial public offering of WHAUP, and determination of the ratio of the ordinary shares of the Company to the right to subscribe for the ordinary shares of WHAUP.

- Approved the ratio of the ordinary shares of the Company to the right of the existing shareholders of the Company to subscribe for the ordinary shares offered in the initial public offering of WHAUP shall be 250 ordinary shares of the Company to 1 ordinary share of WHAUP.
- The record date shall be on 6 March 2017 and the Book Closure Date shall be on 7 March 2017

Invest in new joint venture

On 8 February 2017, the Company invested in shares of Gulf Eastern Seaboard NGD Company Limited, the company in Gulf group, in amount of 51,000 shares as equivalent 51%. The objective's company is holding company which invest in business natural gas distribution in Industrial Estate.