

## Part 3

### Financial Position and Operating Results

#### 13. Significant financial information

##### 13.1 Summarized financial statement table

#### Summarized past operation results and financial position (please see details in consolidated financial statement)

Significant financial information	2016	2015	2014
<b>Consolidated income statement</b> (million Baht)			
Income from sale	1,013	1,152	1,863
Costs and expenses	859	936	1,459
Earnings before interest, taxes, depreciation and amortization (EBITDA) including dividend receivables from subsidiaries	255	292	476
Profit for the year*	138	176	329
<b>Consolidated statement of financial position (million Baht)</b>			
Assets	2,141	1,342	1,404
Liabilities	272	406	336
Shareholders' equity	1,869	936	1,068
Parent company shareholders' equity	1,869	936	1,068
<b>Financial ratio</b>			
Number of shares issued (million shares)**	4,285	2,140	2,054
Book value per share (Baht)	0.44	0.44	0.52
Profit per share (Baht)	0.03	0.08	0.16
Dividend payable per share (Baht)	0.008	***0.04	0.15
Liquidity ratio (times)	5.86	1.98	3.09
Gross profit rate (%)	38%	38.5%	35.2%
Net profit rate (%)	14%	15.3%	17.6%
Shareholders' return rate (%)	9.8%	17.6%	32.6%
Total rate of return from assets (%)	10.1%	16.8%	31.2%
Debt to equity ratio (times)	0.15	0.43	0.31

Statement of Financial Position	Consolidated financial statement as per audit report					
	2016		2015		2014	
	Amount	%	Amount	%	Amount	%
<b>Assets</b>						
<b>Current assets</b>						
Cash and cash equivalents	83,136	4	101,532	8	144,534	10
Temporary investment	442,233		-		-	
Trade and other account receivables	172,378	8	135,236	10	135,023	10
Short-term loans	-		3,570		3,570	
Inventories	817,308	38	448,087	33	454,665	32
<b>Total current assets</b>	<b>1,515,055</b>	<b>71</b>	<b>688,425</b>	<b>51</b>	<b>737,792</b>	<b>53</b>
<b>Non-current assets</b>						
Land held for development	19,933	1	19,933	1	19,933	1
Investment in subsidiaries	-		-		-	
Real estate for investment	49,090	2	41,724	3	23,743	2
Property, plant and equipment	496,769	23	511,839	38	533,776	38
Intangible assets	1,382		2,038		2,694	
Deferred tax assets	8,376		4,378		5,049	
Non-operating assets	47,957	2	71,016	5	79,494	6
Other non-current assets	2,3338		3,014		1,764	
<b>Total non-current assets</b>	<b>625,845</b>	<b>29</b>	<b>653,943</b>	<b>49</b>	<b>666,453</b>	<b>47</b>
<b>Total assets</b>	<b>2,140,900</b>	<b>100</b>	<b>1,342,368</b>	<b>100</b>	<b>1,404,245</b>	<b>100</b>
<b>Liabilities and shareholders' equity</b>						
<b>Current liabilities</b>						
Bank overdrafts and short-term loans from financial institutions	762	0	173,433	13	1,573	
Trade and other account payables	242,018	11	109,904	8	131,434	9
Short-term loans	-		-		-	
Long-term liabilities due within one year	569	0	41,909	3	52,845	4
Accrued income tax	15,083	1	22,672	2	52,819	4
<b>Total current liabilities</b>	<b>258,432</b>	<b>12</b>	<b>347,918</b>	<b>26</b>	<b>238,671</b>	<b>17</b>
<b>Non-current liabilities</b>						
Long-term loans	-	-	46,250	3	73,750	5
Financial lease liabilities	139	0	416		12,949	1
Deferred tax liabilities	4,972	0	3,900		2,798	
Employee benefit obligations	7,184	0	6,453		6,933	

Other non-current liabilities	1,555	0	1,425		1,080	
<b>Total non-current liabilities</b>	<b>13,850</b>	<b>1</b>	<b>58,444</b>	<b>4</b>	<b>97,510</b>	<b>7</b>
<b>Total liabilities</b>	<b>272,282</b>	<b>13</b>	<b>406,362</b>	<b>30</b>	<b>336,181</b>	<b>24</b>
<b>Shareholders' equity</b>						
<b>Share capital</b>						
Authorized share capital	546,316	26	546,316	41	246,876	18
Issued and paid-up capital	428,550	20	213,958	16	205,434	15
Premium on ordinary shares	1,067,908	50	319,825	24	319,825	23
<b>Retained earnings</b>						
Appropriated						
Legal reserve	54,632	3	32,413	2	24,688	2
Unappropriated	320,583	15	375,822	28	524,124	37
Other components of equity	(5,992)		(5,992)		(5,992)	
Non-controlling interests	2,937		(20)		(15)	
<b>Total shareholders' equity</b>	<b>1,868,618</b>	<b>87</b>	<b>936,006</b>	<b>70</b>	<b>1,068,064</b>	<b>76</b>
<b>Total shareholders' equity</b>	<b>2,140,900</b>	<b>100</b>	<b>1,342,368</b>	<b>100</b>	<b>1,404,245</b>	<b>100</b>

(Unit : thousand Baht)

Statement of comprehensive income	Consolidated financial statement as per audit report					
	2016		2015		2014	
	Amount	%	Amount	%	Amount	%
Income from sales and services	1,012,981	100	1,152,203	100	1,862,857	100
Cost of sales and services	(629,125)	(62)	(708,614)	(62)	(1,207,397)	(65)
<b>Gross profit</b>	<b>383,856</b>	<b>38</b>	<b>443,589</b>	<b>38</b>	<b>655,460</b>	<b>35</b>
Other income						
Profit from sales of real estate for investment	-		-		-	
Others	21,755	2	14,399	1	16,685	1
Selling expenses	(118,083)	(12)	(134,961)	(12)	(156,720)	(8)
Administrative expenses	(112,282)	(11)	(92,640)	(8)	(94,830)	(5)
Financial cost	(1,754)	(0)	(8,782)	(1)	(9,619)	(1)
<b>Profit before income tax</b>	<b>173,492</b>	<b>17</b>	<b>221,605</b>	<b>19</b>	<b>410,976</b>	<b>22</b>
Income tax expenses	(35,390)	(3)	(45,415)	(4)	(82,238)	(4)
<b>Profit for the year</b>	<b>138,102</b>	<b>14</b>	<b>176,190</b>	<b>15</b>	<b>328,738</b>	<b>18</b>
Other comprehensive income (expense)	-		-		-	
<b>Total comprehensive income for the year</b>	<b>138,102</b>	<b>14</b>	<b>176,190</b>	<b>15</b>	<b>328,738</b>	<b>18</b>
<b>Basic earnings per share</b>	<b>0.03</b>		<b>0.08</b>		<b>0.15</b>	

(Unit : thousand Baht)

Statement of changes in shareholders' equity	Consolidated financial statement as per audit report		
	2016	2015	2014
<b>Share capital</b>			
Balance at the beginning of the year	213,958	205,434	202,865
Ordinary share purchase	213,958	296	2,569
Stock dividend	634	8,228	
<b>Balance at the end of the year</b>	<b>428,550</b>	<b>213,958</b>	<b>205,434</b>
<b>Share premium</b>			
Balance at the beginning of the year	319,825	319,825	319,825
Increase during the year	748,083	-	-
<b>Balance at the end of the year</b>	<b>1,067,908</b>	<b>319,825</b>	<b>319,825</b>
<b>Retained earnings</b>			
<b>Appropriated</b>			
Balance at the beginning of the year	32,413	24,688	20,600
Legal reserve	22,219	7,725	4,088
<b>Balance at the end of the year</b>	<b>54,632</b>	<b>32,413</b>	<b>24,688</b>
<b>Unappropriated</b>			
Balance at the beginning of the year	375,822	524,124	413,110
Impact from adoption of new accounting policy on income tax	-	-	-
Legal reserve	(22,219)	(7,725)	(4,088)
Stock dividend	-	(8,228)	-
Dividend paid	(171,164)	(308,543)	(213,652)
Comprehensive profit for the year	138,144	176,194	328,754
<b>Balance at the end of the year</b>	<b>320,583</b>	<b>375,822</b>	<b>524,124</b>
<b>Other components of shareholders' equity</b>			
<b>Difference from changes in investment proportion in subsidiaries</b>			
Balance at the beginning of the year	(5,992)	(5,992)	(5,992)
Increase during the year	-	-	-
<b>Balance at the end of the year</b>	<b>(5,992)</b>	<b>(5,992)</b>	<b>(5,992)</b>
<b>Total shareholders' equity</b>	<b>1,865,681</b>	<b>936,026</b>	<b>1,068,079</b>

(Unit : thousand Baht)

Statement of cash flows	Consolidated financial statement as per audit report		
	2016	2015	2014
<b>Cash flows from operating activities</b>			
<b>Profit before income tax</b>	<b>173,492</b>	<b>221,605</b>	<b>410,976</b>
Adjustment			
Profit from changes in investment value	(2,830)	-	-
Doubtful accounts	7,706	-	145
Amortized withholding income tax	-		
Depreciation	64,105	60,171	55,039
Loss on obsolete goods	14,569	-	-
Gain from sales of real estate for investment	-	-	-
(Profit) loss from disposal of tangible assets	(4,980)	-	-
Gain from sales of equipment	-	(167)	(1,505)
Intangible asset amortization	656	656	601
Employee benefit provision	482	570	1,601
Dividend received	-	-	-
Interest payable expenses	1,754	8,782	9,619
<b>Profit from operating activities before changes in assets and operating liabilities</b>	<b>254,954</b>	<b>291,617</b>	<b>476,477</b>
(Increase) decrease in components of operating assets			
Trade and other account receivables	(41,278)	(284)	23,623
Inventories	(378,660)	(12,713)	(30,626)
Land held for development	-	-	7,221
Other non-current assets	676	(816)	268
(Increase) decrease in components of operating liabilities			
Trade and other account payables	87,123	(21,966)	(49,778)
Employee benefit obligations	-	(1,349)	-
Other non-current liabilities	130	345	150
<b>Cash generated (paid) from operation</b>	<b>(77,055)</b>	<b>254,835</b>	<b>427,335</b>
Cash paid, interest paid	1,506	(8,482)	(9,619)
Income tax paid	45,905	(73,718)	(58,146)
<b>Net cash generated from (paid in) operating activities</b>	<b>(124,466)</b>	<b>172,634</b>	<b>359,569</b>

<b>Cash flows from investment activities</b>			
Proceeds from sales of temporary investment	-	-	271
(Increase) decrease in short-term loan	-	-	-
Proceeds from sales of real estate for investment	(39,380)	-	
Cash paid for purchase of tangible assets	5,888	(28,204)	(63,768)
Proceeds from sales of equipment	44,992	693	4,692
<b>Net cash generated from (paid in) investment activities</b>	<b>(427,904)</b>	<b>(27,512)</b>	<b>(27,512)</b>
<b>Cash flows from financing activities</b>			
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(172,670)	171,860	(24,132)
Increase (decrease) in short-term loans	-	-	-
Increase (decrease) in long-term loans	(73,750)	(27,500)	62,726
Payments for financial lease liabilities	(14,117)	(24,236)	(21,821)
Proceeds from share capital increase	960,412	296	2,569
Dividends paid	(171,165)	(308,544)	(213,652)
<b>Net cash generated from (paid in) financial activities</b>	<b>533,973</b>	<b>(188,125)</b>	<b>(188,125)</b>
Net increase (decrease) in cash and cash equivalents	(18,396)	(43,002)	(43,002)
Cash and cash equivalents as at 1 January	101,532	144,534	144,534
<b>Cash and cash equivalents as at 31 December</b>	<b>83,136</b>	<b>101,532</b>	<b>101,532</b>

Financial ratio	2016	2015	2014
<b>Liquidity Ratio</b>			
Liquidity ratio (time)	5.86	1.98	3.09
Liquidity quick ratio (time)	2.70	0.68	1.17
Trade account receivable turnover ratio (time)	8.90	8.53	12.68
Average debt collection time (day)	41.00	42.81	28.78
Inventory turnover ratio (time)	1.34	1.57	2.75
Average goods selling time (day)	271.53	232.75	132.97
Account payable turnover ratio (time)	4.83	5.87	7.73
Debt repayment time (day)	75.52	62.16	47.20
Cash Cycle (day)	237.01	213.40	114.55
<b>Profitability Ratio</b>			
Gross profit rate (%)	37.9%	38.5%	35.2%
Net profit rate (%)	13.6%	15.3%	17.6%
Shareholder return rate (%)	9.8%	17.6%	32.6%
<b>Efficiency Ratio</b>			
Rate of return on total assets (%)	10.1%	16.8%	31.2%
Tangible asset turnover ratio (time)	2.01	2.20	3.54
Total assets turnover ratio (time)	0.58	0.84	1.38
<b>Financial Ratio</b>			
Rate of debt to equity ratio (time)	0.15	0.43	0.31
Interest solvency ratio (time)	99.91	26.24	43.73



## **14. Management Discussion and Analysis (MD&A)**

### **Management Discussion and Analysis for the 2015 operating results (consolidated financial statement)**

#### **DCON Products Public Company Limited and Subsidiaries**

##### **1. Summarized overview of the business operation in 2016**

IMF anticipated 3.1 per cent global economic growth in 2016. In overview the global economy was still growing. Although economies of several countries slowed down from 2015, the US economy was still growing with continuous decrease in the unemployment problems. EU economy was growing but there still was a high level of unemployment problem. Moreover, there was concern about Brexit which could affect EU economy. Japanese economy grew slightly while Chinese economy was continuously slowing down. As regards global financial condition, central banks in many countries still kept their policy rates at a low level because the inflation rate was still low, and they still adopted relaxing measures to stably stimulate the economy. The 2016 global oil price was still low because OPEC decided to maintain its production capacity, and there also were shale oil producers in the USA and Canada, which resulted in excessive global oil supply. The 10-month average crude oil price (Dubai) was USD 39.9 per barrel. Most recently, NYMEX crude oil price delivered in January (as at 7 December 2016) was USD 50.3 per barrel. As regards the 2017 global oil price, it was anticipated that crude oil price would be increasing because the OPEC reached an agreement to reduce its production capacity on 30 November 2016, which would be effective in January 2017. The OPEC agreement could make only a short-term rise to the crude oil price because if the oil price was higher than USD 55 per barrel, it would increase the shale oil production in the USA. The GDP in the 3<sup>rd</sup> quarter of 2016 grew by 3.2 per cent regularly from the 2<sup>nd</sup> quarter of 2016, and increasing from 2.9 per cent growth in the 3<sup>rd</sup> quarter of 2015. The factor contributing to the growth from the 2<sup>nd</sup> quarter of 2016 was agricultural production which increased by 0.9 per cent after decreasing for 7 quarters consecutively, because the impact from drought was relaxing. The industrial production grew by 0.9 per cent. The private consumption grew by 3.5 per cent and the aggregated investment grew by 1.4 per cent. Net export increased with the 3.4% growth in goods and service export, while goods and service import decreased by 1.3 per cent.

Industrial GDP in the 3<sup>rd</sup> quarter of 2016 grew by 0.9 per cent, slowing down from 2.1% growth in the previous quarter, as a result of the slow-down in overseas demand, especially in car production for commercial purpose, petrochemical industry and textile and cloth industry, including the contracted domestic demand in furniture industry. But some industries began to improve, especially in air-con and accessory production, machinery and accessory industry which was growing from export. It was anticipated by the National Economic and Social Development Commission that the 2016 Thai economy would grow by 3.2 per cent, increasing from 2.8 per cent growth in 2015, and that the 2017 Thai economy would grow by 3.0-4.0 per cent \*\*\*

\*\* Source: Summary of 2016 industrial economic situation and 2017 trends. Industrial Economic Bureau, Ministry of Industry

The Board of Directors prescribed administrative policy in 2015 stressing on 2 primary matters, i.e. 1. Control and reduction of expenses as appropriate and necessary; 2. Control product and service qualities to meet standards and create satisfaction to customers. In 2015, a subsidiary started investing in a condominium project construction. Said project would be completed and the project value of approximately 1,650 million Baht would be recognized in 2018, which was in accordance with the Company's policy to adjust the sales proportion between the construction materials and the real estate business to the level of 50:50, which was at 91:9 in 2015. To prepare and create stable and strong financial base, therefore, the Company declared capital increase at the end of 2015, and early in 2016 the Company earned from its registered capital increase by offering for sales 2,139,578,118 shares to existing shareholders at the ratio of 1 existing ordinary share per 1 new ordinary share, at the price of 0.45 Baht per share, totaling 962.81 million Baht. The proceeds of the capital increase would be used for investment in land purchasing for development of other projects and for investment in increasing of product types and expanding market for construction material business. In addition, the Company earned during 2016 from exercising of warrants #2 for ordinary shares of the Company (DCON-W2) a total amount of 170.95 million Baht. Out of said earnings the Company used 152.81 million Baht as revolving fund and for enhancement of financial conditions of the Company and its subsidiaries, and 225.44 million Baht in development of real estate projects currently executed by subsidiaries, and 142.33 million in expanding business and investment in future real estate business. The Company had a policy not to apply for loan from financial institution to invest in real estate project development of subsidiaries currently in progress, because the loan draw-down conditions were not in harmony with the real estate market situation, and would be more disadvantage than using fund from capital increase and from the Company's own operation result.

## 2. Operating result analysis for 2016 consolidated financial statement compared with the 2015

### 2.1 Income from sale and service provision

In 2016 and 2015, the Company had 1,012.98 million Baht and 1,152.20 million Baht incomes from sale and service provision, respectively. The overall income decreased by 139.22 million Baht or 12.1 per cent, divided into a decrease of 111.32 million Baht, or 10.7 per cent, in respect of construction materials, and a decrease of 27.90 million Baht, or 26.0 per cent, in respect of real estate business. The decrease in the sales of construction materials was due to 7 per cent decrease in the sale volume and the 4 per cent decrease in the average selling price, while the decrease in the sales of real estate was because of the sale of vacant land with no development plan at the end of 2015 in the amount of approximately 23 million Baht.

In 2016, income in respect of construction materials was 92 per cent and income in respect of real estate business was 8 per cent of the total earnings, while in 2015 income from construction materials was 91 per cent and income from real estate business was 9 per cent of the total earnings.

	2016	2015	Unit : Million Baht	
			Difference	
			Increase (decrease)	%
2.1.Income from sale and service provision				
2.1.1 Construction materials	933.38	1,044.70	(111.32)	(10.7)
2.1.2 Real estate business	79.60	107.50	(27.90)	(26.0)
2.1.3 Total income	1,012.98	1,152.20	(139.22)	(12.1)

Proportions of incomes between construction material business and real estate business

Unit : Per cent

	2016	2015
Income from construction material business	92	91
Income from real estate business	8	9
Total income	100	100

## 2.2 Costs of sale and service provision

Costs of sale and service provision were 629.12 million Baht in 2016 and 708.61 million Baht in 2015, decreasing by 79.49 million Baht, or 11.2 per cent, because of the decreasing income from sale and service provision. The cost of sale of construction material business decreased by 64.74 million Baht, or 10 per cent, and the cost of sale of real estate business decreased by 14.75 million Baht, or 24 per cent.

Unit : Million Baht

	2016	2015	Difference	
			Increase (decrease)	%
2.2 Cost of sale and service provision				
2.2.1 Construction material business	582.51	647.25	(64.74)	(10.0)
2.2.2 Real estate business	46.61	61.36	(14.75)	(24.0)
2.2.3 Total cost of sale and service provision	629.12	708.61	(79.49)	(11.2)

## 2.3 Gross profit

Gross profit of 2016 was 383.86 million Baht, decreasing by 59.73 million from that of 2015, or 13.4 per cent (gross profit of 2015 was 443.59 million Baht) because of decreasing income from sale and service. Gross profits were 350.87 million Baht from construction material business and 32.99 million Baht from real estate business.

In 2016 the Company was still able to maintain close gross profit rate of construction material business to that of the previous year, i.e. 37.6 per cent, while the gross profit rate in 2014 was 38 per cent. Gross profit rate of the real estate business in 2016 was 41.4 per cent while that in 2015 was 42.9 per cent.

Unit : Million Baht

	2016	2015	Difference	
			Increase (decrease)	%
2.3 Gross profit				
2.3.1 Construction material business	350.87	397.45	(46.58)	(11.7)
2.3.2 Real estate business	32.99	46.14	(13.15)	(28.5)
2.3.3 Total gross profit	383.86	443.59	(59.73)	(13.5)

## Gross profit rate to total income from sale and service provision

	Unit : Per cent	
	2016	2015
Gross profit rate of construction material business	37.6	38.0
Gross profit rate of real estate business	41.4	42.9
Total gross profit	37.9	38.5

## 2.4 Selling expenses

Selling expenses were 118.08 million Baht and 134.96 million Baht for 2016 and 2015, respectively, decreasing by 16.88 million Baht or 12.5 per cent, due to decreasing sales. The selling expenses decreased by 11.13 million Baht or 9.4 per cent, in respect of construction business, and by 5.75 million Baht or 36 per cent in respect of real estate business.

The selling expenses, when compared with the income from sale and service provision were 11.6 and 11.4 per cent for 2016 and 2015, respectively, in respect of construction material, and 2.9 per cent in 2016 and 14.9 per cent in 2015 in respect of real estate business.

	Unit : Million Baht			
	2016	2015	Difference	
			Increase (decrease)	%
2.4 Selling expenses				
2.4.1 Construction material business	107.85	118.99	(11.13)	(9.4)
2.4.2 Real estate business	10.23	15.97	(5.75)	(36.0)
2.4.3 Total selling expenses	118.08	134.96	(16.88)	(12.5)

## Selling expense rate compared with income from sale and service provision

	Unit : Per cent	
	2016	2015
Selling expenses compared with income from sale		
Selling expenses of construction material business	11.6	11.4
Selling expenses of real estate business	12.9	14.9
Total selling expenses	11.7	11.7

## 2.5 Administrative expenses

Administrative expenses were 112.28 million Baht and 92.64 million Baht for 2016 and 2015, respectively, increasing by 19.64 million Baht or 21.2 per cent, because an allowance for doubtful accounts of 7.50 million Baht and an allowance for loss due to machinery impairment of 14.57 million Baht were established in 2016.

## 2.6 Financial costs

Financial costs were 1.754 million Baht in 2016 and 8.78 million Baht in 2015, decreasing by 7.03 million Baht or 80 per cent, because the total loan from financial institutions was lower than that of 2015.

## 2.7 Profit for the year

The Company had profits for the year of 138.10 million Baht in 2016 and 176.19 million Baht in 2015, decreasing by 38.09 million Baht or 21.6 per cent, due to decreasing income from sale and the gross profit rate and establishment of allowance for doubtful accounts and for loss due to machinery impairment described above.

# **3. Analysis of financial position for the consolidated financial statements of 2016 and 2015**

## 3.1 Assets

As at 31 December 2016 the Company and subsidiaries had total assets of 2,140.90 million Baht, increasing by 798.53 million Baht or 59.5 per cent from 2015. Significant changes to the assets were:

	2016	2015	Unit : Million Baht	
			Difference	
			Increase (decrease)	%
Cash and cash equivalents, temporary investment	525.37	101.53	423.84	417.5
Trade and other account receivables	172.38	135.23	37.15	27.5
Inventories	817.31	448.09	369.22	82.4
Real estate for investment	49.09	41.72	7.37	17.7
Property, plant and equipment	496.77	511.84	(15.07)	(2.9)
Non-operating assets	47.96	71.02	(23.06)	(32.5)

1. Cash and cash equivalents, temporary investment increased by 423.84 million Baht as the cash flows from business operation activities were 533.97 million Baht, while the cash flows from financial activities were 11.50 million Baht and 124.46 million Baht were paid in operation activities.

2. Inventories increased by 369.22 million Baht or 82.4 per cent, being 2.70 million Baht decrease in respect of construction material business and 371.92 million Baht increase in respect of real estate business, because there was an investment in a new condominium.

3. Real estate for investment increased by 7.37 million Baht due to investment in construction of a mini-factory building for rent.

4. Property, plant and equipment decreased by 15.07 million Baht net in 2016 when there was a purchase of machinery and equipment in total amount of 39.38 million Baht and disposal of existing machinery in the amount of 5.89 million Baht and depreciation of 64.11 million Baht.

5. Non-operating assets decreased by 23.06 million Baht due to amortization of depreciation during the year and establishment of allowance for loss due to machinery impairment.

### 3.2 Liabilities

As at 31 December 2016 the Company and subsidiaries had total liabilities of 272.28 million Baht, decreasing by 134.08 million Baht or 33 per cent from 2015. Material transactions were as follows.

	2016	2015	Unit : Million Baht	
			Difference	
			Increase (decrease)	%
Short-term loans from financial institutions	0.76	173.43	(172.67)	(99.6)
Trade and other account payables	242.02	109.90	132.12	120.2
Accrued income tax	15.08	22.67	(7.59)	(33.5)
Long-term loan and hire-purchase payables (including those repayable within 1 year)	0.71	88.58	(87.87)	(99.2)

1. Short-term loans from financial institutions decreased by 172.67 million Baht due to repayment of loan for use as the Company's revolving fund.

2. Trade and other account payables increased by 132.12 million Baht due to receipt of deposit for sale of some lands of assets not used in business not operation in the amount of 44.99 million Baht and investment in condominium construction of a subsidiary.

3. Accrued income tax decreased by 7.59 million Baht because the profit before tax of 2016 was lower than that of 2015.

4. Long-term loan and hire-purchase payables (including those repayable within 1 year) decreased by 87.87 million Baht due to repayment of loans to financial institutions and hire-purchase payables.

### 3.3 Shareholders' equity

As at the end of 2016 the Company and subsidiaries had total shareholders' equity of 1,868.62 million Baht, increasing by 932.61 million Baht from the end of 2015, due to 138.14 million Baht comprehensive profit for the year increase, total of 171.16 million Baht dividends and stock dividend paid, 214.59 million Baht paid-up new share registration and exercising of warrants #2 for ordinary shares of the Company (DCON-W2), and 748.08 million Baht share premium from issuance of new shares.

Moreover, the Company registered changes to par value from 1 Baht per share to 0.10 Baht per share, and on 21 December 2015, the extraordinary shareholder meeting resolved to issue 2,139,578,118 new shares to offer for sales proportionally to existing shareholders (Right Offering) at the ratio of 1 existing ordinary share per 1 new ordinary share at the price of 0.45 Baht per share, and the shares were subscribed and paid up on 22 January 2016.

### **4. Liquidity, asset manageability and profitability**

As at 31 December 2016 the Company and subsidiaries had current assets of 1,515.05 million Baht and current liabilities of 258.43 million Baht, hence a liquidity ratio of 5.86 times and a liquidity quick ratio of 2.70 times, average debt collection time of 41 days and average debt repayment time of 76 days.

The decrease of 139.22 million Baht in the income from sale and service provision in 2016 compared with that in 2015, and establishment of allowance for doubtful accounts and allowance for loss from property impairment in the total amount of 22.07 million Baht, caused the profit for the year to decrease by 38.09 million Baht, coupled with the Company was in the process of investing in condominium construction, resulted in the Company having the return on total assets ratio of 10.1 per cent, decreasing from 16.8 per cent in 2015. The tangible asset turnover ratio was 2.01 times, decreasing from 2.20 times in 2015, and the total asset turnover ratio was 0.58 time, decreasing from 0.84 time in 2015.

At the end of 2016 the Company and subsidiaries had total debt to equity ratio of 0.15 time, increasing from at the end of 2015 which was 0.43 time.