

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

Interim financial statements  
for the three-month period ended  
31 March 2018

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 2018; the consolidated and separate statements of comprehensive income, changes in (deficit in) equity and cash flows for the three-month period ended 31 March 2018; 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 2018

## 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
Assets	Note	2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Current assets</b>					
Cash and cash equivalents		662,830	282,996	65,196	64,482
Trade accounts receivable	4, 5	28,656	48,336	36,017	45,881
Dividends receivables	4	-	-	44,070	-
Other receivables	4	27,008	48,799	3,875	31,113
Inventories		1,192	1,109	-	-
Non-current assets classified as held for sale	3	-	652,351	-	-
Other current assets		9,827	12,139	4,170	4,182
<b>Total current assets</b>		<b>729,513</b>	<b>1,045,730</b>	<b>153,328</b>	<b>145,658</b>
<b>Non-current assets</b>					
Deposit pledged as collateral	10	3,103	3,152	3,000	3,042
Investments in joint ventures	6	126,845	124,820	-	-
Investments in subsidiaries	7	-	-	188,471	188,371
Long-term loans to related parties	4	53,703	53,703	327,330	336,668
Interest receivable from related parties	4	10,744	10,160	74,232	73,204
Property, plant and equipment	8, 10	1,629,747	1,627,202	6,419	6,989
Intangible assets		3,316	3,318	1,604	1,657
Prepaid rental expenses	9, 10	266,385	239,424	-	-
Deferred tax assets		12,795	12,135	3,455	3,226
Deposit for land	16	44,200	9,200	44,200	9,200
Other non-current assets		3,774	3,203	571	637
<b>Total non-current assets</b>		<b>2,154,612</b>	<b>2,086,317</b>	<b>649,282</b>	<b>622,994</b>
<b>Total assets</b>		<b>2,884,125</b>	<b>3,132,047</b>	<b>802,610</b>	<b>768,652</b>

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

# Boutique Corporation Public Company Limited and its Subsidiaries

## Statement of financial position

	Note	Consolidated financial statements		Separate financial statements	
		31 March 2018 (Unaudited)	31 December 2017	31 March 2018 (Unaudited)	31 December 2017
<i>(in thousand Baht)</i>					
<b>Liabilities and equity</b>					
<b>Current liabilities</b>					
Bank overdrafts and short-term					
loans from banks	10	6,200	9,408	-	-
Trade accounts payable		7,233	3,508	-	-
Construction payables		65,050	77,380	-	-
Other payables	4	84,263	45,218	16,889	21,936
Dividend payable		165,280	-	-	-
Current portion of long-term					
loans from banks	10	34,890	28,131	-	-
Current portion of long-term loans					
from other parties	10	115,208	169,724	-	-
Current portion of interest payable to					
other parties		12,975	26,044	-	-
Current portion of finance lease liabilities	10	823	808	454	447
Debentures	10	103,330	102,720	103,330	102,720
Interest payable on debentures		571	593	571	593
Current tax payable		12,490	6,381	6,109	-
Liabilities included in non-current assets					
classified as held for sale	3	-	499,237	-	-
Other current liabilities		16,094	12,894	6,486	4,626
<b>Total current liabilities</b>		<b>624,407</b>	<b>982,046</b>	<b>133,839</b>	<b>130,322</b>
<b>Non-current liabilities</b>					
Long-term loans from banks	10	1,053,329	1,030,835	-	-
Long-term loans from related parties	4, 10	-	-	216,165	216,165
Long-term loans from other parties	10	429,392	425,996	-	-
Interest payable to related parties	4	-	-	17,064	14,386
Interest payable to other parties		81,518	76,338	-	-
Finance lease liabilities	10	2,139	2,350	1,345	1,461
Defined benefit obligations		18,940	17,588	15,665	14,521
Deferred tax liabilities		95,001	93,749	-	-
Obligation in respect to losses					
of joint ventures	6	10,215	8,204	-	-
Other non-current liabilities		36,988	32,269	4,195	4,195
<b>Total non-current liabilities</b>		<b>1,727,522</b>	<b>1,687,329</b>	<b>254,434</b>	<b>250,728</b>
<b>Total liabilities</b>		<b>2,351,929</b>	<b>2,669,375</b>	<b>388,273</b>	<b>381,050</b>

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
Liabilities and equity	Note	2018	2017	2018	2017
		(Unaudited)		(Unaudited)	
		<i>(in thousand Baht)</i>			
<b>Equity</b>					
Share capital:	11				
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 share in subsidiary		77,889	77,889	-	-
Retained earnings					
Appropriated					
Legal reserve		2,760	2,760	2,760	2,760
Unappropriated retained earnings					
(Deficit)		(173,743)	(229,881)	79,184	52,449
Difference on business combination					
under common control		(86,314)	(90,341)	-	-
Other components of equity		416,537	439,416	(7,607)	(7,607)
<b>Equity attributable to owners of the parent</b>		<b>577,129</b>	<b>539,843</b>	<b>414,337</b>	<b>387,602</b>
Non-controlling interests		(44,933)	(77,171)	-	-
<b>Total equity</b>		<b>532,196</b>	<b>462,672</b>	<b>414,337</b>	<b>387,602</b>
<b>Total liabilities and equity</b>		<b>2,884,125</b>	<b>3,132,047</b>	<b>802,610</b>	<b>768,652</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)

	Note	Consolidated		Separate	
		financial statements		financial statements	
		Three - month period ended 31 March		Three - month period ended 31 March	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b>Revenue</b>					
Revenue from hotel operation and community mall		86,184	67,047	-	-
Management income	4	4,233	10,092	27,658	29,306
Exit and termination fee	4	7,241	-	13,421	21,448
Gain on sales of investment in indirect subsidiaries	3	273,431	230,920	-	-
Dividends income	4, 7	-	-	44,070	60,584
Interest income	4	672	705	4,098	4,640
Other income	4	11,609	1,267	159	565
<b>Total revenue</b>		<b>383,370</b>	<b>310,031</b>	<b>89,406</b>	<b>116,543</b>
<b>Expenses</b>					
Cost of hotel operation and community mall		31,680	28,109	-	-
Cost of rendering of services		1,475	3,311	35,766	31,570
Depreciation and amortisation		13,161	16,174	639	598
Distribution costs		6,423	5,999	-	337
Administrative expenses	4	60,346	54,709	14,558	13,061
Finance costs	4	28,054	22,087	5,256	3,987
<b>Total expenses</b>		<b>141,139</b>	<b>130,389</b>	<b>56,219</b>	<b>49,553</b>
Share of profit (loss) of joint ventures	6	(69)	2,250	-	-
<b>Profit before income tax</b>		<b>242,162</b>	<b>181,892</b>	<b>33,187</b>	<b>66,990</b>
Tax expense	13	(7,358)	(15,203)	(6,452)	(1,785)
<b>Profit for the period</b>		<b>234,804</b>	<b>166,689</b>	<b>26,735</b>	<b>65,205</b>
Other comprehensive income		-	-	-	-
<b>Total comprehensive income for the period</b>		<b>234,804</b>	<b>166,689</b>	<b>26,735</b>	<b>65,205</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 31 March		Three - month period ended 31 March		
Note	2018	2017	2018	2017	
		<i>(in thousand Baht)</i>			
<b>Profit attributable to:</b>					
Owners of the parent		37,286	110,677	26,735	65,205
Non-controlling interests		197,518	56,012	-	-
<b>Profit for the period</b>		<b>234,804</b>	<b>166,689</b>	<b>26,735</b>	<b>65,205</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the parent		37,286	110,677	26,735	65,205
Non-controlling interests		197,518	56,012	-	-
<b>Total comprehensive income for the period</b>		<b>234,804</b>	<b>166,689</b>	<b>26,735</b>	<b>65,205</b>
<b>Basic earnings per share (in Baht)</b>	14				
Basic earnings per share		<b>0.11</b>	<b>0.33</b>	<b>0.08</b>	<b>0.19</b>

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

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

Consolidated financial statements										
Other components equity										
	Issued and paid-up share capital	Premium on sale of share in subsidiaries	Deficit	Gains (losses) on remeasurements of defined benefit plan	Share of other comprehensive income of joint ventures	Total other components of equity	Differences of business combination under common control			Total deficit in equity
							Equity attributable to owners of the parent	Non-controlling interests		
Three - month period ended 31 March 2017	340,000	57,822	(226,508)	(8,835)	213	(8,622)	(144,951)	17,741	(289,734)	(271,993)
Balance at 1 January 2017	-	-	(54,610)	-	-	-	54,610	-	-	-
Realised differences amount on business combination under common control from sales of subsidiary	-	-	-	-	-	-	-	-	-	-
Transactions with owners, recorded directly in equity	-	-	-	-	-	-	-	-	-	-
<i>Changes in ownership interests in subsidiaries</i>	-	-	-	-	-	-	-	-	(33,116)	(33,116)
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	(33,116)	(33,116)
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	-	-	-	-	(33,116)	(33,116)
Comprehensive income for the period	-	-	110,677	-	-	-	-	110,677	56,012	166,689
Profit	-	-	110,677	-	-	-	-	110,677	56,012	166,689
Total comprehensive income for the period	-	-	110,677	-	-	-	-	110,677	56,012	166,689
Balance at 31 March 2017	340,000	57,822	(170,441)	(8,835)	213	(8,622)	(90,341)	128,418	(266,838)	(138,420)



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

**Statement of changes in (deficit in) equity (Unaudited)**

	Consolidated financial statements												
	Retained earnings/(Deficit)	Other components equity				Differences of					Total equity		
		Gains (losses) on re-measurements of defined benefit plan	Revaluation of land of subsidiaries	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					
				(in thousand Baht)									
<b>Three - month period ended 31 March 2018</b>													
Balance at 1 January 2018	340,000	77,889	2,760	(229,881)	(7,704)	351,373	95,747	439,416	(90,341)	539,843	(77,171)	462,672	
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													
<i>Changes in ownership interests in subsidiaries</i>													
Dividend paid to non-controlling interests of the subsidiaries	-	-	-	-	-	-	-	-	-	-	(165,280)	(165,280)	
<i>Total changes in ownership interests in subsidiaries</i>	-	-	-	-	-	-	-	-	-	-	(165,280)	(165,280)	
<b>Comprehensive income for the period</b>													
Profit	-	-	-	37,286	-	-	-	-	-	-	37,286	197,518	234,804
<b>Total comprehensive income for the period</b>	-	-	-	37,286	-	-	-	-	-	-	37,286	197,518	234,804
<b>Balance at 31 March 2018</b>	340,000	77,889	2,760	(173,743)	(7,704)	328,494	95,747	416,537	(86,314)	577,129	(44,933)	532,196	

## Boutique Corporation Public Company Limited and its Subsidiaries

### Statement of changes in equity (Unaudited)

	Separate financial statements			
	Issued and paid-up share capital	Unappropriated retained earnings (Deficit)	Losses on remeasurements of defined benefit plan	Total equity
<b>Three - month period ended 31 March 2017</b>				
<b>Balance at 1 January 2017</b>	<b>340,000</b>	<b>(8,940)</b>	<b>(7,519)</b>	<b>323,541</b>
<b>Comprehensive income for the period</b>				
Profit	-	65,205	-	65,205
<b>Total comprehensive income for the period</b>	<b>-</b>	<b>65,205</b>	<b>-</b>	<b>65,205</b>
<b>Balance at 31 March 2017</b>	<b>340,000</b>	<b>56,265</b>	<b>(7,519)</b>	<b>388,746</b>

*(in thousand Baht)*

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)

Three - month period ended 31 March 2018	Separate financial statements					Total equity
	Issued and paid-up share capital	Legal reserve	Retained earnings	Losses on remeasurements of defined benefit plan	Unappropriated retained earnings	
Balance at 1 January 2018	340,000	2,760	52,449	(7,607)	387,602	387,602
Comprehensive income for the period	-	-	26,735	-	26,735	26,735
Total comprehensive income for the period	-	-	26,735	-	26,735	26,735
Balance at 31 March 2018	340,000	2,760	79,184	(7,607)	414,337	414,337

*(in thousand Baht)*

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		Separate		
	financial statements		financial statements		
	Three - month period ended 31 March		Three - month period ended 31 March		
Note	2018	2017	2018	2017	
<i>(in thousand Baht)</i>					
<b><i>Cash flows from operating activities</i></b>					
Profit for the period		234,804	166,689	26,735	65,205
<i>Adjustments to reconcile profit (loss) to cash receipts (payments)</i>					
Tax expense		7,358	15,203	6,452	1,785
Finance costs		28,054	22,087	5,256	3,987
Depreciation and amortisation		13,161	16,174	639	598
Share of loss (profit) of joint ventures, net of tax		69	(2,250)	-	-
Interest income		(672)	(705)	(4,098)	(4,640)
Dividend income		-	-	(44,070)	(60,584)
Gain on sales of investment in indirect subsidiaries	3	(273,431)	(230,920)	-	-
		9,343	(13,722)	(9,086)	6,351
<b><i>Changes in operating assets and liabilities</i></b>					
Trade accounts receivable		13,084	2,436	9,863	(878)
Other receivables		(8,767)	8,325	1,032	(622)
Inventories		(82)	(7)	-	-
Other current assets		2,684	(1,013)	13	(227)
Deposit pledged as collateral		49	(6)	42	(6)
Other non-current assets		(470)	(3,041)	66	-
Trade accounts payable		3,120	98,450	-	-
Other payables		20,791	3,193	(4,915)	2,718
Employee benefit obligations		1,352	691	1,144	521
Other current liabilities		3,591	(1,978)	1,860	2,225
Other non-current liabilities		(5,930)	1,895	-	-
Net cash from operating		38,765	95,223	19	10,082
Taxes paid		(1,815)	(8,181)	(572)	(1,075)
<b>Net cash from (used in) operating activities</b>		<b>36,950</b>	<b>87,042</b>	<b>(553)</b>	<b>9,007</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)

	Note	Consolidated financial statements		Separate financial statements	
		Three - month period ended 31 March		Three - month period ended 31 March	
		2018	2017	2018	2017
<i>(in thousand Baht)</i>					
<b><i>Cash flows from investing activities</i></b>					
Net proceed from sales of investment in subsidiaries	3	918,775	438,051	29,206	-
Selling expenses paid on sale of investment in subsidiaries	3	(20,467)	(17,282)	-	-
Dividend received		-	-	-	60,584
Acquisition of investment in subsidiaries		-	-	(3,232)	(200)
Acquisition of property, plant and equipment		(39,103)	(275,074)	(16)	(1,529)
Acquisition of intangible assets		(97)	-	-	-
Deposit of land		(35,000)	15,000	(35,000)	15,000
Increase of prepaid rental expense		(28,565)	(19,761)	-	-
Proceed from repayment of long-term loans to related parties		-	-	13,408	78,040
Increase in long-term loans to related parties		-	-	(4,070)	(13,239)
Interest received	6	8	3,070	17,891	
<b>Net cash from investing activities</b>		<b>795,549</b>	<b>140,942</b>	<b>3,366</b>	<b>156,547</b>
<b><i>Cash flows from financing activities</i></b>					
Repayment of bank overdrafts and short-term loans from banks		(7,441)	(6,680)	-	-
Finance lease payments		(247)	(313)	(136)	(135)
Proceeds from loans from banks		34,400	120,270	-	-
Repayment of loans from banks		(428,255)	(134,831)	-	-
Repayment of loans from related parties		-	(76,809)	-	(79,809)
Proceeds from loans from other parties		3,396	64,888	-	-
Repayment of loans from other parties		(54,517)	(14,983)	-	-
Dividends paid to non-controlling interests		-	(21,881)	-	-
Cash received on transfer of shares to non-controlling interests		29,206	-	-	-
Interest paid		(34,727)	(18,058)	(1,963)	(4,657)
<b>Net cash used in financing activities</b>		<b>(458,185)</b>	<b>(88,397)</b>	<b>(2,099)</b>	<b>(84,601)</b>
<b>Net increase in cash and cash equivalents</b>		<b>374,314</b>	<b>139,587</b>	<b>714</b>	<b>80,953</b>
Cash and cash equivalents at beginning of period		282,996	220,355	64,482	1,512
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>662,830</b>	<b>359,942</b>	<b>65,196</b>	<b>82,465</b>
<b><i>Non-cash transactions</i></b>					
Payable on purchase of property, plant and equipment		65,050	129,138	-	-

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 2018 (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 2018 (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 2018.

**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 2017) *Interim Financial Reporting*; guidelines promulgated by the Federation of Accounting Professions (FAP).

The interim financial statements are prepared to provide an update on the financial statements for the year ended 31 December 2017. 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 for the year ended 31 December 2017.

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 2017 except that the Group has adopted all the new and revised TFRS that are effective for annual periods beginning on or after 1 January 2018. The adoption of these new and revised TFRS did not have any material effect on the accounting policies, methods of computation, financial performance or position of the Group.

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In addition to the above new and revised TFRS, The FAP has issued TFRS 15 *Revenue from Contracts with Customers* which is effective for annual periods beginning on or after 1 January 2019. The Group has not early adopted this standard in preparing these interim financial statements.

TFRS 15 establishes a comprehensive framework for determining whether, how much and when revenue is recognised. Revenue should be recognised when (or as) an entity transfers control over goods or services to a customer, measured at the amount to which the entity expects to be entitled. It replaces existing revenue recognition standards as follows:

- TAS 11 (revised 2017) *Construction Contracts*,
- TAS 18 (revised 2017) *Revenue*,
- TSIC 31 (revised 2017) *Revenue-Barter Transactions Involving Advertising Services*,
- TFRIC 13 (revised 2017) *Customer Loyalty Programmes*,
- TFRIC 15 (revised 2017) *Agreements for the Construction of Real Estate*, and
- TFRIC 18 (revised 2017) *Transfers of Assets from Customers*.

Management is presently considering the potential impact of adopting and initially applying TFRS 15 on the consolidated and separate financial statements.

*(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*

The 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.

Except as disclosed below, 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 2017.

*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.



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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 Disposal of investment in indirect subsidiaries**

On 27 December 2017, BT Phuket Holdings Ltd., indirect subsidiary held through Square Root Phuket Investment Ltd., entered into an agreement to sell all ordinary shares of HPP Mauritius Ltd. (“SPV”), indirect subsidiary held through Square Root Phuket Investment Ltd. which will hold Boutique Phuket 4 Co., Ltd., indirect subsidiary currently held through Boutique Phuket Ltd. and BT Phuket Ltd., which is business within the hotel business and serviced apartment segment. As a result, the Group classified the total assets and liabilities of the group of subsidiaries to non-current assets classified as held for sale in 2017.

In February 2018, BT Phuket Holdings Ltd., indirect subsidiary held through Square Root Phuket Investment Ltd., sold its 100% shareholdings of HPP Mauritius Ltd. (“SPV”) which held 100% shareholdings of Boutique Phuket 4 Co., Ltd. (“BPK4”), which is the owner of the Hyatt Place Phuket hotel amounting to Baht 923 million to Amchase Phuket HP PTE Ltd., incorporated in Singapore. The Group has already received the consideration paid amount in full. The carrying amount of SPV’s and BPK4’s net assets in the Group’s financial statements was Baht 629 million and selling expenses were Baht 21 million. The Group recognised a gain on sale of Baht 273 million, which is included in gain on sale of investment in indirect subsidiaries in the consolidated statement of income based on principle activities of Build, Operate and Sell (BOS) of property projects as follows:

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	<i>(in million Baht)</i>	
Consideration received		<b>923</b>
<b>Less Cost of investment</b>		
Cash and cash equivalent	4	
Trade accounts receivable	11	
Other receivables	2	
Other current assets	2	
Property, plant, and equipment	640	
Intangible assets	1	
Other non-current assets	1	
Long-term loans	(449)	
Trade accounts payables	(3)	
Other payables	(6)	
Other current liabilities	(1)	
Deferred tax liabilities	(22)	
<i>Less Loan and interest repayment to financial institution and related party by the buyers on behalf of Boutique Phuket 4 Ltd.</i>	449	
<b>Total carrying amounts of the interest in indirect subsidiaries</b>		<b>629</b>
Selling expenses		
- Brokerage fee		(19)
- Others		(2)
<b>Gain on disposal of investment</b>		<b>273</b>

Net proceed from sales of investment in subsidiary in the consolidated statement of cash flows was as follows:

	<i>(in million Baht)</i>
Consideration received	923
Cash and cash equivalent as at the disposal date	(4)
<b>Net proceed from sales of investment in subsidiaries</b>	<b>919</b>

#### **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.

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

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<b>Name of entities</b>	<b>Country of incorporation/ nationality</b>	<b>Nature of relationships</b>
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. Sophie Marie Huynh	Thai	Director and consultant
B Corporation Holdings Ltd.	Thailand	Major shareholder and common directors
Element Capital Mauritius Limited	Republic of Mauritius	Major shareholder and common directors
Zenith Holding Mauritius Limited	Republic of Mauritius	Shareholder and common directors
Elevhold Pte. Ltd.	Singapore	Shareholder and common directors
Square Root 49 Investments Ltd.	Republic of Mauritius	Common directors
BL 4 Ltd.	Thailand	Common directors
B Assets Management Ltd.	Thailand	Common directors and ultimate shareholder
BQ Development Ltd.	Thailand	Common directors
B Eco Holdings 1 Ltd.	Thailand	Common directors
B Food Group Ltd.	Thailand	Common directors
BE H 1 Ltd.	Thailand	Common directors
BE H 2 Ltd.	Thailand	Common directors
BE Holdings Ltd.	Thailand	Common directors
BQ International Ltd.	Thailand	Common directors
B MTH Ltd.	Thailand	Common directors
B PKN Holdings Ltd.	Thailand	Common directors
B Prakanong Ltd.	Thailand	Common directors
B REIT Management Ltd.	Thailand	Common directors
Nodu Foods Co., Ltd.	Thailand	Common directors
B North 2 Ltd.	Thailand	Common directors
B North 3 Ltd.	Thailand	Common directors
Bangkok Post Public Company Limited	Thailand	Common directors
Key management personnel	Thailand	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.

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

<b>Transactions</b>	<b>Pricing policies</b>
Management income	Contractual price
Dividend income	Right to receive dividend
Interest income	MLR -1% to 1.5% per annum
Exit fee income	3% of sales price
Termination fee income	Contractual price
Other income	Cost of expense reimbursement
Consultancy fees	Contractual price
Interest expense	MLR -1% per annum
Other expenses	Cost of expense reimbursement/per agreement

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

<b>Three-month period ended 31 March</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Management income	-	-	23,425	19,214
Dividend income	-	-	44,070	60,584
Interest income	-	-	4,092	4,635
Exit fee income	-	-	-	13,388
Termination fee income	-	-	6,180	8,060
Other income	-	-	-	538
Interest expense	-	-	2,678	2,947
Other expense	-	-	-	815
<b>Joint ventures</b>				
Management income	4,233	4,422	4,233	4,422
Interest income	665	699	-	-
<b>Directors</b>				
Interest expense	-	990	-	990
Dividend paid	-	321	-	-
Consultancy fee	-	713	-	713
<b>Key management personnel</b>				
<i>Key management personnel compensation</i>				
Short-term employee benefits	20,447	16,318	20,447	16,318
Post-employment benefits	825	225	825	225
<b>Total key management personnel compensation</b>	<b>21,272</b>	<b>16,543</b>	<b>21,272</b>	<b>16,543</b>
<b>Other related parties</b>				
Management income	-	2,353	-	2,353
Cost of services	13	-	-	-
Other expenses	12	-	12	-

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Balances of receivables as at 31 March 2018 and 31 December 2017 with related parties were as follows:

	<b>Consolidated</b>		<b>Separate</b>			
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>		
	31	31	31	31		
	March	December	March	December		
	2018	2017	2018	2017		
	<i>(in thousand Baht)</i>					
<b>Trade accounts receivable from related parties</b>						
Subsidiaries	-	-	22,210	11,914		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>22,210</b>	<b>11,914</b>		
<b>Dividends receivables</b>						
Subsidiaries	-	-	44,070	-		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>44,070</b>	<b>-</b>		
<b>Other receivables from related parties</b>						
Subsidiaries	-	-	3,213	813		
<b>Total</b>	<b>-</b>	<b>-</b>	<b>3,213</b>	<b>813</b>		
<b>Loans to related parties</b>						
	<b>Interest rate</b>		<b>Consolidated</b>		<b>Separate</b>	
			<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
			31	31	31	31
			March	December	March	December
	2018	2017	2018	2017	2018	2017
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<b>Long-term loans</b>						
Subsidiaries	MLR-1 to		-	-	327,330	336,668
	1.5					
Joint ventures	MLR-1		53,703	53,703	-	-
<b>Total</b>			<b>53,703</b>	<b>53,703</b>	<b>327,330</b>	<b>336,668</b>
<b>Interest receivables</b>						
	<b>Consolidated</b>		<b>Separate</b>			
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>		
	31	31	31	31		
	March	December	March	December		
	2018	2017	2018	2017		
	<i>(in thousand Baht)</i>					
Subsidiaries	-	-	74,232	73,204		
Joint ventures	12,240	11,575	-	-		
	12,240	11,575	74,232	73,204		
<i>Less negative equity from investment in joint ventures</i>	<i>(1,496)</i>	<i>(1,415)</i>	<i>-</i>	<i>-</i>		
<b>Interest receivable from related parties, net</b>	<b>10,744</b>	<b>10,160</b>	<b>74,232</b>	<b>73,204</b>		

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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>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
At 1 January	-	-	336,668	381,279
Increase	-	-	4,070	13,239
Decrease	-	-	(13,408)	(78,040)
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>327,330</b>	<b>316,478</b>
<b>Joint ventures</b>				
At 1 January	53,703	40,953	-	-
<b>At 31 March</b>	<b>53,703</b>	<b>40,953</b>	<b>-</b>	<b>-</b>
<b>Total long-term loans to related parties</b>				
At 1 January	53,703	40,953	336,668	381,279
Increase	-	-	4,070	13,239
Decrease	-	-	(13,408)	(78,040)
<b>At 31 March</b>	<b>53,703</b>	<b>40,953</b>	<b>327,330</b>	<b>316,478</b>

Balance of payables as at 31 March 2018 and 31 December 2017 with related parties were as follows:

<i>Other payables - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
Subsidiaries	-	-	-	132
Key management personnel	950	950	950	950
Other related parties	156	145	12	-
<b>Total</b>	<b>1,106</b>	<b>1,095</b>	<b>962</b>	<b>1,082</b>

<i>Long-term loans</i>	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
Subsidiaries	MLR-1		-	-	216,165	216,165
<b>Total</b>			<b>-</b>	<b>-</b>	<b>216,165</b>	<b>216,165</b>
<b>Interest payable</b>						
Subsidiaries			-	-	17,064	14,386
<b>Total</b>			<b>-</b>	<b>-</b>	<b>17,064</b>	<b>14,386</b>

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2018 (Unaudited)

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

<i>Loan from related parties</i>	<b>Consolidated</b>		<b>Separate</b>	
	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>	<b>financial statements</b>
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
At 1 January	-	-	216,165	227,665
Decrease	-	-	-	(3,000)
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>216,165</b>	<b>224,665</b>
<b>Director</b>				
At 1 January	-	76,809	-	76,809
Increase	-	-	-	-
Decrease	-	(76,809)	-	(76,809)
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total long-term loans from related parties</b>				
At 1 January	-	76,809	216,165	304,474
Decrease	-	(76,809)	-	(79,809)
<b>At 31 March</b>	<b>-</b>	<b>-</b>	<b>216,165</b>	<b>224,665</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 and shareholder of subsidiaries are loans which condition are to repay at call. Long-term loans from subsidiaries and shareholder of 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 Prakhanong 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 in 2015 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 10 and 17).**

**Boutique Corporation Public Company Limited and its Subsidiaries**  
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**For the three-month period ended 31 March 2018 (Unaudited)**

**5 Trade accounts receivable**

	<i>Note</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
		31 March 2018	31 December 2017	31 March 2018	31 December 2017
		<i>(in thousand Baht)</i>			
Related parties	4	-	-	22,210	11,914
Other parties		28,656	48,336	13,807	33,967
<b>Total</b>		<b>28,656</b>	<b>48,336</b>	<b>36,017</b>	<b>45,881</b>

Aging analyses for trade accounts receivable were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<b>Related parties</b>				
Within credit terms	-	-	2,000	2,000
Overdue:				
Less than 3 months	-	-	10,296	1,686
3-6 months	-	-	1,686	1,686
6-12 months	-	-	3,372	3,371
Over 12 months	-	-	4,856	3,171
	-	-	<b>22,210</b>	<b>11,914</b>
<b>Other parties</b>				
Within credit terms	14,544	14,199	-	-
Overdue:				
Less than 3 months	4,907	34,121	4,602	33,967
3-6 months	9,205	16	9,205	-
	<b>28,656</b>	<b>48,336</b>	<b>13,807</b>	<b>33,967</b>
<b>Total</b>	<b>28,656</b>	<b>48,336</b>	<b>36,017</b>	<b>45,881</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 2018 (Unaudited)

### 6 Investments in joint ventures

<i>Three-month period ended 31 March</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
<b>Joint ventures</b>				
At 1 January	124,820	18,887	-	-
Share of net (loss) profits of joint ventures	(69)	2,250	-	-
Provision for obligation in respect to losses of joint ventures	2,012	-	-	-
Provision for (reversal of) loans to and interest receivable from joint ventures	82	(1)	-	-
<b>At 31 March</b>	<b><u>126,845</u></b>	<b><u>21,136</u></b>	<b><u>-</u></b>	<b><u>-</u></b>

During the three-month period ended 31 March 2018, there were no acquisitions and disposals of investments in joint ventures.

The Group has recognised gains (losses) of joint ventures in Boutique Land Ltd. and 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.

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Investments in joint ventures as at 31 March 2018 and 31 December 2017 were as follows:

	Type of business	Country of incorporation	Consolidated financial statements							
			Ownership interest		Paid-up capital		Cost method		Equity method	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017
			(in thousand Baht)							
<b>Citadines Project</b>										
<i>Indirect investments in joint ventures</i>										
Boutique Land Ltd.	Hotel and serviced apartment (Citadines 16)	Thailand	26.01	26.01	45,000	45,000	22,950	22,950	-	-
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	63,694	62,567
Boutique Asset Ltd.	Hotel and serviced apartment (Citadines 23)	Thailand	26.01	26.01	88,000	88,000	44,880	44,880	63,151	62,253
<b>Total</b>							<b>121,378</b>	<b>121,378</b>	<b>126,845</b>	<b>124,820</b>

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

**Boutique Corporation Public Company Limited and its Subsidiaries**  
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**For the three-month period ended 31 March 2018 (Unaudited)**

**7 Investments in subsidiaries**

<i>Three-month period ended 31 March</i>	<b>Separate financial statements</b>	
	2018	2017
	<i>(in thousand Baht)</i>	
At 1 January	188,371	151,169
Acquisition	3,100	200
Disposal	(3,000)	-
<b>At 31 March</b>	<b>188,471</b>	<b>151,369</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.

In 2017

*Boutique Chiang Mai Nimman 2 Ltd.*

In March 2017, the Company made a new investment in 99.99% shareholdings of the issued and paid up capital on Boutique Chiang Mai Nimman 2 Ltd. ("BCM2"), a company incorporated in Thailand, for a consideration of Baht 99,985.

*Boutique Chiang Mai Nimman 3 Ltd.*

In March 2017, the Company made a new investment in 99.99% shareholdings of the issued and paid up capital on Boutique Chiang Mai Nimman 3 Ltd. ("BCM3"), a company incorporated in Thailand, for a consideration of Baht 99,985.

**Boutique Corporation Public Company Limited and its Subsidiaries**  
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Investments in subsidiaries as at 31 March 2018 and 31 December 2017, and dividend income from those investments for the three-month periods ended 31 March were as follows:

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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	
			(in thousand Baht)										
<b>Direct subsidiaries</b>													
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)	-	-	-
<b>Hyatt hotel, Villa1 and Villa2 Project</b>													
<b>Indirect subsidiaries held through Boutique Phuket Ltd. and BT Phuket Ltd.</b>													
Boutique Phuket 2 Ltd.	Villa (under refurbishment)	Thailand	21.55	26.42	2,000	2,000	-	-	-	-	-	-	-
Boutique Phuket 3 Ltd.	Villa (under refurbishment)	Thailand	21.55	26.42	2,000	2,000	-	-	-	-	-	-	-
Boutique Phuket 4 Ltd.	Hotel	Thailand	-	26.42	-	141,000	-	-	-	-	-	-	-
<b>Direct subsidiaries</b>													
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	44,070
<b>Indirect subsidiaries held through Boutique Phuket Land Ltd.</b>													
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 2018 (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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	
<i>Indirect subsidiaries held through Square Root Phuket Investment Ltd.</i>													
BT Phuket Holdings 3 Ltd.	Holding company	Republic of Seychelles	65.00	95.00	USD 100	USD 100	-	-	-	-	-	-	-
BT Phuket Holdings 2 Ltd.	Holding company	Republic of Seychelles	33.15	48.45	USD 100	USD 100	-	-	-	-	-	-	-
BT Phuket Holdings 1 Ltd.	Holding company	Republic of Seychelles	21.55	31.49	USD 100	USD 100	-	-	-	-	-	-	-
BT Phuket Holdings Ltd.	Holding company	Republic of Mauritius	21.55	31.49	USD 100	USD 100	-	-	-	-	-	-	-
HPP Mauritius Ltd.	Holding company	Republic of Mauritius	-	31.49	-	USD 1,600	-	-	-	-	-	-	-
BT Phuket Ltd.	Holding company	Republic of Mauritius	21.55	31.49	USD 100	USD 100	-	-	-	-	-	-	-
<b>Pattaya Bay Resort Project</b>													
<i>Indirect subsidiary held through Boutique Eco Holdings 2 Ltd.</i>													
Boutique Mid Tier 2 Ltd.	Service apartment (under renovation)	Thailand	51.00	51.00	50,000	50,000	-	-	-	-	-	-	-
<b>Direct subsidiary</b>													
Boutique Eco Holdings 2 Ltd.	Holding company	Thailand	51.00	51.00	10	10	158	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	-	-	-	-	-	-	-

(in thousand Baht)

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2018 (Unaudited)

Company name	Type of business	Country of incorporation	Separate financial statements						Dividend income for three-month periods ended		
			Ownership interest (%)		Paid-up capital		Cost			Impairment	At cost - net
			31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017			
<i>(in thousand Baht)</i>											
<b>Boutique Patong Sai3 Project</b>											
<i>Indirect subsidiary held through Boutique PS3 Holdings Ltd.</i>											
Boutique Patong Sai3 Ltd.	Hotel	Thailand	35.10	35.10	100,000	100,000	-	-	-	-	-
<i>Direct subsidiary</i>											
Boutique PS3 Holdings Ltd.	Holding company	Thailand	54.00	54.00	10	10	5	-	5	-	-
<i>Indirect subsidiaries held through Boutique PS3 Holdings Ltd.</i>											
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	-	-	-	-	-
<b>Prakhanong 1 and Prakhanong 2 Project</b>											
<i>Indirect subsidiaries held through BT PKN Holdings Ltd. and Boutique PKN Ltd.</i>											
Boutique Prakhanong 1 Ltd.	Community mall	Thailand	26.03	26.03	30,000	30,000	-	-	-	-	-
Boutique Prakhanong 2 Ltd.	Office building (under construction)	Thailand	26.03	26.03	30,000	30,000	-	-	-	-	-
<i>Direct subsidiaries</i>											
Boutique International Holdings Ltd.	Holding company	Republic of Mauritius	100.00	100.00	THB 100	THB 100	1	-	1	-	-
Boutique PKN 3 Ltd.	Holding company	Thailand	68.00	68.00	100	100	68	-	68	-	-

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Company name	Type of business	Country of incorporation	Separate financial statements						Dividend income for three-month periods ended				
			Ownership interest (%)		Paid-up capital		Cost			Impairment		At cost - net	
			31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017		31 March 2018	31 December 2017	31 March 2018	31 December 2017
<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	-	-	-	-	-	-	-
<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	-	-	-	-	-	-	-
<b>Prakhanong 3 Project</b>													
<i>Indirect subsidiary held through Boutique PKNS 2 Ltd.</i>													
Boutique Prakhanong 3 Ltd.	Property development	Thailand	38.28	38.28	5,000	5,000	-	-	-	-	-	-	-

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**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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017	
<i>Direct subsidiary</i>													
Boutique PKNS 2 Ltd.	Holding company	Thailand	66.00	66.00	100	100	66	66	-	-	66	66	-
<i>Indirect subsidiaries held through Boutique PKNS 2 Ltd.</i>													
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	-	-	-	-	-	-	-
<i>Chiang Mai Nimman 1 Project</i>													
<i>Indirect subsidiary held through Chiang Mai Holdings Mauritius 1 Ltd.</i>													
Boutique Chiang Mai Nimman 1 Ltd.	Hotel (under construction)	Thailand	26.00	26.00	94,668	94,668	-	-	-	-	-	-	-
<i>Direct subsidiaries</i>													
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	137,280	137,280	36,802	36,802	-	-	36,802	36,802	-
<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	-	-	-	-	-	-	-



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**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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	
<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	137,214	137,214	-	-	-	-	-	-	-
<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	20,000	20,000	-	-	-	-	-	-	-
Boutique Chiang Mai Nimman 3 Ltd.	Hotel (under construction)	Thailand	99.99	99.99	30,000	30,000	-	-	-	-	-	-	-
<i>Direct subsidiary</i>													
Boutique Nimman Holdings 1 Ltd.	Holding company	Thailand	99.99	99.99	400	400	400	400	-	-	400	400	-
<i>Indirect subsidiary held through Boutique Nimman Holdings 1 Ltd.</i>													
Boutique Nimman Holdings Ltd.	Holding company	Thailand	99.99	99.99	300	300	-	-	-	-	-	-	-
<b>Rainhill Project</b>													
<i>Direct subsidiaries</i>													
Boutique Retail Holdings Ltd.	Holding company	Thailand	65.00	65.00	10	10	6	6	-	-	6	6	20,544
Kalarain Ltd.	Holding company	Republic of Seychelles	65.00	65.00	USD 100	USD 100	2	2	-	-	2	2	40,040

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**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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017	
<i>Indirect subsidiaries held through Boutique Retail Holdings Ltd.</i>													
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	-	-	-	-	-	-	-
<i>Indirect subsidiary held through Kalarain Ltd.</i>													
Chinese Panda Ltd.	Holding company	Republic of Mauritius	65.00	65.00	USD 100	USD 100	-	-	-	-	-	-	-
<b>Bangkok Sukhumvit 16-2 Project</b>													
<i>Indirect subsidiary held through Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.</i>													
Boutique Bangkok Sukhumvit 16-2 Ltd.	Hotel (under construction)	Thailand	99.98	-	3,000	-	-	-	-	-	-	-	-
<i>Direct subsidiary</i>													
Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.	Holding company	Thailand	99.99	-	100	-	100	-	-	-	100	-	-
<i>Indirect subsidiary held through Boutique Bangkok Sukhumvit 16-2 Holdings 1 Ltd.</i>													
Boutique Bangkok Sukhumvit 16-2 Holdings Ltd.	Holding company	Thailand	99.97	-	100	-	-	-	-	-	-	-	-

**Boutique Corporation Public Company Limited and its Subsidiaries**  
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**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 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 December 2017	31 March 2018	31 March 2017		
<b>Citadines Group Project</b>														
<i>(in thousand Baht)</i>														
<b>Direct subsidiary</b>														
Boutique Group Ltd.	Holding company	Thailand	51.00	51.00	25,000	25,000	12,750	12,750	-	-	12,750	12,750	-	-
<b>Total</b>							<b>191,096</b>	<b>190,996</b>	<b>(2,625)</b>	<b>(2,625)</b>	<b>188,471</b>	<b>188,371</b>	<b>44,070</b>	<b>60,584</b>

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 2018 (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>			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Land and land improvement	-	(2,191)	167,832	-
Building and building improvement	4,870	-	-	-
Equipment	-	(410)	-	-
Furniture, fixtures and office equipment	1,797	(22)	610	(1,447)
Vehicles	-	-	1,500	(2)
Assets under construction	7,552	(3,658)	105,135	-
<b>Total</b>	<b>14,219</b>	<b>(6,281)</b>	<b>275,077</b>	<b>(1,449)</b>

<i>Three-month period ended 31 March</i>	<b>Separate financial statements</b>			
	2018		2017	
	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value <i>(in thousand Baht)</i>	Acquisitions and transfers in - at cost	Disposals and transfers out - net book value
Furniture, fixtures and office equipment	16	-	29	-
Vehicles	-	-	1,500	-
<b>Total</b>	<b>16</b>	<b>-</b>	<b>1,529</b>	<b>-</b>

**9 Prepaid rental expenses**

**Boutique Mid tier Ltd. (Rainhill project)**

For Rainhill project the period of land lease agreement was 30 years, starting from January 2012 to December 2041. However, the lessor consented to allow the subsidiary to develop and construct on the leased land since 15 January 2010.

In February 2017, the Group sold investment in Boutique Mid Tier Ltd. to other parties.

**Boutique Prakhanong 1 Ltd., Boutique Prakhanong 2 Ltd., and Boutique Prakhanong 3 Ltd.,**  
**(See note 16).**

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

For the three-month period ended 31 March 2018 (Unaudited)

### 10 Interest-bearing liabilities

	Consolidated financial statements		Separate financial statements		
	Note	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in thousand Baht)</i>					
<b>Current</b>					
Bank overdrafts					
- secured		-	3,232	-	-
Promissory notes					
- secured		6,200	6,176	-	-
<b>Bank overdrafts and short-term loans from banks</b>		<b>6,200</b>	<b>9,408</b>	<b>-</b>	<b>-</b>
Current portion of long-term loans from banks					
- secured		34,890	28,131	-	-
Current portion of loans from other parties					
- unsecured		115,208	169,724	-	-
Current portion of finance lease liabilities		823	808	454	447
Debentures		103,330	102,720	103,330	102,720
<b>Total current interest-bearing liabilities</b>		<b>260,451</b>	<b>310,791</b>	<b>103,784</b>	<b>103,167</b>
<b>Non-current</b>					
Long-term loans from banks					
- secured		1,053,329	1,030,835	-	-
Long-term loans from related parties					
- unsecured	4	-	-	216,165	216,165
Long-term loans from other parties					
- unsecured		429,392	425,996	-	-
		1,482,721	1,456,831	216,165	216,165
Finance lease liabilities		2,139	2,350	1,345	1,461
<b>Total non-current interest-bearing liabilities</b>		<b>1,484,860</b>	<b>1,459,181</b>	<b>217,510</b>	<b>217,626</b>

The periods to maturity of interest-bearing liabilities, excluding finance lease liabilities, as at 31 March 2018 and 31 December 2017 were as follows:

	Consolidated financial statements		Separate financial statements	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
<i>(in thousand Baht)</i>				
Within one year	259,628	309,983	103,330	102,720
After one year but within five years	1,053,511	973,249	216,165	216,165
After five years	429,210	483,582	-	-
<b>Total</b>	<b>1,742,349</b>	<b>1,766,814</b>	<b>319,495</b>	<b>318,885</b>



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*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).

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 2018, the Company shall provide financial support to the borrower companies as stipulated in the loan agreements (See note 17).

As at 31 March 2018 the Group had unutilised credit facilities totalling Baht 947 million (31 December 2017: Baht 919 million).

**Debentures**

As at 31 March 2018 and 31 December 2017, the Group and the Company had debentures as detailed below;

	<b>Consolidated / Separate financial statements</b>	
	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>	
Long-term debenture	105,000	105,000
Less Unamortised cost relating to the issuance of debentures	(1,670)	(2,280)
<b>Net</b>	<b>103,330</b>	<b>102,720</b>

On 21 August 2017, the Extraordinary General Meeting of Shareholders resolved the approval of the issuance and offering for sale of debentures in the amount not exceeding totalling Baht 200 million with the term not exceeding 5 years.

During the year ended 31 December 2017, 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 170 million.

During the third quarter of 2017, the Company issued Baht 105 million, secured and unsubordinated with a Debenture holder's representative in registered name 105,000 units with face value of Baht 1,000 per unit with term of 15 months, fully repayable in 2018, bearing interest at the fixed rate of 7.5% per annum and payable interest quarterly.

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2018 (Unaudited)

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.

B Corporation Holdings Ltd., major shareholder of the Company have pledged 103.54 million equity shares accounted for 80% of its ownership interest in the Company.

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

As at 31 March 2018, The Company has credit balance to issue debentures amounting to Baht 65 million (31 December 2017: Baht 65 million).

## 11 Share capital

<i>Three-month period ended 31 March</i>	Par value per share (in Baht)	2018		2017	
		Number	Amount	Number	Amount
		<i>(thousand shares / thousand Baht)</i>			
<b>Authorised</b>					
At 1 January					
- ordinary shares	1	507,000	507,000	507,000	507,000
<b>At 31 March</b>					
- ordinary shares	1	<b>507,000</b>	<b>507,000</b>	<b>507,000</b>	<b>507,000</b>
<b>Issued and paid-up</b>					
At 1 January					
- ordinary shares	1	340,000	340,000	340,000	340,000
<b>At 31 March</b>					
- ordinary shares	1	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>

## 12 Segment information

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 retails
- *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.



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*Information about reportable segments*

	Segment 1		Segment 2		Segment 3		Total	
	2018	2017	2018	2017	2018	2017	2018	2017
<i>For the three-month period ended 31 March</i>								
External revenue	356,782	57,655	14,949	220,873	11,639	31,503	383,370	310,031
Inter-segment revenue	(8,133)	2,704	879	2,458	77,768	85,040	70,514	90,202
<b>Total segment revenue</b>	<b>348,649</b>	<b>60,359</b>	<b>15,828</b>	<b>223,331</b>	<b>89,407</b>	<b>116,543</b>	<b>453,884</b>	<b>400,233</b>
<b>Segment profit (loss) before income tax</b>	<b>250,015</b>	<b>(15,716)</b>	<b>(7,120)</b>	<b>201,539</b>	<b>33,187</b>	<b>66,990</b>	<b>276,082</b>	<b>252,813</b>
Segment assets as at 31 March / 31 December	2,135,655	2,382,297	351,466	348,204	71,841	71,471	2,558,962	2,801,972
Segment liabilities as at 31 March / 31 December	1,419,688	1,946,250	313,824	319,464	103,901	103,312	1,837,413	2,369,026

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

<i>Three-month period ended 31 March</i>	<b>Business segments</b>	
	2018	2017
	<i>(in thousand Baht)</i>	
Total profit for reportable segments	276,082	252,813
Elimination of inter-segment	(33,920)	(70,921)
<b>Consolidated profit before income tax</b>	<b>242,162</b>	<b>181,892</b>
	31	31
	March	December
	2018	2017
	<i>(in thousand Baht)</i>	
<b>Assets</b>		
Total assets for reportable segments	2,558,962	2,801,972
Other unallocated amounts:		
- Deferred tax assets	12,795	12,135
- Other assets	312,368	317,940
<b>Consolidated total assets</b>	<b>2,884,125</b>	<b>3,132,047</b>
<b>Liabilities</b>		
Total liabilities for reportable segments	1,837,413	2,369,026
Other unallocated amounts		
- Deferred tax liabilities	95,001	93,749
- Other liabilities	419,515	206,600
<b>Consolidated total liabilities</b>	<b>2,351,929</b>	<b>2,669,375</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 amounting to Baht 273 million as discussed in note 3 (2017: Baht 231 million).

**13 Income tax expense**

The tax expense in the consolidated statement of comprehensive income 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 2018 (Unaudited)

### 14 Earnings per share

#### *Basic earnings per share*

The calculations of basic earnings per share three-month periods ended 31 March were based on the profit 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>	
	2018	2017	2018	2017
	<i>(in thousand Baht / thousand shares)</i>			
<b>Profit attributable to ordinary shareholders of the Company</b>	<b>37,286</b>	<b>110,677</b>	<b>26,735</b>	<b>65,205</b>
<b>Number of ordinary shares outstanding</b>	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>	<b>340,000</b>
<b>Earnings per share (basic) (in Baht)</b>	<b>0.11</b>	<b>0.33</b>	<b>0.08</b>	<b>0.19</b>

### 15 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 approximates their fair values.

### 16 Commitments with non-related parties

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	31 March 2018	31 December 2017	31 March 2018	31 December 2017
	<i>(in thousand Baht)</i>			
<b>Capital commitments</b>				
<i>Contracted but not provided for:</i>				
Land	397,800	82,800	397,800	82,800
Buildings and other constructions	404,361	214,830	-	-
<b>Total</b>	<b>802,161</b>	<b>297,630</b>	<b>397,800</b>	<b>82,800</b>
<b>Other commitment</b>				
Bank guarantees	300	300	-	-

# Boutique Corporation Public Company Limited and its Subsidiaries

## Notes to the interim financial statements

### For the three-month period ended 31 March 2018 (Unaudited)

In November 2017, the Company entered into sale and purchase agreement to buy a land in Bangkok for a consideration of Baht 92 million. As at 31 March 2018, the Company paid deposit of Baht 9.2 million. The remaining portion of the purchase price shall be paid on the registration date subject to fulfilment of condition stated in the agreement.

In February 2018, the Company entered into sale and purchase agreement to buy a land in Bangkok for a consideration of Baht 350 million. As at 31 March 2018, the Company paid deposit of Baht 35 million. The remaining portion of the purchase price shall be paid on the registration date subject to fulfilment of condition stated in the agreement.

#### 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</b>		<b>Separate</b>	
	<b>financial statements</b>		<b>financial statements</b>	
	31	31	31	31
	March	December	March	December
	2018	2017	2018	2017
	<i>(in thousand Baht)</i>			
Within one year	57,462	58,389	5,251	6,494
After one year but within five years	112,312	112,729	1,774	2,433
After five years	722,132	723,898	-	-
<b>Total</b>	<b>891,906</b>	<b>895,016</b>	<b>7,025</b>	<b>8,927</b>

#### *Land lease agreements*

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 2018 (Unaudited)**

**b) Hotel Management Agreement**

*Subsidiary*

*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.

**17 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 2018 and 31 December 2017, detail of financial supporter, borrower and outstanding loan are presented below.

<b>Financial supporter</b>	<b>Borrower</b>	<b>Relationship with the Company</b>	<b>31 March 2018</b>	<b>31 December 2017</b>
			<i>(in thousand Baht)</i>	
Boutique Phuket 2 Ltd. and Boutique Phuket 3 Ltd.	Boutique Phuket 4 Ltd.	Subsidiary	-	424,200
The Company and Boutique Group Ltd.	Boutique Asset Ltd., Boutique Boulevard Ltd., Boutique Land Ltd. and Boutique Realty Ltd.	Joint ventures	602,816	632,325
Boutique Patong Sai3 Holdings Ltd.	Boutique Patong Sai3 Ltd.	Subsidiary	308,926	277,526
Boutique Prakhanong 2 Ltd. and Boutique PKN Ltd.	Boutique Prakhanong 1 Ltd.	Subsidiary	97,400	97,400
Boutique Prakhanong 1 Ltd. and Boutique PKN Ltd.	Boutique Prakhanong 2 Ltd.	Subsidiary	29,300	29,300
Boutique PKNS Ltd.	Boutique Prakhanong 3 Ltd.	Subsidiary	6,200	6,200
<b>Total contingent liabilities arising from financial support</b>			<b><u>1,044,642</u></b>	<b><u>1,466,951</u></b>

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2018 (Unaudited)**

*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***

Chinese Panda Ltd. and Boutique MT holdings 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.

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 2018, the sellers (the Company’s subsidiaries) had not received written notice of any claim from the purchasers.

**Boutique Corporation Public Company Limited and its Subsidiaries**  
**Notes to the interim financial statements**  
**For the three-month period ended 31 March 2018 (Unaudited)**

**18 Events after the reporting period**

*Establishment of a new subsidiary*

On 2 May 2018, the Company established a new subsidiary, Boutique Bangkok Sukhumvit 36 Ltd., which was incorporated in Thailand, with registered ordinary share of 1,000,000 shares at par value of Baht 5 per share

*Dividend*

At the annual general meeting of the shareholders of the Company held on 27 April 2018, the shareholders approved the appropriation of dividend of Baht 0.15 per share, amounting to Baht 51 million. The dividend will be paid to shareholders in May 2018.