Dusit
INTERNATIONAL

Annual Report 2017

STRENGTHENING **THE FOUNDATION**

Content

05 Chairman's Message

06 GROUP CEO Message

10 Significant Financial Information

11 The Results of Operations and Profit Appropriation for Year 2017

12 Key Milestone

14 Directors

16 Shareholding Structure

17 Awards of Dusit International for Year 2017

20 Revenue Structure

23 Nature of Business

49 Risk Factors

55 Shareholders

56 Dividend Policy

57 Management Structure

70 Good Corporate Governance

108 Dusit Thani and Sustainability Development

141 Internal Controls and Risks Management

142 Auditor's fee

143 Related Party Transactions

147 Management Discussion and Analysis 2017

156 The Board of Directors' Responsibility for Financial Reports

157 The Audit Committee Report for year 2017

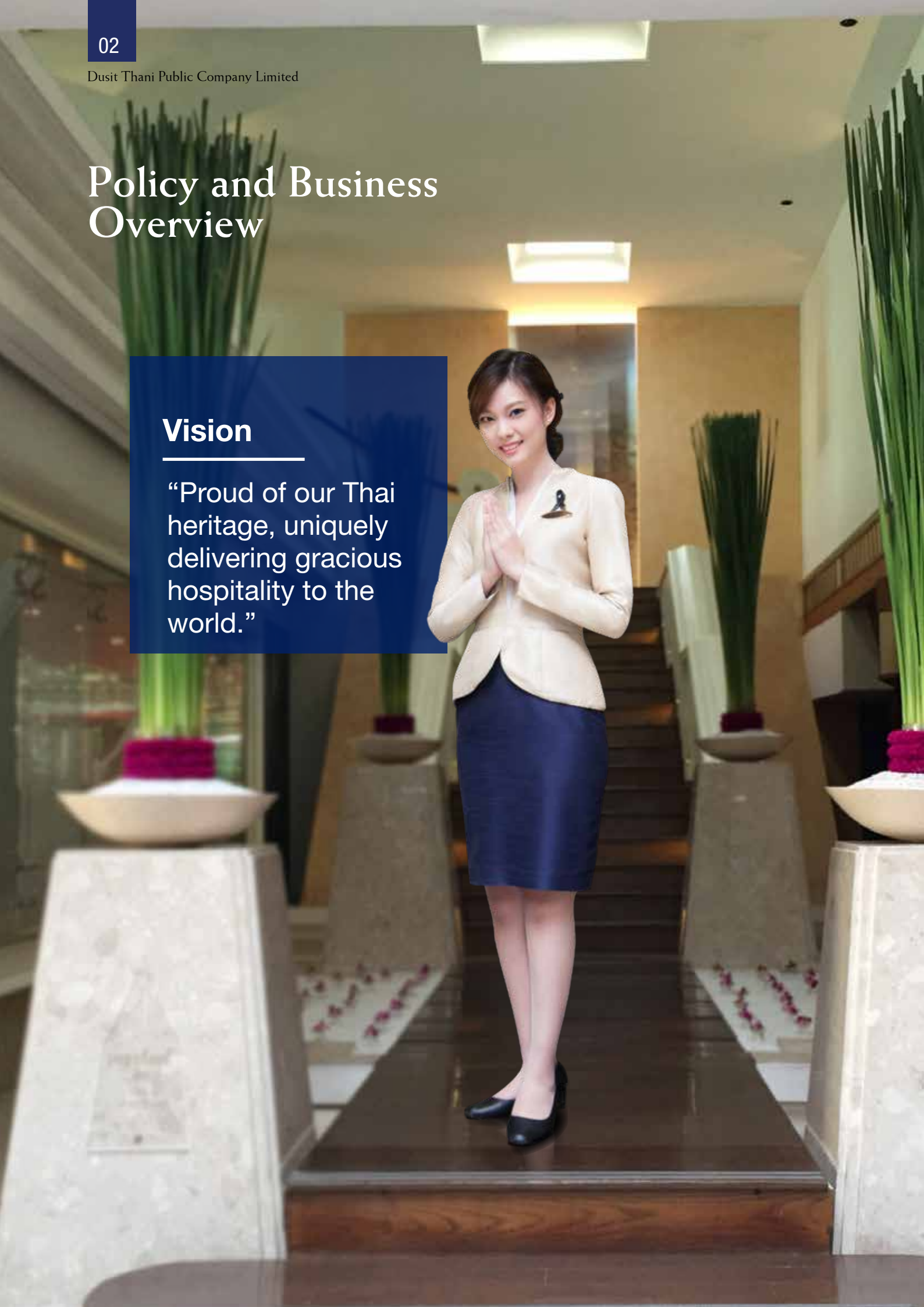
159 Financial Statements

257 Board of Directors, Executives, Authorized Persons and Company Secretary

275 Subsidiary and Associated Companies

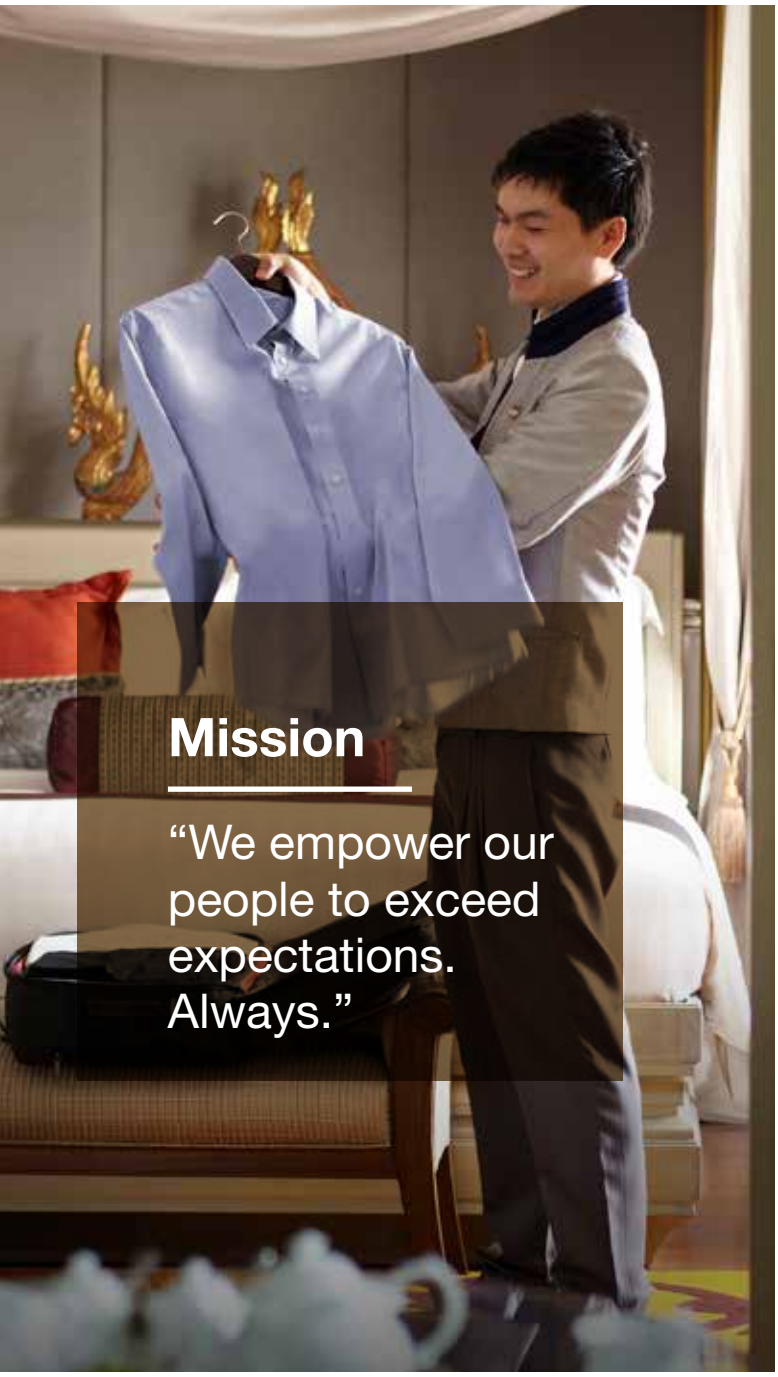
280 General Information and Other Significant Information

Policy and Business Overview



Vision

"Proud of our Thai heritage, uniquely delivering gracious hospitality to the world."



Mission

"We empower our people to exceed expectations. Always."

Our Core Values

"CARE"
"COMMIT"
"CAN DO!"

Business Goal

The Company has planned a 9-year business strategy (Year 2016 – 2025) for the sustainable growth as follows:

1. Balance - to create the revenue balance for increasing overseas business ratio to 50% as well as to balance the business development between owned hotels (Capital investment) and managed hotels (Asset light) minimizing the capital investment and maximizing the return on assets ratio.

2. Diversify - to boost the variety of business types for the risk diversification by goal setting of a 10% revenue contribution from investment in new businesses.

3. Expand - to expand the business by doubling hospitality business to 14,000 rooms within 2021.

Sustainability, of course, is all about considerate planning for the future. Just as Rome wasn't built in a day, we recognize our vision for a globe-spanning company will not be realized overnight. But the steps we take early in our journey are nevertheless essential to reaching our goals, and every stride must be made with purpose. Clear direction from the very top is essential.

Arsa Sarasin
Chairman

Chairman's Message

Dear shareholders and stakeholders,

In 2017 we entered the second year of our nine-year strategy for sustainable and profitable growth, and in our journey towards balance, expansion and diversification, we placed 'Strengthening the Foundation' at the center of our business.

Not only did Dusit invest heavily in human capital to enhance our capacity for growth, but we also performed much-needed renovations of our longest-running properties to maintain their competitive advantage. As such, a softened financial performance was inevitable. But this is simply a case of short-term loss for long-term gain.

Sustainability, of course, is all about considerate planning for the future. Just as Rome wasn't built in a day, we recognize our vision for a globe-spanning company will not be realized overnight. But the steps we take early in our journey are nevertheless essential to reaching our goals, and every stride must be made with purpose. Clear direction from the very top is essential.

With this in mind, in 2017 we successfully enhanced the Board by appointing three new members whose rich experience in various industries will help to strengthen DTC's capacity for achieving our strategic goals.

This included tapping into the financial and educational knowledge of Prof. Emeritus Dr. Khunying Suchada Kiranandana, who, among other roles, is an active board member of Kasikorn Bank and current Chairperson of the University Council, Chulalongkorn University; and the financial expertise of Mr. Pakhawat Kovithvathanaphong, whose current positions, amongst others, include Honorary Director, Government Pension Fund (Thailand), and Chairman of the Board of Directors, Trinity Watthana Public Company Limited. Both joined the Board as independent directors in March 2017.

The third member to join the Board as independent director, in June 2017, was Mr. Somprasong Boonyachai. With over 40 years of experience in telecoms and related technology, and a current director of leading companies such as BEC World and Thaicom, he now provides vital guidance in line with DTC's efforts to enrich its guest and customer experience via cost-effective, high-tech solutions.

Another important development in 2017 was our decision to postpone the closing date of our flagship hotel, Dusit Thani Bangkok (DTBK). The property was originally slated to close for redevelopment on 16 April 2018 as part of our upcoming mixed-use project, but we decided to move the date to 5 January 2019 to allow more time to add even greater value to the project in terms of design and innovation.

With the land lease for DTBK graciously extended by the Crown Property Bureau for almost 70 years, we are now in an ideal position to create a new city landmark that enhances existing infrastructure, celebrates Thai culture, creates new opportunities for local businesses, and elevates our company's standing internationally. All of this, of course, will create enduring value for all of our stakeholders – and we are determined for it to flourish and prosper.

On behalf of the Board of Directors, I would like to thank all our shareholders, customers, guests, business partners and all other stakeholders for your continued support of our business. The extended operations of Dusit Thani Bangkok, coupled with the opening of at least 10 new hotels in China, Philippines, and new destinations such as Bahrain, Bhutan, Singapore and Vietnam, provide a strong foundation for success in 2018. Through innovation, investment, and focus on long-term outcomes, we look forward to continuing building a bright financial future for us all.

Arsa Sarasin
Chairman

Group CEO Message

Dear shareholders and stakeholders,

2017 was very much a year of consolidation, capital investment, and adaption for our company as we continued laying the groundwork for a sustainable and profitable future.

From extensive renovations of our longest-running properties, to developing our human capital, to the strategic divestment of Dusit Princess Korat hotel, every decision and investment we made was designed to strengthen our foundations and enhance our capacity for long-term revenue generation.

By year end, we reported a net profit of THB 267 million, an increase of 134% from 2016.

Strengthening the foundations

In our pursuit of a bright and sustainable future for the company, in 2017 we looked deep into the company's core foundations – its people, processes, properties, technology, and financial capabilities – and began refining each element in line with our masterplan for long-term success.

Architects of our own destiny, we further consolidated, diversified, and fortified our fundamental operations with a view to building a solid company structure able to weather industry disruption, technological shifts and economic storms.

This included investing in people. Throughout the year we successfully secured top new talent to enhance our team and elevate our capacity towards achieving our strategic goals. Our strategic blend of long-service staff and newcomers has led to many initiatives that will add value for all shareholders and stakeholders.

One such initiative was the successful formation and introduction of the Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT). Converted from the original Dusit Thani Freehold and Leasehold Property Fund (DTCPF),

DREIT provides increased tax efficiency, the ability to invest in real estate in Thailand and abroad, and more freedom to renovate hotels under the trust. This will help to unlock the full potential of our assets, drive the expansion of our business, and create even more value for investors.

Towards global expansion

In 2017 we also made good progress towards global expansion. Our Development team signed 17 properties across Bahrain, Bangladesh, China, Ethiopia, Nepal, Thailand and Vietnam, taking our tally of properties in the pipeline worldwide to over 60.

Dusit Hospitality Education, meanwhile, successfully received its licence to operate the pioneering Dusit Hospitality Management College, a unique fully integrated hospitality school and hotel in Manila, Philippines. In Bangkok we also formed the Dust Thani Excellence Centre, which will enhance Dusit Thani College's capacity to offer short culinary and hospitality courses for corporate clients.

Properties currently under the trust include Dusit Thani Laguna Phuket, Dusit Thani Hua Hin, and dusitD2 Chiang Mai. More properties will be added according to commercial viability.

In 2017, we also invested in extensive renovations of Dusit Thani Laguna Phuket, guest rooms at Dusit Thani Pattaya and Dusit Thani Manila, and a complete make-over of Benjarong Restaurant at Dusit Thani Manila. The positive results of these renovations were quick to manifest. Within just two months after reopening, for example, Benjarong restaurant was named one of the 14 Hot New Global Restaurants by CNN Travel. The restaurant was also swiftly granted the THAI SELECT seal of approval from the Ministry of Commerce in Thailand, cementing its reputation as one of the best Thai restaurants in the Philippines.

Alongside strengthening our property foundation in Thailand to focus on key leisure and tourism destinations, including the strategic divestment of Dusit Princess Korat, we began exploring options to establish a presence in even more international markets. This included opening a new Global Sales Office in India, one of the world's fastest growing outbound markets, and establishing strategic partnerships with two renowned hotel companies – Dossen International Group in China, and Colours International Co., Ltd., in Japan – to drive expansion of our operations within both countries.

In terms of diversification, we also invested in FavStay, a Thai online start-up offering condos and villas for rent in Thailand's top destinations. We have realised that, by embracing the sharing economy and leveraging its success, we can add value to our existing business units informed by the lessons we learn from the innovative

business models of the sharing economy.

Building for success

In the first three years of our strategic journey, as we invest in our foundations, we may see a drop in our top and bottom line; this is to be expected. It is important to remember, however, that we are still very much at the beginning of our journey – and this is the most crucial stage.

The best example of our long-term vision for the company can be seen with the redevelopment of our flagship property, Dusit Thani Bangkok. Originally scheduled to close for redevelopment in April 2018, we postponed the hotel's closing date to 5 January 2019 to allow us more time to work on the design and add even greater value to the new project. The first steps to any journey are always the most significant, and we will always ensure we have the strength and capacity to go the distance and succeed time and time again.

Key to our success is our strategy. In 2018 we will enter the third year of our proposed nine-year journey towards balance, diversification and global expansion, and in line with global economic recovery and continued expansion of Thailand's tourism industry, we expect to see a 5% YoY revenue growth.

Added value will come from continuing to strengthen our foundations, including opening at least 10 new hotels in six countries; conducting offseason renovations of our hotels in Phuket, Maldives and Pattaya, with an estimated CAPEX of THB 255 million; expanding Dusit Hospitality Education overseas with the opening of Dusit Hospitality Management College in Manila, Philippines; developing new lines of business in the food and beverage sector; signing more hotel management agreements and franchising contracts in key international markets; and introducing a new hotel brand aimed at the fast-growing market of 'millennial-minded' travellers.

With these foundations firmly in place, we'll be ideally positioned to build towards a bright and sustainable future.

On behalf of everyone at DTC, I would like to thank you all for your continued support for our business and our unique brand of gracious hospitality. We look forward to creating value we can all be proud of.

Suphajee Suthumpun
Group CEO

Dusit Princess Moonrise Beach Resort
Phu Quoc, Vietnam

dusitD2 City Centre Bahrain

dusitD2 Yarkay Thimphu

dusitD2 Resort & Spa Vung Tau, Vietnam

Dusit Thani Laguna Singapore

Blueprint for sustainable success

In building towards the future, we are working towards three clear goals: double our number of hotel rooms in operation, balance our portfolio to generate 50 per cent of our business outside of Thailand, and diversify our lines of business so that 10 per cent of total revenue comes from new investments. We aim to achieve all this by 2025.

Double our number of hotel rooms in operation

x2

Balance our portfolio to generate

50%

of our business outside of Thailand

diversify our lines of business so that

10%

of total revenue comes from new investments.

Significant financial information
(Consolidated Financial Statements)

	2015	2016	2017
Financial position (in Thousand Baht)			
As of December 31,			
Total assets	9,388,476	9,032,977	9,978,315
Total liabilities	3,984,011	3,678,888	4,097,598
Equity - the Company	4,593,203	4,588,981	4,823,537
Operation performance (in Thousand Baht)			
For the years ended December 31,			
Total revenues	5,369,590	5,425,132	5,569,666
Revenues from sales and services	4,895,150	4,974,352	4,722,927
Cost of sales and services	2,901,951	2,915,209	2,801,253
Depreciation and amortization	643,922	661,689	592,048
Total expenses	1,531,209	1,706,870	1,765,095
Net profit - the Company	199,189	114,121	267,038
Net profit	253,101	152,915	332,369
Ratio per share /1 (in Baht)			
Net profit - the Company	0.236	0.135	0.316
Dividend	1.20	0.10	0.158
Book value	5.43	5.43	5.71
Numberr of shares (million shares)	850	850	850
Profitability ratio (%)			
Net profit margin	3.17	2.10	4.79
Return on equity	4.41	2.49	5.67
Return on assets	3.72	2.33	4.95
Leverage ratio			
Interest-bearing debt to equity ratio (times)	0.45	0.37	0.35
Debt to Equity Ratio (times)	0.87	0.80	0.85
Interest coverage ratio (times)	18.13	14.66	14.51

The proposed dividend for 2017 has been approved by the Board of Directors on February 22, 2018 and will propose to the 2018 Annual General Meeting of Shareholders to approve on April 23, 2018.

/1 This ratio has been recalculated resulted from the change in par value from Baht 10 per share to Baht 1 per share in May 2016. (except for the 2015 dividend)

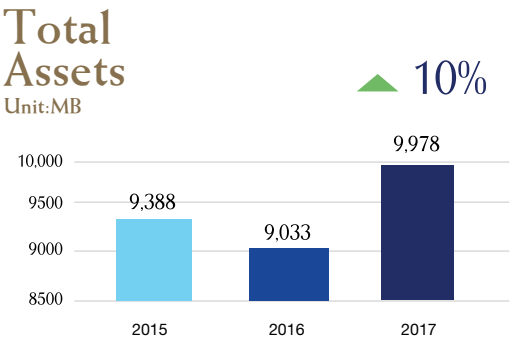
The Results of Operations and Profit Appropriation for Year 2017

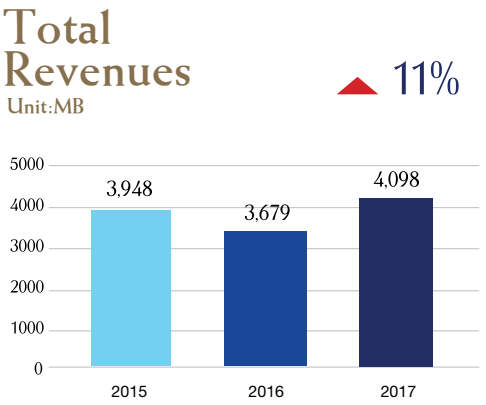
The Board of Directors present the results of operations of the Company presented in the financial statements for the year ended December 31, 2017, the unappropriated retained earnings at the beginning was Baht 1,341,997,268, deducted amount of Dusit Thani College of Baht 216,698,328, the unappropriated retained earnings was Baht 1,125,298,940. After deducting final dividend of 2016 paid on 850,000,000 shares at Baht 0.10 per share, totaling Baht 85,000,000 (including dividend paid to treasury shares – net of non-controlling interest of Baht 471,323), the balance of unappropriated retained earnings was Baht 1,040,770,263

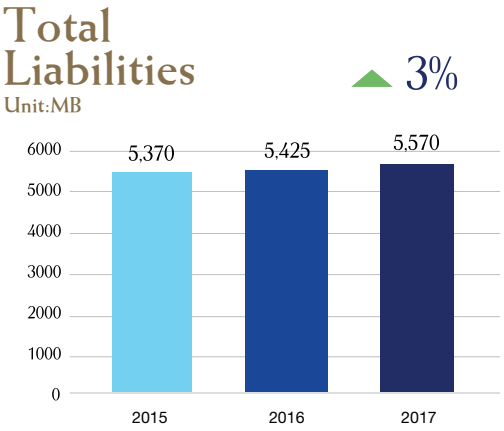
The Board of Directors proposes the appropriation of retained earnings for 2017 dividend as follows:

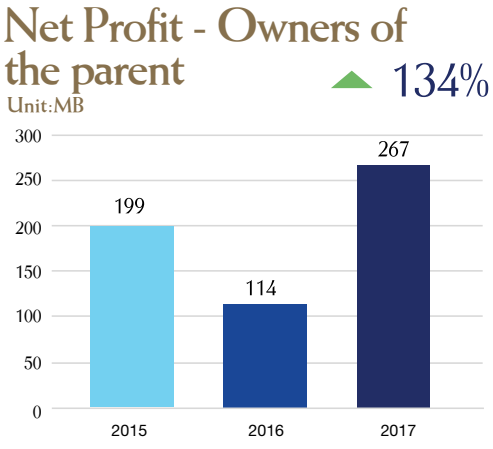
	(Baht)
Unappropriated retained earnings brought forward	1,040,770,263
Unappropriated retained earnings brought forward – Dusit Thani College	216,698,328
Unappropriated retained earnings brought forward	1,257,468,591
Add Profit for 2017	267,038,293
Less Transfer excess of revenues over expenses to Dusit Thani College fund	(47,349,581)
Add Defined benefit plan actuarial gains for 2017	13,319,341
Total unappropriated retained earnings	**1,490,476,644**
Dividend of 2017 on 850,000,000 shares at Baht 0.158 per share, totaling	(134,300,000)
Unappropriated retained earnings carried forward	**1,356,176,644**

If the Annual General Meeting of Shareholders approves the mentioned appropriation, the Company will pay such dividend on May 11, 2018.









Key Milestone

2018

March

Dusit Thani Public Company Limited joined Central Pattana Public Company Limited in proportion of 65:35 to invest in the THB 36.7 billion Mixed-Use Property Development project at the intersection of Silom and Rama IV road which consist of Hotel, Residence, Retail Shopping Center and Office Building.

April

Dusit Thani Public Company Limited invested in Dusit Colors Company Limited, a joint venture company, to seek opportunity for Dusit Brand business growth and expansion in Japan.

dusit thani college excellence centre

August

Repositioned a vocational hotel school Dusit Thani Hotel Studies Co., Ltd. to be Dusit Thani Excellence Center, Dusit Thani College's academic research and curriculum development center, food research and recipe development center and center for non-degree education and services.

December

- Converted Dusit Thani Freehold and Leasehold Property ("DTCPF"), into Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") to be listed and traded in Stock Exchange of Thailand on December 15, 2017.

- Disposed of land, building and other relevant assets of Dusit Princess Korat to Imperial Nakornratchasima Limited and Sup Imperial Korad Company Limited as part of the assets restructuring of Dusit Thani group of companies.

Board of Directors

Mr. Kenneth Korsirisophon
Director

Mrs. Varang Chaiyawan
Director/ Compensation Committee Member/ Governance and Nomination Committee Member

Professor Dr.Kittipong Kittayarak
Independent Director / Audit Committee Member

Mrs. Sinee Thienprasiddhi
Director/ Executive Director

Mrs. Suphajee Suthumpun
Director/ Executive Director/ Group Chief Executive Officer

Mr. Arsa Sarasin
Chairman/ Independent Director

Mr. Chanin Donavanik
Vice Chairman/
Executive Committee
Chairman

Mrs. Pranee Phasipol
Independent Director /
Audit Committee Member /
Compensation Committee
Member / Governance and
Nomination Committee Member

Mr. Somprasong Boonyachai
Independent Director

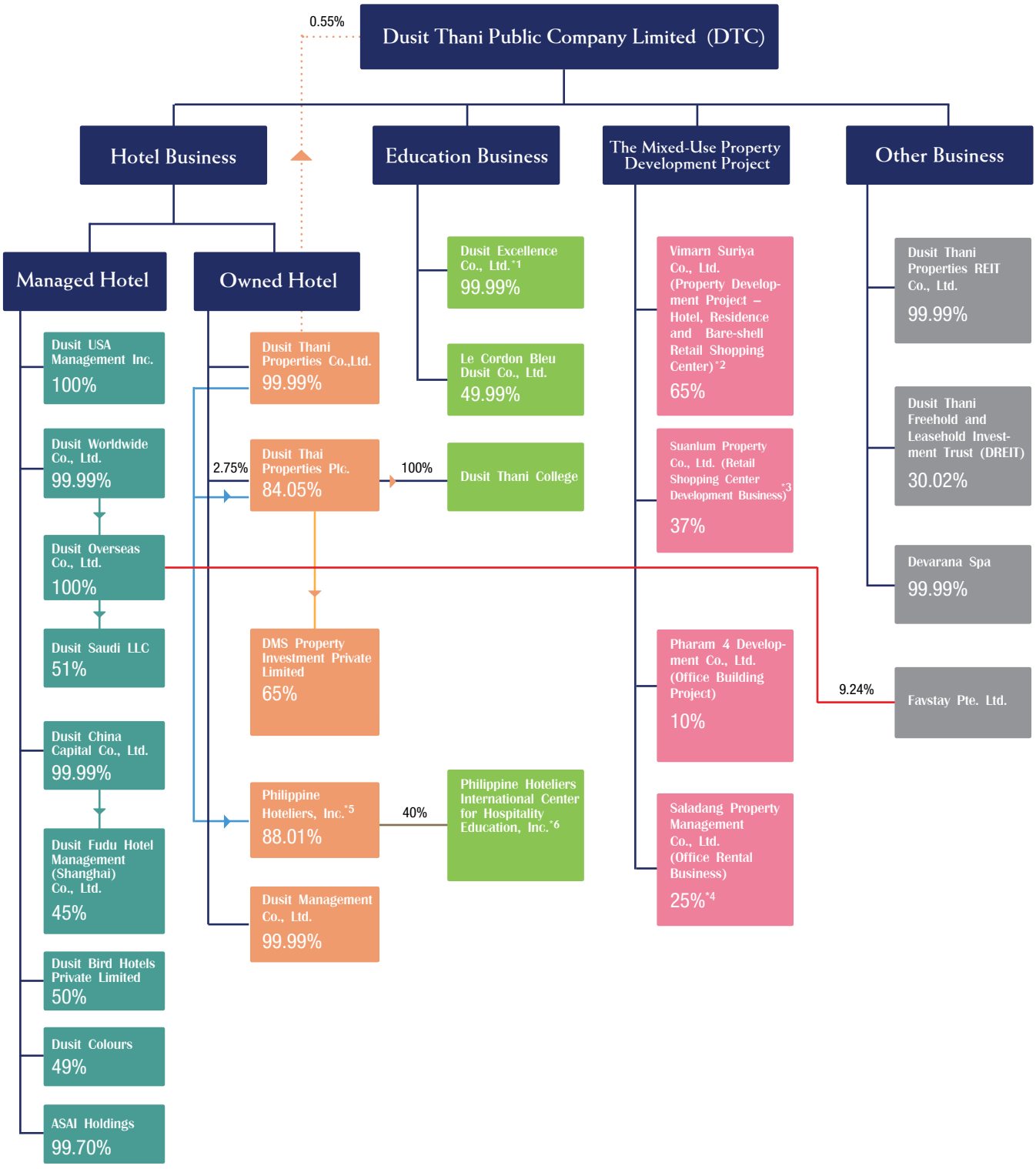
Professor Hiran Radeesri
Independent Director /
Audit Committee Chairman
/ Compensation Committee
Chairman / Governance
and Nomination Committee
Chairman

Prof. Emeritus Dr. Khunying Suchada Kiranandana
Independent Director

Mr. Pakhawat Kovithvathanaphong
Independent Director

Dusit Thani Public Company Limited

Shareholding Structure as of December 31, 2017



Remarks

*1 Dusit Excellence Co., Ltd. formerly named Dusit Thani Hotel Studies Co., Ltd.

*2 Dusit Thani Public Company Limited (DTC) will gradually sell its shares to Central Pattana Public Company Limited (CPN) and the final shareholding proportion between DTC and CPN will be 60 : 40

*3 DTC will gradually sell its shares to CPN and the final shareholding proportion between DTC and CPN will be 15 : 85

*4 DTC will gradually sell its shares to CPN and the final shareholding proportion will be 100 percent wholly owned by CPN

*5 Under registration to be renamed Dusit Thani Philippines, Inc.

*6 Under registration to be renamed Dusit Hospitality Education Philippines, Inc.

Awards of Dusit International for Year 2017

Dusit Thani Bangkok 2017 Best Hotel in Bangkok, Thailand by Worldwide Best Hotel.com	**Dusit Thani Bangkok** Hotels.com_Excellent 4.3 out of 5 by Hotel.com	**Dusit Thani Bangkok** Benjarong Restaurant received "Top Tables 2017" by BK Magazine
Dusit Thani Bangkok Benjarong, Contemporary Thai received "Thailand Tatler Best Restaurant 2017" by Thailand Tatler Magazine	**Dusit Thani Bangkok** Guest Review Awards by Booking.com	**Dusit International** "Asia most promising brand" by World consulting & research corporation (WCRC)
Dusit Thani Bangkok Hamilton's Steak House Restaurant receives "Excellence for 19th Bangkok's Best Restaurant Awards 2017 in the Steakhouse & Grill Category" by Reader's Choice of Bangkok Best Dining & Entertainment Magazine	**Dusit Thani Bangkok** Thien Duong Restaurant receives "A Winner for 19th Bangkok's Best Restaurant Awards 2017 in the Specialties Cuisine Category" by Reader's Choice of Bangkok Best Dining & Entertainment Magazine	**Dusit Thani Bangkok** The Mayflower Restaurant receives "A Winner for 19th Bangkok's Best Restaurant Awards 2017 in the Chinese Category" by Reader's Choice of Bangkok Best Dining & Entertainment Magazine

Dusit Thani Maldives World Boutique Hotel Awards - Best Honeymoon Hideway 2017	**Dusit Thani Maldives** "Asia's Most Excellent Hotel Resort" in Asia Awards of Excellence 2017	**Dusit Thani Manila** TTG Travel Awards Best City Hotel Manila 2017
Dusit Thani Maldives Haute Grandeur Global Hotel & Spa Awards 2017 in 3 categories; • Best Luxury Hotel in Indian Ocean • Best Family Resort in the Indian Ocean • Best Hideway Spa on a Global Level	**Dusit Thani Dubai** Hospitality Excellence Awards for Middle East and North Africa 2017 • Hotel Team of the Year (Dusit Thani Dubai) • Purchase of the Year (Mr. Ranjit Sharma) • Guest Service of the year (Ms. Shiny Sharma)	**Dusit Thani Guam** Pika's Best of Guam 2017 • Best Hotel • Best Banquets • Best Cocktail Lounge
Dusit Thani Abu Dhabi Luxury Travel Guide (LTG) -Africa & Middle East Awards	**Dusit Thani Abu Dhabi** Hotels.com recognition- 4.5 out of 5	**Dusit Devarana Hot Springs & Spa Conghua Guangzhou** The Best Construction Design Hotel of China Hotel Golden Horse Awards in 2017

dusitD2 Chiang Mai	Dusit Princess Chiang Mai	Dusit Thani Pattaya
Certificate of Excellence from TripAdvisor 2017	Thailand Tourism Standard 2017-2019	Certificate of Excellence 2017 from TripAdvisor
Dusit Thani Hua Hin	**Dusit Princess Srinakarin**	**Dusit Princess Srinakarin**
Top-performing of all businesses worldwide on www.agoda.com and www.booking.com by leading Online Travel Agent	Agoda Guest Review Awards 2017, Point 8.6 out of 10	Holiday Check recognition - 5.2 out of 6

Revenue Structure

• Classified by Revenues

Revenues and shareholding structures of the Company in subsidiaries which was eliminated the related party transactions for 3 years ended December 31,

(Unit : Thousand Baht)

Sales and Services	Company	% of shares holding	2015		2016		2017	
			Revenues	%	Revenues	%	Revenues	%
1. Revenue from Hotel Business								
1.1 Revenue from Owned Hotel Business	1. Dusit Thani PCL.	100.00	1,512,000	28.2	1,493,960	27.5	1,491,422	26.8
	2. Philippine Hoteliers, Inc.	88.00	675,182	12.6	780,004	14.4	691,553	12.4
	3. Dusit Thai Properties PCL.	86.79	467,187	8.7	471,092	8.7	432,966	7.8
	4. Dusit Management Co., Ltd.	99.99	1,144,553	21.3	1,104,386	20.4	1,005,172	18.1
	5. DMS Property Investment Pvt. Ltd.	56.41	740,189	13.8	738,209	13.6	761,170	13.7
Total Revenue from Owned Hotel Business			**4,539,111**	**84.5**	**4,587,653**	**84.6**	**4,382,283**	**78.7**
1.2 Revenue from Hotel Management Business	1. Dusit Thani PCL.	100.00	59,711	1.1	66,528	1.2	71,258	1.3
	2. Dusit Thai Properties PCL.	86.79	3,434	0.1	2,742	0.1	2,636	0.1
	3. Dusit Overseas Company Limited	99.99	117,875	2.2	100,616	1.9	79,052	1.4
	4. Dusit USA Management Inc.	100.00	-	-	48,888	0.9	66,443	1.2
	5. Dusit Worldwide Co., Ltd.	99.99	-	-	11,191	0.2	5,414	0.1
	6. Share of loss from investments by the equity method[1]		(41,231)	(0.8)	(29,604)	(0.6)	(16,970)	(0.3)
Total Revenue from Hotel Management Business			**139,789**	**2.6**	**200,360**	**3.7**	**207,833**	**3.7**
Total Revenue from Hotel Business			**4,678,900**	**87.1**	**4,788,013**	**88.3**	**4,590,116**	**82.4**

Sales and Services	Company	% of shares holding	2015		2016		2017	
			Revenues	%	Revenues	%	Revenues	%
2. Education business	1. Dusit Thani PCL	100.00	32,191	0.6	22,019	0.4	16,153	0.3
	2. Dusit Thani College	86.79	403,067	7.5	412,472	7.6	408,409	7.3
	3. Dusit Excellence Co., Ltd.	99.99	1,338	0.0	8,882	0.2	3,630	0.1
	4. Share of profits from investments by the equity method[2]		28,127	0.5	31,049	0.6	13,457	0.2
Total Revenue from Education business			**464,723**	**8.7**	**474,422**	**8.7**	**441,649**	**7.9**
3. Other income								
3.1 Rental and services	1. Dusit Thani PCL.	100.00	76,289	1.4	77,553	1.4	74,027	1.3
3.2 Dividend income			14,451	0.3	15,764	0.3	15,489	0.3
3.3 Share of profits from investments by the equity method[3]			53,728	1.0	20,634	0.4	23,234	0.4
3.4 Others			81,499	1.5	48,746	0.9	425,151	7.6
Total Other income			225,967	4.2	162,697	3.0	537,901	9.7
Total Revenues			**5,369,590**	**100.0**	**5,425,132**	**100.0**	**5,569,666**	**100.0**

Remarks: [1] Share of loss from investment in joint venture: Dusit Fudu Hotel Management (Shanghai) Co., Ltd.

[2] Share of profits from investments in joint venture: Le Cordon Bleu Dusit Co., Ltd. and in associate: Philippine Hoteliers International Center for Hospitality Education, Inc.

[3] Share of profits from investments in associates: Dusit Thani Freehold and Leasehold Property Fund, Dusit Thani Freehold and Leasehold Real Estate Investment Trust, Suanlum Property Co., Ltd. and in joint venture: Dusit Colours Co., Ltd.

• Classified by Hotels

Revenues structure from each hotel under Dusit Thani Group, by not considering percentage of ownership by the Company, consisted of room, food and beverage and other income of hotel operation which was not eliminated the related party transactions for the 3 years ended December 31,

(Unit : Thousand Baht)

Hotel	Company	% of shares holding	2015		2016		2017	
			Revenues	%	Revenues	%	Revenues	%
Dusit Thani Bangkok	Dusit Thani PCL.	100.00	897,161	19.7	915,120	19.9	902,135	20.5
Dusit Thani Pattaya	Dusit Thani PCL.	100.00	619,089	13.6	583,262	12.7	592,127	13.5
Dusit Thani Manila	Philippine Hoteliers, Inc.	88.00	680,761	14.9	785,399	17.1	692,367	15.8
Dusit Princess Chiang Mai	Dusit Thai Properties PCL.	86.79	142,214	3.1	146,758	3.2	133,367	3.0
Dusit Princess Srinakarin	Dusit Thai Properties PCL.	86.79	218,742	4.8	221,024	4.8	210,842	4.8
Dusit Princess Korat	Dusit Thai Properties PCL.	86.79	111,972	2.5	109,051	2.4	89,274	2.0
Dusit Thani Hua Hin	Dusit Management Co., Ltd.	99.99	450,402	9.9	419,437	9.1	382,174	8.7
Dusit Thani Laguna, Phuket	Dusit Management Co., Ltd.	99.99	542,630	11.9	530,949	11.5	488,002	11.1
DusitD2 Chiang Mai	Dusit Management Co., Ltd.	99.99	152,090	3.3	154,570	3.4	141,994	3.2
Dusit Thani Maldives	DMS Property Investment Pvt. Ltd.	56.41	740,176	16.3	738,209	16.0	759,303	17.3
Total revenues from owned hotels operated by Dusit Thani Group			**4,555,237**	**100.0**	**4,603,779**	**100.0**	**4,394,584**	**100.0**

Nature of Business

Dusit Thani Public Company Limited, "the Company", is engaged in hospitality services which include the operations of owned hotels, providing hotel management services under trademark licensing of "Dusit Thani". The Company also engages in education business and other businesses. Details of which are as follows:

Company	Nature of Business
	Hotel and Hotel Management Business
Dusit Thani Public Company Limited	- Owns hotel brands "Dusit Thani", "Dusit Devarana", "dusitD2", "Dusit Princess" and "Dusit Residence" - Owns spa brands "Devarana Spa", "Namm Spa", "DVN Spa", "d v n urban" and "dvn" - Owns and operates 2 hotels; Dusit Thani Bangkok, and Dusit Thani Pattaya - Manages 6 hotels under its subsidiaries in Thailand; (1) Dusit Thani Laguna Phuket, (2) dusitD2 Chiang Mai and (3) Dusit Thani Hua Hin. All three hotels are managed under Dusit Management Co., Ltd., (4) Dusit Princess Srinakarin, (5) Dusit Princess Korat* and (6) Dusit Princess Chiang Mai. All three hotels are managed under Dusit Thai Properties Public Company Limited. - Manages 2 hotels in Thailand and overseas; dusitD2 Khaoyai and dusitD2 Hotel Constance Pasadena, U.S.A. - Grants trademark and license to 4 hotels; Dusit Island Resort Chiang Rai, Dusit Thani Krabi Beach Resort, Dusit Thani Residence Davao and dusitD2 Residence Cebu City Philippines.
Philippine Hoteliers, Inc.	- Owns one hotel in the Philippines; Dusit Thani Manila which is managed by Dusit Worldwide Co., Ltd.
Dusit Thai Properties Public Company Limited	- On April 1, 2009, Royal Princess Public Company Limited and Dusit Hotels and Resorts Company Limited were merged as Dusit Thai Properties Public Company Limited. - Owns brand "Royal Princess". - Owns land and hotel building of Dusit Thani Hua Hin. - Owns Dusit Princess Chiang Mai, Dusit Princess Srinakarin and Dusit Princess Korat*. - Grants trademark and license to 2 hotels; Pathumwan Princess Hotel and Royal Princess Larn Luang. - Note:* The hotel was sold to Imperial Nakhon Ratchasima Co., Ltd. and Sup Imperial Korad Co., Ltd. on 28 December 2017.
Dusit Overseas Co., Ltd.	- Manage hotels in overseas; Dusit Thani Abu Dhabi, Dusit Thani Dubai including Unfurnished apartment at Dusit Thani Dubai Pearl Coast Premier Hotel and Apartment**, Dusit Thani Lakeview Cairo and dusitD2 Nairobi. - Grants trademark and license to 3 hotels, Dusit Residence Dubai Marina, dusitD2 Kenz and dusitD2 Residence AL Manzel Abu Dhabi. - Nature of Business - Note: **The hotel management agreement was terminated in September 2017.

Company	Nature of Business
Dusit Management Co., Ltd.	- An established juristic person for hotel operation for Dusit Thani Laguna Phuket, dusitD2 Chiang Mai and Dusit Thani Hua Hin to support the property management of Dusit Thani Freehold and Leasehold Real Estate Investment Trust.
DMS Property Investment Private Limited	- Owns Dusit Thani Maldives, which is under management agreement with Dusit Worldwide Co., Ltd.
Dusit USA Management, Inc.	- A juristic person which is registered in Delaware, U.S.A. for hotel management business in U.S.A. - Manages Dusit Thani Guam.
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	- Manages hotels in the Republic of China; dusitD2 Fudu Binhu Changzhou, Dusit Thani Fudu Qingfeng Changzhou, Dusit Thani Dongtai, Jiangsu, Dusit Devarana Hot Spring and Spa Conghua Guangzhou, and Dusit Princess Resort Panzhihua Sichuan.
Dusit Bird Hotels Private Limited	- A Joint Venture company between Dusit Thani Public Company Limited and Bird Hospitality Services Private Limited (India) for hotel management in India. - Due to different strategic investment plan between the Company and Bird Hospitality Services Private Limited (India), in 2016, both companies mutually agreed to close down their joint venture and it is underway.
Dusit Saudi LLC	- A Joint Venture company between Dusit Overseas Company Limited and Dyar Hotels and Resorts Limited for hotel management in Saudi Arabia, the Middle East and North Africa.
Dusit Worldwide Co., Ltd.	- The group's regional operating headquarters provides hotel management services to the foreign companies such as Dusit Thani Manila and Dusit Thani Maldives and the hotels under the management of Dusit Overseas Co., Ltd. - Provides the marketing services to the hotels in Thailand or overseas for the affiliated companies.
Dusit China Capital Co., Ltd.	- Holds shares in Dusit Fudu Hotel Management (Shanghai) Co., Ltd.
Dusit Thani Properties Co., Ltd. (Formerly known as Dusit Thani International Co., Ltd.)	- Invests in other companies
Dusit Colours Co., Ltd.	- Provides the technical management consultancy related to hotel, serviced apartment, property, restaurant, spa, and other related businesses as a rented franchise and/or owns its business in Japan.
ASAI Holdings Co., Ltd.	- Hotel and hotel management business and invest in other businesses.
	Education Business
Dusit Thani College	- An educational institution offering courses in hotel management and administration.
Le Cordon Bleu Dusit Co., Ltd.	- A French style culinary school
Philippine Hoteliers International Center for Hospitality Education, Inc.	- Operates an educational business in the Philippines.
Dusit Excellence Co., Ltd. (Former known as Dusit Thani Hotel Studies Co., Ltd.)	- Operates properties rental business.

Company	Nature of Business
	Other Related Business
Dusit Thani Public Company Limited	- Owns and operates the office building for rent named Dusit Thani Building
Devarana Spa Co., Ltd.	- Operates spa business
Vimarn Suriya Co., Ltd.	- Operates property development business, hotels, residences and bare-shell retail shopping center
Suanlum Property Co., Ltd.	- Operates retail shopping center development business.
Phraram 4 Development Co., Ltd.	- Operates office building business.
Saladang Property Management Co., Ltd.	- Operates rental office business.
Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)	- Formerly known as Dusit Thani Freehold and Leasehold Property Fund (DTCPF) which was converted to Dusit Thani Freehold and Leasehold Real Estate Investment Trust. - The properties of Dusit Thani Freehold and Leasehold Property Fund (DTCPF) including ownership of Dusit Thani Laguna Phuket project, dusitD2 Chiang Mai, Leasehold of Dusit Thani Hua Hin project have been transferred to Dusit Thani Freehold Real Estate Investment Trust (DREIT), which its shares are held by the Company at 30.02% - Owns 2 hotels; Dusit Thani Laguna Phuket and dusitD2 Chiang Mai. - Owns a leasehold at Dusit Thani Hua Hin.
Dusit Thani Properties REIT Co., Ltd.	- Manager of Dusit Thani Freehold and Leasehold Real Estate Investment Trust.

Business Operation of Each Business

At present, the Company is engaged in hotel business-related service as follows:

1. Hotel Business

Characteristic of Products and Services

The Company operates under 5 trademarks which are:

- Dusit Thani
- Dusit Devarana
- dusitD2
- Dusit Princess
- Dusit Residence

Each hotel trademark has its own uniqueness to respond to different and several requirements of each group of customers.

Hotel operation of the Company is divided into 2 categories.

1.1 The Company-Owned Hotel Business

- **Under Dusit Thani Plc.** are 5-star hotels under Dusit Thani trademark.
  - **Dusit Thani Bangkok** consists of 517 guestrooms divided into 233 Superior room, 149 Deluxe rooms, 71 Dusit Rooms, 36 Dusit Club Rooms, 23 Thai Heritage Suite One Bedroom, 2 Rattanakosin Suite One Bedroom, 1 Ambassador Suite Two Bedroom, 1 Princess Suite Two Bedroom and 1 Majesty Suite. Hotel's facilities including food & drink, banquet rooms, meeting & seminar room and other hotel's facilities i.e. swimming pool, fitness club (DFiT), spa 'Devarana', Dusit Shop and varieties of products for local community and souvenir, Dusit Gourmet, limousine service for hotel transfer and airport pickup, tour service, money exchange service, baby-sitting service, hair salon, laundry, postal service and telephone service.
  - The hotel's customers mainly are expatriates both travellers and business persons. The hotel normally organize seminars to both local Thailand and overseas. Majority of travellers usually travel and stay in the hotel during October - March in the following year, which is during high season. The low season is during April - August with less number of travellers.
  - The hotel is located on leased land from the Crown Property Bureau, initially for a term of 30 years from April 1, 1973 to March 31, 2003 with rights to renew the lease twice for a term of 15 years each. The Company has renewed the lease for the first 15 year commencing from April 1, 2003 to March 31, 2018.
  - On December 22, 2016, the Company has enterd into the land lease agreement with the Crown Property Bureau ("new land lease agreement") for the new term of 30 years with the rights to renew such agreement for another 30 years. The period of the lease per this agreement starts from July 2024 onwards. However, the Company has a construction period in total of 7 years since July 2017 onwards. According to the new land lease agreement, the Company agreed to waive its current rights of remaining leased term including the rights to extend the term to another 15 years in order to start the Mixed-Use Project.
  - On March 1, 2017, the Company announced the joint investment in the mixed-use property development project with Central Pattana Public Company Limited (CPN), a partner. This project consists of a hotel, residence, retail shopping center and office building which is to be located at Dusit Thani Bangkok Hotel and the Crown Property Bureau's additional leased plot of 5-0-74.25 rais of land which is totally 23-2-2.72 rai of the whole lease land.
  - **Dusit Thani Pattaya** is located in Chonburi province. The resort-style hotel with 457 guest rooms which are divided into 304 Deluxe rooms, 58 Club rooms, 42 Club Grand rooms, 24 Family Suites, 15 One-Bedroom Suites, 9 Cabana Rooms, 3 Dusit Suites, 2 Royal Princess Suites. Hotel's facilities include Food & Beverage, banquet room, meeting & seminar rooms and others i.e. tennis court, swimming pool, fitness club 'DFit', Deverana Spa, Dusit Shop and retail shop for local products and souvenirs, bakery shop "Dusit Gourmet", limousine service, touring service, money exchange service, baby-sitting service, hair salon, laundry, postal service and telephone service.

- The hotel is located on a land lease agreement with Siri Pattaya Co., Ltd. Initial agreement between Siri Pattaya Co., Ltd. and Landmark Hotel Co., Ltd. starting from October 1, 1987 to September 30, 2017. Later, on January 24, 2000, the rights to lease has been registered to transfer from Landmark Hotel Co., Ltd. to Dusit Thani Plc. with the period running from February 1, 1994 to September 30, 2017. On January 2006, the Company has renewed the land lease agreement in advance for another 10 years, by canceling the previous land lease agreement and entering into a new agreement which was registered with the Department of Land in Chonburi Province on February 2, 2006. The period of new land lease agreement is effective from January 1, 2006 to December 31, 2027

- **Under Dusit Thai Properties Plc.** are 4-star hotels under Dusit Princess Trademark including
  - **Dusit Princess Chiang Mai** is located on Chang-Klan Road, Chiang Mai consisting of 198 hotel rooms & suites. The hotel provides accommodation, food and beverage, meeting rooms and catering.
  - **Dusit Princess Srinakarin** is located on Srinakarin Road, Bangkok consisting of 198 hotel rooms. The hotel provides accommodation, food and beverage, meeting rooms and catering.
  - **Dusit Princess Korat** is located in Nakhon Ratchasima consisting of 186 hotel rooms. The hotel provides food and beverage, meeting rooms and catering. The hotel was sold its business to Imperial Nakorn Ratchasima Company Limited and Sup Imperial Korad Company Limited on December 28, 2017.

- **Under Philippine Hoteliers, Inc.**

This Company was set up in the Philippines to operate and own Dusit Thani Manila, located in Makati City. This hotel consists of 500 guest rooms divided into 209 Deluxe Rooms, 136 Premier Rooms, 74 Club Premier Rooms, 12 Junior Suites, 6 Deluxe Suites, 20 Grand Rooms, 10 Premier Executive Suites, 30 Club Executive Suites, 2 Ambassador Suites, 1 Presidential Suite Hotel's facilities include Food & Beverage, banquet room, meeting & seminar rooms and others i.e. tennis court, swimming pool, fitness club 'DFit', Deverana Spa, Dusit Shop and retail shop for local products and souvenirs, bakery shop "Dusit Gourmet", limousine service, tour service, money exchange service, baby-sitting service, hair salon, laundry service, postal service, telephone service, Valet Service and Medical Clinic.

- **Under DMS Property Investment Private Limited**

This Company was set up in Republic of Maldives to operate and own Dusit Thani Maldives, located at Republic of Maldives, Mudhdoo Island. The hotel has 94 Villas; 19 Beach Villa, 10 Beach Villa with pool, 7 Beach Villa Deluxe with pool, 29 Water Villa with pool, 20 Ocean Villa with pool, 5 Two-Bedroom Family Beach Villa, 2 Two-Bedroom Ocean Pavilion, 2 Two-Bedroom Beach Residence.

The hotel's facilities include Food & Beverage outlets and others i.e. swimming pool, water sport center, Guest Gym, Deverana Spa, Staff Shop and 2 retail shops on rent i.e. one for Jewelry and another for local products and souvenirs, domestic flight services between Male International Airport and Dharvandhooh (Nearby domestic airport) and seaplane services between Male International Airport and resort

Hotel Business under Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT)

On December 21, 2010, Dusit Thani Freehold and Leasehold Property Fund (DTCPF) was officially established and it invested in the DTCPF by holding investment units at 30.02% on December 24, 2010. Later, there was the resolution from the meeting of unit holders of Dusit Thani Freehold and Leasehold Property Fund (DTCPF) No. 1/ 2017 which held on September 14, 2017 to convert the Dusit Thani Freehold and Leasehold Property Fund (DTCPF) into Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("DREIT") and started trading DREIT trust units in the Stock Market of Thailand on December 15, 2017. However, there are 3 hotels under DREIT; Dusit Laguna Phuket, dusitD2 Ching Mai and Dusit Hua Hin, leased by Dusit Management Co., Ltd., which is the 99.9% owned subsidiary of Dusit Thani Public Company Limited.

1.2 Hotel Management Business

Characteristic of Products and Services

Management hotels and resorts at present are as follows:

(1) "Dusit Thani" Dusit Thani Hotels & Resorts are the 5-star hotels under the brand "Dusit Thani". Such business includes the grant to use the trademark "Dusit Thani" (Licensing) under the standard of service provision controlled by the Company. All hotel management and licensing agreements are entered into by Dusit Thani Public Company Limited.

Dusit Thani
HOTELS & RESORTS

Renowned, full-service brand that artfully delivers gracious, Thai-inspired hospitality

Dusit Thani Brand is a renowned, up-market, full-service brand that embodies the richness and tradition of Asian culture that are calm, fragrant and colorful, with every detail crafted to lift the spirit and engage the senses.

Guests experience the genuine warmth, respectfulness, and commitment of the staff with each stay and in each moment.

Dusit Thani Hotels & Resorts are located near the central business district and major attractions of each destination, offers exceptional infrastructure and services for all occasions, including special celebrations and major business and social events.

Current Dusit Thani Hotels & Resorts' brands listed below:

- Dusit Thani Bangkok, Thailand
- Dusit Thani Hua Hin, Thailand(1)
- Dusit Thani Pattaya, Thailand
- Dusit Thani Laguna Phuket, Thailand(2)
- Dusit Thani Krabi Beach Resort, Thailand(3)
- Dusit Thani Manila, Philippines
- Dusit Thani Maldives
- Dusit Thani Dubai, U.A.E.

- Dusit Thani Abu Dhabi, U.A.E.
- Dusit Thani Lakeview Cairo, Egypt
- Dusit Thani Guam Resort, U.S.A.
- Dusit Thani Dongtai, Jiangsu, China
- Dusit Thani Fudu Qingfeng, Changzhou, China

(2) "Dusit Devarana" Dusit Devarana provides an exceptional enclave for those who lead truly global lives. What makes it different is that its properties are selected intimate hotels and resorts where each person is regarded as being 'at home in residence' with all resources at their disposal. Its role is to create 'a world of one' that perfectly meets an individual's leisure or business needs. This is transfused through devotion in understanding individuality of need, and delivering individuality in experience.

DUSIT DEVARANA
HOTELS & RESORTS

Refined sanctuaries in distinctive destinations offering the utmost in personalised luxury.

The brand reflects the ultimate in luxury and refinement, providing an enriching experience through intellectual and artistic touch points, and a modern yet timeless aesthetic. With personalized, discreet, flawless service and privacy for each individual, Dusit Devarana provides an escape from the everyday world - a sense of renewal, a renaissance of the mind.

Current **Dusit Devarana Hotels & Resorts**' brands listed below:

• Dusit Devarana Hot Spring & Spa Conghua Guangzhou, the Republic of China

(3) "dusitD2" dusitD2 is a contemporary hotel and resort brand whose distinctive combination of cutting-edge design, high-tech connectivity and efficient, modern convenience reflects the needs and desires of today's new generation travellers. dusitD2 hotels & resorts are a smart and happening place to stay for the savvy modern travellers.

dusitD2
hotels & resorts

Contemporary upscale brand ideal for today's tech-savvy, hyper-connected travellers.

dusitD2hotels & resorts are strategically located in key business and entertainment precincts, dusitD2 properties are destinations in themselves, where every experience is designed to surprise and delight. A place to meet and interact, dusitD2 is the new classic of our times, a place known for its contemporary scene, relaxing luxury and colourful charisma.

Current **dusitD2 Hotels & Resorts'** brands listed below:

- dusitD2 Chiang Mai, Thailand [(2)]
- dusitD2 Khao Yai, Thailand
- dusitD2 Fudu Binhu, Changzhou, China
- dusitD2 Hotel Constance Pasadena, U.S.A.

- dusitD2 Nairobi, Kenya
- dusitD2 Kenz Dubai, U.A.E. (5)

(4) "Dusit Princess" Dusit Princess is an upper-midscale hotel brand. Each hotel has its own distinctive personality, embracing the culture and character of the local community. The hotels are designed to appeal to travelers who seek an optimal combination of a well-located hotel with comfortable and functional rooms, essential business facilities, services and sustainable value.

DUSITPRINCESS
HOTELS & RESORTS

Efficient, affordable, upper-midscale brand for business and leisure travellers.

The hotels are efficient, affordable and dynamic with modern facilities that provides experiences that ensure the well-being of business and leisure travellers.

Current Dusit Princess Hotels & Resorts' brands listed below:

- Dusit Princess Chiang Mai, Thailand
- Dusit Princess Srinakarin, Bangkok, Thailand
- Dusit Princess Panzhihua, Sichuan, China

(5) "Affiliate Properties"

Current **Dusit's Affiliate Properties** listed below:

- Dusit Island Resort Chiang Rai, Thailand (3)
- Pathumwan Princess, MBK Centre, Bangkok, Thailand (6)
- Royal Princess Larn Luang, Bangkok, Thailand (6)
- Dusit Residence Dubai Marina, U.A.E. (5)

Upcoming **Dusit's Affiliate Properties** listed below:

- Dusit Thani Brookwater, Australia
- Dusit Thani Balapitiya, Sri Lanka
- Dusit Thani Cam Ranh, Vietnam
- Dusit Thani Fushun, Liaoning, China
- Dusit Thani Fuzhou, Fujian, China
- Dusit Thani Huizhou, Guangdong, China(4)
- Dusit Thani Jeddah, Saudi Arabia
- Dusit Thani Laguna, Singapore
- Dusit Thani Lubi Island, Philippines
- Dusit Thani Paradise Safari Park Hotel and Casino Nairobi, Kenya
- Dusit Thani Panzhihua, Sichuan, China
- Dusit Thani Qingyuan, Guangdong, China
- Dusit Thani Residence Davao, Philippines(3)
- Dusit Thani Residence Maslak Istanbul, Turkey
- Dusit Thani Samara Sousse, Tunisia

- Dusit Thani Shaoxing, Zhejiang, China
- Dusit Thani Suining, Sichuan, China
- Dusit Thani Suzhou, Jiangsu, China
- Dusit Thani Zaozhuang, Shandong, China
- Dusit Thani Zhabei, Shanghai, China
- Dusit Thani Nanjing, Jiangsu, China[4]
- Dusit Thani Yangon, Myanmar
- Dusit Thani Addis Ababa, Ethiopia
- Dusit Thani Himalayan, Nepal
- Dusit Thani Mactan Cebu, Philippines
- Dusit Thani Shanghai, Jingan, China
- Dusit Thani Wanfo Lake, Anhui, China
- Dusit Devarana Haikou, Hainan, China
- Dusit Devarana Zhuzhou, Hunan, China
- Dusit Devarana Huizhou, Guangdong, China
- Dusit Devarana Maldives, the Republic of Maldives
- dusitD2 Chaengwattana, Bangkok, Thailand
- dusitD2 Huahin, Thailand
- dusitD2 Phuket Aria, Thailand
- dusitD2 Darbieshan, Anhui, China
- dusitD2 Davao, Philippines
- dusitD2 Kuta Beach, Bali, Indonesia
- dusitD2 Palm Mall, Muscat, Oman
- dusitD2 Punakha, Bhutan
- dusitD2 Residence Al Manzel Abu Dhabi, U.A.E. [5]
- dusitD2 Residence Cebu City, Philippines
- dusitD2 Residence Yangon, Myanmar
- dusitD2 Salwa Doha, Qatar
- dusitD2 Society Hill, Tianjin, China[4]
- dusitD2 Suining, Sichuan, China
- dusitD2 Sunset Road, Bali, Indonesia
- dusitD2 Thimphu, Bhutan
- dusitD2 The Fort, Manila, Philippines
- dusitD2 Ulaanbaatar, Mongolia
- dusitD2 Vung Tau, Vietnam
- dusitD2 Waves San Juan, Philippines
- dusitD2 City Centre Bahrain, Bahrain
- dusitD2 Residence Huizhou, Guangdong, China
- Dusit Princess Chiang Rai, Thailand
- Dusit Princess Cebu City, Philippines
- Dusit Princess Dhaka, Bangladesh [3]
- Dusit Princess Jiangyin, Jiangsu, China
- Dusit Princess Phu Quoc, Vietnam[3]

- Dusit Princess Residence Xuhui, Shanghai, China
- Dusit Princess Rijas, Dubai, U.A.E. (5)
- Dusit Princess Fuzhou, China
- Dusit Hotel and Suite Doha, Qatar

Remarks: (1) Leasehold under Dusit Thani Freehold and leasehold Real Estate Investment Trust
(2) Licensing Agreement with Dusit Thani Freehold and leasehold Real Estate Investment Trust
(3) Licensing Agreement with Dusit Thani Public Company Limited
(4) Licensing Agreement with Dusit Fudu Hotel Management (Shanghai) Co., Ltd.
(5) Licensing agreement with Dusit Overseas trademark
(6) Licensing Agreement with Dusit Thai Properties Public Company Limited

2. Education Business

Dusit Thani Public Company Limited has set up the Education Business Unit with the objectives of expanding more education units and training both in Thailand and overseas, especially where Dusit's hotels are located for preparing professional workforce and manpower to work in global hospitality industry especially Dusit's hotel. At present, the Company's education business has been recognized and consistently grown into large scale.

Dusit Hospitality Education Business Units are as follows:

2.1 DUSIT THANI COLLEGE

Dusit Thani College started off as a vocational school under Dusit Thani Hotel Group on June 1, 1993 from the determination of Thanpuying Chanut Piyaoui, Chairperson and Managing Director of Dusit Thani Public Company Limited at that moment with the purpose of producing the professional hospitality personnel who would be expected to become a driving force in the development of hotel and tourism business whereby has offered two English curriculums at the certificate level: one in the Hotel Operation (Diploma in Hotel Operation), and another in Culinary Arts (Professional Chef Diploma).

Since the beginning of the operation, the school placed great emphasis on the academic excellence and provided quality teaching and learning - both on the theoretical and practical aspects. Consequently, the standard of education provided by the school was well recognized by the society more widely. Later, the school developed and upgraded the curriculum for the Bachelor's degree program in the hospitality industry with an eye to meet the need of society. The curriculum was approved by the Ministry of University Affairs and finally, the school was upgraded to become a higher educational institution (university level). The fully accredited "Dusit Thani College" came into existence on May 30, 1996.

At present, the college offers both Bachelor's Degree Program and Master's Degree Program as the details specified below.

- **Dusit Thani College (Bangkok)**

Undergraduate Level

1. Bachelor of Business Administration in Hotel and Resort Management
2. Bachelor of Business Administration in Culinary Arts and Kitchen Management
3. Bachelor of Business Administration in Tourism Management
4. Bachelor of Business Administration in MICE and Events Management
5. Bachelor of Management in Service Innovation in Tourism and Hotel Business

Undergraduate Level (International Program, teaching in English)

1. Bachelor of Business Administration in Hotel and Resort Management
   (With the academic certification of École hôtelière de Lausanne)
2. Bachelor of Business Administration in Culinary Arts and Restaurant Management
   (A joint degree program with Le Cordon Bleu)

Undergraduate Level (Experience-Based Credit Transfer)

1. Bachelor of Business Administration in Hotel and Resort Management
2. Bachelor of Business Administration in Culinary Arts and Kitchen Management

Graduate Level

Master's Degree in Business Administration

- **Dusit Thani College (Pattaya City Centre)**

Undergraduate Level

1. Bachelor of Business Administration in Hotel and Resort Management
2. Bachelor of Business Administration in Culinary Arts and Kitchen Management
3. Bachelor of Business Administration in MICE and Events Management

Furthermore, Dusit Thani College also offers various short professional courses such as Hospitality Access Program (HAP) – Five-month training programs, Thai Culinary Arts, Mini-MBA in Hospitality Management and Executive Programs in Hotel Management etc.

Apart from focusing on the academic excellence and producing qualified graduates, Dusit Thani College has supported and contributed to the social on developing qualified personnel who wish to work in the service industry in foreign countries. Throughout 18 years, Dusit Thani College has been authorized by the Department of Skill Development, Ministry of Labor to organize skill tests for job seekers in the 5-certified job testing which is composed of Food Production, Bartending, Food and Beverage Service, Front Office Operations and Housekeeping. Currently, there are a large number of personnel who have passed the test and worked in overseas.

Currently, Dusit Thani College Bangkok and Pattaya City Center have been certified by Thailand Professional Qualification Institute (Public Organization) (TPQI), as an organization responsible to certify the professional competency standard in

1. Tourism Hotel and Restaurant Occupation for Thai Food production, Thai cuisine, and Thai desserts.
2. Health and Wellness Service Activity Occupation for SPA Service

As the leader in Asia's hospitality education, Dusit Thani College sustainably develops international collaborations in various areas with the leading international institutions such as:

- **ASO COLLEGE GROUP, JAPAN** – in the area of Japanese language and Cultural tourism in Fukuoka, Japan. The intention is to improve the quality of Japanese language study of our students. Dusit Thani College also established Japanese Center as well as open the Japanese course which is taught by Japanese teachers that selected from ASO COLLEGE GROUP at Dusit Thani College.

- **ECOLE HÔTELIÈRE DE LAUSANNE, SWITZERLAND** – to develop and certify an international program for Bachelor of Business Administration in Hotel and Resort Management.
- **LE CORDON BLEU, FRANCE** – to develop and offer an international joint degree program: Bachelor of Business Administration in Culinary Arts and Restaurant Management.
- **LYCEUM OF THE PHILIPPINES UNIVERSITY (MANILA, CAVITE, BATANGAS AND LAGUNA)** – Dusit Thani College acts as a consultant on teaching quality, assessment, and learning resources.
- **THE HONG KONG POLYTECHNIC UNIVERSITY, HONG KONG** – One of renown university in Asia and the world, jointly offer Executive Hotel Industry Professional Development Programs with the course of Innovation, Leader in Hospitality Industry and MICE.
- **TSUJI CULINARY INSTITUTE, JAPAN** – in the area of joint educational program in Japanese Culinary and cuisine course to the public and Dusit Thani College students for selecting as a free elective subject for Bachelor Degree.
- **GAMBERO ROSSO, ITALY** – in the area of Italian Cuisine courses to the public and Dusit Thani College students for selecting as a free elective subject for Bachelor Degree.
- **BALI INTERNATIONAL TRAINING AND DEVELOPMENT CENTRE, INDONESIA** – Dusit Thani College acts as a consultancy service to operate hospitality institute in Bali and have a plan to offer a short program to the public in the near future.
- **ECOLE DE SAVIGNAC, FRANCE** – The well known hospitality and tourism education has started the student exchange program in the undergraduate program with Dusit Thani College.

In addition, Dusit Thani College also cooperates with other hospitality and tourism organizations in exchanging and sharing knowledge and experience such as:

Working with Thailand Professional Qualification Institute (Public Organization) in creating the national testing standard for Thai Food Production. Dusit Thani College also assisted Department of Tourism conducting the ASEAN Competency Standard training for the staff of Department of Tourism. Dusit Thani College is now working with Thai Airways International in developing the training program for flight attendants in the First Class.

In order to maintain the up-to-date knowledge of hospitality industry and for its further development of this field, Dusit Thani College has been a membership of the well-known hospitality institutes as follows:

- THE INTERNATIONAL COUNCIL ON HOTEL, RESTAURANT, AND INSTITUTE EDUCATION (ICHRIE)
- THE ASIA PACIFIC COUNCIL ON HOTEL, RESTAURANT, AND INSTITUTIONAL EDUCATION (APACCHRIE)
- THE PACIFIC ASIA TRAVEL ASSOCIATION (PATA) – The President of Dusit Thani College has been appointed to be the committee on Education Board since 2013.
- THE ASSOCIATION OF ASIA PACIFIC BUSINESS SCHOOL – which is the first private higher education institution in Thailand.
- THE THAILAND CONVENTION AND EXHIBITION BUREAU (TCEB)
- THE THAILAND INTENSIVE AND CONVENTION ASSOCIATION (TICA)

- THE INTERNATIONAL CENTER OF EXCELLENCE IN TOURISM AND HOSPITALITY EDUCATION (THE-ICE) – The President of Dusit Thani College has been appointed to be the director of THE-ICE Board since 2014.
- THE WORLD ASSOCIATION OF CHEFS' SOCIETIES – Dusit Thani College is the first Thailand education institution that offically recognized high standard in culinary education and training from WACS.

In 2017, Dusit Thani College organized Dusit Gracious Hospitality and Tourism International Conference from November 29 to December 1, 2017 at Dusit Princess Srinakarin Hotel, Bangkok. There are many experts, specialists, and academicians attending the conference to exchange the idea and experience about the trend of the hospitality and tourism as well as present their research.

The college, thus, strives for its constant development on research projects. The college publishes the book "The Authentic Thai Cuisine, Dusit Thani College Standard" which developed from the research project entitled "The Development of Thai Food Recipes in Accordance with Dusit Thani College Standard", a research that obtained a copyright and trademark registration with Department of Intellectual Property, Ministry of Commerce, to with the purpose in promoting and preserving the authentic Thai Food to public. The college is now in the process of developing the Thai Food Recipes in the second phase.

Furthermore, the Dusit Thani College Journal is also certified by the Thai-Journal Citation Index (TCI) Centre and be listed in the first tier which does have the content and quality according to the international standard and will be selected to be listed in ASEAN Citation Index (ACI) later.

In academic competition, Dusit Thani College participated in wide range of academic competitions both domestic and international level, for example:

1. Dusit Thani College has been invited to participate in Hong Kong International Culinary Classic in Hong Kong SAR from May 8-11, 2017.
2. Dusit Thani College has been invited to be Thailand representative to participate the 44th World Skills Competition in food production in Abu Dhabi, the United Arab Emirates from October 14-19, 2017. The Dusit Thani College students also received the silver medal in food production which is the only medal that Thailand received in the competition.

For over 24 years of success, Dusit Thani College has been recognized as one of the international hospitality education institutions with quality learning and teaching activities from top-notch faculty with professional experience in hospitality industries. The college has produced qualified graduates to be competence in both practical skills and managerial skills with high creativity and vision that meet the need of the industry both domestic and overseas. The college currently has more than 3,447 full-time students, and has produced more than 5,301 successful graduates and alumni to the industry.

Dusit Thani College, under the investment of Dusit Thai Properties Public Company Limited, is located on Srinakarin Road, Pravet district in Bangkok on 12 rai area which consists of 2 buildings with 14,083 square meter space of classrooms, practical rooms, demonstration rooms and fully equipped kitchens, as well as proper student recreation facilities. In 2017, Dusit Thani College has started the renovation plan to improve facilities in order to match with the international standard.

2.2 LE CORDON BLEU DUSIT CULINARY SCHOOL (Le Cordon Bleu Dusit Co., Ltd.)

Le Cordon Bleu Dusit Co., Ltd (LCBD) is a joint venture between Dusit Thani Public Company Limited and Le Cordon Bleu International B.V. LCBD was established in 2007 and is fully accredited by the Thai Ministry of Education, and offers the most complete and comprehensive training in classic French culinary techniques.

LCBD currently enrolls between 1,000 – 1,200 students per year into its **Classic Cycle** Programme consisting of French Cuisine, French Patisserie, Bakery, Thai Cuisine and other short courses. This Classic Cycle Programme continues to be the School's predominant revenue source. LCBD's 540-hour Professional Thai Cuisine course was developed in 2010 to promote Thai cuisine internationally and enrolment into this course continues to prove successful. LCBD opened its very first Bakery course called The Art of Bakery, also in 2010, a 240-hour programme that teaches in-depth into the art and science of bread making, and has proven to be continuously popular and successful. Apart from this LCBD has also introduced its Wine Studies Course, a 45-hour programme that has a close cooperation with both local and international wine suppliers and aims to provide knowledge in all aspects of wine and viticulture.

LCBD endeavors to cater to a wide range of clientele, and offers a variety of Short Courses or Workshops, both to the general public and corporate clients. All of LCBD's Workshops are taught by our professional chef instructors and aims to enrich learning opportunities for novices, students and alumni.

LCBD was pleased to introduce in 2014 a special cooking class specifically for children, known as Les Petit Cordon Bleu, and is offered during the Thai and International school holidays. The course aims to inspire young children to explore the culinary world and be able to not only have fun but to learn to hone their kitchen skills as well.

LCBD is part of a renowned network of educational institutes around the world, and is dedicated to providing the highest level of French culinary techniques and discipline. The Le Cordon Bleu brand todays extends its presence to 35 campuses in 20 countries, and with 122 years of heritage and experience. LCBD has been recognized as one of the top 3 culinary schools in Asia in 2009, 2010, and 2011 by the World Gourmet Summit in Singapore. In 2017, we are honored to be nominated once again for consideration in the group of "Hospitality Institution of the Year (Regional).

LCBD continues to innovate and expand while maintaining its cultural heritage, and is determined to introduce new programme to serve the needs of our students. The joint venture has established itself as the premier private vocational provider of culinary training in Thailand and is attracting more international students into its programme every year.

Courses

- Classic Cycle Programme – Weekday Class and Saturday Class
  - French Cuisine Class (Diplôme de Cuisine)
  - Pastry Class (Diplôme de Pâtisserie)
  - French Cuisine and Pastry Class (Grand Diplôme)
- The Professional Thai Cuisine Programme
- The Art of Bakery
- Wine Studies Course
- Culinary Discovery Programme (Short Courses)

Le Cordon Bleu Dusit Culinary School is located on the 1st floor of Dusit Thani Building, 946 Rama IV Road, Silom, Bangrak, Bangkok with total approximately 2,000 square meter space. School is fully equipped with well and modern facilities with kitchen for cuisine, pastry, demonstration, barista, wine classes and a library.

2.3 Dusit Thani Excellence Centre (DTEC)

In order to expand its academic services to public from its main location on Sri Nakarin Road, Dusit Thani College established Dusit Thani Excellence Centre (DTEC) on October 1, 2017. For this purpose, the college sub-leased approximately 50% or approximately 3,473.75 square meters of usable area of approximately 6,947.5 square meters of a building at 588/5 Phetchaburi Road, Ratchathewee District in central Bangkok from Dusit Excellence Co., Ltd. The building has 7 stories, built on 1 rai and 66 square wah plot of land, fully equipped with modern classrooms, IT infrastructure, demo and practical kitchens, mock-up rooms for front office and house-keeping operations, cafeteria, and other supporting facilities. Apart from use for offering short courses and corporate training, DTEC will also be utilized as research facilities for College's future projects.

2.4 Philippine Hoteliers International Center for Hospitality Education, Inc.

Philippine Hoteliers International Center for Hospitality Education, Inc. (PHI Education) has operated the Education Institute, registering in the Republic of the Philippines since 15 July 2015. PHI Education at Dusit Hospitality Management College offers Bachelor degree programmes in Hospitality Management, and Tourism Management, and through the Professional Advancement Centre a number of certified courses in Culinary Arts and Hotel Operations.

3. The Mixed-Use Property Development Project

The Mixed-Use Property Development Project (Mixed-Use Project) is a joint investment between Dusit Thani Public Company Limited which proceeded through its subsidiary and associate companies with Central Pattana Public Company Limited which consists of the new Dusit Thani Hotel Bangkok, a residence, a retail shopping center and an office building. The total investment value will not exceed Baht 36,700 million. This investment is developed on 23-2-2.72 rais of land located at the intersection of Silom Road and Rama IV Road with details as follows:

1. The joint investment in the Property Development Project which will consist of the rights to land lease, develop and construct a hotel, a residence and a retail shopping center through Vimarn Suriya Company Limited.
2. The joint investment in the shopping center project through Suanlum Property Company Limited.
3. The joint investment in the office project through Saladang Property Management Company Limited which Phraram 4 Development Company will be assigned the land lease right from Dusit Thani Public Company Limited for the Office Project and Saladang Property Management Company Limited will sublease the land from Phraram 4 Development Company Limited.

The investment of the mixed-use property development project will be located on the leased land of 15-3-67.84 rais which the Company have entered into an agreement with the Crown Property Bureau on July 31, 1968 for the period of 30 years from April 1, 1973 to March 31, 2003. The Company is entitled to extend for another 2 terms which are 15 years each and the rental fee would be renegotiated. The Company

firstly renewed the lease agreement for the land of 18-1-28.20 rais with the term of 15 years from April 1, 2003 to March 31, 2018. The Company which later waived to extend the existing leasing agreement and has entered into the new agreement with the Crown Property Bureau for 23-2-2.72 rais of land with the term of 30 years signed on December 22, 2016 (Additional land of 5-74.52 rais from 18-1-28.20 rais which Olympia Building, Thai Insurance Building and 9 blocks of commercial buildings are located).

This project is an expansion to the main hotel business to diversify, increase competitiveness and strengthen Dusit Thani brand by its uniqueness of Thai heritage preservation as well as utilized maximization of the land which will also benefit for tourists and Thai citizens. This location is truly a city center which consists of business center, major Bangkok's transportation connected ways to BTS sky train and MRT subway, an A-grade residential areas located at the opposite of Lumpini Park, the big greenery area of Bangkok. The Company is confident that this project will be a new landmark of Bangkok similar to 48-year-ago that Dusit Thani Hotel Bangkok has embarked its history which will also strengthen the Dusit brand. The project construction is expected to start at the end of 2019 and to be completed at the end of 2023 till the middle of 2024.

Nevertheless, Dusit Thani Bangkok Hotel still operates until January 5th, 2019 which was postponed from the original plan to cease its operation on April 2018 after the Company has considered related factors and spent more time in details of the designs and project development with prudence, care and delicacy of every step to design the project that answers the needs of both conservation and innovation. This includes not only building greenery area connected to Lumpini Park, but also connecting all levels of transportation consisting underground, ground area or sky-high to relieve the congested traffic problem in this area.

In summary, the Mixed-Use Property Development Project is currently under demolishing office buildings and commercial building on the additional land of 5 rais located next to Dusit Thani Hotel Bangkok's office building and parking area.

4. Other businesses

4.1 Dusit Thani Properties REIT Co., Ltd.

The Company operates and manages trust and it is currently a trust manager for Dusit Thani Freehold and Leasehold Real Estate Investment Trust. Its major revenue is from trust management fee and disposition / acquisition fee of assets of trust. Presently, Dusit Thani Freehold and Leasehold Real Estate Investment Trust has invested in hotel projects as follows:

- Dusit Thani Laguna Phuket is located in Talang, Phuket. The hotel is decorated in a contemporary Thai style with 225 guest rooms providing accommodation, food and beverage, meeting rooms and caters to hotel guests and the general public.
- dusitD2 Chiang Mai is located on Chang Klan Road, Chiang Mai. The hotel consists of 131 guest rooms combining modern amenities with Thai hospitality and atmosphere to serve the needs of its guests.
- Dusit Thani Hua Hin (leasehold) is located in Amphur Cha-am, Petchaburi. The resort-style hotel with 296 guest rooms providing accommodation, food and beverage, meeting rooms and caters to hotel guests and the general public.

4.2 Devarana Spa

Spa business is operated under Dusit Thani Public Company Limited with 11 locations; 4 in Thailand and 7 overseas.

Four Devarana Spas in Thailand are at

1. Dusit Thani Bangkok
2. Dusit Thani Pattaya
3. Dusit Thani Hua Hin
4. dusitD2 Chiang Mai

Seven Devarana Spas overseas are at

1. Dusit Thani Manila
2. Dusit Thani Maldives
3. dusitD2 Nairobi Kenya
4. Dusit Thani Guam, USA
5. Dusit Thani Lakeview Cairo
6. Dusit Devarana Hot Springs & Spa Conghua
7. Dusit Thani Dongtai, Jiangsu

Products or Services

Devarana Spa has developed its own exclusive lines of spa products such as natural massage oil blends, shampoo, soap, shower gel and body lotion. All spa product formulations are environmental friendly and are designed to enhance natural beauty and well-being. They are 100 % natural and are free from synthetic additives such as parabens, phenoxythanol, SLS or other artificial components.

Devarana Spa also offers reputable natural organic spa products. These premium organic product ranges have been developed with an ecological awareness in mind and promised to have the organic plant ingredients up to 70%. For facial, Devarana Spa uses products from the pioneer marine cosmetics and thalassotherapy brand, *Algotherm*. The brand has been established since 1962 in France and won AsiaSpa Award in the category of “Best Spa Brand” in 2009.

Skillful therapists at Devarana Spa expertly deliver a variety of treatments to provide guests with ultimate relaxation and pampering. Massage section includes many kinds of massage from Eastern and Western sides of the world such as Swedish Massage and Ayurvedic Massage. The “Devarana Signature Massage” is particularly outstanding as it combines several different massage techniques from East and West. A superb variety of treatments includes massage, facial, body treatments, water treatments, beauty treatments and many spa exclusive programs for a more complete rejuvenation experience, using high quality products to nourish and rejuvenate for both body and mind.

Naam Spa

Naam Spa offers health-related service (spa) for 4-5 star hotel whose concept depicts simplicity and straightforward both design and service which is located at Dusit Thani Abu Dhabi, U.A.E.

4.3 Office Rent Business

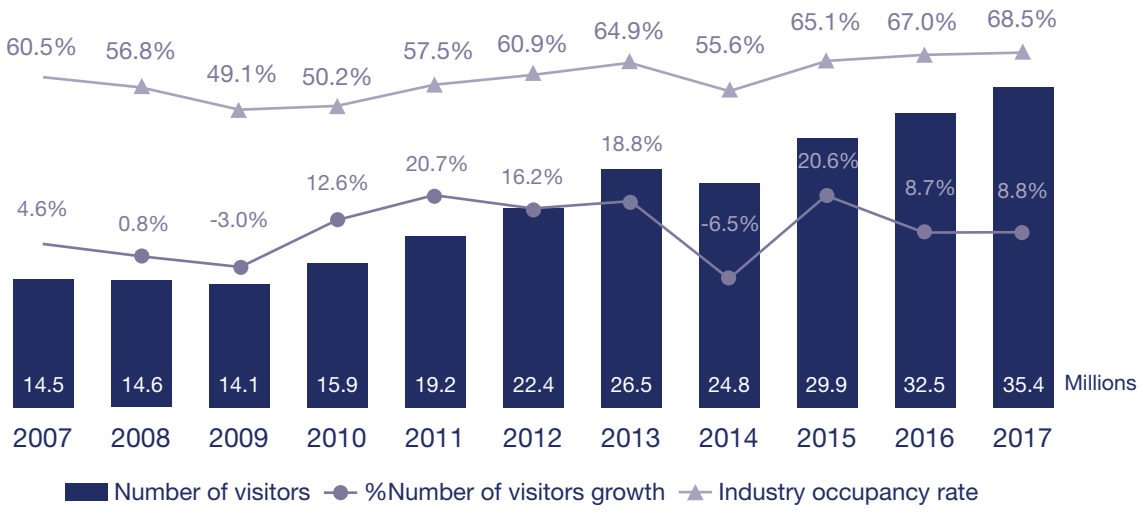
The Company operates a commercial building for rent. The 11-story building is located on leased land from the Crown Property Bureau and is connected to the Dusit Thani Hotel, Bangkok. The lessees are local and foreign companies. This building has a total area of 13,245.54 square meters and basement floor with a total of 336 square meters.

Marketing and Competition

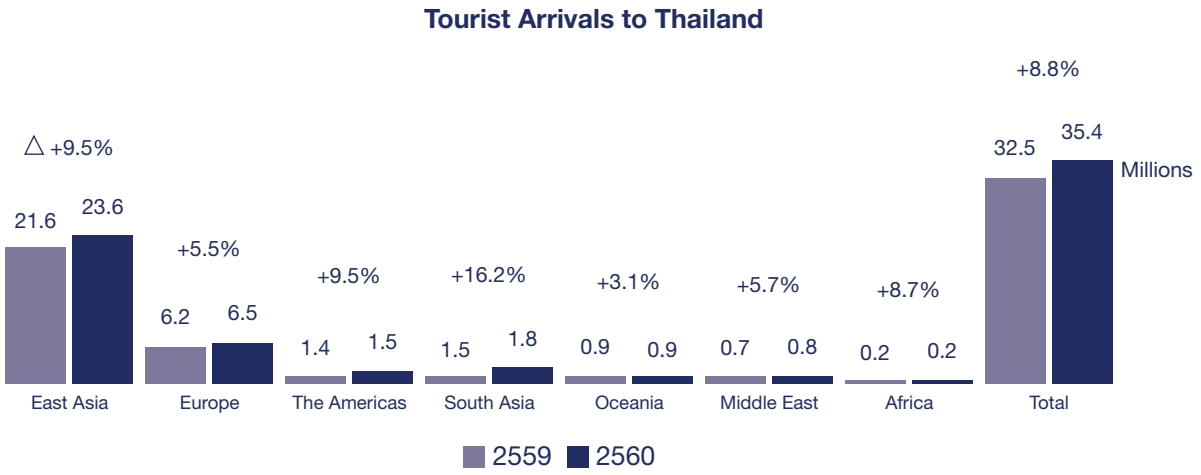
In 2017, Thai tourism industry has been continually growing as well as hotel industry. There are foreign travellers visiting Thailand at 35.4 million people which its growth rate was at 8.8%. Moreover, Thai tourism industry earned total revenue at Baht 2.75 trillion or it was increased by 9.5% which accounts for about 20% of GDP. Its revenue from foreign travellers was approximately at Baht 1.82 trillion and from Thai travellers was approximately at Baht 0.93 trillion. The national average occupancy rate was up from 67% in 2016 to 68.5%.

In 2018, the Fiscal Policy Office estimated the numbers of travellers visiting Thailand at 38.2 million people or increased by 8% and set the targeted revenue from the tourism by Baht 3.05 trillion which increased by 9%. However, the government has been continually pushed forward the growth of Thai tourism by appointing year 2018 is the “Amazing Thailand Tourism Year 2018” which there will be many activities supported the tourism of secondary cities in Thailand.

Tourist Arrivals to Thailand & Industry Occupancy Rate



Source: Department of Tourism, Ministry of Tourism and Sport and the Bank of Thailand



Source: *Ministry of Tourism and Sports (Initial estimated numbers for Year 2017)*

Remark: *Eastern Asia Region means ASEAN countries, China, Hong Kong, Japan, Korea, Taiwan and others. Americas includes USA, Canada, Brazil, Argentina and others.*

Outbound travel from China

"2017 China Outbound Tourism Travel Report" alongside China Tourism Academy (CTA), a specialized institute under China National Tourism Administration (CNTA).

The number of outbound trips has reached 130 million in 2017, up 7.0% from 122 million in 2016. An estimated 115.29 billion USD was spent during 2017, a year-on-year increase of 5%. Chinese travelers are becoming increasingly focused on their well-being and the purpose for making outbound trips has changed from sightseeing and shopping to enjoying high-quality services. According to Ctrip statistics, Ctrip's tailor-made travel and local guide platform has served millions of tourists in 2017. Such personalized trips designed by Ctrip travel planners are becoming a popular option for Chinese travelers.

Chinese travelers have greater demand for assistance throughout their trip and are more focused on safety. Ctrip's "Global SOS" service provides 24/7 emergency responses and support for our ever growing travelers. 2017 saw a total of 2191 SOS cases from which 82% were for outbound travel. With a 94% success rate, it has since been widely accepted by our users.

In terms of outbound travelers, Beijing, Shanghai, Suzhou and Wenzhou spent the most. Lesser well-known cities are seeing huge growth in outbound tourist numbers. Chengdu surprisingly overtook Guangzhou and Shenzhen and ranked third in the number of outbound tourists with other cities such as Changsha (up 200% increase) and Xi'an (up 300% increase in tourist numbers) have also seen increasing rise of outbound tourists. Thailand and Japan remain to be the two hottest outbound destinations.

Outbound travel from India

With more flight connections, better exchange rate and fewer visa restrictions, many emerging destinations such as India has emerged as the world's fastest-growing outbound market and in absolute numbers it is second only to China. The foreign tourism boards are gearing up to meet the growing number of Indians who are travelling abroad and splurging. While many of the National Tourism Organizations have established their own offices in the country, others are making use of representations or their embassies/ cultural desks to test the waters, before taking the plunge. Personal and official travel for Holiday/Leisure,

Business and MICE tourism are the most significant contributors for growing outbound travel. The easy availability of attractive packages, increased promotion by travel agents/tour operators and destination countries will further drive outbound departures.

In terms of Indian tourist departures from India, Thailand has emerged as the most popular tourist destination for Indian travelers. Thailand is being followed by Singapore. United States and China stands at the 3rd and 4th spot for Indian tourists respectively. While Malaysia stands at the fifth spot in 2013.

In terms of spending by Indian tourists, United States is the leader, followed by Thailand and Singapore. Australia and United Kingdom stands at the 3rd and 4th spot respectively and the gap between them are narrowing. Italy is holding 6th position in the year 2013, being followed by Malaysia, which is at 7th spot in the same year. Morocco, Turkey and Tunisia are seeing huge growth in visitor numbers.

Local Economic and Political Environment

Thailand is the second largest economy in Southeast Asia after Indonesia, and with an upper-middle income status, serves as an economic anchor for its developing neighbouring countries. The country's economy appears resilient and, according to IMF, the recovery is expected to advance at a moderate pace despite domestic political uncertainty. Public investment is projected to remain a key driver, increasing over the next few years, in line with the government's infrastructure plans to attract private investment. The year 2017 marked the best results since the arrival in power of the military-led government in 2014: Thailand's economy showed mild recovery, with economic growth reaching 3.7% of GDP, and expected to remain between 3.5% and 4 % in 2018, and inflation estimated between 2.5% and 1.5%. A little higher inflation will probably be offset by the favourable impact on pay of strong employment and activity in most sectors. The unemployment rate remained low in 2017 (0.7%) and is projected to maintain the same level in 2018.

The National Strategic Plan (2017-2036) places the emphasis on improving the investment environment, boosting the country's competitiveness and long-term economic performance through the development of rail, road, airport, and electricity infrastructures. The junta's continuing grip on power has reassured many foreign investors previously deterred by potential instability. Growing regional competition risks, however, diminish Thailand's attractiveness as an investment destination. Exports of goods and services (71% of GDP) are expected to perform well, with the slowdown in China being counterbalanced by the economic upturn in other markets. Despite high indebtedness, household consumption, amounting to 50% of GDP, is projected to remain strong, reflecting the levels of real disposable income.

Competition

- **Internal**

Each hotel has determined a competitive set with similar products, brand positioning and location for measuring performance on the Revenue per Available Room (RevPAR), market penetration and average rate.

The Key Performance Indicators (KPIs) for each hotel is their ranking in the competitive set within these 3 indices' percentage changes over the previous periods. This is tracked both on a daily basis and in their monthly report to the corporate office to allow better monitoring of each hotel's performance against their competition in each market and is also substantiated by STR Global, the industry's respected benchmark.

Aside from market share, Global Review Index is also used to measure and monitor each property's online reputation, data from which will be used to identify and correct operational issues for driving improvement in service and ranking.

- **External**

There is an oversupply of rooms in all our Thailand locations with Bangkok being the most affected. New hotels are equipped with the latest designs and technologies and very competitively priced. Emerging destinations in South East Asia, especially Vietnam, Cambodia and Myanmar continue to generate increasing interest for FIT leisure business which will ultimately impact Thailand's market share.

Product and Service Acquisition

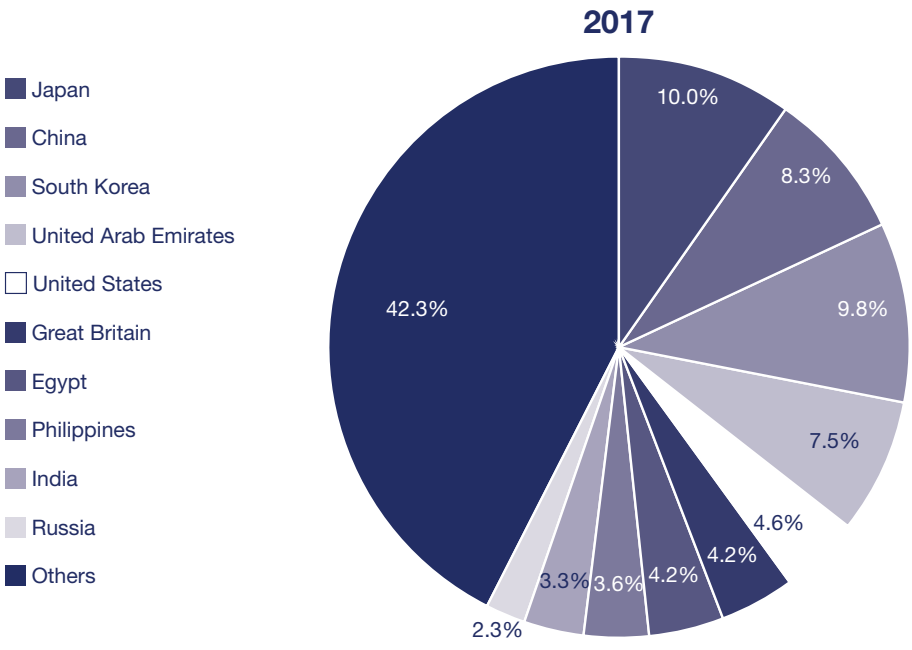
Manpower is the main key for operating hotel business and other related services, apart from setting up the place and providing facilities for the customers.

For hotels in Thailand, most employees are domestic workforce with well-trained skills in hospitality service; however, some positions require foreigner expertise. For overseas hotels, main employees are local workforce in order to facilitate customer's satisfaction in such countries whilst maintaining service standards and personalized welcome upon Thai culture.

In addition, Dusit Thani College serves the purpose of nurturing the professional hospitality personnel who would be expected to become a driving force for hotels in Dusit Group.

Hotel Business

The top 10 contributing feeder markets for the 16 Dusit Hotels & Resorts



Source: Revenue Management, E Distribution, Reservation and Data Center

Revenue Management, E Distribution, Reservation and Data Center

Enhancing the department functions to support an evolving Revenue Management discipline was the main priority in 2017. Key functionalities were divided into: Revenue Management, Revenue Analytics, E-Distribution and Centralized Revenue Management Service.

Recognizing the importance to increase Revenue Management efficiency, a key initiative was launched in April 2017 – Project Synergy. Key objectives were to improve Revenue Management leaders for Dusit by providing training support as well as standardization of Revenue Management reports, tools and functionalities

Prioritizing the need to improve Channel distribution, a key initiative was launched in September 2017 – Project CPC (Centralized, Pricing, Connectivity). Key objectives were to centralize all key Online Travel Agents, implement pricing guidelines across the chain to prevent rate cannibalization and standardize connectivity among all platforms.

Supporting Dusit's strategy to reduce dependency from Online Travel Agents and decrease cost of sales (by reducing commission), a key initiative was launched in November 2017 – Project W. Key objects were to instigate control over distribution landscape and reduce rate disparity to support the growth of Dusit.com. Improving Reservation discipline efficiency was another key focus for 2017.

- **Revenue Management**

Primarily responsible for Revenue Management systems, Revenue Management is functionality and pricing guidelines. Revenue Management System training for Revenue Management and Sales leaders in Thailand was conducted in November 2017 with a plan to complete the training for International hotels in 2018.

Revenue Management training critical paths, Revenue Management core delivery list and Induction program were introduced to ensure the same standard of delivery across the chain for both existing and new opening hotels.

Audit and update of Business Segmentation definition as well as set up in relevant systems was carried out in the 4th quarter of 2017.

- **Revenue Analytics**

Focusing on the improvement of Revenue Management's efficiency, an official "Pick Up Tool" was launched in December 2017 to help standardizing data collecting process with a plan to implement an official "Forecast Tool" in January 2018. A series of tools and reports such as New MPR, New MEA, Marketshare Forecast and Budgeting Tools will be launched throughout 2018.

- **E-Distribution**

A new function which was introduced in November 2017, E-Distribution will play a key role in ensuring a growth of Dusit.com through strategic control of the distribution channels.

E-Distribution is currently heading Project W to centralize wholesale B2B contracts, imposing control on wholesale static contracts and standardizing OTA engagement policy across the chain.

E-Distribution is leading the initiative to centralize OTA contracts and is making headway in negotiating a chain level agreement with Expedia which is expecting to be finalized in January 2018 Agoda as well as other key partners are expecting to follow thereafter.

- **Reservation and Data Center**

Reservation manual and training plans are being finalized and are expecting to rollout by 1st Q 2018. Data Center will be focusing on the improvement of connectivity while supporting the hotels, particularly in China with a series of Synxis training modules.

Partnership with WeChat was established in 2017 and 1st batch hotel implementation was launched in December 2017 with the remaining hotels to be launched by January 2018. The program will provide a boost in distribution channel into China market through its estimated 1 billion users.

- **E-Business**

Launched of Dusit Mobile Application: as the use of mobile phones has increased dramatically in recent years therefore having mobile application has improved user experience versus traditional mobile website as it run faster, response very quickly and able to make a booking through this channel directly. In additions, we are implementing the loyalty section where guests can access into Dusit loyalty program which stores all guest profiles and all activities in the application.

Provide all technical support for Dusit Gold team to develop and maintenance Dusit Gold website to ensure that it the content and its functions are well-operated and up-to-date. We also assist Dusit Gold team to maintain the Gold Card member status checking webpage for non-Dusit Gold member hotels to assure that our loyalty guest will get the same level of support at every hotel.

Having Dusit booking engine on Dusit mobile application, we have customized our current booking layout/navigation to be able to integrate into mobile application and to ensure that the user experience between mobile application and booking engine flow correctly and smoothly.

Global Sales Offices

1. Global Sale Offices (GSOs) contributed 21.1% of total Dusit hotels RNs in 2017 compared to 21% the year before. (Note: GSOs exclude www.dusit.com, Dusit Gold, Global Distribution System, etc. that generate revenue for the hotels.)
2. Total GSOs production increased by 18,096 RNs (+7.44%) and THB464M (+11.41%) in revenue over last year with increased sales penetration to cover potential emerging markets including second and third tier cities in China, GCC, Saudi Arabia, Korea and the newly added GSO in Korea in February as well as India in July through roadshows and direct sales calls.
3. A total of 13 tradeshows, consumer shows and roadshows to feeder markets were organized and attended by participating Dusit hotels. ITB Berlin being the most important and largest tradeshow in the travel industry yielded 55.85% ROI YOY. As we add more properties in the portfolio in key destinations, we will continue to exhibit in key and influential tradeshows to increase business partners to raise company profile and brand awareness.
4. Overall room sales revenue from the two Discovery Thailand consumer shows increased by 1% compared to the previous year with an impressive result in March. Due to renovation of Dusit Thani Pattaya and Dusit Thani Laguna Phuket and a huge increase in room supplies in Maldives and Hua Hin, the sales volume significantly dropped compared to last year for September as a result.
5. Sales coverage was expanded with the appointments of a Sales Manager in Seoul, Korea in February, a Senior Sales manager in Riyadh, Saudi Arabia in August and a Director of Sales in Mumbai, India since July. Korea, Saudi Arabia and India have registered a growth in room nights of 42%, 9% and 29% respectively over last year mainly from wholesale, business and leisure groups and corporate business segments.

6. Japan has been the top feeder market and has generated a healthy growth of 17% YOY. China's growth has slightly slowed down and generated an increase of 11% in room nights while Korea has recorded a hefty 42% growth to Dusit Hotels & Resorts compared to last year. Germany recorded the strongest growth of 23% with 25,279 room nights in 2017 among European countries while the United Kingdom contributed 47,376 room nights and remains the top feeder market from the European region. The MEA region shows a steady growth of 26% with hotels in the UAE and African region benefitting most especially in the corporate segment.
7. All GSOs in Beijing, Shanghai, Hong Kong, India, Japan, Korea, Middle East & Africa, Kingdom of Saudi Arabia, Russia and the UK & Europe will continue to foster close relationships with all Dusit Hotels & Resorts and all other business partners to raise Dusit brand awareness, generate more sales leads and exposure through collaborative marketing initiatives and joint promotions for the Group especially for our new and need properties. Every team member will stay focus and prioritize efforts to achieve goals set forth in the corporate sales and revenue plan.

Branding and Loyalty Marketing

1. A significant growth in Social Media performance for Dusit Hotels and Resorts can be shown. With 392,357 followers on Facebook at year end 2017, a growth of more than 550% in one year, the corporate channel sets itself clearly apart from local competition - Anantara 125,000; Centara 89,000; Banyan Tree 70,000.
2. The brand initiative Dusit Experiences was started in order to enrich our guest's stay with local experiences and personalized services provided by carefully selected partners. As part of this, the destination marketing initiative Dusit Journey was launched, featuring Dusit's international destinations and providing extensive recommendation based on genuine local insights. Accessible via dusitjourney.com and Dusit's Calendar 2018.
3. Dusit Gold achieved its target of half a million members by the end of 2017 with a total of 506,921 members. Since year-end 2016, membership has increased by 75%. Room nights and Revenue from qualified member stays have also increased by 49% and 10.2% compared to 2016.
4. To drive existing members to spend more on F&B and entice local consumers to become members and dine regularly at our hotel outlets, we increased dining discount to 20%, 25% and 30% for Premier, Executive and Elite levels, respectively. As a result, hotels generated a total revenue of more than THB 8.8 million (with 12,046 covers) within 3 months. In addition, the sign up process at F&B outlets was revamped to be quick, easy and paperless. Diners can now scan the QR code on the Dusit Gold dining table standee to enroll themselves and enjoy instant F&B discount. The Birthday campaign was also launched to drive hotel dining revenue and enhance the value of Dusit Gold membership by giving members up to 50% dining discount from 7 days before to 7 days after their birthdays.
5. The Dusit Gold website was enhanced with the addition of new photography (lifestyle shots) and a new slideshow to rotate the images. This was done to make the Dusit Gold website more enticing and more engaging for non-members who visit the website.

6. Dusit Gold partnered with TRUE to provide complimentary TRUE SIM cards to Dusit Gold members who book to stay at our properties in Thailand directly through Dusit's official channels. This helps to drive direct bookings on Dusit.com and Dusitgold.com, as well as to reduce commission costs for Wholesale or 3rd Party bookings (including online travel agencies). This also drives Dusit Gold enrolment by adding more value to standard membership.

7. In 2017 Dusit Gold boosted member engagement by augmenting its standard benefits, and usual activities on social media, with exclusive partner offers. This included deals with business partners and iconic brands such as Burberry, Sulwhasoo, Bangkok Airways, AIS, True, Singha Park Chiang Rai, The Vintage Golf Club, Khao Yai Golf Club, Praew Magazine, Golf channel, Prince Hotels & Resorts, and Flyertea (which is the largest Chinese Social website for frequent flyers and the second largest credit card forum in China).

Partnership Marketing

1. We have more direct contact from Preferred Hotels Group (PHG) airline partners which reduced the cost by 162%. Nowadays, we have signed up All Nippon Airlines (ANA), Cathay Pacific (Asia Miles), EVA Air, Oman Air and HK Express (Reward-U) and currently participate in 25 airline frequent flyer programs including 16 directly contracted airline partners. Our objective for the next year is to have more airline partners to expand our brand and also lower cost.

2. Frequent Flyer Programs of our direct contracted airline partners generated THB10.98M revenue which went up by 30.80% in 2017 compared to the previous year with increased more airline partners and joining tactical promotion.

3. Redemption Programs produced THB14.73M from Thai and Bangkok Airways. We aim to sign agreement with more airline and bank partners in 2018 to drive more revenue and brand exposure.

4. Promotion with other partners including banks, credit cards and other businesses generated THB19M from tactical promotion this year.

Corporate Advertising

Corporate advertising focus was on promoting tactical campaigns and Dusit brand awareness through online media channels including keyword search, banner ads and social media. As a result, key performance countries which generating revenue were leaded by Thailand, South Korea, Japan, Russia and Singapore.

Print advertisement was adjusted according to marketing trends – selected media to reach particular audiences and markets. Brand exposures comprised new hotel opening – dusitD2 Kenz Dubai on 1 February 2017 as well as Dusit Hotels & Resorts image featuring in inflight magazines such as Sawasdee (Thai Airways), Fah Thai (Bangkok Airways), Awesome (NokScoot) and Dusit mobile app in United Airlines' Hemispheres.

Public Relations/Marketing Communication

1) PR Strategy & Key Message

Dusit International's public relations strategies in 2017 were designed to elevate both the quality and quantity of our output to effectively promote our properties, raise awareness of our brands (Hotels & Education), enhance our company image, and support our new investments and business growth.

Our key messages, which were designed to align with our three-pronged strategy – expand / diversify / double – included the global expansion of our hotels, the growth of the education division, new investments, strategic partnerships, and internal developments such as the launch of our new Vision, Mission, and Values.

2) No of PR activities and media valuation

In line with the above strategies and key messages, Dusit brand awareness was amplified through various PR initiatives including a series of press releases, media interviews, bylined article pitching, press conferences with trade, hospitality, business, education, social and lifestyle media; as well as speaking engagements at large-scale national and international business events and industry forums.

Corresponding to the rise of disruptive technology in the media industry, our global PR efforts this year included more social media engagement activities and blogger reviews. This resulted in increased media coverage and overall value. (Please see table below). The top three countries for media coverage are: Thailand (39.9%), UAE (18.45%), and China (7.67%).

Topic	2015	2016	2017
Media visit	81	80	125
Interview	19	27	53
Press Release	58	47	46
Events	14	13	20
No. of coverage	3,041	2,400	3,230
Media value	674M THB	586M THB	885M THB

(Please note that these values represent Corporate PR efforts only and do not incorporate the coverage and value achieved by individual hotels).

3) Highlighted activities

Major corporate news announced in 2017 included the unveiling of our 36.7 billion baht investment, together with Central Pattana Public Company Limited (CPN), in our mixed-use project and new flagship hotel; as well as several releases detailing our new signings worldwide – each of which amplified the company's overall strategy for strategic and profitable growth.

We also highlighted Dusit's commitment to quality with a press release and press conference highlighting the company's success in becoming the first Thai-owned hospitality company to implement Total Quality Management systems across its entire portfolio of properties.

We also further highlighted Dusit's role as a hospitality 'pioneer' with a press release and press conference about the implementation of WeChat Pay at Dusit Hotels & Resorts in Thailand (one of the first hotel companies in the kingdom to adopt the system) to better serve our Chinese guests. And we demonstrated how Dusit is embracing disruption with news about the company's strategic partnership with FavStay.

Other promotion releases and events were sent and arranged throughout the year in line with the company's key achievements and updates.

Last but not least, Dusit became the most popular Thailand-based hospitality company on Facebook, with over 390,000 followers on the official Dusit Hotels & Resorts Facebook fanpage.

Risk Factors

In today's rapidly changing and complex business environments, the Company and its subsidiaries are well aware that the magnitude of uncertainties and risks—either external forces or internal factors-can adversely affect the Company's reputation, success, and ultimately its existence in the business.

In attempts to mitigate such uncertainties to meet the most acceptable and appropriate level of risk exposure, the Company has, since 2006, established its Risk Management Committee and Risk Management Department to oversee the effectiveness of risk management implementation organization-wide under the framework of COSO (Committee of Sponsoring Organization of the Treadway Commission: COSO).

Nevertheless, all risk information described herein this report is not exhaustive; there can be either unprecedented risks. Investors should, therefore, be aware of such unidentified risks and their potential impacts. A due consideration should also be given prior to arriving at any investment decision.

Strategic Risks

In line with its intention to ensure the sustainable growth of the Company and its subsidiaries, the organization's long-term strategies have been established with an emphasis on balancing, diversifying and expending businesses. However, the success of such strategies depends on the several business environments-both internal and external factors—which are unprecedented and uncontrollable. Consequently, the Company is exposed to the risks of not being able to achieve the intended strategies which are caused by:

- **Risk from Revenue Reliance on Hotel Business**

The Company's revenues are mainly contributed from hotel business; while other businesses generate additional revenue at a lesser amount. In 2017, the revenue from hotel business accounts for 82.41% of the total revenues; whereas those of education and other businesses account for 7.93% and 9.66% respectively. Therefore, the Company's ability to generate revenues and profits may vary according to economic, political and social uncertainties.

To cope with the risk of overreliance on hotel business, the Company has attempted to diversify its revenue stream by increasing the revenues from education and other businesses. Investment and New Business Department was formed in 2016 to aggressively strengthen the Company's portfolio to other potential businesses.

As for the hotel business, the Company has still embarked on increasing its hotel management services overseas especially in those promising regions, Middle East –United Arab Emirates, Eastern Asia –China, South Asia –India, including Europe and Africa, all of which are deemed major emerging markets with high purchasing power and potential growth. This will also help ensure a proper balance of revenue streams which are currently dominated by domestic hotels.

- **Risk from Hotel Management Service**

The Company has continuously expended its hotel management service in both domestic and overseas locations under the management agreement terms of 2-15 years. Therefore, the Company and its subsidiaries are inclined to encounter with the risks caused by the premature cancellation of the agreement, the denial to renew the management contract or changes in related rules and regulations, which will impact the Company's gross revenues.

In 2016 and 2017, the Company and its subsidiaries earned 2.72% and 2.85% of the total revenue from hotel management service. However, in response to this risk, the Company has leveraged its management standards-ranging from sales & marketing, operations, human resources, finance and information technology-to ensure its work efficiency, to enhance competitiveness and to strengthen the brand recognition worldwide. In addition, the Company and its subsidiaries have carefully considered adding new terms and conditions of the management agreement in order to reduce the impact from such risks

- **Risk from New Investment Projects**

Besides its hotel and education business expansion plan, the Company intends to venture into new businesses inside and outside Thailand. Therefore, the Company is exposed to various risks which are inherent to new business development projects---such as, not being able to find a new business/project in a desired location, project delay, or lower-than-expected return on investment. In addition, a considerable number of factors—be it economic, societal, political, competitive, consumer behavioral change and regulatory complexity—can affect the success of new projects. This includes the level of the Company's expertise in managing new businesses.

Nevertheless, to mitigate such risks, feasibility studies for each project are conducted, prior to the investment, by external investment experts. Furthermore, the Company has established its own Investment & New Business Department to be in charge of new business development which is led by seasoned management team.

- **Risk from High Competition**

Inarguably, Thailand's hospitality and service industry has, in recent years, seen the increasingly high competition from both domestic and overseas hotel brands. In 2017, the Company and its subsidiaries have been exposed to the risk caused by the competitive market especially from Thai competitors such as Centara Group, Minor Hotel Group, Onyx Hospitality group and The Erawan group—all of which also accentuate their Thainess as the unique selling point for their hotel management service expansion around the globe.

Furthermore, the Company has also competed with international hotel chains, whose competitive advantages have been strengthened by acquiring or merging with their peer competitors. To cite an example, the acquisition of Starwood by Marriott and FRHI by Accor Hotel has apparently enhanced their reach to worldwide market, making them even more far-reaching hotel chains. In addition, the already-intensifying competition has been aggravated by a variety of alternative accommodations—Airbnb, Timeshare Rental, Serviced Apartment and Homestay, for instance—which are gaining more popularity due to their price and flexibility to accommodate the need of customers. The dramatic growth of Online Travel Agents, Agoda, Booking.com and Expedia has, likewise, affected the Company's market shares.

In response to such risks, the Company has placed great emphasis on accentuating its competitive advantages as being a pioneer of Thai centric 5-star hotels in the country. However, in order to remain competitive in the market, the Company has been renovating its hotel facilities on a regular basis. In terms of sales and marketing, regional offices have been opened in different locations, e.g., India, China, Hong Kong and Germany, to increase distribution channels as well as to enhance Dusit brand awareness. The company has also joined hand with well-known business partners and developed its customer loyalty program to understand—so that can retain—customers, all of which are to help enhancing the Company's competitiveness.

- **Technology Risk**

In nowadays markets, technology utilization in business plays a vital role in differentiating an organization from its competitors. Hospitality industry, likewise, cannot escape from this mobilization to survive in the fierce market. It can be seen that international hotel chains have put efforts in applying or introducing new technologies to reduce work process as well as to enhance customer experiences. For example, SPG has introduced Keyless Mobile Check In that allows its guests to check in effortlessly; meanwhile, Hilton, Starwood and IHG are partnering with Uber to allow mobile check-in and digital key through Uber application.

Therefore, the Company is exposed to the risk of not being able to utilize new technologies in a timely manner, resulting in the loss of opportunity or competitive advantage. This risk also includes the chance of choosing technologies that do not fit with the size or the need of the Company.

To mitigate such risks, the Company has developed IT Strategic Plan to support technological needs and leverage technological resources in order to achieve the Company's future goals. Moreover, an experienced management team is employed to analyze customer needs and behavior to develop IT programs that suit the nature of business. IT Committee was also established to ensure that all IT acquisitions will best serve the company and customers.

- **Risk from Customer Trend and Behavior**

Customer behaviors—lifestyle, interest, purchasing behavior, and information access, for example—have always been changing; and such factors can significantly affect their decision making in selecting and purchasing products and services. Besides the above mentioned factors that influence customer behavior, the Company is fully aware that internet is one of the most influential factors that can shape customers perception and behavior. It also allows customers an easy access to information that will be used for making decision. Therefore, the Company is exposed to the risk of changing customer behaviors which can affect the demands of the Company's products and services, hence the Company's revenues and profits.

To mitigate such risks, the Company has been engaging in managing customer information—behavior, demands and needs, in particular—in order to adjust its business strategies. For example, existing customer information is collected and analyzed in order to develop products and services that can accommodate their needs. In addition, Customer Relationship Management (CRM) system has been developed as an analytical tool for customer behavior analysis as well as a tool to create a positive relationship with customers. Furthermore, the Company also focuses on developing managing reputation through online channels, improving the Company's website and smartphone applications that will facilitate customers effectively.

- **Risk from Demographic Changes**

Having been in the business over the decades, the Company has earned trust and credibility from its customers who have become long-term loyal guests. However, the Company is exposed to the risk of losing customers who are Baby Boomers due to their age-related physical conditions that limit their ability to travel; whereas, younger customers with higher purchasing power including teenagers may not be familiar with Dusit name or have a different traveling style that does not match with our brands.

In addition, according the research conducted by Office of National Economic and Social Development Board in 2016, the total population of Thailand will reach 65.5 million, of which 17.82 percent is child population (decreasing), 65.67 percent is working age population and 16.90 percent is senior population (increasing). Therefore, in a long term, the Company's education business may be effected by the decrease of birth rate.

To mitigate the risk caused by such demographic change, the Company has developed more brands to help accommodate the needs of different age ranges and lifestyle. To cite an example, dusitD2 brand was developed to attract younger travelers. More brands are to be introduced to tap different markets such as senior, teenage and working age markets. Furthermore, the Company has revamped Dusit's brand images to make it more modern looking and put greater efforts on digital and online marketing which can better reach today's consumers.

Operational Risks

The Company and its subsidiaries has continuously improved its working system and procedures to ensure the highest degree of efficiency in line with the Company's expansion. Nevertheless, the Company is exposed to the risk caused by the failure of such system or procedures to owing to various factors as follows:

- **Risk of Recruiting and Retaining Talents**

Owing to the country's increasing demand of manpower in hospitality industry coupled with the Company's strategy to expand its hotel management service, the Company is exposed to the risk of recruiting and retaining qualified talents—both managerial and operational level—to accommodate the growth of the Company. Furthermore, as talent markets around the globe have become aggressive, the chance of the Company to lose its experienced and skillful talents over competitors is higher.

To mitigate the foreseen risks related to manpower demand, the Company has conducted a manpower need analysis and implemented Employee Development Plan as well as Succession Plan to accommodate the Company's future expansion within the specified timeframe. Besides, in order to be competitive in the labor market, salary and benefit surveys are conducted in comparison to those of competitors to review and adjust the company's salary structure on a regular basis. However, the Company has employed executives from well-known international and local hotel chains to leverage the Company's ability to compete in an international level.

- **IT Risk**

The Company has a policy to collect and store customer information to be utilized for service improvement and to support decision making related to various operations. In addition, the Company has also invested in IT operating systems to help enhance the effectiveness of internal administration. Consequently, the Company is exposed to the risk of data breach or system interruption—either by natural catastrophe, system errors or manmade disasters.

To mitigate the aforementioned risks, the Company has timely backed up critical data and stored them offsite (Offsite Data Backup). Business Contingency Plan and Data Recovery Plan were developed and communicated to all concerned for practice. Besides, the Company has purchased—and therefore is insured under—Cyber Insurance to reduce the impact of loss caused by possible cybercrime.

- **Business Interruption Risk**

Hospitality industry is known to be vulnerable to numerous business environments—naturally triggered or manmade risks, ranging from flood, earthquake, tsunami, epidemic, fire, terrorist attack, political unrest to conflicts between countries, all of which can cause the Company's business and its operations to be interrupted.

In attempt to mitigate business interruption risk, the Company has placed great importance on crisis management by establishing Crisis Management Committee together with the development of Crisis Management Manual that covers all possible threats. Furthermore, various training and drills are regularly conducted to ensure the preparedness of staff. Moreover, the Company has also implemented its Business Continuity Plan that allows business resilience and continuity. Lastly, the Company also purchased multiple insurance plans—Industry All Risk, Political Violence and Public Liability, for instance—to minimize the loss from business interruption.

Financial Risks

In response to its business expansion plan, it is vital that the Company's financial resources are sufficiently optimized and leveraged to ensure a balance between investments and returns as well as an ability to compete. However, in order to seek or increase its financial capital, the Company is exposed to financial risks as follows:

- **Interest Rate Risk**

As of 31 December 2017, the Company and its subsidiaries has current liabilities with financial institutions, worth of Baht 1,676.24 million, and are inclined to make additional loans for further renovation and new investment projects. Therefore, the Company is exposed to risks caused by the fluctuation of interest rate in the future. If so, it will subsequently have a direct impact upon the Company's performance and cash flow.

However, the Company has also been mitigating this risk by closely monitoring the fluctuation of interest rate to effectively manage such financial risk.

- **Credit and Financial Security Risk**

As of December 31, 2017, the Company and its subsidiaries have long-term loan worth in total of Baht 1,132.54 million, of which Peso 991.68 million is for Philippine Hoteliers, Inc. (the outstanding amount is Peso 651.5 million), USD 41.50 million is the long-term loan of the Company's subsidiary for investing in Dusit Thani Maldives (the outstanding amount is USD 14.05 million) and Baht 116.2 million for the long-term loan of Dusit Excellence Co., Ltd. formerly known as Dusit Thani Hotel School (the outstanding amount is Baht 115.45 million).

For both long-term loans which are made under Peso and US Dollar, the Company has made an agreement with the creditors that throughout the loan period, the Company shall maintain its debt-to-equity ratio not more than 2:1 and 1.75:1 respectively. If the Company fails to abide with such obligation, it shall be deemed the Company in breach of loan agreement and the creditors may declare the loans to be canceled and any outstanding amounts under the agreement are immediately due and payable. If so, the Company and its subsidiaries cash flow and, ultimately, operation can be affected.

However, as of December 31, 2017, the Company has settled the aforementioned principals including the interests thereof in a timely manner. In addition, the Company has maintained its debt-to-equity ratio at 0.85:1, which is in accordance with the conditions stipulated in the loan agreement and the Company's debt-to-equity policy not to exceed 1:1.

Compliance Risks

- **Regulatory Compliance Risk**

As part of the good governance, the Company and its subsidiaries is committed to adhering to governing laws, rules and regulations of the countries in which the Company has operated—or to be operating in the future. The Company has also paid attention to the obtainment of all relevant permits and licenses. Nevertheless, due to regulatory complexity and changes that may be brought about unprecedentedly, the Company is still exposed to compliance risks especially when operating in an unfamiliar country or when expanding its educational business which is governed by numerous regulations.

To mitigate the said risks, the Company has enforced its auditing and compliance related functions to perform internal auditing on a regularly basis. This is to ensure that all permits and licenses are obtained; governing regulations, abided. As for overseas regulations, international law firms are employed to ensure that all operations are stringently in compliance with local regulations.

Investment Risk of Major Shareholders

- **Risk of the Company's shares held by more than 25% of Major Shareholders**

According to the closing of shareholder registration book on March 16th, 2017, group of Than Puying Chanut Piyaoui and related persons held the Company's share amounted at 424,475,680 shares which is accounted for 49.94% of the total Company's share sold. The resolutions of the meeting of major shareholders might affect many resolutions of general meeting of shareholders except the law and the Company's regulations which regulated to have 3 out of 4 votes from the general meeting of shareholders. However, the directors and top managements of the Company have performed based on the good governance strictly for the management's transparency.

Shareholders

Details of 10 major shareholders and other minor shareholders as of March 16, 2017 are as follows:

	Shareholders	No. of Shares	Percentage (%)
1.	Group of Thanpuying Chanut Piyaoui and related persons [1]	424,475,680	49.94
2.	MBK Hotels and Resorts Company Limited	99,186,000	11.67
3.	UOB KAY HIAN (HONG KONG) LIMITED - Client Account[2] (PIONEER INETWORK LIMITED)	86,917,720	10.23
4.	Group of Mr. Chatri Sophonpanich and related persons [3]	42,540,330	5.01
5.	Mr. Vichit Chinwongvorakul	31,588,000	3.72
6.	Thai NVDR Company Limited	25,112,940	2.95
7.	Thai Life Insurance Public Company Limited	21,882,430	2.57
8.	Mrs. Jarunee Chinwongvorakul	20,431,000	2.40
9.	CITIBANK NOMINEE SINGAPORE PTE LTD-PBG CLIENTS H.K.	11,931,000	1.40
10	Mr. Sahanun Chentrakul	8,910,000	1.05
Total		772,975,100	90.94
Minor shareholders		77,024,900	9.06

Registered and paid-up capital of Baht 850,000,000 comprising 850 million ordinary shares with a par value of Baht 1

Remarks: [1] Group of Thanpuying Chanut Piyaoui and related persons consist of Chanut and Children Co., Ltd., group of Mr. Chanin Donavanik, group of Mrs. Sinee Thienprasiddhi and group of Mrs. Sunong Salirathavibhaga.

[2] PIONEER INETWORK LIMITED is Investment Holding, major shareholders are as follows:

- Pioneer Industries (Holdings) Limited, shareholding 100% of the total shares. In addition, Pioneer Global Group Limited, a listed company on the Hong Kong Stock Exchange holds 100% of the total shares of Pioneer Industries (Holdings) Limited

[3] Mr. Chatri Sophonpanich and related persons consist of Mrs. Savitri Ramyarupa

Dividend Policy

Policy of the Company: The Company has a policy to pay dividends to its shareholders in the amount of not less than 50 percent of consolidated net income by consideration the result of operating in the consolidated financial statements including the result of operating and retained earnings presented in the Company's financial statements to assure that the ability of paying such dividend is not opposed the Public Limited Companies Act. In addition, on 11 August 2011, the Board of Directors Meeting No. 7/2011 resolved to change the policy for allocation of dividend payment by not paying interim dividend.

In 2017, the Company paid dividend for the year of 2016 by retained earnings appropriation at Baht 0.10 per share to the shareholders at a number of 850 million shares totally Baht 85 million.

Subsidiary's policy: The Company has not set up the dividend payment rate by subsidiaries to the Company. The dividend payment of each subsidiary will be set up based on its performance and its cash flows. In case the subsidiary has sufficient and after-set-up legal reserve, the Board of Directors of each subsidiary will consider its dividend payment. However, the dividend payment will not exceed the unappropriated retained earnings of such subsidiaries.

Dividend Payment Information of the Company for Previous Years:

Dividend payment information	Unit	2016	2015	2014	2013	2012
1. Profit (loss), excluding Dusit Thani College	Million Baht	36	100	(88)	90	156
Profit (loss) - Dusit Thani College	Million Baht	78	99	67	74	67
Total profit (loss)	Million Baht	**114**	**199**	**(21)**	**164**	**223**
2. Number of share[A]	Million shares	850	85	85	85	85
3. Profit (loss) per share, excluding Dusit Thani College	Baht/Share	0.043	1.18	(1.03)	1.07	1.86
Profit (loss) per share - Dusit Thani College	Baht/Share	0.092	1.18	0.79	0.87	0.77
Total earnings (loss) per share	Baht/Share	**0.135**	**2.36**	**(0.24)**	**1.94**	**2.63**
4. Dividend for the year	Baht/Share	0.10	1.20	1.00	1.00	1.00
5. Dividend amount	Million Baht	*85	*102	*85	*85	*85
6. Dividend paid per profit (loss), excluding Dusit Thani College	%	236	102	-	94	54

Remarks * Appropriated from retained earnings

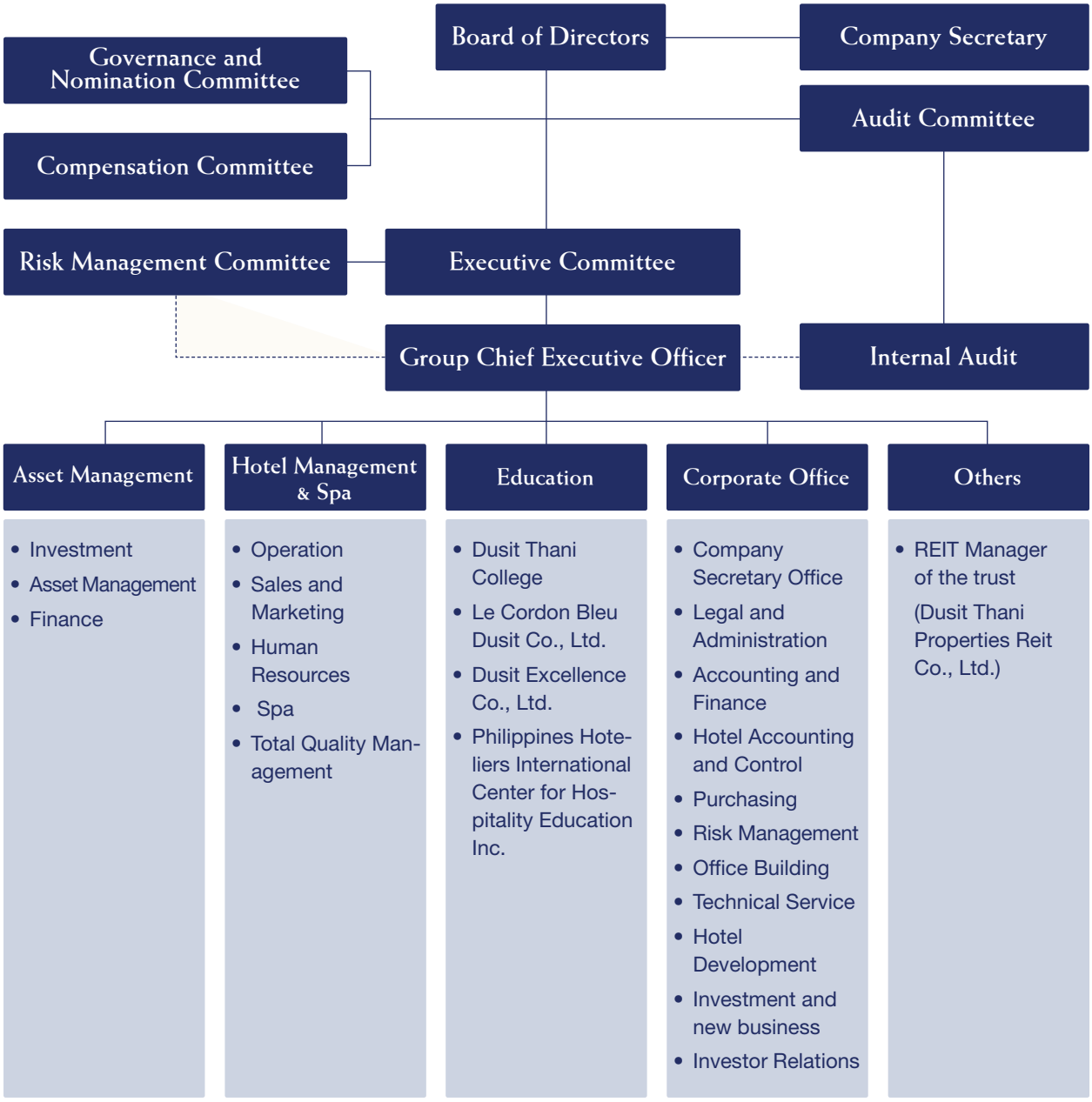
[A] *There was a change of par value of the Company's shares from Baht 10 per share to Baht 1 per share in May 2016*

In the consolidated financial statements of 2013 compared to 2012 included the financial statement of Dusit Thani College which indirectly invested 86.79% by the Company. The Company had re-evaluated the control in Dusit Thani College and concluded that Dusit Thani College is a subsidiary of the Company. As such, since the 3rd quarter 2014, the Company consolidated the financial statements of Dusit Thani College in the consolidated financial statements and has restated the consolidated financial statements retrospectively, and later resubmitted the restated financial statements for the year ended 31 December 2013 compared to year 2012.

The Private Higher Education Institutions Act B.E. 2546 Amendment (No.2) B.E. 2550 requires that a private higher education institution shall allocate, not over 30 percent of its annual excess revenues over expenses, as benefit to the licensor.

Management Structure

as of December 31, 2017



Presently, Dusit International categorizes the management structure into 5 parts as follows:

1. Asset Management
2. Hotel Management & Spa
3. Education
4. Corporate Office
5. Others

Board of Directors

As of December 31, 2017, the Company had General Prem Tinsulanonda as Chairman Advisor, Professor Sansern Kraichitti and Mr. Sakdi Kiewkarnkha as Advisor to the Board of Directors. Thanpuying Chanut Piyaoui as Founder and Advisor to the Board of Directors and Mr. Chatri Sophonpanich as Honorary Chairman. The Board of Directors consists of 12 directors as follows:-

No.	Director	Position	No. of meeting attended	
			Board of Directors	Meeting without the Management
1.	Mr. Arsa Sarasin	Chairman / Independent Director	9/9	1/1
2.	Professor Hiran Radeesri	Independent Director / Chairman of the Audit Committee / Chairman of the Remuneration Committee / Chairman of the Corporate Governance and Nomination Committee	9/9	1/1
3.	Mrs. Pranee Phasipol	Independent Director / Member of the Audit Committee / Member of the Remuneration Committee / Member of the Corporate Governance and Nomination Committee	9/9	1/1
4.	Prof. Dr. Kittipong Kittayarak	Independent Director / Member of the Audit Committee	7/9	-/1
5.	Prof. Emeritus Dr. Khunying Suchada Kiranandana /1	Independent Director	7/7	-/1
6.	Mr. Pakhawat Kovithvathanaphong /2	Independent Director	5/7	1/1
7.	Mr. Somprasong Boonyacha/3	Independent Director	2/3	1/1
8.	Mrs. Varang Chaiyawan	Director / Member of the Remuneration Committee / Member of the Corporate Governance and Nomination Committee	9/9	-/1
9.	Mr. Kenneth Korsirisophon	Director	0/9	-/1
10.	Mr. Chanin Donavanik	Vice Chairman / Chairman of the Executive Committee	9/9	-
11.	Mrs. Sinee Thienprasiddhi	Director / Executive Director	7/9	-
12.	Mrs. Suphajee Suthumpun	Director/ Executive Director / Group Chief Executive Officer	9/9	-

Remark /1 Prof. Emeritus Dr. Khunying Suchada Kiranandana was appointed as Independent director effective on March 1, 2017 replacing Mr. Banterng Tantivit.

/2 Mr. Pakhawat Kovithvathanaphong was appointed as Independent director effective on March 1, 2017 replacing Mrs. Pratana Mongkolkul.

/3 Mr. Somprasong Boonyachai was appointed as Independent director effective on July 1, 2017 replacing Mr. Vichit Chinwongworakul.

Some directors were unable to attend every Board of Directors Meeting due to business matters. The Company has 7 Independent Directors and 3 Audit Committee Members which the number and qualifications are in accordance with related notifications.

In addition, Non-Executive Directors had the meeting on January 19, 2018 without the management.

Shareholding of Directors and related party

Shareholding of Directors and related party of Dusit Thani Public Company Limited at December 31, 2017 comparing with December 31, 2016.

Dusit Thani Public Company Limited								
No.	Name	Shareholding						
		Held by himself/herself		Held by Related Party		Total		Increase (Decrease)
		2017	2016	2017	2016	2017	2016	
1	Mr. Arsa Sarasin	-	-	-	-	-	-	-
2	Professor Hiran Radeesri	-	-	-	-	-	-	-
3	Mrs. Pranee Phasipol	-	-	-	-	-	-	-
4	Prof. Dr. Kittipong Kittayarak	-	-	-	-	-	-	-
5	Prof. Emeritus Dr. Khunying Suchada Kiranandana	-	-	-	-	-	-	-
6	Mr. Pakhawat Kovithvathanaphong	-	-	-	-	-	-	-
7	Mr. Somprasong Boon-yachai	-	-	-	-	-	-	-
8	Mrs. Varang Chaiyawan	-	-	21,911,080	21,911,080	21,911,080	21,911,080	0
9	Mr. Kenneth Korsirisophon	-	-	86,917,720	86,917,720	86,917,720	86,917,720	0
10	Mr. Chanin Donavanik	526,000	526,000	423,389,440	423,389,440	424,475,680	424,475,680	0
11	Mrs. Sinee Thienprasiddhi	560,240	560,240					
12	Mrs. Suphajee Suthumpun	-	-	-	-	-	-	-
Total (Shares)		1,086,240	1,086,240	532,218,240	532,218,240	533,304,480	533,304,480	0

Authorized Directors

Directors who have authorization to sign the Company's binding are Mr. Chanin Donavanik, Mrs. Sinee Thienprasiddhi, Mrs. Varang Chaiyawan and Mrs. Suphajee Suthumpun. Two of these Directors must jointly sign and affix the Company's seal.

Management Team

Management Structure of the Company as of December 31, 2017

No.	Name	Position
1.	Mrs. Suphajee Suthumpun	Group Chief Executive Officer
2.	Mr. Akamon Prasoppolsujarit	Chief Financial Officer - Special Project and Acting Chief Financial Officer
3.	Miss La-ead Kovavisaruch	Chief Investment Officer
4.	Mrs. Chitanong Poomipark	Chief Legal Officer
5.	Mr. Lars Eltvik	Managing Director - Education
6.	Miss Wipawadee Sirimongkolkasem	Managing Director - Wellness Living
7.	Mr. Prasith Ongthawekiat	Managing Director - Property Development
8.	Mrs. Jongkonnee Chantavorakit*	Vice President - Headquarter Accounting and Finance

Remarks: * *Mrs. Jongkonnee Chantavorakit is holding the position of manager or equivalent in accounting or finance departments according to the definition of the Securities and Exchange Commission Notification.*

In 2017, executives who are not Directors did not hold/purchase/sell the Company's share.

Company Secretary

The Board of Directors Meeting No.7/2016 held on September 29, 2016 approved the appointment Miss Mantanee Surakarnkul as a Company Secretary, effective on October 1, 2016 with the following manners:

1. Duties and responsibilities by the law

1.1 To provide and file the document as following to comply with the law

(a) Director Registration

(b) Invitation for the Board of Directors Meeting, Minute of the Board of Directors Meeting and Company's Annual Report

(c) Invitation for the Annual General Shareholders Meeting and Minutes of the Annual General Meeting of Shareholders

1.2 To file interest transaction report which reported by Director or Management.

1.3 To perform any other duties according to the Capital Market Supervisory Board Notification.

1.4 To perform any other duties according to Public Limited Companies Act and Securities and Exchange Act.

1.5 To perform the duties with responsibility, cautious and honesty inclusive of performing according to the law, Company Objective, Company's Articles of Association, The Board of Directors Resolution and the Shareholders Resolution.

2. Duties and Responsibilities to the Board of Directors

2.1 To provide report of interest which report by the Director or Management and propose to Chairman and the Board of Directors according to the regulation of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2.2 To report to the Board of Directors regarding new law which concerns the company business including additional items, regulation and notification of the Securities and Exchange Commission and the Stock Exchange of Thailand and report to the Chairman of Audit Committee within 7 days from document receiving date and file that document as evidence.

2.3 To monitor Directors to perform their duties and has the resolution to comply with the law, regulation and notification of the Securities and Exchange Commission and the Stock Exchange of Thailand.

2.4 To provide guidance and support in working performance to Directors as individual and group, especially Directors who are not executives for performing their appropriate duties inclusive of purpose the appropriate training and seminar to Directors.

2.5 To monitor and coordinate with Directors and Sub-committee to receive the information for their consideration and decision, gathering and screening the document of the Board of Directors Meeting in order to comply with the good governance and suggests the point which Directors need to propose to Chairman.

2.6 To coordinate with Chairman and Managing Director in order to provide the agenda for the Board of Directors Meeting.

2.7 To provide accuracy share or securities holding report of Directors according to the regulation of Securities and Exchange Commission and summarize to the Board of Directors in the agenda of the matter for acknowledgement.

2.8 To perform any other duties assigned by the Board of Directors.

3. Duties and Responsibilities to Management

3.1 To follow up with the Management performing the resolution and suggestion of the Board of Directors.

3.2 To monitor and follow up with the Management performing according to the law and regulation concerning company business.

3.3 To monitor and follow up with the Management performing with business morality or ethics and good governance policy.

3.4 To provide share or securities holding report of the Executive according to the regulation of Securities and Exchange Commission and the Stock Exchange of Thailand.

4. Duties and Responsibilities to Shareholder

4.1 To communicate and provide the appropriate information to shareholder of the Company according to the regulation

4.2 To take care of shareholders to receive the equal performance from the Company with convenience and fast.

4.3 To be a center in contacting with various institutes and minor investors, especially concerning with the good governance matter.

5. Others

5.1 To monitor and prepare shareholders meeting to be compliance with the law, accuracy and transparency.

5.2 To coordinate with the Board of Directors and Management for the preparation of Shareholders' meeting agenda.

5.3 Being center for communication, information and news among the Board of Directors, Management, Shareholders, Securities and Exchange Commission and Stock Exchange of Thailand including the relevant organization.

Term

In the event that the Company Secretary is removed or being an incompetent person, the Board of Directors shall appoint the new Company Secretary within 90 days from the date of such removal or become an incompetent person of such Company Secretary. The Board of Directors shall authorize one of any of directors to act on behalf based on temporary basis for such period of time.

Remuneration for Directors and Management

The Company has set up the fair and reasonable compensation to directors. The Compensation Committee will consider the remuneration by considering together with the appropriateness of work and responsibilities of each director, the Company's financial position and compare with other companies in the same level business. The remuneration for the year 2017 was as follows:

- **Remuneration in Cash**

1. Meeting Remuneration:

Remuneration to the Company's Directors consisted of the following:

- Monthly remuneration: Chairman is Baht 15,000 and other directors is Baht 10,000 each.
- Meeting remuneration: Chairman is Baht 20,000 and other directors is Baht 15,000 each.

Remuneration to the Sub-Committee which are:

- Audit Committee:
  - Monthly remuneration: Chairman of Audit Committee is Baht 20,000 and other members is Baht 10,000 each.
  - Meeting remuneration: Chairman and other members is Baht 10,000 each.
- Compensation Committee and Governance and Nomination Committee:
  - Meeting remuneration to Chairman is Baht 20,000 and other members is Baht 10,000 each

2. **Annual Remuneration:** The annual remuneration to Directors is considered and approved by the Annual General Meeting of Shareholders. In 2017, the summary of remuneration received by each director was as follows:

Name	Year 2017					
	Board of Directors				Other committees*	Total Remuneration
	Monthly Remuneration	Meeting Remuneration	Non-Executives Meeting Remuneration	2016 Annual Remuneration	Remuneration	
1. Mr. Arsa Sarasin	180,000	180,000	20,000	135,000	-	515,000
2. Professor Hirun Radeesri	120,000	120,000	15,000	65,000	500,000	820,000
3. Mrs. Pranee Phasipol	120,000	135,000	15,000	65,000	310,000	645,000
4. Prof. Dr. Kittipong Kittayarak	120,000	105,000	15,000	65,000	200,000	505,000
5. Prof. Emeritus Dr. Khunying Suchada Kiranandana /1	100,000	105,000	-	-	-	205,000
6. Mr. Pakhawat Kovithvathanaphong/2	100,000	75,000	15,000	-	-	190,000
7. Mr. Somprasong Boonyachai/3	60,000	30,000	15,000	-	-	105,000
8. Mrs. Varang Chaiyawan	120,000	135,000	15,000	65,000	50,000	385,000
9. Mr. Kenneth Korsiriphon	120,000	-	-	65,000	-	185,000
10. Mr. Chanin Donavanik	120,000	135,000	15,000	65,000	-	335,000
11. Mrs. Sinee Thienprasiddhi	120,000	105,000	15,000	65,000	-	305,000
12. Mrs. Suphajee Suthumpun	120,000	135,000	15,000	65,000	-	335,000
Directors who retired in 2017						
1. Mr. Banterng Tantivit	20,000	-	-	65,000	-	85,000
2. Mr. Vichit Chinwongworakul	56,333	60,000	-	65,000	-	181,333
3. Mrs. Pratana Mongkolkul	10,000	-	-	65,000	-	75,000
Total Remuneration	**1,486,333**	**1,320,000**	**155,000**	**850,000**	**1,060,000**	**4,871,333**
Advisors						
1. Professor Sansern Kraichitti	120,000	120,000	-	65,000	-	305,000
2. Mr. Sakdi Kiewkarnkha/4	120,000	120,000	15,000	65,000	100,000	420,000
Total Remuneration	**240,000**	**240,000**	**15,000**	**130,000**	**100,000**	**725,000**
Total (Baht)	**1,726,333**	**1,560,000**	**170,000**	**980,000**	**1,160,000**	**5,596,333**

Remark: * Including Audit Committee, Compensation Committee and Governance and Nomination Committee

/1 Prof. Emeritus Dr. Khunying Suchada Kiranandana was appointed as independent Director effective on March 1, 2017 replacing Mr. Banterng Tantivit.

/2 Mr. Pakhawat Kovithvathanaphong was appointed as independent Director effective on March 1, 2017 replacing Mrs. Pratana Mongkolkul.

/3 Mr. Somprasong Boonyachai was appointed as independent Director effective on July 1, 2017 replacing Mr. Vichit Chinwongworakul.

/4 Mr. Sakdi Kiewkarnkha was appointed as Audit Committee Advisor ending on April 30, 2017

Remuneration for the Board of Directors

Remuneration*	Amount (Baht)	
	Year 2016	Year 2017
Monthly and meeting remuneration	3,695,000	4,021,333
Annual remuneration	882,675	850,000
Total	**4,577,675**	**4,871,333**

Remark: * *Excluding remuneration to Advisor to the Board of Directors*

Remuneration for Executives

The Board of Directors has set up Executives remuneration policy. The Compensation Committee will consider the remuneration of Group Chief Executive Officer to propose The Board of Directors for approval. For the other Executives will be considered by Executive Committee and approve appropriate remuneration individually based on their KPIs and the Company's performance, the comparison of remuneration in the same position and industry, the survey of employees with their bosses. The Company provides benefits in short term, such as salary adjustment, annual bonus and others. Moreover, provident funds is the long term benefits. The details of remuneration for Executives in 2016-2017 were as follows:

Year	Amount (Person)	Amount (Million Baht)		Total
		Salary and Bonus	Other Benefits	
2016	7	47.63	9.50	57.13
2017	8	62.73	14.84	77.57

- **Other Remuneration**

Other Remuneration for the Board of Directors

-None-

Other Remuneration for Executives

The Company provides Provident Fund which the contribution by the Company is 5 percent of the Executives' salary. In 2017, the money contributed by the Company for 8 Executives was Baht 2.49 million.

Human Resources

- **Total Employees**

The Company has 3,703 employees consisting of the Company and subsidiaries employees, own hotels employees included hotels under Dusit Thani Freehold And Leasehold Real Estate Investment Trust, in total of 10 hotels.

Employees' Remuneration

In 2017, the Company paid employees' remuneration in the amount of Baht 719.51 million which was salary, over time, cost of allowance, bonus, medical expense, uniform, meals, social security fund and money distributed to provident fund. In addition, the subsidiaries paid similar remuneration to their employees in the amount of Baht 1,076.76 million with the details as follows:

Year 2017	Dusit Thani Plc.	Dusit Thai Properties Plc.	Dusit Management Co., Ltd.	Dusit World-wide Co., Ltd	Dusit Excellence Co., Ltd.	Philippine Hoteliers, Inc.	Dusit Overseas Co., Ltd.	DMS Property Investment Private Limited	Dusit Thani College	Total
Hotel Employees (person)	999	440	849	-	34	501	2	253	339	3,417
Executives (person)	20	3	3	8	-	1	-	1	1	37
Corporate Office Employees (person)	202	-	-	47	-	-	-	-	-	249
Total (person)	**1,221**	**443**	**852**	**55**	**34**	**502**	**2**	**254**	**340**	**3,703**
Employees' Remuneration (THB Million)	719.51	172.11	281.21	107.51	15.76	155.84	4.90	173.70	165.73	1,796.27

Employee Development Policy

The Company believes that the growth of the Company depends on the quality and efficiency of employees. As such, the employee development policy mainly focuses on the knowledge and skills development of employees at all levels to strengthen the enterprise's potential and overall success of the Company. The Company intends to have all management and employees set their working plan in accordance with the Company's direction and goals, based on Company's Vision, which can efficiently lead the operations towards the same direction. Each department sets up its own business strategy and business plan so employees can have clear objectives and individual KPIs (Key Performance Indicators) that support the Company's operations and their responsibilities. The KPIs will be used as a standard to evaluate employee's performance.

Employee's Learning and Development Budget

Employees are precious resources of an organization. Therefore, employee competency development is an important policy. The Company allocated 1.5% of total annual payroll of corporate staff and 3% of total annual payroll of each hotel for employee trainings. The training courses divided in 2 categories comprise of compulsory training which the Company tailored for each position and career training which is a special course that employees can apply for, including outsourced institutions, for specific development. Training is one of the Key Performance Indicators (KPIs) and will be used for employee evaluation standards. Each employee is evaluated during the fourth quarter of every year.

New Staff Orientation

All new employees shall attend orientation training which consists of three programs: the program for new employees, the after-60-day orientation program, and the after-365-day orientation program. Orientation training is aimed to introduce new employees the rules and regulations in the workplaces, the organization's policies and products, and the location of each hotel, to prepare them to work with other employees.

Training plan for each level based on Dusit 4Cs training model

Type	Grade 1-2	Grade 3	Grade 4-5
Compulsory Training	• New Staff Orientation • Dusit Graciousness Course • Performance Appraisal • Behavior-based interview • Professional Trainer • Maintain Discipline	• Dusit Graciousness Course • Frontline Leadership (Some modules) • Behavior-based interview • Operational Trainer • Maintain Discipline	• New Staff Orientation • Product Knowledge • Job Skill (SOPs) • Dusit Graciousness Course • Frontline Leadership (For Grade 4) • Operational Trainer (For Grade4)
Career Training	• Management courses Related to individual development plan (IDP)	• Management Courses Related to individual development plan (IDP)	• Competency Development (Related to position skills, language, and computers)
Competitive Training	• Finance for Non Finance • Revenue Management • Entrepreneurship • Budgeting, P&L, Financial Analysis • Leadership Profiling and influencing • Situational Leadership the core plus • High Impact Presentation	• Presentation Skill • Training topics based on business and functional needs	• Training topics based on business and functional needs • Other languages required • Up-Selling Training
Corrective Training	• Handling Grievance	• Handling Complaint • Handling Grievance	

Continuous Employee Development

Employee Development is vital for Human Resource Management. The Company focuses on continuous learning and development for every employee level in order to be the best specialist to serve future expansion of the business. The Company supports each employee to attend their training according to their annual needs.

The Company assigns the development process by having training courses to increase knowledge and ability of senior staff of the Company. For example, the Leadership Program for Middle Management and Top Management. Another development process is rotating employees in different roles to challenge their ability and build their experience, as well as appointing and promoting employees to suit their responsibilities.

To ensure that the Company continues to develop employees and covers all the skills, a total training plan is used as a training guideline for employees and to assure that the all year training plan meets the Company's objectives. Moreover, the Company sets a target to achieve the total training plan at 75% which focuses on the end result of people development to increase guest satisfaction instead of the number of training hours. As a result, the training structure is established as following:

- Grade 1-3 (Management Level) employees emphasize on Company Core course, Division workshop, and Leadership Development Training.

- Grade 4-5 (Operational Level) employees, especially front line employees, emphasize on Standard Operating Procedures (SOP), training at least 2 hours per month. The rest of staff in other departments will also need to attend appropriate training related to job functions conducted within the department as well as assigned Dusit compulsory programs.

Dusit Compulsory Programs by Grade Level								
GL	NSO	DGC	DSS	FLL	OPT	HG	PA	MD
	18 hours	6 hours	18 hours	30 hours	12 hours	3 hours	6 hours	6 hours
1	X	X	X			X	X	X
2	X	X	X			X	X	X
3	X	X	X	X	X	X	X	X
4	X	X	X	X	X			
5	X	X	X	X				

NSO	New Staff Orientation
DGC	Dusit Graciousness Course
DSS	Dusit Signature Service
FLL	Frontline Leadership
OPT	Operational Trainer
HG	Handling Grievances
PA	Performance Appraisal
MD	Maintaining Discipline

Blended Learning Approach for Continuous Learning and Development

To support our staff in all level for continuous learning, The Company provides opportunities for our staff to learn through various methods besides class-room training as shown in below table.

Methods / Learner	Mentoring and Coaching	Task Force Job Rotation Job Swop Exchange prog Cross-Training	Special Project / Stretch Assignment	Shadowing with Senior Leader	Workshop / Classroom (int./ext.)	E-Learning	Self-Study (to support personal development)
Grade 1	✓ Executive Coach-ing	✓ Job Rotation (where possible, for skill enlarge-ment)	✓ Special Project / Stretch Assign-ment	✓	✓ Workshop	✓ Leadership Skill (e.g., E-Cornell)	✓
Grade 2	✓ Leadership Coaching / Career Mentoring	✓ Job Rotation / Task Force for Hotel Opening	✓ Special Project / Stretch Assign-ment	✓	✓ DI Core Courses for Management	✓ Leadership Skill	✓
Grade 3	✓ Career Mentoring	Job Rotation / Task Force for Hotel Opening	✓ Special Project / Stretch Assign-ment	✓	✓ DI Core Courses for Mgr/Super.	✓ -Mgmt Skill -Job Skill	✓
Grade 4	✓ Job-related Mentoring	✓ Job Swop	-	✓	✓ DI Core Courses for Mgr/Super.	✓ -English -Job Skill	✓
Grade 5	Job-related Mentoring	✓ Job Swop	-	-	✓ DI Core Courses for Line Staff -In-terpersonal Skill	✓ -English -Job Skill	✓

Staff Development to Support the Growth and Expansion of the Company

For the staff development to support the growth and expansion of the Company, there is the Succession Plan for the managerial level up. This is to prepare them to be ready for the next position and for long-term expansion. Furthermore, high potential staff are selected to participate in the fast-track development program called “D Star” to support the short-term growth and expansion of the Company.

For the talent development, the Company also has the Management Trainee Program to develop new graduates to grow in the management level in the future. In the first year, they are assigned to experience every department to gain the operational knowledge and skills. They are also expected to submit their report with their findings and alternative solutions to the Executive team. In the second year, they are promoted to be permanent staff at their sponsored hotel and further developed to be middle and top management accordingly.

Good Corporate Governance

Dusit Thani Public Company Limited ("the Company" or "DTC") recognizes the importance of the good corporate governance with confidence that the business operation with ethics, transparency and auditability will enable the Company to achieve its goals of sustainable growth, to strengthen its competitiveness and trust of shareholders, investors and all stakeholders. The Board of Directors serves as a role model in adhering to the code of conduct and the corporate governance policy.

The Company is committed to incessantly conduct its business with transparency, fairness and good corporate governance in conformance to both domestic and international principles, including those regulated by the Stock Exchange of Thailand (SET), the Thai Institute of Directors Association (IOD), the Organization for Economic Co-operation and Development (OECD). Besides applying these rules as part of its code of conduct and policies, the Company has specified guidelines to ensure correct implementation leading to tangible outcomes.

Corporate Governance Policy

The Company defined policies to enhance the good corporate governance covering following importance principles:

1. Rights of Shareholders
2. Equitable Treatment of Shareholders
3. Roles of Stakeholders
4. Disclosure and Transparency
5. Board Responsibilities

1. Rights of Shareholders

The Company equitably provides all shareholders, whether major or minor ones, foreign or institutional investors, the basic shareholders' rights and right protection treatment, encourages them to exercise their rights and shall not perform any actions that may violate or diminish their rights.

1.1 The Company ensures that shareholders will receive full return from their investment by maintaining a straightforward structure among the Company, subsidiaries and affiliated companies, with no cross holding of shares and no pyramid shareholding structure within the Group of companies.

1.2 All shareholders have the right to vote in accordance with number of shares he/she holds and have been provided basic rights, such as the right to purchase, sell, and transfer shares freely, to receive part of the Company's profit as dividends equitably, to receive clear and accurate information, to attend shareholders' meetings and provide opinion at the meeting freely, to make a decision and vote on significant transactions such as, election or dismissal of the Company's directors; appointment or dismissal of the Company's auditor and fixing the audit fee, approval of the Board's compensation and important transactions of the Company, etc.

1.3 The Company provides all shareholders the right to vote for the appointment of individual director so that shareholders can elect the desirable person to be the Company's director.

1.4 The Company provides shareholders the right to propose agenda items for the Annual General Meeting of Shareholders (AGM) or nominate candidates for directorship of the Company and submit enquiries about AGM agenda items three months in advance before the end of fiscal year. Shareholder who wishes to purpose AGM agenda items or nominate candidates for the Company's directorship must hold shares of not less than 4 percent of the Company's issued shares.

1.5 The AGM is convened within 4 months after the end of the Company's fiscal year at the appropriate date, time and place. In addition, if there are any significant events occurring during the year and must be resolved by the shareholders meeting, the Company shall convene the Extraordinary General Meeting of Shareholders (EGM).

1.6 Details about the exercise of shareholders' rights are distributed via SET community portal system, with due aspect for the equitable and convenient access to information, as well as the right-exercising period. No action will be taken to limit shareholders' rights of access to the Company's information system or obstruct communication between shareholders.

2. Equitable Treatment of Shareholders

As owner of the Company, DTC gives an importance and treats all shareholders equally and no any shareholder gets special privileges. The best practices implemented by the Company related to equitable treatment of shareholders are as follows:

2.1 The Company has determined the policy that directors and executives shall inform the Board of Directors or person assigned by the Board about trading of the Company's share at least 1 day before execution.

2.2 The Company has put in place internal regulations to prevent abuse of inside information and conflicts of interest. (Relevant details appear under "Monitoring of the Use of Inside Information" and "Monitoring Conflicts of Interest").

2.3 Transactions with possible conflicts of interest must be submitted to the Audit Committee for their review and comments before submission to the Board and shareholders' meetings for approval, if applicable. The Company discloses complete, essential information under the law and regulations. (Relevant details appear in "Monitoring of Conflicts of Interest").

2.4 Acting under the principles and guidelines on affording equal treatment to all shareholders during shareholders' meetings detailed below:

The 2017 Annual General Meeting of Shareholders

The Company recognizes the importance of shareholders' rights and affording equal treatment to all shareholders. Relevant guidelines have been adopted for actual actions (before, during and after meetings) for all shareholders' meetings.

Before the meeting

- Provided minor shareholders the right to propose agenda items and nominate directors from October 1, 2016 to December 31, 2016. This included shareholders' right to query meeting agenda before the meeting date. Criteria for such consideration were distributed on the Company's website. However, in 2017 no shareholder proposed any name or agenda item for consideration.

- Prepared meeting's notice in Thai and English, distributed the meeting's notice and all documents relating to the meeting, such as copy of the minutes of the 2016 AGM, the 2016 annual report, profile of directors proposed to be re-elected to replace those who retire by rotation, profile of independent directors provided for appointment of proxy in case he/she cannot attend the meeting in person, proxy forms, the Company's Articles of Association regarding shareholders' meeting, documentation and evidence required to be presented on the date of the meeting and map of the meeting venue, to shareholders not less than 14 days ahead. The meeting's notice was also posted on the Company's website to allow shareholders to get documents in advance and have enough time to study before the meeting.
- In the meeting's notice, the Company enclosed essential, adequate facts and rationale as well as directors' opinion on all agenda items for shareholders' consideration. The AGM' s agenda items comprise:
    1) dividend payment: the Company provided information about dividend payment policy, proposed dividend amount with rationale in comparison with the amount paid in the previous year for consideration,
    2) nomination of directors: the Company provided basic information of candidates including name, age, type of directorship, position held in the Company, education background, director training/seminar courses attended, working experience, director position held in other listed companies/companies, date of being a director of the Company, number of service years and participation of committees' meeting as member of each committee,
    3) compensation: the Company provides information on the policy, amount and forms of compensation, criteria and procedures for determining compensation,
    4) appointment of external audit: the Company provide information of the names of the auditors and their affiliations, the number of service years with the audit company for consideration of the suitability of the auditor's fee, presently separately from other fees.
- There was no urgent and significant document distributed at the meeting as well as no any agenda item added and no amendment made to material information without informing to shareholders in advance.
- Facilitated shareholders who cannot attend the meeting in person being able to appoint person or the Company's independent director to be his/her proxy to attend the meeting and vote on his/her behalf by enclosing in the meeting's notice the Proxy Form A and Form B, formulated by the Department of Business Development, Ministry of Commerce, on which they can state their preference together with details about how to appoint the proxy to shareholders' meeting. Shareholders can download Proxy Form A, B and C from the Company's website. In addition, name and profile of the two independent directors are provided for shareholders' voting by proxy.

During the Meeting

- The 2017 AGM was held on Thursday, April 27th, 2017 at 14.00 hrs. at Dusit Thani Hall, 946, Rama 4 Road, Silom, Bangrak, Bangkok which is the location where the Company's Head Office located nearby and where shareholders are able to convenient come to the meeting. A total of 463 shareholders personally attended or were represented by proxies, amounting to

749,672,229 shares of total 850,000,000 issued shares, representing 88.20 percent of total issued shares of the Company. A meeting quorum was constituted in accordance with the Section 103 of the Public Limited Company Act, B.E. 2535 and the Section 30 of the Company's Articles of Association. There were 11 of total 12 directors, representing 91.66 percent and three executives, namely Chief Financial Officer, Vice President of Finance, Managing Director of Property Development Department, including Company Secretary and the auditors from KPMG Phoomchai Audit Limited (KPMG) presiding over the meeting to report the operating results of the Company to shareholders as well as to answer inquiries and to listen to suggestions/comments in various subjects raised by the shareholders. The Company also invited an independent representative from KPMG to act as witness to monitor vote casting and vote counting as well as financial advisors from Maybank Kim Eng (Thailand) Public Company Limited, independent financial advisors from Silom Advisory Company Limited and legal advisors from Weerawong, Chinnavat and Partners Company Limited to attend the meeting to report and answer the shareholders' inquiries about the Company's operating results and investment plan.

- The Company provided at least a two-hour registration period before the meeting. Barcode and computer systems eased registration and vote counting to speed up the process and ensure information accuracy and reliability.
- The Company provided shareholders with voting rights equivalent to the number of shares held. One share yields one vote. There was only one type of share, which is ordinary share.
- Shareholders were informed by the Company Secretary about the vote-tallying procedures before the shareholders' meeting.
- The Company introduced the use of ballots for casting votes. The ballots were prepared separately for each agenda item for shareholders' voting convenience.
- The Company provided shareholders with the rights to exercise their votes on the nomination of directors by electing them one by one so that shareholder can nominate the preferable candidate.
- The Company transparently conducted the AGM by following respective agenda items as stated in the meeting's notice, in strict conformance to the law and the Company's regulations. Representative from KPMG were invited to witness the vote counting.
- The Company informed voting results of each respective agenda item to shareholders at the meeting.
- Shareholders were allowed to attend the meeting in progress and vote on remaining agenda items.
- The Company allowed shareholders to freely express their views and raise their questions before vote casting and recorded such questions. The Company clearly provided detailed information of each agenda. In case shareholders have doubt or inquiries on the agenda, the Company provided directors and relating person to clearly answer all aspects of shareholders' questions.

After the Meeting

- The Company submitted the resolutions of the 2017 Annual General Meeting of Shareholders through SET community portal system on April 27, 2017 which was the same day of the meeting after finishing of the meeting so that shareholders who did not attend the meeting were immediately informed.

- The quality of minutes of shareholders' meeting was emphasized by recording the following information:
  - list of directors attending and in absence at the meeting, including their position,
  - voting rights and methods and the use of ballots for casting votes,
  - shareholders' inquiries and recommendation, including shareholders' names and explanation of directors or the Management,
  - resolutions of shareholders' meeting and voting tally on every agenda item that included voting
- The Company prepared and distributed the minutes of shareholders' meeting in Thai and English via the Company's website (www.dusit.com) within 14 days from the meeting date and submitted a copy to the SET and the Department of Business Development, the Ministry of Commerce within the required timeframe.

The Company complied with the AGM quality assessment project, jointly introduced by the Thai Investors Association, the Office of the Securities and Exchange Commission (SEC) and the Thai Listed Companies Association. The assessment criteria included steps undertaken before each shareholders' meeting and activities on the meeting date and afterward.

In 2017, the Company achieved 91 of 100 scores from quality assessment of the 2017 AGM arrangement conducted by the Thai Investors Association.

3. Roles of Stakeholders

The Company gives importance to all stakeholders both inside and outside and treats them properly and equally. With recognition of stakeholders' support in creating competitive ability and profitability which are the long-term goals, the Company complies with requirement of relevant laws and regulations to ensure that rights of stakeholder are well taken care of. The Company has clearly defined the policy on treatment of the stakeholders in the "Corporate Governance Policy" and the "Business Ethics" and distributed via the Company's website (www.dusit.com) in the Corporate Governance under the Investors Relation page. Details are summarized below:

Policy and Practices toward stakeholders

Shareholders

- Stimulate growth with quality and stability for the shareholders' sustainable benefit with good and efficient performance.
- Respect the shareholders' equal rights to receive necessary information. Disclose correct and actual information.
- Conduct business based on honesty, transparency and fairness. Relevant details appear under "Rights of Shareholders" and "Equitable Treatment of Shareholders".

Employees

- Maintain work safety and work environment on a regular basis.
- Provide employees' welfare such as health insurance, provident fund, medical treatment fee and re-compensate in accordance with the law.

- Continually support and enhance knowledge development and career advancement to employees at all levels.
- Encourage the employees to use their knowledge and capability.
- Give an opportunity in career growth and advancement along with the Company's success.
- Arrange various activities to enhance knowledge and capability development.
- Provide employees the proper benefit in accordance with their knowledge, responsibility and duty performance in line with the Company's operating results in short term such as profit of the Company each year and long term such as KPIs working performance.

Customers

- Treat customers properly in compliance with the agreed terms.
- Treat all customers fairly and equally.
- Maintain good relationship with customers all the time and develop long lasting relationships with customers.
- Receive suggestions and/or complaints from customers and improve them to satisfy customers.
- Ensure safety for health, life, and property of customers.
- Provide complete, correct, and actual information.
- Keep customer's information confidentially and not improperly utilize customers' information for personal or related person's benefit.

Competitors

- Compete under a fair competition framework
- Maintain the trade competition practices.
- Do not use dishonest means to harm competitors.

Trading partners

- Conduct business in the ways which are not against traditions and culture.
- Comply with terms, conditions and agreements.
- Treat all trading partners properly, equally and fairly,
- Establish criteria for selection of trading partners by considering expertise in business, stable financial status, no abandonment record, ability to deliver work and goods as required, quality and standard of work and goods and reasonable price.

Creditors

- Strictly respect contracts, agreements or conditions with creditors.
- Treat all creditors properly, fairly and equally.
- Refrain from demanding, receiving or offering any illicit benefits from/to creditors

Community, Society, Resources and Environment

- Participate in activities which support and enhance society and community.
- Support, sponsor and collaborate with government and community in activities of community, society and educational institutions.
- Encourage employee to have a sense of social, community and environmental responsibility.
- Encourage employee to arrange or participate in activities relating to environment.
- Comply with environmental laws and regulations for sustainable environmental conservation.
- Support and collaborate in activities aiming to environmental conservation.
- Use resources, materials or equipment at their maximum efficiency and capacity.
- Control and keep materials and equipment to meet standards to reduce the use of natural resources.

Policy and Practices on Human Rights and Adherence to Laws

A key basis of the Company's business conduct is legal compliance, which includes domestic and foreign laws, as well as relevant customs, traditions, and cultures. The Company also strictly observes the laws of every targeted country to ensure that its oversea investments are properly and transparently executed.

Recognizing and giving an importance of human rights which is the basic right of human beings, the Company promotes and respects the protection of human rights, and ensures that its business conducts have no connection with any human rights violation such as forced labor or child labor. All stakeholders are treated fairly on human dignity and non-discrimination of national origin, race, gender, age, skin color, religion, physical condition, status, or birth. It also promotes the monitoring of human rights compliance within the Company and encourages subsidiary companies, investors, business partners, and all stakeholders to observe the international standards of the principles of human rights. Another example of the Company's human rights practices is the protection of stakeholders whose rights are affected by the Company's operation by offering compensation at a rate comparable to what is stated by the law.

Policy and Practices on Intellectual Properties

The Company conducts its business and encourages its employees to perform their duties strictly under the law or regulations on intellectual property rights, whether in trademarks, patents, copyrights, classified commercial information, or other stipulated categories of intellectual property, such as using only licensed software that has been inspected and installed by the Company's Information Technology Department, and encouraging employees to ensure that the application of research findings or other data in their work does not constitute a violation of other people's intellectual property rights.

Policy and Practices against Fraud and Corruption

The Company has undergone the certification process and become an ally of the Private Sector Collective Action Coalition against Corruption (CAC) Council, jointly initiated by the Thai Institute of Directors (IOD), Thai Chamber of Commerce, Joint Foreign Chambers of Commerce, Thai Listed Companies Association, Thai Bankers' Association, Federation of the Thai Capital Market Organizations and Federation of Thai Industries since October 16, 2015 and has continually carried out the following measures:

- Formulate policy and practical guidelines on anti-fraud and corruption and non-bribery. (More details appeared in "Dusit Thani and Sustainability Development")
- Support public and private sections for anti-fraud and corruption measures.
- Provide knowledge to employees through training and orientation.

In 2017, the Company continually communicated and provided all employees training about policy and practical guidelines on anti-fraud and corruption and relevant policies. All employees at all levels shall be provided 1-hour training on anti-corruption and human rights by the Human Resource Department of the Corporate Office and can access to such policies via the Company's intranet.

Whistle Blowing Policy

The Board of Directors provides channels for all stakeholders to contact and file a complaint in the matters which may cause damage to the Company by submitting a letter to the Audit Committee members or Executives or Internal Audit as follow:

1. Audit Committee

- Professor Hiran Radeesri

  Address: 257, Soi Sukhumvit 49, Sukhumvit Road, Khlong Tan Nuea, Wattana, Bangkok 10110

or

- Mrs. Pranee Phasipol

  Address: 44, Soi Tiwanon 40, Tasai, Mauang, Nonthaburi 11000

or

- Prof. Dr. Kittipong Kittayarak

  Address: Thailand Institute of Justice (Public Organization), 96/1 GPF Building B, 15 - 16th floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330

2. Group Chief Executive Officer

Mrs. Suphajee Suthumpun

Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 3rd Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

3. Company Secretary

Ms. Mantanee Surakarnkul

Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 5th Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

4. Director of Internal Audit

Mr. Attapol Watjarapairoj

Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 55th Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

Protection of Whistle-Blower

The rights of whistleblowers will be protected under the law. Whistleblower who is the Company's employee, customers, and outsourced persons if inform, report or provide information under the scope of the complaint in good faith without intention to harm or cause damage to any person or the Company shall be properly protected, such as no change of job, workplace, suspension, salary reduction, termination or other action deemed unfair to the staff.

4. Disclosure and Transparency

Disclosure of information is an important indicator of the transparency of the business operations' and is a key factor in building confidence towards investors and all stakeholders. The Company recognizes the importance of information disclosure and has policy to disclose the Company's important financial and non-financial information, in both Thai and English, to all related parties equitably, completely, adequately, reliably, timely and transparently under the requirements stipulated by the SEC and the SET through the SET portal system and the Company's website, in Thai and English, enabling all people to equitably access information. The following practical guidelines for information disclosure are as follows:

4.1 Disclose both financial and non-financial information, such as financial statements, operating results, the Company's profile, nature of business, organization structure, shareholding structure, Group of companies' structure and shareholding proportion, information relating to directors, sub-committees and executives, investors relation information, related transactions, the Company's Articles of Association, the Business Code of Conduct and the Corporate Governance Policy with accuracy and completeness through three main channels below:

1) Annual registration statement (56-1 Form) and annual report providing (56-2 Form) providing detailed information on important topic as follows:
   - Financial status and operating results
   - Nature of business and competition
   - Risk factors in the business operation
   - Profile of the Board of Directors and executives
   - Identification of director's independence
   - Disclosure of remuneration criteria of the Board of Directors
   - Compensation policy and criteria of senior executives
   - Disclosure of each director's remuneration
   - Disclosure of meeting attendance of each director

2) Management Discussion and Analysis or MD&A on a quarter and annual basis which provides operating and financial information, including analysis and explanations of factors causing changes in performance results, progress report of projects under construction, key factors or influences that may affect future results and financial status. This report provides shareholders and investors with enough accurate information for their decision making on investment and monitoring the Company's performance.

3) The Company's website: www.dusit.com under "Investor Relations", in both Thai and English, to facilitate investors and the interested public's continuous study of its information. The website has been regularly updated. Disclosed information include company's profile, vision and mission, organization structure, shareholding structure, profile of directors and executives, financial information, financial statements, management discussion and analysis, securities price information, annual report, sustainability report, corporate governance policy, code of conduct, anti-fraud and corruption policy, the Company's Articles of Association, shareholders' structure, dividend payment policy, investors relation information, etc.

4.2 The Company established the Investors Relations Department to be specifically responsible for disclosure and communication of information, whether financial or non-financial, to shareholders, investors, and securities analysts, through the Company's website: www.dusit.com, in both Thai and English version, including mass media and telephone. The company hopes the Investor Relation Department will serve as the center for disseminating, handling enquiries and receiving and exchanging shareholders or investors' opinion. Shareholders, investors, securities analysts and interested persons may contact the Company for additional information at:

Ms. Suthipa Vacharotayangul

Investor Relations Department

Dusit Thani Public Company Limited

Telephone: +66 (0) 2200 – 9999 ext. 3676 Fax: +66 (0) 2636 2545

E-mail: ir@dusit.com

4.3 The Company has established the Disclosure Policy to be a guideline for communicating and disclosing information to avoid unfair disclosure of information to stakeholders, which may lead to abuse of inside information or stock price manipulation as well as had formulated a silent period of 30 days prior to announcement of the Company's performance through the SET community portal system.

4.4 The Company has disclosed the complete information of the connected transaction which specifies the name of connected persons, relationship, details of transaction, conditions, pricing policy and transaction size. In addition, in case that such transaction is a connected transaction that the Company must disclose information or receive approval from shareholders under the SET's regulations, the Company shall disclose details and reason of the connected transaction to inform shareholders before proceeding such transaction.

4.5 The Company discloses financial information together with the report of the Board of Directors' responsibility to the financial statement, report of the independent auditor and the MD&A, also notifies significant information and decisions to the SEC and the SET completely, timely and in compliance with requirements.

4.6 In case there are information or news relating to the Company's operations, such as connected transaction or events that shareholders should be informed, or even though there are matters that are not required shareholders' approval or disclosure by the law, the Company discloses such information/ matters to shareholders or other investors through SET community portal system or the Company's website.

4.7 The Company has established measures on prevention and verification of the use of internal information for personal benefits by setting requirement that directors and top executives must submit the list of their securities holding and report on every change of the list to the SEC under Section 59 of the Securities and Exchange Act B.E. 2535 (amended B.E. 2559); also has stipulated a policy that directors and executives must report the sale/purchase of the Company's shares/securities holding to the Board of Directors's meeting every year.

4.8 The Company has established a policy on reporting of vested interest of directors and top executives by setting requirements that directors and top executives must report to the company on their own or their related persons' vested interest involved with the business management of the Company or its subsidiaries' pursuant to the requirements stipulated and announced by the Capital Market Commission. The Company discloses such information in the annual report (56-2 Form) and the annual registration statement (56-1 Form).

4.9 The Company appoints the auditors from KPMG Phoomchai Audit Limited who are independent, reliable and approved by the SEC.

4.10 The Company's financial statements have been certified by the auditors and there were no any conditionally agreed transactions and no records of corrected financial statements governed by outside institutions.

4.11 The company discloses roles and responsibilities of the Board and the sub-committees, number of meetings and number of attendance of each director.

5. Board Responsibilities

Board's Structure

The Board of Directors consists of 12 directors who are knowledgeable, skillful and experienced with 3 being executive directors, 2 being non-executive directors and 7 including 2 women being independent director, equivalent to one-third of the Board as required by good corporate governance principles. The Chairman of the Board is independent director having no relationship with the Management, not being the same person as the Group Chief Executive Officer (Group CEO) and not belonging to any sub-committees in view of clear-cut responsibilities and duties.

To ensure that the corporate governance is implemented in all dimensions under the good corporate governance principles, the Board of Directors has established the sub-committees and has appointed the Company Secretary to support its performance. (Details appear in "Sub-Committees" and "Company Secretary")

Diversity in Board's Structure

The Company promotes the diversification of its Board's structure. The Board comprises various qualified members who are experienced, knowledgeable, capable, morale, ethical and have good attitude toward the organization, without discrimination of gender, race, religion, age, educational level, work experience, professional skill and expertise.

Independence of Directors

The Board of Directors has duty to consider, provide opinions, make a decision and cast vote to protect the interest of shareholders. Hence, independence of directors is definitely recognized. The Company

allows the independent director to access financial and business information adequately to freely provide recommendations, to maintain the interests of related persons, to attend the meeting regularly and to have a meeting among each other at once a year. The Company defines qualifications of the independent director regarding his/her shareholding which is stricter than the requirements of the SEC and the SET, that is 0.5% (legal requirement is 1%) maximum of total eligible voting shares of the Company, its parent company, subsidiary, affiliated company, major shareholder or controlling person including shares held by related persons of the independent director. In addition, independent director must have other qualifications required by the Company so that he/she is able to take care of interest of all shareholders equally, prevent conflicts of interest and provide opinions freely.

- **Nomination, Appointment, Dismissal and Retirement of Director**

Nomination and appointment

1. Independent Director

The Board of Directors consists of independent directors of no less than one-third and no less than 3 persons.

Criteria

The Corporate Governance and Nomination Committee recruits and selects qualified persons who have skill and experience that will benefit the company and have qualifications of being independent director in accordance with the criteria prescribed by the Capital Market Supervisory Board, the Securities and Exchange Commission and the SET and the Company's requirements; propose their names to the Board for endorsement before submission to the shareholders' meeting for approval.

Qualifications of Independent Director

- Not holding more than 0.5% of the total outstanding voting shares of the Company, its parent company, subsidiary or affiliated company, major shareholders or controlling person including shares held by related person of the independent director.
- Neither being nor having been an executive director, officer, employee or professional advisor who receives salary from the Company, or personal advisor of controlling person of the Company, subsidiary, affiliate or related company, unless the foregoing status ended not less than three years prior to the date of appointment.
- Not having nor have had a business relationship, such as customer, trading partner, trading creditor, loan creditors and loan debtor and a direct or indirect financial and managerial interest with the Company, subsidiary, affiliate or related company.
- Not being a person related by blood or others in a manner which could prevent him/her from independence of director or major shareholders of the Company, subsidiary, affiliate or related company, and neither being nor having been appointed as representative to protect benefit of the Company's director or major shareholders.
- Neither being nor having been an auditor of the Company, subsidiary, affiliated company or other juristic persons who may have conflicts of interest, major shareholders, directors, executives or partner of an audit firm which employs auditors of the Company, subsidiary, affiliate or juristic persons who may have conflicts of interest, unless the foregoing relationship ended not less than three years from the date of appointment.

2. Director

The Board consists of 12 directors and at least half of the directors must reside in the Kingdom.

Criteria

The Company focuses on people who have knowledge, capability, experience, sound career profile, leadership, vision, morality and good attitude toward the organization who can dedicate adequate time for the Company's benefit. Moreover, consideration is also given to Board diversity. The Company has designed Board skills matrix to define the required qualifications of nominated director by considering skills which have been missing and appropriate qualifications which will benefit the Company's operation, including skills on hotel management, finance, foreign investment and law.

Procedures

The Board of Directors sets out the procedures for nomination of directors. The Corporate Governance and Nomination Committee proceeds in accordance with the following procedures:

1. The Corporate Governance and Nomination Committee nominates person with appropriate qualifications in accordance with the Public Limited Company Act, the Securities and Exchange Act and other relevant laws to be the Company's director. Moreover, consideration is also given to Board's structure, size and composition. In some case, the Company uses Director Pool from the IOD to nominate directors.
2. The Corporate Governance and Nomination Committee considers qualifications of persons submitted by shareholders. The Company allows all shareholders the opportunity to participate in proposing persons for consideration and appointment as a director of the Company before the annual general meeting of shareholders.
3. The Corporate Governance and Nomination Committee submit the list to the Board for endorsement and propose the list for subsequent approval by the AGM.

   Appointment of directors by the shareholders' meeting

   The practices for the election of directors by shareholder's meeting are stipulated as follows:

   1 Each shareholder shall have one vote for each share held.

   2 Each shareholder shall exercise all of his/her voting rights to elect one or several persons as director(s). Candidate(s) voted by shareholder shall get voting numbers equivalent to total number of shares held by each shareholder under clause 1. Nevertheless, shareholder may not allot his/her votes to any person in any number.

   3 The person receiving the highest votes shall be elected as director in respective order of the votes for the number of directors of the Company, or for the number of directors that should be elected at such election. In case of tie votes causing the number of person elected to be in excess of the number to be elected at such meeting, the chairman shall have a decisive casting vote.

   4 In case a Director's position is vacant due to other reason than the completion of term, the Board of Directors shall elect a candidate with qualifications and not having any prohibited characteristics prescribed by Section 68 of the Public Limited Company Act, B.E. 2535 to be director in the

next meeting, except that the director's term is less than two months. The Board of Directors' resolution must not less than three-quarters of the number of existing directors. The substituted member can only be in the office within the remaining term of the member he/she replaces.

Dismissal and retirement of Director

Dismissal of director

The meeting of shareholders may pass a resolution removing any director from office prior to the expiration of the director's term, by a vote of not less than three quarters of the number of shareholders attending the meeting and having the right to vote and not less than a half of the total number of shares held by shareholders attending the meeting and having the right to vote.

Retirement of director

1. Completion of term

Pursuant to the Company's Articles of Association, at every AGM, one-third of shareholders must retire. If the total number is not a multiple of three, the number closest to one-third must be applied. Directors retiring in the first and second year after registration of the Company are to be drawn by lots. For subsequent years, directors who have served the longest term must retire. Retired directors may be re-elected to the Board.

2. Other than the completion of term, director may retire for the following reasons:
    1. death
    2. resignation (effective from the date the Company receives the letter of resignation)
    3. lacking of qualifications or having any prohibited characteristics prescribed by the Public Limited Company Act and the Securities and Exchange Act
    4. resolution of the shareholder's' meeting to remove director in accordance with the Public Limited Company Act
    5. court order

Term of Directorship

The Company defines term for directorship of not more than three years. The Board may propose director who retires by rotation to the AGM to consider the re-election of such director for another term.

Roles, Duties and Responsibilities of the Board of Directors

1. Perform all duties under law, the Company's objectives and articles of association, resolutions of the Board of Director's meeting and shareholders' meeting. Act as the leader to manage the Company with duty of loyalty and duty of care, with accountability and ethics and keeping in mind the interests of all stakeholders and treating them equitably to create sustainable value to the Company.
2. Establish good corporate governance policy, business ethics and code of conduct as practical guidelines for directors, executives and employees, also announce and disclose in the annual report and the Company's website (www.dusit.com) under Investors Relation page, with annual revision and assessment.
3. Stipulate that it is duty of all directors, executives and employees to study, understand and adhere to business ethics and code of conduct.

4. Consider, provide views and approve the Company's vision, mission, strategies, goals, business plans, investment plans and annual budget proposed by the Group CEO and the Management, also monitor and supervise the Management to ensure that the Company's approved key strategies and policies are actively and efficiently implemented to create profit and best return for shareholders, with annual revision for compatibility with prevailing business circumstances
5. Clearly formulate and segregate roles, duties and responsibilities of the Board, sub-committees and the Management, also communicate such roles, duties and responsibilities to the Company's directors, members of sub-committees, the Management and employees.
6. Ensure that the Group CEO performs duty in accordance with the formulated policies and regulations.
7. Stipulate policy on directorship in other listed companies of each director. Each director must not hold directorship in more than five other SET-listed companies and other companies, of which the business is similar to or competitive with the business of the Company, unless directorship is approved by the shareholders' meeting before the appointment. This is except for directorship in the Company's subsidiaries.
8. Stipulate policy on directorship in other listed companies of the Group CEO. Group CEO must not hold directorship in more than two other SET-listed companies and in other companies, of which the business is similar to or competitive with the business of the Company, unless directorship is endorsed by the Board of Directors and approved by the shareholders' meeting before the appointment. This is except for directorship in the Company's subsidiaries.
9. Stipulate policy on the term of directorship of each directors. The office term of each director is not more than 3 years. When the term is completed, the Board may propose director who retires by rotation to the AGM to consider the re-election of such director for another term.
10 Ensure that the Company operates it business in compliance with law, regulations and requirements of the SEC and the SET.
11. Be responsible for the consolidated financial statements and financial information disclosed in the annual report of the Company and its subsidiaries. The said financial statements are prepared in accordance with generally accepted accounting standards selecting appropriate accounting policies and consistently practiced, and with careful discretion and best estimation. All materialized information has been sufficiently disclosed in the notes of financial statement.
12. Monitor and evaluate the operating results and financial status, including remuneration of the Group of companies on a regular basis. Also review succession plan.
13. Set the requirement that the Group CEO must report the actual operating results in comparison with defined targets, financial results and progress to the Board quarterly to ensure that the Group CEO's performance is in line with the defined targets.
14. Recognize the importance of the effective internal control system of both managerial and operation level by clearly defining in written duties and authorities of operators, monitoring the use of the Company's assets and separating duties of operators and controllers for proper check and balance to ensure that the accounting record is accurate, complete and adequate enough to maintain the assets and to know the weak points in order to prevent fraud and significantly abnormal operations.

15. Set the requirement for the Internal Audit Department to directly report to the Audit Committee to ensure its independence so that the Internal Audit Department can fully perform their duty in check and balance. The performance of the Internal Audit Department must be evaluated by the Audit Committee.
16. Arrange orientation for new directors and provide them the Company's information, regulations as well as other information relating to the Company's business operation.
17. Attend training programs concerned with performing of director's duty.
18. Encourage directors and executives to continually attend training programs or seminars to enhance knowledge in performing duties.
19. Attend consistently the Board's meeting for acknowledgement and approval of matters proposed by the Group CEO and the Management.
20. Non-executive directors should hold exclusive meetings as deemed appropriate to discuss matters regarding management without attendance of the executive directors and the Management.
21. Institute policy on enterprise risk management and establish risk management handbook as a guideline for all business units' implementation.
22. Monitor and consider carefully conflicts of interest and connected transactions. Directors with vested interest in any agenda item must abstain from voting, must comply with the criteria of the SEC and the SET, and must disclose transaction details, value, countered party and reason in the annual report and the 56-1 Form.
23. Monitor the use of inside information. Directors, executives, employees and departments knowing inside information are prohibited to disclose such information to third party or unrelated person, to trade securities by exploiting inside information of the Company and its subsidiaries as well as to sell/buy the Company's share/securities 1 month prior to announcement of the financial statement to public.
24. Each director must notify his/her own or his/her connected persons' vested interest under Section 89/4 of the Securities and Exchange Act (amended B.E. 2551) annually and/or every time information is changed.
25. Evaluate its performance annually according to the guideline of the SET in December every year and report the results to the Board of Directors in the next meeting in February in order to acknowledge its performance and set measures for improvement.
26. Evaluate performance of the Group CEO at least once a year by applying the performance evaluation criteria approved by the Broad of Directors.
27. Be responsible for establishing policies and systems supporting anti-fraud and corruption to ensure that the Management recognizes the importance of anti-fraud and corruption.
28. Establish sub-committees and define their duties, including duties of representing directors in the subsidiaries.
29. Consider and endorse the matters before submission to shareholders' meeting for approval.

Duties and Responsibilities of Chairman of the Board

1. Act as the leader of other directors to oversee the Company's operation to ensure that it achieves the defined objectives.
2. Act as the Chairman of the Board's meeting and shareholders' meeting, and control such meetings to be smooth, accurate and in compliance with the Public Limited Company Act and the Securities and Exchange Act.
3. Cast the decisive vote in the Board of Directors' meeting and shareholders' meeting in case of the tie vote.

Authorities of the Board of Directors include

1. Appointment and determination of the Group CEO's compensation,
2. Approval of organizational structure and management of the Group of companies,
3. Approval of vision, mission, policies, strategies, goals, business plans, investment and annual budget of the Group of companies and monitoring the implementation to be in line with the approved plans and budget,
4. Approval of connected transactions, conflicts of interest, acquisition and disposition of assets, etc. under laws and requirements of the SEC and the SET,
5. Approval of contingent liabilities, commitments and guarantees of the Group of companies, and delegating authorization to the Management to process properly,
6. Consideration of disputes and litigation of the Group of companies with capital exceeding Baht 5 million,
7. Approval of the payment of the Group of companies which is not under the annual budget and exceeding the authority of the Executive Committee,
8. Approval of the payment of the Group of companies which is exceeding the budget and the authority of the Executive Committee,
9. Approval of rental and leasing of immovable property which is over 3 year period,
10. Approval of matters proposed by the Executive Committee and matters required by laws and by the SEC or the SET to get approval from the Board.

Delegation of Authorities by the Board

The Board of Directors may authorize one or more than one directors or other person to act on its behalf under its supervision or may delegate person to have authority as it deems appropriate and within an appropriate period of time. The Board of Directors may cancel, revoke, change or revise such authorization or delegation of authority as deemed appropriated, except for acquisition and disposition of assets and connected transaction that must comply with the announcements and the requirements of the SEC and the SET. The Board of Directors may delegate the Executive Committee to act on its behalf under the scope of responsibility of the Executive Committee. Nevertheless, the delegation of authority must not be carried out in a nature that will enable the delegates or person(s) authorized by the delegates to approve the transaction in which they who may have conflicts, interests or conflicts of interest with the Company or its subsidiaries, unless it is the approval of transaction which is in accordance with policies and criteria approved by the Board.

Directorship in Other Listed Companies

For utmost benefit of the Company to gain the effective dedication of the directors' time, the Board of Directors has established the policy on directorship in other companies of the Company's director as follows:

- Each director can hold positions in the Company, its subsidiaries and associated companies.
- Each director may hold directorship in other companies, but must not serve in more than five SET-listed companies.
- Each director must not conduct business, engage in partnership or hold directorship in other companies, of which the business is similar to or competitive with the business of the Company, unless the directorship is approved by shareholders' meeting before the appointment. This is except for directorship in the subsidiaries of the Company.

At present, the Company's each director holds directorship in the SET-listed companies not exceeding five in total and each executive director holds directorship in the SET- listed companies not exceeding two in total.

Board of Directors' Meeting

The Board of Directors in advance plans meeting dates for the entire year, with at least six meetings a year at the area where the Company's headquarter is located. In case the meeting is not held every month, the Company submits full details of the operating results to the Board in the month without meeting convened so that the Board can continually and timely supervise, control and monitor the Management's performance. An extraordinary session may be convened if necessary. The Company requires the directors to attend every meeting every except in case of necessity for acknowledgement and approval matters proposed by the Group CEO and the Management.

The Company defines criteria and quorum of the Board's meeting as follows:

- To call for the Board of Directors' meeting, the Chairman or the assigned person sends the meeting invitations specifying date, time, venue and agenda details to all directors at least 7 days ahead. Except for the urgent case to protect the company's interest, notification of the meeting can be given through other means and the meeting can be convened earlier.
- The Chairman of the Board, the Group CEO and the Company Secretary jointly set a clear agenda before each Board's meeting. All directors can freely propose agenda items for consideration by the Chairman before inclusion in a meeting.
- The Company Secretary must submit meeting documents that can be revealed in a written form without affecting the Company's business operations to the directors at least seven days in advance together with an invitation letter specifying the meeting date, time, place, and agenda to allow directors to have enough time to study before the meeting.
- To form a quorum in the meeting, at least half of the directors must be present. The Chairman of the Board shall be the chairman of the meeting. In case the Chairman is absent or cannot perform the duty, the Vice President shall be a substituted chairman. If there is no Vice President or Vice President cannot perform duty, other members attending the meeting can select one member to be a substituted chairman of the meeting.
- Decision of the Board of Directors's meeting will be depended on the majority of attending directors.

- One director has one vote, except director with vested interest in any agenda item must abstain from voting on that item. If the number of votes is equal, the chairman will cast the decisive vote.

During each meeting, the Chairman allocates enough time for discussion of each significant issue and encourages all directors to creatively and freely express ideas with due discretion.

The Company Secretary must attend the meetings and take meeting notes every time. The minutes of the meeting must be generated after the meeting, adopted by the Board in the next meetings and certified correction by signature of the Chairman of the Board. Directors may provide views or request to revise the minutes to make it the most correct.

The certified minutes of the meeting will be kept systematically and confidentially at the Company Secretary Office.

In 2017, the Board of Directors convened 9 regular meetings and one annual corporate strategy seminar with the Management to review the vision and set corporate goals and strategies, and assess business environment and situation. The meeting attendance of each director was as follows:

Name	Total number of meetings / Meeting attendance (Time)		
	Meeting	Seminar	Total
1. Mr. Arsa Sarasin	9/9	1/1	10/10
2. Mr. Chanin Donavanik	9/9	1/1	10/10
3. Professor Hiran Radeesri	8/9	1/1	9/10
4. Mrs. Pranee Phasipol	9/9	1/1	10/10
5. Mr. Banterng Tantivit/1	0/2	0/1	0/3
6. Mr. Vichit Chinwongworakul/2	3/4	0/1	3/5
7. Professor Dr. Kittipong Kittayarak	7/9	1/1	8/10
8. Mrs. Varang Chaiyawan	9/9	1/1	10/10
9. Professor Emeritus Dr. Khunying Suchada Kiranandana/3	7/7	0/1	7/8
10. Mr. Pakhawat Kovithvathanaphong/4	5/7	1/1	6/8
11. Mr. Somprasong Boonyachai/5	2/3	1/1	3/4
12. Mr. Kenneth Korsirisophon	0/9	0/1	0/10
13. Mrs. Sinee Thienprasiddhi	7/9	1/1	8/10
14. Mrs. Suphajee Suthumpun	9/9	1/1	10/10

Remark: /1 Mr. Banterng Tantivit resigned from Director effective from February 28, 2017.
/2 Mr. Vichit Chinwongworakul resigned from Director effective from June 20, 2017.
/3 Prof. Emeritus Dr. Khunying Suchada Kiranandana was appointed as Director effective from March 1, 2017. The Board's Meeting No. 3/2018 on March 23, 2017 was the first time of her attendance.
/4 Mr. Pakhawat Kovithvathanaphong was appointed as Director effective from March 1, 2017. The Board's Meeting No. 3/2017 on March 23, 2017 was the first time of his attendance.
/5 Mr. Somprasong Boonyachai was appointed as Director effective from July 1, 2017. The Board's Meeting No. 7/2017 on August 15, 2017 was the first time of his attendance.

In addition, the Company requires non-executive directors to jointly hold exclusive meeting at least once a year to review significant business matters, where summaries of issues for consideration and helpful recommendations were provided to the Board and the Management for further action. In 2017, the Company staged one meeting of the non-executive directors. List of non-executives directors attending the meeting are as follows:

Name	Position
1. Mr. Arsa Sarasin	Chairman of the Board, Independent Director
2. Professor Hiran Radeesri	Independent Director, Chairman of the Audit Committee, Chairman of the Remuneration Committee, Chairman of the Corporate Governance and Nomination Committee
3. Mrs. Pranee Phasipol	Independent Director, Member of the Audit Committee, Member of the Remuneration Committee, Member of the Corporate Governance and Nomination Committee
4. Mr. Pakhawat Kovithvathanaphong	Independent Director
5. Mr. Somprasong Boonyachai	Independent Director

Remark: There were three Non-Executives Directors not attending the meeting namely Mrs. Varang Chaiyawan, Dr. Kittipong Kittayarak and Prof. Emeritus Dr. Khunying Suchada Kiranandana due to business matters.

- **Sub-Committees**

The Board of Directors gives the importance of good corporate governance and has resolved to establish four sub-committees to closely monitor and supervise the Company's business operation namely:

1. Audit Committee

The Audit Committee was established on June 24, 1999 consisting of three independent directors namely:

Name	Position
1. Professor Hiran Radeesri	Chairman of the Audit Committee
2. Mrs. Pranee Phasipol	Member of the Audit Committee
3. Professor Dr. Kittipong Kittayarak	Member of the Audit Committee

and having Mrs. Jongkolnee Chantaworakit, Vice President of Finance and Accounting – Head Office as Secretary to the Committee

Professor Hiran Radeesri and Mrs. Pranee Phasipol are Certified Public Accountants who possess accounting knowledge and have adequate experience in reviewing reliability of the Company's financial statements. (Details about the Audit Committee's educational background, training and experiences appear in "Board of Directors, Executives, Authorized Person and Company Secretary")

The Board of Directors defined and approved the charter of the Audit Committee with below details:

1. <u>Composition and qualifications</u>

The Audit Committee consists of three independent directors appointed by the Board of Directors and having qualifications of independent directors defined by the SEC. At least one member must possess knowledge in accounting and adequate experience to review reliability of the financial statement. The Audit Committee may appoint person to be the committee's secretary as deemed appropriate.

2. Duties and responsibilities

2.1 Review the accuracy and adequacy of the Company's financial report.

2.2 Review the Company's internal control system and internal audit to ensure its suitability and effectiveness. Consider independence of the Internal Audit Office and provide views on the appointment, transfer, discharge as well as adjustment of compensation of the Head of the Internal Audit Office.

2.3 Review conformance by the Company to Securities and Exchange laws, SET requirements and business-related laws and ethics of the Company.

2.4 Consider and select an independent person to be appointed as the Company's external auditor and purpose the audit fee. Attend the meeting with the external auditor without the Company's executive at least one time a year. Also, consider the removal of the external auditor.

2.5 Consider related transaction or transaction which may cause conflicts of interest to be in compliance with law and SET's regulations to ensure that they are reasonable and in the Company's best interests.

2.6 Review the adequacy of the Company's Risk Management processes

2.7 Ensure that the Company operates it business in compliance with anti-fraud and corruption measures.

2.8 Report its performance to the Board of Directors for acknowledgement and consideration once every quarter.

2.9 Prepare the Audit Committee's report for disclosure in the Company's annual report. The report must be signed by Chairman of the Audit Committee and must consists of following information:

1. opinion on accuracy, completeness and credibility of the Company's financial report
2. opinion on adequacy of the Company's internal control system,
3. opinion on compliance with by the Securities and Exchanges laws, the Stock of Thailand regulations or the laws relating to the Company's business,
4. opinion on suitability of an external auditor,
5. opinion on transactions which may lead to conflicts of interest,
6. number of the Audit Committee's meeting and attendance at such meetings by each committee member,
7. opinion or overview of comments received by the Audit Committee from its performance of duties in accordance with the charter,
8. Other transactions which, according to the Audit Committee's opinion, should be known to the shareholders and general investors, subject to the scope of duties and responsibilities assigned by the Board of Directors

2.10 Other duties as assigned by the Board of Directors under the Audit Committee's consent.

2.11 In case of any suspicious transactions or actions that may significantly affect the Company's financial status and performance, the Audit Committee shall report the findings to the Board of Directors to make any improvement or correction in a timely manner as deem appropriate by the Audit Committee. Details are displayed below:

1. Transaction regarding conflicts of interest
2. Transaction regarding fraud, irregularities or significant deficiencies in internal control system
3. Any violation of SEC's laws, SET's regulations or laws relevant to the Company's business

In case the Board of Directors or the Management fails to take corrective actions on those transactions in a timeframe, any of the Audit Committee may report of such transactions or actions directly to SEC or SET.

2.12 If the Auditor finds suspicious circumstances in which a Director, Manager or responsible person in the Company has committed an offense under the law, the Audit Committee should be contacted in order to conduct further investigation immediately. The Audit Committee shall report the primary result to the SEC and the Auditor within 30 days of being informed. The method to obtain clarification on the above mentioned circumstances should be in accordance with the notification of the Capital Market Supervisory Board.

3. Authority of the Audit Committee

3.1 The Audit Committee may invite the Company's directors, executives, department heads or employees to discuss or answer questions.

3.2 If it is considered essential and suitable to do so, the Audit Committee may seek advice from the Company's advisor or may hire advisor(s) or other professional experts.

4. Office Term

4.1 The Audit Committee has an office term of 3 years and may hold office for maximum three consecutive terms, except for when the Board considers extending the term of an Audit Committee member as deemed appropriate.

4.2 Other than term completion, an Audit Committee member shall vacate the office when he or she

1. lacks of qualifications of the Audit Committee
2. deceases
3. resigns
4. is removal
5. is imprisoned under the final court verdict or a legal order, except for offences caused by negligence or misdemeanor
6. is considered incompetent or quasi-incompetent
7. becomes bankruptcy

4.3 An Audit Committee member who desires to resign ahead of term completion must notify and submit a resignation letter to the Chairman of the Board. Resignation will be effective from the date the Chairman of the Board receives the letter of resignation.

4.4 In case an Audit Committee member resigns or is removal before the term completion, the Company must notify the SEC and the SET without delay. A retired or dismissed director can explain the reasons to the SEC and the SET.

4.5 In case of vacancy of all Audit Committee members, the Audit Committee must perform duty until new Audit Committee is appointed.

4.6 In case a vacancy occurs for reasons other than term completion, the Board of Directors shall appoint a qualified person to maintain the required numbers of the Audit Committee members. The substituted member can only be in the office within the remaining term of the member he/she replaces.

5. Meeting and quorum

5.1 The Audit Committee must hold meetings no less than 4 times a year.

5.2 To call for a meeting, the Chairman of the Audit Committee or the Secretary to the Audit Committee by order of its Chairman sends the meeting invitation to all members at least 7 days ahead. Except for the urgent case to protect the company's interest, notification of the meeting can be given through other means and the meeting can be convened earlier

5.3 The Audit Committee holds meetings to consider matters under the scope of duties.

5.4 To form a quorum in the meeting, at least half of the total members of the Audit Committee appointed by the Board of Directors must be present. The Chairman of the Audit Committee shall also be the chairman of the meeting. In case the Chairman is absent or cannot perform the duty, other members attending the meeting can select one member to be a substituted chairman of the meeting.

5.5 The resolution of the meeting will take into account the majority of votes, with one member having one vote. Each member of the Audit Committee with vested interest in any agenda item must abstain from voting on that item. If the number of votes is equal, the chairman will cast the decisive vote.

The Audit Committee regularly convenes the meeting and periodically reports its performance. It also provides opinion on adequacy of internal control to the Board and considers the appointment and remuneration of the external auditor.

In 2017, the Audit Committee convened 12 meetings and arranged the meetings with the external auditors every quarter. The meeting attendance of each committee was as follows:

Name	Position	Meeting Attendance(Time)
1. Professor Hiran Radeesri	Chairman of the Audit Committee	12/12
2. Mrs. Pranee Phasipol	Member of the Audit Committee	12/12
3. Professor Dr. Kittipong Kittayarak	Member of the Audit Committee	8/12

2. Remuneration Committee

The Remuneration Committee was established on May 14, 2002 consisting of three independent directors and non-executive directors namely:

Name	Position
1. Professor Hiran Radeesri	Chairman of the Remuneration Committee
2. Mrs. Pranee Phasipol	Member of the Remuneration Committee
3. Mrs. Varang Chaiyawan	Member of the Remuneration Committee

and having Mrs. Jongkolnee Chantaworakit, Vice President of Finance and Accounting – Head Office acting as Secretary of the Committee

The Board of Directors defined the regulations of the Remuneration Committee with details as follows:

1. Composition and qualifications

The Remuneration Committee consists of three members which mostly are independent directors appointed by the Board of Directors. Chairman of the Remuneration Committee must be an independent director.

The Remuneration Committee must regularly monitor changes in the Company's performance in order to improve the remuneration criteria, be able to perform duties, provide opinion and report its performance of assigned duties independently.

2. Duties and responsibilities

2.1 Propose compensation policy and method, both monetary and non-monetary form, for directors, member of the sub-committees of the Company and its subsidiaries.

2.2 Propose compensation policy for Group CEO matching with the Company's annual performance and propose to the Board of Directors for approval.

2.3 Consider, review, study and monitor changes and trends of remunerations of the Board and the Management in comparison with those of other companies within the same industry to motivate the performance.

2.4 Perform other duties as assigned by the Board of Directors

2.5 The Remuneration Committee performs its duties in accordance with the regulation of the Remuneration Committee with no limits; and has authority to request the Management, head of business units or employees to give opinions, attend the meeting, send the information or documents deemed relevant, without limitation. If it is considered essential and suitable to do so, the Remuneration Committee may hire or seek advice from external independent advisor(s) or other professional experts with expenses absorbed by the Company.

3. Office Term

3.1 The Remuneration Committee has an office term of 3 years and may hold office for maximum three consecutive terms, except for when the Board considers extending the term of a Remuneration Committee member as deemed appropriate.

3.2 Other than term completion, a Remuneration Committee member shall vacate the office when he or she

1. lacks of qualifications to be member of the Remuneration Committee
2. deceases
3. resigns
4. is removal
5 is imprisoned under the final court verdict or a legal order, except for offences caused by negligence or misdemeanor
6. is considered incompetent or quasi-incompetent
7. becomes bankruptcy

3.3 A Remuneration Committee member who desires to resign ahead of term completion must notify and submit a resignation letter to the Chairman of the Board. Resignation will be effective from the date the Chairman of the Board receives the letter of resignation.

3.4 In case of vacancy of all Remuneration Committee members, the said Remuneration Committee must perform duty until new Remuneration Committee is appointed.

3.5 In In case a vacancy occurs for reasons other than term completion, the Board of Directors shall appoint a qualified person to maintain the required numbers of the Remuneration Committee members. The substituted member can only be in the office within the remaining term of the member he/she replaces.

4. Meeting and quorum

4.1 The meeting of the Remuneration Committee can be held at any time as deemed necessary and appropriate by the Remuneration Committee or its Chairman. Nevertheless, the Remuneration Committee must hold meetings at least twice a year.

4.2 To call for a meeting, the Chairman of the Remuneration Committee or the Secretary to the Remuneration Committee by order of its Chairman sends the meeting invitation to all members at least 7 days. Except for the urgent case to protect the company's interest, notification of the meeting can be given through other means and the meeting can be convened earlier.

4.3 The Remuneration Committee holds meetings to consider matters under the scope of duties.

4.4 To form a quorum in the meeting, at least half of the total members of the Remuneration Committee appointed by the Board of Directors must be present. The Chairman of the Remuneration Committee shall also be the chairman of the meeting. In case the Chairman is absent or cannot perform the duty, other members attending the meeting can select one member to be a substituted chairman of the meeting.

4.5 The resolution of the meeting will take into account the majority of votes, with one member having one vote. If the number of votes is equal, the chairman will cast the decisive vote. Each member of the Remuneration Committee with vested interest in any agenda item must abstain from voting on that item.

In 2017, the Remuneration Committee convened 4 meetings and report its performance to the Board of Directors. The meeting attendance of each committee was as follows:

Name	Position	Meeting Attendance (Time)
1. Professor Hiran Radeesri	Chairman of the Remuneration Committee	4/4
2. Mrs. Pranee Phasipol	Member of the Remuneration Committee	4/4
3. Mrs. Varang Chaiyawan	Member of the Remuneration Committee	2/4

3. Corporate Governance and Nomination Committee

Established on May 14, 2002, the Corporate Governance and Nomination Committee consists of three independent directors and non-executive directors namely:

Name	Position
1. Professor Hiran Radeesri	Chairman of the Corporate Governance and Nomination Committee
2. Mrs. Pranee Phasipol	Member of the Corporate Governance and Nomination Committee
3. Mrs. Varang Chaiyawan	Member of the Corporate Governance and Nomination Committee

and have Mrs. Jongkolnee Chantaworakit, Vice President of Finance and Accounting – Head Office acting as Secretary to the Committee

The Board of Directors defined the regulations of the Corporate Governance and Nomination Committee with details below:

1. Composition and qualifications

The Corporate Governance and Nomination Committee consists of three members which mostly are independent directors appointed by the Board of Directors. Chairman of the Corporate Governance and Nomination Committee is an independent director.

The Corporate Governance and Nomination Committee must be knowledgeable in corporate governance, perform duties, provide opinion and report its performance on assigned duties freely, be neutral in nominating and selecting qualified persons to be the Company's director in replacement of director who completes term or vacates office with other reason.

2. Duties and responsibilities

2.1 Oversee and monitor the Company's operation, information disclosure of the Investors Relation Department and performance of duties of directors, sub-committees, executives and employees to be in compliance with the good corporate governance, the Company's policies and relevant laws.

2.2 Define scope, review policies and provide advice on practical guidelines in accordance with the good corporate governance principle to ensure its timeliness on a regular basis.

2.3 Consider policy and action plans on the corporate social responsibility and propose to the Board for approval

2.4 Consider structure and composition of the Board of the Company and its subsidiaries.

2.5 Consider names and qualifications of persons to be appointed as directors of the Company and its subsidiaries.

2.6 Consider and screen qualified persons to be appointed as the Group CEO, also prepare succession plan.

2.7 Provide recommendations on performance evaluation of the Board of Directors and sub-committees on a regular basis to get information for enhancement of performance.

2.8 Perform other duties as assigned by the Board of Directors

2.9 The Corporate Governance and Nomination Committee performs its duties under the regulations of the Corporate Governance and Nomination Committee without limitation; and has authority to request the Management, heads of business units or employees to give opinions, attend the meeting, send the information or documents deemed relevant, without limitation. If it is considered essential and suitable to do so, the Corporate Governance and Nomination Committee may hire or seek advice from external independent advisor(s) or other professional experts with expenses absorbed by the Company.

3. Office Term

3.1 The Chairman of the Corporate Governance and Nomination Committee and the member of the committee have an office term of 3 years and may hold office for maximum three consecutive terms, except for when the Board considers extending the term of a Corporate Governance and Nomination Committee member as deemed appropriate

3.2 Other than term completion, a Corporate Governance and Nomination Committee member shall vacate office when he or she

1. lacks of qualifications to be member of the Corporate and Nomination Committee
2. deceases
3. resigns
4. is removal
5. is imprisoned under the final court verdict or a legal order, except for offences caused by negligence or misdemeanor
6. is considered incompetent or quasi-incompetent
7. become bankruptcy

3.3 A Corporate Governance and Nomination Committee member who desires to resign ahead of term completion must notify and submit a resignation letter to the Chairman of the Board. Resignation will be effective from the date the Chairman of the Board receives the letter of resignation.

3.4 In case of vacancy of all Corporate Governance and Nomination Committee members, the said Corporate Governance and Nomination Committee must perform duty until new Corporate Governance and Nomination Committee is appointed.

3.5 In case a vacancy occurs for reasons other than term completion, the Board of Directors shall appoint a qualified person to maintain the required numbers of the Corporate Governance and Nomination Committee members. The substituted member can only be in the office within the remaining term of the member he/she replaces.

4. Meeting and quorum

4.1 Meeting of the Corporate Governance and Nomination Committee can be held at any time as deemed necessary and appropriate by the Corporate Governance and Nomination Committee or its Chairman. Nevertheless, the Corporate Governance and Nomination Committee must hold meetings at least twice a year

4.2 To call for a meeting, the Chairman of the Corporate Governance and Nomination Committee or the Secretary to the Corporate Governance and Nomination Committee by order of its Chairman sends the meeting invitation to all members 7 days ahead. Except for the urgent case to protect the company's interest, notification of the meeting can be given through other means and the meeting can be convened earlier

4.3 The Corporate Governance and Nomination Committee holds meetings to consider matters under the scope of duties.

4.4 To form a quorum in the meeting, at least half of the total members of the Corporate Governance and Nomination Committee appointed by the Board of Directors must be present. The Chairman of the Corporate Governance and Nomination Committee shall also be the chairman of the meeting. In case the Chairman is absent or cannot perform the duty, other members attending the meeting can select one member to be a substituted chairman of the meeting.

4.5 The resolution of the meeting will take into account the majority of votes, with one member having one vote. If the number of votes is equal, the chairman will cast the decisive vote. Each member of the Corporate Governance and Nomination Committee with vested interest in any agenda item must abstain from voting on that item.

In 2017, the Corporate Governance and Nomination convened 3 meetings and reported its performance to the Board of Directors. The meeting attendance of each committee was as follows

Name	Position	Meeting Attendance (Time)
1. Professor Hiran Radeesri	Chairman of the Corporate Governance and Nomination Committee	3/3
2. Mrs. Pranee Phasipol	Member of the Corporate Governance and Nomination Committee	3/3
3. Mrs. Varang Chaiyawan	Member of the Corporate Governance and Nomination Committee	3/3

4. Executive Committee

The Board of Directors' Meeting No. 8/2015 on December 21, 2015 resolved to appoint the Executive Committee effective from January 1, 2016. The Executive Committee consists of three Directors namely:

Name	Position
1. Mr. Chanin Donavanik	Chairman of the Executive Committee
2. Mrs. Sinee Thienprasiddhi	Member of the Executive Committee
3. Mrs. Suphajee Suthumpun	Member of the Executive Committee

and have Ms. Mantanee Surakarnkul, Vice President of Company Secretary Office acting as Secretary to the Committee

The Board of Directors defined the regulations of the Executive Committee with details below:

1. Composition and qualifications

The Executive Committee is appointed by the Board of Directors and consists of the Company's qualified directors and top executives.

2. Authorities and duties of Chairman of the Executive Committee

2.1 Supervise and monitor work performance of the Executive Committee members.

2.2 Provide advice regarding business operation to the Management.

2.3 Ensure that the Management performs duties in accordance with the Board's resolutions.

2.4 Perform other duties assigned by the Board of Directors.

3. Duties and responsibilities of the Executive Committee

3.1 Consider vision, mission, policies, strategies, goals, business plans, investment and annual budget of the group of Company proposed by Group CEO and submit to the Board of Directors for approval.

3.2 Approve investment, headcount, bonus payment and salary increase under the annual budget framework approved by the Board of Directors.

3.3 Consider disputes and litigation of the Group of companies with capital not exceeding Baht 5 million.

3.4 Approve the appointment, dismissal and compensation of top executives at C-level (one down from the Group CEO).

3.5 Approve organization structure and management of executives below the C-level.

3.6 Approve salary and compensation structure of employees and executives.

3.7 Oversee the operations to ensure that they are performed effectively according to the defined policies, strategies and goals, and in compliance with requirements of laws without conflicts of interest for the utmost benefit of the Company.

3.8 Approve the payment of the Group of companies which is not under the budget and exceeding the authority of the Group CEO, but not exceeding Baht 30 million per one round of the Board of Directors' meeting. Nevertheless, it must comply with the announcement and the requirement of the SEC and the SET.

3.9 Approve the payment of the Group of companies which is over the budget by 5 percent but not exceeding 10 percent approved by the Board or Baht 30 million, whichever amount is higher, per one round of the Board of Directors' meeting. Nevertheless, it must comply with the announcement and the requirement of the SEC and the SET.

3.10 Approve rental and leasing of immovable property which is not the normal business operation up to 3 year period.

3.11 Perform other duties as assigned by the Board of Directors.

4. Office Term

4.1 An Executive Committee member shall vacate the office when he or she

1. terminates/is dismissal from the position of the Company's director and/or executive
2. resigns
3. is removal by resolution of the Board of Directors' meeting

4.2 In case a vacancy occurs for reasons, the Board of Directors shall appoint a qualified person to replace the vacancy.

Performance Evaluation of the Board of Directors and Sub-Committees

Performance evaluation of the Board of Directors

The Company requires the Board of Directors to evaluate its performance at least once a year.

Criteria

The performance evaluation of the Board of Director use evaluation form which applies SET's evaluation approach to suit the characteristics and structure of the Board of Directors. The results are key factors for the enhancement of directors' performance and related duties. The evaluation form consists of 6 topics as follows:

1) Board's structure and qualifications

2) Roles, duties and responsibilities of the Board

3) Board's meeting

4) Director's performance of duties

5) Relationship with the Management

6) Director' self-improvement and executive development

Rating assigns the method of identifying each director's opinion by ticking (/) in the score box, from 0 – 4 only 1 slot in the evaluation form with the following meanings:

0 = Absolutely disagree or no action taken on that matter

1 = Disagree or few actions taken on that matter

2 = Agree or fair action taken on that matter

3 = Rather agree or adequate action on that matter

4 = Absolutely agree or excellent action on that matter

Then all the scores are evaluated by mean of calculation percentage of full score. The criteria of scores are as follows:

Equivalent or over 90% = Excellent

Equivalent or over 80% = Very good

Equivalent or over 70% = Good

Equivalent or over 60 = Fair

Below 60 = Need improvement

Procedures

The Company Secretary will deliver the evaluation form to each director at the end of each year. After each director completes the evaluation, he/she shall return the evaluation form to the secretary to the Nomination and Remuneration Committee to gather and report to the Board in the next meeting in order to set measures to further improve work efficiency of the Board.

In 2017, the Board of Directors determined the self-evaluation of the Board of Directors in a whole basis. The summarized evaluation results of the Board of Directors' performance in 2017 were rated GOOD.

Performance Evaluation of Sub-Committees

Criteria

The performance evaluation of the sub - committees uses the evaluation form which applies SET's evaluation approach to suit the characteristics and structure of the sub - committees. The results are key factors for the enhancement of sub - committees' performance and related duties.

Procedures

The Secretary to each sub-committee will deliver the performance evaluation form to each director at the end of the year. After each director completes the evaluation, he/she shall return the evaluation form to the secretary to the Nomination and Remuneration Committee to gather and report to the Board in the next meeting in order to set measures to further improve work efficiency of the Board

In 2017, the Board of Directors determined the self-evaluation of the Audit Committee in a whole basis. The summarized evaluation results of the Audit Committee performance in 2017 were rated GOOD.

Director's orientation

The Board of Directors recognizes the importance of duty performing of new directors and has therefore defined the practical guideline on preparation for duty performing of directors to enable new directors to know the Company's expectations of their roles, duties, responsibilities, the Company's policies, business and corporate governance practices. These include enabling them understand about the Company's business and operation, as well as to visit its business units for being prepared to perform the duty of director promptly as follows:

- Coordinate in providing of the Company's data in legal area and others to the Board of Directors.
- Hand over "Directors Guidebook" to new directors, the guidebook contains the Company's information and relevant crucial laws which will be useful for members of the Board of Directors. The Company Secretary is responsible for coordinating to deliver this guidebook to the Board of Directors. Contents of the guidebook consists of Articles of Association of the Company, objectives of the Company, affidavit of the Company, Public Company Limited Act, Securities and Exchange Act, guidebook for directors of listed company, charter of the Board of Directors and of the Sub – Committees, Business Code of Conduct of Directors and manual for Corporate Governance Policy and other policies of the Company.
- Arrange meetings with the Chairman, Board of Directors, sub-committees and executives to make them informed of the Company's business operation for using as their principles in performing duty. The presentation is made as a whole picture and in details under the topics namely, the Company's history, vision, mission, strategies, management structure, operating data and activities.

In 2017, three new directors namely, Professor Emeritus Dr. Khunying Suchada Kiranandhana, Mr. Pakhawat Kovithvathanaphong and Mr. Somprasong Boonyachai were provided director's orientation.

Development and Knowledge Enhancement of the Board

The Company encourages the Board of Directors to undergo additional study and training to enhance their knowledge of Board's roles and duties in efficient management under corporate governance.

In 2017, the following directors attended the training and study visits:

Director	Course	Institute	Date of attendance
Prof. Hiran Radeesri	1. Standard of Financial Report	1. Federation of Accounting Professions Under the Royal Patronage of His Majesty the King	2017
	2. The 2017 Accounting Standards	2. Federation of Accounting Professions Under the Patronage of His Majesty the King	2017
	3. Training courses arranged by the Thai Institute of Directors Association	3. Thai Institute of Directors Association	2017
Mrs. Pranee Phasipol	1. CEO Succession Management	1. Thai Institute of Directors Association	March 23, 2017
	2. Board Matters and Trends (2/2017)	2. Thai Institute of Directors Association	February 16-17, 2017
	3. Compensation and Benefits Design Fundamental and Practical Master Class 2017	3. Omegaworldclass	May 16-17, 2017
	4. AC Forum 2560	4. KPMG Audit (Thailand) Limited	August 7 and November 21, 2017

- **Nomination and Appointment of the Group CEO**

The Board of Directors appoints and determines the remuneration of the Group CEO by consideration the list submitted by the Corporate Governance and Nomination Committee who has duty to screen a qualified person having knowledge, ability, skill and experience which benefit to the Company's operations, well understanding the Company's business and being able to manage to Company to achieve goals set by the Board of Directors.

Duties and responsibilities of Group CEO

1. Set vision, mission, policies, strategies, goals, business plans, investment plans and annual budget of the Group of companies and propose to the Executive Committee for consideration and endorsement before submission to the Board of Director for approval.
2. Oversee the management of the Group of companies in accordance with policies, strategies, goals, business plans and annual budget approved by the Board of Directors and/or the Executive Committee to ensure that the Company can achieve goals and maximize shareholders' value and earnings per share.
3. Supervise the management of the Group of companies in accordance with objectives, rules, regulations, requirements, orders and resolutions of shareholders' meeting and/or the Board of Directors' meeting and/or the Executive Committee's meeting. Also, monitor on a regular basis performance of the Management to report operating progress and results of the Group of companies to the Board of Directors.

4. Institute policy on human resource management of the Group of companies and support the operations of all departments to ensure that they can develop and use their potential at maximum.
5. Approve the promotion of employees at executive level.
6. Enhance leadership vision among executives at all levels.
7. Provide advice and share experience which is useful for the Company's business operations among executives and employees.
8. Institute internal control system, risk assessment of finance and investment of the Group of companies to reduce risk by defining policy on risk management, monitoring and evaluating it, and report to the Board of Directors.
9. Approve payment of the Group of companies which is not under the annual budget and not exceeding Baht 10 million per one round of the Board of Directors' meeting. Nevertheless, it must comply with announcement and requirement of the SEC and the SET.
10. To approve payment of the Group of companies which is over budget, but not exceeding 5 percent of the amount approved by the Board or Baht 10 million, whichever amount is higher, per one round of the Board of Directors' meeting. Nevertheless, it must comply with announcement and requirement of the SEC and the SET.
11. Administer the financial management and the payment of the Group of companies' budget for the utmost benefit and efficiency of the Company.
12. Perform other duties as assigned by the Board of Directors and/or the Executive Committee.

Performance Evaluation of Group CEO

The Board conducts an annual performance evaluation of the Group CEO who is the highest executives of the Company at least once a year, using the performance evaluation criteria approved by the Board of Directors.

Succession Plan

To enable the Company to have knowledgeable and skillful executives to be able to inherit the top executive positions, the Board of Directors assigns the Corporate Governance and Nomination Committee to prepare the succession plan for the position of the Group CEO. The Human Resources Department implements the plan introduced by the Corporate Governance and Nomination Committee undertaking development of competency of top executives according to their knowledge, ability and experience through in-house and external training programs so that they are qualified to be appointed as a successor of the Group CEO position in case it is vacant.

Appointment of Company Secretary

Company Secretary has a key role in supporting and overseeing the Board's activities to be efficient, effective and in consonance with law, rules, regulations, and corporate governance principles. The Board of Directors shall appoint a qualified person to perform this position based on his/her knowledge, ability and suitability and has defined roles and responsibilities. (More details appear in "Company Secretary under the "Management Structure")

- **Oversight of subsidiaries and associated companies**

The Company runs its businesses through subsidiaries and associated companies (Details appear in "Shareholding Structure"). The Board commands a mechanism for supervising the management and the responsibility of subsidiaries and associated companies to safeguard the interests of the Company's investment capital, including

- Appointment of Representative Director According to Proportion of Shareholding

Since the Company is responsible for any transactions of its subsidiaries and associated companies, the Company appoints its director to be the representative director of the subsidiaries to oversee business operation pursuant to the Company's policy in the matters of operations including responsibility to propose budget of the subsidiaries to the Board of Directors' meeting for acknowledgement and approval. The Company requires that the representative director must propose the significant matters to the Board of Directors for approval before voting in the subsidiaries.

In addition, the representative director is responsible for monitoring the connected transaction or the acquisition or disposition of assets which is under criteria of the SET or other transactions required to conduct in accordance with the Board of Directors policies and resolutions, the representative Director shall gather information and inform the Company as well as oversee the subsidiaries and associated companies to operate under rules and regulations of the SET and the SEC either the transactions required to conduct under the Board of Directors' policies and resolutions.

Nevertheless, the appointment of representative director must be adhere to the proportion of shareholding and approved by the Board of Directors' meeting.

- Oversee information disclosure and transactions of the subsidiaries

1. Disclosure of financial status and operating results

The Board of Directors assigns and authorizes the Audit Committee the duty of reviewing the subsidiaries' financial statements prepared in accordance with generally accepted accounting standards, ensuring that information disclosure is accurate, adequacy, complete, reliable and in accordance with the Securities and Exchange Act, requirements of the SET and laws relating to the Company's business.

2. Connected transactions

The connected transaction of the subsidiaries must be approved by its parent Company and in compliance with the criteria of the SET and the SEC. The Audit Committee shall examine price or value of the transaction with the Company's staff and internal auditor whether it is reasonable and correctly disclosed in the financial statement.

3. Acquisition and disposition of assets

The Company stipulates the policy on connected transaction between the Company and related subsidiaries, especially acquisition and disposition of assets. It is required that transaction must be considered by the Audit Committee before submission to the Board of Directors and in compliance with the criteria of the SET and the SEC.

4. Other important transactions

The subsidiaries shall adhere to laws, regulations and criteria of the SET and the SEC, and request approval from the Board of Directors' meeting and/or shareholders' meeting for matters required by law.

- Formulate the internal control system of the subsidiaries

The Internal Audit Department has duty and responsibility to conduct freely evaluation of the internal control system, risk management and corporate governance, and review the compliance of regulations of the subsidiaries. The Internal Audit Department shall conduct as deemed appropriate the internal audit of the subsidiaries once a year emphasizing on financial matters and connected transactions, and monitor the subsidiaries' operations in preventing of the misuse of its and the Company's assets of the Management.

- Other mechanism

One example of other mechanism to oversight of the subsidiaries and the affiliated companies is the increase or decrease of capital. The transaction must be approved by the Board of its parent company as well as by the Board of Directors' meeting and shareholders' meeting of the subsidiary itself in compliance with the SET and the SEC's criteria.

Agreement between the Company and other shareholder regarding the management of subsidiaries and affiliated company

- None -

- **Monitoring the Use of Inside Information**

The Board of Directors' Meeting No. 1/2018 convened on January 19, 2018 resolved to approve the Disclosure Policy for the Group of companies' executives, employees, authorized spokesmen, including every person relating to the Group of companies with key principles detailed below:

1. Information to be disclosed must be accurate, complete, explicit and up to date in accordance with the requirements of the SET regarding the accurate and complete information disclosure. (Bor.Jor./Por. 11-00 Rules, Conditions and Procedures Governing the Disclosure of Information and Other Acts of A Listed Company B.E. 2560)
2. All stakeholders, including shareholders, investors, securities analysts and others have equitable rights to acknowledge disclosed information of the Company.
3. Important information that may affect the Company's stock price or investment decision of investors or the rights of shareholders will be disclosed without delay through the SET.

<u>Practical guidelines on information disclosure</u>

- Do not disclose confidential business information or information that, if disclosed, may cause a loss of benefits or competitiveness or information that is not finalized or under negotiation or information that is over realistic or overly promote without reasonable support. Refrain from using in appropriate words and formats that may mislead the Company's stock price.

- Do not disclose material non-public information to non-permitted executives or employees, groups of persons or any persons including investors, analysts and public media until such information is disclosed to public, except the case that it is the disclosure under the laws or requirements of the Company's regulator. In the case where there is a business need requiring the Company to disclose information to the relevant parties, auditors, securities guarantors, financial institutions, financial advisors, legal advisors or other advisors, the Company shall carefully execute to ensure that the said persons perform their job with caution in keeping information confidentially. However, disclosure of such information must comply with the regulations and requirements of the SET and the regulators.

Quiet Period

The Company has determined the quiet period of 30 days prior to the disclosure of operating results to the SET to avoid inequitable information disclosure that may lead to insider information and stock price manipulation. During the quiet period, the Company shall not answer any inquiries about performance to be disclosed, not provide any views on the trend of performance, not accept any appointment and not answer any questions by telephone to any analysts, investors or public media, except that such information is the fact already disclosed to the public.

The Company announced the quiet period of the present year on the Company's website under IR Calendar.

In 2017, the Company did not receive any complaint about misuse of inside information committed by director or executive.

Internal Control and Internal Audit

To ensure that the Company's business operation can achieve goals, is effective and in compliance with laws, regulations and requirements and that the financial report is accurate and reliable, the Board of Directors recognizes an importance of internal control system and internal audit.

The Internal Audit Department, directly reported to the Audit Committee, has the scope of work to ensure that all employees perform their duties in strict compliance with the Company's policies, standards, work procedures, regulations, and applicable laws. Assessment on the adequacy of the Company's internal control system is undertaken annually by relevant management divisions and Internal Audit. The five aspects of control are as follows:

1. Control environment
2. Risk assessments
3. Control Activities
4. Information and communication
5. Monitoring activities

The findings are reviewed by the Audit Committee and reported to the Board for consideration and opinions.

The Audit Committee appoints the Head of Internal Audit Department by selecting person who has suitable qualifications, can efficiently perform duties in evaluating the internal control system and work performance and providing recommendation for improvement. Currently, Head of the Internal Audit Department of the Company is Mr. Attapol Watjarapairoj, Director of Internal Audit Department

Risk Management

Risk Management is key mechanism and management role that helps organization to achieve goals, reduce losses and enhance competitiveness. It is also an important element of good corporate governance.

The Board of Directors recognizes the importance of enterprise wide risk management and appoints the Risk Management Committee chaired by the Group Chief Executive Officer and consisting of the Company's top executives, department heads and representatives from each department as the Board's representative to conduct the risk management of the Company. Key roles of the Risk Management Committee are detailed below:

1. Providing guidelines, policies and processes regarding the enterprise risk management within risk management framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission).
2. Managing key risks that effects the Company's business covering strategic risk, financial Risks, and compliance risk, also identifying risk factors and indicators, monitoring and controlling risks to ensure that they are at the level the Company can accept.
3. Review and adjust risk management structure, practical guidelines, directions, policies and relevant procedures in line with the changing law and environment.
4. Encourage open and consistent communication of risk management to the Management and employees of the Company.

To ensure that the implementation of the enterprise risk management is thorough and effective, the Risk Management Committee appoints four sub-committees according to the Company's core business.

The Risk Management Committee must report working progress on the enterprise risk management to the Audit Committee quarterly and to the Board of Directors at least once a year.

Monitoring Conflicts of Interest

The company has the policy to conduct the business with integrity, transparency, and fairness and determines that all directors, executives, and staff must not conduct or take part in any business which is in competition with the company's business, avoid making transactions relating to them or persons/juristic persons who may be in conflict with the company's interest and not seek benefits from the information or anything acquiring from their duties and responsibilities for personal interest or for competition with the business of the Company's business.

The Board of Directors has duty to strictly oversee the compliance with the criteria, methods and the disclosure of related transactions according the requirements stipulated by law and the governing agencies. If a connected transaction is unavoidable, however, such transaction must follow the general business provisions as specified and approved by the Board, based on transparency and fairness in the same way as ordinary transactions undertaken with outsiders, taking into account the best interests of the Company. Any party involved in a conflict of interest transaction must not take part in the consideration of such transaction. If connected transactions that breach the approved general business provisions could pose any conflict of interest, the Audit Committee will examine such transactions and include its opinions to the Board or shareholders for approval.

- Disclosure of personal interests held by directors, executives, and related parties
- Directors and executives must submit their first disclosure report within 30 days after first holding office and submit subsequent reports of their interests as of December 31 every year. To ensure the transparency of direct and indirect transactions undertaken by directors, executives, or related parties during the year, such directors or executives must notify CPN without delay by indicating facts about the nature of such contracts, names of counterparties, and their personal interests in such contracts.
- Disclosure of vested interests

  Directors and executives must report vested interests held by themselves and related persons under the regulations, conditions, and methods specified by the Capital Market Supervisory Board. The Company Secretary must comply and submit a copy of the report of such vested interests to the Chairman and Chairman of Audit Committee

- **Compliance on the Code of best practices of the Stock of Exchange of Thailand**

The Company recognizes the importance of the compliance which is the key mechanism to improve correctness and prudence of every operational procedures and steps. The Board of Directors assigns the Company Secretary Office to supervise and monitor the operation in compliance with the relevant laws and regulations.

The Board of Directors is committed to run the business by adhering to the good corporate governance principles for listed companies to ensure transparency, efficiency and responsibility to all stakeholders. For non-compliance aspects as mentioned below, the Company will review and adjust to be appropriate.

Non-compliance aspects	Justification
Independent directors can serve for no longer than nine consecutive years	The Board of Directors does not limit the term of directors and independent directors since by the Company's nature of business, it needs people with specialized competencies. Given the freedom and efficiency of directors' performance, these people may be suitable on the Board for longer than that.

Dusit Thani and Sustainability Development

Dusit Thani Public Company Limited embraces sustainable development in the economy, society and environment as the foundation of our operations. This guiding concept enhances our business innovation and ensures maximum benefit to all stakeholders, this paving the way toward being an organization of sustainability for our society and nation.

Policy of Sustainable Business Operation

The Company continues on its sustainability journey and remains committed to the pursuit of excellence of being an international corporate citizen providing hospitality services with good governance and responsibilities that creates positive economic, social and environmental impacts. The Company, therefore, committed to perform its duties of providing excellent services to serve the needs of both local and international travelers for developing the economic and social along with eco-friendly products and services. Moreover, the Company also has policies which promote social and community activities. With the confidence that the Company's growth by strictly concerning in every impact will lead to the sustainable development in the future. According to the vision of the Company which aims ***to lead the hospitality service industry, using the ways of Thai culture to responsibly enhance the development of the surrounding communities, environments, and economies of the countries in which we serve.*** To achieve the said vision, it is the Company's mission ***to operate with a concern for our impact on the surrounding communities, environments, and economies of the countries in which we operate, whilst building the Company in a sustainable way*** which appears in the policy of business operation as follows:

- Perform business with adherence of the equality and non-discrimination principle including promote fair business operation to the employees, customers, competitors, business partners, creditors including social, resources and environment for truly benefit to the economic and business sustainable.
- Against for all kind of corruption.
- Strengthen competitive potential and improve the quality of work life to employees by emphasizing on the safety in workplace and personal sanitation and treat every employee fairly based on human rights and human equality
- Adhere to the promise of delivering quality products and services with reasonable prices, concerning on customers' health and satisfaction
- The Company foresees that environment sustainable is a significant part for operating hotel business and reckon as our mission to operate with concerning on environmental impact and building good relationship with community for sustainability.
- Perform the business compliance with the Good Corporate Governance Principles

Sustainability Report 2017

About this report

The 2017 Sustainability Report was prepared to communicate the management policy and the performance of social and environmental responsibility of the Company to all stakeholders. It is also to disclose the concept of the business operations based on the sustainability in the dimension of economy, social and environment. Details in this report covers reporting period from January 1st, 2016 to December 31st, 2016. This Sustainability Report is prepared in line with the Global Reporting Initiative (GRI) Sustainability Reporting Guidelines version 4, in accordance with the Guidelines using "Core" option.

Scope of Content

This report covers policies and operating guidelines for sustainability of Dusit Thani Public Company Limited and 13 hotels in the chain, namely: Dusit Thani Bangkok, Dusit Thani Dubai, Dusit Thani Hua Hin, Dusit Thani Laguna Phuket, Dusit Thani Pattaya, Dusit Princess Korat *, Dusit Princess Srinakarin, Dusit Princess Chiang Mai, dusitD2 Chiang Mai, Dusit Thani Manila, Dusit Thani Maldives, Dusit Thani Lakeview Cairo and dusitD2 Nairobi.

Remark: * Dusit Thai Properties Public Company Limited, the Company's subsidiary, sold Dusit Princess Korat to Imperial Nakorn Ratchasima Company Limited and Sup Imperial Korat Company Limited and transferred its ownership of land, building and other relevant assets to the Buyer on December 28, 2017.

Stakeholder Engagement

The Company believes that stakeholder engagement is key to the Company's ability to understand and respond to stakeholders' requirements and expectations. This is the framework the Company uses for assessing materiality for the Company's sustainability.

Stakeholder	Communication and Channels	Interests and Expectation	Response
Shareholders and Investor The Company's shareholders: persons, juristic persons and funds who receive the return from the Company's performance	• Annual General Meeting of Shareholders • Information disclosure via the SET Portal Straight Through system and the Company's websites • Enquiring via website • Complaint receipt via complaint channels	• Sustainable performance and stable growth Transparent and fair operations • Sound risk management • Timely and accurate disclosure	• Create satisfactory performance, based on sound risk management • Provide transparent and timely company updates through the SET and other events or channels including the Company's website • Invite shareholders to attend AGM and provide opinion in the meeting

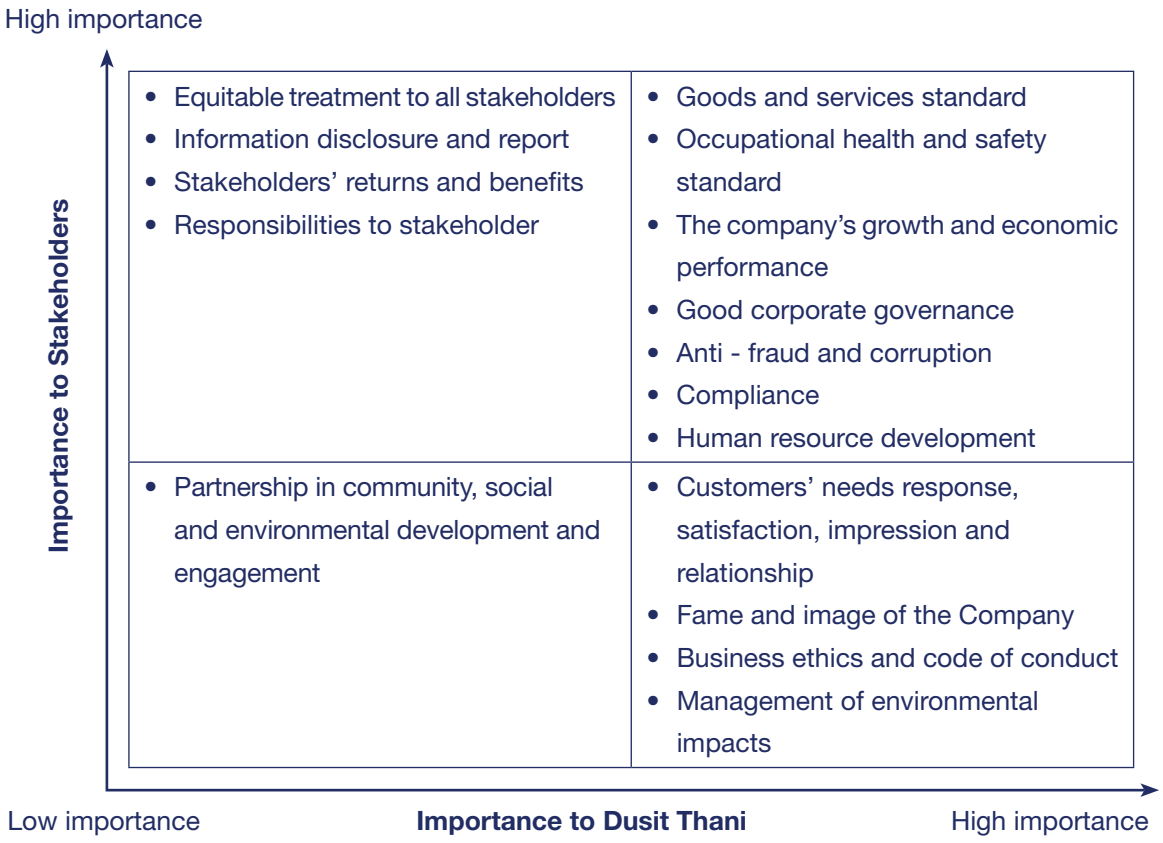
Stakeholder	Communication and Channels	Interests and Expectation	Response
Customers Tourists, business people, seminar attendants and hotel customers	• Company's website • Social media • Face-to-face i nteractions • Complaint receipt via complaint channels	• Services quality and standard • Value for money • Value for time • Preparedness and swiftness in responding to customers' demands • Listen to customers' problems and provide assistance for customers who are facing with problems • Respect for privacy • Price transparency e.g. pricing quotes in different websites • Tailored experience, e.g. treated as individual	• Provide training to staff to maintain services quality and standard • Deliver services in responding to customer needs • Conduct quality assurance and control audits • Conduct feedback survey and respond to feedback through various channels • Engage in social media and maintain company website • Review promotion and prices • Practice integrity by following up on our word
Employees Executives, employees and worksers	• Orientation for employees at all levels • Disseminate useful information, news and knowledge via internal media • Organize training and activities for employees • Provide in place channels for receiving opinions and suggestions • Formal and Informal opinion surveys • Annual performance appraisal • Regular dialogues and engagement sections between executives and staff	• Communicate about the Company's business direction, policy and practices • Appropriate welfare and compensation • Career path and advancement • Equal opportunity for skill development and training • Respect and fair treatment • Work-life balance • Promotional priority for current employee • Occupational health, safety and good environment in workplace	• Set up policies and operational guidelines for HR departments, and compliance with labor law • Promote staff career path • Undertake annual salary surveys in the market to come up with appropriate remunerations and benefits • Organize training courses suitable to staff in different divisions and levels • Conduct annual employee satisfaction surveys and performance assessment • Enhance occupational health and safety

Stakeholder	Communication and Channels	Interests and Expectation	Response
Business partners/ Creditors	• Regularly communicate via email and telephone	• Equal and fair treatment to all suppliers • Transparent procurement process • Compliance with terms and conditions as agreed • Review and take immediate actions on any issues that occur	• Have in place criteria to select suppliers and definitive audit processes • Compliance with terms and conditions as agreed • Review and take immediate actions on any issues that occur
Government sections	• Participation in activities organized by government sections	• Strictly comply with rules and regulations • Partnership in government programs	• Develop Public-Private Partnership programs • Share best practice programs with certain government sections
Communities, Society, Environment	• Partnership with community, society and environment	• Job creation • Partnership in social activities • Disseminate good identity and culture • Respect the local way of living • Creative co-living in communities • Use of environmentally friendly goods and services • Efficient energy consumption • Efficient waste disposal	• Provide local employment and local business support • Engage in local procurement and contractor services • Energy consumption efficiency • Efficient waste disposal • Encourage and support local community on natural and environmental conservation activities
Regulators	• Annual Report • 56-1 Form	• Compliance with law, rules and regulations regarding business operation with accountability, accuracy and transparency • Adequate information disclosure • Transparency on corporate governance	• Compliance with regulations and instructions including policy of the Company's stakeholders

Materiality Assessment Process

With reference to GRI materiality assessment, the Company reviewed and prioritized key aspects for sustainability by considering the most significant economic, social and environmental aspects to both the Company and our stakeholders.

Materiality Matrix



Operations for Sustainability at Policy Level

1. Good Corporate Governance Compliance

The Board of Directors of Dusit Thani Public Company Limited recognizes the importance of business operation by adhering to the Good Corporate Governance Principles issued by the Stock Exchange of Thailand and the Company's Corporate Governance Policy with believes that strong corporate culture and structure is vital for the Company to achieve goal, create the long-term growth and strengthen confidence to shareholders and all stakeholders. (*More information regarding Corporate Governance is disclosed under the Corporate Governance)

With continual commitment in conducting good corporate governance, the Company was rated **"Excellent"** in the Corporate Governance Report of Thai Listed Companies 2017, published by the Thai Institute of Directors Association (IOD)

2. Business Ethics and Code of Conduct for the Board of Directors, Executives and Employees

To be in compliance with good corporate principles, particularly the principles of responsibility, transparency, honesty, morality and perseverance for the growth and stability of the Company as well as for teamwork and social responsibility, Dusit Thani Public Company Limited has defined business ethics and code of conduct for the Board of Directors, executives and employees as follows:

Business Ethics

- The Company shall continuously improve the management and other operations to increase competitive capability.
- The Company shall perform its business in compliance with the law, the standard and the best practice on the business operation and the disclosure of financial information.
- The Company shall have responsibility to the environment of the society and promote the sustainable development by participating according to the Company's status.

Code of Conduct for the Board of Directors

1. Responsibilities to the Company

1.1 The Board of Directors shall conduct in compliance with the Company's Business Ethics.

1.2 The Board of Directors shall conduct in compliance with the law, the objectives and the Articles of Associations of the Company, including the resolutions of the Shareholders' Meeting.

1.3 The Board of Directors shall conduct in compliance with the Code of Best Practice for Directors of Listed Companies and relevant regulations of the SET, SEC and related Regulators.

1.4 The Board of Directors shall conduct their duties with responsibility, honesty, morality and caution for the Company's interest.

1.5 The Board of Directors shall not seek illegal benefit for personal interest from their duties and shall not perform any action that may directly or indirectly violate the Company's reputation.

1.6 The Board of Directors shall consistently seek knowledge of the Company's business, including relevant laws, rules or related regulations affecting a Director's duty.

2. Responsibilities to Shareholders

2.1 The Board of Directors shall perform the duties according to the resolutions of the Shareholders' Meeting with honesty, justice and be circumspect to preserve shareholders' interests both short-term and long-term.

2.2 The Board of Directors shall preserve all shareholders' benefits equally.

2.3 The Board of Directors shall manage the business in accordance with the goals and directions which maximize shareholders' benefit.

2.4 The Board of Directors shall oversee the Company to disclose information and present important information of the Company, including other operations correctly, completely, consistently and timely.

3. Responsibilities to Stakeholders

3.1 The Board of Directors shall treat all Stakeholders fairly and equally.

3.2 The Board of Directors shall provide safety systems and good welfare to the customers and employees.

3.3 The Board of Directors shall oversee and promote the Company to perform its business in compliance with trade framework and fair competition.

3.4 The Board of Directors shall not request or receive any illegal benefits, and not support the providing of any benefits to acquire personal or companion's benefits.

3.5 The Board of Directors shall support system and procedure for the stakeholders to file a complaint.

3.6 The Board of Directors shall conduct in compliance with the laws and the rules relating safety, occupational health and environment or other relevant regulations.

3.7 The Board of Directors shall support and associate with the government and communities in activities of the society, environment, educational institutes and political activity, including preservation of the tradition where the Company is located.

3.8 The Board of Directors shall create the Company's employees consciousness to be responsible for the society, communities and environment and create the mutual understanding with the community where the Company is located in order to create collaboration.

3.9 The Board of Directors shall continuously support the development of employees' knowledge and capability.

3.10 The Board of Directors shall listen to opinions and suggestions from the employees in every level equally.

4. Conflict of Interest and Information Disclosure

4.1 The Board of Directors shall monitor and control internal information of the Company and shall not disclose confidential information to third party

4.2 The Board of Directors shall disclose information sufficiently, correctly, timely and transparently in accordance with related regulations.

4.3 The Board of Directors shall not seek personal and companion's benefits from their positions, duties and confidential information of the Company.

4.4 The Board of Directors shall be careful on transactions among the Company's group by considering of maximum benefit for the Company's group as first priority and shall not act against the rules and regulations of the governments and the Article of Associations of the Company. In case that such transaction is the connected transaction, the Company shall proceed in accordance with the SET regulations.

4.5 The Director and the Management who have conflict of interest shall not be involved in the consideration process and shall leave the Board of Directors' Meeting in such agenda.

4.6 The Board of Directors shall not be appointed as Director in other companies which may lead

to conflict of interest with the Company unless it is approved by the Shareholders' Meeting.

Code of Conduct for the Executives

1. Responsibilities to Shareholders

1.1 The Executives shall conduct in compliance with the law, the objectives and the Articles of Associations of the Company including the resolutions of the Shareholders' Meeting with honesty, justice and be circumspect for preserving shareholders' interests both short-term and long-term.

1.2 The Executives shall perform the duties with honesty and make a decision in good faith and fair to both majority and minority shareholders for maximum benefit of all shareholders.

1.3 The Executives shall not manage the Company without carefulness or conscience.

1.4. The Executives shall be serious and strict in all activities improving the quality, efficiency to develop the Company to be excellent.

1.5 The Executives shall perform the duties by utilizing their knowledge and management skills with all capabilities for maximum benefits of shareholders and the Company.

1.6 The Executives shall monitor the Company's assets and prevent of irregular damage or improperly loss.

1.7 The Executives shall report the actual status and operating results of the Company completely and correctly to the Board of Directors and shareholders.

1.8 The Executives shall not seek personal, companion and others' benefits from their positions and duties.

1.9 The Executives shall equally inform all shareholders the prospects of the Company in both positive and negative aspects based on the possibility and sufficient supporting information.

1.10 The Executives shall not perform any action causing conflict of interest with the Company without notifying the Company.

1.11 The Executives shall not disclose confidential information of the Company to third party, especially to the trade competitors.

1.12 The Executives shall not perform any action causing damage to the Company's image and reputation.

2. Responsibilities to Customers

2.1 The Executives shall satisfy the needs of customers/consumers with the quality products and excellent services.

2.2 The Executives shall determine quality level of the products and services accepted by the customers.

2.3 The Executives shall disclose complete, correct and fair information such as commercial of the products and services to the customers and shall not distort the fact.

2.4 The Executives shall guarantee the products and services under appropriate terms.

2.5 The Executives shall not deliver the products and services to the customers when knowing that such products and services are defective or may cause danger to the customers and shall not release the products and services which its qualities are poorer than standard to the customers.

2.6 The Executives shall provide the customer service system in order to facilitate the customers to file a complaint on the products and services, and shall specify the best practices to promptly respond to the customers.

2.7 The Executives shall minimize the production cost, however, remaining the quality of the products and services according to the standard at all time.

2.8 The Executives shall seriously and regularly keep customers' information confidential, including not using customers' information for personal or relevant persons' benefits improperly.

2.9 The Executives shall seek alternative service channels to constantly serve the customers.

2.10 The Executives shall strictly operate the business to comply with the conditions and contracts agreed with the customers.

2.11 In case the terms agreed with the customers cannot be complied, the Executives shall inform the customers in advance for collaborative consideration to find the solution and prevent the damage.

2.12 The Executives shall provide safety system for the customers such as fire alarm system and thief deterrent system.

2.13 The Executives shall not set an exorbitant price comparing to the quality of the products or services and shall not set unfair commercial term to the customers.

3. Responsibilities to the Employees

3.1 The Executives shall provide appropriate compensation according to each employee's capability, responsibility and performance.

3.2 The Executives shall support and improve the employees' knowledge and capability for career advancement and stability

3.3 The Executives shall support the employees to participate in determining of work directions and resolutions for the Company's problems.

3.4 The Executives shall oversee and maintain working environment for employee's life safety and healthy.

3.5 The Executives shall determine the rewards and punishments for the employees based on justice and fair.

3.6 The Executives shall conduct in compliance with the laws and regulations regarding the labor laws and welfare of the employees.

3.7 The Executives shall manage the employees' works by preventing any unfair and improperly actions which may affect career advancement and stability of the employees.

3.8 The Executives shall treat the employees in adherence to the humanity and respect individual right.

4. Responsibilities to Business Partners, Competitors and Creditors, Competitors and Creditors

4.1 The Executives shall strictly conduct to comply with the agreements with the trading partners and the creditors in the matter of the purpose of money usage, the repayment, the quality control of mortgage securities and any other matters agreed with the creditors. In case the agreement cannot be complied, the Executives shall urgently negotiate with the trading partners and the creditors in advance for collaborative consideration to find the solution and prevent the damage.

4.2 The Executives shall provide the actual, correct and complete financial information.

4.3 The Executives shall not request, receive or provide any illegal benefits to the trading partners or the creditors. If information indicates the occurrence of any illegal benefits, the Executives shall discuss with the trading partners or the creditors to immediately find the fair solution.

4.4 The Executives shall constantly report accurate and financial information to the creditors on time.

5. Responsibilities to Trade Competition

5.1 The Executives shall perform the trade competition in compliance with fair trade competition framework.

5.2 The Executives shall not use dishonest, inappropriate or illegal act to approach confidential information of the trade competitors.

5.3 The Executives shall not violate the reputation of the trade competitors by accusing or taking any action without truth or unfair.

6. Responsibilities and Practices to Community, Society and Environment

6.1 The Executives shall support the activities which benefit community and society in general.

6.2 The Executives shall consistently return part of the Company's profit to the activities which improve the society.

6.3 The Executives shall not perform any action which may damage the reputation of the kingdom, resources and environment.

6.4 The Executives shall not perform any action to assist and support or being used as a tool to avoid the laws or other regulations or be harmful to the society and national security.

6.5 The Executives shall consistently and seriously implant the spirit of social responsibility to the employees in every level.

6.6 The Executives shall strictly conduct or control the practices to comply with the spirit of the laws and regulations released by relevant departments.

6.7 The Executives shall not use shareholders' money to support politics.

Code of Conduct for the Employees

The employees perform their duties diligently and in compliance with the principles of the company to encourage and support correct behavior in work, create good relationships with the people involved and maintain a good image of the Company.

1. The employees shall perform their duties with responsibility, honesty and loyalty for the advancement and stability of the Company and employees.
2. The employees shall maintain and create the harmony and unity among the employees for collaborative working and effective problems solving as teamwork.
3. The employees shall pay attention and perform the Company's works with dedication and patient to improve the quality, efficiency and profitability of the Company and develop the Company to the excellence.
4. The employees shall use the Company's assets efficiently and economically, maintain the assets to prevent irregular damage or loss, and not to use the Company's assets for personal interest.
5. The employees shall strictly keep information of the customers, trading partners and the Company confidential.
6. The employees shall cooperate and support the works of all colleagues for the Company's interest and shall respect other employees' rights.
7. The employees shall constantly pay attention and support any activity which preserves the environmental and work safety in the workplace to be clean and pleasant.
8. The employees shall provide knowledge and pass on work experiences to colleagues by adhering to the Company's interests and goals.
9. The employees shall not accuse the Company, the Executives and the colleagues without truth and unfair.
10. The employees shall inform the relevant departments or the Executive of any improper or illegal action happening in the Company.
11. The employees shall not seek personal benefit or others' from their duties with bad faith.
12. The employees shall not perform any action which shall violate the Company's image and the reputation.
13. The employees shall seriously and strictly pay attention to all activities to improve the quality, efficiency and development of the Company to the excellence.
14. The employees shall not receive the gift except such receipt is owing to traditional providing. The said receipt shall be reported to the superior and proceed complying with the Company's regulations.

3. Anti – Fraud and Corruption

Fraud and corruption are main obstacles of organization development in every level which will affect business operation, business performance, financial position of the Company and economic system of the country. Dusit Thani Public Company Limited aware of such problem and intents to prevent, adjust and not support or involve in any kind of corruption.

The Company co-signed a declaration of the Private Sector Collective Action Coalition against Corruption (CAC), jointly initiated by the Thai Institute of Directors (IOD), Thai Chamber of Commerce, Joint Foreign Chambers of Commerce, Thai Listed Companies Association, Thai Bankers' Association, Federation of the Thai Capital Market Organizations and Federation of Thai Industries. The project's major objective is to raise anti-corruption awareness. Since October 2015, the Company have been certified by the CAC Council.

The Company defined its anti-fraud and corruption policy as follows:

Anti – Corruption Policy

1. The Company applies the principal of political neutrality and no policy is set to support politics for any political party or powerful political person.
2. The Board of Directors has the responsibility to set and enforce the anti-corruption policy to ensure that the management gives importance to this
3. The Audit Committee has a duty and responsibility to review the system of finance and accounts reporting, internal controls, internal audit and risk management to ensure that the management complies with the Company's policies and standards in regard with corruption and is concise, correct and effective.
4. The Managing Director has a duty and responsibility to provide system setting and support the anti-corruption policy, communicating this to staff and relevant persons including subsidiaries, joint venture partners or other companies that the Company has the controlling power or the business representative. The Managing Director is also responsible for revising the system and its practices to comply with any change of business, regulations, terms or provisions of the law.
5. The internal auditor has a duty and responsibility to examine and review the operation; to examine whether it complies with the policies, principles, laws and provisions of the compliance unit, in order to ensure that the Company has an appropriate and adequate internal control system in the subject of corruption risk and report this to the Audit Committee.

Anti – Corruption Practices

1. Directors, executives and staff at every level shall comply with the anti-corruption policy, ethics and codes of conduct of the Company. They shall not become involved in corrupt acts by not proceeding with or accepting any corrupt act on behalf of himself, family, friends or associates either directly or indirectly.
2. If any staff should become a witness to an act of corruption within the Company, no staff shall ignore it. They shall inform the superior officer, internal auditor or Audit Committee for investigation. In case there is any doubt or problem, they shall consult with the superior officer, internal auditor or Audit Committee.

3. The Company shall provide justification and protection to the staff who refuses to participate in any act of corruption or informs the corruption involving the Company.
4. In transactions involving the government or private sectors, processes must be correct, transparent and appropriate according to the laws of Thailand in order to avoid any act which might persuade officers of the government or private sectors to act incorrectly or inappropriately.
5. The corruptor is considered a wrong-doer and shall receive disciplinary punishment and penalty by law.
6. The Company The Company shall be transparent with its anti-corruption policy by publicizing it through the Company's intranet and website www.dusit.com

Policy and Practical Guideline for Non-Political Support

1. Avoid being a director or representative of any political party.
2. Avoid donations to any political party or organization involved with politics.
3. No contribution in either money or other benefits to support or assist any political party or any powerful political person(s).
4. Action according to laws of Thailand

Policy and Practical Guideline for Charitable Contribution

1. No support or other acts expecting or gaining inappropriate benefits to the business.
2. Have a charitable contribution policy or gaining public interest to the institution or foundation which are listed according to Director-General of Revenue Department approved by Minister of Ministry of Finance.
3. Have a policy for charitable contribution to education or sport according to Director-General of Revenue Department approved by Minister of Ministry of Finance.

Policy and Practical Guideline for Sponsorship

The Company has no policy to receive or use the fund from the supplier except those involving Food and Beverage (F&B). All promotion funds requests must meet the criteria of an F&B promotion aiming for increasing: local and international revenue, guest spend, covers or PR image for outlets and hotels in local and international media. Allocated fund utilization will only be approved if the promotion follows Dusit Standards.

Policy and Practical Guideline for staff recognition award, service charges and other expenses payment

The Company has a policy for staff recognition award payment on festive and traditional events, including staff recognition under other programs such as the Kob Khun program. All hotels are required to establish staff recognition programs in various categories.

In 2017, Dusit International Corporate Office arranged the online quiz to remind staff of the Code of Conduct, Anti-Corruption Policy and No Gift Policy. According to the annual performance review assessed by the management and the employees, the company also included questions regarding the employee's support towards the Anti- Corruption Policy as well as No Gift Policy to ensure that employees can assess themselves on the mentioned matter. The assessment are also acknowledged by the management at least

once a year. For employees of all hotels in the chain, the Company provided them a training regarding the Anti-Money Laundering and Combating the Financing of Terrorism: AML/CFT Policy. Dusit Thani Public Company Limited and its affiliates are responsible and ethical to issue the policies and measures supporting the prevention and suppression of money laundering and combating the financing of terrorism. The Company is committed to prevent itself from being a source of money laundering or a supporter of financing of terrorism by strictly complying with the laws on anti-money laundering and combating the financing of terrorism.

The Company encourages all stakeholders to aware and recognize the importance of anti – fraud and corruption. The Company provides many communication channels and established a written policy of information or complaint receiving (Whistle-blowing Policy), identifying the receiving channels, information or complaint management processes, measure to protect the rights of information providers, protection of confidential information - only authorized persons can have access to such information.

For further enquiries, suggestions or to submit complaints, stakeholders can contact the Company at:

1. **Audit Committee**

   - Professor Hiran Radeesri

     Address: 257, Soi Sukhumvit 49, Sukhumvit Road, Klongton Nua, Wattana, Bangkok 10110

   or

   - Mrs. Pranee Phasipol

     Address: 44, Soi Tiwanon 40, Thasai, Mauang, Nonthaburi 11000

   or

   - Professor Dr. Kittipong Kittayarak

     Address: Thailand Institute of Justice (Public Organization), 96/1 GPF Building B, 15-16th floor, Wireless Road, Lumpini, Pathumwan, Bangkok 10330

2. **Group Chief Executive Officer**

   - Mrs. Suphajee Suthumpun

     Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 3rd Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

3. **Company Secretary**

   - Ms. Mantanee Surakarnkul

     Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 5th Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

4. **Director of Internal Audit**

   - Mr. Attapol Watjarapairoj

     Address: Dusit Thani Public Company Limited, 946 Dusit Thani Building, 5th Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500

4. Risk Management

Managing existing and emerging risks in the current rapidly changing environment is critical to the success and sustainability of our business. As the Company's portfolio continues to rapidly expand, having a robust risk management approach to sustain the Company's growth and create long term returns for shareholders and investors with awareness of economic, social and environmental impacts is crucial. The Company assesses a variety of risk and a possible impacts to business – whether they are strategic risk, operational risk, financial risk, compliance risk, technological risk and environmental risk.

The Board of Directors resolved to appoint the Risk Management Committee comprising the Company's key executives, heads of business units and representatives from each business unit and led by the Group Chief Executive Officer as the Chairperson to have duties in providing guidelines, policies and procedures regarding enterprise wide risk management within the framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) as well as reviewing, considering and revising risk management structure, practical guidelines, directions, policies and relevant procedures to be suitable for changing situation and environment. The Risk Management Committee shall report its performance on a quarterly basis to the Audit Committee and at a minimum annually to the Board of Directors.

(*More information regarding key risk factors challenging the Company's sustainable business performance in 2017 were reported under Risk Factors)

5. International Quality Management

As the leading organization of hospitality services, the Company gives the importance to the response of the needs of our customers in all aspects, whether service standards, operational processes and measurements to continually improve and develop, maximize customer satisfaction and maintain market position. We are committed to continually improve the Quality Management System by using the indicators set out by ISO9001:2015 standard under the supervision of the management of each hotel to ensure consistent action and adherence of requirements and quality standard. We also established the key performance indicators in place to support our goal of total customer satisfaction and continuous improvement throughout our businesses:

- Operational Standards, processes implementing and measurement
- Monitoring working processes
- Continuous improvement
- Preventing problems
- Total Customer Satisfaction
- Market positioning
- Management commitment and support
- Applicable requirements

Since the Company recognizes the total quality management to achieve its mission that is "We empower our people to exceed expectations. Always", the Company has implemented ISO9001:2015 standard introduced by SGS (Thailand) Limited in our own and manage hotels both in Thailand and oversea since 2016. Presently, total 8 hotels in the Dusit's chain have been certified under ISO9001:2015; divided to five hotels in Thailand; namely Dusit Thani Hua Hin, Dusit Thani Laguna Phuket, dusitD2 Chiang Mai, Dusit Princess Chiang Mai and Dusit Princess Srinakarin, and three hotels in oversea; namely, Dusit Thani Lakeview Cairo, Dusit Thani Abu Dhabi and dusitD2 Nairobi.

In 2017, the Company was introduced Environmental Management System (ISO14001:2015) by SGS (Thailand) Limited. They helped the Company to coordinate with our hotels worldwide, provided training and certified 5 Thai hotels and 4 overseas hotels which were Dusit Thani Hua Hin, Dusit Thani Laguna Phuket, dusitD2 Chiang Mai, Dusit Princess Chiang Mai, Dusit Princess Srinakarin, Dusit Thani Lakeview Cairo, Dusit Thani Abu Dhabi, Dusit Thani Dubai and dusitD2 Nairobi respectively.

Moreover, Dusit Thani Pattaya, Dusit Princess Korat, Dusit Thani Manila and Dusit Thani Maldives were certified under Quality Management System (ISO9001:2015) to comply and achieve with the organization's target.

However, hotels certified in QMS system in 2016 have surveillance audit to ensure the guests and all interested parties on the standard of services and to exceed in each expectation

Lately, dusitD2 Nairobi has certified Occupational Health and Safety Management – OHSAS (ISO18001:2007) which considered as the first hotel among group certified under this standard.

Operations for Sustainability in Economic Dimension

The Company sets goals for sustainable growth through proactive policies and efficient cost management focusing on the increase of number of hotel management and the investment in other businesses relevant to its core business to spread risk, the management of the financial ratios and expenses of the Company and its subsidiaries to match the revenue and business plan as well as the study and determination of proper financial instruments to support the investment according to strategy and business plan effectively and continually generate revenue and profit growth so that the returns can be distributed to all stakeholders. The Company's operations for sustainability in economic Dimension are such as having a policy to pay dividends to its shareholders of not less than 50 percent of consolidated net income, providing proper benefits to executives and employees, preparing auditable and transparent financial statement, preparing disclosing the Company's performance to shareholders every quarter to build their confidence and giving importance to financial discipline and financial management.

Operations for Sustainability in Social Dimension

The Company places importance on all inside and outside stakeholders and set clear practices focusing on engagement of all stakeholders and responsibilities to all stakeholders, respect for the diversity and human rights, fair treatment to employees, provision of occupational health and safety and development of knowledge and skills to drive the Company for quality and sustainable growth.

1. Respect for Human Rights

Dusit Thani Public Company Limited realizes and concerns for human rights as fundamental rights of human and recognizes that human rights is an important foundation of peaceful living of people and vital in developing human resources quality. Human rights is also the important factor to add value and create efficiency to the Company with equitable treatment, equality promoting, respective in personal political rights according to the democracy and against child labor, sexual discrimination and harassment by the practices as follows:

- Support and respect of human rights protection and shall not participate in human rights violation in any kind such as illegal migrant labor, child labor and forced labor.
- Deliver highest standard products and services to every person equally.

- Give job opportunity to every person equally including handicapped people.
- Provide channels for the employees to submit complaints on human rights violation which the Managements commit to prevent and eliminate the violation of human rights.
- Provide training and promote human rights for employees. All employees shall be provided one-hour training on human rights.

Moreover, the Company has provided the sexual harassment preventive measures which proved by the policy that any sexual harassment will not be accepted. The said policy was disclosed in HR Policy and Operation Manual which identified the behaviors of sexual harassment as follows:

- Improper verbal, non-verbal or physical conduct of a sexual nature, e.g. sexually derogatory or stereotypical remarks.
- Conduct of a sexual nature that creates a hostile or intimidating work environment, or otherwise deemed-to-be unappreciated sexual or obscene jokes around the workplace, displaying or circulating copies of pictures or content presenting sexual harassment.

The Company specified maximum punishment of the said actions which is termination of service. Whistleblower and complaints can be sent to HR department or Hotel General Manager which the information shall be kept as confidential.

2. Human Resource Management

The Company strongly believes that the human resources are the most important key for sustainable development because they are economic, social and environmental driving. The Company thus prioritizes the development of human resource.

2.1 Fair Treatment to Employees

Dusit Thani Public Company Limited places great importance on human dignity and fundamental rights of human as a principle of treatment to employees and stakeholders. The Company realizes that employee welfare and safety are foundations of organization sustainability. Equitable treatment and respect will establish good conscious and cooperation in the workplace which will build up creative thinking on work and improve of services given to customers including stakeholders which the implementation are as follows:

- Provide appropriate sanitation and safety work system in the workplace such as pollution prevention system, clean workplace to avoid accident and diseases.
- Educate employees to enhance their skills by training classes and on-the-job training regularly. Giving equal opportunity to be promoted under the same standard and performance.
- Provide fair employment conditions and appropriate wages compare to rate in the same business.
- Provide appropriate complaint procedure for employee in case of unfair treatment.
- Provide suitable and sufficient welfare for employee such as annual leave, medical care, annual physical check-up, first aid, duty meals, staff room-rates and family and friends rates for booking the Company or subsidiary's hotels.
- Inform significant information to employees and representative employee to be acknowledged about the performance, status and future plan of the Company via various channels such as Morning Brief, Newsletters and Town Hall.

- Encourage work-life balance of employee by providing the Company's annual trip, New Year Party and activities between employees including making merit in Songkran Festival, making Krathongs in Loy Krathong Festival.
- Provide rewards and compliments to high performance employees or long-service employees such as Dusit Star Award, Green Employee Award and Long Service Award.
- Provide welfares with concerning of the variety of races, religions and cultures for equitable treatment to meet and cover all employees' needs.

2.2 Wage, Salary and Benefit Management

The Company implemented wage policy of employees in short term and long term, abiding by the minimum wage laws of the countries where its hotels are located. Wages of our male and female employees are effectively higher than the minimum wage standards compared to wages offered by local hotels at the same level. In addition, gender is not an indicator of employee wages.

In short term, at the beginning of April every year, the Company reviews salaries of its employees based on their performance and the Company's performance. In long term, the Company evaluates employees' performance based on Balanced Score Card under KPI's system. Thus, employees of any gender or age receive fair and proper salaries. Moreover, the Company's salary structure is appropriate and comparable to other businesses in the same category.

The Company offers many benefits to employees, such as cost of living, annual bonus, two duty meals per day, annual leave, sick leave, provident fund, group life and medical insurance with benefits covering medical expenses of private and government hospitals, travel insurance in case of business trip, funeral allowance and wreath in case of decease of employee's immediate family member, disaster relief funds, benefits of staying in affiliated hotels at employee prices and family and friends rate for employees related and friends, Dusit Thani College tuition fee discount for employees' children, laundry discount, discount on wedding reception of employees and their children in hotels in Dusit Thani Group, loans at lower interest rates from participating banks and compensation on retirement.

Annual physical check-up are also provided for employees by professional physicians from hospitals who will give health advice to employees. There are also training to employees on health care.

3. Personnel Development

Since all employees are part of social sustainability, their work and English language skills are constantly developed and well prepared for the ASEAN Economic Community (AEC). In addition, the company organizes an Executive Trainee program which aims to develop and prepare potential employees for promotion and opportunity to be transferred to hotels under Dusit brand in foreign countries. The Company also offers a Management Trainee program to fresh graduates who are interested in the hotel business in order to gain experiences in every core department to learn about the Company business as a whole and join the most suitable department after the program completed.

3.1 Employee Development Policy

The Company believes that the growth of the Company depends on the quality and efficiency of employees. As such, the employee development policy mainly focuses on the knowledge and skills development of employees at all levels to strengthen the enterprise's potential and overall success of the Company.

The Company intends to have all management and employees set their working plan in accordance with the Company's direction and goals, based on Company's vision, which can efficiently lead the operations towards the same direction. Each department sets up its own business strategy and business plan so employees can have clear objectives and individual KPIs (Key Performance Indicators) that support the Company's operations and their responsibilities. The KPIs will be used as a standard to evaluate employee's performance.

However, to comply with Personnel Development of the Company, personnel development budget, new staff orientation and continually staff's skill development have been mentioned in Personnel Development Policy on page 66-69

4. Safety, Occupational Health and Working Environment Management

The Company gives high priority on safety, occupational health and working environment. To implement these issues, the Company stipulates every department to perform its duties in accordance with the safety, occupational health and working environmental management.

Occupational Health and Safety in the Workplace

The Ministerial Regulation requires a hotel to equip its employees with training on sanitation and safety in the workplace. Therefore, hotels in the Dusit Thani Group organize three training topics for employees as follows:

1. Safety officer curricula for supervisors.
2. Safety officer curricula for executives.
3. Safety committee curricula for committee members

All hotels have a safety committee in charge of monitoring safety in the workplace, preparing safety regulations, manuals and standards in the workplace, setting up an unsafe working condition reporting system, evaluating safety performance in the workplace, follow-up meetings.

Proportion of Employees to Workplace Safety Committee in year 2017

Hotel	Committee	Staff	Average (%)
1. Dusit Thani Bangkok	13	548	2.37
2. Dusit Thani Pattaya	27	451	5.99
3. Dusit Thani Hua Hin	7	355	1.97
4. Dusit Thani Laguna Phuket	7	370	2.00
5. dusitD2 Chiang Mai	7	127	5.51
6. Dusit Princess Srinakarin	7	183	3.83
7. Dusit Princess Korat*	7	129	5.43
8. Dusit Princess Chiang Mai	7	124	5.65

Remark: Dusit Princess Korat, which was under Dusit Thai Properties Plc., was sold to Imperial Nakhon Ratchasima Co., Ltd. (Formerly known as Wannasup Pattana 4 Co., Ltd.) and Sup Imperial Korat Co., Ltd. (Formerly known as Wannasup Pattana 5 Co., Ltd.) and the right on the land, hotel building and other properties were officially transferred on December 28th, 2017.*

Health and Work Safety

For employees to work safely and in order to reduce possible loss, employees are trained about work safety on a regular basis. The workplace safety committee gathers information on the safety of employees, which can be divided into 3 groups: injury rate, lost day rate and absentee rate as follows:

No	Health and Work Safety Results	Year	
		2016	2017
1	Number of sickness case from work-related (Case)	0	0
2	Number of injury case from work-related (Case)	25	25
3	Number of fatalities from work-related (Person)	0	0
4	Injury rate from work-related (Injury case /200,000 Man-Hours)	0.89	0.96
5	Lost day rate (Days / 200,000 Man-Hours)	10.69	7.27
6	Absentee rate (Days / Total days scheduled to be worked by the workforce))	0.23	0.25
7	Number of Employees as of December 31 (Person)	2,469	2,287

Remark: *1. Injury: The number of injuries from work-related with at least one day's abstention from work which the data does not include accidents categorized at the first-aid level.*
2. Lost Day: Time ("days") that an employee could not be worked (and is thus 'lost') because of injury or sickness from work-related. Record begins the next day.
3. Absentee: Time ("days") that an employee absent from work because of incapacity of any kind, not just as the result of work-related injury or disease. Permitted leave absences and compassionate leave are excluded.

5. Responsibilities to Customers

The Practices regarding responsibility to customers were based on customer's rights which the Companies in Dusit Thani Group places greatly importance and adheres on the publicized promise of service providing with responsibility and various channels to present the services information with adequacy and easy to facilitate customers' decision-making. The customers can contact or compliant to the Company in convenience way which the complaint will be promptly responded. In addition, the Company has transparent and equitable management system which each committee has responsibilities to consider and manage for the Company's matters with correctness, appropriate manner, maximum effectiveness and efficiency for preserving services standard along with Dusit's service philosophy which is to be modest and sincere to its customers as always. Consequently, hotels of Dusit Group which are Thai hotels managed by Thai people and are recognized internationally.

Operations for Sustainability in Environmental Dimension

Environmental sustainability is the key element of the Company's management. As a global provider of hospitality service owing and managing hotels located in beautifully landscaped areas around the world, we recognize that our operations can have impact on the environment. We are committed to prudent and responsible environmental management including environmental conservation, proper energy management, pollution prevention, collaboration with suppliers to improve indirect environmental impact, preparation and participation in environmental conservation projects, educating employees, eco-friendly investment and delivery of products and services that are environmentally responsible to customers.

The Company implements environmental management system using indicators set out in the ISO14001:2015 to achieve our organizational target and compliance obligations. Our key performance indicators are:

- Greenhouse gas emission
- Energy efficiency, conservation and management
- Management of fresh water resource
- Ecosystem conservation and management
- Land use planning and management
- Air quality protection and noise control
- Waste water management
- Solid (including food) waste management
- Storage and use of environmentally harmful substances

The Company also appointed the Senior Vice President – Total Quality Management as the leader for environmental sustainability and the Group Director of Engineering as the Coordinator with responsibility to make our operations as reliable and effective as possible, driving continuous improvement for environmental performance.

All hotels appoint a green team work on environmental issues, assessing risks, recording, following up on environmental impacts and setting up measures of sustainable social and environmental development. The Company hires local people and contractors, purchases eco-friendly goods and services from nearby community and encourages the employees to tell customers, suppliers, contractors and agents the Company's commitment on sustainable social and environmental development.

Green Leaf Campaign

Dusit Thani Public Company Limited has been registered with the Department of Business Development as a juristic person in accordance with the Public Limited Companies Act. For sanitation, the Company conducts in accordance with the provision of Bangkok Metropolitan Administration or Municipality. In addition, most hotels in Dusit Group have participated in Green Leaf Programs under Green Leaf Foundation which established by the Board of Environmental Promotion of Tourism Activities or BEPTA, their vision is to develop both the quality of the environment and the tourism industry at the same time. The visionary organizations are composed of Tourism Authority of Thailand, Thai Hotels Association, United Nations Environment Program, Demand Side Management Office of Electricity Generating Authority of Thailand, Association for the Development of Environmental Quality, and Metropolitan Water works Authority. Green Leaf Program for hotels is the first step in the development of environmental quality for the tourism industry which has completed environmental practical checklists for hotels for the environmental and energy saving assessment which comparable to ISO 14000.

1. Energy Consumption

The Company gives importance to efficient energy consumption and promote environmentally friendly energy consumption. We support and promote environmentally friendly energy consumption as well as set up the below energy conservation policy to be used as guideline for energy performance and efficient energy consumption:

1.1 The Company is determined to implement and develop a proper energy management approach. Energy conservation is set as a part of the Company's operation to be in compliance. Energy conservation is part of the company's operations in line with other laws and regulations associated.

1.2 The Company shall continue to improve the efficiency of its energy consumption and in line with business needs, shall use technology and purchase materials with qualification of energy saving and shall procure suppliers have good energy and environmental practices in accordance with the laws and regulations of the company.

1.3 The Company shall set up conservation plan and goals each year and shall communicate to all employees properly and correctly. For the 2017, the goal was to reduce the total energy consumption by at least 3%.

1.4 The Company considers that management and employees at all levels have responsibility to energy conservation. They must adhere to the established measures, monitor, examine and report to the energy management team.

1.5 The Company shall provide necessary support including human resources, budget, working time, training and participation in presenting ideas to develop energy performance.

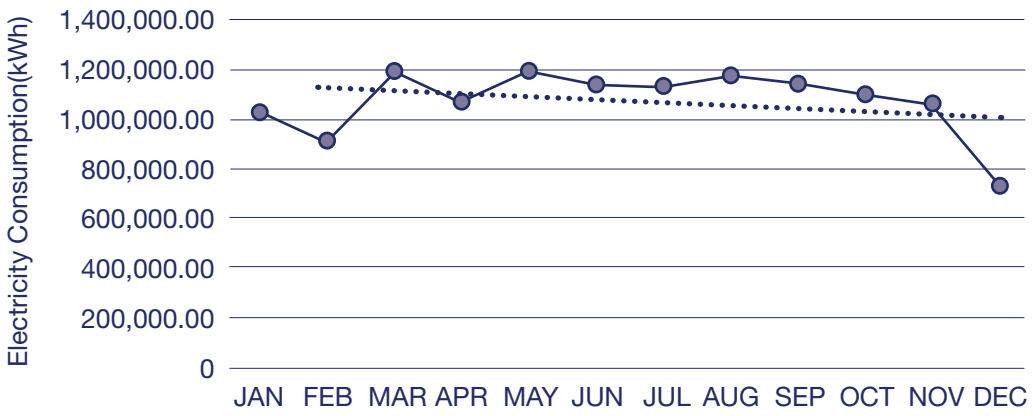
1.6 The Management and the energy management team shall review and revise the energy policy, targets and plans every year.

Electricity

In order to reduce electricity use while not compromising our international customer service standards, we are planning to replace incandescent light bulbs with LED light bulbs, in consideration of the environment, within five years from 2012 onwards, and install intelligent lighting control systems in all our hotels in Thailand including system set up of screw-type chillers with variable speed controls, heat-exchange 'heat – pumps', solar water heating systems, use LPG instead of diesel to heat water, and change motors and control systems or replace old appliances with new ones. Employees involved with laundry, kitchens and lifts are trained and educated on how to decrease electricity use in a practical way.

Furthermore, we run energy saving campaigns encouraging personnel to take the stairs instead of lifts, turn off computers during the lunch break while they are not using them, use natural light and set automatic shutdown times on air conditioners. We also invite customers and employees to join the Earth Hour program every year.

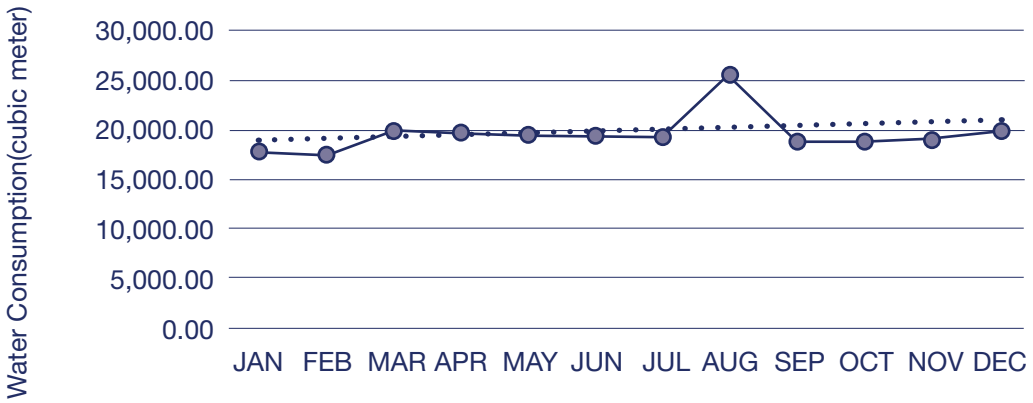
2017 Electricity Consumption



Water Consumption

Since hotel businesses require large amounts of water, we strive for sustainable water management while meeting international customer service standards. Every hotel has concrete water saving measures, such as water pipe and water meter maintenance and replacement, water-saving sanitary ware, faucet and shower installations, use of salt chlorinators for swimming pools and providing water efficiency training to employees. Dusit Thani Hotel Group has ongoing water efficiency plans and activities in order to continuously reduce water use.

2017 Water Consumption



2 Use of Environmentally Friendly Materials

The Company gives importance to selection of materials used in hotels and guest rooms which are environmentally friendly, for example the use of products made from recycled materials.

3. Waste Management

The Company and hotels in the chain promote their employees to reduce waste under the concept of 3Rs.

- Reduce: to minimizes the amount of waste that can occur, such as the selection of products with the least environmental impact.
- Reuse: to use materials again, such as printing on both sides of paper, use of packaging to contain other equipment.
- Recycle: to convert waste materials into new materials and objects. The Company encourages the employees to separate and collect garbage that can be recycled; e.g. glass, paper, plastic for distribution to concerned operators.

Summary of Environmental Operations in 2017

In 2017, the Company and 13 hotels performed the following environmental activities:

1. Installed LED light bulbs. At present, over 77% of the work is completed in all hotels in participated in the program.

2. Installed water saving equipment. At present, 60% of the work is completed in all hotels participated in the program with regular water system maintenance.
3. Maintained and installed heat-pump (hot water) heaters in hotels. At present, 90% of the work is completed in all 13 hotels participated in the program.
4. Maids set the temperature of hotel rooms at 26 degrees Celsius when there are no customers in the rooms and help save water included using heat-reduced curtain.
5. Laundry is done in a water efficient manner. Amounts of chemicals are reduced and ozone laundry systems are used. Water from washing machines is treated and then used to water landscape and garden.
6. Water chillers have been changed to Screw-type and combined with cross-flow cooling towers.
7. Installed equipment controlling electricity systems and replacing old motors with new ones for increased performance and/or being 'variable-speed' type. At present, over 70% of the work is completed in all 13 hotels participated in the program.
8. Selected "ECOLAB" chemical supplies for housekeeping, stewarding and laundry, being their eco-line and cold-wash product series.
9. Changed Swimming Pool Sanitizing system to salt chlorinated "Saline" type using no chemicals but salt for sanitizing. At present, over 80% of all 13 hotels practice this hygienic solution.

Services and Customer's Satisfaction

Details was mentioned in Awards of Dusit for Year 2017 on page 17-19

Activities to Develop and Support Community, Society and Environment

With commitment to be responsible and reward to community and society where we enter for business operations, Dusit Thani Public Company Limited supports and promotes the community and social development by cultivating the employees to have public mind and social responsibility and encouraging them to participate in activities helping and rewarding to community and society. In 2017, the Company and hotels in the chain around the world pursued many activities for rewarding community, society and environment. Activities are divided into two categories as follows:

1. Social Initiatives

- **Dusit Smiles (Dusit Smiles for Operation Smile Thailand) Smile for Children**

Dusit Smiles is the global charity initiated by Dusit Thani Group as part of our CSR program. To heal children's smiles and make the world a better place, the Company has partnered with Operation Smile (www.operationsmile.org), a worldwide organization that mobilizes a force of medical professionals and caring hearts to provide safe, effective reconstructive surgery for children born with facial deformities such as cleft lip and cleft palate. Through an extensive year-round activity under Dusit Smiles, not only helping to raise funds to support numbers of operations, but also uplifting awareness among our clients, partners, and employees via training, mission visits, government relations, marketing, public relations and others. The Dusit Smile program was initiated in 2010. Funds have been raised through different channels, such as donation envelops in guest rooms, deductions from employee salaries who are willing to donate money, charity activities, donations from business partners inside and outside Thailand, etc.

Up until year 2017, program has collected Baht 9,513,342.64 in donations and has organized medical operations for 785 children with cleft lip/palate.

Projects that were organized to support Dusit Smiles for Operation Smile Thailand are as follows:

- **Run for Smile**

  Dusit Princess Srinakarin Bangkok arranged the 2016 Run for Smile to support Operation Smile at Suan Luang Rama IX Park. There were 200 runners participated in the event and the total amount of money donation was Baht 112,343.53

- **Garage Sales**

  Dusit Princess Srinakarin Bangkok organized the Garage Sales to raise fund to support the Dusit Smiles project. Second-hand items arranged by each department was sold. All donations after deduction which was Baht 27,996 was donated to Dusit Smiles for Operation Smile.

- **Evening Market Fair**

  Dusit Princess Chiang Mai and dusitD2 Chiang Mai jointly organized “Evening Market Fair” to raise fund to support the Dusit Smile for Operation Smiles and to help dogs and cats along the foundations.

- **Dmarket-share Activity**

  Dusit Thani Hua Hin organized the Dmarket-share which was charitable market fair. Baht 3,245 was donated to Dusit Smiles.

- **30 Paintings Auction for Dusit Smiles**

Dusit Thani Laguna Phuket raise fund for Dusit Smiles through “30 Paintings Auction for Dusit Smiles” campaign. Total 30 selected paintings created by students from schools in Phuket, Phang Nga and Chiang Rai under the theme of “My Story” were placed in the reception and lobby area throughout the month of November 2017 for auction and all proceedings from this activity was donated to Dusit Smiles. Total 30 students whose paintings were selected for auction received a scholarship of Baht 1,000 from the Hotel.

Apart from activities organized to support Dusit Smiles, the Company and hotels in the chain organized other social initiatives as follows:

- **Activities to Help Flood Victims**

  Dusit Thani Public Company Limited and hotels in the chain donated Baht 339,999 to the Red Cross Society to help flood victims in the southern provinces. At the end of 2017, the Corporate Office organized Mee D Market charity activity to raise fund for flood victims in many provinces of Thailand. Baht 97,571 was donated to the Red Cross Society.

- **Social Initiatives at Nakhon Nayok Wildlife Quarantine Center**

  Staff from the Corporate Office visit Nakhon Nayok Quarantine Center to clean bear and tiger cages, prepare food for animals and plant.

- **Social Initiatives at SOS Children’s Villages , Bangpu, Samutprakarn**

  Staff of the Corporate Office organized activities to improve English skills and cooking skill for children at SOS Children’s Village, Bangpu, Samutprakarn.

- **Accommodation for Orphans**

  Dusit Thani Bangkok provided free accommodation as well as hosted food and beverages to 50 orphans from three southern border provinces in Thailand.

- **Donation activities**
  - Staff of Dusit Thani Bangkok donated second-hand clothes to the Mirror Foundation, Vibhavadi Rangsit Road.
  - Dusit Thani Bangkok donated 400 old calendars to the Blind Education School in Roi Et Province.
  - Staff of Dusit Thani Pattaya donated second-hand clothes, electronic devices and used materials to Wat Suan Kaew Foundation.
  - dusitD2 Chiang Mai and Dusit Princess Chiangmai donated books to Central Office of Chiang Mai University for kids at Learning Center Hill Tribe, Baan Huaypong, Chiang Dao District, Chiang Mai. This activity was organized under “Books for Kids” campaign.

  - Dusit Princess Korat donated 200 old calendars to the Blind Education School to produce Braille books for visually impaired people. The Hotel also donated old stockings, scrap and aluminum to Maharaj Nakhon Ratchasima Hospital for production of prostheses for disabilities.
  - Dusit Thani Laguna Phuket donated money and dried food sponsored by the Hotel and its staff to over 500 dogs in the shelter at Phuket Stray Dog Shelter.
  - Dusit Thani Laguna Phuket donated toiletries, clothes, toys and foods to students at Beluga School for Life in Phang Nga Province
  - Dusit Thani Manila donated unclaimed lost-and-found items, condemned towels, and linens to the Mercy Mission for the Poorest of the Poor Foundation, which is the non-profit organization aiming to help street children, youth offenders, and people who are in dire need of basic needs.
  - Dusit Thani Manila donated second-hand stuff, i.e. condemned linens, pillow cases and bath robes to the poor at the Caritas Manila, which are the charity foundation in the Philippines.
  - Dusit Thani Dubai donated all unused but good-conditioned linen amenities to 100 distressed overseas Filipino workers (OFWs) who ran away and were victimized and abused by employers.

- Partnership with USAFI Drive, the dare to dream project aiming to challenge girls to fulfill their dream beyond their circumstances, dusitD2 Nairobi donated hygiene materials to 130 girls and taught them how to use such materials. In addition, some girls showing their interest in cooking were invited to the Hotel to have basic cooking class with the chefs.

- **Community Visit and Meals Hosting**
  - The Management and staff of Dusit Thani Pattaya hosted lunch and snacks to students at Pattaya Redemptorist School for the Blind.
  - Dusit Thani Laguna Phuket hosted lunch to students at Beluga School for Life in Phang Nga Province and played fun games with them
  - Staff of Dusit Thani Laguna Phuket visited Phuket Elderly home to offer lunch and arrange activities for the elders.
  - The Management and Staff of Dusit Thani Laguna Phuket visited students with autism at Phuket Panyanukul School to host lunch and arranged fun activities for them.
  - Dusit Thani Laguna Phuket together with Phuket Has Been Good to Us Foundation (PHBGTU) arranged birthday party for students from Rajaprajanugroh 36 School Phuket at La Trattoria Italian Restaurant. The hotel also provided Cup Cake Station teaching the students how to make their own cupcakes and played fun games with students.
  - Staff of Dusit Thani Laguna Phuket visited students at Laguna Kindergarten School, hosted lunch and played fun games with them. The school is located in Laguna area and currently several of our staff's children are studying there for free of charge (tuition fee) under the sponsorship of the hotel by giving CSR budget contribution to Laguna CSR projects.

- Dusit Thani Laguna Phuket together with Phuket Has Been Good to Us Foundation (PHBGTU) arranged birthday party for 41 underprivileged students from Rajaprajanugroh 36 School Kamala at Casuarina Beach Restaurant.
- Dusit Thani Dubai offered 250 special packed Iftar meals to laborers around the Hotel's area.
- dusitD2 Nairobi visit at Kikuyu Nutrition Center every month to host meals and play fund games with children living there. Kikuyu Nutrition Center is located near Gikambura Town along Thogoto –Gikambura Rd. The Nutrition Program feeds over 2000 toddlers, children and teens each day. Within six months of joining the program their ailments caused by malnourishment, are dramatically alleviated or cease to exist. As they become healthier, they become happier. This program is aimed at ensuring the children are well fed in order to increase school attendance from about 30% to 90-95%. This has been successful as they are able to concentrate and enjoy school more. In addition, they no longer resort to rubbish bins for food.
- dusitD2 Nairobi visited a community orphanage in Baba Ndogo, a home to 55 children aged from 1-15 years – all of whom were abandoned and previously living in the streets.

- **Partnership with Community Activities**
  - Staff of Dusit Thani Laguna Phuket participated in Laguna Phuket Triathlon 2017 both as Tri-athlete and volunteers serving water to tri-athletes during racing.
  - Dusit Thani Hua Hin and Dusit Thani Pattaya supported Children's Day by distributing toys and gifts to children living near by the hotel area.

- **Blood Donation Activity**

The Corporate Office, Dusit Thani Bangkok, Dusit Thani Pattaya, Dusit Thani Laguna Phuket, Dusit Thani Abu Dhabi Dusit Thani Lakeview Cairo, Dusit Thani Manila, Dusit Princess Chiang Mai, dusitD2 Chiang Mai and dusitD2 Nairobi organized blood donation activity.

2. Environmental Initiatives

- **Planting Activities**

  - The executives and staff from the Corporate Office organized a green trip at Bang Pu Nature. The team was educated on biodiversity with the plantation of young mangroves to help preserve the soil erosion of Samut Prakan land.

  - Staff of Dusit Thani Laguna Phuket promoted green community in Phuket by participation in the Mangrove Tree Planting activity in Paklok area.

- **Earth Hour Activity**

The executives and staff of dusitD2 Chiang Mai and Dusit Princess Chiang Mai joined Earth Hour activity by switching off non-essential lights around the hotel for one hour from 8:30 – 9:30 p.m.

- **Sea Turtle Conservation Program**

Dusit Thani Laguna Phuket participates every year in the Sea Turtle Conservation Program. In 2017, the event was held at Phuket Marine Biological Centre (PMBC) and welcomed 95 guests, 60 volunteers, 13 marine biologists and five senior government representatives. Together, we 40 sea turtles were released to the Andaman Ocean. The event could raise Baht 132,350 to the PMBC Sea Turtle Conservation Fund. Since the beginning of the Sea Turtle Conservation program in 1994, the total of 2,065 sea turtles were released back to the nature, and the program could raise up to 7 Million Baht to support PMBC's sea turtle conservation initiatives.

- **Dusit Princess Korat: We Can Do**

  The executives and staff of Dusit Princess Korat grew plants on the hotel's organic farm to support the Late King's Philosophy of Sufficiency Economy.

- **Big Cleaning Day**

  Staff from Dusit Thani Bangkok participated in the Big Cleaning Day at Silom on May from 09.00 – 11.00 a.m.

- **"Phuket Suay Duay Mue Lae Jai Rao" Activity**

  Staff from Dusit Thani Laguna Phuket joined the "Phuket Suay Duay Mue Lae Jai Rao" event organized by Phuket Governor Office to clean beach. The staff helped collecting garbage at the beach front of the hotel and nearby areas.

GRI Content Index

General Standard Disclosure		
Standard Disclo-sure	**Disclosure Requirements**	**Page**
G4-14	Report whether and how the precautionary approach or principle is addressed by the organization	108, 122
G4-18	a. Explain the process for defining the report content and the Aspect Boundaries b. Explain how the organization has implemented the Reporting Principles for Defining Report Content	108-109
G4-19	List all the material Aspects identified in the process for defining report content.	112
G4-21	For each material Aspect, report the Aspect Boundary outside the organization.	109
G4-24	Provide a list of stakeholder groups engaged by the organization.	109-111
G4-26	Report the organization's approach to stakeholder engagement, including frequency of engagement by type and by stakeholder group, and an indication of whether any of the engagement was undertaken specially as part of the report preparation process.	109-111

General Standard Disclosure		
Standard Disclosure	**Disclosure Requirements**	**Page**
G4-27	Report key topics and concerns that have been raised through stakeholder engagement, and how the organization has responded to those key topics and concerns, including through its reporting. Report the stakeholder groups that raise each of the key topics and concerns.	109-111
G4-28	Reporting period (such as fiscal or calendar year) for information provided.	109
G4-30	Reporting cycle (such as annual, biennial).	109
G4-32	a. Report the 'in accordance' option the organization has chosen. b. Report the GRL Content index for the chosen option. c. Report the reference to the External Assurance Report, if the report has been externally assured. GRI recommends the use of external assurance but it is not a requirement to be 'in accordance' with the Guideline.	109
G4-43	Report the measures taken to develop and enhance the highest governance body's collective knowledge of economic, environmental and social topics.	112-113, 123
G4-45	"a.Report the highest governance body's role in the identification and management of economic, environmental and social impact, risks, and opportunities, include the highest governance body's role in the implementation of due diligence processes. b. Report whether stakeholder consultation is used to support the highest governance body's identification and management of economic, environmental and social impacts, risks, and opportunities."	112-118
G4-46	Report the highest governance body's role in reviewing the effectiveness of the organization's risk management processes for economic, environmental and social topics.	112-118
G4-47	Report the frequency of the highest governance body's review of economic, environmental and social impacts, risks, and opportunities.	122
G4-56	Describe the organization's values, principles, standards and norms of behavior such as codes of conduct and codes of ethics.	112-118
G4-57	Report the internal and external mechanisms for seeking advice on ethical and lawful behavior, and matters related to organizational integrity, such as helplines or advice lines	112, 119-121
G4-58	Report the internal and external mechanisms for reporting concerns about unethical or unlawful behavior, and matters related to organizational integrity, such as escalation to line management, whistle blowing mechanisms or hotlines	120-122
	SPECIFIC STANDARD DISCLOSURE	
	CATEGORY: ECONOMIC	
G4-EC5	Ratios of standard entry level wage by gender compared to local minimum wage at significant locations of operation	125

General Standard Disclosure		
Standard Disclosure	**Disclosure Requirements**	**Page**
	CATEGORY: ENVIRONMENTAL	
G4-EN3	Energy consumption within the organization	128-129
G4-EN6	Reduction of energy consumption	129-130
G4-EN7	Reductions in energy requirement of products and services	129-130
G4-EN8	Total water withdrawal by source	130
G4-EN23	Total weight of waste by type and disposal method	130
	CATEGORY: SOCIAL	
	SUB-CATEGORY: LABOR PRACTICES AND DECENT WORK	
G4-LA2	Benefits provided to full-time employees that are not provided to temporary or part-time employees, by significant locations of operation	125
G4-LA6	Type of injury and rates of injury, occupational diseases, lost days, and absenteeism, and total number of work-related fatalities, by region and by gender	127
G4-LA9	Average hours of training per year per employee by gender, and by employee category	125-126
G4-LA10	Programs for skills management and lifelong learning that support the continued employability of employees and assist them in managing career endings	125-126
	SUB-CATEGORY: HUMAN RIGHTS	
G4-HR2	Total hours of employee training on human right policies or procedures concerning aspects of human rights that are relevant to operations, including the percentage of employees trained	123-124
G4-HR7	Percentage of security personnel trained in the organization's human rights policies or procedures that are relevant to operations.	123-124
	SUB-CATEGORY: SOCIETY	
G4-SO4	Communication and training on anti-corruption policies and procedures	119-121

Internal Controls and Risks Management

• Summary of the Board of Directors' Opinion

The Company's Board of Directors is responsible for sponsoring, supervising, and monitoring the internal control system to reasonably ensure the achievement of the Company's objectives, the effectiveness and efficiency of operations, the reliability of financial reporting, and the compliance with laws and regulations including safeguarding of the Company's assets and reputation. It is the responsibility of the Risk Management Committee to oversee the company's overall risks. However, there are some parts of Risk Management processes that should be rectified and the Risk Management Subcommittee will be set up in order to enhance all levels of managements have closely improved in Risk Management. Moreover, the Audit Committee is responsible for overseeing and reviewing internal audit processes to ensure that internal controls are monitored and improved to mitigate risks and prevent losses by reporting to the Board of Directors regularly.

In the Board of Directors' Meeting No. 2/2018 on February 22, 2018, the Board assessed internal control and risk management system using Internal Control Self-Assessment Form in accordance with Internal Control Framework of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), which consists of the following five components: (1) Control Environment (2) Risk Assessment (3) Control Activities (4) Information & Communication and (5) Monitoring Activities. Aside from that, the Board also consulted with the Audit Committee, inquired the Management, and reviewed internal audit reports. Thus, there was no significant control weakness affecting internal control system.

The Company's Board of Directors is of the opinion that the company's internal control system is adequate with appropriate numbers of staff together with monitoring activities to control subsidiaries' operations in order to prevent possible asset misappropriation and conflict of interest. Regarding other areas of internal controls, they are also agreed to be sufficient. According to the internal controls assessment mentioned above, the Audit Committee had no additional observations.

The external auditor of the Company for the year 2017, KPMG Phoomchai Audit Ltd., did not have any material notices concerning internal control over financial reporting.

• Opinion of the Audit Committee which is different from those of the Board of Directors

None -

Auditor's fee

In 2017, the Company paid auditor's fees as follows:

- **Audit Fee**

  1. The audit fee of the Company and subsidiaries in Thailand paid to KPMG Phoomchai Audit Limited equaled to Baht 4.79 million.
  2. The audit fee of subsidiaries, associates and joint ventures in overseas:
     - R.G. Manabat & Co. (a member firm of KPMG), Makati City, Philippines in total of Peso 815,500.
     - KPMG, Male, Republic of Maldives in total of USD 10,750
     - KPMG Huazhen (Special General Partnership), Shanghai, People's Republic of China in total of RMB 262,500.

- **Non-audit fees**

  Subsidiary in overseas

  - In 2017, the consulting service fee at the amount of USD 2,350 related to filing income tax which was paid to KPMG, Male, Republic of Maldives and the amount of USD 4,850 will be paid in 2018.

Related Party Transactions

1. The Company and subsidiaries have related transactions with the persons who may have the conflicts of interest during 2016 and 2017 as follows:

Transactions with the Company/ Subsidiaries	Types of transactions	Balances/Value of transaction (Million Baht)		Details, conditions and their necessary
		2016	2017	
Dusit Thani PCL. and subsidiaries with Acme Printing Co., Ltd. by Mrs. Sinee Thienprasiddhi is the major shareholder.	Printed the calendar and annual report of the Company	1.23 / 1.16	- / 0.86	The Company engaged Acme Printing Co., Ltd. by bidding process with other companies and comparing the offering price and conditions. The Company has selected the best company, in order to meet the highest benefit to the Company and without decision making by connected person.
Dusit Thani PCL. and subsidiaries with MBK PCL. by Mr. Chanin Donavanik and Mrs. Sinee Thienprasiddhi are the shareholders.	Management fee and other incomes	2.36 / 9.68	3.49 / 9.09	The conditions of pricing and services in sales and marketing are similar to those charged to other hotels in the group.
	Dividend income	- / 14.75	- / 14.75	Per dividend declaration
Dusit Thani PCL. and subsidiaries with Piyasiri Co., Ltd. by Thanpuying Chanut Piyaoui's Group held majority of its ownership.	Medical expenses	- / 0.01	- / -	Prices and terms are in the normal business transaction.
Dusit Thani PCL. and subsidiaries with JTB (Thailand) Co., Ltd. by Mr. Chanin Donavanik is the shareholder.	Revenue from sales and services and other income	3.80 / 38.16	8.46 / 48.54	The Company had travel-agent agreement with JTB (Thailand) Co., Ltd. to perform the guestroom sales, which generally support hotel business. Prices and terms are in the normal business transaction.

Transactions with the Company/ Subsidiaries	Types of transactions	Balances/Value of transaction (Million Baht)		Details, conditions and their necessary
		2016	2017	
Dusit Thani PCL. and subsidiaries with New Atlantic Co., Ltd. by Thanpuying Chanut Piyaoui's Group held majority of its ownership.	Revenue from sales and services	- / 0.01	- / -	Prices and terms are in the normal business transaction.
Dusit Thani PCL. and subsidiaries with The Navakij Insurance PCL. by Professor Hiran Radeesri is the director	Insurance expenses	- / 0.56	- / 0.75	Prices and terms are in the normal business transaction.
Dusit Thani PCL. and subsidiaries with Siam Makro PCL. by Mr. Arsa Sarasin is the director	Food and beverage expenses	- / -	- / 2.01	Prices and terms are in the normal business transaction.

According to the Audit Committee meeting No. 2/2018, the Audit Committee had considered that the above related transactions are reasonable in pricing and conditions at the normal course of business.

2 Related transactions between the Company and subsidiaries in financial supporting

Besides the normal transactions in doing business which already disclosed in the notes to the financial statements, the Company has policies for related transactions with subsidiaries to acquire and dispose of assets and financial supporting transaction according to the Stock Exchange of Thailand's regulations. Even though the Company has related transactions with subsidiaries, such transaction must be approved by the Audit Committee and Board of Directors.

In 2016 and 2017, the Company had transactions related to assets or services and financial supporting to subsidiaries which was in the normal course of business. The summary of conditions and compensations of market and fair values from financial supporting transactions to subsidiaries by changing in balances and outstanding of loans were as follows:

Subsidiaries	Changing balances (Million Baht)		Balances (Million Baht)		Detail of transactions
	2016	2017	2016	2017	
Dusit China Capital Co., Ltd.	37.50	21.40	76.00	97.40	The Company provided short-term loans.
	1.75	2.47	1.75	2.47	The Company's interest income.
Vimarn Suriya Co., Ltd.	47.11	46.01	47.11	93.12	The Company provided long-term loans.
	0.04	4.12	0.04	4.12	The Company's interest income.
Dusit Thani Properties Co., Ltd.	250.00	(2.00)	250.00	248.00	The Company provided short-term loans.
	0.17	7.03	0.17	7.03	The Company's interest income.
Dusit Excellence Co., Ltd.	-	34.62	-	34.62	The Company provided short-term loans.
	-	0.35	-	0.35	The Company's interest income.
Suanlum Property Co., Ltd.	-	14.04	-	14.04	The Company provided long-term loans.
	-	0.23	-	0.23	The Company's interest income.

3. Standard or policies governing related transactions

Upon entering to related transaction, the Company has set policies and conditions as follows:

1. Cost, retail price and value of the related transactions follow normal general trading norms.
2. The Company follows the Stock Exchange of Thailand's regulations and proposes to Audit Committee for consideration, including processes for a reasonable related transaction in the best benefits to the Company. The Audit Committee has reviewed the price or the rate of such transaction with the officers and internal auditors of the Company that the price is reasonable and appropriate disclosed in financial statements.
3. The Company sets the approval procedures for related transactions to follow the format applied to the Company's general procedures for purchasing and hiring of services. Neither the executive directors nor the shareholders are involved in the benefits or loss or approval of these related transactions.

4. Upon entering the related transactions, the Company has strictly followed the conditions and regulations of the Stock Exchange of Thailand.

As such, the Audit Committee will give the opinion for a reasonable and necessary of entering to related transactions to get the best benefits for the Company.

The Company has complied with the Regulations issued by The Stock Exchange of Thailand regarding the connected transactions and/or the acquisition and disposed of assets of listed companies. The amendment will include the disclosures to shareholders of the Company, general investors and related entities including The Stock Exchange of Thailand. Such disclosure will be approved by the Board of Directors and/or the Shareholders' meeting according to the Stock Exchange of Thailand's regulations.

4. Policies or trend on future related transactions

The entering on future related transactions according to the standard mentioned above including related transactions with Acme Printing Co., Ltd. and Dusit Thai Properties PCL. and /or other companies may conflict.

5. The reasons of conflict by persons who have indirectly held over 10% in subsidiaries, associates

The Company has no person who may has conflict directly held over 10% in subsidiaries and associates.

Management Discussion and Analysis 2017

Executive Summary

The Company reported net profit of THB 267 million in 2017 driven mainly by the gain on sale of Dusit Princess Korat.

The Company reported total revenue of THB 5,570 million in 2017, an increase of 2.7% yoy, mainly driven by a gain on sale of Dusit Princess Korat of THB 325 million in correspondence to the group's asset restructuring. Without this non-recurring gain, total revenue was THB 5,245 million, a 3.3% decrease from 2016. The decline was attributable to the renovation of three hotels under Dusit Thani brand, and caused by a temporarily weaker demand from catering and convention during the mourning period and the royal funeral of King Bhumibol Adulyadej.

Earnings before interest, tax, depreciation and amortization (EBITDA) was THB 1,099 million in 2017, an increase of 19.6 % yoy, due mainly to a gain on sales of Dusit Princess Korat despite lower revenue and higher administrative expense to support business expansion. Without the non-recurring profit related to sale of Dusit Princess Korat, core EBITDA was THB 806 million, a 12.3% decrease from 2016.

The Company reported net profit of THB 267 million in 2017, a growth of 134.0% yoy. Net profit excluding gain on the sale of Dusit Princess Korat was THB 64 million, a decrease of 44.3% yoy.

Overall Performance

Unite: THB mn	2017	2016	change	
Hotel business	4,590	4,814	(224)	-4.7%
Education business	442	474	(32)	-6.8%
Others	538	136	402	295.6%
Total revenue	**5,570**	**5,425**	**145**	**2.7%**
EBITDA	1,099	919	180	19.6%
EBIT	470	214	256	119.5%
Net profit (loss)	**267**	**114**	**153**	**134.0%**
EPS(THB)	0.316	0.135	0.181	134.0%

Major Developments in 4Q17

The SEC approved the issuance by offering for sale of 409.4 million DREIT trust units as listed securities on the SET and start trading on the 15 December 2017. The conversion of DTCPF to DREIT is a part of the Company's business plan to strengthen financial capability.

Dusit Thai Properties PCL, the Company's subsidiaries sold Dusit Princess Korat Hotel, comprising land, building and other related assets, at THB 565 million. Gain before deducting relating costs was THB 325 million.

Business Segment Performance

In 2017, total revenue was THB 5,570 million, decreasing by 2.7 % from last year. Total revenue and EBITDA breakdown is as follows:

Revenue Breakdown

Unit: THB mn	2017	2016	% Chg
Hotel	4,590	4,814	-4.7
Education	442	474	-6.8
Others	538	136	295.6
Total	5,570	5,425	2.7

EBITDA Breakdown

Unit: THB mn	2017	2016	% Chg
Hotel	855	904	-5.4
Education	50	112	-55.0
Others	194	-97	301.1
Total	1,099	919	19.6

In 2017, Hotel business and education business accounted for 82% and 8% of total revenue. Other business, including gain on sale of Dusit Princess Korat Hotel and lease right assignment fee in the amount of THB 90 million, contributed the remaining 10%. For the year 2017, Hotel business and education business represented 78% and 5% of total EBITDA respectively, while other business contributed the remaining 17%.

Hotel Business

Total revenue from hotel business was THB 4,590 million in 2017, a decrease of 4.7% yoy, comprising owned hotel, hotel management, and share of profits/losses from investments.

- **Owned Hotel**

	2017	2016	% Chg
Occupancy (%)	73.3	72.2	1.5
ADR (THB/night)	3,597	3,727	-3.5
RevPar (THB/night)	2,636	2,690	-2.0

Revenue from owned hotel was THB 4,382 million in 2017, decreasing by 4.5% from 2016, contributed by

- Owned hotels in Thailand reported a decreased revenue of 4.5% from the previous year, mainly attributable to lower occupancy and hotel's functions due to an adverse impact of a year-long national mourning on domestic demand, together with a drop in occupancy of Dusit Thani Hua Hin amidst an intense market competition, and the renovation of Dusit Laguna Phuket and Dusit Thani Pattaya.
- Revenue from the overseas hotel declined by 4.2%, compared to 2016, primarily due to the renovation of Dusit Thani Manila despite better performance of Dusit Thani Maldives from higher occupancy.

- **Hotel Management**

Revenue from hotel management was THB 224 million, a drop of 14.3% yoy mainly because the Company resolved to settle income of Dusit Thani Guam Resort arising from 2015 operation into 2016. However, Dusit Thani Guam Resort, Dusit Thani Lakeview Cairo, and Dusit Thani Abu Dhabi delivered stronger operational performance from 2016.

- **Share of Profits/Losses from Investments**

Share of losses from investments amounted to THB 17 million in 2017, a lower loss by THB 18 million, compared to THB 35 million share of losses in 2016, mainly driven by a significant decline in loss from Dusit Fudu Hotel Management in China due to an effective cost control.

The Company reported EBITDA from hotel business of THB 855 million in 2017, a 5.4% decrease from 2016. The decline was attributable to 1% decrease in EBITDA from owned hotels due to lower revenue, and higher hotel personnel expenses, which incurred to support the expansion of hotel management business in which the Company has successfully secured the management contracts. The company's EBITDA margin was 18.6%, a slight decline from 18.8% in 2016.

In 2017, depreciation and amortization decreased by 11.6% yoy to THB 536 million, due to the change of estimated useful life of the assets under Dusit Thani Manila to reflect their future economic benefits and to be in line with the Company's depreciation policy. In addition, some assets under other hotels have been fully depreciated.

Education Business

In 2017, revenue from education business including the share of profits from investments totaled THB 442 million, a decrease of 6.8% yoy, mainly from the repositioning of Education Business by closing Dusit Thani Hotel School (DTHS) in 4Q17 to utilize DTHS's building and facilities as a research center for the development of culinary and hospitality programs under Dusit Thani Excellence Center (DTEC) led by Dusit Thani College.

Share of profits from investments in 2017 was THB 13 million, a 56.7% decrease yoy, primarily attributable to a decrease in number of students at Le Cordon Bleu Dusit, which was planned for the relocation after the closure of Dusit Thani Bangkok Hotel, following the development plan of the Mixed-use project.

In 2017, the Company reported EBITDA from education business of THB 50 million, decreasing by 55% yoy, mainly attributable to increase in personnel and marketing expenses to improve its capabilities for business expansion and strengthening brand positioning in the market.

Depreciation and amortization decreased by 12.1% from 2016 to THB 47 million as some assets have been fully depreciated.

Other Business

Revenue from other business boosted by 295.6% yoy to THB 538 million in 2017, due mainly to THB 325 million gain on sales of Dusit Princess Korat following the group's asset restructuring and THB 90 million lease right assignment fee.

In 2017, EBITDA from other business amounted to THB 194 million, a 301.1% increase yoy, primarily from an increase in other revenues as aforementioned. An increase in administrative expenses was due to (1) legal and financial advisory fee related to the development of Mixed-use project and group restructuring, (2) higher personnel expenses to support the expansion of the hotel and education businesses as well as new related businesses, and (3) land and building transfer fee incurred from the sales of Dusit Princess Korat.

Financing Cost

Financing cost was THB 59 million in 2017, a decrease of 19.3% yoy due to the Company's long-term loan repayment capacity supported by solid operation, and the impact of strengthened Baht currency, which together helped offset an increase in interest rate.

Earnings before interest, tax, depreciation and amortization (EBITDA)

EBITDA was THB 1,099 million in 2017, an increase of 19.6 % yoy, mainly due to a gain on sales of Dusit Princess Korat. A drop in revenue and an increase in administrative expense was to support future business expansion. Without the non-recurring profit related to sale of Dusit Princess Korat, core EBITDA was THB 806 million, a 12.3% decrease from 2016.

Net Profit

The Company reported net profit of THB 332 million in 2017, a growth of 117.4% yoy from the aforementioned factors. Net profit attributable to the owners of the Company was THB 267 million, a growth of 134.0% yoy. Excluding gain on the sale of Dusit Princess Korat, core net profit declined by 44.3% yoy to THB 64 million.

Financial Position

Unit : THB mn

Assets

As of 31 December 2017, the Company reported total assets of THB 9,978 million, an increase of THB 945 million or 10.5% from 31 December 2016.

- Current assets increased by THB 364 million mainly due to (1) an increase in cash and cash equivalents of THB 151 million, (2) an increase in short-term investment from fixed deposit of subsidiaries of THB 90 million, and (3) an increase in trade and other receivables of THB 74 million.
- Non-current assets increased by THB 581 million. This was mainly from (1) an increase in prepaid rental of land and building of the Mixed-used project to The Crown Property Bureau of THB 771 million, (2) an increase in available-for-sale investments of THB 111 million resulting from fair market value adjustment, and (3) a decrease in property, plant, and equipment (PP&E) and investment properties of THB 423 million from depreciation and the sales of Dusit Princess Korat Hotel of THB 228 million despite an additional investment in PP&E.

Liabilities

As of 31 December 2017, the Company reported total liabilities of THB 4,098 million, an increase of THB 419 million or 11.4% from 31 December 2016.

- Current liabilities increased by THB 109 million mainly from (1) an increase in bank overdraft and short-term loan from financial institutions of THB 82 million, (2) an increase in current portion of long-term loan of THB 56 million, (3) an increase in income tax payable of THB 49 million, and (4) a decrease in trade and other payables of THB 90 million.
- Non-current liabilities increase by THB 310 million mainly due to (1) the received deposit from building lease arrangement for the Mixed-use project of THB 492 million, and (2) a decrease in net long-term loan of THB 133 million.

Shareholders' Equity

As of 31 December 2017, shareholders' equity was THB 5,881 million, an increase of THB 527 million or 9.8% from 31 December 2016. Shareholders' equity was contributed by (1) the equity attributable to owners of the Company of THB 4,824 million, increasing by THB 235 million or 5.1%, and (2) non-controlling interest amounted to THB 1,057 million, increasing by THB 292 million or 38.2%.

Cash Flows

As of 31 December 2017, cash and cash equivalents was THB 1,021 million, increasing by THB 169 million and negative effect of exchange rate changes on cash and cash equivalents of THB 19 million from THB 870 million as of 31 December 2016.

Sources of Funds

The company reported net cash inflow of THB 2,042 million, mainly comprising

- Net cash received from operation of THB 592 million was from cash inflow for revenue from sales and services, netted off with cash outflow for expenses and income tax payment
- Cash inflow from investing activities of THB 1,202 million was due primarily to cash received from the sales of hotel and other assets amounted to THB 567 million, cash deposits received from building lease arrangement of THB 492 million, and cash received from capital reduction of THB 143 million in relation to the conversion of DTCPF into DREIT.
- Cash inflow from financing activities of THB 250 million mainly owing to a capital increase from non-controlling interest in the Company's subsidiaries for the development of the Mixed-use project of THB 289 million.

Uses of Funds

The company reported net cash outflow of THB 1,875 million, mainly comprising

- Prepaid payment for land and building lease of THB 973 million
- The purchase of equipment of THB 696 million
- Deposit for hotel management right in Singapore amounted to THB 75 million
- Investment in associates, joint ventures and others of THB 99 million

Unit : THB mn	31-Dec-17	% to total assets	31-Dec-16	% to total assets	Chg
Cash and cash equivalents	1,021	10.2%	870	9.6%	17.3%
Short-term investments	448	4.5%	358	4.0%	25.1%
Trade and other receivables	536	5.4%	463	5.1%	15.9%
Others current assets	272	2.7%	222	2.5%	22.4%
Total current assets	**2,277**	**22.8%**	**1,913**	**21.2%**	**19.0%**
Available-for -sale investments	476	4.8%	365	4.0%	30.4%
Investment in associates	1,276	12.8%	1,370	15.2%	-6.9%
Property, plant and equipment	4,322	43.3%	4,690	51.9%	-7.8%
Prepaid rental of land and buildings	847	8.5%	75	0.8%	1022.0%
Others non-current assets	780	7.8%	620	6.9%	25.9%
Total non-current assets	**7,701**	**77.2%**	**7,120**	**78.8%**	**8.2%**
Total assets	**9,978**	**100.0%**	**9,033**	**100.0%**	**10.5%**
Bank O/D and short term loans	544	5.4%	462	5.1%	17.8%
Trade and other payables	882	8.8%	973	10.8%	-9.3%
Current portion of long term loans	213	2.1%	157	1.7%	35.5%
Others current liabilities	164	1.6%	103	1.1%	59.8%
Total current liabilities	**1,803**	**18.1%**	**1,694**	**18.8%**	**6.4%**
Long term loans	919	9.2%	1,053	11.7%	-12.7%
Deferred rental revenue	559	5.6%	584	6.5%	-4.4%
Others non-current liabilities	816	8.2%	348	3.8%	134.7%
Total non-current liabilities	**2,294**	**23.0%**	**1,985**	**22.0%**	**15.6%**
Total liabilities	**4,098**	**41.1%**	**3,679**	**40.7%**	**11.4%**
Equity attrtibutable to owners of the Company	4,824	48.3%	4,589	50.8%	5.1%
Non-controlling interests	1,057	10.6%	765	8.5%	38.2%
Total shareholders'equity	**5,881**	**58.9%**	**5,354**	**59.3%**	**9.8%**

Financial Ratio

The Company's profitability remained resilient in 2017, showing improved profit margin despite uncontrollable external factors and major renovation. Liquidity was maintained at healthy level with current ratio over 1, while capital structure was at optimal level with excellent ability to repay debt.

	31-Dec-17	31-Dec-16	Chg
Profitability ratio			
Gross profit margin	28.2%	28.1%	0.1%
EBITDA margin	19.7%	16.9%	2.8%
Net profit margin	4.8%	2.1%	2.7%
Efficiency ratio			
Return on equity	5.7%	2.5%	3.2%
Return on assets	4.9%	2.3%	2.6%
Liquidity ratio			
Current ratio (time)	1.26	1.13	0.13
Leverage ratio			
Interest bearing debt to equity (time)	0.35	0.37	(0.02)
Net debt to equity (time)	0.85	0.80	0.05
Interest coverage ratio (time)	14.51	14.66	(0.14)

2018 Outlook

Continued robust growth of Thailand Tourism industry

2017 Thailand tourism revenue increased by 9.5% from 2016 to THB 2.75 trillion, accounted for approximately 20% of GDP, contributed by revenue from international and domestic tourists of THB 1.82 trillion and THB 0.93 trillion respectively. International tourist arrivals reached 35.4 million, setting a new record with an 8.8% increase, of which tourist arrivals from China represented the largest contribution.

In 2018, tourism industry is expected to continue an impressive growth on the back of government initiatives. The Tourism Authority of Thailand (TAT) has launched the marketing campaign "Amazing Thailand Tourism Year 2018" supported by ambitious marketing initiatives and activities, including Sports tourism, Gastronomy tourism, Maritime tourism, Wedding and Honeymoon tourism, Medical and Wellness tourism, Community-based tourism, and Leisure tourism. TAT also promote the secondary city tourism campaign. The Fiscal Policy Office (FPO) estimate the international tourist arrivals to grow by 8% to 38.2 million. FPO target tourism revenue to reach THB 3.05 trillion in 2018 contributed by revenue from international and domestic tourists of THB 2.05 trillion and THB 1 trillion, respectively.

Uplift hotels in Thailand to maintain competitive advantages

The Company and its subsidiaries' hotel assets have aged after a certain period of time, which potentially causing an adverse impact on operational performance and profitability. Consequently, the Company has established a plan to renovate the hotels to enhance its positioning and strengthen its competitive advantages in the market. In 2017, the Company has completed the renovation of three hotels under Dusit Thani brand located in Pattaya, Phuket and Manila. In 2018, the Company has scheduled three hotel renovation during off season, including Phuket, Maldives and Pattaya, with an estimated CAPEX of THB 255 million to improve the Company's overall competitiveness in an expansive tourism industry.

Dusit Thani Bangkok to remain open throughout 2018

Dusit Thani Bangkok remains in operation until 5 January 2019, which was formerly scheduled to operate through April 2018. This will allow more time for the Company and its partner to add greater detail in design and development, ensuring the new project well embraces cultural heritage, innovative design, green concept in surrounded area to be well connected to Lumpini park, as well as create direct access to streamlined nodes of MRT, BTS and mass transit rail systems to alleviate traffic in Silom area and proximity.

Asset-light model gearing towards hotel management business

The International Monetary Fund (IMF) has revised 2018 global growth forecast upward to 3.9% from the former estimate of 3.7%. The revision reflects higher-than-expected growth momentum in several countries in the previous year and the continued pickup in global growth, specifically in Emerging Market and Developing Economies, which was expected to grow 4.9% in 2018 from 4.7% in 2017.

Supported by the positive global outlook, the Company expects to expand hotel management and franchise business to spearhead growth in 2018, targeting to open 10 new hotels to be managed by Dusit International in Vietnam, Singapore, Bhutan, Philippines, Bahrain, and China. The expansion will increase number of rooms and create well-balanced revenue stream from domestic and international portfolio, aligning to the Company's long-term strategic direction. Below highlights the Company's growth outlook by region:

Asia Pacific:

- Positive demand growth outlook in China and India market. Thailand has become more popular among Indian for wedding ceremony and honeymoon destination. Expecting to benefit from the growth, the company has opened global sales offices in Mumbai last year in response to an expansive demand from MICE and tourists in this market.
- A favorable outlook in the Philippines market supported by a continuous growth of international arrivals. The Company expects Dusit Thani Manila to fully benefit from hotel renovation last year, achieving an increase in ADR and RevPAR. In addition, the Company targets to aggressively expand hotel management business in this market in near term.
- The Company anticipates Maldives tourism industry to continue to benefit from a stronger demand from Europe, India, and South Korea, which will help offset declining tourists from China. Amidst political instability and the expected Presidential and Parliamentary election in 2018 and 2019 respectively, the Company is confident in its ability to secure South Korean and Chinese customer base in this market.
- In 2018, the Company expects to see increasing South Korean tourists into Guam offsetting a falling demand of tourists from Japan. This should support its hotel revenue growth in Guam despite an escalated political tension between North Korea and The United States.

Middle East and Africa:

- Middle East and Africa is experiencing a drop in revenue from oil and gas export, causing an adverse effect on domestic consumption and tourist arrivals due to intense competition among 3-4 star hotels and AirBnB legalization. The Company is being aware of the potential threat and plans to increase the numbers of corporate accounts and return guests with the focus on high yield segments.

Focus on education business expansion

Education business is currently under group restructuring plan, implemented in 2017 and targeted to be completed in 3-5 years. The plan involves rebranding by changing the logo to convey an in-trend and unique identity of the Dusit's education business. In 2018, Dusit Thani College plans for the renovation of Bangkok campus (expected completion in 1Q19) and the construction of new cooking studio at Seacon Square (expected commencement in mid-2018), in response to a growing demand for talents in the food industry supported by a robust growth of the tourism industry.

The development progress of Mixed-use project

Mixed-use project is developed by the Company's subsidiary, Vimarn Suriya Company Limited, a joint venture between the Company and Central Pattana PLC (CPN). The project is currently under the stage of demolishing the office and commercial buildings on the extended land adjacent to Dusit Thani Building and the parking area of Dusit Thani Bangkok Hotel. 2018 will be a year of developing design concept and attaining construction permit. Dusit Thani Bangkok Hotel is scheduled to be demolished after 5 January 2019. The successful of the landmark Mixed-use project will bring the Company an opportunity to enter into real estate development and retail business adding revenue diversification and minimizing concentration risk in hotel business portfolio. 2018 Capital expenditure (CAPEX) is estimated at THB 270 million.

2018 Guidance

The Company expects 2018 **core revenue** to grow by 5% driven by higher revenue from room and F&B mainly from Dusit Thani in Phuket, Manila and Hua Hin. **EBITDA margin** is estimated around 15% close to 2017 core EBITDA margin of 15.3%. **Consolidated CAPEX** is estimated at THB 355 million for the hotel renovation in Maldives, Pattaya and Srinakarin; the renovation of Dusit Thani College; the investment in IT system and software as well as the head office relocation.

The Board of Directors' Responsibility for Financial Reports

The Board of Directors gives priority to and takes responsibility for the consolidated financial statements of the Company and its subsidiaries, as well as the financial information presented in the 2017 Annual Report. Hence, such Financial Statements has been prepared in accordance with the generally accepted accounting principles and standards under appropriate accounting policy and regular adherence with prudence, accuracy and completeness to reflect the true operating performance of the Company. In this regard, the Company has continuously reported the operating results and disclosed adequately key information with transparency to the Stock Exchange of Thailand for the benefit of the shareholders and general investors.

The Board of Directors has provided and maintained appropriate and efficient risk management, internal control, internal audit and supervision to ensure accurate, complete and adequate financial information for retention of assets and prevention of frauds or significant irregularities.

The Board of Directors has appointed the Audit Committee comprising three of Independent Directors to oversee and review the reliability and accuracy of the financial reports, including the internal control system that must be adequate and appropriate to ensure true reliability of such financial statements.

	Name	Position	Signature
1.	Mr. Arsa Sarasin	Chairman	.....
2.	Mrs. Suphajee Suthumpun	Group Chief Executive Officer	.....

The Audit Committee Report for year 2017

To Shareholders,

The Audit Committee of Dusit Thani Public Company Limited ("Company") is made up of 3 Independent Directors who are knowledgeable in accounting, finance, and legal and are qualified in accordance with the regulations of Securities and Exchange Commission ("SEC") by not holding any positions of management, employee, or consultant in the Company.

In 2017, the Audit Committee had 12 meetings as follows:

			Attendance / Total Meeting (time)
1)	Prof. Hiran Radeesri	Audit Committee Chairman	12/12
2)	Prof. Dr. Kittipong Kittayarak	Committee Member	8/12
3)	Khun Pranee Phasiphol	Committee Member	12/12

The Audit Committee carried out their duties within the scope of its charter and as assigned by the Board of Directors, in alignment with the regulations of the SEC. The Audit Committee was able to work without being restricted and able to obtain the information without limitation. This year, the Audit Committee already performed self-assessment and concluded with the satisfactory result. The significant duties of the Audit Committee are summarized as follows:

Review of the Financial Statements

Reviewed the financial statements for quarter and year 2017 of the Company and the consolidated financial statements of the Company and its subsidiaries, which were prepared in accordance with the Thai Financial Reporting Standards ("TFRS"), by reviewing on the significant matters and extraordinary items. The Audit Committee was reported by the external auditor, Management, and Director of Internal Audit to ensure that the financial statements were presented and its notes to financial statements were disclosed in accordance with the regulation of laws and TFRS. In addition, the external auditor had an opportunity to meet with the Audit Committee without the presence of management to ensure that external auditor were able to perform their engagement objectively and independently with kind cooperation from the management and employees.

Review of the Interconnected Transactions or Transactions that May Lead to Conflicts of Interest

Reviewed inter-company transactions between the Company and its subsidiaries including the interconnected transactions or transactions that may lead to conflict of interest with responsible management and internal audit to ensure the compliance with normal condition of business and the information were disclosed correctly in accordance with the relevant laws and regulations.

Review of the Effectiveness of Internal Control System, the Compliance with Anti-Corruption Policy, and Risk Management

Regularly reviewed internal control system including the compliance of Anti-Corruption policy according to the internal audit reports of the Internal Audit Department in finance and accounting, operations, resources utilization, safeguarding of assets, prevention or reduction of errors, loss, leak, waste, and fraud along with the reliability of financial reporting as well as compliance with relevant laws and regulations. The external

Auditor's opinion was also conformed as there was no significant control issues or weaknesses. Moreover, the Company provided whistle-blowing channels both on website and email.

According to SEC's internal control self-assessment report, the Audit Committee agreed that the internal control system of the Company and its subsidiaries along with the supervision of corruption risks in accordance with Thailand's Private Sector Collective Action Coalition against Corruption were adequate and appropriate. In regard to the risk management, the Company appointed the Risk Management Committee to specifically being responsible for risk management. The Audit Committee also reviewed the risk management plans and periodically monitored the performance; however, it was noticed that some areas of risk management need to be improved continuously and the Management should monitor and enhance all levels of management to closely participate in the risk management activities.

Compliance with SEC's and Business-Related Laws and Regulations

Reviewed compliance with SEC's regulations including SET's and business-related laws and regulations with Legal Department as well as Company Secretary Office and was of the opinion that the Company appropriately complied with required laws and regulations.

Monitoring of the Internal Audit Operations

Reviewed the appropriateness of responsibility, scope of work, performance, independence, strategy, annual audit plan of the Internal Audit Department, including headcount, the assessment of resource adequacy and people development. The Audit Committee monitored the internal audit operations according to the approved audit plan and provided the advisory to enhance efficiency and effectiveness. The Audit Committee was responsible for the evaluation, appointment, termination, and transfer of the Internal Audit Director.

Nomination of the External Auditor and Its Audit Fee for the Year 2018

Evaluated the performance of external auditor with satisfactory result and also considered the qualification and independence of the external auditor which were agreed that they were complied with the SEC's regulations. Therefore, the Audit Committee presented to the Board of Directors for considering to propose to the shareholders meeting the nomination of Ms. Vannaporn Jongperadechanon or Ms. Vipavan Pattavanvivek or Ms. Patamavan Vadhanakul of KPMG Phoomchai Audit Company Limited to be the auditor of the Company and its subsidiaries where Ms. Vannaporn Jongperadechanon has already been serving for 2 years. The proposed audit fees for the year 2018 of the Company and its subsidiaries are amounting to 1,625,000 Baht and 2,891,000 Baht, respectively, 4,516,000 Baht in total.

According to the aforesaid above reports, the Audit Committee was confident that the internal controls of the Company and its subsidiaries were sufficient, effective, and efficient and the financial statements of the company and its subsidiaries presented fairly, in all material respects, in conformity with the TFRS.

HIRAN RADEESRI
Professor Hiran Radeesri
Audit Committee Chairman

Independent Auditor's Report

To the Shareholders of Dusit Thani Public Company Limited

Opinion

I have audited the accompanying consolidated and separate financial statements of Dusit Thani Public Company Limited and its subsidiaries (the "Group") and of Dusit Thani Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2017, the consolidated and separate statements of income and comprehensive income, changes in equity and cash flows for the year then ended and notes, comprising a summary of significant accounting policies and other explanatory information.

In my opinion, the accompanying consolidated and separate financial statements present fairly, in all material respects, the financial position of the Group and the Company, respectively, as at 31 December 2017 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards (TFRSs).

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. These matters were addressed in the context of my audit of the consolidated and separate financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

Impairment of property, plant and equipment and investments in subsidiaries	
Refer to the notes 3, 12 and 15 to the consolidated and separate financial statements	
The key audit matter	**How the matter was addressed in our audit** **Our audit procedures included**
The Group had significant property, plant and equipment and investments in subsidiaries in the financial statements. Economic benefits of the assets depend on future profitable operations which impact property, plant and equipment of the Group and investments in subsidiaries in the separate financial statements. Each subsidiaries business unit is determined as separate cash generating units. Management performed an impairment indicator assessment over property, plant and equipment and investments in subsidiaries based upon the performance of each business unit and reviewed recoverable amount by using projection of future cash flows. The projection of future cash flows requires significant judgment and is inherently uncertain. As a result, this is a focus area for my audit.	My audit procedures included: • Understanding and evaluating management's process in assessing the impairment indicators and determining the recoverable amount of property, plant and equipment and investments in subsidiaries. • Testing mathematical accuracy of the discounted future cash flow model used. • Considering the key assumptions underlying the estimate of the value from using discounted future cash flows by taking into account historical data of the Group, operational plan and industry data. • Assessing the adequacy of disclosures in accordance with the related Thai Financial Reporting Standards.

Emphasis of Matter

I draw attention to notes 2 and 15 to the financial statements describing the effect of change in the estimated useful lives of plant and equipment of one of the Company's hotels from 1 May 2017 onward as a result of the resolution of the annual general shareholders' meeting of the Company held on 27 April 2017 which approved the investment to develop a mixed-use property project. Therefore, the estimated useful lives of the related assets were reviewed by management considering the expected pattern of consumption of the future economic benefits. My opinion is not modified in respect of this matter.

Other Information

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

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

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

Responsibilities of Management and Those Charged with Governance for the Consolidated and Separate Financial Statements

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

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

Those charged with governance are responsible for overseeing the Group's and the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Consolidated and Separate Financial Statements

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

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

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

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the consolidated and separate financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

(Vannaporn Jongperadechanon)
Certified Public Accountant
Registration No. 4098

KPMG Phoomchai Audit Ltd.
Bangkok
22 February 2018

Dusit Thani Public Company Limited and its Subsidiaries

Statement of financial position

Assets	Note	Consolidated financial statements 31 December 2017	Consolidated financial statements 31 December 2016	Separate financial statements 31 December 2017	Separate financial statements 31 December 2016
			(in Baht)		
Current assets					
Cash and cash equivalents	*4*	1,020,867,852	870,334,699	90,721,824	160,984,291
Short-term investments		447,647,643	357,726,220	-	-
Trade and other receivables	*5*	536,316,368	462,592,301	220,570,319	197,993,001
Inventories	*6*	71,467,461	77,035,675	17,747,063	20,170,932
Short-term loans to related parties	*28*	-	-	380,022,600	326,000,000
Current portion of prepaid rental of land and buildings	*16*	144,449,623	90,778,652	89,211,939	74,066,640
Other current assets	*7*	56,151,752	54,475,432	1,729,892	2,350,747
Total current assets		**2,276,900,699**	**1,912,942,979**	**800,003,637**	**781,565,611**
Non-current assets					
Restricted bank deposits	*8*	2,215,041	2,196,375	-	-
Available-for-sale investments	*9*	475,809,800	364,964,850	42,161,600	40,846,350
Other long-term investments	*10*	33,803,810	-	-	-
Investments in associates	*11*	1,275,970,096	1,370,323,421	1,150,354,700	1,229,202,500
Investments in subsidiaries	*12*	-	-	1,591,658,330	1,037,751,164
Investments in joint ventures	*13*	44,319,333	54,033,633	21,518,400	20,292,449
Long-term loans to related parties	*28*	102,183,407	75,416,578	107,160,128	47,110,000
Investment properties	*14*	177,266,663	232,878,615	149,261,574	164,669,864
Property, plant and equipment	*2, 15*	4,322,438,662	4,689,585,706	526,518,670	461,171,451
Prepaid rental of land and buildings	*16*	846,701,863	75,462,571	841,273,821	18,516,660
Other intangible assets	*17*	62,806,159	60,358,619	47,535,659	45,095,022
Deferred tax assets	*18*	133,650,533	150,744,644	83,083,395	80,003,577
Deposit for hotel management right	*19*	100,110,124	25,270,104	100,110,124	25,270,104
Withholding tax deduted		105,100,461	-	80,480,572	-
Other non-current assets		19,038,530	18,798,916	3,776,812	3,076,815
Total non-current assets		**7,701,414,482**	**7,120,034,032**	**4,744,893,785**	**3,173,005,956**
Total assets		**9,978,315,181**	**9,032,977,011**	**5,544,897,422**	**3,954,571,567**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of financial position

		Consolidated financial statements		Separate financial statements	
		31 December		31 December	
Liabilities and equity	*Note*	2017	2016	2017	2016
			(in Baht)		
Current liabilities					
Bank overdrafts and short-term loans from financial institutions	*20*	543,700,000	461,627,400	543,700,000	287,000,000
Short-term loans from related party	*28*	4,575,326	5,009,795	-	-
Trade and other payables	*21*	882,104,284	972,578,195	226,675,273	235,716,558
Current portion of long-term loans	*22*	213,143,452	157,251,400	-	-
Current portion of finance lease liabilities		1,328,434	1,236,756	-	-
Current portion of deferred rental revenue	*23*	25,433,333	25,433,333	76,879,388	-
Income tax payable		57,585,799	8,431,846	-	-
Others current liabilities		75,486,449	62,774,674	37,048,297	22,913,343
Total current liabilities		**1,803,357,077**	**1,694,343,399**	**884,302,958**	**545,629,901**
Non-current liabilities					
Long-term loans	*22*	919,397,671	1,052,574,438	-	-
Finance lease liabilities		542,276	1,870,710	-	-
Deferred rental revenue	*23*	558,975,879	584,409,224	1,246,332,927	-
Deferred tax liabilities	*18*	28,191,125	42,758,211	-	-
Provisions for employee benefits	*24*	199,794,191	221,303,861	100,152,948	121,463,881
Deposit	*28*	492,380,000	-	-	-
Liabilities from investment in joint venture	*13*	77,701,142	62,249,982	-	-
Other non-current liabilities		17,259,110	19,378,324	3,049,818	19,378,333
Total non-current liabilities		**2,294,241,394**	**1,984,544,750**	**1,349,535,693**	**140,842,214**
Total liabilities		**4,097,598,471**	**3,678,888,149**	**2,233,838,651**	**686,472,115**

Dusit Thani Public Company Limited and its Subsidiaries

Statement of financial position

Liabilities and equity (Continued)	*Note*	**Consolidated financial statements** 31 December 2017	2016	**Separate financial statements** 31 December 2017	2016
			(in Baht)		
Equity					
Share capital	*25*				
Authorised share capital		850,000,000	850,000,000	850,000,000	850,000,000
Issued and paid-up share capital		850,000,000	850,000,000	850,000,000	850,000,000
Treasury shares	*26*	(15,740,202)	(15,740,202)	-	-
Additional paid in capital					
Premium on ordinary shares	*25*	1,643,000,000	1,643,000,000	1,643,000,000	1,643,000,000
Surplus on treasury shares	*26*	18,365,540	18,365,540	16,950,268	16,950,268
Retained earnings					
Appropriated	*27*				
Legal reserve		85,000,000	85,000,000	85,000,000	85,000,000
Dusit Thani College funds		462,296,860	414,947,279	-	-
Treasury share reserve	*26*	15,740,202	15,740,202	-	-
Unappropriated		1,490,476,644	1,341,997,268	696,379,783	654,472,664
Other components of equity		274,398,127	235,671,044	19,728,720	18,676,520
Equity attributable to owners of the parent		**4,823,537,171**	**4,588,981,131**	**3,311,058,771**	**3,268,099,452**
Non-controlling interests	*12*	1,057,179,539	765,107,731	-	-
Total equity		**5,880,716,710**	**5,354,088,862**	**3,311,058,771**	**3,268,099,452**
Total liabilities and equity		**9,978,315,181**	**9,032,977,011**	**5,544,897,422**	**3,954,571,567**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of income

	Note	Consolidated financial statements For the year ended 31 December 2017	Consolidated financial statements For the year ended 31 December 2016	Separate financial statements For the year ended 31 December 2017	Separate financial statements For the year ended 31 December 2016
			(in Baht)		
Revenue from sales and services	*28*	**4,722,927,422**	**4,974,351,891**	**1,530,168,802**	**1,552,728,034**
Cost of sales and services					
Cost of sales and services	*28*	(2,801,252,641)	(2,915,208,576)	(892,636,741)	(906,372,800)
Cost of services - depreciation and amortisation		(592,047,690)	(661,689,152)	(217,870,900)	(221,410,618)
Total cost of sales and services		**(3,393,300,331)**	**(3,576,897,728)**	**(1,110,507,641)**	**(1,127,783,418)**
Gross profit		1,329,627,091	1,397,454,163	419,661,161	424,944,616
Other income					
Management service income	*28*	159,174,827	147,618,378	63,761,533	63,946,113
Interest income		15,953,954	12,697,349	14,640,094	3,704,588
Dividend income	*28*	15,489,430	15,764,430	96,918,611	120,768,022
Realised income from deferred rental revenue	*23*	25,433,333	25,433,333	38,439,693	-
Gain on sales of property, plant and equipment-net	*15*	323,046,801	932,210	353,631	374,002
Share of profits from investments by the equity method	*11,13*	19,720,825	22,079,994	-	-
Other income	*28*	287,919,294	226,253,966	356,724,593	379,309,388
Total other income		**846,738,464**	**450,779,660**	**570,838,155**	**568,102,113**
Profit before expenses		2,176,365,555	1,848,233,823	990,499,316	993,046,729
Expenses					
Selling expenses	*28,30*	(387,981,029)	(404,604,507)	(180,321,858)	(194,424,906)
Administrative expenses	*28,31*	(1,281,389,978)	(1,186,379,645)	(680,217,952)	(634,873,552)
Depreciation and amortisation		(36,926,736)	(43,059,678)	(17,379,434)	(22,049,883)
Finance costs	*34*	(58,797,616)	(72,826,354)	(9,547,893)	(8,367,460)
Total expenses		**(1,765,095,359)**	**(1,706,870,184)**	**(887,467,137)**	**(859,715,801)**
Profit before income tax expense		411,270,196	141,363,639	103,032,179	133,330,928
Tax income (expense)	*35*	(78,900,907)	11,551,319	7,449,282	24,982,748
Profit for the year		**332,369,289**	**152,914,958**	**110,481,461**	**158,313,676**
Profit attributable to:					
Owners of the parent		267,038,293	114,121,274	110,481,461	158,313,676
Non-controlling interests	*12*	65,330,996	38,793,684	-	-
Total		**332,369,289**	**152,914,958**	**110,481,461**	**158,313,676**
Earnings per share ***(in Baht)***	*36*				
Basic earnings per share		0.316	0.135	0.130	0.186

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of comprehensive income

	Note	Consolidated financial statements For the year ended 31 December 2017	2016	Separate financial statements For the year ended 31 December 2017	2016
			(in Baht)		
Profit for the year		**332,369,289**	**152,914,958**	**110,481,461**	**158,313,676**
Other comprehensive income					
Items that are or may be reclassified to profit or loss					
Exchange differences on translating financial statement		(142,702,237)	(22,138,397)	-	-
Net change in fair value of available-for-sale investments	*9*	110,844,950	8,524,000	1,315,250	(112,034,968)
Income tax relating to items will be reclassified		10,519,564	(1,704,800)	(263,050)	22,406,993
Total items that will be reclassified subsequently to profit or loss		**(21,337,723)**	**(15,319,197)**	**1,052,200**	**(89,627,975)**
Items that will not be reclassified to profit or loss					
Gains on remeasurements of defined benefit plans	*24*	18,480,116	6,176,914	20,532,073	-
Income tax relating to items that will not be reclassified		(4,936,001)	(1,853,074)	(4,106,415)	-
Total items that will not be reclassified to profit or loss		**13,544,115**	**4,323,840**	**16,425,658**	**-**
Other comprehensive income for the year, net of income tax		**(7,793,608)**	**(10,995,357)**	**17,477,858**	**(89,627,975)**
Total comprehensive income for the year		**324,575,681**	**141,919,601**	**127,959,319**	**68,685,701**
Total comprehensive income attributable to:					
Owners of the parent		319,084,717	117,256,491	127,959,319	68,685,701
Non-controlling interests		5,490,964	24,663,110	-	-
Total comprehensive income for the year		**324,575,681**	**141,919,601**	**127,959,319**	**68,685,701**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of changes in equity

		Consolidated financial statements													
						Retained earnings				Other components of shareholders' equity					
	Note	Issued and paid-up share capital	Treasury shares	Premium on ordinary shares	Share premium on treasury shares	Legal reserve	Dusit Thani College funds	Treasury shares reserve	Unappropriated	Translation financial statement	Investments held as available for sale	Total other components of shareholders' equity	Equity attributable to owners of the parent	Non-controlling interests	Total shareholders' equity
									(in Baht)						
Year ended 31 December 2016															
Balance at 1 January 2016		**850,000,000**	**(15,740,202)**	**1,643,000,000**	**18,365,540**	**85,000,000**	**366,375,697**	**15,740,202**	**1,394,120,463**	**(9,514,645)**	**245,855,884**	**236,341,239**	**4,593,202,939**	**811,262,470**	**5,404,465,409**
Transactions with owners, recorded directly in equity															
Distributions to owners of the Company															
Dividends paid	*37*	-	-	-	-	-	-	-	(101,434,213)	-	-	-	(101,434,213)	(3,811,585)	(105,245,798)
Total distributions to owners of the Company		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(101,434,213)**	**-**	**-**	**-**	**(101,434,213)**	**(3,811,585)**	**(105,245,798)**
Changes in ownership interests in subsidiary															
Additional investment		-	-	-	-	-	-	-	-	-	-	-	-	1,200	1,200
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	(20,044,086)	-	-	-	(20,044,086)	(67,007,464)	(87,051,550)
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(121,478,299)**	**-**	**-**	**-**	**(121,478,299)**	**(70,817,849)**	**(192,296,148)**
Transfer excesses of revenues over expenses to Dusit Thani College funds	*27*	-	-	-	-	-	48,571,582	-	(48,571,582)	-	-	-	-	-	-
Comprehensive income for the year															
Profit		-	-	-	-	-	-	-	114,121,274	-	-	-	114,121,274	38,793,684	152,914,958
Other comprehensive income		-	-	-	-	-	-	-	3,805,412	(7,407,533)	6,737,338	(670,195)	3,135,217	(14,130,574)	(10,995,357)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**117,926,686**	**(7,407,533)**	**6,737,338**	**(670,195)**	**117,256,491**	**24,663,110**	**141,919,601**
Balance at 31 December 2016		**850,000,000**	**(15,740,202)**	**1,643,000,000**	**18,365,540**	**85,000,000**	**414,947,279**	**15,740,202**	**1,341,997,268**	**(16,922,178)**	**252,593,222**	**235,671,044**	**4,588,981,131**	**765,107,731**	**5,354,088,862**
Year ended 31 December 2017															
Balance at 1 January 2017		**850,000,000**	**(15,740,202)**	**1,643,000,000**	**18,365,540**	**85,000,000**	**414,947,279**	**15,740,202**	**1,341,997,268**	**(16,922,178)**	**252,593,222**	**235,671,044**	**4,588,981,131**	**765,107,731**	**5,354,088,862**
Transactions with owners, recorded directly in equity															
Distributions to owners of the Company															
Dividends paid	*37*	-	-	-	-	-	-	-	(84,528,677)	-	-	-	(84,528,677)	(2,177,906)	(86,706,583)
Total distributions to owners of the Company		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(84,528,677)**	**-**	**-**	**-**	**(84,528,677)**	**(2,177,906)**	**(86,706,583)**
Changes in ownership interests in subsidiary															
Acquisition of non-controlling interests without a change in control		-	-	-	-	-	-	-	-	-	-	-	-	288,758,750	288,758,750
Total transactions with owners, recorded directly in equity		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**(84,528,677)**	**-**	**-**	**-**	**(84,528,677)**	**286,580,844**	**202,052,167**
Transfer excesses of revenues over expenses to Dusit Thani College funds	*27*	-	-	-	-	-	47,349,581	-	(47,349,581)	-	-	-	-	-	-
Comprehensive income for the year															
Profit		-	-	-	-	-	-	-	267,038,293	-	-	-	267,038,293	65,330,996	332,369,289
Other comprehensive income		-	-	-	-	-	-	-	13,319,341	(81,300,899)	120,027,982	38,727,083	52,046,424	(59,840,032)	(7,793,608)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**-**	**-**	**-**	**280,357,634**	**(81,300,899)**	**120,027,982**	**38,727,083**	**319,084,717**	**5,490,964**	**324,575,681**
Balance at 31 December 2017		**850,000,000**	**(15,740,202)**	**1,643,000,000**	**18,365,540**	**85,000,000**	**462,296,860**	**15,740,202**	**1,490,476,644**	**(98,223,077)**	**372,621,204**	**274,398,127**	**4,823,537,171**	**1,057,179,539**	**5,880,716,710**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of changes in equity

		Separate financial statements						
					Retained earnings		Other component of shareholders' equity	
	Note	Issued and paid-up share capital	Premium on ordinary shares	Share premium on treasury shares	Legal reserve	Unappropriated	Investments held as available for sale	Total shareholders' equity
					(in Baht)			
Year ended 31 December 2016								
Balance at 1 January 2016		**850,000,000**	**1,643,000,000**	**16,950,268**	**85,000,000**	**598,158,988**	**108,304,495**	**3,301,413,751**
Transactions with owners, recorded directly in equity								
Distributions to owners of the Company								
Dividends paid	*37*	-	-	-	-	(102,000,000)	-	(102,000,000)
Total distributions to owners of the Company		**-**	**-**	**-**	**-**	**(102,000,000)**	**-**	**(102,000,000)**
Comprehensive income for the year								
Profit		-	-	-	-	158,313,676	-	158,313,676
Other comprehensive income		-	-	-	-	-	(89,627,975)	(89,627,975)
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**158,313,676**	**(89,627,975)**	**68,685,701**
Balance at 31 December 2016		**850,000,000**	**1,643,000,000**	**16,950,268**	**85,000,000**	**654,472,664**	**18,676,520**	**3,268,099,452**
Year ended 31 December 2017								
Balance at 1 January 2017		**850,000,000**	**1,643,000,000**	**16,950,268**	**85,000,000**	**654,472,664**	**18,676,520**	**3,268,099,452**
Transactions with owners, recorded directly in equity								
Distributions to owners of the Company								
Dividends paid	*37*	-	-	-	-	(85,000,000)	-	(85,000,000)
Total distributions to owners of the Company		**-**	**-**	**-**	**-**	**(85,000,000)**	**-**	**(85,000,000)**
Comprehensive income for the year								
Profit		-	-	-	-	110,481,461	-	110,481,461
Other comprehensive income		-	-	-	-	16,425,658	1,052,200	17,477,858
Total comprehensive income for the year		**-**	**-**	**-**	**-**	**126,907,119**	**1,052,200**	**127,959,319**
Balance at 31 December 2017		**850,000,000**	**1,643,000,000**	**16,950,268**	**85,000,000**	**696,379,783**	**19,728,720**	**3,311,058,771**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
		2017	2016	2017	2016
			(in Baht)		
Cash flows from operating activities					
Profit for the year		332,369,289	152,914,958	110,481,461	158,313,676
Adjustments to reconcile profit (loss) to cash receipts (payments)					
Realised income from deferred rental revenue	*23*	(25,433,333)	(25,433,333)	(38,439,693)	-
Interest income		(15,953,954)	(12,697,349)	(14,640,094)	(3,704,588)
Dividend income		(15,489,430)	(15,764,430)	(96,918,611)	(120,768,022)
Bad debts and doubtful accounts (reversal)	*5*	(587,402)	945,473	(742,708)	(1,809,774)
Depreciation of plant and equipment	*15*	605,851,611	678,116,663	213,563,217	219,946,446
Depreciation of investment properties	*14*	10,678,785	10,674,037	12,882,512	12,327,794
Amortisation of other intangible assets	*17*	12,444,036	15,958,130	8,804,598	11,186,261
Loss on written off withholding tax		7,056,262	19,385,704	5,607,986	6,975,674
Amortisation of prepaid rental of land and buildings	*16*	142,838,400	102,810,457	109,414,280	74,066,640
Provisions for employee benefits	*24*	31,319,804	48,934,902	14,224,852	24,482,719
Share of profits from investments by the equity method		(19,720,825)	(22,079,994)	-	-
Gain on sales of available-for-sale investment		-	-	-	(119,561,068)
Loss on impairment of investment	*10, 12, 13*	99,700	-	11,177,133	63,537,853
Gain on sales of property, plant and equipment-net	*15*	(323,046,801)	(932,300)	(353,631)	(374,002)
Reversal loss on impairment of plant and equipment	*15*	(2,816,115)	-	-	-
Impairment of investment properties	*14*	1,700,000	-	-	-
Loss on equipment written off	*15*	4,762,379	12,024,637	1,500,830	1,341,031
Loss on sales of other intangible assets	*17*	7,126	90	-	-
Finance costs		58,797,616	72,826,354	9,547,893	8,367,460
Income tax expense (income)		78,900,907	(11,551,319)	(7,449,282)	(24,982,748)
		883,778,055	1,026,132,680	338,660,743	309,345,352
Changes in operating assets and liabilities					
Operating assets (increase) decrease					
Trade and other receivables		(88,017,803)	6,322,848	(26,037,528)	25,493,068
Inventories		3,424,136	1,334,773	2,423,869	2,171,082
Other current assets		(6,025,678)	(1,783,663)	620,855	(583,696)
Other non-current assets		(364,382)	370,738	(699,998)	323,817
Operating liabilities increase (decrease)					
Trade and other payables		(56,225,520)	50,979,615	(6,601,828)	(10,925,047)
Other current liabilities		14,198,356	(1,624,272)	14,134,954	169,969
Other non-current liabilities		(2,119,225)	(42,969)	(16,328,515)	41,029
Payment for provisions for employee benefits		(31,319,804)	(26,393,189)	(15,003,712)	(15,950,660)
Cash generated from operating activities		717,328,135	1,055,296,561	291,168,840	310,084,914
Proceeds from refund of prepaid income tax		12,248,615	11,063,571	10,063,608	9,759,406
Income tax paid		(137,088,476)	(45,933,287)	(86,124,534)	(17,352,261)
Net cash from operating activities		**592,488,274**	**1,020,426,845**	**215,107,914**	**302,492,059**

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

Dusit Thani Public Company Limited and its Subsidiaries

Statement of cash flows

	Note	Consolidated financial statements For the year ended 31 December 2017	2016	Separate financial statements For the year ended 31 December 2017	2016
			(in Baht)		
Cash flows from investing activities					
Interest income		12,645,987	10,072,523	8,815,380	2,239,087
Proceeds (payments) for short-term investments		(89,921,423)	22,453,884	-	-
Payments for short-term loans to related parties	*28*	-	-	(65,022,600)	(287,500,000)
Repayments for short-term loans to related parties	*28*	-	-	11,000,000	-
Payments for long-term loans to related parties	*28*	(34,006,017)	(35,990,385)	(96,831,628)	(47,110,000)
Repayments for long-term loans to related parties	*28*	-	-	36,781,500	-
Increase in restricted bank deposits		(18,666)	(20,013)	-	-
Dividend received from joint venture	*28*	30,999,690	27,999,720	30,999,690	27,999,720
Dividend received from associate	*28*	32,327,960	56,543,200	32,327,960	56,543,200
Dividend received		15,489,430	15,764,430	33,590,961	36,225,102
Payment of additional other long term investment		(33,830,633)	-	-	-
Payment of additional associate	*11*	(63,540,000)	-	(63,540,000)	-
Payment of additional joint venture	*13*	(1,519,000)	-	(1,519,000)	-
Payment of shares subscription in subsidiaries	*12*	-	(87,051,550)	(564,990,650)	(398,800)
Received deposit from building lease arrangement	*28*	492,380,000	-	-	-
Proceeds from share deduction	*11*	142,587,200	-	142,587,200	-
Proceeds from sales of available-for-sale investment		-	-	-	208,342,000
Purchase of investment properties		-	(734,823)	-	(841,717)
Proceeds from sales of property, plant and equipment		566,685,917	1,047,050	2,691,861	532,240
Purchases of property, plant and equipment		(691,489,288)	(345,784,508)	(294,133,812)	(113,615,248)
Purchases of other intangible assets		(4,272,937)	(2,179,348)	(395,235)	(548,000)
Payment deposit for hotel management right		(74,840,020)	-	(74,840,020)	-
Proceeds from sublease rental of land	*28*	-	-	1,361,652,008	-
Payment for prepaid rental of land and buildings	*16*	(972,755,339)	(6,639,731)	(947,316,740)	-
Net cash used in investing activities		**(673,077,139)**	**(344,519,551)**	**(448,143,125)**	**(118,132,416)**
Cash flows from financing activities					
Acquisition of non-controlling interests		288,758,750	-	-	-
Proceeds from short-term loans from financial institutions		1,123,260,000	527,013,360	1,089,700,000	418,000,000
Repayments of short-term loans from financial institutions		(1,040,602,080)	(604,000,000)	(833,000,000)	(521,000,000)
Repayments of finance lease liabilities		(1,236,756)	(1,151,484)	-	-
Proceeds from long-term loans	*22*	180,723,653	-	-	-
Repayments of long-term loans	*22*	(164,445,200)	(254,244,175)	-	-
Interest paid		(50,274,188)	(72,760,752)	(9,227,256)	(8,370,473)
Dividend paid		(86,406,583)	(105,245,798)	(84,700,000)	(102,000,000)
Net cash provided by (used in) financing activities		**249,777,596**	**(510,388,849)**	**162,772,744**	**(213,370,473)**
Net increase (decrease) in cash and cash equivalents, before effect of exchange rates		169,188,731	165,518,445	(70,262,467)	(29,010,830)
Effect of exchange rate changes on cash and cash equivalents		(18,655,578)	(9,411,274)	-	-
Net increase (decrease) in cash and cash equivalents		**150,533,153**	**156,107,171**	**(70,262,467)**	**(29,010,830)**
Cash and cash equivalents as at 1 January		870,334,699	714,227,528	160,984,291	189,995,121
Cash and cash equivalents as at 31 December	*4*	**1,020,867,852**	**870,334,699**	**90,721,824**	**160,984,291**
Non-cash transaction					
Payables from acquisition of assets		13,474,579	29,793,476	7,615,389	10,675,483

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

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

Note	Contents
1	General information
2	Basis of preparation of the financial statements
3	Significant accounting policies
4	Cash and cash equivalents
5	Trade and other receivables
6	Inventories
7	Other current assets
8	Restricted bank deposits
9	Available-for-sale investments
10	Other long-term investments
11	Investments in associates
12	Investments in subsidiaries
13	Investments in joint ventures
14	Investment properties
15	Property, plant and equipment
16	Prepaid rental of land and buildings
17	Other intangible assets
18	Deferred tax
19	Deposit for hotel management right
20	Bank overdrafts and short-term loans from financial institutions
21	Trade and other payables
22	Long-term loans
23	Deferred rental revenue
24	Provisions for employee benefits
25	Share capital
26	Treasury shares
27	Reserves
28	Related parties
29	Segment information
30	Selling expenses
31	Administrative expenses
32	Employee benefit expenses
33	Expenses by nature
34	Finance costs
35	Income tax expense
36	Earnings per share
37	Dividends
38	Revenue arising from exchanges of goods or services
39	Financial instruments
40	Commitments
41	Contingent liabilities
42	Others
43	Events after the reporting period

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory 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 22 February 2018.

1 General information

Dusit Thani Public Company Limited, the "Company", is incorporated in Thailand and has its registered head office at 946 Dusit Thani Office Building, 5th floor, Rama IV Road, Silom, Bangrak, Bangkok.

The Company was listed on the Stock Exchange of Thailand in April 1975.

The Company's major shareholders during the financial year were Thanpuying Chanut Piyaoui and related persons (49.94% shareholding).

The principal activities of the Company and the Group are to operate hotel business, hotel management and education. Details of the Company's subsidiaries, associates and joint ventures as at 31 December 2017 and 2016 are given in notes 11, 12 and 13.

2 Basis of preparation of the financial statements

2.1 Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS); guidelines promulgated by the Federation of Accounting Professions ("FAP"); and applicable rules and regulations of the Thai Securities and Exchange Commission.

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2017. The initial application of these new and revised TFRS has resulted in changes in certain of the Group's accounting policies. These changes have no material effect on the financial statements.

In addition to the above new and revised TFRS, the FAP has issued a number of other new and revised TFRS which are effective for annual financial periods beginning on or after 1 January 2018 and have not been adopted in the preparation of these financial statements.

2.2 Basis of measurement

The financial statements have been prepared on the historical cost basis except for the following items,

Items	*Measurement bases*
Available-for-sale financial assets	Fair value
Net defined benefit liabilities	Present value of the defined benefit obligation, as explained in note 24

2.3 Functional and presentation currency

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

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

2 Basis of preparation of the financial statements (Continued)

2.4 Use of judgements and estimates

The preparation of 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.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively.

Information about assumption and estimation uncertainties that have a significant risk of resulting in a material adjustments to the amounts recognised in the financial statements is included in the following notes:

Notes 12, 14 and 15	Testing of Impairment about utilisation of key assumption for valuing recoverable amount
Note 18	Recognition of deferred tax assets: availability of future taxable profit against which tax losses carried forward can be used
Note 24	Measurement of defined benefit obligations: key actuarial assumptions and
Note 39	The revaluation of financial instruments

Measurement of fair value

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

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 chief financial officer.

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 Audit Committee.

When measuring the fair value of an asset or a liability, the Group uses market observable 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 (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

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.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

2 Basis of preparation of the financial statements (Continued)

The Group recognises transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

Further information about the assumptions made in measuring fair values is included in the following notes:

Note 12	Subsidiaries
Note 14	Investment properties
Note 39	Financial instruments

Change in accounting estimate

From 1 May 2017, the Company changes the estimated useful lives of plant and equipment of one of the Company's hotel as a result of the resolution of the annual general shareholders' meeting of the Company held on 27 April 2017 which approved the investment to develop a mixed-use property project. The operation of one of the Company's hotels was expected to be ceased in order to develop in the mid of 2018. However, in December 2017, the Company's management has postponed the ceasing of hotel operations to early year 2019. Therefore, the estimated useful lives of the related assets were reviewed by management considering the expected pattern of consumption of the future economic benefits.

The effect of the change in estimate results in increasing in depreciation for the year ended 31 December 2017 of Baht 18.64 million. Additional depreciation of Baht 6.99 million is expected to have an effect in future periods.

3 Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these financial statements.

3.1 Basis of consolidation

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the "Group") and the Group's interests in associates and joint ventures.

Subsidiaries

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

Non-controlling interests

At the acquisition date, the Group measures any non-controlling interest at its proportionate interest in the identifiable net assets of the acquiree.

Changes in the Group's interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Loss of control

When the Group loses control over a subsidiary, it derecognises the assets and liabilities of the subsidiary, and any related non-controlling interests and other components of equity. Any resulting gain or loss is recognised in profit or loss. Any interest retained in the former subsidiary is measured at fair value when control is lost.

Interests in equity-accounted investees

The Group's interests in equity-accounted investees comprise interests in associates and joint ventures.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies. A joint venture is an arrangement in which the Group has joint control, whereby the Group has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interests in associates and joint ventures are accounted for using the equity method. They are recognised initially at cost, which includes transaction costs. Subsequent to initial recognition, the consolidated financial statements include the Group's share of the profit or loss and other comprehensive income of equity-accounted investees, until the date on which significant influence or joint control ceases.

Transactions eliminated on consolidation

Intra-group balances and transactions, and any unrealised income or expenses arising from intra-group transactions, are eliminated. Unrealised gains arising from transactions with equity-accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

3.2 Foreign currencies

Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the exchange rate at the reporting date.

Non-monetary assets and liabilities measured at cost in foreign currencies are translated to the functional currency at the exchange rates at the dates of the transactions.

Foreign operations

The assets and liabilities of foreign operations are translated to Thai Baht at the exchange rates at the reporting date.

The revenues and expenses of foreign operations are translated to Thai Baht at rates approximating the exchange rates at the dates of the transactions.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Foreign exchange differences are recognised in other comprehensive income and accumulated in the translation reserve in equity until disposal of the investment, except to the extent that the translation difference is allocated to non-controlling interest.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount in the translation reserve related to that foreign operation is reclassified to profit or loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is reattributed to non-controlling interests. When the Group disposes of only part of an associate or joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to profit or loss.

When the settlement of a monetary item receivable from or payable to a foreign operation is neither planned nor likely in the foreseeable future, exchange gains and losses arising from such a monetary item are considered to form part of a net investment in a foreign operation and are recognised in other comprehensive income, and presented in the foreign currency translation reserve in equity until disposal of the investment.

3.3 Cash and cash equivalents

Cash and cash equivalents in the statements of cash flows comprise cash balances, call deposits and highly liquid short-term investments. Bank overdrafts that are repayable on demand are a component of cash and cash equivalents for the purpose of the statement of cash flows.

3.4 Trade and other receivables

Trade and other receivables are stated at their invoice value less allowance for doubtful accounts.

The allowance for doubtful accounts is assessed primarily on analysis of payment histories and future expectations of customer payments. Bad debts are written off when incurred.

3.5 Inventories

Inventories are measured at the lower of cost and net realisable value.

Cost is calculated using the weighted average cost principle, and comprises all costs of purchase, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Net realisable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

3.6 Investments

Investments in associates, subsidiaries and joint ventures

Investments in associates, subsidiaries and joint ventures in the separate financial statements of the Company are accounted for using the cost method. Investments in associates and joint ventures in the consolidated financial statements are accounted for using the equity method.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Investments in other equity securities

Marketable equity securities held for trading are classified as current assets and are stated at fair value, with any resultant gain or loss recognised in profit or loss.

Marketable equity securities, other than those securities held for trading or intended to be held to maturity, are classified as available-for-sale investments. Available-for-sale investments are, subsequent to initial recognition, stated at fair value, and changes therein, other than impairment losses and foreign currency differences on monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in profit or loss. When these investments are derecognised, the cumulative gain or loss previously recognised directly in equity is recognised in profit or loss. Where these investments are interest-bearing, interest calculated using the effective interest method is recognised in profit or loss.

Equity securities which are not marketable are stated at cost less any impairment losses.

The fair value of financial instruments classified as held-for-trading and available-for-sale is determined as the quoted bid price at the reporting date.

Disposal of investments

On disposal of an investment, the difference between net disposal proceeds and the carrying amount together with the associated cumulative gain or loss that was reported in equity is recognised in profit or loss.

If the Group disposes of part of its holding of a particular investment, the deemed cost of the part sold is determined using the weighted average method applied to the carrying value of the total holding of the investment.

3.7 Investment properties

Investment properties are properties which are held to earn rental income, for capital appreciation or for both, but not for sale in the ordinary course of business, use in the production or supply of goods or services or for administrative purposes.

Investment properties are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the investment property. The cost of self-constructed investment property includes the cost of materials and direct labour, and other costs directly attributable to bringing the investment property to a working condition for its intended use and capitalised borrowing costs.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each property. The estimated useful lives are as follows:

Building on leased land	Lease terms
Interior and renovation on leased land	5 - 30 years
Furniture and equipment on leased land	3 - 20 years

No depreciation is provided on freehold land or assets under construction.

3.8 Property, plant and equipment

Recognition and measurement

Owned assets

Land is stated at cost. Plant and equipment are stated at cost less accumulated depreciation and impairment losses.

Cost includes expenditure that is directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the assets to a working condition for their intended use, the costs of dismantling and removing the items and restoring the site on which they are located, and capitalised borrowing costs. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposal of an item of property, plant and equipment are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment, and are recognised net in profit or loss.

Leased assets

Leases in terms of which the Group substantially assumes all the risk and rewards of ownership are classified as finance leases. Property, plant and equipment acquired by way of finance leases is capitalised at the lower of its fair value and the present value of the minimum lease payments at the inception of the lease, less accumulated depreciation and impairment losses. Lease payments are apportioned between the finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged directly to the profit or loss.

Subsequent costs

The cost of replacing a part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group, and its cost can be measured reliably. The carrying amount of the replaced part is derecognised. The costs of the day-to-day servicing of plant and equipment are recognised in profit or loss as incurred.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Depreciation

Depreciation is calculated based on the depreciable amount, which is the cost of an asset, or other amount substituted for cost, less its residual value.

Depreciation is charged to profit or loss on a straight-line basis over the estimated useful lives of each component of an item of plant and equipment. The estimated useful lives are as follows:

Land improvement	5-10 years
Buildings on leased land	Lease terms
Buildings	20 - 50 years
Interior and renovation on leased land	5 - 20 years
Interior and renovation	5 - 20 years
Furniture and equipment on leased land	3 - 20 years
Furniture and equipment	3 - 20 years
Chinaware, glassware, silverware and linen	1 - 10 years
Vehicles	5 - 10 years

No depreciation is provided on freehold land or assets under construction and installation.

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.9 Prepaid rental of land and buildings

Prepaid rental of land and buildings are stated at cost less accumulated amortisation and impairment losses.

Amortisation

Amortisation of prepaid rental of land and buildings is charged to profit or loss on a straight-line basis over the terms of lease agreements.

3.10 Other intangible assets

Other intangible assets that are acquired by the Group and have finite useful lives are measured at cost less accumulated amortisation and impairment losses.

Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognised in profit or loss as incurred.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Amortisation

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value and recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets since this most closely reflects the expected pattern of consumption of the future economic benefits embodied in the asset. The estimated useful lives for the current and comparative periods are as follows:

Computer software	10 years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

3.11 Impairment

The carrying amounts of the Group's assets are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists, the assets' recoverable amounts are estimated. Intangible assets that have indefinite useful lives or are not yet available for use, the recoverable amount is estimated each year at the same time.

An impairment loss is recognised if the carrying amount of an asset exceeds its recoverable amount. The impairment loss is recognised in profit or loss.

When a decline in the fair value of an available-for-sale financial asset has been recognised directly in equity and there is objective evidence that the value of the asset is impaired, the cumulative loss that had been recognised directly in equity is recognised in profit or loss even though the financial asset has not been derecognised. The amount of the cumulative loss that is recognised in profit or loss is the difference between the acquisition cost and current fair value, less any impairment loss on that financial asset previously recognised in profit or loss.

Calculation of recoverable amount

The recoverable amount of held-to-maturity securities and receivables carried at amortised cost is calculated as the present value of the estimated future cash flows discounted at the original effective interest rate.

The recoverable amount of available-for-sale financial assets is calculated by reference to the fair value.

The recoverable amount of a non-financial asset is the greater of the asset's value in use and fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For an asset that does not generate cash inflows largely independent of those from other assets, the recoverable amount is determined for the cash-generating unit to which the asset belongs.

Reversals of impairment

An impairment loss in respect of a financial asset is reversed if the subsequent increase in recoverable amount can be related objectively to an event occurring after the impairment loss was recognised in profit or loss. For financial assets carried at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

An impairment loss in respect of goodwill is not reversed. Impairment losses recognised in prior periods in respect of other non-financial assets are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

3.12 Interest-bearing liabilities

Interest-bearing liabilities are recognised initially at fair value less attributable transaction charges. Subsequent to initial recognition, interest-bearing liabilities are stated at amortised cost with any difference between cost and redemption value being recognised in profit or loss over the period of the borrowings on an effective interest basis.

3.13 Trade and other payables

Trade and other payables are stated at cost.

3.14 Employee benefits

Defined contribution plans

Obligations for contributions to defined contribution plans are expensed in profit or loss as the related service is provided.

Defined benefit plans

The Group's net obligation in respect of defined benefit plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in the current and prior periods, discounting that amount.

The calculation of defined benefit obligations is performed annually by a qualified actuary using the projected unit credit method. When the calculation results in a potential asset for the Group, the recognised asset is limited to the present value of economic benefits available in the form of any future refunds from the plan or reductions in future contributions to the plan. To calculate the present value of economic benefits, consideration is given to any application minimum funding requirements.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognised immediately in other comprehensive income. The Group determines the interest expense on the net defined benefit liability for the period by applying the discount rate used to measure the defined benefit obligation at the beginning of the annual period, taking into account any changes in the net defined benefit liability during the period as a result of contributions and benefit payments. Net interest expense and other expenses related to defined benefit plans are recognised in profit or loss.

When the benefits of a plan are changed or when a plan is curtailed, the resulting change in benefit that relates to past service or the gain or loss on curtailment is recognised immediately in profit or loss. The Group recognises gains and losses on the settlement of a defined benefit plan when the settlement occurs.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Short-term employee benefits

Short-term employee benefits are expensed as the related service is provided. A liability is recognised for the amount expected to be paid if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

3.15 Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability. The unwinding of the discount is recognised as finance cost.

3.16 Treasury shares

When share capital recognised as equity is repurchased, the amount of consideration paid, including directly attributable costs, is classified as treasury shares and recognised as a deduction from equity. An equal amount is appropriated from retained earnings and taken to a reserve for treasury shares within equity.

When treasury shares are sold, the amount received is recognised as an increase in equity by crediting the cost of the treasury shares sold, calculated using the weighted average method, to the treasury shares account and transferring the equivalent amount back from reserve for treasury shares to retained earnings. Surpluses on the sale of treasury shares are taken directly to a separate category within equity, 'Surplus on treasury shares'. Net deficits on sale or cancellation of treasury shares are debited to retained earnings after setting off against any remaining balance of surplus on treasury shares.

3.17 Revenue

Revenue excludes value added tax and is arrived at after deduction of trade discounts.

Revenue from hotel business

For hotel business; room, food and beverage and other income are recognised when services and goods have been rendered or transferred.

Management fees

Management fees are recognised in profit or loss as they accrue.

Tuition and education fees

Tuition and education fees are recognised in profit or loss according to the teaching period.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Rental income

Rental income from investment properties is recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives granted are recognised as an integral part of the total rental income. Contingent rentals are recognised as income in the accounting period in which they are earned.

Dividend income

Dividends are recognised in profit or loss on the date the Group's right to receive payments is established.

Interest income

Interest income is recognised in profit or loss as it accrues.

3.18 Finance costs

Interest expenses and similar costs are charged to profit or loss for the period in which they are incurred, except to the extent that they are capitalised as being directly attributable to the acquisition, construction or production of an asset which necessarily takes a substantial period of time to be prepared for its intended use or sale.

3.19 Lease payment

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease.

Contingent lease payments are accounted for by revising the minimum lease payments over the remaining term of the lease when the lease adjustment is confirmed.

Determining whether an arrangement contains a lease

At inception of an arrangement, the Group determines whether such an arrangement is or contains a lease. A specific asset is the subject of a lease if fulfilment of the arrangement is dependent on the use of that specified asset. An arrangement conveys the right to use the asset if the arrangement conveys to the Group the right to control the use of the underlying asset.

At inception or upon reassessment of the arrangement, the Group separates payments and other consideration required by such an arrangement into those for the lease and those for other elements on the basis of their relative fair values. If the Group concludes for a finance lease that it is impracticable to separate the payments reliably, an asset and a liability are recognised at an amount equal to the fair value of the underlying asset. Subsequently the liability is reduced as payments are made and an imputed finance charge on the liability is recognised using the Group's incremental borrowing rate.

3.20 Income tax

Income tax expense for the year comprises current and deferred tax. Current and deferred tax are recognised in profit or loss except to the extent that they relate to a business combination, or items recognised directly in equity or in other comprehensive income.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

3 Significant accounting policies (Continued)

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Deferred tax is recognised in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of goodwill; the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit or loss; and differences relating to investments in subsidiaries and joint ventures to the extent that it is probable that they will not reverse in the foreseeable future.

The measurement of deferred tax reflects the tax consequences that would follow the manner in which the Group expects, at the end of the reporting period, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, using tax rates enacted or substantively enacted at the reporting date.

In determining the amount of current and deferred tax, the Group takes into account the impact of uncertain tax positions and whether additional taxes and interest may be due. The Group believes that its accruals for tax liabilities are adequate for all open tax years based on its assessment of many factors, including interpretations of tax law and prior experience. This assessment relies on estimates and assumptions and may involve a series of judgements about future events. New information may become available that causes the Group to change its judgement regarding the adequacy of existing tax liabilities; such changes to tax liabilities will impact tax expense in the period that such a determination is made.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realised simultaneously.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary differences can be utilised. Deferred tax assets are reviewed at each reporting date and reduced to the extent that it is no longer probable that the related tax benefit will be realised.

3.21 Earnings per share

The Group presents basic earnings per share (EPS) data for its ordinary shares. Basic EPS is calculated by dividing the profit or loss attributable to ordinary shareholders of the Company by the weighted average number of ordinary shares outstanding during the year, adjusted for own shares held.

3.22 Segment reporting

Segment results that are reported to the Group's chief operating decision maker include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

4 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Cash on hand	19,848,373	20,547,841	9,087,065	9,112,774
Cash at banks	984,280,254	776,737,574	81,634,759	151,871,517
Highly liquid short-term investments	16,739,225	73,049,284	-	-
Cash and cash equivalents in the statement of financial position and statement of cash flow	**1,020,867,852**	**870,334,699**	**90,721,824**	**160,984,291**

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Thai Baht (THB)	842,118,442	622,615,460	90,721,824	160,564,886
United States Dollars (USD)	72,399,910	103,473,662	-	-
Philippines Peso (PESO)	103,085,294	142,151,271	-	-
Others	3,264,206	2,094,306	-	419,405
Total	**1,020,867,852**	**870,334,699**	**90,721,824**	**160,984,291**

5 Trade and other receivables

	Note	Consolidated financial statements		Separate financial statements	
		2017	2016	2017	2016
				(in Baht)	
Trade accounts receivable - net	*5.1*	249,436,585	200,437,252	62,612,179	56,307,767
Other receivables - Management fee and other services - net	*5.2*	52,055,811	46,873,205	55,948,295	42,135,397
Other receivables - others		97,845,519	93,856,319	71,677,026	56,319,173
Less allowance for doubtful accounts		(8,882,509)	(8,652,184)	(8,882,509)	(8,652,184)
		88,963,010	85,204,135	62,794,517	47,666,989
Other receivable - World Intertrade Corporation Limited (see note 41)		40,879,585	40,879,585	40,879,585	40,879,585
Less allowance for doubtful account		(40,879,585)	(40,879,585)	(40,879,585)	(40,879,585)
		-	-	-	-
Accrued interest receivables		13,386,462	10,078,495	7,782,066	1,957,352
Accrued income		6,025,539	3,463,302	80,506	26,047
Prepaid expenses		72,202,388	54,467,375	13,340,311	14,523,678
Prepaid income tax		19,506,081	29,772,830	10,408,267	20,435,899
Advances		26,250,005	23,535,262	7,604,178	14,939,872
Deposits		8,219,837	8,462,196	-	-
Insurance claim		270,650	298,249	-	-
Total		**536,316,368**	**462,592,301**	**220,570,319**	**197,993,001**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

5 Trade and other receivables (Continued)

5.1 Aging analyses for trade accounts receivable were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Related parties				
Outstanding amount				
Not due and less than 3 months	9,402,449	4,304,783	10,049,335	4,985,066
Net	9,402,449	4,304,783	10,049,335	4,985,066
Other parties				
Outstanding amount				
Not due and less than 3 months	230,769,800	192,305,741	52,552,606	48,569,901
3 - 6 months	12,027,267	4,253,086	399,432	885,860
6 - 12 months	133,587	1,894,348	56,885	1,892,559
Over 12 months	6,198,384	6,962,275	432,482	420,183
	249,129,038	205,415,450	53,441,405	51,768,503
Less allowance for doubtful accounts	(9,094,902)	(9,282,981)	(878,561)	(445,802)
Net	240,034,136	196,132,469	52,562,844	51,322,701
Trade accounts receivable - net	**249,436,585**	**200,437,252**	**62,612,179**	**56,307,767**
Bad and doubtful debts expense for the year (reversal)	(188,079)	(1,564,679)	432,759	(1,130,908)

The normal credit term granted by the Group due within 30 days.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

5 Trade and other receivables (Continued)

5.2 Aging analyses for other receivables - management fee and other services were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Related parties				
Outstanding amount				
Not due and less than 3 months	1,457,651	1,944,383	34,433,336	33,496,528
3 - 6 months	670,439	352,573	4,565,764	7,434
6 - 12 months	-	734,358	3,283,173	-
Over 12 months	3,487,518	2,455,270	129,435	128,444
	5,615,608	5,486,584	42,411,708	33,632,406
Less allowance for doubtful accounts	(4,219,798)	(3,731,637)	(669,930)	(299,821)
Net	1,395,810	1,754,947	41,741,778	33,332,585
Other parties				
Outstanding amount				
Not due and less than 3 months	46,419,219	44,231,944	13,392,509	7,966,005
3 - 6 months	3,004,852	748,965	554,280	461,449
6 - 12 months	2,488,028	1,482,482	418,047	-
Over 12 months	4,139,269	5,164,043	2,854,466	5,164,043
	56,051,368	51,627,434	17,219,302	13,591,497
Less allowance for doubtful accounts	(5,391,367)	(6,509,176)	(3,012,785)	(4,788,685)
Net	50,660,001	45,118,258	14,206,517	8,802,812
Other receivables-management fee and other services - net	**52,055,811**	**46,873,205**	**55,948,295**	**42,135,397**
Bad and doubtful debts expense for the year (reversal)	(629,648)	3,245,264	(1,405,791)	433,260

The currency denomination of trade and other receivables as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Thai Baht (THB)	263,287,629	235,200,471	165,335,299	155,824,882
United States Dollars (USD)	161,268,980	151,789,232	41,994,694	27,156,066
Others	111,759,759	75,602,598	13,240,326	15,012,053
Total	**536,316,368**	**462,592,301**	**220,570,319**	**197,993,001**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

6 Inventories

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Food and beverage	35,926,255	46,522,047	10,867,182	12,071,685
Mechanical supplies	5,136,268	3,799,790	260,562	323,698
Other supplies	23,247,055	22,709,161	5,257,477	5,732,192
Retail products	7,157,883	4,004,677	1,361,841	2,043,357
Total	**71,467,461**	**77,035,675**	**17,747,062**	**20,170,932**

7 Other current assets

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Value added tax receivable	56,151,752	54,475,432	1,729,892	2,350,747
Total	**56,151,752**	**54,475,432**	**1,729,892**	**2,350,747**

8 Restricted bank deposits

As at 31 December 2017 and 2016, cash at bank of a subsidiary were pledged as collateral to letter of guarantee issued by the bank (see note 40.3).

9 Available-for-sale-investments

Available-for-sale-investments as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Equity securities available-for-sale				
At cost	64,991,858	64,991,858	17,500,700	17,500,700
Net changes in fair value of available-for-sale investments	410,817,942	299,972,992	24,660,900	23,345,650
Total	**475,809,800**	**364,964,850**	**42,161,600**	**40,846,350**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

9 Available-for-sale-investments (Continued)

Movements during the years ended 31 December of available-for-sale investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Available-for-sale investments				
At 1 January	364,964,850	356,440,850	40,846,350	241,662,250
Disposal of available-for-sale investments	-	-	-	(88,780,932)
Net changes in fair value of available-for-sale investments	110,844,950	8,524,000	1,315,250	(112,034,968)
At 31 December	**475,809,800**	**364,964,850**	**42,161,600**	**40,846,350**

10 Other long-term investments

Other long-term investments as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Other non-marketable equity securities	57,374,360	23,470,850	20,099,700	20,000,000
Less allowance for impairment	(23,570,550)	(23,470,850)	(20,099,700)	(20,000,000)
Total	**33,803,810**	-	-	-

Other long-term investments of the Group and the Company as at 31 December 2017 and 2016 were denominated entirely in Thai Baht.

Movements during the years ended 31 December of Other long-term investments were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
At 1 January	-	-	-	-
Reclassified from investment in subsidiaries	99,700	-	99,700	-
Addition	33,803,810	-	-	-
Allowance impairment	(99,700)	-	(99,700)	-
At 31 December	**33,803,810**	-	-	-

11 Investments in associates

Investments in associates as at 31 December 2017 and 2016, and dividend income from those investments for the years ended 31 December 2017 and 2016 were as follows:

	Ownership Interest		Paid-up capital		Consolidated financial statements		Separate financial statements			
					Equity		Cost		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
	(%)						*(in Baht)*			
Associates										
Dusit Thani Freehold and Leasehold Property Fund [1]	-	30.02	-	4,094,000,000	-	1,254,412,642	-	1,229,202,500	32,327,960	56,543,200
Dusit Thani Freehold and Leasehold Real Estate Investment Trust [2]	30.02	-	3,656,050,621	-	1,102,672,212	-	1,086,615,300	-	-	-
Philippine Hoteliers International Center for Hospitality Education, Inc. [3]	35.20	35.20	PHP 430,000,000	PHP 430,000,000	109,582,848	115,910,779	-	-	-	-
Suanlum Property Co., Ltd [4]	37.00	-	172,000,000	-	63,715,036	-	63,639,700	-	-	-
Phraram 4 Development Co., Ltd. [5]	10.00	-	1,000,000	-	-	-	99,700	-	-	-
Total					**1,275,970,096**	**1,370,323,421**	**1,150,354,700**	**1,229,202,500**	**32,327,960**	**56,543,200**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

11 Investments in associates (Continued)

On 14 September 2017, the meeting of unitholders passed resolutions approving the conversion of the Dusit Thani Freehold and Leasehold Property Fund ("the Fund") into Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("the Trust").The de-listing of the Fund from the Stock Exchange of Thailand was on 15 December 2017 and currently is under liquidation. The Trust was incorporated on 29 November 2017 and on 8 December 2017, the major assets that are investment property in 3 hotel properties, liabilities and obligations of the Fund were transferred to the Trust.

(1) Dusit Thani Freehold and Leasehold Property Fund was listed on Stock Exchange of Thailand. As at 31 December 2016, the fair value of the Company's investment in Dusit Thani Freehold and Leasehold Property Fund was Baht 1,008 million, which fair value has been categorised as Level 2 hierarchy. During 2016, Dusit Thani Freehold and Leasehold Property Fund distributed the return of invested amount to its unitholders. The Company received the return of invested amount of Baht 142,587,200.

(2) Dusit Thani Freehold and Leasehold Real Estate Investment Trust is listed on Stock Exchange of Thailand. As at 31 December 2017, the fair value of the Company's investment in Dusit Thani Freehold and Leasehold Real Estate Investment Trust was Baht 737 million, which fair value has been categorised as Level 2 hierarchy.

(3) Philippine Hoteliers, Inc. (indirect subsidiary, 88% holding) holds 40% interest in Philippine Hoteliers International Center for Hospitality Education, Inc. which was incorporated in the Philippines on 15 July 2015.

(4) On 26 June 2017, the extraordinary shareholders' meeting of Suanlum Property Co., Ltd. approved the increase share capital of Baht 171,900,000 and the Company invested in the increased shares of Baht 63,540,000. Therefore, the Company's ownership and controlling interests were changed and affected the classification of investment from investment in subsidiary to investment in associate (see note 12).

(5) On 26 June 2017, the extraordinary shareholders' meeting of Phraram 4 Development Co., Ltd. approved the increase additional share capital of Baht 900,000 and the Company waive to subscribe the increased shares which represent 90% holding interest to another investor. As a result, the Company's ownership and controlling interest were changed and the classification of investment was changed from investment in subsidiary to investment in associate. However, management believes that the Company has significant influence from the directorship in the Board of Directors of this company (see note 12).

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

11 Investments in associates (Continued)

Movements in investments in associates during the years ended 31 December are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Associates				
At 1 January	1,370,323,421	1,404,715,110	1,229,202,500	1,229,202,500
Reclassification from investment in subsidiaries	199,400	-	199,400	-
Addition	63,540,000	-	63,540,000	-
Capital decrease in the Fund	(142,587,200)	-	(142,587,200)	-
Share of profits from investments by the equity method	16,822,435	22,151,511	-	-
Dividend income	(32,327,960)	(56,543,200)	-	-
	1,275,970,096	**1,370,323,421**	**1,150,354,700**	**1,229,202,500**

The following table summarises the financial information of the associates as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Dusit Thani Freehold and Leasehold Real Estate Investment Trust	**Dusit Thani Freehold and Leasehold Property Fund**	
	For the period from 29 November 2017 (incorporation date) to 31 December 2017	For the period from 1 January 2017 to 12 December 2017	For the year 31 December 2016
		(in million Baht)	
Revenue	19	192	248
Net investment income	17	133	210
Net loss from investments	-	(72)	(118)
Increase in net assets from operations	**17**	**61**	**92**
Attributable to the Company	5	18	28

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

11 Investments in associates (Continued)

	Dusit Thani Freehold and Leasehold Real Estate Investment Trust	Dusit Thani Freehold and Leasehold Property Fund
	2017	2016
	(in million Baht)	
Current assets	171	89
Non-current assets	4,173	4,150
Current liabilities	(82)	(59)
Non-current liabilities	(589)	-
Net assets (100%)	**3,673**	**4,180**
Group's share of net assets (30.02% shareholding)	1,103	1,254
Company's interest in net assets at beginning	-	1,283
Transfer in	1,098	-
Share of net profit from investment	5	28
Dividends received during the year	-	(57)
Carrying amount of investment in associate at ending	**1,103**	**1,254**

The following is summarised financial information for the Group's interest in immaterial associate based on the amounts reported in the Group's consolidated financial statements:

	Immaterial Associate	
	2017	2016
	(in million Baht)	
Carrying amount of the Group's interest in immaterial associate	**173**	**116**
Group's share of		
- Loss from continuing operations	(6)	(6)
- Total comprehensive income (loss)	**(6)**	**(6)**

12 Investments in subsidiaries

Investments in subsidiaries as at 31 December 2017 and 2016 and dividend income for the years ended 31 December 2017 and 2016 were as follows:

	Separate financial statements							
	Ownership interest		Paid-up capital		Cost		Dividend income	
	2017	2016	2017	2016	2017	2016	2017	2016
	(%)				*(in Baht)*			
Subsidiaries								
Dusit Thani Properties Co., Ltd.	99.99	99.99	800,000,000	800,000,000	799,999,300	799,999,300	19,999,990	19,999,990
Dusit Thai Properties Public Company Limited [1]	84.04	84.04	825,000,000	825,000,000	-	-	-	-
Philippine Hoteliers, Inc.[1]	88.00	88.00	PHP 455,000,000	PHP 364,870,100	-	-	-	-
Landmark Hotel Co., Ltd.	99.88	99.88	10,000,000	10,000,000	9,988,000	9,988,000	-	-
Devarana Spa Co., Ltd.	99.99	99.99	8,000,000	8,000,000	7,999,930	7,999,930	-	-
Dusit Thai Properties Public Company Limited	2.75	2.75	825,000,000	825,000,000	40,109,974	40,109,974	454,551	795,465
DMS Property Investment Pvt. Ltd.[2]	56.41	56.41	USD 38,500,000	USD 38,500,000	-	-	-	-
Dusit Thani College [2]	86.79	86.79	217,715,882	217,715,882	-	-	-	-
Dusit Worldwide Co., Ltd.	99.99	99.99	50,000,000	50,000,000	49,999,930	49,999,930	9,999,994	4,999,997
Dusit Overseas Co., Ltd. [3]	99.99	99.99	HKD 33,000	HKD 33,000	-	-	-	-
Dusit Management Co., Ltd.	99.99	99.99	4,000,000	4,000,000	3,999,960	3,999,960	2,399,976	-
Dusit USA Management Inc.	100.00	100.00	USD 40,000	USD 40,000	1,243,600	1,243,600	-	-
Dusit China Capital Co., Ltd.	99.99	99.99	68,000,000	68,000,000	67,999,970	67,999,970	-	-
Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd. [4]	99.99	99.99	120,000,000	120,000,000	119,999,700	119,999,700	-	-
Vimarn Suriya Co., Ltd.[5]	65.00	99.70	825,025,000	100,000	536,265,950	99,700	-	-
Suanlum Property Co., Ltd.[6]	36.99	99.70	-	100,000	-	99,700	-	-
Phraram 4 Development Co., Ltd.[7]	9.70	99.70	-	100,000	-	99,700	-	-
Saladang Property Management Co., Ltd [8]	24.93	99.70	-	100,000	-	99,700	-	-
Dusit Thani Properties REIT Co., Ltd .[9]	99.99	-	10,000,000	-	9,999,700	-	-	-
Asai Holdings Co., Ltd.[10]	99.70	-	18,825,000	-	18,824,700	-	-	-
Total					**1,666,430,714**	**1,101,739,164**	**32,854,511**	**25,795,452**
Less allowance for impairment					(74,772,384)	(63,988,000)		
Net					**1,591,658,330**	**1,037,751,164**		

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

12 Investments in subsidiaries (Continued)

(1) Dusit Thani Properties Co., Ltd. holds 84.05% shareholding in Dusit Thai Properties Public Company Limited and 88.01% shareholding in Philippine Hoteliers, Inc. On 28 November 2017, the Extraordinary General Meeting of Shareholders of Philippine Hoteliers, Inc., an indirect subsidiary, passed a resolution to approve and appropriate retained earnings as stock dividend equivalent to 901,299 ordinary shares at Peso 100 par value each, totaling Peso 90,129,900. Consequently, the authorized capital of this subsidiary, called and paid-up would be 4,550,000 ordinary shares, totaling Peso 455,000,000. Dusit Thani Properties Co., Ltd., as its shareholders received this stock dividend equivalent to 793,262 ordinary shares.

(2) During the year ended 31 December 2016, Dusit Thai Properties Public Company Limited additionally invested in DMS Property Investment Pvt. Ltd., a subsidiary in Republic of Maldives, for another 5% by acquiring the shares from the existing shareholder totaling 1,925,000 shares of USD 2,435,000. As of 31 December 2017 and 2016, Dusit Thai Properties Public Company Limited holds 65.00% in DMS Property Investment Pvt. Ltd. Share certificates of the subsidiary are pledged as collateral of loan from financial institution of the subsidiary (see notes 20 and 22) and holds 100.00% in Dusit Thani College.

(3) Dusit Worldwide Co., Ltd. holds 100.00% shareholding in Dusit Overseas Co., Ltd.

(4) On 20 October 2017, Dusit Thani Hotel Studies Co., Ltd., a subsidiary, registered the change of name to Dusit Excellence Co., Ltd.

(5) Vimarn Suriya Co., Ltd. was registered on 23 August 2016. On 26 June 2017, the Extraordinary General Meeting of Shareholders of Vimarn Suriya Co., Ltd. approved to increase the registered capital of 10,999,000 shares at Baht 100 per share. The paid-up capital is Baht 824,925,000 and the Company invested addition Baht 536,201,250. As a result, the Company reduced its investment proportion to 65%.

(6) Suanlum Property Co., Ltd. was registered on 23 August 2016. On 26 June 2017, the Extraordinary Shareholders' Meeting of Suanlum Property Co., Ltd. resolved to increase the additional registered capital of 1,719,000 shares at Baht 100 per share and the Company invested in amount of Baht 63,540,000. In June 2017, the Company reduced its investment proportion to 37%, resulted the shareholding and controlling of the Company over Suanlum Property Co., Ltd. was changed. Consequently, the Company reclassified the investment from investment in subsidiary to investment in associate (see note 11).

(7) Phraram 4 Development Co., Ltd. was registered on 5 October 2016. On 26 June 2017, the Extraordinary General Meeting of Shareholders of Phraram 4 Development Co., Ltd. passed a resolution to increase registered capital of 9,000 shares at the par value of Baht 100 per share. The Company waived to invest in additional ordinary shares, therefore the shareholding and controlling of the Company over Phraram 4 Development Co., Ltd. changed. The Company reclassified the investment from investment in subsidiary to investment in associate (see note 11).

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

12 Investments in subsidiaries (Continued)

(8) Saladang Property Management Co., Ltd. was registered on 26 December 2016. On 26 June, 2017, the Extraordinary General Meeting of Shareholders of Saladang Property Management Co., Ltd. passed a resolution to increase the additional registered capital of 3,000 shares at the par value of Baht 100 per share. The Company has waived its right to invest in additional ordinary shares, therefore the shareholding and controlling of the Company over Saladang Property Management Co., Ltd. changed. The Company reclassified the investment from investment in subsidiary to other long-term investment. Management believes that the Company does not have significant influence over Saladang Property Management Co., Ltd. due to the Company does not have any representative director in its Board of Directors (see note 10).

Item No. 5-8 related to the future mix-use property projects as disclosed in Notes 2 and 40.

(9) Dusit Thani Properties REIT Co., Ltd. registered on 21 August 2017.

(10) Asai Holdings Co., Ltd. registered on 21 November 2017, with registered capital of 1,000 shares at Baht 100 per share, 100% paid up. On 14 December 2017, the Extraordinary General Meeting of Shareholders of Asai Holdings Co., Ltd. has resolved to increase the registered capital of 749,000 shares at Baht 100 per share, by paid-up capital amount of Baht 18,725,000 and the Company invested in full amount.

Movements in investments in subsidiaries during the years ended 31 December were as follows:

	Separate financial statements	
	2017	2016
	(in Baht)	
Subsidiaries		
At 1 January	1,037,751,164	1,091,352,364
Additional investment	28,824,400	398,800
Reclassifications to investments in associates and other long-term investments	(299,100)	-
Increased from the capital increase	536,166,250	-
Allowance for impairment (1)	(10,784,384)	(54,000,000)
At 31 December	**1,591,658,330**	**1,037,751,164**

(1) Key assumptions for valuing recoverable amount are such as growth rate, head counts, etc. The values assigned to the key assumptions by management's assessment based on future trends in the relevant industries and on historical data from both external and internal sources.

	Separate financial statements	
	2017	2016
	(%)	
Discount rate	7.0 - 10.0	10.0

Management reviewed and tested impairment of certain investments in subsidiaries which have impairment indicators by determining recoverable amount from their value in using discounted future cash flows.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

12 Investments in subsidiaries (Continued)

Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2017				
	DMS Property Investment Pvt. Ltd.	**Dusit Thani College**	**Other individually immaterial subsidiaries**	**Intra-group eliminations**	**Total**
			(in million Baht)		
Non-controlling interest percentage	43.59	13.21			
Current assets	184	753			
Non-current assets	1,682	505			
Current liabilities	(324)	(241)			
Non-current liabilities	(296)	(14)			
Net assets	**1,246**	**1,003**			
Carrying amount of non-controlling interest	543	132	382	-	**1,057**
Revenue	739	379			
Profit	74	61			
Other comprehensive income	-	-			
Total comprehensive income	**74**	**61**			
Profit allocated to non-controlling interest	32	8	25	-	**65**
Other comprehensive income allocated to non-controlling interest	-	-			
Cash flows from operating activities	285	(8)			
Cash flows from investing activities	(73)	(131)			
Cash flows from financing activities [(1)]	(205)	-			
Net increase (decrease) in cash and cash equivalents	**7**	**(139)**			

[(1)] Dividends to non-controlling interest: nil

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

12 Investments in subsidiaries (Continued)

	31 December 2016				
	DMS Property Investment Pvt. Ltd.	**Dusit Thani College**	**Other individually immaterial subsidiaries**	**Intra-group eliminations**	**Total**
			(in million Baht)		
Non-controlling interest percentage	43.59	13.21			
Current assets	145	663			
Non-current assets	1,983	493			
Current liabilities	(320)	(202)			
Non-current liabilities	(521)	(9)			
Net assets	**1,287**	**945**			
Carrying amount of non-controlling interest	561	125	79	-	**765**
Revenue	738	413			
Profit	46	90			
Other comprehensive income	-	-			
Total comprehensive income	**46**	**90**			
Profit allocated to non-controlling interest	22	12	5	-	**39**
Other comprehensive income allocated to non-controlling interest	-	-			
Cash flows from operating activities	185	128			
Cash flows from investing activities	(29)	22			
Cash flows from financing activities [(1)]	(201)	-			
Net increase (decrease) in cash and cash equivalents	**(45)**	**150**			

[(1)] Dividends to non-controlling interest: nil

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

13 Investments in joint ventures

Investments in joint ventures as at 31 December 2017 and 2016 and dividend income for the years ended 31 December 2017 and 2016 were as follows:

	Ownership interest		Paid-up capital				Consolidated financial statements		Separate financial statements			
							Equity		Cost		Dividend income	
	2017	2016		2017		2016	2017	2016	2017	2016	2017	2016
	(%)								(in Baht)			
Joint ventures												
Le Cordon Bleu Dusit Co., Ltd.	49.99	49.99		40,000,000		40,000,000	42,525,045	53,739,700	19,999,400	19,999,400	30,999,690	27,999,720
Dusit Bird Hotels Pvt. Ltd.[1]	50.00	50.00	INR	28,600,000	INR	28,600,000	290,968	293,933	9,830,902	9,830,902	-	-
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.[2]	44.99	44.99	CNY	30,000,000	CNY	30,000,000	-	-	-	-	-	-
Dusit Colours Co., Ltd.[3]	49.00	-	JPY	10,000,000	-	-	1,503,320	-	1,519,000	-	-	-
Total							**44,319,333**	**54,033,633**	**31,349,302**	**29,830,302**	**30,999,690**	**27,999,720**
Less allowance for impairment									(9,830,902)	(9,537,853)		
Net									**21,518,400**	**20,292,449**		

(1) Dusit Bird Hotels Pvt. Ltd. is in the liquidation process according to Indian law.
(2) Dusit Fudu Hotel Management (Shanghai) Co., Ltd. was held by Dusit China Capital Co., Ltd. which is a subsidiary at 45.00%.
(3) Dusit Colours Co., Ltd. registered in Japan on 17 April 2017.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

13 Investments in joint ventures (Continued)

Movements in investments in joint ventures during the year ended 31 December are summarised as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Joint ventures				
At 1 January	54,033,633	52,517,563	20,292,449	29,830,302
Addition	1,519,000	-	1,519,000	-
Dividend income	(30,999,690)	(27,999,720)	-	-
Share of profits from investments by the equity method	19,768,795	29,532,782	-	-
Exchange loss on translation of foreign operations	(2,405)	(16,992)	-	-
Allowance for impairment	-	-	(293,049)	(9,537,853)
At 31 December	**44,319,333**	**54,033,633**	**21,518,400**	**20,292,449**

Liabilities from investments in joint venture are equity loss that the Company recognized from cumulative loss over cost.

The following table summarises the financial information of the joint ventures as included in their own financial statements, adjusted for fair value adjustments at acquisition and differences in accounting policies. The table also reconciles the summarised financial information to the carrying amount of the Group's interest in these companies.

	Le Cordon Bleu Dusit Co., Ltd.	
	2017	2016
	(in million Baht)	
Revenue	228	254
Profit from continuing operations	40	62[a]
Other comprehensive income	(2)	3
Total comprehensive income	**38**	**65**
Attributable to the joint venturer	19	32
Attributable to the Company	19	33
Current assets	161	196[b]
Non-current assets	14	19
Current liabilities	(81)	(98)
Non-current liabilities	(4)	(10)
Net assets (100%)	**90**	**107**
Attributable to the joint venture of net assets (49.99% shareholdings)	45	53
Attributable to the Company of net assets	45	54
Company's interest in net assets at 1 January	54	53
Total comprehensive income attributable to the Company	19	29
Dividends received during the year	(31)	(28)
Carrying amount of interest in investee at 31 December	**42**	**54**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

13 Investments in joint ventures (Continued)

	Le Cordon Bleu Dusit Co., Ltd.	
	2017	2016
	(in million Baht)	
Remark:		
a. Includes:		
- depreciation and amortisation	13	13
b. Includes cash and cash equivalents	63	59

The following is summarised financial information for the Group's interest in immaterial joint ventures based on the amounts reported in the Group's consolidated financial statements:

	Immaterial joint ventures	
	2017	2016
	(in million Baht)	
Carrying amount of interest in immaterial joint ventures	-	-
Group's share of		
- Loss from continuing operations	(17)	(29)
- Other comprehensive income	3	(5)
- Total comprehensive income	**(14)**	**(34)**

14 Investment properties

Movements in investment properties during the years ended 31 December were as follows:

	Consolidated financial statements			
	At 1 January 2016	Additions (Disposals)	Reclassification to plant and equipment	At 31 December 2016
		(in Baht)		
Cost				
Land	214,945,361	-	-	214,945,361
Buildings on leased land	4,082,962	739,533	-	4,822,495
Interior and renovation on leased land	137,601,266	(4,240)	(3,471,632)	134,125,394
Furniture and equipment on leased land	8,406,708	(470)	(210,137)	8,196,101
Total	365,036,297	734,823	(3,681,769)	362,089,351
Accumulated depreciation				
Buildings on leased land	(3,629,753)	(77,274)	-	(3,707,027)
Interior and renovation on leased land	(107,715,433)	(10,261,802)	-	(117,977,235)
Furniture and equipment on leased land	(7,191,513)	(334,961)	-	(7,526,474)
Total	(118,536,699)	(10,674,037)	-	(129,210,736)
Investment properties - net	**246,499,598**	**(9,939,214)**	**(3,681,769)**	**232,878,615**
Depreciation for the year				10,674,037

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

14 Investment properties (Continued)

	Consolidated financial statements			
	At 1 January 2017	Additions (Disposals)	Reclassification to plant and equipment	At 31 December 2017
		(in Baht)		
Cost				
Land	214,945,361	(40,139,176)	-	174,806,185
Buildings on leased land	4,822,495	(18,621)	(82,780)	4,721,094
Interior and renovation on leased land	134,125,394	(517,939)	(2,302,311)	131,305,144
Furniture and equipment on leased land	8,196,101	(31,651)	(140,689)	8,023,761
Total	362,089,351	(40,707,387)	(2,525,780)	318,856,184
Accumulated depreciation and allowance for impairment				
Buildings on leased land	(3,707,027)	(137,208)	-	(3,844,235)
Interior and renovation on leased land	(117,977,235)	(10,193,495)	-	(128,170,730)
Furniture and equipment on leased land	(7,526,474)	(348,082)	-	(7,874,556)
Total	(129,210,736)	(10,678,785)	-	(139,889,521)
Investment properties	**232,878,615**	**(51,386,172)**	**(2,525,780)**	**178,966,663**
Less allowance for impairment	-	(1,700,000)	-	(1,700,000)
Investment properties - net	**232,878,615**	**(53,086,172)**	**(2,525,780)**	**177,266,663**
Depreciation for the year				10,678,785

	Separate financial statements			
	At 1 January 2016	Additions	Reclassification to plant and equipment	At 31 December 2016
		(in Baht)		
Cost				
Land	144,571,625	-	-	144,571,625
Building on leased land	4,562,972	841,717	-	5,404,689
Interior and renovation on leased land	153,789,268	-	(3,471,632)	150,317,636
Furniture and equipment on leased land	9,395,708	-	(210,137)	9,185,571
Total	312,319,573	841,717	(3,681,769)	309,479,521
Accumulated depreciation				
Building on leased land	(4,056,772)	(97,783)	-	(4,154,555)
Interior and renovation on leased land	(120,387,538)	(11,832,459)	-	(132,219,997)
Furniture and equipment on leased land	(8,037,553)	(397,552)	-	(8,435,105)
Total	(132,481,863)	(12,327,794)	-	(144,809,657)
Investment properties - net	**179,837,710**	**(11,486,077)**	**(3,681,769)**	**164,669,864**
Depreciation for the year				12,327,794

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

14 Investment properties (Continued)

	Separate financial statements			
	At 1 January 2017	Additions	Reclassification to plant and equipment	At 31 December 2017
		(in Baht)		
Cost				
Land	144,571,625	-	-	144,571,625
Building on leased land	5,404,689	-	(82,779)	5,321,910
Interior and renovation on leased land	150,317,636	-	(2,302,311)	148,015,325
Furniture and equipment on leased land	9,185,571	-	(140,688)	9,044,883
Total	309,479,521	-	(2,525,778)	306,953,743
Accumulated depreciation				
Building on leased land	(4,154,555)	(178,906)	-	(4,333,461)
Interior and renovation on leased land	(132,219,997)	(12,262,021)	-	(144,482,018)
Furniture and equipment on leased land	(8,435,105)	(441,585)	-	(8,876,690)
Total	(144,809,657)	(12,882,512)	-	(157,692,169)
Investment properties - net	**164,669,864**	**(12,882,512)**	**(2,525,778)**	**149,261,574**
Depreciation for the year				12,882,512

Investment properties as at 31 December 2017 and 2016 were valued by a firm of independent professional valuers and management, at open market values on an existing use basis.

As at 31 December 2017, the fair value of investment properties presented in the consolidated and separate financial statements were Baht 1,441,584,722 and Baht 1,347,985,471, respectively.

Measurement of fair value

Fair value hierarchy

The fair value of investment property was determined by external, independent property valuers, having appropriate recognised professional qualifications and recent experience in the location and category of the property being valued. The independent valuers provide the fair value of the Group's investment property portfolio on a regular basis.

The fair value measurement for investment property of Baht 1,441,584,722 has been categorised as a Level 3 fair value based on the inputs to the valuation technique used.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

14 Investment properties (Continued)

Impairment of assets

Key assumptions for valuing recoverable amount is presented as follows. The values assigned to the key assumptions by management's assessment based on future trends in the relevant industries and on historical data from both external and internal sources.

	Consolidated financial statements	
	2017	2016
	(%)	
Discount rate	7.0	10.0

Management reviewed and tested impairment of certain investment properties which have impairment indicators by determining recoverable amount from their value in using discounted future cash flows.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

15 Property, plant and equipment

Property, plant and equipment as at 31 December 2017 and 2016 consisted of the following:

	Consolidated financial statements						
	At 1 January 2016	Additions	Disposals	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2016
				(in Baht)			
Cost							
Land	481,558,176	-	-	-	-	-	481,558,176
Land improvement	8,972,971	-	-	-	-	(85,474)	8,887,497
Buildings	1,427,362,962	2,080,751	(364)	-	21,962,157	-	1,451,405,506
Buildings on leased land	3,567,397,927	22,250,269	-	(8,234,763)	312,854,644	(77,210,247)	3,817,057,830
Furniture and equipment	1,223,766,559	25,820,064	(12,383,075)	-	91,739,135	(23,259,045)	1,305,683,638
Furniture and equipment on leased land	1,546,133,050	35,810,805	(28,489,579)	(1,731,589)	14,829,571	(2,807,631)	1,563,744,627
Interior and renovation	499,382,262	1,595,466	(495,009)	-	4,183,154	-	504,665,873
Interior and renovation on leased land	1,156,991,327	830,580	(1,800,170)	(345,884)	58,226,081	(8,020)	1,213,893,914
Vehicles	76,734,580	2,749,662	(6,718,783)	(596,434)	-	(278,865)	71,890,160
Chinaware, glassware, silverware and linen	144,525,684	18,710,503	(2,664,036)	(17,516,847)	39,861	(319,930)	142,775,235
Construction in process	427,287,204	228,035,216	-	-	(512,714,297)	(13,796,114)	128,812,009
Total	10,560,112,702	337,883,316	(52,551,016)	(28,425,517)	(8,879,694)	(117,765,326)	10,690,374,465

15 Property, plant and equipment (Continued)

	Consolidated financial statements						
	At 1 January 2016	Additions	Disposals	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2016
				(in Baht)			
Accumulated depreciation and allowance for impairment							
Land improvement	(8,229,541)	(189,121)	-	-	-	67,629	(8,351,033)
Buildings	(853,656,930)	(39,469,717)	235	-	-	-	(893,126,412)
Buildings on leased land	(1,332,858,475)	(176,102,929)	-	61,649	-	42,544,989	(1,466,354,766)
Furniture and equipment	(594,530,241)	(119,289,512)	12,550,495	-	-	17,335,128	(683,934,130)
Furniture and equipment on leased land	(1,347,963,107)	(162,674,314)	28,532,602	1,164,471	-	497,629	(1,480,442,719)
Interior and renovation	(204,913,295)	(41,229,329)	386,431	-	-	-	(245,756,193)
Interior and renovation on leased land	(877,511,463)	(107,151,207)	1,663,175	330,332	-	6,247	(982,662,916)
Vehicles	(60,401,322)	(8,233,471)	6,718,778	506,808	-	135,357	(61,273,850)
Chinaware, glassware, silverware and linen	(93,530,868)	(23,777,063)	2,584,551	14,337,620	-	116,256	(100,269,504)
Total	(5,373,595,242)	(678,116,663)	52,436,267	16,400,880	-	60,703,235	(5,922,171,523)
Property, plant and equipment	5,186,517,460	(340,233,347)	(114,749)	(12,024,637)	(8,879,694)	(57,062,091)	4,768,202,942
Less allowance for impairment	(78,617,236)	-	-	-	-	-	(78,617,236)
Property, plant and equipment - net	**5,107,900,224**	**(340,233,347)**	**(114,749)**	**(12,024,637)**	**(8,879,694)**	**(57,062,091)**	**4,689,585,706**
Depreciation for the year							678,116,663

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

15 Property, plant and equipment (Continued)

	Consolidated financial statements						
	At 1 January 2017	Additions	Disposals	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2017
				(in Baht)			
Cost							
Land	481,558,176	180,054,500	(67,360,825)	-	-	-	594,251,851
Land improvement	8,887,497	-	(1,898,236)	-	-	(132,882)	6,856,379
Buildings	1,451,405,506	743,650	(153,099,440)	-	993,153	-	1,300,042,869
Buildings on leased land	3,817,057,830	11,389,207	-	(2,528,306)	69,027,937	(301,469,790)	3,593,476,878
Furniture and equipment	1,305,683,638	27,600,512	(131,325,923)	(19,273,686)	42,774,186	(40,276,123)	1,185,182,604
Furniture and equipment on leased land	1,563,744,627	31,711,966	(41,838,023)	-	18,562,447	(36,800,848)	1,535,380,169
Interior and renovation	504,665,873	44,000	(42,300,356)	-	8,738,934	-	471,148,451
Interior and renovation on leased land	1,213,893,914	517,939	(17,457,945)	-	78,589,196	-	1,275,543,104
Vehicles	71,890,160	3,659,544	(9,666,253)	-	-	(2,192,698)	63,690,753
Chinaware, glassware, silverware and linen	142,775,235	13,598,889	(1,298,300)	(20,073,568)	160,313	(4,505,626)	130,656,943
Construction in process	128,812,009	405,850,185	-	-	(227,170,386)	(4,704,367)	302,787,441
Total	10,690,374,465	675,170,392	(466,245,301)	(41,875,560)	(8,324,220)	(390,082,334)	10,459,017,442

15 Property, plant and equipment (Continued)

	Consolidated financial statements						
	At 1 January 2017	Additions	Disposals	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2017
				(in Baht)			
Accumulated depreciation							
Land improvement	(8,351,033)	(167,386)	1,781,714	-	-	107,562	(6,629,143)
Buildings	(893,126,412)	(40,966,667)	64,729,349	-	-	-	(869,363,730)
Buildings on leased land	(1,466,354,766)	(155,560,970)	1,792	2,017,902	8,810,386	106,485,119	(1,504,600,537)
Furniture and equipment	(683,934,130)	(103,306,793)	102,211,330	18,987,435	(8,810,386)	28,843,259	(646,009,285)
Furniture and equipment on leased land	(1,480,442,719)	(143,638,091)	41,562,954	3	-	23,349,270	(1,559,168,583)
Interior and renovation	(245,756,193)	(33,744,215)	26,207,831	-	-	-	(253,292,577)
Interior and renovation on leased land	(982,662,916)	(108,155,631)	17,457,067	-	-	-	(1,073,361,480)
Vehicles	(61,273,850)	(3,988,055)	7,757,021	-	-	1,921,451	(55,583,433)
Chinaware, glassware, silverware and linen	(100,269,504)	(16,323,803)	1,043,440	16,676,052	-	4,320,753	(94,553,062)
Total	**(5,922,171,523)**	**(605,851,611)**	**262,752,498**	**37,681,392**	**-**	**165,027,414**	**(6,062,561,830)**
Property, plant and equipment	4,768,202,942	69,318,781	(203,492,803)	(4,194,168)	(8,324,220)	(225,054,920)	4,396,455,612
Less allowance for impairment	(78,617,236)	(7,647,972)	12,248,258	-	-	-	(74,016,950)
Property, plant and equipment - net	**4,689,585,706**	**61,670,809**	**(191,244,545)**	**(4,194,168)**	**(8,324,220)**	**(225,054,920)**	**4,322,438,662**
Depreciation for the year							(605,851,611)

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

15 Property, plant and equipment (Continued)

	Separate financial statements					
	At 1 January 2016	Additions	Disposals	Write-offs	Transfers	At 31 December 2016
			(in Baht)			
Cost						
Buildings on leased land	353,408,615	587,868	-	-	-	353,996,483
Furniture and equipment on leased land	1,261,374,896	21,669,680	(28,475,669)	-	14,829,571	1,269,398,478
Interior and renovation on leased land	1,186,186,652	826,339	(1,800,170)	-	58,226,081	1,243,438,902
Vehicles	31,241,769	2,370,000	(6,019,783)	-	-	27,591,986
Chinaware, glassware, silverware and linen	52,328,899	7,065,394	(2,664,034)	(7,148,419)	39,861	49,621,701
Construction in process	35,324,220	81,955,339	-	-	(81,975,207)	35,304,352
Total	2,919,865,051	114,474,620	(38,959,656)	(7,148,419)	(8,879,694)	2,979,351,902
Accumulated depreciation						
Buildings on leased land	(321,999,551)	(15,066,116)	-	-	-	(337,065,667)
Furniture and equipment on leased land	(1,042,963,382)	(91,865,349)	28,533,914	-	-	(1,106,294,817)
Interior and renovation on leased land	(913,704,924)	(105,174,989)	1,663,175	-	-	(1,017,216,738)
Vehicles	(30,255,965)	(952,647)	6,019,779	-	-	(25,188,833)
Chinaware, glassware, silverware and linen	(33,918,989)	(6,887,345)	2,584,550	5,807,388	-	(32,414,396)
Total	(2,342,842,811)	(219,946,446)	38,801,418	5,807,388	-	(2,518,180,451)
Property, plant and equipment - net	**577,022,240**	**(105,471,826)**	**(158,238)**	**(1,341,031)**	**(8,879,694)**	**461,171,451**
Depreciation for the year						219,946,446

15 Property, plant and equipment (Continued)

	Separate financial statements					
	At 1 January 2017	Additions	Disposals	Write-offs	Transfers	At 31 December 2017
			(in Baht)			
Cost						
Land	-	180,054,500	-	-	-	180,054,500
Buildings on leased land	353,996,483	-	-	-	82,781	354,079,264
Furniture and equipment on leased land	1,269,398,478	17,138,005	(40,732,393)	-	12,600,312	1,258,404,402
Interior and renovation on leased land	1,243,438,902	-	(17,457,955)	-	78,589,193	1,304,570,140
Vehicles	27,591,986	2,751,956	(6,960,000)	-	-	23,383,942
Chinaware, glassware, silverware and linen	49,621,701	4,379,191	(387,419)	(9,474,008)	175,913	44,315,378
Construction in process	35,304,352	86,750,066	-	-	(99,772,421)	22,281,997
Total	2,979,351,902	291,073,718	(65,537,767)	(9,474,008)	(8,324,222)	3,187,089,623
Accumulated depreciation						
Buildings on leased land	(337,065,667)	(11,474,901)	-	-	-	(348,540,568)
Furniture and equipment on leased land	(1,106,294,817)	(95,203,026)	40,469,805	-	-	(1,161,028,038)
Interior and renovation on leased land	(1,017,216,738)	(100,017,605)	17,457,067	-	-	(1,099,777,276)
Vehicles	(25,188,833)	(597,802)	5,050,771	-	-	(20,735,864)
Chinaware, glassware, silverware and linen	(32,414,396)	(6,269,883)	221,894	7,973,178	-	(30,489,207)
Total	(2,518,180,451)	(213,563,217)	63,199,537	7,973,178	-	(2,660,570,953)
Property, plant and equipment - net	**461,171,451**	**77,510,501**	**(2,338,230)**	**(1,500,830)**	**(8,324,222)**	**526,518,670**
Depreciation for the year						(213,563,217)

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

15 Property, plant and equipment (Continued)

Dusit Thani Public Company Limited

Property, plant and equipment - net included building and building improvement on lease land of Dusit Thani Hotel, Pattaya at a net book value as at 31 December 2017 and 2016 of Baht 5,010,000 and Baht 16,291,544, respectively. Even though the title to the building of Dusit Thani Hotel, Pattaya has not been transferred to the Company, the management believes that by the fact and law, the Company has the right to use the building for its operations, as the building is located on the land which the subsidiary is the lessee. On 21 January 2002, the Company has registered the leasehold right on land with the Department of Land, Pattaya. In addition, the Company has peacefully and openly possessed this property with intention to be its owner for more than 10 years, by virtue of the Civil and Commercial Code of Thailand, section 1382 (see note 41).

Dusit Thai Properties Public Company Limited, a subsidiary

As at 31 December 2017 and 2016, property, plant and equipment of Dusit Thani Hua Hin under Dusit Thai Properties Public Company Limited at a net book value of Baht 297,280,128 and Baht 307,965,312, respectively, are mortgaged as a guarantee condition which is specified in a lease agreement for land and building with Dusit Thani Freehold and Leasehold Real Estate Investment Trust *(2016: Dusit Thani Freehold and Leasehold Property Fund)* of Baht 1,300,000,000.

Sale of Dusit Princess Korat Hotel

On 28 December 2017, Dusit Thai Properties Public Company Limited, a subsidiary sold and transferred the rights in Dusit Princess Korat's buildings, including fixtures and equipment and land, license and related rights which had the carrying value and related fees totalling of Baht 272 million to third party in the amount of Baht 565 million. The net gain on sales of the Group was Baht 293 million, presented in the consolidated statement of income.

Philippine Hoteliers, Inc., an indirect subsidiary

As at 31 December 2016 building and equipment in the consolidated financial statement included interest expense from loan of Philippine Hoteliers, Inc. in the amount of Peso 14,341,675 or Baht 10,663,155. The capitalised interest rate was 4.125% - 4.617%.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

15 Property, plant and equipment (Continued)

Fully depreciated plant and equipment

As at 31 December 2017 and 2016, plant and equipment of the Group amounted to Baht 2,514,688,696 and Baht 2,349,943,296, respectively, were fully depreciated but still in use.

As at 31 December 2017 and 2016, plant and equipment of the Company amounted to Baht 1,552,056,956 and Baht 1,154,266,084, respectively, were fully depreciated but still in use.

Impairment of assets

Key assumptions for valuing recoverable amount is presented as follows. The values assigned to the key assumptions by management's assessment based on future trends in the relevant industries and on historical data from both external and internal sources.

	Consolidated financial statements	
	2017	2016
	(%)	
Discount rate	7.0	10.0

Management reviewed and tested impairment of certain property, plant and equipment which have impairment indicators by determining recoverable amount from their value in using discounted future cash flows.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

16 Prepaid rental of land and buildings

Movements in prepaid rental of land and buildings during the years ended 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Net book value				
At 1 January	166,241,223	263,349,977	92,583,300	166,649,940
Additional payments	972,755,339	6,639,731	947,316,740	-
Amortisation	(142,838,400)	(102,810,457)	(109,414,280)	(74,066,640)
Exchange loss on translating financial statements	(5,006,676)	(938,028)	-	-
At 31 December	**991,151,486**	**166,241,223**	**930,485,760**	**92,583,300**
Less current portion of prepaid rental of land and buildings	(144,449,623)	(90,778,652)	(89,211,939)	(74,066,640)
Prepaid rental of land and buildings	**846,701,863**	**75,462,571**	**841,273,821**	**18,516,660**

Dusit Thani Public Co., Ltd.

On 28 June 2017, the Company paid the first lease payment at 20% as specified in the lease contract with The Crown Property Bureau (see note 40). The mentioned prepaid rental is amortized throughout the lease period.

DMS Property Investment Pvt. Ltd., an indirect subsidiary

DMS Property Investment Pvt. Ltd. an indirect subsidiary, has leasehold right from the Government of Republic of Maldives, for five-star resort and construction over Mudhdhoo Island in Baa Atoll, Republic of Maldives for 35 years with prepaid rental of USD 5,000,000 for the first 5 years in the amount of USD 1,000,000 per year, starting from 23 January 2012. The Government of Republic of Maldives passed the law to extend the leasehold right to a maximum period of 50 years which the subsidiary has to pay additional rental of USD 100,000 annually from September 2044 onwards. As such, the lease period will be due in September 2059. Consequently, the Government of Republic of Maldives issued a letter to the subsidiary to prepay the additional annual rental for the last 15 years. As of 31 December 2017, the subsidiary prepaid the said total of USD 1,500,000 and amortised for remaining leasehold period.

17 Other intangible assets

Movements in other intangible assets during the years ended 31 December were as follows:

	Consolidated financial statements					
	At 1 January 2016	Additions	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2016
	(in Baht)					
Computer softwares						
Cost	152,780,105	2,179,348	(4,316)	12,561,463	(580,590)	166,936,010
Accumulated amortisation	(91,014,293)	(15,958,130)	4,226	-	390,806	(106,577,391)
Intangible assets - net	**61,765,812**	**(13,778,782)**	**(90)**	**12,561,463**	**(189,784)**	**60,358,619**
Amortisation for the year						15,958,130

	Consolidated financial statements					
	At 1 January 2017	Additions	Write-offs	Transfers	Exchange gain (loss) on translating financial statement	At 31 December 2017
	(in Baht)					
Computer softwares						
Cost	166,936,010	4,272,937	(2,671,188)	10,850,000	(1,277,897)	178,109,862
Accumulated amortisation	(106,577,391)	(12,444,036)	2,664,062	-	1,053,662	(115,303,703)
Intangible assets - net	**60,358,619**	**(8,171,099)**	**(7,126)**	**10,850,000**	**(224,235)**	**62,806,159**
Amortisation for the year						12,444,036

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

17 Other intangible assets (Continued)

	Separate financial statements			
	At 1 January 2016	Additions	Transfers	At 31 December 2016
		(in Baht)		
Computer softwares				
Cost	110,382,139	548,000	12,561,463	123,491,602
Accumulated amortisation	(67,210,319)	(11,186,261)	-	(78,396,580)
Intangible assets - net	**43,171,820**	**(10,638,261)**	**12,561,463**	**45,095,022**
Amortisation for the year				11,186,261

	Separate financial statements			
	At 1 January 2017	Additions	Transfers	At 31 December 2017
		(in Baht)		
Computer softwares				
Cost	123,491,602	395,235	10,850,000	134,736,837
Accumulated amortisation	(78,396,580)	(8,804,598)	-	(87,201,178)
Intangible assets - net	**45,095,022**	**(8,409,363)**	**10,850,000**	**47,535,659**
Amortisation for the year				8,804,598

18 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Deferred tax assets	147,643,958	162,021,919	88,015,575	84,750,947
Set off of tax	(13,993,425)	(11,277,275)	(4,932,180)	(4,747,370)
Net deferred tax assets	**133,650,533**	**150,744,644**	**83,083,395**	**80,003,577**
Deferred tax liabilities	(42,184,550)	(54,035,486)	(4,932,180)	(4,747,370)
Set off of tax	13,993,425	11,277,275	4,932,180	4,747,370
Net deferred tax liabilities	**(28,191,125)**	**(42,758,211)**	**-**	**-**
Net	**105,459,408**	**107,986,433**	**83,083,395**	**80,003,577**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

18 Deferred tax (Continued)

Movements in total deferred tax assets and liabilities during the years were as follows:

	Consolidated financial statements			
		(Charged) / credited to:		
	At 1 January 2017	Profit or loss	Other comprehensive income	At 31 December 2017
		(in Baht)		
Deferred tax assets				
Tax losses carried forward	59,651,504	(4,214,821)	-	55,436,683
Employee benefit obligations	36,266,545	5,311,735	(4,936,001)	36,642,279
Others	66,103,870	(10,538,874)	-	55,564,996
Total	**162,021,919**	**(9,441,960)**	**(4,936,001)**	**147,643,958**
Deferred tax liabilities				
Unrealised gain	11,243,636	-	22,168,989	33,412,625
Others	42,791,850	(1,331,372)	(32,688,553)	8,771,925
Total	**54,035,486**	**(1,331,372)**	**(10,519,564)**	**42,184,550**
Net	**107,986,433**	**(8,110,588)**	**5,583,563**	**105,459,408**

	Consolidated financial statements			
		(Charged) / credited to:		
	At 1 January 2016	Profit or loss	Other comprehensive income	At 31 December 2016
		(in Baht)		
Deferred tax assets				
Tax losses carried forward	44,515,658	15,135,846	-	59,651,504
Employee benefit obligations	41,723,616	(3,603,997)	(1,853,074)	36,266,545
Others	49,031,481	17,072,389	-	66,103,870
Total	**135,270,755**	**28,604,238**	**(1,853,074)**	**162,021,919**
Deferred tax liabilities				
Unrealised gain	33,451,049	(23,912,213)	1,704,800	11,243,636
Others	20,922,369	21,869,481	-	42,791,850
Total	**54,373,418**	**(2,042,732)**	**1,704,800**	**54,035,486**
Net	**80,897,337**	**30,646,970**	**(3,557,874)**	**107,986,433**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

18 Deferred tax (Continued)

	Separate financial statements			
		(Charged) / credited to:		
	At 1 January 2017	Profit or loss	Other comprehensive income	At 31 December 2017
	(in Baht)			
Deferred tax assets				
Tax losses carried forward	47,294,704	8,141,979	-	55,436,683
Employee benefit obligations	24,292,776	(155,772)	(4,106,414)	20,030,590
Others	13,163,467	(615,165)	-	12,548,302
Total	**84,750,947**	**7,371,042**	**(4,106,414)**	**88,015,575**
Deferred tax liabilities				
Unrealised gain	4,669,130	-	263,050	4,932,180
Others	78,240	(78,240)	-	-
Total	**4,747,370**	**(78,240)**	**263,050**	**4,932,180**
Net	**80,003,577**	**7,449,282**	**(4,369,464)**	**83,083,395**

	Separate financial statements			
		(Charged) / credited to:		
	At 1 January 2016	Profit or loss	Other comprehensive income	At 31 December 2016
	(in Baht)			
Deferred tax assets				
Tax losses carried forward	22,588,305	24,706,399	-	47,294,704
Employee benefit obligations	22,586,365	1,706,411	-	24,292,776
Others	15,383,130	(2,219,663)	-	13,163,467
Total	**60,557,800**	**24,193,147**	**-**	**84,750,947**
Deferred tax liabilities				
Unrealised gain	27,076,124	-	(22,406,994)	4,669,130
Others	867,840	(789,600)	-	78,240
Total	**27,943,964**	**(789,600)**	**(22,406,994)**	**4,747,370**
Net	**32,613,836**	**24,982,747**	**22,406,994**	**80,003,577**

Deferred tax assets have not been recognized as at 31 December 2017 in respect of the following items:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Deductible temporary differences	20,179,789	17,905,752	19,691,020	17,725,271
Tax losses	3,275,561	11,875,561	-	8,600,000
Net	**23,455,350**	**29,781,313**	**19,691,020**	**26,325,271**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

18 Deferred tax (Continued)

The management consider it probable that future taxable profits would be available against which the tax losses can be recovered and, therefore, the related deferred tax asset can be realised.

19 Deposit for hotel management right

On 21 August 2014, the Company has entered into a memorandum with Laguna Hotel Holdings Pte. Ltd., in order to provide the deposit for hotel management right totaling SGD 4,000,000 to Laguna Hotel Holdings Pte. Ltd. or its affiliate to be assigned by Laguna Hotel Holdings Pte. Ltd. which benefits to the Company to manage hotels of such company, and also agreed to transfer the advance payment to Dusit Thani Laguna Singapore Pte. Ltd. of SGD 1,000,400 (or Baht 25,270,104) as partial payment of the deposit. The remaining amount of SGD 2,999,600 would be paid in two installments according to the progress of the construction of the hotel. The deposit will be refunded to the Company under conditions as specified in the memorandum.

During 2017, the Company paid SGD 2,999,600.

20 Bank overdrafts and short-term loans from financial institutions

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Short-term loans from financial institutions	543,700,000	461,627,400	543,700,000	287,000,000
Total	**543,700,000**	**461,627,400**	**543,700,000**	**287,000,000**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

20 Bank overdrafts and short-term loans from financial institutions (Continued)

The Group entered into loan agreements with local financial institutions for working capital as follows:

	Limit			Short-term loans	
Agreement date	2017	2016	Interest rate	31 December 2017	31 December 2016
	(in Baht)			*(in Baht)*	
Dusit Thani Public Company Limited					
17 December 2007	1,250,000,000	450,000,000	MMR	525,700,000	240,000,000
2 November 2010	150,000,000	150,000,000	MMR	-	-
8 December 2010	300,000,000	300,000,000	As specified by bank	-	-
15 December 2010	800,000,000	800,000,000	MMR	-	-
1 November 2011	450,000,000	450,000,000	MMR	18,000,000	47,000,000
Total [1]	2,950,000,000	2,150,000,000		543,700,000	287,000,000
Dusit Thai Properties Public Company Limited					
24 June 2009	50,000,000	50,000,000	MMR	-	-
15 October 2012	200,000,000	200,000,000	MMR	-	138,000,000
6 November 2012	50,000,000	50,000,000	MMR	-	-
Total [1]	300,000,000	300,000,000		-	138,000,000
DMS Property Investment Pvt. Ltd.					
3 September 2011	114,383,150	125,244,875	LIBOR + 2.925%	-	28,627,400
Total [2]	114,383,150	125,244,875		-	28,627,400
Dusit Excellence Co., Ltd.					
13 July 2015	14,560,000	14,560,000	MMR	-	8,000,000
Total [3]	14,560,000	14,560,000		-	8,000,000
Total	**3,378,943,150**	**2,589,804,875**		**543,700,000**	**461,627,400**

-MMR : Money Market Rate

[1] The short-term loans have no collateral.

[2] The short-term loans have facilities of USD 3,500,000. The loans were pledged by all share certificates of the subsidiary of 38,500,000 shares (see note 12).Loan facility of USD 3,500,000 was guaranteed by the Company at 65% and another shareholder of the subsidiary at 35%.

[3] The short-term loan has drawdown period within 10 years and is guaranteed by the Company in the amount of Baht 14,560,000. In 2017, Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.) paid such loan.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

20 Bank overdrafts and short-term loans from financial institutions (Continued)

As at 31 December 2017 and 2016, the Group had credit lines for bank overdrafts totaling Baht 85,000,000 with no collateral.

As at 31 December 2017 and 2016, the Company had credit lines for bank overdrafts totaling Baht 40,000,000 with no collateral.

21 Trade and other payables

Trade and other payables as at 31 December consisted of the following:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Trade accounts payable	166,783,333	141,722,673	45,109,003	40,873,962
Other payables	32,415,210	49,971,821	34,471,718	31,849,934
Payables from acquisition of assets	13,474,579	29,793,476	7,615,389	10,675,483
Accrued expenses	406,271,621	396,714,168	88,753,253	89,595,205
Deposit received	146,644,699	150,343,925	28,217,229	39,220,657
Unearned revenue of Dusit Thani College	71,363,846	156,282,784	-	-
Others	45,150,996	47,749,348	22,508,681	23,501,317
Total	**882,104,284**	**972,578,195**	**226,675,273**	**235,716,558**

The currency denomination of trade and other payables as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Thai Baht (THB)	629,834,949	729,920,373	224,542,082	234,531,328
US Dollar (USD)	77,651,287	48,714,464	953,473	518,756
Philippines Peso (PESO)	158,363,363	180,189,995	1,179,718	582,371
Others	16,254,685	13,753,363	-	84,103
Total	**882,104,284**	**972,578,195**	**226,675,273**	**235,716,558**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

22 Long-term loans

Long-term loans as at 31 December consisted of the following:

	Interest rate		Consolidated financial statements	
	2017	2016	2017	2016
	(% per annum)		*(in Baht)*	
22.1 Loans from financial institutions				
To Philippine Hoteliers, Inc.				
- Repayable in semi-annual installments from December 2016 through 2024	3.125-4.7125	3.1250 - 4.6167	427,090,825	429,828,000
To DMS Property Investment Pvt. Ltd.				
- Repayable every 3 months from December 2016 through 2020 [(1)]	4.2857-4.3767	3.8055 - 4.1565	459,166,645	663,797,838
To Dusit Excellence Co.,Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.)				
- Repayable every 3 months from October 2016 through 2022	3.7267-3.7378	3.7335 - 3.7465	115,450,000	116,200,000
22.2 Loan from other party				
To Vimarn Suriya Co., Ltd.	5.20	-	130,833,653	-
			1,132,541,123	**1,209,825,838**
Less current portion			(213,143,452)	(157,251,400)
Total			**919,397,671**	**1,052,574,438**

[(1)] Extend the payment period

Movements in the long-term loans are summarised as follows:

	Consolidated financial statements	
	2017	2016
	(in Baht)	
Net book value		
At 1 January	1,209,825,838	1,501,487,570
Additions	180,723,653	-
Repayments	(164,396,000)	(254,244,175)
Exchange gain on translating financial statements	(93,612,368)	(37,417,557)
At 31 December	**1,132,541,123**	**1,209,825,838**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

22 Long-term loans (Continued)

Philippine Hoteliers, Inc.

On 3 June 2014, Philipine Hoteliers, Inc., a subsidiary (indirect holding), entered into another loan agreement with another bank to finance the renovation of its hotel in the limit of Peso 991.68 million with maturity date of 10 years with a 24-month grace period from the initial borrowing (19 September 2014). The agreement specified the terms and conditions as follows:

(1) The interest payment is on a quarterly basis. Quarterly repricing at 3-months Philippine Dealing System Treasury - Fixing plus 1.50% spread or BSP* Overnight Borrowing rate plus 0.125% spread, whichever is higher at the time of interest setting and repricing.

(2) Repayment of principal shall be semi-annually after a 2-year grace period from each drawdown date and subject to the following conditions:
   a) 10% of the principal to be repaid semi-annually in the third year.
   b) The remaining 90% of the principal shall be repaid semi-annually within the remaining 7 years, from the date of borrowing until the maturity date, with the remaining principal to be fully repaid in last installment.

The loan agreement restricts the declaration of dividends and carries certain restrictive covenants pertaining to the debt to equity ratio and current ratio of the subsidiary.

* BSP or Bangko Sentral ng Pilipinas

As at 31 December 2017 and 2016, the subsidiary had outstanding long-term loan in the amount of Peso 651,500,000 (or Baht 427,090,825) and Peso 595,000,000 (or Baht 429,828,000), respectively.

DMS Property Investment Pvt. Ltd.

DMS Property Investment Pvt. Ltd., a subsidiary (indirect holding) in Republic of Maldives, entered into a long-term loan agreement with a financial institution in Thailand totaling USD 41,500,000 shares. The loan was pledged by all share certificates of the subsidiary of 38,500,000 shares (see note 12) and as at 31 December 2017 and 2016, the loan facility was guaranteed by the Company at 65% and another shareholder of the subsidiary at 35%.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

22 Long-term loans (Continued)

The interest rate refers to the 6 months LIBOR, plus margin as agreed. The repayment of principal is every 3 months starting from September 2013 and the amount of each repayment are as follows:

- 1st - 8th installment	USD 1,250,000 each
- 9th - 19th installments	USD 2,250,000 each
- Final repayment	USD 6,750,000 or the remaining balance

The loan agreement restricts the declaration of dividends and carries certain restrictive covenants pertaining to the debt to equity ratio and current ratio of the subsidiary.

On 23 November 2016, such financial institution agreed to revise the subsidiary's loan conditions of each repayment principal loan amount from the 14th installment and extend the repayment period started from December 2016 onwards, as follows:

- 14th installment	USD 500,000 each
- 15th - 18th installments	USD 1,000,000 each
- 19th - 22nd installments	USD 1,250,000 each
- 23rd - 26th installments	USD 1,300,000 each
- 27th - 29th installments	USD 1,450,000 each

The revising loan condition mentioned above is already signed on 23 February 2017.

As at 31 December 2017 and 2016, the subsidiary has outstanding long-term loan in the amount of USD 14,050,000 (or Baht 459,166,645) and USD 18,550,000 (or Baht 663,797,838), respectively.

Dusit Excellence Co., Ltd.

On 13 July 2015, Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.) a subsidiary, entered into a long-term loan agreement with a bank of Baht 116.20 million for its business support, building renovation, acquiring new equipment and computer system which guaranteed by the Company. The loan has a term of 7 years after the first drawdown date (24 August 2015), bears interest rate at 1-month BIBOR* plus 2.20% per annum and repayable every 3 months. The first repayment is within the 27th month from the first drawdown date. The repayment date is the last working day of the month and the repayment amounts are as follows:

- 1st - 4th installment	Baht 750,000 each
- 5th - 8th installments	Baht 4,500,000 each
- 9th - 19th installments	Baht 8,250,000 each
- Final repayment	Baht 4,450,000 or the remaining balance

* BIBOR (Bangkok Interbank Offered Rate) represents the average borrowing interest rates among banks in money market in Bangkok.

The loan agreement carries certain restrictive covenants pertaining to the debt service coverage ratio (DSCR), not less than 1.1 of the subsidiary from 2017 onwards.

As at 31 December 2017 and 2016, the subsidiary has outstanding long-term loan in the amount of Baht 115,450,000 and Baht 116,200,000, respectively.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

22 Long-term loans (Continued)

Vimarn Suriya Co., Ltd.

On 23 June 2017, Vimarn Suriya Co., Ltd., a subsidiary, entered into loan agreements with other company as its various investments in the amount of not exceeding Baht 350 million. The loan agreement specifies the interest rate based on the average interest rates that banks charge to good customers minus 1% p.a., or MLR -1% per annum. As at 31 December 2017, this subsidiary had drawn down long-term loans amounting to Baht 130,833,653.

23 Deferred rental revenue

Dusit Thani Public Company Limited

The Company has entered into several land lease agreements with the Crown Property Bureau and Vimarn Suriya Co., Ltd., a subsidiary of the Company. ("Sub-lessee"). The sub-lessee is entitled to use the land for construction of buildings and buildings on the leased land. This sublease has a term of 30 years commencing 1 July 2024, and is renewable for 30 years up to 30 June 2084, with a period of demolition and 7 years of construction since 1 July 2017. The sub-lessee paid rent in advance for the amount of Baht 1,361,652,008 and the annual rent is to be paid annually for 60 years (see note 28).

Dusit Thai Properties Public Company Limited

On 24 December 2010, Dusit Thai Properties Public Company Limited, a subsidiary, entered into lease agreement for land, building and utility systems of Dusit Thani Hua Hin with Dusit Thani Freehold and Leasehold Property Fund ("the Fund") for a period of 30 years with rental of Baht 763,000,000 covering the lease period. This subsidiary has committed to comply with lease conditions as specified in lease agreement for land and building with the Fund by mortgage of the land and building with the Fund in the amount of Baht 1,300,000,000 (see note 15).

The Fund was converted to Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("the Trust"). On 8 December 2017, the assets, liabilities and obligation of the Fund was transferred to the Trust. On 12 December 2017, the Fund was liquidated after conversion to the Trust, all existing agreements entered by the Fund with other persons and are still in effect at that time shall be transferred from the Fund to the Trust.

Deferred rental revenue as at 31 December consisted of the following:

	Consolidated financial statement		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Deferred rental revenue	763,000,000	763,000,000	1,361,652,008	-
Less realised income from deferred rental revenue	(178,590,788)	(153,157,443)	(38,439,693)	-
	584,409,212	609,842,557	1,323,212,315	-
Less current portion of deferred rental revenue	(25,433,333)	(25,433,333)	(76,879,388)	-
Deferred rental revenue	**558,975,879**	**584,409,224**	**1,246,332,927**	-

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

24 Provisions for employee benefits

	Consolidated financial statement		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Present value of unfunded obligations	188,342,780	214,430,198	100,152,948	121,463,881
Present value of funded obligations	43,315,251	43,927,995	-	-
Fair value of plan assets	(31,863,840)	(37,054,332)	-	-
Statement of financial position obligation	**199,794,191**	**221,303,861**	**100,152,948**	**121,463,881**
For the year ended 31 December				
Statement of income				
Recognised in profit or loss:				
Post-employment benefits	31,319,804	48,934,902	14,224,852	24,482,719
Statement of comprehensive income				
Recognised in comprehensive income				
Actuarial gains	(18,480,116)	(6,176,914)	(20,532,073)	-

Movements in the present value of the defined benefit obligations

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Defined benefit obligations at 1 January	258,358,193	248,231,090	121,463,881	112,931,822
Benefits paid by the plan	(35,391,776)	(28,400,791)	(15,003,712)	(15,950,660)
Current service costs and interest	31,319,804	50,680,649	14,224,852	24,482,719
Actuarial gains in other comprehensive income	(18,480,116)	(8,959,102)	(20,532,073)	-
Exchange gain on translating financial statement	(4,148,074)	(3,193,653)	-	-
Defined benefit obligations at 31 December	**231,658,031**	**258,358,193**	**100,152,948**	**121,463,881**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

24 Provisions for employee benefits (Continued)

Movements in the present value of plan assets during the years were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
At 1 January	37,054,332	42,479,131	-	-
Expected return on plan asset	1,595,227	1,745,747	-	-
Actuarial losses	-	(2,782,189)	-	-
Exchange loss on translating financial statement	(3,386,595)	(2,380,755)	-	-
Actual contributions	-	7,690,165	-	-
Benefit paid	(3,399,124)	(9,697,767)	-	-
At 31 December	**31,863,840**	**37,054,332**	**-**	**-**

Expenses recognised in profit or loss:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Current service costs	26,548,180	41,183,469	11,536,180	21,386,214
Interest on obligation	4,771,624	7,751,433	2,688,672	3,096,505
Total	**31,319,804**	**48,934,902**	**14,224,852**	**24,482,719**

Actuarial gains and losses recognised in other comprehensive income arising from:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Demographic assumptions	(6,541,343)	-	(6,875,430)	-
Financial assumptions	7,465,809	-	3,541,956	-
Improve the experience	(19,404,582)	(6,176,914)	(17,198,599)	-
Total	**(18,480,116)**	**(6,176,914)**	**(20,532,073)**	**-**

Actuarial gains and losses recognised in other comprehensive income:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Included in retained earnings:				
At 1 January	29,270,304	35,447,218	37,340,561	37,340,561
Recognised during the year	(18,480,116)	(6,176,914)	(20,532,073)	-
At 31 December	**10,790,188**	**29,270,304**	**16,808,488**	**37,340,561**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

24 Provisions for employee benefits (Continued)

Principal actuarial assumptions at the reporting date (expressed as weighted averages):

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	%			
Discount rate	1.45 - 5.58	2.8 - 4.86	1.45 - 4.02	2.8
Inflation rate	2.5	3.0	2.5	3.0
Future salary increases	5.0 - 8.0	3.0 - 9.0	5.0 - 8.0	4.0 - 9.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

Sensitivity analysis

Reasonably possible changes at the reporting date to one of the relevant actuarial assumptions, holding other assumptions constant, would have affected the defined benefit obligation by the amounts shown below.

	Consolidated financial statement		Separate financial statement	
	(in Baht)			
Defined benefit obligation 31 December 2017	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(13,755,001)	15,480,196	(6,153,717)	6,939,110
Future salary growth (1% movement)	15,086,638	(13,697,371)	6,579,471	(5,962,958)
Turnover rate (20% movement)	(10,993,682)	13,688,903	(5,713,358)	7,073,925
Defined benefit obligation 31 December 2016				
Discount rate (1% movement)	(9,442,611)	10,750,815	(5,828,658)	6,550,745
Future salary growth (1% movement)	11,696,231	(10,471,771)	7,217,269	(6,546,191)
Turnover rate (20% movement)	(12,496,960)	15,740,446	(6,501,428)	8,166,356

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

25 Share capital

	Par value per share (in Baht)	Consolidated financial statements 2017 Number	2017 Amount	2016 Number	2016 Amount
			(shares/ in Baht)		
Authorised					
At 1 January					
- ordinary shares	10			85,000,000	850,000,000
- ordinary shares	1	850,000,000	850,000,000		
At 31 December					
- ordinary shares	1	**850,000,000**	**850,000,000**	**850,000,000**	**850,000,000**
Issued and paid-up					
At 1 January					
- ordinary shares	10			85,000,000	850,000,000
- ordinary shares	1	850,000,000	850,000,000		
At 31 December					
- ordinary shares	1	850,000,000	850,000,000	850,000,000	850,000,000
Less treasury shares by Dusit Thani Properties Co., Ltd.		(4,715,000)	(15,740,202)	(4,715,000)	(15,740,202)
Total		**845,285,000**	**834,259,798**	**845,285,000**	**834,259,798**

	Par value per share (in Baht)	Separate financial statements 2017 Number	2017 Amount	2016 Number	2016 Amount
			(shares/ in Baht)		
Authorised					
At 1 January					
- ordinary shares	10			85,000,000	850,000,000
- ordinary shares	1	850,000,000	850,000,000		
At 31 December					
- ordinary shares	1	**850,000,000**	**850,000,000**	**850,000,000**	**850,000,000**
Issued and paid-up					
At 1 January					
- ordinary shares	10			85,000,000	850,000,000
- ordinary shares	1	850,000,000	850,000,000		
At 31 December					
- ordinary shares	1	**850,000,000**	**850,000,000**	**850,000,000**	**850,000,000**

On 28 April 2016, the general shareholders' meeting of the Company passed a resolution to approve the reduction in par value of the Company from Baht 10 par value each, totalling 85,000,000 shares to Baht 1 par value each, totalling 850,000,000 shares. Therefore, the Company has authorised share capital of Baht 850,000,000, issued and called up share capital of Baht 850,000,000 and paid-up share capital of 850,000,000 ordinary shares. The Company registered the reduction in par value of the Company with the Ministry of Commerce on 16 May 2016.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

25 Share capital (Continued)

Share premium

Section 51 of the Public Companies Act B.E. 2535 requires companies to set aside share subscription monies received in excess of the par value of the shares issued to a reserve account ("share premium"). Share premium is not available for dividend distribution.

26 Treasury shares

Dusit Thani Public Company Limited

On 13 November 2003, the Board of Directors of the Company passed a resolution to repurchase 2,779,500 ordinary shares or 3.27% of the Company's paid-up share capital. The purpose was for financial management because the Company had excess liquidity. The resale period of such repurchase share was from 1 July 2004 to 29 December 2006.

2,760,500 shares or 3.25% of the Company's paid-up capital had been repurchased, totaling Baht 115,818,208.

During 2006, the Company sold 2,760,500 treasury shares and had gain on sales in the amount of Baht 16,950,268 and was presented as surplus on treasury shares.

Dusit Thani Properties Company Limited

Dusit Thani Properties Company Limited, a subsidiary, held 606,300 ordinary shares of the Company with the acquisition cost of Baht 20,240,264. The shares were presented as treasury shares in the consolidated statements of financial position.

During 2006, Dusit Thani Properties Company Limited sold 134,800 ordinary shares of the Company to third parties totalling Baht 5,915,334 and had gain on sale in the amount of Baht 1,415,272 which was presented as surplus on treasury shares. As at 31 December 2017 and 2016, Dusit Thani Properties Company Limited held 471,500 ordinary shares of the Company with the carrying value of Baht 15,740,202. The shares were presented as treasury shares in the consolidated statements of financial position.

During 2016, a change in shares is disclosed in note 25 which the balance of treasury shares are 4,715,0000 ordinary shares in both 2017 and 2016.

The Company has complied with the letter from The Securities and Exchange Commission No. Kor Lor Tor Chor Sor (Vor) 2/2548 dated 14 February 2005, regarding comment on information disclosure of appropriation of treasury shares reserve. As at 31 December 2017 and 2016, the Company has appropriated retained earnings to treasury shares reserve in the amount of Baht 15,740,202 which has been included in treasury share reserve (see note 27).

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

27 Reserves

Reserves comprise of:

Appropriations of profit and/or retained earnings

Legal reserve

Section 116 of the Public Companies Act B.E. 2535 requires that a public company shall allocate not less than 5% of its annual net profit, less any accumulated losses brought forward, to a reserve account ("legal reserve"), until this account reaches an amount not less than 10% of the authorised share capital. The legal reserve is not available for dividend distribution.

Treasury share reserve

The treasury share reserve represents the amount appropriated from retained earnings equal to the cost of the Company's own shares held by the Group. The treasury share reserve is not available for dividend distribution.

Dusit Thani College funds

Dusit Thani College funds are cumulative fund balances of Dusit Thani College in accordance with Private Higher Education Institutions Act B.E. 2546 Amendment (No. 2) B.E. 2550.

The Private Higher Education Institutions Act B.E. 2546 Amendment (No.2) B.E. 2550 requires that a private higher education institution shall firstly allocate its annual excess revenues over expenses in general fund to compensate other negative balance funds. Then, at least 60% of the remaining excess revenues over expenses shall be allocated to other funds, not over 30% shall be allocated as benefit to the licensor and not less than 10% shall be kept as working capital in the general fund.

Other components of equity

Currency translation differences

The currency translation differences account within equity comprises all foreign currency differences arising from the translation of the financial statements of foreign operations.

Fair value changes

The fair value changes within equity comprises the cumulative net change in the fair value of available-for-sale investments until the investments are derecognised or impaired.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 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 related parties were as follows:

Name of entities	Country of incorporation/ nationality	Type of business	Nature of relationships
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.
Dusit Thani Properties Co., Ltd.	Thailand	Holding	Subsidiary
Dusit Thai Properties Public Company Limited	Thailand	Hotel and hotel management	Subsidiary (indirect holding)
Philippine Hoteliers, Inc.	Philippines	Hotel	Subsidiary (indirect holding)
Dusit Thani College	Thailand	Education	Subsidiary (indirect holding)
Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.)	Thailand	Leasing and sub-leasing	Subsidiary
Landmark Hotel Co., Ltd.	Thailand	Hotel	Subsidiary
Devarana Spa Co., Ltd.	Thailand	Spa	Subsidiary
DMS Property Investment Pvt. Ltd.	Republic of Maldives	Hotel	Subsidiary (indirect holding)
Dusit Worldwide Co., Ltd.	Thailand	Management	Subsidiary
Dusit Overseas Co., Ltd.	Hong Kong	Management	Subsidiary (indirect holding)
Dusit Management Co., Ltd.	Thailand	Hotel	Subsidiary
Dusit USA Management Inc.	United States of America	Hotel management	Subsidiary
Dusit China Capital Co., Ltd.	Thailand	Holding	Subsidiary
Vimarn Suriya Co., Ltd.	Thailand	Hotel, resorts and residence	Subsidiary
Dusit Thani Properties REIT Co., Ltd.	Thailand	REIT manager for real estate investment trust	Subsidiary
Asai Holdings Co., Ltd.	Thailand	Holding	Subsidiary
Suanlum Property Co., Ltd.	Thailand	Department store, plaza and cinema	Associate
Phraram 4 Development Co., Ltd.	Thailand	Office construction	Associate
Le Cordon Bleu Dusit Co., Ltd.	Thailand	Cooking school	Joint venture

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

Name of entities	Country of incorporation/ nationality	Type of business	Nature of relationships
Dusit Bird Hotels Pvt. Ltd.	India	Hotel management	Joint venture
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	People's Republic of China	Hotel management	Joint venture
Dusit Thani Freehold and Leasehold Property Fund ("the Fund")	Thailand	Leasing	Associate
Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("the Trust")	Thailand	Leasing	Associate
Philippine Hoteliers International Center for Hospitality Education, Inc.	Philippines	Education	Associate
Acme Printing Co., Ltd.	Thailand	Printing house	Director holds the shares
MBK Public Company Limited	Thailand	Property development	The Group hold the shares
Piyasiri Co., Ltd.	Thailand	Hospital	Director holds the shares
The Navakij Insurance Public Company Limited	Thailand	Non-life insurance	Common director
New Atlantic Co., Ltd.	Thailand	Department store	Director holds the shares
The Siam Cement Public Company Limited	Thailand	Cement-building materials	Common director
JTB (Thailand) Co., Ltd.	Thailand	Sale tour package, hotel reservation and air ticket	Director holds the shares
Siam Makro Public Company Limited	Thailand	Distributor	Common director
Thainamthip Co., Ltd.	Thailand	Brewer and distributor of beverage	Common director
Government Savings Bank	Thailand	Bank	Common director
Kasikorn Bank Public Company Limited	Thailand	Commercial bank	Common director

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

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

Transactions	Pricing policies
The remuneration received for transferring of rights and obligations of the Hotels Management Agreement	Based on percentage of total revenue or gross operating profit, depending on the condition of each agreement which is fee or licensing fee charged from each hotel.
Hotel management fees	Based on the similar fees charged to other hotels which were managed by the Company.
Sales and purchase of equipment	Based on book value plus margin as agreed.
Other sales and purchase transactions	Based on the normal prices transacted with third parties and discount policies.
Sales of investments	Based on fair value.
Interest income	
- Loan to related parties	- Minimum loan rate of commercial banks plus 0.5% per annum - Rate of 7.50% per annum - Rate of MLR - 1 % per annum - Rate of MLR - 2.95 % per annum
Other income	Based on actual expenses incurred and the contractually agreed prices.
Interest expense	
- Loan from related party	- Based on LIBOR plus 2.925% per annum or not less than those paid to the financial institution. - Rate of MLR - 1 % per annum
Other expenses	Based on the contractually agreed prices.

28 Related parties (Continued)

Significant transactions for the years ended 31 December 2017 and 2016 with related parties were as follows:

	Consolidated financial statements						
	Revenue from sales and services	Management service income	Dividend income	Other income	Cost of sales and services	Selling expenses	Administrative expenses
				(in Baht)			
For the year ended 31 December 2017							
Joint ventures	18,350,990	-	30,999,690	6,333,783	-	14,035,823	408,997
Associates	30,000	-	32,327,960	128,109,662	201,204,441	-	9,300
Other related parties	48,545,601	9,088,380	14,752,980	2,489,235	2,011,216	1,845,786	756,521
For the year ended 31 December 2016							
Joint ventures	17,977,960	-	27,999,720	5,772,390	636,000	272,978	1,334,403
Associates	-	-	56,543,200	26,224,805	238,219,268	-	-
Other related parties	38,163,827	6,465,923	14,752,980	3,246,676	95,771	14,244	1,874,678

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

	Separate financial statements						
	Revenue from sales and services	Management service income	Dividend income	Other income	Cost of sales and services	Selling expenses	Administrative expenses
				(in Baht)			
For the year ended 31 December 2017							
Subsidiaries	12,553,205	75,017,113	32,854,511	206,984,895	49,919	63,803,950	39,701,134
Joint ventures	18,350,990	-	30,999,690	351,904	-	1,118,811	336,905
Associates	30,000	-	32,327,960	102,676,327	-	-	-
Other related parties	48,290,581	7,888,380	-	2,045,600	-	1,845,786	427,914
For the year ended 31 December 2016							
Subsidiaries	14,038,129	83,440,905	25,795,452	116,842,519	158,240	66,397,881	35,425,692
Joint ventures	17,977,960	-	27,999,720	462,193	636,000	36,310	1,246,213
Associates	-	-	56,543,200	791,472	-	-	-
Other related parties	37,732,047	6,465,923	9,418,200	1,751,458	-	-	1,481,243

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

	Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	2017	2016	2017	2016
	(in Baht)			
Key management personnel compensation				
Salaries and other short-term employee benefits	134,568,436	141,034,772	101,793,424	85,854,658
Post-employment benefits	7,286,999	11,565,363	5,982,378	7,384,503
Total key management personnel compensation	**141,855,435**	**152,600,135**	**107,775,802**	**93,239,161**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

Balances as at 31 December 2017 and 2016 with related parties were as follows:

	Consolidated financial statements										
	31 December 2017							31 December 2016			
	Trade accounts receivable	Other receivables	Account payable trade	Account payable other	Accrued expense	Deferred revenue	Refundable deposit	Trade accounts receivable	Other receivables	Account payable other	Deferred revenue
	(in Baht)										
Joint ventures	840,898	20,668,115	-	942,379	-	-	-	325,055	13,603,309	-	-
Associates	-	1,795,180	24,000	-	-	584,409,212	492,380,000	-	-	-	609,842,557
Other related parties	8,561,551	3,201,761	315,961	679,635	615,269	-	-	3,979,728	2,356,353	1,426,284	-

	Separate financial statements							
	31 December 2017					31 December 2016		
	Trade accounts receivable	Other receivables	Accrued expenses	Other payables	Deferred revenue	Trade accounts receivable	Other receivables	Other payables
	(in Baht)							
Subsidiaries	754,136	76,954,798	622,960	21,377,889	1,323,212,314	746,794	48,225,660	10,501,738
Joint ventures	840,898	3,877,899	-	-	-	325,055	3,460,860	-
Associates	-	1,795,180	-	-	-	-	70,573	-
Other related parties	8,454,301	3,159,539	-	179,635	-	3,913,217	2,322,588	1,426,284

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

	Interest rate		Consolidated financial statements		Separate financial statements	
	2017	2016	31 December 2017	31 December 2016	31 December 2017	31 December 2016
	(% per annum)		*(in Baht)*			
Short-term loans to related parties						
Dusit China Capital Co., Ltd.	2.48 - 2.80	2.80 - 3.14	-	-	97,400,000	76,000,000
Dusit Thani Properties Co., Ltd.	2.80 - 2.90	2.90	-	-	248,000,000	250,000,000
Dusit Excellence Co., Ltd.	2.50 - 2.80	-	-	-	34,622,600	-
			-	**-**	**380,022,600**	**326,000,000**
Long-term loans to related parties						
Vimarn Suriya Co., Ltd.	5.20	5.26	-	-	93,122,355	47,110,000
Dusit Fudu Hotel Management (Shanghai) Co., Ltd.	7.50	7.50	88,145,634	75,416,578	-	-
Suanlum Property Co.,Ltd	3.25	-	14,037,773	-	14,037,773	-
Total			**102,183,407**	**75,416,578**	**107,160,128**	**47,110,000**

Movements in the loans to related parties were summarised as follows:

	Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	2017	2016	2017	2016
	(in Baht)			
Short-term loans to related parties				
At 1 January	-	-	326,000,000	38,500,000
Addition	-	-	65,022,600	287,500,000
Repayment	-	-	(11,000,000)	-
At 31 December	**-**	**-**	**380,022,600**	**326,000,000**
Long-term loans to related parties				
At 1 January	75,416,578	39,553,081	47,110,000	-
Addition	34,006,017	35,990,385	96,831,628	47,110,000
Repayment	-	-	(36,781,500)	-
Exchange loss on translating financial statements	(7,239,188)	(126,888)	-	-
At 31 December	**102,183,407**	**75,416,578**	**107,160,128**	**47,110,000**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

Dusit China Capital Co., Ltd., a subsidiary, has entered to a shareholder loan agreement with Dusit Fudu Hotel Management (Shanghai) Co., Ltd., a joint venture in People's Republic of China in order to lend to the joint venture totaling Chinese Yuan Renminbi 24,000,000 for its working capital for a period of 5 years. Interest rate shall be floated on the benchmark lending rate (BLR) for 1 - 5 year loan of the People's Bank of China. As at 31 December 2017 and 2016, the joint venture had outstanding long-term loan of Chinese Yuan Renminbi 17,500,000 (or Baht 88,145,634) and Chinese Yuan Renminbi 13,500,000 (or Baht 75,416,578), respectively.

The Company had entered into loan agreement with Vimarn Suriya Co., Ltd., a subsidiary for the purpose of various investments. This borrowing amount is not exceeding Baht 506 million. The interest rate is determined based on the average interest rates that banks charge to good customers minus 1% p.a., or MLR minus 1% p.a.. As at 31 December 2017, this subsidiary already withdrew such long-term loan of Baht 93,122,355.

The Company had entered into loan agreement with Suanlum Property Co., Ltd., an associate for the purpose of various investments. This borrowing amount is not exceeding Baht 100 million. The interest rate is determined based on the average interest rates that banks charge to good customers minus 2.95% p.a., or MLR minus 2.95% p.a.. As at 31 December 2017, this associate already withdrawn such long-term loan of Baht 14,037,773.

			Consolidated financial statements		Separate financial statements	
	Interest rate		31 December	31 December	31 December	31 December
	2017	2016	2017	2016	2017	2016
	(% per annum)		*(in Baht)*			
Short-term loan from related party						
MBK Hotels and Resorts Co., Ltd.*	4.1565 - 4.3767	3.4600 - 4.1565	**4,575,326**	**5,009,795**	**-**	**-**

- * MBK Hotels and Resorts Co., Ltd. is a subsidiary of MBK Public Company Limited.

Movements in the short-term loan from related party were summarised as follows:

	Consolidated financial statements For the year ended 31 December		Separate financial statements For the year ended 31 December	
	2017	2016	2017	2016
		(in Baht)		
Short-term loan from related party				
At 1 January	5,009,795	5,045,831	-	-
Exchange gain on translating financial statements	(434,469)	(36,036)	-	-
At 31 December	**4,575,326**	**5,009,795**	**-**	**-**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

28 Related parties (Continued)

Land sub-lease agreement

The Company entered into a land sub-lease agreement with Vimarn Suriya Co.,Ltd., a subsidiary ("the sub-lessee"). The sub-lessee has the right to construct building and structure on the land. The sub-lease term is for 30 years from 1 July 2024 with the right to renew the lease for another 30 years until 30 June 2084. The 7-year period from 1 July 2017 is for dismantling and new constructions. The sub-lessee prepaid the rental of Baht 1,361,652,008. The remaining rent will be paid annually for 60 years.

Building lease arrangement agreement

Vimarn Suriya Co., Ltd., a subsidiary entered into a building lease arrangement agreement with Suanlum Property Co., Ltd., an associate. The associate paid the first deposit of Baht 492,380,000 to Vimarn Suriya Co., Ltd., in June 2017 and the remaining amount will be paid according to the terms and condition as agreed.

Lease right assignment agreement

The Company entered into lease right assignment agreement to transfer the rights and obligations on a portion of lease land under the lease land agreement to Phraram 4 Development Co., Ltd. ("Rama 4") for a period of 30 years from 1 July 2024 with the right to renew the lease agreement for another 29 years and 6 months. The 7-year period from 1 July 2017 is for the dismantling and new constructions. Pursuant to the lease right assignment, the Company has already received the lease right assignment fee of Baht 100,000,000. Management, based upon legal advice, have the opinion that the Company has transferred significant rights and duties under the said land lease agreement to Rama 4 throughout the term of the land lease transfer agreement. There is no condition that the Company must return the lease right assignment fee under the agreement. Rama 4 has entered into a land lease agreement with the Crown Property Bureau. As a result, the Company recognized the lease right assignment fee in other income in the consolidated statement of income of Baht 90,000,000 based on shareholding portion and Baht 100,000,000 in the separate statement of income as at 31 December 2017.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

29 Segment information

The Group has four reportable segments, as described below, which are the Group's strategic divisions. The strategic divisions offer different services, and are managed separately because they require different marketing strategies. For each of the strategic divisions, the Chief Operating Decision Maker (CODM) reviews internal management reports on at least a quarterly basis.

Information regarding the results of each reportable segment is included below as included in the internal management reports that are reviewed by the Group's CODM. 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.

Information about reportable segments

	Hotel and hotel management		Education		Others		Non allocation		Elimination		Total	
	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016	2017	2016
							(in million Baht)					
Revenue from third party	4,561	4,786	442	473	461	117	106	49	-	-	5,570	5,425
Intercompany transactions	29	28	-	1	7	7	42	63	(78)	(99)	-	-
Total revenue	**4,590**	**4,814**	**442**	**474**	**468**	**124**	**148**	**112**	**(78)**	**(99)**	**5,570**	**5,425**
Share of profit investment	(17)	(35)	14	31	23	26	-	-	-	-	20	22
Depreciation and amortization	536	606	46	53	47	46	-	-	-	-	629	705
Profit (loss) before income tax	300	243	(1)	54	406	58	(363)	(283)	69	69	411	141
Income tax income (expense)											(79)	12
Profit for the year											**332**	**153**
Segment assets as at 31 December											**9,978**	**9,033**
Segment liabilities as at 31 December											**4,098**	**3,679**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

30 Selling expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Marketing expenses	190,522,362	189,044,032	87,901,493	107,858,272
Employee benefit expenses	140,054,901	160,875,335	53,556,722	70,114,162
Others	57,403,766	54,685,140	38,863,643	16,452,472
Total	**387,981,029**	**404,604,507**	**180,321,858**	**194,424,906**

31 Administrative expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Consulting expenses	116,538,773	117,633,232	128,938,263	86,399,464
Employee benefit expenses	765,231,399	723,845,518	375,818,336	344,634,896
Others	399,619,806	344,900,895	175,461,353	203,839,192
Total	**1,281,389,978**	**1,186,379,645**	**680,217,952**	**634,873,552**

32 Employee benefit expenses

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Salaries and employee benefits	1,879,012,361	1,695,969,912	679,844,725	668,925,899
Contributions to social security fund	26,353,533	27,316,845	9,697,553	10,060,598
Contributions to defined contribution plans	40,564,866	38,295,311	19,828,837	18,364,382
Total	**1,945,930,760**	**1,761,582,068**	**709,371,115**	**697,350,879**

Defined contribution plans

The defined contribution plans comprise provident funds established by the Group for its employees. Membership to the funds is on a voluntary basis. Contributions are made monthly by the employees at the rate of 5-10% of their basic salaries and by the Group at the rate of 5% of the employees' basic salaries. The provident funds are registered with the Ministry of Finance as juristic entities and are managed by licensed fund managers.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

33 Expenses by nature

The statements of income include an analysis of expenses by function. Expenses by nature disclosed in accordance with the requirements of various TFRS were as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Employee benefit expenses	1,945,930,760	1,761,582,068	709,371,115	697,350,879
Land and building rental expenses	469,601,122	476,168,615	161,988,810	125,400,387
Maintenance expenses	115,920,017	115,120,459	40,696,356	37,817,687
Utilities expenses	260,642,720	275,505,308	94,530,542	89,159,328

34 Finance costs

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Interest expenses				
Finance leases	94,630	267,909	-	-
Related parties	186,048	84,454	-	-
Bank loans and overdrafts	58,516,938	72,473,991	9,547,893	8,367,460
Total	**58,797,616**	**72,826,354**	**9,547,893**	**8,367,460**

35 Income tax

Income tax recognised in profit or loss

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Current tax expense				
Current year	70,790,319	16,741,690	-	-
Deferred tax expense				
Movements in temporary differences	8,110,588	(28,293,009)	(7,449,282)	(24,982,748)
Total income tax (income) expense	**78,900,907**	**(11,551,319)**	**(7,449,282)**	**(24,982,748)**

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

35 Income tax (Continued)

Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2017			2016		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax expense	Net of tax
	(in Baht)					
Translating differences on financial statements	(142,702,237)	-	(142,702,237)	(22,138,397)	-	(22,138,397)
Net change in fair value of available-for-sale investments	110,844,950	10,519,564	121,364,514	8,524,000	(1,704,800)	6,819,200
Defined benefit plan actuarial gains (losses)	18,480,116	(4,936,001)	13,544,115	6,176,914	(1,853,074)	4,323,840
Total	**(13,377,171)**	**5,583,563**	**(7,793,608)**	**(7,437,483)**	**(3,557,874)**	**(10,995,357)**

	Separate financial statements					
	2017			2016		
	Before tax	Tax expense	Net of tax	Before tax	Tax benefit	Net of tax
	(in Baht)					
Net change in fair value of available-for-sale investments	1,315,250	(263,050)	1,052,200	(112,034,968)	22,406,993	(89,627,975)
Defined benefit plan actuarial gains (losses)	20,532,073	(4,106,415)	16,425,658	-	-	-
Total	**21,847,323**	**(4,369,465)**	**17,477,858**	**(112,034,968)**	**22,406,993**	**(89,627,975)**

Reconciliation of effective tax rate

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Profit before income tax	411,270,196	141,363,639	103,032,179	133,330,928
Income tax using tax rates	87,003,679	48,431,057	20,606,436	26,666,185
Income/expenses not subject to tax	(13,506,775)	(38,747,851)	(19,913,739)	(26,942,534)
Current year losses for which no deferred tax asset was recognised	16,874,005	2,926,258	-	-
Recognition of previously unrecognized tax losses	(8,141,979)	(24,706,399)	(8,141,979)	(24,706,399)
Translating differences on financial statements	(3,328,023)	545,616	-	-
Total	**78,900,907**	**(11,551,319)**	**(7,449,282)**	**(24,982,748)**

Income tax reduction

Revenue Code Amendment Act No. 42 B.E. 2559 dated 3 March 2016 grants a reduction of the corporate income tax rate to 20% of net taxable profit for accounting periods which begin on or after 1 January 2016.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

36 Earnings per share

The calculations of basic earnings per share for the years ended 31 December 2017 and 2016 were based on the profit for the years attributable to ordinary shareholders of the Company and the number of ordinary shares outstanding during the years as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht / share)			
Profit for the year attributable to ordinary shareholders of the Company (basic)				
Profit excluding Dusit Thani College	214,209,453	35,979,574	110,481,461	158,313,676
Profit Dusit Thani College	52,828,840	78,141,700	-	-
Total	**267,038,293**	**114,121,274**	**110,481,461**	**158,313,676**
Weighted average number of ordinary shares outstanding (basic)				
Number of ordinary shares outstanding				
At 1 January	850,000,000	850,000,000	850,000,000	850,000,000
At 31 December	850,000,000	850,000,000	850,000,000	850,000,000
Less treasury shares by Dusit Thani Properties Compay Limited	(4,715,000)	(4,715,000)	-	-
Weighted average number of ordinary shares outstanding (basic)	**845,285,000**	**845,285,000**	**850,000,000**	**850,000,000**
Earnings per share (basic)				
Earnings per share excluding Dusit Thani College	0.253	0.043	0.130	0.186
Earnings per share Dusit Thani College	0.063	0.092	-	-
Total	**0.316**	**0.135**	**0.130**	**0.186**

The changes in par value of the Company as disclosed in note 25, resulted the change in weighted average number of ordinary shares and earnings per share of consolidated and separate financial statements as at 1 January 2016. The Company retrospectively adjusted the number of shares used in the calculation as if the change in par value of the shares had been taken place since the beginning of the year presented.

37 Dividends

On 27 April 2017, the general shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2016 for 850,000,000 ordinary shares at Baht 0.10 per share, totaling Baht 85,000,000 which was paid on 12 May 2017.

On 28 April 2016, the general shareholders' meeting of the Company passed a resolution to approve and appropriate retained earnings as dividend payment for the year 2015 for 85,000,000 ordinary shares at Baht 1.20 per share, totaling Baht 102,000,000 which was paid on 12 May 2016.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

38 Revenues arising from exchanges of goods or services

The Group has revenues arising from exchange of goods or services with outside parties. The Company and subsidiaries recognised revenues from such parties when the goods or services are rendered from the Company and subsidiaries. Such revenues are charged at the arms-length prices that would be charged to the other customers or at the agreed price to exchange according to each agreement.

For the years ended 31 December 2017 and 2016, revenues arising from exchange of goods or services included in revenues from sales and services are as follows:

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Revenues arising from exchanges of goods or services	**26,540,208**	**35,909,668**	**23,451,640**	**33,268,809**

39 Financial instruments

Credit risk

Credit risk refers to the risk that counterparty will default on its contractual obligations resulting in a financial loss to the Group.

Concentrations of the credit risk with respect to trade receivables are limited due to the large number of customers comprising the customer base, and dispersion across different geographic regions in Thailand and overseas.

In the case of recognised financial assets, the carrying amount of the assets recorded in the statements of financial position, net of a portion of allowance for doubtful debts, represents the Group's maximum exposure to credit risk.

Foreign currency risk

Foreign exchange risk arises from the change in foreign currency exchange rates to have an adverse effect on the Group in the current reporting period and in future years. The Group expects that there may be an effect from changes in exchange rates resulting from investment in foreign currencies which has not been hedged. The Group expect that the effect from foreign exchange risk on its financial statements will not be material.

Interest rate risk

Interest rate risk in the statements of financial position arises from the potential for a change in interest rates to have an adverse effect on the Group in the current reporting period and in future years.

Information regarding interest rates and term of payments of loan are disclosed in notes 20 and 22 to the financial statements.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

39 Financial instruments (Continued)

Foreign currency risk

The Group have exposed to foreign currency risk relating to purchases and sales which are denominated in foreign currencies with maturities of less than one year. The Group does not hedge such financial assets and liabilities denominated in foreign currencies.

Carrying amount and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy for financial instruments measured at fair value. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Consolidated financial statements			
	Carrying amount	Fair value		
		Level 1	Level 2	Total
		(in Baht)		
31 December 2017				
Financial assets/Financial liabilities measured at fair value				
Available-for-sale investments	475,809,800	12,786,600	463,023,200	475,809,800
Long-term loans from financial institutions	1,001,707,470	-	1,001,707,470	1,001,707,470
Long-term loans from others	130,833,653	-	130,833,653	130,833,653
31 December 2016				
Financial assets/Financial liabilities measured at fair value				
Available-for-sale investments	364,964,850	10,096,350	354,868,500	364,964,850
Long-term loans from financial institutions	1,209,825,838	-	1,209,825,838	1,209,825,838

	Separate financial statements			
	Carrying amount	Fair value		
		Level 1	Level 2	Total
		(in Baht)		
31 December 2017				
Financial assets/Financial liabilities measured at fair value				
Available-for-sale investments	42,161,600	12,786,600	29,375,000	42,161,600
31 December 2016				
Financial assets/Financial liabilities measured at fair value				
Available-for-sale investments	40,846,350	10,096,350	30,750,000	40,846,350

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

40 Commitments

40.1 Capital commitments

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
	(in Baht)			
Contracted but not provided the services	**33,485,901**	**70,429,352**	**8,430,028**	**20,555,559**

40.2 Service agreement commitments

Within one year	24,261,690	109,480,903	47,043,161	77,144,805
After one year but within five years	12,628,402	21,443,142	18,143,300	7,748,776
Total	**36,890,092**	**130,924,045**	**65,186,461**	**84,893,581**

40.3 Other commitments

Bank guarantee	**23,622,208**	**23,568,500**	**15,611,800**	**15,611,800**

As at 31 December 2017 and 2016, the above bank guarantee include bank guarantee of a subsidiary of Baht 2,082,208 and Baht 2,028,500, respectively, which were pledged by cash at bank of the subsidiary.

40.4 Contractual commitments

Dusit Thani College

Dusit Thani College entered into agreements with institutions in order to provide international courses as follows:

1) Le Cordon Bleu, Switzerland for a period of 10 years, starting June 2006. Dusit Thani College has to pay royalty fee to Le Cordon Bleu as specified in the agreement. During 2016, Dusit Thani College renewed the engagement for another 5 years, starting May 2016.

2) Ecole Hotelier de Lausanne, Switzerland for a period of 3 years, starting February 2013. Dusit Thani College has to pay royalty fee to Ecole Hotelier de Lausanne as specified in the agreement. During 2015, Dusit Thani College renewed the agreement for another 3 years, starting February 2016.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

40 Commitments (Continued)

Dusit Overseas Co., Ltd.

On 9 October 2014, the Company guaranteed to an overseas hotel owner for technical, management and other services as specified in the hotel management agreement entered into by Dusit Overseas Co., Ltd., a subsidiary in Hong Kong. Term and conditions are as specified in the hotel management agreement.

40.5 Long-term operating leases

	Consolidated financial statements		Separate financial statements	
	2017	2016	2017	2016
		(in Baht)		
Within one year	109,008,895	108,512,245	51,600,000	48,000,000
After one year but within five years	440,885,613	450,899,013	211,200,000	208,800,000
After five years	5,801,074,906	2,244,814,742	4,078,466,961	343,200,000
Total	**6,350,969,414**	**2,804,226,000**	**4,341,266,961**	**600,000,000**

Long-term operating leases were as follows:

Dusit Thani Public Company Limited

The land lease agreement of Dusit Thani Hotel, Bangkok and Dusit Thani Office Building dated 16 March 1966 between The Crown Property Bureau and the Company scheduled to expire on 31 March 2003 which the right on building transferred to the lessor since the date of construction completion. However, under the condition of the lease, the Company can extend the lease period twice for a period of 15 years each with related lease payments to be renegotiated by both parties.

On 26 August 2002, the Company signed the first extension of the above land lease agreements for period from 1 April 2003 to 31 March 2018. The prepaid rental for the period of 15 years is Baht 1,100,000,000.

In December 2016, the Company entered into a land lease agreement to develop a Mixed Use Property Development Project with the Crown Property Bureau for a period of 30 years from 1 July 2024 with the right to renew for another 30 years. The construction in grace period is 7 years from 1 July 2017. The Company will dispose the current leasehold right on the land which will expire in March 2018 and the right to renew the land lease agreement for another 15 years in order to validate the new land lease agreement. Total rental fee is Baht 7,334,121,600 of which Baht 1,466,824,320 will be paid in 2017. The remaining amount will be gradually paid from 2024 onward. The Company has to comply with conditions as specified in the agreement.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

40 Commitments (Continued)

On 27 April 2017, the annual general shareholders' meeting of the Company passed a resolution the execution of Land Lease Agreement with The Crown Property Bureau, with a term of 30 years (excluding the Project's construction period of 7) and at the end of the lease term, the Company will be entitled to renew the agreement for another 30 years on the same terms and conditions in order to invest in the mixed-use project. On 28 June 2017, the Company paid the first lease payment for 20% as specified in the lease contract to The Crown Property Bureau for the Company portion (see note 16).

On 27 January 2006, the Company entered into a land lease agreement with Siri Pattaya Company Limited for rental period 22 years started from 1 January 2006 to 31 December 2027. Currently, Dusit Thani Hotel, Pattaya (formerly, Dusit Resort Pattaya) is now located on the land. Total rent through the lease agreement is Baht 1,002,000,000. The rental payment may vary in accordance with fluctuation in the Swiss Franc exchange rate. During the lease period, if the Swiss Franc is cancelled, the exchange rate between Baht and USD will be used instead. In this case, the rate to be used is the average exchange rate for USD on the date of the original agreement, which is a commercial bank's selling rate announced by The Bank of Thailand, one USD for Baht 39.14. When the lease agreement is expired, the Company can extend the lease twice for a period of 10 years each with related lease payments to be renegotiated by both parties.

Philippine Hoteliers, Inc.

Philippine Hoteliers, Inc., an indirect subsidiary, has a lease agreement for the land on which the hotel building is situated with a specified rental payable quarterly at a rate of 5% of the annual gross income. The term of the lease is up to 31 December 2002 and is renewable for another period of 25 years at the option of the subsidiary. Upon termination of the lease, the subsidiary shall return and surrender to the lessor the leased property together with the building constructed thereon, and with all the permanent fixtures therein.

On 17 May 2001, the term of the lease was renewed for an additional period of 25 years from 1 January 2003 to 31 December 2027, under the same terms and conditions.

Dusit Management Co., Ltd.

On 24 December 2010, Dusit Management Co., Ltd., a subsidiary entered into lease agreements for operating assets of Dusit Thani Laguna Phuket, dusitD2 ChiangMai and sublease agreement for operating assets of Dusit Thani Hua Hin from Dusit Thani Freehold and Leasehold Property Fund ("the Fund") for a period of 3 years and has rights to renew such lease and sublease agreements for 6 times with a 3-year period each. The Company guaranteed the minimum lease and/or sublease payment by these subsidiaries to the Fund (see note 41).

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

40 Commitments (Continued)

The rental amount detailed as follows:

1) Fixed rental of Baht 205,000,000 per year, monthly payment amount was specified in the lease agreement. Rental amount during 24 December 2010 to 31 December 2010 was calculated by days in proportion of such rental amount.

2) Variable rental is paid on a quarterly basis which is calculated based on percentage of hotel operating profit before interest, income tax and depreciation and amortisation (EBITDA). The percentages specified as follows:

Years 2011 - 2016	90%
Years 2017 - 2022	85%
Years 2023 onwards	80%

Rental amount during 24 December 2010 to 31 December 2010 was calculated by days, using 90%.

On 14 September 2017, the Meeting of Unitholders passed resolutions approving the conversion of the Dusit Thani Freehold and Leasehold Property Fund ("the Fund") into Dusit Thani Freehold and Leasehold Real Estate Investment Trust ("the Trust"), the dissolution and the liquidation of the Fund. The dissolution date set by the Fund was on 12 December 2017 and transferred its assets, liabilities and obligations to the Trust which incorporated on 29 November 2017.

The Trust has set rent as follows:

1. Fixed rental will be calculated according to the rental agreement calculated, nevertheless the fixed rental will not less than Baht 205 million.

2. Variable rental will refer to hotels performance.

DMS Property Investment Pvt. Ltd.

DMS Property Investment Pvt. Ltd. have right on leasehold land from the Government of Republic of Maldives, resort and construction on Mudhdhoo Island, Baa Atoll, Republic of Maldives for 50 years, due within September 2059 (see note 16).

As at 31 December 2017, the rental for remaining lease periods are as follows:

Due period	**Amount (USD)**
Less than 1 year	1,000,000
After 1 year but less than 5 years	4,000,000
After 5 years	39,182,787

However, DMS Property Investment Pvt. Ltd. can amortise prepaid rental amounting to USD 5,000,000 as rental expense of USD 1,000,000 per year for a period of 5 years from 23 January 2012 and the prepaid of additional yearly rental of USD 100,000 for last 15 years can partially be yearly rental of such last 15 years.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

40 Commitments (Continued)

Dusit Thani College

On 23 June 2010, Dusit Thani College, an indirect subsidiary entered into a sublease agreement for land where Dusit Thani College (Pattaya Campus) with a school for a period of 21 years starting from 23 June 2010 to 22 June 2031. Total rental through the lease agreement is Baht 129,303,750.

Dusit Thani College has pledged a rental deposit of Baht 12,000,000 which is included in other non-current assets. Dusit Thani College has rights to renew the lease under new terms and conditions.

Dusit Excellence Co., Ltd.

On 19 December 2014, Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.), a subsidiary has entered into a lease land and building agreement with a third party for 1 year from 1 January 2015 to 31 December 2015 and a sublease land and building agreement from an education institution to renovate the building for a vocational school for a period of 30 years from 1 January 2016 to 31 December 2045. Total rental through the lease period is Baht 566,547,300. This subsidiary has sole right to extend the lease agreement for another 10 years from the expiry date of the sublease agreement.

41 Contingent liabilities

Dusit Thani Public Company Limited

On 26 June 2001, the Company paid Baht 44,246,000 to the Official Receiver on behalf of World Intertrade Corporation Co., Ltd. The Company thereafter submitted a notice to World Intertrade Corporation Co., Ltd. requesting for the repayment of debt to the Company. However, the Company did not receive any repayment from World Intertrade Corporation Co., Ltd. Therefore, on 19 December 2001, the Company filed a claim in the Southern Bangkok Civil Court against World Intertrade Corporation Co., Ltd. for demanding the repayment of Baht 45,782,488 which the Company has a lawful right to claim.

On 7 December 2001, World Intertrade Corporation Co., Ltd. filed a claim in the Southern Bangkok Civil Court against the Company. The claim demanded the return of property (Dusit Thani Hotel, Pattaya) and damages. The amount claimed for damages is Baht 2,760,000,000. The Company has already filed an answer to the claim on such issue with the Southern Bangkok Civil Court on 16 January 2002 due to the reason that the Company has peacefully and openly possessed the property with intention to be its owner for more than 10 years and has obtained the building by operation of law.

On 29 July 2002, the Southern Bangkok Civil Court ordered to tie conjointly the following cases, the case under which World Intertrade Corporation Co., Ltd. sued the Company calling for its assets (Dusit Thani Hotel, Pattaya) and claiming for compensation on ground of wrongful act of the Company and the case under which the Company sued World Intertrade Corporation Co., Ltd.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

41 Contingent liabilities (Continued)

On 26 March 2004, the Court has declared the case filed by World Intertrade Corporation Co., Ltd. had been dismissed with the verdict that the Company is the owner of the property (Dusit Thani Hotel, Pattaya) by virtue of the law found in the Civil and Commercial Code of Thailand, sections 1382 and 1385 without doubt and the Court has given the verdict that World Intertrade Corporation Co., Ltd. must pay compensation amounting to Baht 45,782,488 with 7.5% interest per annum of the principal amount of Baht 44,246,000 starting from 20 December 2001 until the entire amount has been fully paid.

On 26 April 2004, World Intertrade Corporation Co., Ltd. appealed to the Appeal Court. On 7 July 2004, the Company then filed the appeal answer and filed the objection against petition requesting the Court to delay the execution.

On 31 January 2005, the Company filed a bankruptcy case against World Intertrade Corporation Co., Ltd. with the Central Bankruptcy Court. Thereafter, on 11 July 2005, the Central Bankruptcy Court granted the receivership order. Then, on 9 August 2005, World Intertrade Corporation Co., Ltd. filed the appeal against the receivership order and the Company then filed the appeal answer against the said appeal. On 21 October 2008, the Bankruptcy department of the Supreme Court has considered by sustaining result of the Court of First Instance to the receiving order of World Intertrade Corporation Co., Ltd.

On 30 January 2006, the Official Receiver of World Intertrade Corporation Co., Ltd. carried out the case to the Southern Bangkok Civil Court against the Company to claim for returning of the assets (Dusit Thani Hotel, Pattaya).

On 3 April 2007, the Southern Bangkok Civil Court made an appointment with litigant the result of case of the Appeal Court of World Intertrade Corporation Co., Ltd. filed the Company to the Southern Bangkok Civil Court to claim for returning of the assets (Dusit Thani Hotel, Pattaya) by standing the result of the Court of First Instance to dispose such case of World Intertrade Corporation Co., Ltd. out of the case list.

On 3 May 2007, World Intertrade Corporation Co., Ltd. made Dika appeal to the Supreme Court with the Southern Bangkok Civil Court against the decision of the Court of First Instance and Appeal Court. However, on 26 July 2007, the Company appealed against such Dika appeal.

On 31 July 2013, the Supreme Court confirmed the decision of the Court of First Instance and Appeal Court. The civil case was absolute. Also, World Intertrade Corporation Co., Ltd., shall be responsible for lawyer fees in amount of Baht 200,000 on behalf of the Company.

However, World Intertrade Corporation Co., Ltd., was unable to pay such lawyer fees to the Company, which this was on the ground that World Intertrade Corporation Co., Ltd. was granted the receivership order by the Bankruptcy Division of the Supreme Court. The official receiver later sent the Company a notice dated 16 September 2013 to inform that the official receiver could not collect any possessions of World Intertrade Corporation Co., Ltd. which the same was reported to all of its creditors also. The case will be closed after all creditors acknowledged such report back to the official receiver. Recently, a precise period to close this case cannot be predicted.

During 2017, the Company was litigated against for the dismissal of employees approximately Baht 21.8 million. The case is under consideration by the Central Labor Court. However, the Management of the Company believes that it is not probable that the Company will have to pay the compensation. Therefore, the Company does not record such provision as at 31 December 2017.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

41 Contingent liabilities (Continued)

Philippine Hotelier, Inc.

For Philippine Hoteliers, Inc., an indirect subsidiary, as at 31 December 2017 and 2016, there are pending litigations, unasserted claims, and contingent liabilities that may arise in the normal course of operations of the subsidiary which are not reflected in the accompanying financial statements such as pending labor dispute cases filed with the National Labour Relations Commission - National Capital Region. The subsidiary's management is of the opinion that expenses, if any, from these contingencies, are not significant and will not have material adverse effects and no provision has been made on subsidiary's financial statements.

Dusit Thani Public Company Limited and DMS Property Investment Pvt. Ltd.

As at 31 December 2017 and 2016, the Company has contingent liabilities from guarantee to DMS Property Investment Pvt. Ltd., an indirect subsidiary in Republic of Maldives for short-term and long-term loans not exceeding USD 29,250,000.

Dusit Thani Public Company Limited and Dusit Excellence Co., Ltd.

As at 31 December 2017 and 2016, the Company has contingent liabilities from guarantee to Dusit Excellence Co., Ltd. (formerly, Dusit Thani Hotel Studies Co., Ltd.) a subsidiary for short-term and long-term loans not exceeding Baht 131,200,000.

42 Others

42.1 Investment in overseas

On 24 March 2015, the Board of Directors of the Company approved the establishment of a joint venture in Saudi Arabia, namely Dusit Saudi LLC, which invested by Dusit Overseas Co., Ltd., an indirect subsidiary, in order to provide hotel management and technical consultancy services with an authorised share capital of USD 0.13 million (approximately Baht 4.38 million). The subsidiary will invest at 51%. On 2 April 2015, Dusit Overseas Co., Ltd. has signed the joint venture agreement.

As of 31 December 2017, the subsidiary has not called its share subscription.

42.2 Dusit Bird Hotels Pvt. Ltd.

On 9 August 2016, the Board of Directors of the Company approved to close the joint venture in India, namely Dusit Bird Hotels Pvt. Ltd. which was invested by the Company at 50%, because of the difference in management strategies. The joint venture will be liquidated later on according to Indian law.

43 Events after the reporting period

43.1 On 3 January 2018, the Company sold 440 ordinary shares of Saladang Property Management Co., Ltd. to the third party at the agreed price.

43.2 On 8 February 2018, Vimarn Suriya Co., Ltd. called the additional share subscription from the existing shareholders at 5%.

Dusit Thani Public Company Limited and its Subsidiaries
Notes to the financial statements
For the year ended 31 December 2017

43 Events after the reporting period (Continued)

43.3 On 9 February 2018, The Company entered into a long-term loan agreement with a financial institution of Baht 115,450,000 to repayment the existing borrowing of Dusit Excellence Co., Ltd. (formerly, Dusit Thai Hotel Studies Co., Ltd.) with this financial institution. The withdrawal of this loan is within February 2018. The terms are the same as mentioned in the said agreement (see note 22).

43.4 On 22 February 2018, the Board of Directors of the Company considered to propose dividend payment for the year 2017 to shareholders by appropriation from retained earnings for 850,000,000 ordinary shares at Baht 0.158 per share, totalling Baht 134,300,000. The Board of Directors will propose such dividend payment to the annual general shareholders' meeting.

Board of Directors, Executives, Authorized Persons and Company Secretary

Board of Directors

As of 31 December 2017

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
1. Mr. Arsa Sarasin - Independent Director / Chairman **Director Appointing Date** March 24th, 2015 **Relationship** - None	81	- Bachelor of Business, Boston University, USA - Honorary Doctoral Degree in Political Science (International Affair), Thammasat University, Thailand - Director Accreditation Program (DAP) 5/2003 - Audit Committee Program (ACP) 19/2007 - Finance for Non-Finance Directors 39/2008 - Role of Chairman Program 32/2013 Thai Institute of Directors Association	None	Present	Independent Director / Chairman	Dusit Thani Plc.
					Position in Other Listed Companies	
				Present	Chairman	Padaeng Industry Plc.
					Chairman / Independent Director	Siam Makro Plc.
					Director / Corporate Social Responsibility Committee for Sustainable Development Chairman / Governance and Nomination Committee Member	The Siam Cement Plc.
					Position in other Businesses	
				Present	Chairman	Thai Asia Pacific Brewery Co., Ltd.
					Chairman	Amata City Co., Ltd.
					Chairman	Mitsubishi Elevator Asia Co., Ltd.
					Director	Thainamthip Co., Ltd.
					Experiences	
				2013 - 2016	Vice Chairman / Chairman of Audit Committee	Charoen Pokphand Foods Plc.
				2000 - 2012	His Majesty's Office of H.M. Principal Private Secretary	Office of H.M. Principal Private Secretary
				1995 - 1999	Vice Chairman	Bangkok Bank Plc.
				1994 - 2004	President of the Association	Thai-Laos Association
				1991 - 1992	Minister	Ministry of Foreign Affairs
				1986 - 1988	Ambassador	Royal Thai Embassy, USA
				1982 - 1986	Permanent Secretary	Ministry of Foreign Affairs
				1977 - 1980	Ambassador	Royal Thai Embassy, Belgium

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
2. Professor Hiran Radeesri - Independent Director/ Audit Committee Chairman **Director Appointing Date** April 30th, 1999 **Relationship** - None	88	- MBA Wharton School, University of Pennsylvania, USA - Honorary Degree of Doctor of Accounting, Thammasat University - Certificate (High Level) of Accounting, Thammasat University - Director Certification Program (DCP) 0/2000 Thai Institute of Directors - Fellow Member, Thai Institute of Directors Association - Diploma, National Defense College, 1981 - Director Training Certificate, School of Management, Yale University, USA - Thai Financial Reporting Standards (TFRSs) Pack 5 & Fair Value 2/2016 - Understanding Financial Reporting Standards Federation of Accounting Professions Under the Royal Patronage of His Majesty the King - Thai Financial Reporting Standards (TFRSs) 2017 - Accounting Standard 2017 - Trainings by Thai Institute of Directors	None	Present	Independent Director / Compensation Committee Chairman / Governance and Nomination Committee Chairman	Dusit Thani Plc.
				2015 - Present	Audit Committee Chairman	
					Position in Other Listed Companies	
				2000 - Present	Director / Audit Committee Chairman	Thaicom Plc.
				1999 - Present	Director / Audit Committee Chairman	Navakij Insurance Plc.
					Position in other Businesses	
				Present	Academic Qualified Member of Accountancy	Thammasat University
				2015 - Present	Honorable Committee of University Council Chairman	The Stock Exchange of Thailand
					Governance and Social Responsibility Specialist	The Stock Exchange of Thailand
				2003 - Present	President of Working Group for Sustainable Investment	The Stock Exchange of Thailand
				2002 - Present	Chairman of Tax Auditors Examination	The Revenue Department
				2002 - Present	Committee Qualified Council Member	University Council, Thammasat University
					Experiences	
				1999 - 2014	Audit Committee Chairman	Dusit Thani Plc.
				2000 - 2008	Chairman	Thai Institute of Directors
				1990 - 1994	Chairman	Metropolitan Rapid Transit Authority
				1986 - 1988	Governor	State Railway of Thailand

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
3. Mrs. Pranee Phasipol - Independent Director/ Audit Committee Member **Director Appointing Date** April 29th, 2013 **Relationship** - None	68	- Master of Science in Accounting, Thammasat University - Bachelor of Business Administration, Major: Accounting (Second Class Honors), Thammasat University - Diploma, National Defence College, The Joint State - Private Sector Course, Class 2003 - 2004 - Diploma in Public Law, Batch 9, Thammasat University and The Office of the Council of State - Top Executive Program in Commerce and Trade (TEPCoT), Batch 2, Commerce Academy - Certificate of Civil Service Executive Development Program, Course 1, Batch 30, Office of the Civil Service Commission - Certificate of Change Management, Ripa International, UK - Certified Public Accountant Federation of Accounting Professions Under the Royal Patronage of His Majesty the King - Director Certification Program (DCP) 10/2001 - Director Certification Program Update (DCP) 3/2015 - Anti-Corruption for Executive Program - Role of Compensation Committee 20/2015 - Risk Management Program for Corporate Leaders Class 1/2015 - Advance Audit Committee Programs (AACP) - Risk Management Plan 11/2016 - Nomination and Role of the Governance Committee 8/2016 Thai Institute of Directors Association - Quality Development of Accountancy by Securities and Exchange Commission, Thailand	None	2013 - Present 2015 - Present

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
		- AC Forum 2017 by KPMG Phoomchai Audit Co., Ltd. - CEO Succession Management Thai Institute of Directors Association - Compensation and Benefits Design Fundamental and Practical Master Class 2017 By Omegaworldclass - Board Matters and Trends No. 2/2017 Thai Institute of Directors Association			**Experiences**	
				2007 - 2010	Chief of Inspector General	Ministry of Commerce
				2006	Commercial Advisor	Ministry of Commerce
				2004	Deputy Director General, Business Development Department	Ministry of Commerce
				2000	Deputy Director General, Insurance Department	Ministry of Commerce
4. Professor Dr. Kittipong Kittayarak - Independent Director / Audit Committee **Director Appointing Date** April 1st, 2016 **Relationship** - None	59	- Doctor of the Science of Law or J.S.D., Stanford University, USA (Fulbright Scholar Program) - Master of Laws (LL.M.), Harvard University, USA (Fulbright Scholar Program) - Master of Laws (LL.M.), Cornell University, USA - Bachelor of Laws (Honor), Chulalongkorn University - Barrister-at-Law, Institute of Legal Education Thai Bar Assosiation - Director Accrediation Program (DAP) 11/2014 - Advanced Audit Committee Program (AACP) 18/2015, Thai Institute of Directors Association	None	2016 - Present	Independent Director / Audit Committee Member	Dusit Thani Plc.
					Position in Other Listed Companies	
				2014 - Present	Independent Director and Chairman of the Audit Committee	PTT Plc.
				2014 - Present	Independent Director, Chairman of the Audit Committee / Member of the Compliance Committee	Krung Thai Bank Plc.
					Position in other Businesses	
				2017 - Present	Sub-Committee on Foreign Affairs	The Court of Justice
				2017 - Present	Member of Executive Committee and Vice Chairman	Friends in need (of "PA") Volunteers Foundation Thai Red Cross
				2016 - Present	Honorary Director	National Commission for Justice Administration Development
				2015 - Present	Executive Director	Thailand Institute of Justice
				2015 - Present	Honorary Director	Office of The Narcotics Control Board
				2014 - Present	Chairman, Board of Trustees	Bangkok University
				2011– Present	Executive Director and Chairman (Thailand Branch)	Asia Crime Prevention Foundation - ACPF
				2010 - Present	Committee	Thai Bar Association
				2009 - Present	Honorary Member	Mahidol University Council
					Experiences	
				2014 - 2015	Advisor to the Prime Minister	The Secretariat of the Cabinet
				2008 - 2014	Permanent Secretary	Ministry of Justice
				2005 - 2008	Deputy Permanent Secretary	Ministry of Justice

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
5. Prof. Emeritus Dr. Khunying Suchada Kiranandana - Independent Director **Director Appointing Date** March 1st, 2017 **Relationship** - None **Remark** * the Board of Directors appointed Emeritus Prof. Dr. Khunying Suchada Kiranandhana as independent director to replace Mr. Banterng Tantivit effective from March 1st, 2017.	71	- Ph.D. Department of Statistics Harvard University, U.S.A. - A.M. Department of Statistics Harvard University, U.S.A. - Bachelor Degree of Commerce (Honor), Faculty of Commerce and Accountancy, Chulalongkorn University - Director Certification Program 0/2000 Thai Institute of Directors Association	None	Present	Independent Director	Dusit Thani Plc.
					Position in Other Listed Companies	
				Present	Vice Chairman / Independent Chairman/ Chairman of Human Resource	Kasikornbank Plc.
					Director / Risk Management Committee Chairman / Audit Committee Chairman	Sermsuk Plc.
					Position in other Businesses	
				Present	University Council Chairman Chairman	Chulalongkorn University
					Chairman of Working Committee	Phufa
					Director / Audit Committee / Chairman of Human Resource	Thai Red Cross Society
					Director	Prince Mahidol Foundation
					Director	Chitralada Technology College
					Experiences	
				2011 - 2014	Executive Committee Chairman	Mahidol Wittayanusorn School
				2006 - 2008	Member	The National Legisttive Assembly
				2004 - 2008	President	Chulalongkorn University
				1999 - 2004	Dean of Graduate School	Chulalongkorn University
				1991 - 1999	Dean, Faculty of Commerce and Accountancy	Chulalongkorn University
				1988 - 2008	Councilor	Chulalongkorn University

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
6. Mr. Pakhawat Kovithvathanaphong*	68	- Master's Degree of Marketing & Finance, The Wharton School, University of Pennsylvania	None	Present	Independent Director	Dusit Thani Plc.
					Position in Other Listed Companies	
- Independent Director		- Bachelor Degree of Economics (First Class Honors), Thammasat University		2001 - Present	Chairman of the Board of Directors	Trinity Watthana Public Co., Ltd.
				2011- Apr 2018	Independent Director / Audit Comitee Member	Thai Rubber Latex Corporation (Thailand) Public Company Limited
Director Appointing Date		- Director Certification Program Batch 58/2005				
March 1st, 2017		- Corporate Governance for Capital Market Intermediaries Batch Exclusive 2014		1999 - Present	Audit Comittee Chairman	Land and Houses Public Company Limited
Relationship		- Thai Institute of Directors Association			**Position in other Businesses**	
- None		- Certificate of Leadership Program at Capital Market Academy Batch 5		2017 - Present	Chairman	Smart ID Group Ltd.
				2015 - Present	Director	Sukhumvit 62 Medical Ltd.
Remark		- Bachelor Degree of Thailand National Defence College Batch 344		2012 - Present	Selection Committee for Personnel and Public Officers to Join Public Service Executive Development Program: PSED	Office the Public Sector Development Commission
* The Board of Directors appointed Mr. Pakhawat Kovithvathanaphong as independent director to replace this position effective from March 1st, 2017.		- Certificate course of Corporate Governance for Director and Senior Executive of State Enterprises and Public Organization, King Prajadhipok's Institute Batch 15		2010 - Present	Advisor to Board of Directors	Association of Thai Securities Company
				2009 - Present	Advisor to Minister Working Committee of MOA and	Thai Listed Companies Association State Enterprise Policy Office
				2000 - Present	State Enterprises Performance (per branch)	(SEPO.), Ministry of Finance
					Experiences	
				2015 - 2017	Honorary Director	Government Pension Fund (Thailand)
				2011 - Apr 17	Vice Chairman	Thai Bond Market Association
				2010 - Apr 17	Director / Chairman of Corporate Strategy Unit	TSFC Securities Public Company Limited

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
7. Mr. Somprasong Boonyachai - Independent Director **Director Appointing Date** July 1st, 2017 **Relationship** - None **Remark** * The Board of Directors appointed Mr. Somprasong Boonyachai as independent director to replace this position effective from July 1st, 2017	62	- Master Degree in Engineering, (IE&M) University, The Asian Institute of Technology (AIT) - Bachelor Degree in Engineering (Production Engineering, P.E.), King Mongkut's University of Technology Thonburi - Director Certification Program Batch 67 Thai Institute of Directors Association	None	Present	Independent Director	Dusit Thani Plc.
					Position in Other Listed Companies	
				Present	Vice Chairman	Advanced Info Service Public Company Limited
					Executive Committee Chairman / Director	BEC World Public Company Limited
					Director	Intouch Holdings Public Company Limited
					Director	Thaicom Public Company Limited
					Position in other Businesses	
				Present	Vice Chairman	Osotspa Co., Ltd.
					Experiences	
				2008 - 2015	Group CEO / Executive Committee Chairman	Intouch Holdings Public Company Limited
				2007 - 2008	Group CEO	Advanced Info Service Public Company Limited

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
8. Mrs. Varang Chaiyawan - Director - Authorized Director entitled to sign Company's bidning **Director Appointing Date** August 11st,, 2009 **Relationship** - None	50	- MBA Finance and Investment, George Washington University, Washington D.C., USA - Bachelor of Accountancy, Thammasat University (First class honors) - Director Accreditation Program 60/2006 Thai Institute of Directors Association - Certified Financial Planner Batch 1, Thai Financial Planners Association - The Invitation Life Insurance Top Executives Seminar 2008, FALIA, JAPAN - The student of Capital Market Academy (CMA), The Stock Exchange of Thailand, Batch 5 - Director Accreditation Program 131/2016 Thai Institute of Directors Association	2.57	Present Apr 16 - Present Present Present 2000 - 2012 2007 - 2009 2001 - 2006	Director Governance and Nomination Committee and Compensation Comittee Director **Position in Other Listed Companies** - None - **Position in other Businesses** Director / Senior Deputy Managing Director Chief Executive Officer Director **Experiences** Director Director Vice President	Dusit Thani Plc. Dusit Thani Plc. Dusit Thai Properties Plc. Thai Life Insurance Plc. Thai Health Insurance Plc. Sangsom Co., Ltd. Kanchanasingkorn Co., Ltd. Thanapakdi Co., Ltd. Fuengfuanant Co., Ltd. Mongkolsamai Co., Ltd. V.C. Property Co., Ltd. Thai Ginebra Trading Co., Ltd. Phetkarnkha Co., Ltd. Fitch Ratings (Thailand) Ltd. Thai Asia Pacific Brewery Co., Ltd. Thai Life Insurance Co., Ltd.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
9. Mr. Kenneth Korsirisophon - Director **Director Appointing Date** April 30th, 2003 **Relationship** - None	47	- Bachelor of Science in Applied Mathematics and Economics (Magna Cum Laude), Brown University, U.S.A.	10.23	2003 - Present	Director	Dusit Thani Plc.
					Position in Other Listed Companies	
				1994 - Present	Director / Managing Director	Pioneer Global Group Ltd. (Listed Company in the Stock Exchange of Hong Kong)
					Position in other Businesses	
				Present	Director	Pioneer iNetwork Limited
				2008 - Present	Director	Cape Nga Development Ltd.
				2005 - Present	Director	Gaw Capital Partners
				2003 - Present	Director	Pioneer Hospitality Siam (GBR) Ltd.
				1994 - Present	Director	Strand Hotels International Ltd.
					Director	Myanmar Hotel International Pte. Ltd.
					Experiences	
				2000 - 2006	Director	Siam Food Products Plc.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
10. Mr. Chanin Donavanik - Vice Chairman and Executive Committee Chairman - Authorized Director entitled to sign the Company's binding **Director Appointing Date** February 28, 1980 **Relationship** - Brother of Mrs. Sinee Thienprasiddhi	60	- Master of Business Administration (MBA), Boston University, U.S.A. - Director Certification Program 72/2006 - Director Accreditation Program 10/2004 - Thai Institute of Directors Association	49.94 Included in the group of Thanpuying Chanut Piyaoui	Aug 17 - Present	Chairman	Dusit Thani Properties REIT Co., Ltd.
				Apr 17 - Present	Director	Dusit Colours Co., Ltd.
				Jan 16 - Present	Vice Chairman and Executive Committee Chairman	Dusit Thani Plc.
				2006 - 2015	Managing Director/ Chief Executive Officer	Dusit Thani Plc.
				2016 - Present	Director	Vimarn Suriya Co., Ltd.
				2015 - Present	Chairman	Philippine Hoteliers International Center for Hospitality Education, Inc.
				2014 - Present	Director	Dusit Excellence Co., Ltd.
				2014 - Present	Director	Dusit Fudu Hotel Management (Shanghai) Co., Ltd.
				2014 - Present	Vice Chairman	Dusit Thani College
				2013 - Present	Director	Dusit China Capital Co., Ltd.
				2012 - Present	Director	Dusit USA Management Inc.
				2011 - Present	Director	Dusit Bird Hotels Pvt. Ltd.
				2011 - Present	Director	DMS Property Investment Pvt. Ltd.
				2010 - Present	Director	Dusit Management Co., Ltd.
				2009 - Present	Director	Dusit Thai Properties Plc.
				2008 - Present	Director	Dusit Worldwide Co., Ltd.
				2008 - Present	Director	Dusit Overseas Co., Ltd.
				2006 - Present	Director	Le Cordon Bleu Dusit Co., Ltd.
				2000 - Present	Director	Devarana Spa Co., Ltd.
				1995 - Present	Chairman	Philippine Hoteliers, Inc.
				1990 - Present	Director	Dusit Thani Properties Co., Ltd
					Position in Other Listed Companies	
				Apr 17 - Present	Director / Corporate Governance Committee	Kasikornbank Plc.
					Position in other Businesses	
				Present	Chairman of Tourism and Service Business Committee	Thai Chamber of Commerce
				Present	Head of Private Sector	Public-Private Steering Committee, D6 MICE and tourism promotion
				2015 - Present	Director	Piyasiri Co., Ltd.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
				2013 - Present	Director	JTB (Thailand) Co., Ltd.
				2010 - Present	Director	Chanut and Children Co., Ltd.
				1989 - Present	Director	Thai-Japan Gas Co., Ltd.
				1988 - Present	Director	Thana Jirang Co., Ltd.
					Experiences	
				2016 - Jun 2017	Director	Saladang Property Management Co., Ltd. / Pharam 4 Development Co., Ltd. / Suan Lum Property Co., Ltd.
				2010 - 2016	Director of Investment Committee	Dusit Thani Freehold and Leasehold Property Fund
				2010 - 2016	Board Member	The Emirates Academy of Hospitality Management
				2006 - 2008	Member	National Legislative Assembly
				2006 - 2008	Committee	Tourism and Industrial Committee of National Legislative Assembly
				2006 - 2008 & 1999 - 2000	President	Asean Hotels and Restaurants Association
				2004 - 2008 & 1998 - 2002	President	Thai Hotels Association
				2001 - 2003	Chairman Committee on Tourism and Hotel Industries	The Thai Chamber of commerce

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
11. Mrs. Sinee Thienprasiddhi - Director and Executive Director - Authorized Director entitled to sign the Company's binding **Director Appointing Date** April 26th, 1979 **Relationship** - Sister of Mr. Chanin Donavanik	59	- Mac Duffies Springfield, MA., USA. - Fundamental Practice for Corporate Secretary Batch 29 - Fundamental Legal and Regulations on the Listed Company 8/2012 - Director Certification Program Refresher Course 2/2009 - Improving Quality of Financial Reporting 1/2006 - Finance for Non-Finance Director 22/2005 - Director Certification Program 65/2005 - Director Accreditation Program 9/2004 Thai Institute of Directors Association	49.94 Included in the group of Thanpuying Chanut Piyaoui	Present 2015 - Present 2014 - Present 2014 - Present 2013 - Present 2012 - Present 2011 - Present 2011 - Present 2010 - Present 2010 - Present 2009 - Present 2008 - Present 2008 - Present 2006 - Present 2000 - Present 1990 - Present 2008 - Sep 2016 1980 - Sep 2016 **Position in Other Listed Companies** - None - **Position in other Businesses** Present	Director and Executive Director Director Director Director Director Director Director Director Director Director Director Director Director Director Director Director Company Secretary Secretary to the Board of Directors Director Director and Audit Committtee Member	Dusit Thani Plc. Philippine Hoteliers International Center for Hospitality Education, Inc. Dusit Excellence Co., Ltd. Dusit Fudu Hotel Management (Shanghai) Co., Ltd. Dusit China Capital Co., Ltd. Dusit USA Management Inc. Dusit Bird Hotels Pvt. Ltd. DMS Property Investment Pvt. Ltd. Philippine Hoteliers, Inc. Dusit Management Co., Ltd. Dusit Thai Properties Plc. Dusit Worldwide Co., Ltd. Dusit Overseas Co., Ltd. Le Cordon Bleu Dusit Co., Ltd. Devarana Spa Co., Ltd. Dusit Thani Properties Co., Ltd. Dusit Thani Plc. Dusit Thani Plc. Acme Printing Co., Ltd. Chanut and Children Co., Ltd. Piyasiri Co., Ltd. Thana Jirang Co., Ltd. Osotspa Co., Ltd.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
12. Mrs. Suphajee Suthumpun - Director /Group Chief Executive Officer and Executive Director - Authorized Director entitled to sign the Company's binding **Director Appointing Date** October 1st, 2015 **Relationship** - None	53	- MBA, International Finance and International Accounting, Northrop University, California, USA. - BS, Sociology and Anthropology, Thammasat University - The Programme of Senior Executives of Justice, Office of the Judicial Training Institute	None	Nov 2017 - Present Apr 2017 - Present Dec 2016 - June 2017 Sep 2016 - Present Aug 2016 - Present Apr 2016 - Present Mar 2016 - Present Mar 2016 - Dec 2017 Feb 2016 - Present Jan 2016 - Present Dec 2015 - Present Nov 2015 - Present Oct 2015 - Present **Position in Other Listed Companies** Sep 2017 - Present Aug 2016 - Present Oct 2016 - Present	Director Director Director Director Director Director Director Director of Investment Committee Director Group Chief Executive Officer and Executive Director Director Council Committee Director Corporate Governance Committee Independent Director and Audit Committee Independent Director/ Audit Committee	ASAI Holidngs Co., Ltd. Dusit Colours Co., Ltd. Saladang Property Management Co., Ltd. Pharam 4 Development Co., Ltd. Vimarn Suriya Co., Ltd. Suanlum Property Co., Ltd. Dusit Thani Properties Co., Ltd. Le Cordon Bleu Dusit Co., Ltd. Dusit Management Co., Ltd. Dusit Worldwide Co., Ltd. / Dusit China Capital Co., Ltd. / DMS Property Investment Pvt. Ltd. Dusit Thani Freehold and Leasehold Property Fund / Dusit Overseas Co., Ltd. / Philippine Hoteliers, Inc. / Philippine Hoteliers International Center for Hospitality Education, Inc. Dusit Thani Plc. Dusit Thai Properties Plc. Dusit Thani College Dusit Thani Plc. / Dusit Excellence Co., Ltd. Nok Airlines Plc. Nok Airlines Plc. Kasikornbank Plc.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
					Position in other Businesses	
				2017 - Present	Council Committee	Thammasat University
				Nov 2016 - Present	Member of the International Advisory Board	Ecole Hôtelière de Lausanne
				Sep 2015 - Present	Sub-committee member	Sub-committee preparing the establishment of the National State Enterprise Corporation by State Enterprise Policy Committee
				Sep 2015 - Present	Council Committee	Navamindradhiraj University
				May 2014 - Present	Sub-committee member	Thailand Management Association
				Feb 2014 - Present	Advisor to the Committee of Project Establishment of Education Faculty	Thammasat University
				Sep 2012 - Present	Steering Committee Member for Management	College of Management Mahidol University
					Experiences	
				Dec 2016 - Jun 2017	Director	Saladang Property Management Co., Ltd.
				2015 - 2016	Advisory Director to Youth Prosperity	Judicial Training Institute
				2011 - 2015	Executive Committee Chairman / Chief Executive Officer	Thaicom Plc.
				2011 - 2015	Executive Committee Chairperson - Media and New Business	Intouch Plc.
				2011 - 2015	Executive Committee Chairperson/ Director / Chairman of the Remuneration Sub-Committee	CS LoxInfo Plc.
				2011 - 2015	Chairperson and Executive Committee Chairperson/ Chairman of Remuneration Committee	Shenington Investment Pte Ltd.
				2011 - 2014	Chairman of the Sub-Committee of the Public Sector Development Committee	Office of the Public Sector Development Committee
				2010 - 2011	General Manager, Global Technology Services	IBM ASEAN
				2009 - 2010	Client Advocacy Executive, Chairman's Office	IBM Headquarter, New York, USA.
				2007 - 2009	General Manager and Vice President, General Business	IBM ASEAN
				2003 - 2007	Managing Director	IBM Thailand Co., Ltd.

Management Team

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
1. Mrs. Suphajee Suthumpun	Details are in the section of Board of Directors					
2. Mr. Akamon Prasoppolsujarit	50	- Master of Finance, Chulalongkorn University - Bachelor of Accounting, Thammasat University - Director Cerification Program (DCP) 2009, Thai Institute of Directors ssociation	None	2017 - Present 2017 - Present 2017 - Present 2016 - Present 2016 - Present 2016 - Present 2016 - Present 2016 - Present 2008 - 2016 2005 - 2008 2004 - 2005 1995 - 2004	Director Director Supervisor Chief Financial Officer - Special Project / Acting Chief Financial Officer Director Director Director Director Finance Director Finance Director AVP - Finance Planning General and Managerial Accounting Manager / General Accounting Manager	Dusit Management Co., Ltd. Dusit Overseas Co., Ltd. Dusit Fudu Hotel Management (Shanghai) Co., Ltd. Dusit Thani Plc. Dusit Thai Properties Plc. Dusit Thani Properties Co., Ltd. Dusit China Capital Co., Ltd. Dusit Worldwide Co., Ltd. Property Care Services (Thailand) Co., Ltd. The Minor Food Group Plc. (The Pizza Company) Hutchison CAT wireless Multimedia Company Limited Advance Info Service Plc. Shineedotcom / Adventure /ArchCyber (Under Shin Corporation Plc.)
3. Ms. La-ead Kovavisaruch	55	- Executive MBA - SASIN, Chulalongkorn University - Master of Engineering, Asian Institute of Technology (AIT) - Bachelor of Engineering, Chulalongkorn University - Director Certification Program, IOD 2015, Thai Institute of Directors Association - 2017 Asia Pacific Hotel Management Agreement Seminar, Bangkok	None	2016 - Present 2013 - 2016 2003 - 2013 1990 - 2001 1987 - 1989 1985 - 1986	Chief Investment Officer Vice President - New Business Development Managing Consultant, Project Executive Vice President - New Product Development Business Executive System Analyst	Dusit Thani Plc. Intouch Holding Company IBM Thailand Co., Ltd., IBM AP HQ (Shanghai) TelecomAsia Corporation Charoen Pokphan PCL. Siam Cement Group Co., Ltd.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
4. Mrs. Chitanong Poomipark **Relationship** - None	50	- Master's Degree of Law in International Business Law (LL.M.), University of London - Bachelor's Degree of Law (LL.B. (Honors)), Chulalongkorn University - Certificate of Proficiency in English for Academic Purposes, University of London - Certificate of Drafting of Patent Applications in European Community, the European Patent Office - Certificate of Negotiating and Drafting International Commercial Contract, The Study Group, Oxford, The U.K. - Business Concept Development, The Siam Cement Public Company Limited - Certificate of Completion of the Program Training of Lawyers for International Practice & Arbitration, the Ministry of Justice of Thailand - Leadership Development Workshop, Berkeley, 2017	None	2017 - Present 2011 - 2017 2003 - 2010 2001 - 2002 1989 - 2001	Chief Legal Officer Country CounselPartner & Head of Corporate Commercial Practice Group Legal Counsel Legal Officer	Dusit Thani Public Company Limited IBM Thailand Company Limited Mayer Brown JSM (Thailand) Limited SCG Legal Counsel Limited The Siam Cement Public Company Limited

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
5. Mr. Lars Eltvik **Relationship** - None	50	- Master Degree (MSc) in Tourism Planning and Development, University of Surrey, United Kingdom - Degree in Hotel Administration, Norwegian School of Hotel Management (Now Stavanger University) - Diploma, Export Marketing, Norwegian School of Marketing, Oslo, Norway	None	2015 - Present 2011 - 2015 2009 - 2015 2005 - 2009	Managing Director - Education Managing Director Director of Marketing for International Markets Director of Sales and Marketing	Dusit Thani Plc. HAAGA-HELIA Global Education Services Ltd., Helsinki, Finland HAAGA-HELIA University of Applied Science, Helsinki, Finland The Emirates Academy of Hospitality Management, Dubai, UAE
6. Miss Wipawadee Sirimongkolkasem **Relationship** - None	51	- Master of Business Administration (Special Program), Sasin of Chulalongkorn University	None	2016 - Present 2015 - Present 2015 - Present	Managing Director - Wellness Living Deputy Managing Director, Business Development Director	Dusit Thani Plc. GFPT Plc. Minimax Venture Co., Ltd.
7. Mr. Prasith Ongthawekiat **Relationship** - None	55	- Master of Business Administration, Sukhothai Thammathirat Open University - Bachelor of Law, Sukhothai Thammathirat Open University - Bachelor of Science in Construction Management, King Mongkut Institute of Technology	None	2017 - Present 2011 - 2015 2005 - 2011 2001 - 2005	Managing Director - Property Development Executive Vice President Senior Project Manager Assistant Director / Head of Rollout	Dusit Thani Plc. Siam Piwat Co., Ltd Ek-Chai Distribution System Co., Ltd. True Corp. / TA Orange Co., Ltd.
8. Mrs. Jongkonnee Chantavorakit **Relationship** - None	64	- Master's Degree of Business Administration, Ramkhamhaeng University	None	Present Present 2008 - 2015 2010 - 2015 1997 - 2004	Vice President - Headquarter Finance and Accounting Director Director Director Director Finance and Accounting	Dusit Thani Plc. Devarana Spa Co., Ltd. Dusit Worldwide Co., Ltd. Dusit Management Co., Ltd. Dusit Thani Plc.

Name / Position	Age (Year)	Education/Training	Share Holding in the Company including related person (%)	Working Experience		
				Period	Position	Company
9. **Miss Mantanee Surakarnkul** **Relationship** **- None**	53	- Master of Management, Sasin of Chulalongkorn University - Bachelor of Arts, Chulalongkorn University - Company Secretary Program (CSP) from IOD 15/2006 - Director Certification Program (DCP) from IOD 1/2000 - Effective Minutes taking (EMT) from IOD 2/2006 - Improving the Quality of Financial Reporting (QFR) from IOD 2/2006 - Understanding the fundamental of financial statements (UFS) from IOD 1/2006 Thai Institute of Directors	None	Oct 2016 - Present Sep 2016 - Present 1990 - 2016 1986 - 1990	Company Secretary Vice President - Company Secreatry Office Director of Corporate Affairs Department and Company Secreatry Executive Secretary	Dusit Thani Plc. Dusit Thani Plc. Thoresen Thai Agencies Plc. (TTA) Mitsui-Soko (Thailand) Ltd.

Remark: In the past 5 years, there was no Director, Executive and Authorized Person which has penalty record on the Securities and Exchange Act B.E. 2535 or the Derivatives Act B.E. 2546.

Subsidiary and Associated Companies

Subsidiary and associated companies of which the Company held direct and indirect more than 10% of total paid-up shares.

No.	Name	Percentage of share holding	Nature of Business	Paid up Capital (Million Baht)	Shares			Address
					Category	Amount (Shares)	Par per share (Baht)	
1	Dusit Thani Properties Co., Ltd. (Formerly Dusit Thani International Co., Ltd.)	99.99	Holding Company	800	Ordinary shares	80,000,000	10	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200 - 9999 Fax. +66 (0) 2636 - 3545
2	Philippine Hoteliers, Inc., Held by Dusit Thani Properties Co., Ltd. Remark *Excluding Treasury Preferred Shares Remark* In the process of name changing registration to Dusit Thani Philippines, Inc.	88.01	Hotel And Management	Peso 455 mn.*	Ordinary shares	4,550,000*	Peso 100	3rd Flr., Dusit Thani Manila Ayala Center, 1223 Makati City, Philippines Tel. (632) 867-3333 Fax. (632) 867-3888
3	Dusit Thai Properties Plc. Held by - Dusit Thani Plc. - Dusit Thani Properties Co., Ltd.	 2.75 84.05	Hotel	825	Ordinary shares	82,500,000	10	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3545
4	Dusit Worldwide Co., Ltd.	99.99	Management	50	Ordinary shares	5,000,000	10	946 Dusit Thani Building, 3rd Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3630
5	Dusit Overseas Co., Ltd. Held by Dusit Worldwide Co., Ltd.	100.00	Management	HKD 33,000	Ordinary shares	33,000	HKD 1	Unit 2401, 24/F Citicorp Center, 18 Whitefield Road, Causeway Bay, Hong Kong

No.	Name	Percentage of share holding	Nature of Business	Paid up Capital (Million Baht)	Shares			Address
					Category	Amount (Shares)	Par per share (Baht)	
6	Devarana Spa Co., Ltd.	99.99	Spa	8	Ordinary shares	800,000	10	946 Dusit Thani Building, 5thFloor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2233-1655
7	Le Cordon Bleu Dusit Co., Ltd.	49.99	Cooking School	40	Ordinary shares Preferred Shares	399,999 1	100 100	946 Dusit Thani Building, 1stFloor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2237-8877 Fax. +66 (0) 2237-8878
8	Dusit Bird Hotels Private Limited	50.00	Management	Rs. 28.6 mn.	Ordinary shares	2,860,000	Rs.10	E-9,Connaught House, Connaught Place, New Delhi - 110001, Delhi, INDIA
9	Dusit Management Co., Ltd.	99.99	Hotel Operation	4	Ordinary shares	400,000	10	946 Dusit Thani Building, 5thFloor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999
10	Dusit Thani Freehold and Leasehold Real Estate Investment Trust (DREIT) (Formerly known as Dusit Thani Freehold and Leasehold Property Fund (DTCPF))	30.02	Rental Property	3,656.02	Unit Trust	409.40	8.9302	946 Dusit Thani Building, 5thFloor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200 - 9999 ext. 3681 - 3682 Fax +66(0) 2636-3545
11	DMS Property Invest-ment Private Limited Held by Dusit Thai Property Plc.	65.00	Hotel Operation	USD 38.5 mn.	Ordinary shares	38,500,000	USD 1	Level 2, Orchid Maage', Ameer Ahmed Magu, Male', Maldives
12	Dusit USA Management Inc.	100.00	Management	USD 40,000	Ordinary shares	40,000	USD 1	2711 Centerville Road, Suite 400, in the City of Wilmington, Country of New Castle, 19808, State of Delaware, U.S.A.

No.	Name	Percentage of share holding	Nature of Business	Paid up Capital (Million Baht)	Shares			Address
					Category	Amount (Shares)	Par per share (Baht)	
13	Dusit China Capital Co., Ltd.	99.99	Holding Company	68	Ordinary shares	6,800,000	10	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3545
14	Dusit Fudu Hotel Management (Shanghai) Co., Ltd.* Held by Dusit China Capital Co. Ltd. Remark * a limited liability company under the Republic of China's law which the registered capital is not specified as a share	45.00	Management	RMB 30 mn.	-	-	-	305A at 2nd – 3rd Floors, Tower One, No. 1287 Shang Cheng Road, Pudong New District, Shanghai, People's Republic of China
15	Dusit Excellence Co., Ltd. Dusit Thani Hotel Studies Co., Ltd.	99.99	Rental Property	120	Ordinary shares	1,200,000	100	588/5 Petchaburi Road, Ratchathewi, Bangkok, 10400 Tel. +66 (0) 2013-9999 Fax +66 (0) 2013-9900
16	Dusit Thani College Held by Dusit Thai Property Plc.	100.00	Education Institute	Capital Investment 217.72	-	-	-	1 Soi Kaentong, Nongbon, Praves, Bangkok. 10250 Tel. +66 (0) 2361-7811-3 Fax. +66 (0) 2361-7806
17	Philippine Hoteliers International Center for Hospitality Education, Inc. Held by Philippine Hoteliers, Inc. Remark: In the process of name changing registration to Dust Hospitality Education Philippines, Inc.	40.00	Education Institute	Peso 430 mn	Ordinary shares	1,719,997	Peso 100	Block 2 and 4, Lots 15222 C, D and F of Mini Park, Mackinley Parckway, Bonifacio, Global City, Taguig City, Philippines

No.	Name	Percentage of share holding	Nature of Business	Paid up Capital (Million Baht)	Shares			Address
					Category	Amount (Shares)	Par per share (Baht)	
18	Vimarn Suriya Co.,Ltd. Remark*Dusit Thani PLC. (DTC) will gradually sell its shares to Central Pattana PLC. (CPN) which the final share-holding will be 60:40	65.00	Developer of property, hotel, residence, and shopping center	1,100	Ordinary shares	11,000,000	100	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3545
19	Suanlum Property Co.,Ltd. Remark*Dusit Thani PLC. (DTC) will gradually sell its shares to Central Pattana PLC. (CPN) which the final share-holding will be 15:85	37.00	Developer of shopping center project	172	Ordinary shares	1,720,000	100	999/9 Rama 1 Road, Khwaeng Phatumwan, Pathumwan, Bangkok
20	Pharam 4 Development Co.,Ltd.	10.00	Office Building Project	1	Ordinary shares	10,000	100	999/9 Rama 1 Road, Khwaeng Phatumwan, Pathumwan, Bangkok
21	Saladang Property Management Co.,Ltd. Remark*Dusit Thani PLC. (DTC) will gradually sell its shares to Central Pattana PLC. (CPN) which its shares of 100% will be held by CPN.	25.00	Rental Office Business	0.4	Ordinary shares	4,000	100	999/9 Rama 1 Road, Khwaeng Phatumwan, Pathumwan, Bangkok
22	Dusit Saudi[1] Held by Dusit Overseas Co.,Ltd.** Remark * Currently established as a corporate company but has not started business. ** Held by Dusit World-wide Co., Ltd.	51.00	Management	Registered Capital SAR[1] 100,000	Ordinary shares	100	SAR 1,000	P.O. Box 48144 Jeddah 21572 Prince Mohammed Bin Abdulaziz St. Bin Homran Center Office 901A Kingdom of Saudi Arabia

[1] Currently, the Company has not called for payment of shares due to under process of opening the company bank account. However, the Company must increase its registered capital later to comply with the Joint Venture Agreement.

No.	Name	Percentage of share holding	Nature of Business	Paid up Capital (Million Baht)	Shares			Address
					Category	Amount (Shares)	Par per share (Baht)	
23	Dusit Colours Co., Ltd	49.00	Management Services and Technical consultancy of hotel and property	Registered capital JPY 10,000,000	Ordinary shares	490	JPY 10,000	Ark Hills Executive Tower, S502 1-14-5 Akasaka, Minato-ku, Tokyo, Japan
24	ASAI Holdings Co., Ltd	99.70	Hotel, Management and Investment	18.82	Ordinary shares	750,000	100	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3545
25	Dusit Properties REIT Co., Ltd.	99.99	The REIT Manager of trust	10	Ordinary shares	100,000	100	946 Dusit Thani Building, 5th Floor, Rama IV Road, Silom, Bangrak, Bangkok 10500 Tel. +66 (0) 2200-9999 Fax. +66 (0) 2636-3545

General Information and Other Significant Information

General Information

Company Name :	Dusit Thani Public Company Limited
Securities Symbol :	DTC
Head Office :	946 Dusit Thani Building, 5th Floor, Rama 4 Road, Silom, Bangrak, Bangkok 10500
Type of Business :	Hotel (as core business)
Registration No. :	0107536000617
	Telephone No. : +66 (0) 2200-9999
	Facsimile No. : +66 (0) 2636 3630 / +66 (0) 2636-3545
Website :	www.dusit.com
Authorized and paid-up Capital :	Baht 850,000,000 Comprising 850 million ordinary shares at par Baht 1 each

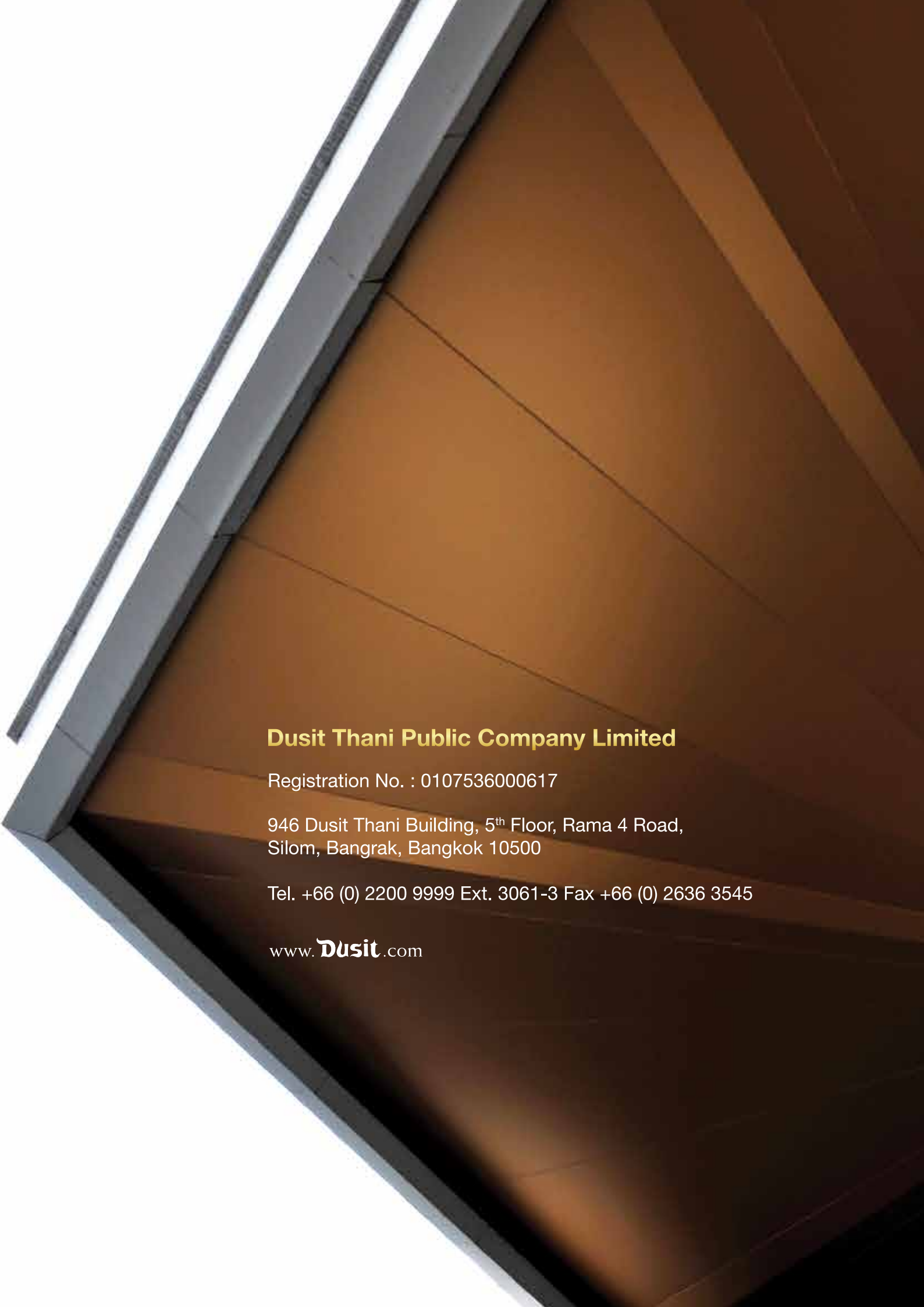
References Information

Registrar :	Thailand Securities Depository Co., Ltd.
	93 The Stock Exchange of Thailand Building, Ratchadapisek Road, Din Daeng, Bangkok 10400, Thailand
	Telephone No : + 66 (0) 2009 9380
	Facsimile No. : + 66 (0) 2009 9001 extension 9380
Auditor :	Miss Vannaporn Jongperadechanon
	Certified Public Accountant No. 4098
	KPMG Phoomchai Audit Limited
	50-51th Floor, Empire Tower, 1 South Sathorn Road, Bangkok 10120
	Telephone No.: + 66 (0) 2677 2000
	Facsimile No.: + 66 (0) 2677 2222
Legal Counselors	- Weerawong, Chinnavat & Partners Ltd.
	22nd Floor Mercury Tower, 540 Ploenchit Road, Lumpini, Pathumwan, Bangkok 10330
	Telephone No. : +66 (0) 2264 8000
	Facsimile No. : + 66 (0) 2657 2222
	- Dherakupt Law Office Co., Ltd.
	546 Univest Complex Building, 15th Floor, Ratchadaphisek Road, Chankasem, Jatujak, Bangkok 10900
	Telephone No. : +66 (0) 2511 1512 / + 66 (0) 2513 1976
	Facsimile No. : +66 (0) 2938 1247 / + 66 (0) 2938 1957

Other Significant Information

No other significant information that could affect investors' decision making

** Investor can acquire more information of the Company from the Annual Registration Statement (Form 56 -1) which publicized on www.sec.or.th or the Company's website www.dusit.com/investor*



Dusit Thani Public Company Limited

Registration No. : 0107536000617

946 Dusit Thani Building, 5th Floor, Rama 4 Road,
Silom, Bangrak, Bangkok 10500

Tel. +66 (0) 2200 9999 Ext. 3061-3 Fax +66 (0) 2636 3545

www.Dusit.com