

## **AUDITOR'S REPORT ON REVIEW OF INTERIM FINANCIAL INFORMATION**

To the Shareholders and the Board of Directors of Siam Future Development Public Company Limited

I have reviewed the accompanying consolidated and company statements of financial position as at 30 June 2016, the related consolidated and company statements of income, and comprehensive income for the three-month and six-month periods then ended, the related consolidated and company statements of changes in shareholders' equity and cash flows for the six-month period then ended, and condensed notes to interim financial information of Siam Future Development Public Company Limited and its subsidiaries, and of Siam Future Development Public Company Limited, respectively. Management is responsible for the preparation and presentation of this interim financial information in accordance with Thai Accounting Standard 34, "Interim Financial Reporting". My responsibility is to express a conclusion on this interim financial information based on my review.

### **Scope of review**

I conducted my review in accordance with Thai Standard on Review Engagements 2410, "Review of interim financial information performed by the independent auditor of the entity". A review consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Thai Standards on Auditing and consequently does not enable me to obtain assurance that I would become aware of all significant matters that might be identified in an audit. Accordingly, I do not express an audit opinion.

### **Conclusion**

Based on my review, nothing has come to my attention that causes me to believe that the interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

Kajornkiet Aroonpirodkul  
Certified Public Accountant (Thailand) No. 3445  
PricewaterhouseCoopers ABAS Ltd.

Bangkok  
4 August 2016

**SIAM FUTURE DEVELOPMENT PUBLIC COMPANY LIMITED**

**INTERIM CONSOLIDATED AND COMPANY  
FINANCIAL INFORMATION (UNAUDITED)**

**30 JUNE 2016**

**Siam Future Development Public Company Limited**  
**Statements of Financial Position**  
**As at 30 June 2016**

|  | Notes | Consolidated                               |  | Company                                    |  |
|--|-------|--|--|--|--|
|  |       | (Unaudited)<br>30 June<br>2016<br>Baht'000 | (Audited)<br>31 December<br>2015<br>Baht'000 | (Unaudited)<br>30 June<br>2016<br>Baht'000 | (Audited)<br>31 December<br>2015<br>Baht'000 |
| <b>Assets</b>                                    |       |  |  |  |  |
| <b>Current assets</b>                            |       |  |  |  |  |
| Cash and cash equivalents                        |       | 41,759                                     | 33,499                                       | 16,023                                     | 2,439  |
| Short-term investments                           | 3, 4  | 198,396                                    | 568,022                                      | 198,396                                    | 568,022                                      |
| Trade and other receivables                      | 5     | 146,065                                    | 225,879                                      | 88,712                                     | 460,717                                      |
| Finance lease receivables due<br>within one year | 6     | 28,117                                     | 26,474                                       | 21,406                                     | 19,795                                       |
| Amounts due from related parties                 | 15    | 6,006                                      | 1,339  | 499,943                                    | 429,854                                      |
| Short-term loans to related parties              | 15    | 21,350                                     | 23,000                                       | 283,000                                    | 79,056                                       |
| Other current assets                             |       | 13,472                                     | 5,965  | 3,854                                      | 5,054  |
| <b>Total current assets</b>                      |       | <b>455,165</b>                             | <b>884,178</b>                               | <b>1,111,334</b>                           | <b>1,564,937</b>                             |
| <b>Non-current assets</b>                        |       |  |  |  |  |
| Restricted cash                                  |       | 599  | 599  | -  | -  |
| Finance lease receivables                        | 6     | 620,413                                    | 635,587                                      | 413,396                                    | 424,559                                      |
| Investments in subsidiaries                      | 7     | -  | -  | 257,925                                    | 257,925                                      |
| Interests in joint ventures                      | 7     | 4,370,954                                  | 4,123,934                                    | 1,978,581                                  | 1,978,581                                    |
| Prepaid rent, net                                |       | 1,000                                      | 1,033  | -  | -  |
| Investment property                              | 3, 8  | 9,021,888                                  | 8,575,028                                    | 4,155,365                                  | 3,767,252                                    |
| Building and equipment, net                      | 9     | 44,013                                     | 45,399                                       | 19,652                                     | 19,924                                       |
| Intangible assets, net                           | 9     | 15,258                                     | 16,898                                       | 10,820                                     | 12,460                                       |
| Deposits for leasehold land                      |       | 53,618                                     | 86,915                                       | 53,618                                     | 86,915                                       |
| Other non-current assets                         |       | 51,657                                     | 52,511                                       | 44,808                                     | 46,088                                       |
| <b>Total non-current assets</b>                  |       | <b>14,179,400</b>                          | <b>13,537,904</b>                            | <b>6,934,165</b>                           | <b>6,593,704</b>                             |
| <b>Total assets</b>                              |       | <b>14,634,565</b>                          | <b>14,422,082</b>                            | <b>8,045,499</b>                           | <b>8,158,641</b>                             |

Director ..... Director .....

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 June 2016**

|   |              | Consolidated                               |  | Company                                    |  |
|---|--------------|--|--|--|--|
|   |              | (Unaudited)<br>30 June<br>2016<br>Baht'000 | (Audited)<br>31 December<br>2015<br>Baht'000 | (Unaudited)<br>30 June<br>2016<br>Baht'000 | (Audited)<br>31 December<br>2015<br>Baht'000 |
|   | <b>Notes</b> |  |  |  |  |
| <b>Liabilities and equity</b>                               |              |  |  |  |  |
| <b>Current liabilities</b>                                  |              |  |  |  |  |
| Bank overdrafts and short-term borrowings                   |              |  |  |  |  |
| from financial institution                                  |              | 448,174                                    | -  | 448,174                                    | -  |
| Trade and other payables                                    |              | 159,158                                    | 149,377                                      | 99,410                                     | 96,602                                       |
| Amounts due to related parties                              | 15           | 20,462                                     | 30,972                                       | 13,825                                     | 18,242                                       |
| Short-term loans from subsidiaries                          | 15           | -  | -  | 281,550                                    | 275,000                                      |
| Current portion of unearned rental<br>and service income    |              | 73,765                                     | 92,293                                       | 19,666                                     | 22,470                                       |
| Current portion of debentures                               | 10           | -  | 749,014                                      | -  | 749,014                                      |
| Finance lease liabilities on land leases<br>current portion |              | 84,921                                     | 54,952                                       | 82,947                                     | 53,208                                       |
| Corporate income tax payable                                |              | 11,289                                     | 12,795                                       | 3,241                                      | -  |
| Other current liabilities                                   |              | 219,977                                    | 198,888                                      | 120,917                                    | 117,480                                      |
| <b>Total current liabilities</b>                            |              | <b>1,017,746</b>                           | <b>1,288,291</b>                             | <b>1,069,730</b>                           | <b>1,332,016</b>                             |
| <b>Non-current liabilities</b>                              |              |  |  |  |  |
| Unearned rental and service income                          |              | 372,530                                    | 364,820                                      | 43,295                                     | 57,655                                       |
| Non-current portion of debentures                           | 10           | 1,198,371                                  | 1,198,796                                    | 1,198,371                                  | 1,198,796                                    |
| Deposits received from customers                            |              | 485,206                                    | 493,954                                      | 291,615                                    | 287,384                                      |
| Deferred tax liabilities                                    |              | 936,463                                    | 902,494                                      | 398,379                                    | 372,038                                      |
| Finance lease liabilities on land leases                    |              | 1,410,109                                  | 1,234,598                                    | 889,935                                    | 709,865                                      |
| Employee benefit obligations                                |              | 35,317                                     | 33,126                                       | 35,317                                     | 33,126                                       |
| <b>Total non-current liabilities</b>                        |              | <b>4,437,996</b>                           | <b>4,227,788</b>                             | <b>2,856,912</b>                           | <b>2,658,864</b>                             |
| <b>Total liabilities</b>                                    |              | <b>5,455,742</b>                           | <b>5,516,079</b>                             | <b>3,926,642</b>                           | <b>3,990,880</b>                             |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statements of Financial Position (Cont'd)**  
**As at 30 June 2016**

|  | <b>Consolidated</b> |                    | <b>Company</b>     |                    |
|--|---------------------|--------------------|--------------------|--------------------|
|  | <b>(Unaudited)</b>  | <b>(Audited)</b>   | <b>(Unaudited)</b> | <b>(Audited)</b>   |
|  | <b>30 June</b>      | <b>31 December</b> | <b>30 June</b>     | <b>31 December</b> |
|  | <b>2016</b>         | <b>2015</b>        | <b>2016</b>        | <b>2015</b>        |
|  | <b>Baht'000</b>     | <b>Baht'000</b>    | <b>Baht'000</b>    | <b>Baht'000</b>    |
| <b>Liabilities and equity (Cont'd)</b>             |                     |                    |                    |                    |
| <b>Equity</b>                                      |                     |                    |                    |                    |
| Share capital                                      |                     |                    |                    |                    |
| Authorised share capital                           | 1,776,618           | 1,776,618          | 1,776,618          | 1,776,618          |
| Issued and paid-up share capital                   | 1,776,608           | 1,776,608          | 1,776,608          | 1,776,608          |
| Share premium                                      | 634,029             | 634,029            | 634,029            | 634,029            |
| Retained earnings                                  |                     |                    |                    |                    |
| Appropriated - legal reserve                       | 177,666             | 148,056            | 177,666            | 148,056            |
| Unappropriated                                     | 5,778,870           | 5,545,348          | 1,531,000          | 1,609,514          |
| Other components of equity                         | (446)               | (446)              | (446)              | (446)              |
| <b>Equity attributable to owners of the parent</b> | <b>8,366,727</b>    | <b>8,103,595</b>   | <b>4,118,857</b>   | <b>4,167,761</b>   |
| Non-controlling interests                          | 812,096             | 802,408            | -                  | -                  |
| <b>Total equity</b>                                | <b>9,178,823</b>    | <b>8,906,003</b>   | <b>4,118,857</b>   | <b>4,167,761</b>   |
| <b>Total liabilities and equity</b>                | <b>14,634,565</b>   | <b>14,422,082</b>  | <b>8,045,499</b>   | <b>8,158,641</b>   |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Income (Unaudited)**  
**For the three-month period ended 30 June 2016**

|   | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|---|---------------------|-----------------|-----------------|-----------------|
|   | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
| <b>Note</b>                                       | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| <b>Revenues</b>                                   |                     |                 |                 |                 |
| Rental and service income                         | 353,133             | 345,667         | 199,817         | 193,391         |
| Finance and interest income                       | 6,647               | 6,909           | 8,530           | 7,318           |
| Dividend income                                   | -                   | -               | 3,468           | -               |
| Other income                                      | 5,425               | 8,460           | 31,593          | 34,571          |
| Share profit from joint venture                   | 153,229             | 130,539         | -               | -               |
| <b>Total revenues</b>                             | <b>518,434</b>      | <b>491,575</b>  | <b>243,408</b>  | <b>235,280</b>  |
| <b>Expenses</b>                                   |                     |                 |                 |                 |
| Cost of rental and service                        | 139,810             | 135,565         | 79,704          | 77,038          |
| Fair value adjustment on investment property, net | 57,261              | 44,219          | 52,413          | 35,294          |
| Selling expenses                                  | 10,409              | 6,862           | 8,380           | 5,815           |
| Administrative expenses                           | 45,625              | 43,815          | 40,945          | 39,767          |
| Management's remuneration                         | 5,085               | 5,495           | 5,085           | 5,495           |
| <b>Total expenses</b>                             | <b>258,190</b>      | <b>235,956</b>  | <b>186,527</b>  | <b>163,409</b>  |
| <b>Profit before finance costs and tax</b>        | <b>260,244</b>      | <b>255,619</b>  | <b>56,881</b>   | <b>71,871</b>   |
| Finance costs                                     | (16,924)            | (24,230)        | (18,214)        | (25,517)        |
| <b>Profit before tax</b>                          | <b>243,320</b>      | <b>231,389</b>  | <b>38,667</b>   | <b>46,354</b>   |
| Income tax expenses                               | (15,555)            | (20,241)        | (6,844)         | (9,406)         |
| <b>Profit for the period</b>                      | <b>227,765</b>      | <b>211,148</b>  | <b>31,823</b>   | <b>36,948</b>   |
| <b>Profit attributable to:</b>                    |                     |                 |                 |                 |
| Owners of the parent                              | 218,617             | 203,080         | 31,823          | 36,948          |
| Non-controlling interests                         | 9,148               | 8,068           | -               | -               |
|   | <b>227,765</b>      | <b>211,148</b>  | <b>31,823</b>   | <b>36,948</b>   |
| <b>Earnings per share</b>                         | 13                  |                 |                 |                 |
| Basic earnings per share (Baht)                   | 0.12                | 0.11            | 0.02            | 0.02            |
| Diluted earnings per share (Baht)                 | 0.12                | 0.11            | 0.02            | 0.02            |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the three-month period ended 30 June 2016**

|   | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|---|---------------------|-----------------|-----------------|-----------------|
|   | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
|   | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| <b>Profit for the period</b>                                    | 227,765             | 211,148         | 31,823          | 36,948          |
| Other comprehensive income for the period,<br>net of income tax | -                   | -               | -               | -               |
| <b>Total comprehensive income for the period</b>                | <b>227,765</b>      | <b>211,148</b>  | <b>31,823</b>   | <b>36,948</b>   |
| <b>Total comprehensive income attributable to:</b>              |                     |                 |                 |                 |
| Owners of the parent  | 218,617             | 203,080         | 31,823          | 36,948          |
| Non-controlling interests                                       | 9,148               | 8,068           | -               | -               |
|   | <b>227,765</b>      | <b>211,148</b>  | <b>31,823</b>   | <b>36,948</b>   |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Income (Unaudited)**  
**For the six-month period ended 30 June 2016**

|   | Notes | Consolidated     |                  | Company          |                  |
|---|-------|------------------|------------------|------------------|------------------|
|   |       | 2016<br>Baht'000 | 2015<br>Baht'000 | 2016<br>Baht'000 | 2015<br>Baht'000 |
| <b>Revenues</b>                                   |       |                  |                  |                  |                  |
| Rental and services income                        |       | 691,806          | 675,224          | 391,469          | 379,512          |
| Finance and interest income                       |       | 13,207           | 13,700           | 14,578           | 15,507           |
| Dividend income                                   |       | -                | -                | 53,448           | 112,700          |
| Other income                                      |       | 25,870           | 16,294           | 64,966           | 66,801           |
| Share profit from joint venture                   | 7     | 297,000          | 259,205          | -                | -                |
| <b>Total revenues</b>                             |       | <b>1,027,883</b> | <b>964,423</b>   | <b>524,461</b>   | <b>574,520</b>   |
| <b>Expenses</b>                                   |       |                  |                  |                  |                  |
| Costs of rental and services                      |       | 267,246          | 258,641          | 151,796          | 147,281          |
| Fair value adjustment on investment property, net | 8     | (344)            | 83,813           | (31,507)         | 63,578           |
| Selling expenses                                  |       | 14,686           | 14,762           | 11,888           | 12,869           |
| Administrative expenses                           |       | 91,057           | 85,492           | 81,478           | 77,221           |
| Management's remuneration                         | 15    | 10,694           | 10,899           | 10,694           | 10,899           |
| <b>Total expenses</b>                             |       | <b>383,339</b>   | <b>453,607</b>   | <b>224,349</b>   | <b>311,848</b>   |
| <b>Profit before finance costs and tax</b>        |       | <b>644,544</b>   | <b>510,816</b>   | <b>300,112</b>   | <b>262,672</b>   |
| Finance costs                                     |       | (39,226)         | (47,491)         | (41,584)         | (49,895)         |
| <b>Profit before tax</b>                          |       | <b>605,318</b>   | <b>463,325</b>   | <b>258,528</b>   | <b>212,777</b>   |
| Income tax expenses                               |       | (62,683)         | (39,092)         | (40,949)         | (18,693)         |
| <b>Profit for the period</b>                      |       | <b>542,635</b>   | <b>424,233</b>   | <b>217,579</b>   | <b>194,084</b>   |
| <b>Profit attributable to:</b>                    |       |                  |                  |                  |                  |
| Owners of the parent                              |       | 529,615          | 409,842          | 217,579          | 194,084          |
| Non-controlling interests                         |       | 13,020           | 14,391           | -                | -                |
|   |       | <b>542,635</b>   | <b>424,233</b>   | <b>217,579</b>   | <b>194,084</b>   |
| <b>Earnings per share</b>                         |       |                  |                  |                  |                  |
|   | 13    |                  |                  |                  |                  |
| Basic earnings per share (Baht)                   |       | 0.30             | 0.23             | 0.12             | 0.11             |
| Diluted earnings per share (Baht)                 |       | 0.30             | 0.23             | 0.12             | 0.11             |

The notes to the consolidated and company financial information are an integral part of these interim financial information.



**Siam Future Development Public Company Limited**  
**Statement of Comprehensive Income (Unaudited)**  
**For the six-month period ended 30 June 2016**

|   | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|---|---------------------|-----------------|-----------------|-----------------|
|   | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
|   | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| <b>Profit for the period</b>                                    | 542,635             | 424,233         | 217,579         | 194,084         |
| Other comprehensive income for the period,<br>net of income tax | -                   | -               | -               | -               |
| <b>Total comprehensive income for the period</b>                | <b>542,635</b>      | <b>424,233</b>  | <b>217,579</b>  | <b>194,084</b>  |
| <b>Total comprehensive income attributable to:</b>              |                     |                 |                 |                 |
| Owners of the parent  | 529,615             | 409,842         | 217,579         | 194,084         |
| Non-controlling interests                                       | 13,020              | 14,391          | -               | -               |
|   | <b>542,635</b>      | <b>424,233</b>  | <b>217,579</b>  | <b>194,084</b>  |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Changes in Shareholders' Equity (Unaudited)**  
**For the six-month period ended 30 June 2016**

| <b>Consolidated (Baht'000)</b>                               |   |                          |                          |   |   |   |                         |
|--|---|--------------------------|--------------------------|---|---|---|-------------------------|
| <b>Attributable to owners of the parent</b>                  |   |                          |                          |   |   |   |                         |
| <b>Note</b>  | <b>Issued and<br/>paid-up<br/>share capital</b> | <b>Share<br/>premium</b> | <b>Legal<br/>reserve</b> | <b>Unappropriated<br/>retained<br/>earnings</b> | <b>Other<br/>components<br/>of equity</b> | <b>Non-<br/>controlling<br/>interests</b> | <b>Total<br/>equity</b> |
| <b>Opening balance 1 January 2016</b>                        | 1,776,608                                       | 634,029                  | 148,056                  | 5,545,348                                       | (446)                                     | 802,408                                   | 8,906,003               |
| Legal reserve appropriation                                  | -   | -                        | 29,610                   | (29,610)  | -   | -   | -                       |
| Dividends  | -   | -                        | -                        | (266,483)                                       | -   | -   | (266,483)               |
| Dividend paid from a subsidiary to non-controlling interests | -   | -                        | -                        | -   | -   | (3,332)                                   | (3,332)                 |
| Total comprehensive income for the period                    | -   | -                        | -                        | 529,615   | -   | 13,020                                    | 542,635                 |
| <b>Closing balance 30 June 2016</b>                          | <b>1,776,608</b>                                | <b>634,029</b>           | <b>177,666</b>           | <b>5,778,870</b>                                | <b>(446)</b>                              | <b>812,096</b>                            | <b>9,178,823</b>        |
| <b>Opening balance 1 January 2015</b>                        | 1,480,515                                       | 634,029                  | 131,626                  | 4,483,285                                       | (512)                                     | 417,444                                   | 7,146,387               |
| Issuance of ordinary shares                                  | 296,093   | -                        | -                        | -   | -   | -   | 296,093                 |
| Legal reserve appropriation                                  | -   | -                        | 16,430                   | (16,430)  | -   | -   | -                       |
| Dividends  | -   | -                        | -                        | (329,005)                                       | -   | -   | (329,005)               |
| Total comprehensive income for the period                    | -   | -                        | -                        | 409,842   | -   | 14,391                                    | 424,233                 |
| <b>Closing balance 30 June 2015</b>                          | <b>1,776,608</b>                                | <b>634,029</b>           | <b>148,056</b>           | <b>4,547,692</b>                                | <b>(512)</b>                              | <b>431,835</b>                            | <b>7,537,708</b>        |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Changes in Shareholders' Equity (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2016**

| <b>Company (Baht'000)</b>                 |   |                          |                          |   |   |                         |
|---|---|--------------------------|--------------------------|---|---|-------------------------|
| <b>Note</b>                               | <b>Issued and<br/>paid-up<br/>share capital</b> | <b>Share<br/>premium</b> | <b>Legal<br/>reserve</b> | <b>Unappropriated<br/>retained<br/>earnings</b> | <b>Other<br/>components<br/>of equity</b> | <b>Total<br/>equity</b> |
| <b>Opening balance 1 January 2016</b>     | 1,776,608                                       | 634,029                  | 148,056                  | 1,609,514                                       | (446)                                     | 4,167,761               |
| Legal reserve appropriation               | -   | -                        | 29,610                   | (29,610)  | -   | -                       |
| Dividends                                 | -   | -                        | -                        | (266,483)                                       | -   | (266,483)               |
| Total comprehensive income for the period | -   | -                        | -                        | 217,579   | -   | 217,579                 |
| <b>Closing balance 30 June 2016</b>       | <b>1,776,608</b>                                | <b>634,029</b>           | <b>177,666</b>           | <b>1,531,000</b>                                | <b>(446)</b>                              | <b>4,118,857</b>        |
| <b>Opening balance 1 January 2015</b>     | 1,480,515                                       | 634,029                  | 131,626                  | 1,450,915                                       | (512)                                     | 3,696,573               |
| Issuance of ordinary shares               | 296,093   | -                        | -                        | -   | -   | 296,093                 |
| Legal reserve appropriation               | -   | -                        | 16,430                   | (16,430)  | -   | -                       |
| Dividends                                 | -   | -                        | -                        | (329,005)                                       | -   | (329,005)               |
| Total comprehensive income for the period | -   | -                        | -                        | 194,084   | -   | 194,084                 |
| <b>Closing balance 30 June 2015</b>       | <b>1,776,608</b>                                | <b>634,029</b>           | <b>148,056</b>           | <b>1,299,564</b>                                | <b>(512)</b>                              | <b>3,857,745</b>        |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Cash Flows (Unaudited)**  
**For the six-month period ended 30 June 2016**

|  | Notes | Consolidated         |                      | Company              |                      |
|--|-------|----------------------|----------------------|----------------------|----------------------|
|  |       | 2016<br>Baht'000     | 2015<br>Baht'000     | 2016<br>Baht'000     | 2015<br>Baht'000     |
| <b>Cash flows from operating activities</b>                    |       |                      |                      |                      |                      |
| Cash generated from (used in) operating activities             | 14    | 794,334              | 33,066               | 611,100              | (124,913)            |
| Interest paid  |       | (42,958)             | (43,198)             | (49,109)             | (45,300)             |
| Income tax paid  |       | (35,168)             | (29,622)             | (11,367)             | (11,842)             |
| Net cash generated from (used in) operating activities         |       | <u>716,208</u>       | <u>(39,754)</u>      | <u>550,624</u>       | <u>(182,055)</u>     |
| <b>Cash flows from investing activities</b>                    |       |                      |                      |                      |                      |
| Purchases of building, equipment and investment property       |       | (188,761)            | (26,095)             | (109,871)            | (8,573)              |
| Short-term loans made to related parties                       | 15    | -                    | -                    | (294,500)            | (22,600)             |
| Short-term loans repayments received from subsidiaries         | 15    | 1,650                | -                    | 90,556               | 99,225               |
| Proceeds from disposals of equipment                           |       | -                    | 2,336                | -                    | 2,336                |
| Dividends received   | 7     | 49,980               | 112,700              | 338,445              | 112,700              |
| Interest received  |       | 824                  | 307                  | 89                   | 133                  |
| Net cash (used in) generated from investing activities         |       | <u>(136,307)</u>     | <u>89,248</u>        | <u>24,719</u>        | <u>183,221</u>       |
| <b>Cash flows from financing activities</b>                    |       |                      |                      |                      |                      |
| Proceeds from short-term loans from subsidiaries               | 15    | -                    | -                    | 116,900              | 56,400               |
| Proceeds from short-term borrowings from financial institution |       | 448,174              | -                    | 448,174              | -                    |
| Proceeds from debentures                                       |       | -                    | 498,537              | -                    | 498,537              |
| Repayments to short-term loans from a subsidiaries             | 15    | -                    | -                    | (110,350)            | (6,000)              |
| Repayments to short-term loans from financial institution      |       | -                    | (498,817)            | -                    | (498,817)            |
| Redemption of debentures                                       | 10    | (750,000)            | -                    | (750,000)            | -                    |
| Dividend paid from a subsidiary to non-controlling interests   |       | (3,332)              | -                    | -                    | -                    |
| Dividends paid   | 12    | (266,483)            | (32,912)             | (266,483)            | (32,912)             |
| Net cash (used in) received from financing activities          |       | <u>(571,641)</u>     | <u>(33,192)</u>      | <u>(561,759)</u>     | <u>17,208</u>        |
| <b>Net increase in cash and cash equivalents</b>               |       | <b>8,260</b>         | <b>16,302</b>        | <b>13,584</b>        | <b>18,374</b>        |
| Cash and cash equivalents, beginning balance                   |       | <u>33,499</u>        | <u>27,584</u>        | <u>2,439</u>         | <u>5,422</u>         |
| <b>Cash and cash equivalents, ending balance</b>               |       | <b><u>41,759</u></b> | <b><u>43,886</u></b> | <b><u>16,023</u></b> | <b><u>23,796</u></b> |

The notes to the consolidated and company financial information are an integral part of these interim financial information.

**Siam Future Development Public Company Limited**  
**Statement of Cash Flows (Unaudited) (Cont'd)**  
**For the six-month period ended 30 June 2016**

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**Supplementary information for cash flows:**

**Non-cash transactions**

Significant non-cash transactions for the six-month periods ended 30 June 2016 and 2015 are as follows:

|   | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|---|---------------------|-----------------|-----------------|-----------------|
|   | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
|   | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| Accounts payable arisen as a result of purchases of property, equipment and investment property | 25,938              | 39,030          | 10,790          | 20,331          |
| Accounts payable arisen as a result of purchases of intangible assets                           | 1,699               | 1,699           | 1,699           | 1,699           |
| Investment property increased due to reversal of finance lease contracts                        | 735                 | 6,848           | -               | 3,493           |
| Share dividends   | -                   | 296,093         | -               | 296,093         |
| Increase in finance lease liabilities on land leases  | 231,526             | -               | 231,526         | -               |

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The notes to the consolidated and company financial information are an integral part of these interim financial information.

## **1 General information**

Siam Future Development Public Company Limited ('the Company') is a public limited company, which is listed on the Stock Exchange of Thailand and is incorporated and domiciled in Thailand. The address of the Company's registered office is as follows:

99 Ratchdapisek Road, Khwaeng Din Daeng, Khet Din Daeng, Bangkok 10400.

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

These interim consolidated and company financial information have been approved for issue by the Board of Directors on 4 August 2016.

These interim consolidated and company financial information have been reviewed, not audited.

## **2 Accounting policies**

### **2.1 Basis of preparation**

These interim consolidated and company financial information are prepared in accordance with Thai Generally Accepted Accounting Principles under the Accounting Act B.E. 2543, being those Thai Accounting Standards issued under the Accounting Profession Act B.E. 2547, and the financial reporting requirements of the Securities and Exchange Commission. The primary financial information (i.e. statement of financial position, statement of income, statement of comprehensive income, statement of changes in shareholders' equity and statement of cash flows) are prepared in the full format as required by the Securities and Exchange Commission. The notes to the financial information are prepared in a condensed format according to Thai Accounting Standard 34, "Interim Financial Reporting" and additional notes are presented as required by the Securities and Exchange Commission under the Securities and Exchange Act.

The interim financial information should be read in conjunction with the annual financial statements for the year ended 31 December 2015.

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

The accounting policies used in the preparation of the interim financial information are consistent with those used in the annual financial statements for the year ended 31 December 2015.

Costs that are incurred unevenly during the financial year are anticipated or deferred in the interim report only if it would also be appropriate to anticipate or defer such costs at the end of the financial year.

Taxes on income in the interim periods are accrued using the tax rate that would be applicable to expected total annual profit or loss.

## **2 Accounting policies (Cont'd)**

### **2.2 Revised accounting standards, revised financial reporting standards, and related interpretations**

New financial reporting standards and revised accounting standards, revised financial reporting standards are effective on 1 January 2016. These standards are relevant to the Group.

- a) Financial reporting standards, which have a significant impact to the Group:

TAS 19 (revised 2015)                      Employee benefits

TAS 19 (revised 2015), 'Employee benefits' is amended to apply to contributions from employees or third parties to defined benefit plans and to clarify the accounting treatment of such contributions. The amendment distinguishes between contributions that are linked to service only in the period in which they arise and those linked to service in more than one period.

Management of the Company and the Group has determined that the revision will not significantly impact the interim financial information being presented.

- b) Financial reporting standards with minor changes

There are 40 financial reporting standards with minor changes. The management assesses that they do not have an impact on the Group interim financial information.

### **2.3 Estimations**

The preparation of interim financial information requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense. Actual results may differ from these estimates.

In preparing this interim financial information, the significant judgements made by management in applying the Group's accounting policies and the key sources of estimation uncertainty were the same as those that applied to the consolidated financial statements for the year ended 31 December 2015.

## **3 Fair value**

### **3.1 Fair value estimation**

The table below analyses assets 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 market prices) or indirectly (that is, derived from market prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

**3 Fair value (Cont'd)**

**3.1 Fair value estimation (Cont'd)**

The following table presents assets that are measured at fair value at 30 June 2016.

|   | <b>Consolidated</b>         |                             |                           |
|---|-----------------------------|-----------------------------|---------------------------|
|   | <b>Level 2<br/>Baht'000</b> | <b>Level 3<br/>Baht'000</b> | <b>Total<br/>Baht'000</b> |
| <b>Assets</b>                               |                             |                             |                           |
| Short-term investments - trading securities | 198,396                     | -                           | 198,396                   |
| Investment property                         | -                           | 9,021,888                   | 9,021,888                 |
| Total assets                                | <u>198,396</u>              | <u>9,021,888</u>            | <u>9,220,284</u>          |
|   | <b>Company</b>              |                             |                           |
|   | <b>Level 2<br/>Baht'000</b> | <b>Level 3<br/>Baht'000</b> | <b>Total<br/>Baht'000</b> |
| <b>Assets</b>                               |                             |                             |                           |
| Short-term investments - trading securities | 198,396                     | -                           | 198,396                   |
| Investment property                         | -                           | 4,155,365                   | 4,155,365                 |
| Total assets                                | <u>198,396</u>              | <u>4,155,365</u>            | <u>4,353,761</u>          |

There were no changes in valuation techniques during the period.

**3.2 Valuation techniques used to derive Level 2 fair values**

Level 2 trading securities - units are fair valued based on net assets value at the statements of financial position date, or last business day before the statements of financial position date if there was no trading on the statements of financial position date.

**3.3 Fair value measurements using significant unobservable inputs (Level 3)**

The Group disclosed the movement of investment property which is reclassified as level 3 in note to interim financial information no. 8.

There were no other changes in valuation techniques during the period.

**3.4 Group's valuation processes**

The Group's finance department includes an independent valuer performs the valuations of assets required for financial reporting purposes, including Level 3 fair values. This team reports directly to the finance committee. Discussions of valuation processes and results are held between the finance committee and finance department at least once every quarter, in line with the Group's quarterly reporting dates.

The main Level 3 input used by the Group pertains to the discount rate for investment property. It is estimated based on discounted cash flow projections which reflects rental income from current leases and assumptions about rental income from future leases in the light of current market conditions. The fair value also reflects any cash outflows that could be expected in respect of the property. The discount rate is estimated based on the average yield rate of property fund of public companies that are, in the opinion of the Group, in a comparable financial position including the appropriate risk premium and reflects current market assessments of the time value of money and risk adjusted which mainly are at the rates of 12% per annum. The discount rate of finance lease liabilities on land leases is at the rates between 4.15% to 8% per annum. The Group has hired an independent valuer to estimate such information for this valuation.



**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**4 Short-term investments**

As of 30 June 2016 and 31 December 2015, the Group had short-term investments as follows:

|                               | <b>Consolidated and Company</b> |                                |                          |                                |
|-------------------------------|---------------------------------|--------------------------------|--------------------------|--------------------------------|
|                               | <b>30 June 2016</b>             |                                | <b>31 December 2015</b>  |                                |
|                               | <b>Cost<br/>Baht'000</b>        | <b>Fair Value<br/>Baht'000</b> | <b>Cost<br/>Baht'000</b> | <b>Fair Value<br/>Baht'000</b> |
| <b>Short-term investments</b> |                                 |                                |                          |                                |
| Trading securities            | 198,204                         | 198,396                        | 562,153                  | 568,022                        |

During the quarter ended 30 June 2016, the movements of trading securities are as follows:

|  | <b>Trading securities</b>                    |  |
|--|--|--|
|  | <b>For three-month period</b>                | <b>For six-month period</b>                  |
|  | <b>Consolidated and Company<br/>Baht'000</b> | <b>Consolidated and Company<br/>Baht'000</b> |
| Book value - beginning balance             | 254,071                                      | 568,022                                      |
| Addition                                   | 161,000                                      | 490,000                                      |
| Disposal                                   | (216,857)                                    | (860,617)                                    |
| Change in fair value of trading securities | 182  | 991  |
| Book value - ending balance                | 198,396                                      | 198,396                                      |

**5 Trade and other receivables**

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
|   | Trade receivables                    | 79,853                                   | 74,776                               | 47,445                                   |
| <u>Less</u> Allowance for doubtful accounts | -                                    | -  | -                                    | -  |
| Trade receivables, net                      | 79,853                               | 74,776                                   | 47,445                               | 40,783                                   |
| Prepayment                                  | 24,561                               | 4,640                                    | 15,722                               | 2,932                                    |
| Advance payment                             | 3,027                                | 4,820                                    | 2,559                                | 2,400                                    |
| Property tax receivable                     | 22,051                               | 22,936                                   | 11,626                               | 12,931                                   |
| Dividend receivable                         | -                                    | -  | -                                    | 284,997                                  |
| Other receivables                           | 16,573                               | 118,707                                  | 11,360                               | 116,674                                  |
|   | 146,065                              | 225,879                                  | 88,712                               | 460,717                                  |

Outstanding trade accounts receivable can be analysed as follows:

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
|   | Current                              | 64,549                                   | 65,288                               | 34,737                                   |
| Overdue 1 to 6 months                       | 11,414                               | 8,651                                    | 12,708                               | 2,759                                    |
| Overdue 7 to 12 months                      | 3,817                                | 812                                      | -                                    | -  |
| Overdue over 12 months                      | 73                                   | 25                                       | -                                    | -  |
|   | 79,853                               | 74,776                                   | 47,445                               | 40,783                                   |
| <u>Less</u> Allowance for doubtful accounts | -                                    | -  | -                                    | -  |
|   | 79,853                               | 74,776                                   | 47,445                               | 40,783                                   |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**6 Finance lease receivables**

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| The gross receivable in the lease contracts               |                                      |  |                                      |  |
| Due within 1 year   | 52,958                               | 51,583                                   | 39,589                               | 38,251                                   |
| Due within 1 year but not<br>later than 5 years           | 208,257                              | 209,187                                  | 150,681                              | 152,744                                  |
| Due later than 5 years                                    | 660,469                              | 687,373                                  | 422,723                              | 440,788                                  |
|   | <u>921,684</u>                       | <u>948,143</u>                           | <u>612,993</u>                       | <u>631,783</u>                           |
| The present value of minimum lease<br>payments receivable |                                      |  |                                      |  |
| Due within 1 year   | 28,117                               | 26,474                                   | 21,406                               | 19,795                                   |
| Due within 1 year but not<br>later than 5 years           | 115,482                              | 114,892                                  | 85,870                               | 86,335                                   |
| Due later than 5 years                                    | 504,931                              | 520,695                                  | 327,526                              | 338,224                                  |
|   | <u>620,413</u>                       | <u>635,587</u>                           | <u>413,396</u>                       | <u>424,559</u>                           |
|   | 648,530                              | 662,061                                  | 434,802                              | 444,354                                  |
| <u>Less</u> Allowance for doubtful accounts               | -                                    | -  | -                                    | -  |
|   | <u>648,530</u>                       | <u>662,061</u>                           | <u>434,802</u>                       | <u>444,354</u>                           |
| The unearned finance income                               | <u>273,154</u>                       | <u>286,082</u>                           | <u>178,191</u>                       | <u>187,429</u>                           |

**7 Investments in subsidiaries and interests in joint ventures**

Movements in investments in subsidiaries and interests in joint ventures are as follows:

|  | <b>Consolidated<br/>Baht'000</b> | <b>Company<br/>Baht'000</b> |
|--|----------------------------------|-----------------------------|
| <b>Investments in subsidiaries</b>                 |                                  |                             |
| <b>For the six-month period ended 30 June 2016</b> |                                  |                             |
| Opening book value                                 |                                  | 257,925                     |
| Additional (disposal)                              |                                  | -                           |
| Closing book value                                 |                                  | <u>257,925</u>              |
|  |                                  |                             |
| <b>Interests in joint ventures</b>                 |                                  |                             |
| <b>For the six-month period ended 30 June 2016</b> |                                  |                             |
| Opening book value                                 | 4,123,934                        | 1,978,581                   |
| Dividend received                                  | (49,980)                         | -                           |
| Share of profit from joint ventures                | 297,000                          | -                           |
| Closing book value                                 | <u>4,370,954</u>                 | <u>1,978,581</u>            |

**7 Investments in subsidiaries and interests in joint ventures (Cont'd)**

The details of investments in subsidiaries and interests in joint ventures as at 30 June 2016 and 31 December 2015 are as follow:

|  | <u>Nature of relationship</u>                           | <u>% Ownership interest</u> |
|--|---|-----------------------------|
| <b>Subsidiaries</b>                            |   |                             |
| Petchkasem Power Center Company Limited        | Shareholder   | 74                          |
| Ekkamai Lifestyle Center Company Limited       | Shareholder   | 51                          |
| Siam Future Property Company Limited           | Shareholder   | 100                         |
| Ratchayothin Avenue Company Limited            | Shareholder   | 50                          |
| Ratchayothin Avenue Management Company Limited | Subsidiary of<br>Ratchayothin Avenue<br>Company Limited | 50                          |
| Siam Future Management Company Limited         | Shareholder   | 100                         |
| <b>Joint ventures</b>                          |   |                             |
| SF Development Company Limited                 | Shareholder   | 49                          |
| North Bangkok Development Company Limited      | Shareholder   | 49                          |
| West Bangkok Development Company Limited       | Shareholder   | 49                          |

All subsidiaries and joint ventures are incorporated in Thailand and engage in the business of building rental and providing utilities services.

**8 Investment property**

|   | <u>Consolidated<br/>Baht'000</u> | <u>Company<br/>Baht'000</u> |
|---|----------------------------------|-----------------------------|
| <b>For the six-month period ended 30 June 2016</b>                  |                                  |                             |
| Investment property at 1 January 2016                               | 8,575,028                        | 3,767,252                   |
| Additions during the period   | 409,128                          | 335,429                     |
| Fair value adjustment   | 37,732                           | 52,684                      |
| Investment property at 30 June 2016                                 | <u>9,021,888</u>                 | <u>4,155,365</u>            |
|   | <u>Consolidated<br/>Baht'000</u> | <u>Company<br/>Baht'000</u> |
| <b>Income statement for the six-month period ended 30 June 2016</b> |                                  |                             |
| Increase in fair value adjustment                                   | 37,732                           | 52,684                      |
| Finance costs from recording investment property                    | <u>(37,388)</u>                  | <u>(21,177)</u>             |
| Fair value adjustment on investment property, net                   | <u>344</u>                       | <u>31,507</u>               |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**9 Building and equipment and intangible assets, net**

|  | <b>Consolidated</b>                        |                                       | <b>Company</b>                             |                                       |
|--|--|---------------------------------------|--|---------------------------------------|
|  | <b>Building and equipment<br/>Baht'000</b> | <b>Intangible assets<br/>Baht'000</b> | <b>Building and equipment<br/>Baht'000</b> | <b>Intangible assets<br/>Baht'000</b> |
| <b>For the six-month period ended<br/>30 June 2016</b> |  |                                       |  |                                       |
| Opening net book amount                                | 45,399                                     | 16,898                                | 19,924                                     | 12,460                                |
| Additions  | 5,340                                      | -                                     | 3,350                                      | -                                     |
| Depreciation and amortisation                          | (6,726)                                    | (1,640)                               | (3,622)                                    | (1,640)                               |
| Closing net book amount                                | 44,013                                     | 15,258                                | 19,652                                     | 10,820                                |

**10 Debentures**

|                                   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|-----------------------------------|--------------------------------------|--|--------------------------------------|--|
|                                   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Current portion of debentures     | -                                    | 749,014                                  | -                                    | 749,014                                  |
| Non-current portion of debentures | 1,198,371                            | 1,198,796                                | 1,198,371                            | 1,198,796                                |
|                                   | 1,198,371                            | 1,947,810                                | 1,198,371                            | 1,947,810                                |

The movements in the debentures can be analysed as follows:

| <b>For the six-month periods<br/>ended 30 June</b> | <b>Consolidated</b>      |                          | <b>Company</b>           |                          |
|--|--------------------------|--------------------------|--------------------------|--------------------------|
|  | <b>2016<br/>Baht'000</b> | <b>2015<br/>Baht'000</b> | <b>2016<br/>Baht'000</b> | <b>2015<br/>Baht'000</b> |
| Opening amount                                     | 1,947,810                | 1,447,670                | 1,947,810                | 1,447,670                |
| Addition   | -                        | 500,000                  | -                        | 500,000                  |
| Debenture issuance cost                            | -                        | (1,463)                  | -                        | (1,463)                  |
| Redemption   | (750,000)                | -                        | (750,000)                | -                        |
| Amortisation of debenture issuance cost            | 561                      | 794                      | 561                      | 794                      |
| Closing amount                                     | 1,198,371                | 1,947,001                | 1,198,371                | 1,947,001                |

As at 27 January 2015, the Company issued 500,000 units of unsubordinated and unsecured debentures with face value of Baht 1,000 per unit, totalling Baht 500 million. The debentures bear interest of 5.00% per annum and will be mature on 27 January 2020. The Company has to maintain financial ratios and other conditions as stipulated in the offering documents.

**11 Income taxes**

The interim income tax expense is accrued based on management's estimate using the tax rate that would be applicable to expected total annual earnings of the year 2016. The estimated average annual tax rate used are 15% to 20% for the Group and 20% for the Company.

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**12 Dividends**

At the Annual General Shareholders Meeting held on 24 March 2016, the shareholders approved cash dividend payment amounting to Baht 0.15 per share in respect of 2015 operating results totalling Baht 266.49 million. The dividends were paid to the shareholders on 25 April 2016.

**13 Earnings per share**

Earnings per share is calculated by dividing the profit for the period attributable to shareholders of the parent by the weighted average number of ordinary shares in issue during the period. The weighted average number of ordinary shares in issue during the three-month and six-month ended 30 June 2016 is 1,776,607,541 shares (during the three-month and six-month ended 30 June 2015 : 1,776,607,541 shares).

**14 Cash flows from operating activities**

Reconciliation of profit before income tax to cash flows from operating activities:

|  | Notes | Consolidated                |                             | Company                     |                             |
|--|-------|-----------------------------|-----------------------------|-----------------------------|-----------------------------|
|  |       | 30 June<br>2016<br>Baht'000 | 30 June<br>2015<br>Baht'000 | 30 June<br>2016<br>Baht'000 | 30 June<br>2015<br>Baht'000 |
| Profit before income tax   |       | 605,318                     | 463,325                     | 258,528                     | 212,777                     |
| Adjustments for:   |       |                             |                             |                             |                             |
| Depreciation and amortisation  | 9     | 8,366                       | 7,904                       | 5,262                       | 5,387                       |
| (Gain) loss on write-off of equipment                                |       | -                           | (185)                       | -                           | (185)                       |
| Amortisation of prepaid rent   |       | 33                          | 33                          | -                           | -                           |
| Interest income  |       | (13,207)                    | (13,700)                    | (14,578)                    | (15,507)                    |
| Interest expense   |       | 39,226                      | 47,491                      | 41,584                      | 49,895                      |
| Dividend income  |       | -                           | -                           | (53,448)                    | (112,700)                   |
| Amortisation of debenture issuance cost                              | 10    | 561                         | 794                         | 561                         | 794                         |
| Realised unearned rental and service income                          |       | (17,420)                    | (21,374)                    | (8,597)                     | (10,522)                    |
| Provision for employee benefit                                       |       | 2,191                       | 2,482                       | 2,191                       | 2,482                       |
| Fair value adjustment on investment property                         | 8     | (344)                       | 83,813                      | (31,507)                    | 63,578                      |
| Share of profit from joint venture                                   | 7     | (297,000)                   | (259,205)                   | -                           | -                           |
| Unrealised gain on fair value adjustment<br>on short-term investment | 4     | (991)                       | (3,033)                     | (991)                       | (3,033)                     |
| Write-off withholding tax  |       | 54                          | 247                         | -                           | -                           |
| Changes in operating assets and liabilities:                         |       |                             |                             |                             |                             |
| - short-term investment  |       | 370,617                     | (266,765)                   | 370,617                     | (266,765)                   |
| - trade accounts receivable  |       | 79,482                      | (8,568)                     | 92,261                      | 2,627                       |
| - finance lease receivable   |       | 25,511                      | 22,165                      | 18,789                      | 18,737                      |
| - amounts due from related parties                                   |       | (4,667)                     | (309)                       | (70,089)                    | (60,385)                    |
| - other current assets   |       | (2,612)                     | 669                         | 1,200                       | 600                         |
| - deposits for leasehold land  |       | 33,297                      | 5,000                       | 33,297                      | 5,000                       |
| - other non-current assets   |       | 854                         | 5,360                       | 1,280                       | 4,855                       |
| - trade accounts payable   |       | 16,617                      | 11,249                      | 10,854                      | 7,248                       |
| - amounts due to related parties                                     |       | (7,062)                     | 401                         | (2,321)                     | 1,834                       |
| - other current liabilities  |       | 21,090                      | 112                         | 3,437                       | (1,369)                     |
| - unearned rental and service income                                 |       | 6,602                       | (1,874)                     | (8,567)                     | (1,505)                     |
| - deposit received from customers                                    |       | (8,748)                     | 18,991                      | 4,231                       | 13,503                      |
| - finance lease liabilities on land leases                           |       | (63,434)                    | (61,957)                    | (42,894)                    | (42,259)                    |
| Cash generated from (used in) operating activities                   |       | 794,334                     | 33,066                      | 611,100                     | (124,913)                   |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**15 Related party transactions**

Siam Future Development Public Company Limited is an associate of Major Cineplex Group Public Company Limited which owns 24.78% of the Company's shares (31 December 2015: 23.86%). Therefore, all subsidiaries and associates of Major Cineplex Group Public Company Limited are related parties.

The Group enters into transactions with related parties in the normal course of business. Significant transactions for the six-month periods ended 30 June 2016 and 2015 are summarised as follows:

**a) Revenues and expenses**

|  | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|--|---------------------|-----------------|-----------------|-----------------|
|  | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
|  | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| <b>For the six-month periods ended 30 June</b>       |                     |                 |                 |                 |
| <b>Rental and service income</b>                     |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 480             | 480             |
| Group of Major Cineplex Group Public Company Limited | 40,803              | 45,726          | 15,610          | 17,173          |
| Related parties                                      | 15,256              | 14,952          | 11,144          | 10,954          |
|  | <u>56,059</u>       | <u>60,678</u>   | <u>27,234</u>   | <u>28,607</u>   |
| <b>Management fee income</b>                         |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 28,539          | 26,735          |
| Joint venture  | 1,950               | 5,015           | 1,950           | 5,015           |
|  | <u>1,950</u>        | <u>5,015</u>    | <u>30,489</u>   | <u>31,750</u>   |
| <b>Interest income</b>                               |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 5,252           | 5,889           |
| Major Cineplex Group Public Company Limited          | 311                 | 384             | -               | -               |
|  | <u>311</u>          | <u>384</u>      | <u>5,252</u>    | <u>5,889</u>    |
| <b>Dividend income</b>                               |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 3,468           | -               |
| Joint venture  | -                   | -               | 49,980          | 112,700         |
|  | <u>-</u>            | <u>-</u>        | <u>53,448</u>   | <u>112,700</u>  |
| <b>Costs of rental and services</b>                  |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 1,306           | 1,313           |
| <b>Management fee expense</b>                        |                     |                 |                 |                 |
| Group of Major Cineplex Group Public Company Limited | 3,405               | 3,397           | 3,226           | 3,227           |
| <b>Interest expenses</b>                             |                     |                 |                 |                 |
| Subsidiaries   | -                   | -               | 2,358           | 2,406           |

**15 Related party transactions (Cont'd)**

**a) Revenues and expenses (Cont'd)**

|   | <b>Consolidated</b> |                 | <b>Company</b>  |                 |
|---|---------------------|-----------------|-----------------|-----------------|
|   | <b>2016</b>         | <b>2015</b>     | <b>2016</b>     | <b>2015</b>     |
|   | <b>Baht'000</b>     | <b>Baht'000</b> | <b>Baht'000</b> | <b>Baht'000</b> |
| <b>For the three-month period ended 30 June</b> |                     |                 |                 |                 |
| <b>Rental and services income</b>               |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 240             | 240             |
| Group of Major Cineplex Group                   | -                   | -               | -               | -               |
| Public Company Limited                          | 21,907              | 23,582          | 8,548           | 9,142           |
| Related parties                                 | 7,672               | 7,549           | 5,582           | 5,516           |
|   | <u>29,579</u>       | <u>31,131</u>   | <u>14,370</u>   | <u>14,898</u>   |
| <b>Management fee income</b>                    |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 14,113          | 13,784          |
| Joint venture                                   | 1,350               | 2,556           | 1,350           | 2,556           |
|   | <u>1,350</u>        | <u>2,556</u>    | <u>15,463</u>   | <u>16,340</u>   |
| <b>Interest income</b>                          |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 3,856           | 2,503           |
| Major Cineplex Group                            | -                   | -               | -               | -               |
| Public Company Limited                          | 155                 | 193             | -               | -               |
|   | <u>155</u>          | <u>193</u>      | <u>3,856</u>    | <u>2,503</u>    |
| <b>Dividend income</b>                          |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 3,468           | -               |
|   | <u>-</u>            | <u>-</u>        | <u>3,468</u>    | <u>-</u>        |
| <b>Costs of rental and services</b>             |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 653             | 656             |
|   | <u>-</u>            | <u>-</u>        | <u>653</u>      | <u>656</u>      |
| <b>Management fee expense</b>                   |                     |                 |                 |                 |
| Group of Major Cineplex Group                   | -                   | -               | -               | -               |
| Public Company Limited                          | 1,396               | 743             | 1,306           | 658             |
|   | <u>1,396</u>        | <u>743</u>      | <u>1,306</u>    | <u>658</u>      |
| <b>Interest expenses</b>                        |                     |                 |                 |                 |
| Subsidiaries                                    | -                   | -               | 1,290           | 1,287           |
|   | <u>-</u>            | <u>-</u>        | <u>1,290</u>    | <u>1,287</u>    |

**Siam Future Development Public Company Limited**  
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**15 Related party transactions (Cont'd)**

**b) Trade and other receivables**

|  | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|--|--------------------------------------|--|--------------------------------------|--|
|  | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Companies under Major Group of Major Cineplex Group Public Company Limited | 15                                   | 221                                      | -                                    | -  |
| Subsidiaries   | -                                    | -  | -                                    | 284,997                                  |
|  | <u>15</u>                            | <u>221</u>                               | <u>-</u>                             | <u>284,997</u>                           |

**c) Amounts due from related parties**

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Major Cineplex Group Public Company Limited | 1,006                                | 1,339                                    | -                                    | -  |
| Subsidiaries                                | -                                    | -  | 494,943                              | 429,854                                  |
| Joint ventures                              | 5,000                                | -  | 5,000                                | -  |
|   | <u>6,006</u>                         | <u>1,339</u>                             | <u>499,943</u>                       | <u>429,854</u>                           |

**d) Short-term loans to related parties**

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Major Cineplex Group Public Company Limited | 21,350                               | 23,000                                   | -                                    | -  |
| Subsidiaries                                | -                                    | -  | 283,000                              | 79,056                                   |
|   | <u>21,350</u>                        | <u>23,000</u>                            | <u>283,000</u>                       | <u>79,056</u>                            |

Movement of short-term loans to subsidiaries during the periods are as follows:

|  | <b>Company<br/>Baht'000</b> |
|--|-----------------------------|
| <b>For the six-month period ended 30 June 2016</b> |                             |
| Beginning balance                                  | 79,056                      |
| Loans made during the period                       | 294,500                     |
| Repayments received during the period              | <u>(90,556)</u>             |
| Ending balance                                     | <u>283,000</u>              |

Short-term loans to subsidiaries are repayable upon demand, bearing interest at the rate of 5.00% per annum (2015: 5.00% per annum).

Short-term loans to Major Cineplex Group Public Company Limited are repayable upon demand, bearing interest at the rate of 2.72% per annum (2015: 2.72% per annum).



**15 Related party transactions (Cont'd)**

**e) Amounts due to related parties**

|   | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|---|--------------------------------------|--|--------------------------------------|--|
|   | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Group of Major Cineplex Group<br>Public Company Limited | 20,462                               | 30,972                                   | 7,079                                | 9,104                                    |
| Subsidiaries  | -                                    | -  | 6,746                                | 9,138                                    |
|   | <u>20,462</u>                        | <u>30,972</u>                            | <u>13,825</u>                        | <u>18,242</u>                            |

**f) Short-term loans from subsidiaries**

|              | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|--------------|--------------------------------------|--|--------------------------------------|--|
|              | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Subsidiaries | -                                    | -  | 281,550                              | 275,000                                  |

Movement of short-term loans from subsidiaries during the periods are as follows:

|  | <b>Company<br/>Baht'000</b> |
|--|-----------------------------|
| <b>For the six-month period ended 30 June 2016</b> |                             |
| Beginning balance                                  | 275,000                     |
| Loans received during the period                   | 116,900                     |
| Loans repaid during the period                     | <u>(110,350)</u>            |
| Ending balance                                     | <u>281,550</u>              |

As at 30 June 2016, short-term loans from subsidiaries represent unsecured loans, denominated in Thai Baht, and are repayable on demand. The loans bear interest at the rates between 1.32% to 2.72% per annum (2015: 2.04% to 3.10% per annum).

**g) Unearned rental and service income**

As at 30 June 2016, the unearned rental and service income of a subsidiary includes unearned income received from Major Cineplex Group Public Company Limited amounting to Baht 90 million (31 December 2015: Baht 94 million).

**15 Related party transactions (Cont'd)**

**h) Directors and management remuneration**

Directors and management remuneration comprises of the total salaries and other benefits, including directors' fee paid to directors and management which included as an expense in the income statements as follows;

|                          | <b>Consolidated<br/>and Company</b>  |                                      |
|--------------------------|--------------------------------------|--------------------------------------|
|                          | <b>30 June<br/>2016<br/>Baht'000</b> | <b>30 June<br/>2015<br/>Baht'000</b> |
| Short-term benefits      | 9,730                                | 9,759                                |
| Post-employment benefits | 964                                  | 1,140                                |
|                          | <u>10,694</u>                        | <u>10,899</u>                        |

**16 Commitments and contingencies**

**Bank guarantees**

As at 30 June 2016, the Group has outstanding letters of guarantee amounting to Baht 51 million (31 December 2015: Baht 51 million) issued by the Group's bankers in respect of normal business operations.

**Operating lease commitments**

The Group leases land under non-cancellable operating lease agreements. The future aggregate minimum lease payments under non-cancellable operating leases are as follows:

|  | <b>Consolidated</b>                  |  | <b>Company</b>                       |  |
|--|--------------------------------------|--|--------------------------------------|--|
|  | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> | <b>30 June<br/>2016<br/>Baht'000</b> | <b>31 December<br/>2015<br/>Baht'000</b> |
| Less than 1 year                               | 13,757                               | 3,257                                    | 12,107                               | 1,607                                    |
| Over than 1 year but not later<br>than 5 years | 7,866                                | 2,222                                    | 7,591                                | 1,122                                    |
|  | <u>21,623</u>                        | <u>5,479</u>                             | <u>19,698</u>                        | <u>2,729</u>                             |

**Siam Future Development Public Company Limited**  
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**17 Segment information**

The Group operates in only one business segment which is the development of shopping centers and lease out space in the centers. Currently, the business is only operated in Thailand. The internal reporting provided to the chief operating decision-maker presents investment property using cost method whereas financial statements applying fair value.

|   | <b>Unit : Baht'000</b>    |  |                     |
|---|---------------------------|--|---------------------|
|   | <b>Consolidated</b>       |  |                     |
|   | <b>Internal reporting</b> | <b>Investment properties adjustment to be fair value</b> | <b>Consolidated</b> |
| <b>For the three-month period ended 30 June 2016</b>                            |                           |  |                     |
| <b>Revenues</b>   |                           |  |                     |
| Rental and service income   | 353,133                   |  |                     |
| Finance and interest income   | 6,647                     |  |                     |
| Other income  | 5,425                     |  |                     |
| Share profit from joint venture   | 69,121                    |  |                     |
| Total revenues  | 434,326                   | 84,108 <sup>1</sup>                                      | 518,434             |
| <b>Expenses</b>   |                           |  |                     |
| Cost of rental and service  | 232,511                   |  |                     |
| Selling and administrative expenses   | 61,872                    |  |                     |
| Total expenses  | 294,383                   | (36,193) <sup>2</sup>                                    | 258,190             |
| <b>Profit before finance costs</b>  | 139,943                   | 120,301  | 260,244             |
| Finance costs   | (16,924)                  | -  | (16,924)            |
| <b>Profit before income taxes</b>   | 123,019                   | 120,301  | 243,320             |
| Income taxes  | (8,332)                   | (7,223) <sup>3</sup>                                     | (15,555)            |
| <b>Profit for the period</b>  | 114,687                   | 113,078  | 227,765             |
| <b>Profit attributable to</b>   |                           |  |                     |
| Owners of the parent  | 109,208                   | 109,409  | 218,617             |
| Non-controlling interests   | 5,479                     | 3,669  | 9,148               |
|   | 114,687                   | 113,078  | 227,765             |
| Fair value adjustment on investment property, net                               | 113,078                   | (113,078)  | -                   |
| <b>Profit for the period after fair value adjustment on investment property</b> | 227,765                   | -  | 227,765             |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**17 Segment information (Cont'd)**

|   | Unit : Baht'000           |  |                     |
|---|---------------------------|--|---------------------|
|   | <b>Consolidated</b>       |  |                     |
|   | <b>Internal reporting</b> | <b>Investment properties adjustment to be fair value</b> | <b>Consolidated</b> |
| <b>For the three-month period ended 30 June 2015</b>                            |                           |  |                     |
| <b>Revenues</b>   |                           |  |                     |
| Rental and service income   | 345,667                   |  |                     |
| Finance and interest income   | 6,909                     |  |                     |
| Other income  | 8,460                     |  |                     |
| Share profit from joint venture   | 53,124                    |  |                     |
| Total revenues  | 414,160                   | 77,415 <sup>1</sup>                                      | 491,575             |
| <b>Expenses</b>   |                           |  |                     |
| Cost of rental and service  | 228,315                   |  |                     |
| Selling and administrative expenses   | 56,850                    |  |                     |
| Total expenses  | 285,165                   | (49,209) <sup>2</sup>                                    | 235,956             |
| <b>Profit before finance costs</b>  | 128,995                   | 126,624  | 255,619             |
| Finance costs   | (24,230)                  | -  | (24,230)            |
| <b>Profit before income taxes</b>   | 104,765                   | 126,624  | 231,389             |
| Income taxes  | (10,416)                  | (9,825) <sup>3</sup>                                     | (20,241)            |
| <b>Profit for the period</b>  | 94,349                    | 116,799  | 211,148             |
| <b>Profit attributable to</b>   |                           |  |                     |
| Owners of the parent  | 88,895                    | 114,185  | 203,080             |
| Non-controlling interests   | 5,454                     | 2,614  | 8,068               |
|   | 94,349                    | 116,799  | 211,148             |
| Fair value adjustment on investment property, net                               | 116,799                   | (116,799)  | -                   |
| <b>Profit for the period after fair value adjustment on investment property</b> | 211,148                   | -  | 211,148             |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

**17 Segment information (Cont'd)**

|   | <b>Unit : Baht'000</b>    |  |                     |
|---|---------------------------|--|---------------------|
|   | <b>Consolidated</b>       |  |                     |
|   | <b>Internal reporting</b> | <b>Investment properties adjustment to be fair value</b> | <b>Consolidated</b> |
| <b>For the six-month period ended 30 June 2016</b>                              |                           |  |                     |
| <b>Revenues</b>   |                           |  |                     |
| Rental and service income   | 691,806                   |  |                     |
| Finance and interest income   | 13,207                    |  |                     |
| Other income  | 25,870                    |  |                     |
| Share profit from joint venture   | 132,409                   |  |                     |
| Total revenues  | <u>863,292</u>            | <u>164,591<sup>1</sup></u>                               | <u>1,027,883</u>    |
| <b>Expenses</b>   |                           |  |                     |
| Cost of rental and service  | 452,734                   |  |                     |
| Selling and administrative expenses   | 117,960                   |  |                     |
| Total expenses  | <u>570,694</u>            | <u>(187,355)<sup>2</sup></u>                             | <u>383,339</u>      |
| <b>Profit before finance costs</b>  | <u>292,598</u>            | <u>351,946</u>   | <u>644,544</u>      |
| Finance costs   | (39,226)                  | -  | (39,226)            |
| <b>Profit before income taxes</b>   | <u>253,372</u>            | <u>351,946</u>   | <u>605,318</u>      |
| Income taxes  | (25,244)                  | (37,439) <sup>3</sup>                                    | (62,683)            |
| <b>Profit for the period</b>  | <u>228,128</u>            | <u>314,507</u>   | <u>542,635</u>      |
| <b>Profit attributable to</b>   |                           |  |                     |
| Owners of the parent  | 216,666                   | 312,949  | 529,615             |
| Non-controlling interests   | 11,462                    | 1,558  | 13,020              |
|   | <u>228,128</u>            | <u>314,507</u>   | <u>542,635</u>      |
| Fair value adjustment on investment property, net                               | <u>314,507</u>            | <u>(314,507)</u>   | <u>-</u>            |
| <b>Profit for the period after fair value adjustment on investment property</b> | <u>542,635</u>            | <u>-</u>   | <u>542,635</u>      |

**Siam Future Development Public Company Limited**  
**Condensed Notes to Interim Financial Information (Unaudited)**  
**For the interim period ended 30 June 2016**

17 Segment information (Cont'd)

|   | Unit : Baht'000           |  |                     |
|---|---------------------------|--|---------------------|
|   | <b>Consolidated</b>       |  |                     |
|   | <b>Internal reporting</b> | <b>Investment properties adjustment to be fair value</b> | <b>Consolidated</b> |
| <b>For the six-month period ended 30 June 2015</b>                              |                           |  |                     |
| <b>Revenues</b>   |                           |  |                     |
| Rental and service income   | 675,224                   |  |                     |
| Finance and interest income   | 13,700                    |  |                     |
| Other income  | 16,294                    |  |                     |
| Share profit from joint venture   | 106,154                   |  |                     |
| Total revenues  | 811,372                   | 153,051 <sup>1</sup>                                     | 964,423             |
| <b>Expenses</b>   |                           |  |                     |
| Cost of rental and service  | 444,150                   |  |                     |
| Selling and administrative expenses   | 112,504                   |  |                     |
| Total expenses  | 556,654                   | (103,047) <sup>2</sup>                                   | 453,607             |
| <b>Profit before finance costs</b>  | 254,718                   | 256,098  | 510,816             |
| Finance costs   | (47,491)                  | -  | (47,491)            |
| <b>Profit before income taxes</b>   | 207,227                   | 256,098  | 463,325             |
| Income taxes  | (18,933)                  | (20,159) <sup>3</sup>                                    | (39,092)            |
| <b>Profit for the period</b>  | 188,294                   | 235,939  | 424,233             |
| <b>Profit attributable to</b>   |                           |  |                     |
| Owners of the parent  | 177,540                   | 232,302  | 409,842             |
| Non-controlling interests   | 10,754                    | 3,637  | 14,391              |
|   | 188,294                   | 235,939  | 424,233             |
| Fair value adjustment on investment property, net                               | 235,939                   | (235,939)  | -                   |
| <b>Profit for the period after fair value adjustment on investment property</b> | 424,233                   | -  | 424,233             |

Additional explanation on adjustment

<sup>1</sup> Adjustment relates to share of profit of joint ventures due to differences in value of investment property between cost method and fair value method.

<sup>2</sup> Adjustment to operating expenses as a result of depreciation accounted for under cost method and adjustment of change in fair value of investment property.

<sup>3</sup> Adjustment to income tax expense as a result of deferred income tax relating to the fair value measurement of investment property.