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**Boutique Corporation Public Company Limited  
and its Subsidiaries**

Interim financial statements  
for the three-month period ended  
31 March 2019

and

Independent auditor's report on review of  
interim financial information



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## **Independent Auditor's Report on Review of Interim Financial Information**

### **To the Board of Directors of Boutique Corporation Public Company Limited**

I have reviewed the accompanying consolidated and separate statements of financial position of Boutique Corporation Public Company Limited and its subsidiaries, and of Boutique Corporation Public Company Limited, respectively, as at 31 March 2019; the consolidated and separate statements of comprehensive income, changes in equity and cash flows for the three-month period ended 31 March 2019; and condensed notes ("interim financial information"). 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 of interim financial information 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 accompanying interim financial information is not prepared, in all material respects, in accordance with Thai Accounting Standard 34, "Interim Financial Reporting".

(Veerachai Ratanajaratkul)  
Certified Public Accountant  
Registration No. 4323

KPMG Phoomchai Audit Ltd.  
Bangkok  
14 May 2019

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

Assets	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
<i>Current assets</i>					
Cash and cash equivalents		307,450	229,672	5,444	39,673
Trade accounts receivable	4, 5	24,810	20,116	68,888	54,057
Other receivables		87,479	77,911	29,412	29,891
Inventories		950	1,067	-	-
Other current assets		14,032	15,271	4,162	4,288
<b>Total current assets</b>		<b>434,721</b>	<b>344,037</b>	<b>107,906</b>	<b>127,909</b>
<i>Non-current assets</i>					
Deposit pledged as collateral	9	3,103	3,103	3,000	3,000
Investments in joint ventures	6	147,251	143,413	-	-
Investments in subsidiaries	7	-	-	252,615	252,615
Long-term loans to related parties	4	53,703	53,703	460,505	434,255
Interest receivable from related parties	4	14,939	14,274	88,971	83,890
Property, plant and equipment	8, 9	2,595,522	2,460,384	4,316	4,734
Intangible assets		4,254	3,376	1,388	1,441
Prepaid rental expenses	9	408,052	411,710	-	-
Deferred tax assets		24,285	21,124	12,710	11,364
Other non-current assets		26,347	32,416	571	571
<b>Total non-current assets</b>		<b>3,277,456</b>	<b>3,143,503</b>	<b>824,076</b>	<b>791,870</b>
<b>Total assets</b>		<b>3,712,177</b>	<b>3,487,540</b>	<b>931,982</b>	<b>919,779</b>

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

Liabilities and equity	Note	Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
(in thousand Baht)					
Current liabilities					
Bank overdrafts and short-term					
loans from financial institutions	9	80,872	80,731	-	-
Trade accounts payable		5,068	5,080	-	-
Construction payables		132,930	174,705	-	-
Other payables	4	99,401	87,595	57,989	49,699
Short-term loan from related party	4, 9	-	-	74,555	74,365
Interest payable to related party	4	-	-	1,642	712
Current portion of long-term					
loans from financial institutions	9	142,474	46,425	-	-
Current portion of finance lease liabilities	9	882	867	482	475
Debentures	9	108,961	108,338	108,961	108,338
Interest payable on debentures		598	594	598	594
Income tax payable		18,546	16,301	16,584	15,745
Other current liabilities		18,824	17,463	8,363	7,130
Total current liabilities		608,556	538,099	269,174	257,058
Non-current liabilities					
Long-term loans from financial institutions	9	1,736,784	1,588,193	-	-
Long-term loans from related parties	4, 9	-	-	229,165	229,165
Long-term loans from other parties	9	594,405	556,005	-	-
Interest payable to related parties	4	-	-	27,321	24,481
Interest payable to other parties		105,165	99,969	-	-
Finance lease liabilities	9	1,257	1,483	864	987
Provisions for employee benefits		18,164	16,794	14,535	13,478
Deferred tax liabilities		103,622	103,014	-	-
Obligation in respect to losses					
of joint ventures	6	6,416	6,544	-	-
Other non-current liabilities		52,544	43,912	-	-
Total non-current liabilities		2,618,357	2,415,914	271,885	268,111
Total liabilities		3,226,913	2,954,013	541,059	525,169

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

		Consolidated		Separate	
		financial statements		financial statements	
		31 March	31 December	31 March	31 December
		2019	2018	2019	2018
		(Unaudited)		(Unaudited)	
		(in thousand Baht)			
<b>Liabilities and equity</b>	<i>Note</i>				
<i>Equity</i>					
Share capital:	10				
Authorised share capital		507,000	507,000	507,000	507,000
Issued and paid-up share capital		340,000	340,000	340,000	340,000
Share premium on sale of interest in subsidiary		198,951	198,951	-	-
Retained earnings (Deficit)					
Appropriated					
Legal reserve		5,593	5,593	5,593	5,593
Unappropriated (Deficit)		(414,198)	(384,061)	54,187	57,874
Difference on business combination					
under common control		(86,314)	(86,314)	-	-
Other components of equity		443,080	443,080	(8,857)	(8,857)
<b>Equity attributable to owners of the parent</b>		<b>487,112</b>	<b>517,249</b>	<b>390,923</b>	<b>394,610</b>
Non-controlling interests		(1,848)	16,278	-	-
<b>Total equity</b>		<b>485,264</b>	<b>533,527</b>	<b>390,923</b>	<b>394,610</b>
<b>Total liabilities and equity</b>		<b>3,712,177</b>	<b>3,487,540</b>	<b>931,982</b>	<b>919,779</b>

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

		Consolidated financial statements		Separate financial statements	
		Three - month period ended		Three - month period ended	
		31 March		31 March	
	Note	2019	2018	2019	2018
		(in thousand Baht)			
<b>Revenue</b>					
Revenue from hotel operation and community mall		73,734	86,184	-	-
Management income	4	4,360	4,233	40,869	27,658
Exit and termination fee	4	-	7,241	-	13,421
Gain on sales of investment in subsidiaries		-	273,431	-	-
Dividends income	4, 7	-	-	-	44,070
Interest income	4	712	672	5,592	4,098
Other income		128	11,609	22	159
<b>Total revenue</b>		<b>78,934</b>	<b>383,370</b>	<b>46,483</b>	<b>89,406</b>
<b>Expenses</b>					
Cost of hotel operation and community mall		23,461	31,680	-	-
Cost of rendering of services		1,420	1,475	31,371	35,766
Depreciation and amortisation		15,724	13,161	470	639
Distribution costs		3,541	6,423	18	-
Administrative expenses	4	54,442	60,346	11,319	14,558
Finance costs	4	31,403	28,054	6,677	5,256
<b>Total expenses</b>		<b>129,991</b>	<b>141,139</b>	<b>49,855</b>	<b>56,219</b>
Share of profit (loss) of joint ventures	6	3,966	(69)	-	-
<b>Profit (loss) before income tax</b>		<b>(47,091)</b>	<b>242,162</b>	<b>(3,372)</b>	<b>33,187</b>
Tax expense	12	(1,172)	(7,358)	(315)	(6,452)
<b>Profit (loss) for the period</b>		<b>(48,263)</b>	<b>234,804</b>	<b>(3,687)</b>	<b>26,735</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income (expense) for the period</b>		<b>(48,263)</b>	<b>234,804</b>	<b>(3,687)</b>	<b>26,735</b>

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of comprehensive income (Unaudited)

	Consolidated		Separate	
	financial statements		financial statements	
	Three - month period ended		Three - month period ended	
	31 March		31 March	
Note	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Profit (loss) attributable to:</b>				
Owners of the parent	(30,137)	37,286	(3,687)	26,735
Non-controlling interests	(18,126)	197,518	-	-
<b>Profit (loss) for the period</b>	<b>(48,263)</b>	<b>234,804</b>	<b>(3,687)</b>	<b>26,735</b>
<b>Total comprehensive income (expense)</b>				
<b>attributable to:</b>				
Owners of the parent	(30,137)	37,286	(3,687)	26,735
Non-controlling interests	(18,126)	197,518	-	-
<b>Total comprehensive income (expense)</b>				
<b>for the period</b>	<b>(48,263)</b>	<b>234,804</b>	<b>(3,687)</b>	<b>26,735</b>
<b>Basic (loss) earnings per share <i>(in Baht)</i></b>	<b>13</b>			
Basic (loss) earnings per share	(0.09)	0.11	(0.01)	0.08

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of changes in equity (Unaudited)

	Consolidated financial statements											
	Retained earnings (Deficit)			Other components of equity				Differences of				
	Issued and paid-up share capital	Share premium on sale of interests in subsidiaries	Legal reserve	Deficit	Losses on remeasurements of defined benefit plan	Revaluation of land of subsidiaries (in thousand Baht)	Share of other comprehensive income of joint ventures	Total other components of equity	business combination under common control	Equity attributable to owners of the parent	Non-controlling interests	Total equity
Three - month period ended 31 March 2018												
Balance at 1 January 2018	340,000	132,997	2,760	(282,389)	(7,704)	351,373	95,747	439,416	(90,341)	542,443	(77,171)	465,272
Realised differences amount on business combination under common control from sales of subsidiary	-	-	-	18,852	-	(22,879)	-	(22,879)	4,027	-	-	-
Transactions with owners, recorded directly in equity												
Changes in ownership interests in subsidiaries	-	-	-	-	-	-	-	-	-	-	(165,280)	(165,280)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(165,280)	(165,280)
Total changes in ownership interest in subsidiaries	-	-	-	-	-	-	-	-	-	-	-	-
Comprehensive income for the period												
Profit	-	-	-	37,286	-	-	-	-	-	37,286	197,518	234,804
Total comprehensive income for the period	-	-	-	37,286	-	-	-	-	-	37,286	197,518	234,804
Balance at 31 March 2018	340,000	132,997	2,760	(226,251)	(7,704)	328,494	95,747	416,537	(86,314)	579,729	(44,933)	534,796



**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Statement of changes in equity (Unaudited)**

	Consolidated financial statements						
	Retained earnings/(Deficit)			Other components of equity			Differences of business combination under common control
	Issued and paid-up share capital	Share premium on sale of interests in subsidiaries	Legal reserve	Losses on remeasurements of defined benefit plan	Revaluation of land of subsidiaries	Share of other comprehensive income of joint ventures	
<i>(in thousand Baht)</i>							
Three - month period ended 31 March 2019							
Balance at 1 January 2019	340,000	198,951	5,593	(384,061)	347,086	104,388	443,080
				(8,394)			(86,314)
							517,249
							16,278
							533,527
Comprehensive income for the period							
Loss	-	-	-	(30,137)	-	-	(30,137)
							(18,126)
Total comprehensive income for the period	-	-	-	(30,137)	-	-	(30,137)
							(18,126)
							(48,263)
Balance at 31 March 2019	340,000	198,951	5,593	(414,198)	347,086	104,388	443,080
				(8,394)			(86,314)
							487,112
							(1,848)
							485,264

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of changes in equity (Unaudited)

	Separate financial statements				
	Retained earnings			Losses on	
		Issued and paid-up share capital	Legal reserve	Unappropriated retained earnings (in thousand Baht)	remeasurements of defined benefit plan Total equity
Three - month period ended 31 March 2018					
Balance at 1 January 2018	340,000	2,760	55,050	(7,607)	390,203
Comprehensive income for the period					
Profit	-	-	26,735	-	26,735
Total comprehensive income for the period	-	-	26,735	-	26,735
Balance at 31 March 2018	340,000	2,760	81,785	(7,607)	416,938

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of changes in equity (Unaudited)

	Separate financial statements				
	Retained earnings	Losses on			
		Issued and paid-up share capital	Legal reserve	Unappropriated retained earnings (in thousand Baht)	remeasurements of defined benefit plan Total equity
Three - month period ended 31 March 2019					
Balance at 1 January 2019		340,000	5,593	57,874	(8,857)
					394,610
Comprehensive income for the period					
Loss		-	-	(3,687)	-
					(3,687)
Total comprehensive income for the period		-	-	(3,687)	-
					(3,687)
Balance at 31 March 2019		340,000	5,593	54,187	(8,857)
					390,923

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three - month period ended 31 March		Three - month period ended 31 March	
	2019	2018	2019	2018
		(Restated)		(Restated)
	(in thousand Baht)			
<b><i>Cash flows from operating activities</i></b>				
Profit (loss) for the period	(48,263)	234,804	(3,687)	26,735
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>				
Tax expense	1,172	7,358	315	6,452
Finance costs	31,403	28,054	6,677	5,256
Doubtful debt expense	768	-	-	-
Depreciation and amortisation	15,724	13,161	470	639
Share of (profit) loss of joint ventures, net of tax	(3,966)	69	-	-
Interest income	(712)	(672)	(5,592)	(4,098)
Dividend income	-	-	-	(44,070)
Gain on sales of investment in subsidiaries	-	(273,431)	-	-
	(3,874)	9,343	(1,817)	(9,086)
<b><i>Changes in operating assets and liabilities</i></b>				
Trade accounts receivable	(5,461)	(5,387)	(14,830)	(8,608)
Other receivables	(9,602)	(7,559)	445	2,240
Inventories	117	(82)	-	-
Other current assets	1,525	2,684	126	13
Deposit pledged as collateral	-	49	-	42
Other non-current assets	6,068	(470)	-	66
Trade accounts payable	(12)	3,120	-	-
Other payables	6,672	20,791	2,616	(4,915)
Other current liabilities	1,361	3,591	1,233	1,860
Provisions for employee benefits	1,370	1,352	1,057	1,144
Other non-current liabilities	8,632	(5,930)	-	-
Net cash from (used in) operating	6,796	21,502	(11,170)	(17,244)
Taxes paid	(1,766)	(1,815)	(822)	(572)
<b>Net cash from (used in) operating activities</b>	<b>5,030</b>	<b>19,687</b>	<b>(11,992)</b>	<b>(17,816)</b>

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of cash flows (Unaudited)

	Consolidated financial statements		Separate financial statements	
	Three - month period ended 31 March		Three - month period ended 31 March	
	2019	2018 (Restated)	2019	2018 (Restated)
	(in thousand Baht)			
<b>Cash flows from investing activities</b>				
Net proceed from sales of investment in subsidiaries	-	918,775	-	29,206
Selling expenses paid on sale of investment in subsidiaries	-	(20,467)	-	-
Acquisition of investment in subsidiaries	-	-	-	(3,232)
Acquisition of property, plant and equipment	(182,187)	(39,103)	-	(16)
Acquisition of intangible assets	(975)	(97)	-	-
Deposit of land	-	(35,000)	-	(35,000)
Increase in prepaid rental expense	(7,236)	(28,565)	-	-
Proceed from repayment of long-term loans to related parties	-	-	490	13,408
Increase in long-term loans to related parties	-	-	(26,740)	(4,070)
Interest received	47	6	512	3,070
<b>Net cash from (used in) investing activities</b>	<b>(190,351)</b>	<b>795,549</b>	<b>(25,738)</b>	<b>3,366</b>
<b>Cash flows from financing activities</b>				
Repayment of bank overdrafts and short-term loans from financial institutions	-	(7,441)	-	-
Finance lease payments	(247)	(247)	(136)	(136)
Proceeds from loans from financial institutions	255,429	34,400	-	-
Repayment of loans from financial institutions	(11,700)	(428,255)	-	-
Proceeds from loans from other parties	42,149	3,396	-	-
Repayment of loans from other parties	(3,749)	(54,517)	-	-
Cash received on transfer of shares to non-controlling interests	5,708	46,469	5,708	17,263
Interest paid	(24,491)	(34,727)	(2,071)	(1,963)
<b>Net cash from (used in) financing activities</b>	<b>263,099</b>	<b>(440,922)</b>	<b>3,501</b>	<b>15,164</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>77,778</b>	<b>374,314</b>	<b>(34,229)</b>	<b>714</b>
Cash and cash equivalents at beginning of period	229,672	282,996	39,673	64,482
Cash and cash equivalents classified as held for sale at beginning of period	-	5,520	-	-
<b>Cash and cash equivalents at ending of period</b>	<b>307,450</b>	<b>662,830</b>	<b>5,444</b>	<b>65,196</b>
<b>Non-cash transactions</b>				
Pavable on purchase of property, plant and equipment	132,930	65,050	-	-

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

# **Boutique Corporation Public Company Limited and its Subsidiaries**

## **Notes to the interim financial statements**

**For the three-month period ended 31 March 2019 (Unaudited)**

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# **Boutique Corporation Public Company Limited and its Subsidiaries**

## **Notes to the interim financial statements**

### **For the three-month period ended 31 March 2019 (Unaudited)**

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorised for issue by the Board of Directors on 14 May 2019.

## **1 General information**

### **Corporate information**

Boutique Corporation Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 170/67, 21st floor, Ocean Tower 1, Soi Sukhumvit 16 (Sammitr), Ratchadapisek Road, Klongtoey, Klongtoey, Bangkok.

The Company was incorporated as a limited company in Thailand on 13 February 2007, and changed its status to a public limited company on 27 May 2016.

The Company’s major shareholders during the financial period were B Corporation Holdings Ltd., which is incorporated in Thailand (38% shareholding), and Element Capital Mauritius Ltd., which is incorporated in Republic of Mauritius (24% shareholding).

The ultimate shareholder during the financial period was Thakral family.

The principal business of the Group is engaged in real estate development, ranging from serviced residences, hotel operations, community mall, sale of real estate projects and real estate investment management services.

## **2 Basis of preparation of the interim financial statements**

### *(a) Statement of compliance*

The interim financial statements are prepared on a condensed basis in accordance with Thai Accounting Standard (TAS) No. 34 (revised 2018) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions.

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2018. They do not include all of the financial information required for full annual financial statements but focus on new activities, events and circumstances to avoid repetition of information previously reported. Accordingly, these interim financial statements should be read in conjunction with the financial statements of the Company and its subsidiaries for the year ended 31 December 2018.

The accounting policies and methods of computation applied in these interim financial statements are consistent with those applied in the financial statements for the year ended 31 December 2018 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2019.

# **Boutique Corporation Public Company Limited and its Subsidiaries**

## **Notes to the interim financial statements**

### **For the three-month period ended 31 March 2019 (Unaudited)**

The primary change is that the Group has initially adopted TFRS 15 *Revenue from Contracts with Customers* ("TFRS 15"), which replaced TAS 18 *Revenue* ("TAS 18"), TAS 11 *Construction Contracts* ("TAS 11") and related interpretations.

Under TFRS 15, the Group recognises revenue when a customer obtains control of the goods or services in an amount that reflects the consideration to which the Group expects to be entitled to. In addition, judgement is required in determining the timing of the transfer of control for revenue recognition - at a point in time or over time. Whereas, under TAS 18, the Group recognises revenue from sale of goods when the significant risks and rewards of ownership of the goods have been transferred to the buyer, and recognises revenue from rendering of services by reference to the stage of completion of the transaction at the end of the reporting period. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due. Such change in accounting policy has no material impacts on the financial statements.

For a number of new TFRS which are not yet effective for current period, the Group has not early adopted these standards in preparing these interim financial statements before the effective date. Those new TFRS that are relevant to the Group's operations are disclosed in note 18.

#### *(b) Functional and presentation currency*

The interim financial statements are prepared and presented in Thai Baht, which is the Company's functional currency. All financial information presented in Thai Baht has been rounded to the nearest thousand unless otherwise stated.

#### *(c) Use of judgements and estimates*

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

In preparing these interim financial statements, 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 financial statements for the year ended 31 December 2018.

#### *Measurement of fair values*

The Group has an established control framework with respect to the measurement of fair values. This includes a valuation team that has overall responsibility for overseeing all significant fair value measurements, including Level 3 fair values, and reports directly to the CFO.

The valuation team regularly reviews significant unobservable inputs and valuation adjustments. If third party information, such as broker quotes or pricing services, is used to measure fair values, then the valuation team assesses the evidence obtained from the third parties to support the conclusion that such valuations meet the requirements of TFRS, including the level in the fair value hierarchy in which such valuations should be classified.

Significant valuation issues are reported to the Group's Audit Committee.



# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

When measuring the fair value of an asset or a liability, the Group/Company uses observable market data as far as possible. Fair values are categorised into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- *Level 1*: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- *Level 2*: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- *Level 3*: inputs for the asset or liability that are not based on observable market data.

If the inputs used to measure the fair value of an asset or liability might be categorised in different levels of the fair value hierarchy, then the fair value measurement is categorised in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

### 3 The adjustments

The Group and the Company adjusted the consolidated and separate financial statements for the year ended 31 December 2017, in respect of the adjustment of origination fees transaction, as management consider that the origination fees are parts of consideration received of disposal of interests without change in control.

As the above adjustment, there was no impact to profit or loss for the three-month period ended 31 March 2018. There was only effect for classification of cash flows from operating activities and financing activities as follows:

Consolidated financial statements			
<i>Statement of cash flows for the three-month period ended</i>	31 March 2018		
	Previous reported	Effect from adjustment (in thousand Baht)	As adjusted
Cash flows from operating activities	36,950	(17,263)	19,687
Cash flows used in financing activities	(458,185)	17,263	(440,922)

Separate financial statements			
<i>Statement of cash flows for the three-month period ended</i>	31 March 2018		
	Previous reported	Effect from adjustment (in thousand Baht)	As adjusted
Cash flows used in operating activities	(553)	(17,263)	(17,816)
Cash flows from financing activities	(2,099)	17,263	15,164

### 4 Related parties

For the purposes of these financial statements, parties are considered to be related to the Group if the Group has the ability, directly or indirectly, to control or joint control the party or exercise significant influence over the party in making financial and operating decisions, or vice versa, or where the Group and the party are subject to common control or common significant influence. Related parties may be individuals or other entities.

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

Relationships with subsidiaries and joint ventures are described in notes 6 and 7, relationship with key management and other related parties were as follows:

Name of entities	Country of incorporation/ nationality	Nature of relationships
Mr. Prabsharan Singh Thakral	Thai	Shareholder, Director and key managerial person
Mr. Manmohan Singh Thakral	Thai	Director and close member of key managerial person's family
Ms. Rasmi Thakral	Thai	Shareholder and close member of key managerial person's family
Ms. Raisa Thakral	Thai	Shareholder and close member of key managerial person's family
Ms. Suraiya Narula	Thai	Shareholder and close member of key managerial person's family
Mr. Mohit Maheshwari	Singaporean	Close member of key managerial person's family
Mr. Utpalendu Kupta	Indian	Director and consultant
Mr. Richard Peter Neville	Canadian	Director and consultant
B Corporation Holdings Ltd.	Thailand	Major shareholder and common directors
Element Capital Mauritius Ltd.	Republic of Mauritius	Major shareholder and common directors
Zenith Holding Mauritius Limited	Republic of Mauritius	Shareholder and common directors
Elevhold Pte. Ltd.	Republic of Singapore	Shareholder and common directors
Square Root 49 Investments Ltd.	Republic of Mauritius	Common directors
BQ Development Ltd.	Thailand	Common directors
Bangkok Post Public Company Limited	Thailand	Common directors
Key management personnel	Thai	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for transactions with related parties are explained further below:

Transactions	Pricing policies
Management income	Contractual price
Dividend income	Right to receive dividend
Interest income	MLR -1% to 1.5% per annum
Termination fee income	Contractual price
Consultancy fees	Contractual price
Interest expense	MLR -1% per annum
Cost of services	Contractual price
Other expenses	Cost of expense reimbursement/contractual price
Directors' remuneration	Contractual price

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

Significant transactions for the three-month periods ended 31 March with related parties were as follows:

<i>Three-month period ended 31 March</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Management income	-	-	36,509	23,425
Dividend income	-	-	-	44,070
Interest income	-	-	5,592	4,092
Termination fee income	-	-	-	6,180
Interest expense	-	-	3,959	2,678
Other expense	-	-	3	-
<b>Joint ventures</b>				
Management income	4,360	4,233	4,360	4,233
Interest income	665	665	-	-
<b>Directors</b>				
Director's remuneration	950	950	950	950
Consultancy fee	1,725	150	1,725	150
<i>Three-month period ended 31 March</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Key management personnel</b>				
<i>Key management personnel compensation</i>				
Short-term employee benefits	15,402	19,497	15,402	19,497
Post-employment benefits	850	825	850	825
<b>Total key management personnel compensation</b>	<b>16,252</b>	<b>20,322</b>	<b>16,252</b>	<b>20,322</b>
<b>Other related parties</b>				
Cost of services	13	13	-	-
Other expenses	-	12	-	12

Balances of receivables as at 31 March 2019 and 31 December 2018 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Trade accounts receivable from related parties</b>				
Subsidiaries	-	-	68,888	54,057
<b>Total</b>	<b>-</b>	<b>-</b>	<b>68,888</b>	<b>54,057</b>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

<i>Loans to related parties</i>	Interest rate	Consolidated financial statements		Separate financial statements	
		31 March 2019 (% per annum)	31 December 2018 (in thousand Baht)	31 March 2019	31 December 2018
<b>Long-term loans</b>					
Subsidiaries	MLR-1 to 1.5	-	-	461,005	434,755
Joint ventures	MLR-1	53,703	53,703	-	-
		53,703	53,703	461,005	434,755
Less allowance for doubtful debt		-	-	(500)	(500)
<b>Total</b>		<b>53,703</b>	<b>53,703</b>	<b>460,505</b>	<b>434,255</b>

<i>Interest receivables</i>	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018 (in thousand Baht)	31 March 2019	31 December 2018
Subsidiaries	-	-	88,990	83,909
Joint ventures	14,939	14,274	-	-
	14,939	14,274	88,990	83,909
Less allowance for doubtful debt	-	-	(19)	(19)
<b>Interest receivable from related parties, net</b>	<b>14,939</b>	<b>14,274</b>	<b>88,971</b>	<b>83,890</b>

Movements during the three-month periods ended 31 March of loans to related parties were as follows:

<i>Long-term loans to related parties</i>	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
<b>Subsidiaries</b>				
At 1 January	-	-	434,255	336,668
Increase	-	-	26,740	4,070
Decrease	-	-	(490)	(13,408)
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>460,505</b>	<b>327,330</b>
<b>Joint ventures</b>				
At 1 January	53,703	53,703	-	-
<b>At 31 March</b>	<b>53,703</b>	<b>53,703</b>	<b>-</b>	<b>-</b>
<b>Total long-term loans to related parties</b>				
At 1 January	53,703	53,703	434,255	336,668
Increase	-	-	26,740	4,070
Decrease	-	-	(490)	(13,408)
<b>At 31 March</b>	<b>53,703</b>	<b>53,703</b>	<b>460,505</b>	<b>327,330</b>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

Balance of payables as at 31 March 2019 and 31 December 2018 with related parties were as follows:

#### Other payables - related parties

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	(in thousand Baht)			
Subsidiaries	-	-	270	270
Directors	950	950	950	950
Other related parties	4,300	4,300	4,296	4,296
<b>Total</b>	<b>5,250</b>	<b>5,250</b>	<b>5,516</b>	<b>5,516</b>

Short-term loan	Interest rate		Consolidated financial statements		Separate financial statements	
			31 March 2019	31 December 2018	31 March 2019	31 December 2018
	2019	2018	(in thousand Baht)			
	(% per annum)					
Subsidiary	MLR-1		-	-	74,555	74,365
<b>Total</b>			<b>-</b>	<b>-</b>	<b>74,555</b>	<b>74,365</b>

#### Interest payable

Subsidiary	-	-	1,642	712
<b>Total</b>	<b>-</b>	<b>-</b>	<b>1,642</b>	<b>712</b>

Long-term loans	Interest rate		Consolidated financial statements		Separate financial statements	
			31 March 2019	31 December 2018	31 March 2019	31 December 2018
	2019	2018	(in thousand Baht)			
	(% per annum)					
Subsidiaries	MLR-1		-	-	229,165	229,165
<b>Total</b>			<b>-</b>	<b>-</b>	<b>229,165</b>	<b>229,165</b>

#### Interest payable

Subsidiaries	-	-	27,321	24,481
<b>Total</b>	<b>-</b>	<b>-</b>	<b>27,321</b>	<b>24,481</b>

Movements during the three-month periods ended 31 March of loans from related parties were as follows:

Loan from related parties	Consolidated financial statements		Separate financial statements	
	2019	2018	2019	2018
	(in thousand Baht)			
Subsidiaries				
At 1 January	-	-	303,530	216,165
Increase	-	-	190	-
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>303,720</b>	<b>216,165</b>

## **Boutique Corporation Public Company Limited and its Subsidiaries**

### **Notes to the interim financial statements**

**For the three-month period ended 31 March 2019 (Unaudited)**

<i>Loan from related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht)</i>			
<b>Total loans from related parties</b>				
At 1 January	-	-	303,530	216,165
Increase	-	-	190	-
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>303,720</b>	<b>216,165</b>

#### **Long-term loans from related parties**

Principal and related interests are payable on demand with at least 30 days' notice.

Long-term loans from subsidiaries are loans which condition are to repay at call. Long-term loans from subsidiaries are classified as long-term liabilities because both parties currently no intention to require the borrower to repay any liability due to the lender within 12 months after the end of period based on shareholder agreements.

For Prakhonong and Chiang Mai projects, principal and related interests shall be repaid in whole or in part when exit of the investment, as condition that stipulated in agreement.

#### **Management agreements**

The Company entered into management agreements with related parties whereby the Company will provide services in relation to asset management and administrative works. The agreement is for an indefinite term with a fee charged at stipulated condition.

#### **Financial support and guarantee (Note 9 and 16).**

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### 5 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
		31 March 2019	31 December 2018	31 March 2019	31 December 2018
	Note	(in thousand Baht)			
Related parties	4	-	-	68,888	54,057
Other parties		25,578	20,116	-	-
		25,578	20,116	68,888	54,057
Less allowance for doubtful accounts		(768)	-	-	-
<b>Net</b>		<b>24,810</b>	<b>20,116</b>	<b>68,888</b>	<b>54,057</b>
Doubtful debts expense for the three-month period ended 31 March		<b>768</b>	-	-	-

Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	(in thousand Baht)			
<b>Related parties</b>				
Within credit terms	-	-	-	3,400
Overdue:				
Less than 3 months	-	-	20,799	12,436
3-6 months	-	-	9,868	12,008
6-12 months	-	-	22,305	20,593
Over 12 months	-	-	15,916	5,620
	-	-	68,888	54,057
<b>Other parties</b>				
Within credit terms	23,055	18,500	-	-
Overdue:				
Less than 3 months	2,414	1,616	-	-
3-6 months	109	-	-	-
	25,578	20,116	-	-
Less allowance for doubtful accounts	(768)	-	-	-
	24,810	20,116	-	-
<b>Net</b>	<b>24,810</b>	<b>20,116</b>	<b>68,888</b>	<b>54,057</b>

The normal credit term granted by the Group ranges from 15 days to 30 days.



## Boutique Corporation Public Company Limited and its Subsidiaries

### Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

#### 6 Investments in joint ventures

<i>Three-month period ended 31 March</i>	<b>Consolidated financial statements</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	143,413	124,820
Share of net profit (loss) of joint ventures	3,966	(69)
(Reversal of) provision for obligation in respect to losses of joint ventures	(128)	2,012
Provision for loans to and interest receivable from joint ventures	-	82
<b>At 31 March</b>	<b>147,251</b>	<b>126,845</b>

During the three-month period ended 31 March 2019, there were no acquisitions and disposals of investments in joint ventures.

The Group has recognised losses of joint venture in Boutique Boulevard Ltd. relating to certain investments accounted for using the equity method where its share of losses exceeds the carrying amount of the investment due to loan guarantee under loan agreements.



**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Investments in joint ventures as at 31 March 2019 and 31 December 2018 were as follows:

Consolidated financial statements										
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost method		Equity method		
		31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	
(in thousand Baht)										
Citadines Project										
Indirect investments in joint ventures										
Boutique Land Ltd.	Hotel and serviced apartment (Citadines 16)	Thailand	26.01	26.01	45,000	45,000	22,950	22,950	2,275	1,613
Boutique Boulevard Ltd.	Hotel and serviced apartment (Citadines 8)	Thailand	26.01	26.01	20,000	20,000	10,200	10,200	-	-
Boutique Realty Ltd.	Hotel and serviced apartment (Citadines 11)	Thailand	26.01	26.01	85,000	85,000	43,348	43,348	69,841	68,765
Boutique Asset Ltd.	Hotel and serviced apartment (Citadines 23)	Thailand	26.01	26.01	88,000	88,000	44,880	44,880	75,135	73,035
Total					121,378	121,378	121,378	121,378	147,251	143,413

Joint ventures are not publicly listed and consequently do not have published price quotations.

## Boutique Corporation Public Company Limited and its Subsidiaries

### Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

#### 7 Investments in subsidiaries

<i>Three-month period ended 31 March</i>	<b>Separate financial statements</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
At 1 January	252,615	188,371
Acquisition	-	3,100
Disposal	-	(3,000)
<b>At 31 March</b>	<b>252,615</b>	<b>188,471</b>

Details of acquisitions and disposals of investments in subsidiaries are as follows:

In 2018

##### *Boutique Bangkok Sukhumvit 16-2 Ltd.*

In January 2018, the Company established a new subsidiary, Boutique Bangkok Sukhumvit 16-2 Ltd., a company incorporated in Thailand, with registered ordinary share of 600,000 shares at par value of Baht 5 per share. In March 2018, the Company sold the investment in Boutique Bangkok Sukhumvit 16-2 Ltd. to Boutique Bangkok Sukhumvit 16-2 Holdings Ltd. at par value Baht 5 per share for 600,000 shares, amounting to Baht 3 million according to the Group's restructuring.

##### *Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.*

In March 2018, the Company made a new investment in 99.99% shareholdings of the issued and paid up capital on Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd., a company incorporated in Thailand, for a consideration of Baht 99,985.

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

Investments in subsidiaries as at 31 March 2019 and 31 December 2018, and dividend income from those investments for the three-month periods ended 31 March were as follows:

Separate financial statements														Dividend income for three-month periods ended
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net			
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018		
			(in thousand Baht)											
			Direct subsidiaries											
Boutique Serviced Apartments Ltd.	Hotel and serviced apartment	Thailand	100.00	100.00	138,000	138,000	138,000	138,000	-	-	138,000	138,000	-	
Boutique SA2 Ltd.	Dormant	Thailand	100.00	100.00	2,625	2,625	2,625	2,625	(2,625)	(2,625)	-	-	-	
Hyatt hotel, Villa1 and Villa2 Project														
Indirect subsidiaries held through Boutique Phuket Ltd. and BT Phuket Ltd.														
Boutique Phuket 2 Ltd.	Villa	Thailand	21.55	21.55	2,000	2,000	-	-	-	-	-	-	-	
Boutique Phuket 3 Ltd.	Villa (under refurbishment)	Thailand	21.55	21.55	2,000	2,000	-	-	-	-	-	-	-	
Direct subsidiaries														
Boutique Phuket Land Ltd.	Holding company	Thailand	100.00	100.00	10	10	10	10	-	-	10	10	-	
Square Root Phuket Investment Ltd.	Holding company	Republic of Mauritius	100.00	100.00	USD 100	USD 100	3	3	-	-	3	3	-	
Indirect subsidiaries held through Boutique Phuket Land Ltd.														
Boutique Phuket Holdings 3 Ltd.	Holding company	Thailand	65.00	65.00	10	10	-	-	-	-	-	-	-	
Boutique Phuket Holdings 2 Ltd.	Holding company	Thailand	33.15	33.15	10	10	-	-	-	-	-	-	-	
Boutique Phuket Holdings 1 Ltd.	Holding company	Thailand	21.55	21.55	10	10	-	-	-	-	-	-	-	
Boutique Phuket Holdings Ltd.	Holding company	Thailand	21.55	21.55	10	10	-	-	-	-	-	-	-	
Boutique Phuket Ltd.	Holding company	Thailand	21.55	21.55	10	10	-	-	-	-	-	-	-	

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements												Dividend income for three-month periods ended
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net	
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018
			(in thousand Baht)									
<i>Indirect subsidiaries held through Square Root Phuket Investment Ltd.</i>												
BT Phuket Holdings 3 Ltd.	Holding company	Republic of Seychelles	65.00	65.00	USD 100	USD 100	-	-	-	-	-	-
BT Phuket Holdings 2 Ltd.	Holding company	Republic of Seychelles	33.15	33.15	USD 100	USD 100	-	-	-	-	-	-
BT Phuket Holdings 1 Ltd.	Holding company	Republic of Seychelles	21.55	21.55	USD 100	USD 100	-	-	-	-	-	-
BT Phuket Holdings Ltd.	Holding company	Republic of Mauritius	21.55	21.55	USD 100	USD 100	-	-	-	-	-	-
BT Phuket Ltd.	Holding company	Republic of Mauritius	21.55	21.55	USD 100	USD 100	-	-	-	-	-	-

**Pattaya Bay Resort Project**

<i>Indirect subsidiary held through Boutique Eco Holdings 2 Ltd.</i>											
Boutique Mid Tier 2 Ltd.	Hotel (under renovation)	Thailand	51.00	51.00	50,000	50,000	-	-	-	-	-
<i>Direct subsidiary</i>											
Boutique Eco Holdings 2 Ltd.	Holding company	Thailand	51.00	51.00	10	10	158	158	-	158	-
<i>Indirect subsidiary held through Boutique Eco Holdings 2 Ltd.</i>											
Boutique Eco Holdings Ltd.	Holding company	Thailand	51.00	51.00	10	10	-	-	-	-	-

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements											Dividend income for three-month periods ended					
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		March 2019	March 2018	March 2019	March 2018
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018				
(in thousand Baht)																
Boutique Patong Sai3 Project																
Indirect subsidiary held through Boutique PS3 Holdings Ltd.																
Boutique Patong Sai3 Ltd.	Hotel	Thailand	35.10	35.10	100,000	100,000	-	-	-	-	-	-	-	-	-	-
Direct subsidiary																
Boutique PS3 Holdings Ltd.	Holding company	Thailand	54.00	54.00	10	10	5	5	-	-	5	5	-	-	-	-
PS3 Holdings Mauritius	Holding company	Republic of Mauritius	100.00	100.00	176	176	176	176	-	-	176	176	-	-	-	-
Indirect subsidiaries held through Boutique PS3 Holdings Ltd.																
Boutique PS3 Ltd.	Holding company	Thailand	35.10	35.10	10	10	-	-	-	-	-	-	-	-	-	-
Boutique Patong Sai3 Holdings Ltd.	Holding company	Thailand	35.10	35.10	10	10	-	-	-	-	-	-	-	-	-	-
Indirect subsidiary held through PS3 Holdings Mauritius Ltd.																
Patong Hotel Pte. Ltd.	Holding company	Republic of Singapore	100.00	100.00	SGD 3	SGD 3	-	-	-	-	-	-	-	-	-	-
Prakhanong 1 and Prakhanong 2 Project																
Indirect subsidiaries held through BT PKN Holdings Ltd. and Boutique PKN Ltd.																
Boutique Prakhanong 1 Ltd.	Community mall	Thailand	26.03	26.03	30,000	30,000	-	-	-	-	-	-	-	-	-	-
Boutique Prakhanong 2 Ltd.	Office building	Thailand	26.03	26.03	30,000	30,000	-	-	-	-	-	-	-	-	-	-

Dividend income  
for three-month  
periods ended  
31 March  
2019  
2018

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

Separate financial statements													Dividend income for three-month periods ended					
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		31 March 2019	31 March 2018	31 March 2019	31 March 2018	31 March 2019	31 March 2018
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018						
<i>Direct subsidiaries</i>																		
Boutique International Holdings Ltd.	Holding company	Republic of Mauritius	100.00	100.00	THB 100	THB 100	THB 100	THB 100	-	-	THB 100	THB 100	-	-	-	-	-	
Boutique PKN 3 Ltd.	Holding company	Thailand	68.00	68.00	100	100	68	68	-	-	68	68	-	-	-	-	-	
<i>Indirect subsidiaries held through Boutique International Holdings Ltd.</i>																		
Mid Tier Holding Mauritius Ltd.	Holding company	Republic of Mauritius	51.00	51.00	USD 100	USD 100	-	-	-	-	-	-	-	-	-	-	-	
BT PKN Holdings 3 Ltd.	Holding company	Republic of Mauritius	68.00	68.00	USD 100	USD 100	-	-	-	-	-	-	-	-	-	-	-	
Boutique Offshore Holdings Limited	Holding company	Republic of Seychelles	100.00	-	THB 100	-	-	-	-	-	-	-	-	-	-	-	-	
<i>Indirect subsidiaries held through BT PKN Holdings 3 Ltd.</i>																		
BT PKN Holdings 2 Ltd.	Holding company	Republic of Mauritius	44.88	44.88	USD 100	USD 100	-	-	-	-	-	-	-	-	-	-	-	
BT PKN Holdings 1 Ltd.	Holding company	Republic of Mauritius	26.03	26.03	USD 100	USD 100	-	-	-	-	-	-	-	-	-	-	-	
BT PKN Holdings Ltd.	Holding company	Republic of Mauritius	26.03	26.03	USD 100	USD 100	-	-	-	-	-	-	-	-	-	-	-	
<i>Indirect subsidiaries held through Boutique PKN 3 Ltd.</i>																		
Boutique PKN 2 Ltd.	Holding company	Thailand	44.88	44.88	100	100	-	-	-	-	-	-	-	-	-	-	-	
Boutique PKN 1 Ltd.	Holding company	Thailand	26.03	26.03	100	100	-	-	-	-	-	-	-	-	-	-	-	
Boutique PKN Ltd.	Holding company	Thailand	26.03	26.03	100	100	-	-	-	-	-	-	-	-	-	-	-	

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements													Dividend income for three-month periods ended
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	
(in thousand Baht)													
Prakhanong 3 Project													
Indirect subsidiary held through Boutique PKNS 2 Ltd.													
Boutique Prakhanong 3 Ltd.	Property development	Thailand	38.28	38.28	5,000	5,000	-	-	-	-	-	-	-
Direct subsidiary													
Boutique PKNS 2 Ltd.	Holding company	Thailand	66.00	66.00	100	100	66	66	-	-	66	66	-
Indirect subsidiaries held through Boutique PKNS 2 Ltd.													
Boutique PKNS 1 Ltd.	Holding company	Thailand	38.28	38.28	100	100	-	-	-	-	-	-	-
Boutique PKNS Ltd.	Holding company	Thailand	38.28	38.28	100	100	-	-	-	-	-	-	-
Chiang Mai Nimman 1 Project													
Indirect subsidiary held through Chiang Mai Holdings Mauritius 1 Ltd.													
Boutique Chiang Mai Nimman 1 Ltd.	Hotel (under construction)	Thailand	26.00	26.00	221,520	221,520	-	-	-	-	-	-	-
Direct subsidiaries													
Boutique Chiang Mai Holdings 3 Ltd.	Holding company	Thailand	100.00	100.00	100	100	100	100	-	-	100	100	-
Chiang Mai Holdings Mauritius 1 Ltd.	Holding company	Republic of Mauritius	26.00	26.00	267,000	267,000	70,529	70,529	-	-	70,529	70,529	-

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements													Dividend income for three-month periods ended			
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		31 March 2019	31 March 2018	31 March 2019	31 March 2018
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018				
<i>Indirect subsidiaries held through Boutique Chiang Mai Holdings 3 Ltd.</i>																
Boutique Chiang Mai Holdings 2 Ltd.	Holding company	Thailand	100.00	100.00	100	100	-	-	-	-	-	-	-	-	-	-
Boutique Chiang Mai Holdings 1 Ltd.	Holding company	Thailand	100.00	100.00	100	100	-	-	-	-	-	-	-	-	-	-
Boutique Chiang Mai Holdings Ltd.	Holding company	Thailand	100.00	100.00	100	100	-	-	-	-	-	-	-	-	-	-
<i>Indirect subsidiary held through Chiang Mai Holdings Mauritius 1 Ltd.</i>																
Chiang Mai Holdings Mauritius Ltd.	Holding company	Republic of Mauritius	26.00	26.00	265,500	265,500	-	-	-	-	-	-	-	-	-	-
<b>Chiang Mai Nimman 2 and Chiang Mai Nimman 3 Project</b>																
<i>Indirect subsidiaries held through Boutique Nimman Holdings 1 Ltd.</i>																
Boutique Chiang Mai Nimman 2 Ltd.	Hotel (under construction)	Thailand	99.99	99.99	32,500	32,500	-	-	-	-	-	-	-	-	-	-
Boutique Chiang Mai Nimman 3 Ltd.	Hotel (under construction)	Thailand	99.99	99.99	32,500	32,500	-	-	-	-	-	-	-	-	-	-
<i>Direct subsidiary</i>																
Boutique Nimman Holdings 1 Ltd.	Holding company	Thailand	99.99	99.99	400	400	400	400	-	-	400	400	-	400	-	-
Chiang Mai Holdings Mauritius 2 Ltd.	Holding company	Republic of Mauritius	100.00	100.00	270	270	270	270	-	-	270	270	-	270	-	-



# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### Separate financial statements

Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for three-month periods ended
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	
(in thousand Baht)													
Indirect subsidiary held through Boutique Nimman Holdings 1 Ltd.													
Boutique Nimman Holdings Ltd.	Holding company	Thailand	99.99	99.99	300	300	-	-	-	-	-	-	-
Indirect subsidiary held through Chiang Mai Holdings Mauritius 2 Ltd.													
Nimman 2 Holdings Mauritius Ltd.	Holding company	Republic of Mauritius	100.00	100.00	170	170	-	-	-	-	-	-	-
Rainhill Project													
Direct subsidiaries													
Boutique Retail Holdings Ltd.	Holding company	Thailand	65.00	65.00	10	10	7	7	-	-	7	7	-
Kalarain Ltd.	Holding company	Republic of Seychelles	65.00	65.00	USD 100	USD 100	2	2	-	-	2	2	-
Indirect subsidiaries held through Boutique Retail Holdings Ltd.													
Boutique Retail PKN Holdings Ltd.	Holding company	Thailand	65.00	65.00	10	10	-	-	-	-	-	-	-
Boutique MT Holdings Ltd.	Holding company	Thailand	65.00	65.00	10	10	-	-	-	-	-	-	-
Indirect subsidiary held through Kalarain Ltd.													
Chinese Panda Ltd.	Holding company	Republic of Mauritius	65.00	65.00	USD 100	USD 100	-	-	-	-	-	-	-

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements											Dividend income for three-month periods ended	
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net	
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018
(in thousand Baht)												
Bangkok Sukhumvit 16-2 Project												
Indirect subsidiary held through Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.												
Boutique Bangkok Sukhumvit 16-2 Ltd.	Hotel (under construction)	Thailand	51.00	51.00	56,630	56,600	-	-	-	-	-	-
Direct subsidiary												
Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.	Holding company	Thailand	51.00	51.00	58,630	58,600	29,886	29,886	-	-	29,886	-
Indirect subsidiary held through Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.												
Boutique Bangkok Sukhumvit 16-2 Holdings Ltd.	Holding company	Thailand	51.00	51.00	57,630	57,600	-	-	-	-	-	-
Kamala Project												
Indirect subsidiaries held through Boutique Kamala Holdings Ltd.												
Boutique Kamala 1 Ltd.	Hotel (under construction)	Thailand	75.00	75.00	625	625	-	-	-	-	-	-
Boutique Kamala 2 Ltd.	Hotel (under construction)	Thailand	75.00	75.00	625	625	-	-	-	-	-	-
Direct subsidiary												
Boutique Kamala Holdings Ltd.	Holding company	Thailand	75.00	75.00	125	125	93	93	-	-	93	-

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

Separate financial statements												Dividend income	
Company name	Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net		Dividend income for three-month periods ended
			31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	31 March 2019	31 December 2018	
(in thousand Baht)													
Bangkok Sukhumvit 36 Project													
Indirect subsidiary held through Boutique Bangkok Sukhumvit 36 Holdings Ltd.													
Boutique Bangkok Sukhumvit 36 Ltd.	Hotel (under construction)	Thailand	73.00	73.00	92,030	92,000	-	-	-	-	-	-	
Direct subsidiary													
Boutique Bangkok Sukhumvit 36 Holdings Ltd.	Holding company	Thailand	73.00	73.00	125	125	91	91	-	-	91	-	
Citadines Group Project													
Direct subsidiary													
Boutique Group Ltd.	Holding company	Thailand	51.00	51.00	25,030	25,000	12,750	12,750	-	-	12,750	-	
Total							255,240	255,240	(2,625)	(2,625)	252,615	44,070	

None of the Group's subsidiaries are publicly listed and consequently do not have published price quotations.

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### 8 Property, plant and equipment

Acquisitions, disposals and transfers of property, plant and equipment during the three-month periods ended 31 March were as follows:

<i>Three-month period ended 31 March</i>	<b>Consolidated financial statements</b>			
	2019		2018	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land and land improvement	-	-	-	(2,191)
Building and building improvement	153	-	4,870	-
Equipment	-	-	-	(410)
Furniture, fixtures and office equipment	419	-	1,797	(22)
Assets under construction	139,839	-	7,552	(3,658)
<b>Total</b>	<b>140,411</b>	<b>-</b>	<b>14,219</b>	<b>(6,281)</b>

<i>Three-month period ended 31 March</i>	<b>Separate financial statements</b>			
	2019		2018	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value (in thousand Baht)	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Furniture, fixtures and office equipment	-	-	16	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>16</b>	<b>-</b>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### 9 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		<i>(in thousand Baht)</i>			
<b>Current</b>					
Promissory notes					
- secured		6,200	6,200	-	-
Short-term loans from financial institutions					
- secured		74,672	74,531	-	-
<b>Bank overdrafts and short-term loans from financial institutions</b>		<b>80,872</b>	<b>80,731</b>	<b>-</b>	<b>-</b>
Short-term loans from related party					
- unsecured	4	-	-	74,555	74,365
Current portion of long-term loans from financial institutions - secured		142,474	46,425	-	-
Current portion of finance lease liabilities		882	867	482	475
Debentures		108,961	108,338	108,961	108,338
<b>Total current interest-bearing liabilities</b>		<b>333,189</b>	<b>236,361</b>	<b>183,998</b>	<b>183,178</b>
<b>Non-current</b>					
Long-term loans from financial institutions					
- secured		1,736,784	1,588,193	-	-
Long-term loans from related parties					
- unsecured	4	-	-	229,165	229,165
Long-term loans from other parties					
- unsecured		594,405	556,005	-	-
		2,331,189	2,144,198	229,165	229,165
Finance lease liabilities		1,257	1,483	864	987
<b>Total non-current interest-bearing liabilities</b>		<b>2,332,446</b>	<b>2,145,681</b>	<b>230,029</b>	<b>230,152</b>

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 March 2019 and 31 December 2018 were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>			
Within one year	332,307	235,494	183,516	182,703
After one year but within five years	1,460,183	1,366,437	229,165	229,165
After five years	871,006	777,761	-	-
<b>Total</b>	<b>2,663,496</b>	<b>2,379,692</b>	<b>412,681</b>	<b>411,868</b>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

#### Interest rates

Long-term loans from other parties and unpaid interest accrual shall be repaid in full under the following circumstances:

- when the Company has excess cash proceed resulting from the sale of either the borrower or any of their subsidiaries or any of their assets; or
- any excess cash or profits surplus to on-going funding requirements distributed from the borrower or their respective subsidiaries; or
- any excess cash surplus to on-going funding requirements resulting from a refinancing of the debt of the borrower or their respective subsidiaries.

Interest rates as at 31 March 2019 and 31 December 2018 were as follow:

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(% per annum)		
Promissory notes	5.75	5.75	-	-
Short-term loans from financial institutions	5.03	5.03	-	-
Short-term loans from related party	-	-	5.03	5.03
Long-term loans from financial institutions	4.00 - 5.03	4.00 - 6.03	-	-
Long-term loans from related parties	-	-	5.03	5.03
Long-term loans from other parties	5.03	4.75 - 5.03	-	-
Finance leases liabilities	5.55 - 7.89	5.55 - 7.89	5.55	5.55
Debentures	7.50	7.50	7.50	7.50

Secured interest-bearing liabilities as at 31 March 2019 and 31 December 2018 were secured on the following assets.

	Consolidated financial statements		Separate financial statements	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		(in thousand Baht)		
Deposit pledged as collateral	3,103	3,103	3,000	3,000
Property, plant and equipment	2,525,406	2,383,496	-	-
Prepaid rental expenses	408,052	411,710	-	-
<b>Total</b>	<b>2,936,561</b>	<b>2,798,309</b>	<b>3,000</b>	<b>3,000</b>

## **Boutique Corporation Public Company Limited and its Subsidiaries**

### **Notes to the interim financial statements**

#### **For the three-month period ended 31 March 2019 (Unaudited)**

##### *Boutique Corporation Public Company Limited*

The Company's debentures are pledged by the Company's common shares (which are owned by B Corporation Holdings Ltd.) totalling 91.22 million shares (par value Baht 1 per share).

##### *Boutique Serviced Apartments Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by a related party's land as the second rank pledge collateral.

##### *Boutique Chiang Mai Nimman 1 Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by its common shares which are owned by a related party totalling 35.82 million shares (par value Baht 5 per share).

##### *Boutique Chiang Mai Nimman 2 Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by its common shares which are owned by a related party totalling 4.00 million shares (par value Baht 5 per share).

##### *Boutique Chiang Mai Nimman 3 Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by its common shares which are owned by a related party totalling 6.00 million shares (par value Baht 5 per share).

##### *Boutique Kamala 2 Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by its common shares which are owned by a related party totalling 13.3 million shares (par value Baht 5 per share).

##### *Boutique Bangkok Sukhumvit 36 Ltd.*

The subsidiary's long term loan from a commercial bank is pledged by its common shares which are owned by a related party totalling 23.75 million shares (par value Baht 5 per share).

The Group has entered into loan agreements with the banks for financing the various projects related cost. The Group must comply with certain condition stipulated in the loan agreement such as the maintenance of financial ratio, status of shareholder's equity, asset insurance benefit to the banks.

As at 31 March 2019, the Company shall provide financial support to the borrower companies as stipulated in the loan agreements (See note 16).

As at 31 March 2019 the Group had unutilised credit facilities totalling Baht 1,546 million (2018: Baht 1,802 million).

## Boutique Corporation Public Company Limited and its Subsidiaries

### Notes to the interim financial statements

#### For the three-month period ended 31 March 2019 (Unaudited)

##### *Debentures*

As at 31 March 2019 and 31 December 2018, the Group and the Company had debentures as detailed below;

	<b>Consolidated / Separate financial statements</b>	
	31	31
	March	December
	2019	2018
	<i>(in thousand Baht)</i>	
Long-term debentures	110,000	110,000
Less Unamortised cost relating to the issuance of debentures	(1,039)	(1,662)
<b>Net</b>	<b>108,961</b>	<b>108,338</b>

On 25 October 2018, the Extraordinary General Meeting of Shareholders resolved the approval of the issuance and offering for sale of bill of exchange or debentures in the amount not exceeding totalling Baht 300 million with the term not exceeding 5 years.

During the year ended 31 December 2018, the Company entered into financial advisor services agreements with a financial institution to issuance and offering for sale of debentures in the amount of totalling up to Baht 110 million.

During the fourth quarter of 2018, the Company issued Baht 110 million, secured and unsubordinated with a Debenture holder's representative in registered name 110,000 units with face value of Baht 1,000 per unit with term of 9 months, fully repayable in 2019, bearing interest at the fixed rate of 7.5% per annum and payable interest quarterly.

The said debentures issue with a condition that every Baht to 10 million of debenture subscription shall have the right to subscribe the Company's Initial Public Offering (IPO) shares worth Baht 1 million at the normal IPO price.

Element Capital Mauritius Ltd., shareholder of the Company, have pledged 74.64 million equity shares accounted for 91% of its ownership interest in the Company for the Company's debentures and Zenith Holding Mauritius Limited., shareholder of the Company, have pledged 16.58 million equity shares accounted for 49% of its ownership interest in the Company for the Company's debentures.

The Company must comply with the specific covenants based on the specific conditions through the terms of debentures.



# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### 10 Share capital

<i>Three-month period ended 31 March</i>	Par value per share (in Baht)	2019		2018	
Number		Amount	Number	Amount	
<i>(thousand shares / thousand Baht)</i>					
<i>Authorised</i>					
At 1 January					
- ordinary shares	1	507,000	507,000	507,000	507,000
At 31 March					
- ordinary shares	1	507,000	507,000	507,000	507,000
<i>Issued and paid-up</i>					
At 1 January					
- ordinary shares	1	340,000	340,000	340,000	340,000
At 31 March					
- ordinary shares	1	340,000	340,000	340,000	340,000

### 11 Segment information and Revenue

The Group has three reportable segments, as described below, which are the Group strategic divisions. The strategic divisions offer different services, and are managed separately because they require different technology and marketing strategies. For each of the strategic divisions, the chief operating decision maker (CODM) reviews internal management reports on at least a quarterly basis. The following summary describes the operations in each of the Group reportable segments.

- *Segment 1* Hotel business and serviced apartment
- *Segment 2* Community mall and office building
- *Segment 3* Management services and others

Information regarding the results of each reportable segment is included below. Performance is measured based on segment profit before tax, as included in the internal management reports that are reviewed by the Group's CODM. Segment profit before tax is used to measure performance as management believes that such information is the most relevant in evaluating the results of certain segments relative to other entities that operate within these industries.

The Group's main revenue is derived from contracts with customers.

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2019 (Unaudited)**

**Information about reportable segments and timing of revenue recognition**

<i>For the three-month period ended 31 March</i>	Segment 1		Segment 2		Segment 3		Total
	2019	2018	2019	2018	2019	2018	
External revenue	48,104	356,782	26,447	14,949	11,639	78,934	383,370
Inter-segment revenue	3,162	(8,133)	879	879	42,101	46,142	70,514
<b>Total segment revenue</b>	<b>51,266</b>	<b>348,649</b>	<b>27,326</b>	<b>15,828</b>	<b>46,484</b>	<b>125,076</b>	<b>453,884</b>
<b>Timing of revenue recognition</b>							
At a point in time	47,277	345,694	50	1	23	61,748	407,443
Over time	3,989	2,955	27,276	15,827	46,461	27,659	46,441
<b>Total</b>	<b>51,266</b>	<b>348,649</b>	<b>27,326</b>	<b>15,828</b>	<b>46,484</b>	<b>89,407</b>	<b>453,884</b>
<b>Segment profit (loss) before income tax</b>	<b>(37,718)</b>	<b>250,015</b>	<b>(6,001)</b>	<b>(7,120)</b>	<b>(3,372)</b>	<b>33,187</b>	<b>276,082</b>
Segment assets as at 31 March / 31 December	2,785,266	2,607,510	515,773	449,624	9,985	44,632	3,101,766
Segment liabilities as at 31 March / 31 December	2,165,201	1,953,544	494,500	417,779	109,559	108,932	2,480,255

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### Reconciliations of reportable segment profit or loss, assets and liabilities

<i>Three-month period ended 31 March</i>	<b>Business segments</b>	
	2019	2018
	<i>(in thousand Baht)</i>	
Total profit (loss) for reportable segments	(47,091)	276,082
Elimination of inter-segment	-	(33,920)
<b>Consolidated profit (loss) before income tax</b>	<b>(47,091)</b>	<b>242,162</b>
	31	31
	March	December
	2019	2018
	<i>(in thousand Baht)</i>	
<b>Assets</b>		
Total assets for reportable segments	3,311,024	3,101,766
Other unallocated amounts:		
- Deferred tax assets	24,285	21,124
- Other assets	376,868	364,650
<b>Consolidated total assets</b>	<b>3,712,177</b>	<b>3,487,540</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	2,769,260	2,480,255
Other unallocated amounts		
- Deferred tax liabilities	103,622	103,014
- Other liabilities	354,031	370,744
<b>Consolidated total liabilities</b>	<b>3,226,913</b>	<b>2,954,013</b>

### Geographical segments

The Group is managed and operates principally in Thailand. There are no material revenues derived from, or assets located in, foreign countries.

### Major customer

The Group has no major customer with revenue of 10 percent or more of the Group's revenues except net gain from the sales of investments in indirect subsidiaries for the three-month period ended 31 March 2018 of Baht 273 million.

## 12 Income tax expense

The tax expense in the consolidated statement of comprehensive income for the three-month period ended 31 March 2019 is more than the amount determined by applying the Thai corporation tax rate to the accounting profit for the period principally because of current period losses for which no deferred tax asset has recognised.

The tax expense in the consolidated statement of comprehensive income for the three-month period ended 31 March 2018 is less than the amount determined by applying the Thai corporation tax rate to the accounting profit for the period principally because of the different treatment for accounting and taxation purposes of certain items of income, in particular, the gain recognised in the consolidated statement of comprehensive income on the sale of investment in indirect subsidiaries.

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### 13 Earnings (loss) per share

#### *Basic earnings (loss) per share*

The calculations of basic earnings (loss) per share three-month periods ended 31 March were based on the profit (loss) for the period attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the periods as follows:

<i>Three-month periods ended 31 March</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2019	2018	2019	2018
	<i>(in thousand Baht / thousand shares)</i>			
Profit (loss) attributable to ordinary shareholders of the Company	<u>(30,137)</u>	<u>37,286</u>	<u>(3,687)</u>	<u>26,735</u>
Number of ordinary shares outstanding	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>	<u>340,000</u>
Earnings (loss) per share (basic) <i>(in Baht)</i>	<u>(0.09)</u>	<u>0.11</u>	<u>(0.01)</u>	<u>0.08</u>

### 14 Financial instruments

#### *Fair values of financial instruments*

The methods and assumptions used by the Company and its subsidiaries in estimating the fair value of financial instruments are as follows:

- For financial assets and liabilities which have short-term maturity, including cash and deposit at financial institutions, accounts receivables, accounts payables and finance lease liabilities, their carrying amounts in the statements of financial position approximate their fair values.
- For loans to and loans from carrying interest approximate to the market rate, their carrying amounts in the statements of financial position approximate their fair values.

### 15 Commitments with non-related parties

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
	<i>(in thousand Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
Buildings and other constructions	<u>166,722</u>	<u>259,593</u>	<u>-</u>	<u>-</u>
<b>Total</b>	<u>166,722</u>	<u>259,593</u>	<u>-</u>	<u>-</u>
<b>Other commitment</b>				
Bank guarantees	<u>800</u>	<u>800</u>	<u>-</u>	<u>-</u>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

#### a) *Operating lease and service commitments*

The Company and its subsidiaries have entered into several operating lease agreements in respect of the lease of lands, office space and vehicles and long-term service agreements.

Future minimum payments required under the agreements were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2019	31 December 2018	31 March 2019	31 December 2018
		<i>(in thousand Baht)</i>		
Within one year	42,365	40,393	6,841	7,246
After one year but within five years	117,922	117,280	7,170	7,881
After five years	699,028	696,752	-	-
<b>Total</b>	<b>859,315</b>	<b>854,425</b>	<b>14,011</b>	<b>15,127</b>

#### *Land lease agreements*

In 2012, a director of the Company entered into memorandum and land lease agreement with a company ("sub lessor") and paid deposit of Baht 7.7 million. In 2016, the Company's subsidiaries ("sub lessee") received the transferred of said right from the said director with compensation charge of transfer right to the sub lessor amounting to Baht 77 million.

Under the policy of financial institution as the lender, the transfer of leasehold right should be made with the landlord.

During September 2016, landlord, the director of the Company and Boutique Prakhanong 1 Ltd., Boutique Prakhanong 2 Ltd., and Boutique Prakhanong 3 Ltd. have entered into memorandum and land lease agreement for a period of 3 years, starting from 15 September 2016 to 14 September 2019 (Boutique Prakhanong 1 Ltd., Boutique Prakhanong 2 Ltd. and Boutique Prakhanong 3 of Baht 1,000/month) and for a period of 30 years starting from 15 September 2019 to 14 September 2049 (totalling Baht 1,355 million) and right to extend 5 years. At the end of the lease term, the building on land will transfer to the owner of the land.

In July 2017, Boutique Prakhanong 1 Ltd. and Boutique Prakhanong 2 Ltd., have entered into a memorandum to pay monthly additional remuneration to landlord, starting from six months after the subsidiaries lease or provide service on the land to third parties until three years after lease agreement with landlord is effective or the lease or service provided to third parties have ended, whichever is earlier. The monthly additional remuneration for each rentable space amounting to Baht 0.10 million and Baht 0.17 million, respectively.

In July 2017, Boutique Prakhanong 3 Ltd., has entered into a memorandum to pay monthly additional remuneration to landlord, start from the subsidiary lease or provide service on the land to third parties until three years after lease agreement with landlord is effective or the lease or service provided to third parties have ended, whichever is earlier. The monthly additional remuneration amounting to Baht 0.08 million.

In December 2017, Boutique Prakhanong 1 Ltd., Boutique Prakhanong 2 Ltd., and Boutique Prakhanong 3 Ltd. have entered into an addendum with landlord to justify calculation basis of rental fee stated in land lease agreements as basic rental fee plus mutually agreed inflation rate on annually basis.

## **Boutique Corporation Public Company Limited and its Subsidiaries**

### **Notes to the interim financial statements**

#### **For the three-month period ended 31 March 2019 (Unaudited)**

##### **b) Hotel Management Agreement**

###### *Subsidiaries*

###### *Boutique Serviced Apartments Ltd.*

In January 2005, a subsidiary entered into a management agreement with Oakwood Management Services (Thailand) Company Limited, whereby this company will provide assistance in managing the subsidiary's serviced apartment. The ten-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. The subsidiary is to pay various fees at a percentage of gross revenues and / or net operating profits of the project, as stated in the agreement.

In January 2005, a subsidiary entered into a license agreement with Oakwood Asia Pacific Ltd. permitting it to use "Oakwood" brand and logo. The ten-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. A fee is charged at a percentage of gross revenues.

###### *Boutique Chiang Mai Nimman 1 Ltd.*

In August 2018, a subsidiary entered into a management agreement with AAPC (Thailand) Limited, whereby this company will provide assistance in managing the subsidiary's hotel. The fifteen-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. The subsidiary is to pay various fees at a percentage of gross revenues and / or as stated in the agreement.

###### *Boutique Kamala 1 Ltd.*

In December 2018, a subsidiary entered into a management agreement with MH&R MAN (Thailand) Limited, whereby this company will provide assistance in managing the subsidiary's hotel. The fifteen-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. The subsidiary is to pay various fees at a percentage of gross revenues and / or as stated in the agreement.

###### *Boutique Patong Sai 3 Ltd.*

In October 2018, the Company entered into a management agreement with Oakwood Management Services (Thailand) Company Limited, whereby this company will provide assistance in managing the subsidiary's hotel and permitting it to use "Oakwood" brand and logo. The ten-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. The Company is to pay various fees at a percentage of gross revenues of the project, as stated in the agreement.

In February 2019, the Company and a subsidiary entered into an addendum to agreement with Oakwood Management Services (Thailand) Company Limited to obtain assistance in managing the subsidiary's hotel and permitting them to use "Oakwood" brand and logo under conditions stated in the main agreement.



# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

### *Boutique Mid Tier 2 Ltd.*

In October 2018, the Company entered into a management agreement with Oakwood Management Services (Thailand) Company Limited, whereby this company will provide assistance in managing the subsidiary's hotel and permitting it to use "Oakwood" brand and logo. The ten-year agreement is effective from the date that project commences, with an option to extend for another ten years, subject to agreement from both parties. The Company is to pay various fees at a percentage of gross revenues of the project, as stated in the agreement.

In February 2019, the Company and a subsidiary entered into an addendum to agreement with Oakwood Management Services (Thailand) Company Limited to obtain assistance in managing the subsidiary's hotel and permitting them to use "Oakwood" brand and logo under conditions stated in the main agreement.

## 16 Contingent liabilities

### *Financial support*

As stipulated in the loan agreements, the Company and its subsidiaries shall provide financial support to the borrower companies and shall make their best effort to provide financial support to the borrower companies.

As at 31 March 2019 and 31 December 2018, detail of financial supporter, borrower and outstanding loan are presented below.

Financial supporter	Borrower	Relationship with the Company	31 March 2019 (in thousand Baht)	31 December 2018
The Company	Boutique Serviced Apartments Ltd.	Subsidiary	75,000	75,000
The Company and Boutique Group Ltd.	Boutique Asset Ltd., Boutique Boulevard Ltd., Boutique Land Ltd. and Boutique Realty Ltd.	Joint ventures	542,833	561,047
Boutique Patong Sai3 Holdings Ltd.	Boutique Patong Sai3 Ltd.	Subsidiary	323,216	328,000
Boutique Prakhanong 2 Ltd. and Boutique PKN Ltd.	Boutique Prakhanong 1 Ltd.	Subsidiary	117,088	100,300
Boutique Prakhanong 1 Ltd. and Boutique PKN Ltd.	Boutique Prakhanong 2 Ltd.	Subsidiary	156,401	123,950
Boutique PKNS Ltd.	Boutique Prakhanong 3 Ltd.	Subsidiary	6,200	6,200
Boutique Bangkok Sukhumvit 16-2 Holdings Ltd.	Boutique Bangkok Sukhumvit 16-2 Ltd.	Subsidiary	73,600	73,600

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2019 (Unaudited)

Financial supporter	Borrower	Relationship with the Company	31 March 2019 <i>(in thousand Baht)</i>	31 December 2018
Boutique Bangkok Sukhumvit 36 Holdings Ltd.	Boutique Bangkok Sukhumvit 36 Ltd.	Subsidiary	280,000	280,000
Boutique Kamala Holdings Ltd.	Boutique Kamala 1 Ltd.	Subsidiary	44,300	44,300
<b>Total contingent liabilities arising from financial support</b>			<b>1,618,638</b>	<b>1,592,397</b>

### *Agreements to sell investments in subsidiaries*

#### ***OZO project***

Mid Tier Holding Mauritius Ltd. (“Seller”) has contingent liabilities under an agreement to sell investments in subsidiaries. These include contingent liabilities if the Seller were to breach conditions as stipulated in the agreement, such as its warranties and representation concerning information of the disposed subsidiaries. In such a case, the aggregate liability of the Seller shall not exceed the purchase price and the purchaser was to provide the Seller with written notice of the claims within 16 December 2017 (within 2 years following the closing date) for any claim other than claims in respect of tax liabilities and within 16 December 2020 (within 5 years following the closing date) for any claim relating to tax liabilities.

#### ***Rainhill project***

Boutique MT holdings Ltd., and Chinese Panda Ltd. (“Seller”) have contingent liabilities under an agreement to sell investments in subsidiary. These include contingent liabilities if the Seller were to breach conditions as stipulated in the agreement, such as its warranties and representation concerning information of the disposed subsidiary. In such a case, the aggregate liability of the Seller shall not exceed the purchase price and the purchaser was to provide the Seller with written notice of the claims within 24 February 2018 (within 1 year following the closing date) for any claim other than claims in respect of tax liabilities and within 24 February 2019 (within 2 years following the closing date) for any claim relating to tax liabilities.

#### ***Hyatt project***

BT Phuket Holdings Ltd., (“Seller”) has contingent liabilities under an agreement to sell investments in subsidiaries. These include contingent liabilities if the Seller were to breach conditions as stipulated in the agreement, such as its warranties and representation concerning information of the disposed subsidiaries. In such a case, the aggregate liability of the Seller shall not exceed the purchase price and the purchaser was to provide the Seller with written notice of the claims within 28 February 2020 (within 2 years following the closing date) for any claim other than claims in respect of tax liabilities and within 28 February 2023 (within 5 years following the closing date) for any claim relating to tax liabilities.



# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2019 (Unaudited)

In addition, according to the SPA, the seller and the purchaser agree that the purchase price is subject to post-closing adjustments as to be conducted and calculated by the seller, with the coordination and review by the purchaser.

As at 31 March 2019, the sellers (the Company's subsidiaries) had not received written notice of any claim from the purchasers.

#### 17 Events after the reporting period

On 5 April 2019, the Labor Protection Act was amended to include a requirement that an employee who is terminated after having been employed by the same employer for an uninterrupted period of twenty years or more, receives severance payment of 400 days of wages at the most recent rate. The Group and Company will amend its retirement plan in accordance with the changes in the Labor Protection Act as at 30 June 2019. As a result of this change, the provision for retirement benefits as well as past service cost recognised during the period then ended in the consolidated and separate financial statements will increase by an amount of Baht 3.27 million and Baht 2.96 million, respectively.

#### 18 Thai Financial Reporting Standards (TFRS) not yet adopted

A number of new TFRS which are relevant to the Group's operations are expected to have significant impact on the consolidated and separate Company's financial statements on the date of initial application. Those TFRS which become effective for annual financial reporting periods beginning on or after 1 January 2020 are as follows:

TFRS	Topic
TFRS 7*	Financial Instruments: Disclosures
TFRS 9*	Financial Instruments
TFRS 16	Leases
TAS 32*	Financial Instruments: Presentation
TFRIC 16*	Hedges of a Net Investment in a Foreign Operation
TFRIC 19*	Extinguishing Financial Liabilities with Equity Instruments

\* TFRS - Financial instruments standards

##### (a) *TFRS - Financial instruments standards*

These TFRSs establish requirements related to definition, recognition, measurement, impairment and derecognition of financial assets and financial liabilities, including accounting for derivatives and hedge accounting.

Management is presently considering the potential impact of adopting and initially applying TFRS - Financial instruments standards on the consolidated and separate financial statements.

##### (b) *TFRS 16 Leases*

TFRS 16 introduces a single lessee accounting model for lessees. A lessee recognises a right-of-use asset representing its right to use the underlying asset and a lease liability representing its obligation to make lease payments. There are recognition exemptions for short-term leases and leases of low-value items. Lessor accounting remains similar to the current standard, i.e. lessors continue to classify leases as finance or operating leases.

Management is presently considering the potential impact of adopting and initially applying TFRS 16 on the consolidated and separate financial statements.