



# ANNUAL REPORT

# 2015

ROBINSON DEPARTMENT STORE  
PUBLIC COMPANY LIMITED  
[WWW.ROBINSON.CO.TH](http://WWW.ROBINSON.CO.TH)



# Vision and Business Goal

To profitably grow our market share

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## Mission

1. To put our customers employees and suppliers at the heart of our business decisions
2. To be locally relevant in our merchandising offering and our shopping experience
3. To increase sales by attracting new customers, expanding our customer base and increasing customer spend
4. To make retail more than just shopping
5. To invest in the future growth of our stores and people
6. A Professional and Entrepreneurial approach by our management team
7. Attracting, retaining and growing the most talented people in the Retail Industry
8. Exceeding the expectations of our shareholders, customers and employees



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# Message from Chairman

## To the Shareholders of Robinson Department Store Public Company Limited

For 36 years, Robinson Department Store has continuously introduced the latest trends to locals across the Kingdom, the year 2015 saw the Company's achievement of total 42 operating stores. Robinson has not only thrived to become Thailand's most popular department store, but also boasted the highest number of stores nationwide. The Company endeavors in constantly expanding its market shares, in keeping with generating the utmost benefits for every stakeholder.

In 2015, Robinson has keep on the business plan and already completed the opening of four Lifestyle Centers and also able to successfully occupy strategic locations in each regional areas among economic crisis which big challenges for retailers.

Aside from its commitment to business excellence, Robinson Department Store has always pinpointed the principles of integrity and transparency and fairness. As such, the Company has declared, in 2015, its intention to join Thailand's Collective Action Coalition against Corruption (CAC) and got the 3rd level. In so doing, it not only demonstrates the Company's concerted effort to lead a healthy business operation with the highest integrity, but also reinforces an ongoing co-operation between the state and private sectors in the development of business ethics. To this end, Robinson Department Store firmly believes to help push forwards the country's promising future.

As a forefront company operating under a good corporate governance, Robinson Department Store has constantly upgraded its principles of corporate governance to be comparable with an international standard. As a result, the Company has received, in 2015, a number of illustrious awards including an "Excellent" rating in the assessment of quality of the Annual General Meeting of Shareholders by the Thai Investors Association. Moreover, the Company was

also rated at a "Very Good" level from the Corporate Governance Report of Thai Listed Companies organized by the Thai Institute of Directors Association (IOD). This is not to mention the "Outstanding Business Operator Award" for outstanding labor relations and labour welfare records 2014, conferred by the Department of Labour Protection and Welfare, the Ministry of Labour. Indeed, such prestigious awards are a testament to the Company's unwavering devotion to promote well-being, in line with providing career advancement for its staff.

Looking ahead, Robinson Department Store is committed to further expanding its store network in responding to the urbanization, particularly along Thailand's borders where promising economic outlook is highly anticipated. Running in parallel with that, the Company will continue to strengthen its business operation by means of introducing a new-height of pleasurable shopping experience for customers.

Finally, may I, on behalf of the Board of Directors, extend my warm thanks for every shareholder for your trust in the Company's management and corporate governance, for the management team and every staff for your dedication in overcoming numerous challenges, as well as suppliers for your continued, kind support. Robinson Department Store will remain steadfast in our commitment to achieving business expansion as per our targeted goal. In keeping with that, we will strive to improve our performance, with maintaining standards of good governance, integrity and ethics in our business practices for future sustainable growth of Thai society.

Mr.Sudhisak Chirathivat

Chairman

Robinson Department Store Public Company Limited





**Mr. Sudhisak Chirathivat**  
Chairman of the Board of Directors



**Mr. Somchai Apiwattanaporn**  
Independent Director /  
Chairman of the Audit Committee/  
Chairman of The Nomination and  
Remuneration Committee



**Mr. Sudhitham Chirathivat**  
Director / Vice Chairman of the Board of  
Directors / Chairman of the Executive  
Director / The Nomination and  
Remuneration Committee Member



**Mr. Prin Chirathivat**  
Director / Executive Director



**Mrs. Yuwadee Chirathivat**  
Director / Executive Director/  
Nomination and Remuneration Committee



**Mr. Alan George Thomson**  
Director / Executive Director /  
Risk Management Committee Member/  
President



**Mr. Piya Nguiakaramahawongse**  
Director / Executive Director/  
Corporate Governance  
Committee Member



**Mr. Pandit Mongkolkul**  
Director / Executive Director/  
Corporate Governance Committee Consultant/  
Company Secretary



**Mr. Vithaya Chavanand**  
Independent Director / Audit Committee /  
Nomination and Remuneration Committee Member  
Chairman of Risk Management Committee



**Mr. Charan Mongkolchan**  
Independent Director / Audit Committee/  
Risk Management Committee Member



**Mr. Yodhin Anavil**  
Independent Director /  
Audit Committee /  
Chairman of Corporate Governance Committee



**Mr. Kanchit Bunajinda**  
Independent Director



# Dear Shareholders

It was a challenging 2015, but this allowed our Leadership Team to re-evaluate our priorities and focus on our Transform Robinson 2016-2020 strategy.

We have now clearly segmented our business into 4 business units with highly effective Leaders in place to Transform our business and profitable gain market share.

1. Department Stores
2. Lifestyle Shopping Malls
3. International brands
4. Vietnam

For the Department Stores our focus is to be dominant and be no.1 in each location where we trade on key categories such as Health & Beauty, Luggage, Unisex/Denim, Lingerie, Kids and Home.

Where possible we will play into key trends of Ath-leisure and 60-baht business quickly building these businesses and being locally relevant for our customers.

We are at the start of a journey to embrace the Omni Chanel with an initial focus on "Click & Collect" to increase customers' ease of shopping.

Our Lifestyle Centers are the "Centre of the Communities" where we operate, offering our 6.5 million monthly customers the chance to Eat Shop and Play.

International Brands (most of which are new to market) offer us the opportunity to gain additional sales and margin as well greater market share outside of our own Department Stores and Lifestyle Malls. Our Team also benefits from the learning's of International Best Practices.

We continue to strive to improve efficiencies and invest in new initiatives such as a Solar Panel Roof at our upcoming Lopburi Mall opening in December 2016.

Our Transformation Robinson 2016-2020 will Put Our Customers, Employees and suppliers at the Heart of our business decisions.

The Management Team

Robinson Department Store Public Company Limited



1. Mr. Alan George Thomson  
President

2. Mr. Mark Ashlin Senior  
Senior Vice President Retail

3. Mr. Paresh Chauhan  
Senior Vice President  
International Brands

4. Mrs. Orawan Tipsuwanporn  
Acting- Senior Vice President  
Merchandising

5. Mrs. Tiparat Promburee  
Vice President Merchandising

6. Ms. Apisuwee Chai-amnuaysuk  
Vice President International Brands

7. Mr. Wuttukiat Techamongklapiwat  
Vice President Property & Lifestyle Mall

8. Mr. Kritchart Jindasamai  
Vice President  
Store Design Development & Costing

9. Mr. Puthada Teravetchakarn  
Vice President Operations

10. Mr. Komsan Kwunchaithunya  
Vice President Commercial

11. Mr. Dissatat Wisetvara  
Financial Controller



# Operating Results and Financial Status in 2015

Overall economy in 2015 grew at the higher pace from last year. With the support of the government spending has continued to grow. This was a result of the stimulus that has operated continuously. In addition, the expansion of the number of tourists at a high level is another factor in the growing economy.

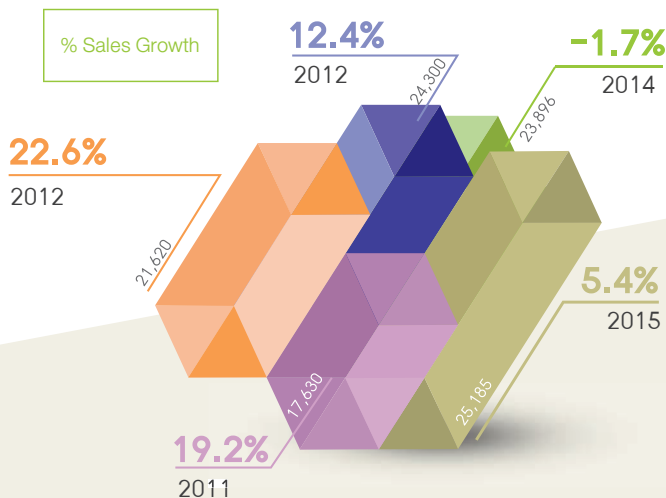
As of 31 December 2015, the Company operates 42 stores in Thailand, comprising of 11 stores in greater Bangkok, 31 stores in the upcountry, as well as, operated 2 stores in Vietnam

In 2015, the Company had total income of Baht 28,762 million, increasing by 8.1% and net profit of Baht 2,153 million, increasing by 11.7% from last year. The details are as follow:

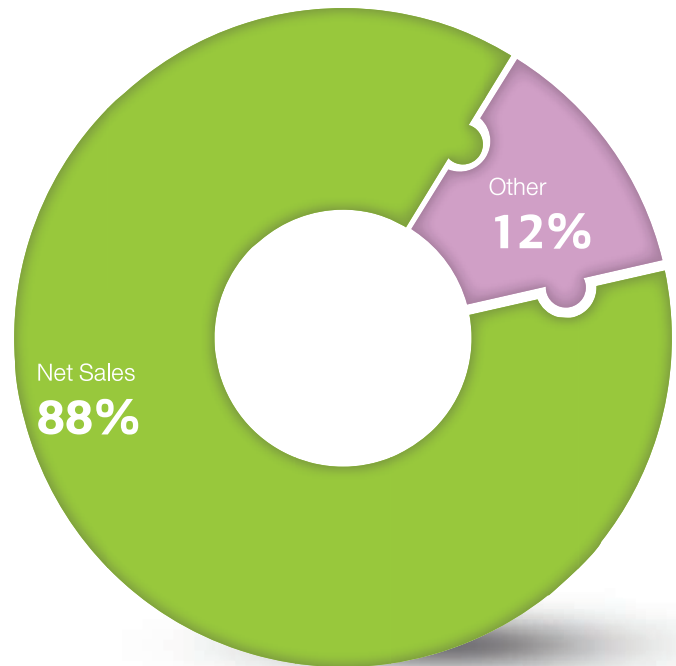
## Income

In 2015, the Company had total income of Baht 28,762 million, increasing by Baht 2,148 million or 8.1% from last year. This can be summarized as follow;

## Net Sales ( Million Baht )



## Revenue Breakdown in 2015



### - Net sales

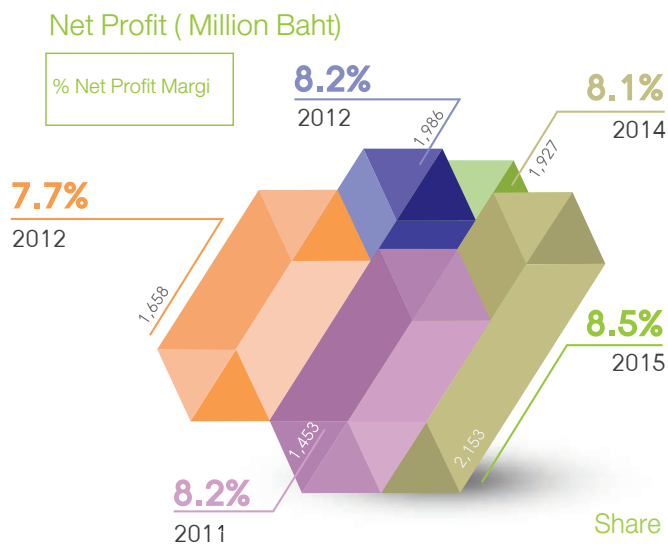
The net sales was Bath 25,185 million, increasing by Baht 1,289 million or 5.4% from last year. This was mainly due to sales revenue from new stores opening in 2014, and sales of the grand opening 4 branches were Rayong, Burirum, Srisaman and Maesod including sales revenue from the clearance sale promotion before closing the Ladya store.

### - Other income

The investment income was Baht 2,554 million, increasing by Baht 696 million or 37.4% from last year. This was mainly due to an increase in the rental income from the new Lifestyle Centers in 2014 and 2015 as well as higher rental income from existing rental area.

The other income was Baht 1,024 million, increasing by Baht 164 million or 19.0% from last year. This was due to an increase in income related to rental areas in Lifestyle Centers and promotion income.





#### Cost of Sales of Goods (COGS)

COGS amounted to Baht 19,022 million, increasing by Baht 969 million or 5.4% from last year. The COGS accounted for 75.5% of net sales, decreasing from 75.6% from last year. The Company provided appropriate marketing campaigns and well controlled trade discount in a proper level in order to maintain its profitability.

Gross profit was Baht 6,163 million, increasing by Baht 320 million or 5.5% from last year.

#### Selling and Administrative Expenses (SG&A)

SG&A expenses totaled Baht 7,231 million, increasing by Baht 903 million or 14.3% from last year. This was due mainly to expenses of new stores, i.e. depreciation, personnel expense, and utilities expense. Nonetheless, the Company was able to efficiently control expenses of existing stores.

#### Share of Profit of Associates

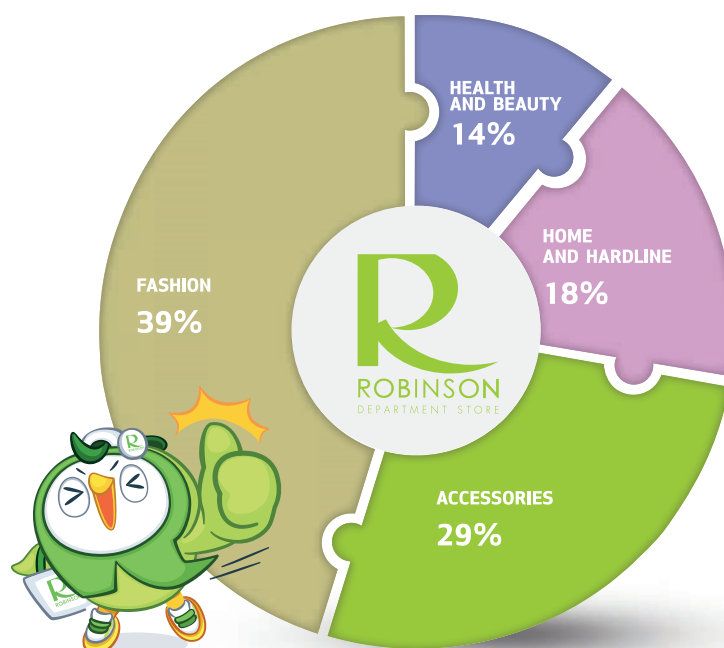
The share of profit of associates was Baht 451 million, increasing by Baht 47 million or 11.7% from last year. This was mainly due to an earning growth in CRC Sports Co., Ltd.. While, the share of profit from Power Buy Co., Ltd. declined from last year.

#### Net Profit

The net profit totaled Baht 2,153 million, increasing by Baht 226 million or 11.7% from last year. This was mainly due to an additional in sales revenue, rental income and the efficient of expense management. However, the core net profit (net profit excluding share of profit of associates) totaled Baht 1,702 million, increasing Baht 179 million or 11.7% from last year.



Income Structure from sales 2015( Million Baht)



### Financial Status

(As of 31 December 2015 compared to 31 December 2014)

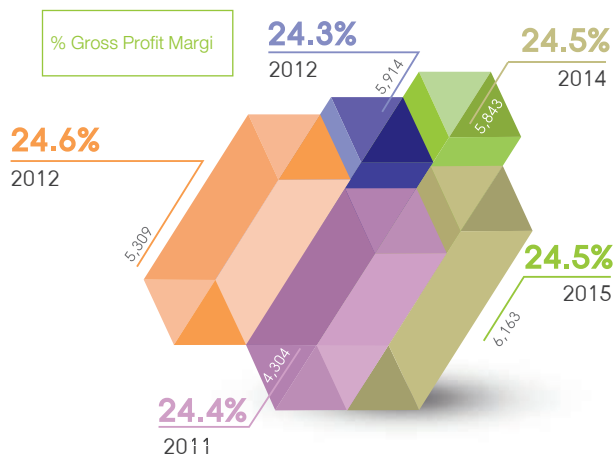
#### Assets

The total assets amounted to Baht 26,059 million, an increase of Baht 2,957 million or 12.8% from last year.

This can be summarized as follow;

- Cash and cash equivalents and current investment increased by Baht 195 million due to operating results in 2015.
- Inventories increased by Baht 367 million due to inventory of new stores.
- Trade accounts receivable increased by Baht 65 million due to an increase in number of tenants correlating to a number of new stores.
- Non-current assets increased by Baht 2,261 million due to an increase in land, property and equipment of new stores and an increase in investments in associates increased by a profit share from the earnings of associated companies.

#### Gross Profit ( Million Baht



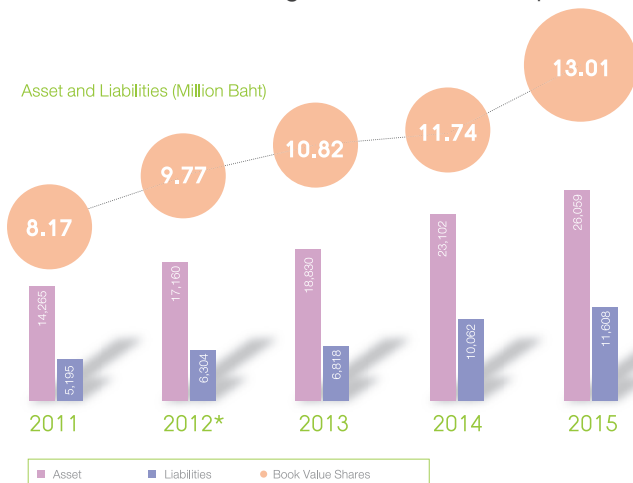
#### Liabilities and Shareholders' Equity

The total liabilities amounted to Baht 11,608 million, increasing by Baht 1,546 million or 15.4% from last year. This can be summarized as follow;

- Trade accounts payable increased by Baht 401 million due to product's orders for new stores.
- The other payables increased by Baht 270 million due to expenditure of construction cost of new stores.
- The loan from financial institutions increased by Baht 1,503 million for new store expansion.

In addition, the shareholders' equity amounted to Baht 14,451 million, increasing by Baht 1,411 million or 10.8% from last year

Asset and Liabilities (Million Baht)



\*Related



## Liquidity

	2015	2014	2013
Net cashflow from operating activities	3,653	3,476	3,190
Net cashflow used in investment activities	(3,267)	(5,021)	(3,241)
Net cashflow from (used in) financing activities	(138)	1,496	(1,090)
Net cashflow increase (decrease)	248	(49)	(1,141)

As of 31 December 2015, the Company has cash and cash equivalent in an amount of Baht 2,082 million, an net increase of Baht 248 million in cash. The details can be summarized as follows:

Net cash from operating activities - The Company had net cash provided by operating activities in an amount of Baht 3,653 million, increasing by Baht 177 million from the previous year because of the growth sales and expansion the Lifestyle Centers. As a result, rental spaces increased by 14.5% compared to the previous year. The cash inflows increased.

Net cash used in investing activities - Baht 3,267 million decreasing by Baht 1,754 million from the previous year. A decrease of store expansion amounted of Baht 1,822 million from last year because the number of new stores and the new stores in Lifestyle Centers, there were less than last year.

Net cash used in financing activities - Baht 138 million decreasing by Baht 1,634 million from the previous year because the Company had an increasing the working capital, so take a net loan from financial institutions decreased from the previous year.

## Capital Structure

As of 31 December 2015, the Company's capital structure comprised of total liabilities of Baht 11,608 million and total shareholders' equity of Baht 14,451 million; therefore, the Company had liability to equity ratio equal to 0.8. While, The Company had interest-bearing net debt to equity ratio equal to 0.1.

## Financial Ratio Analysis

### - Liquidity ratio and Quick ratio

As of 31 December 2015, the Company's current ratio was 0.54 and quick ratio were 0.31, an increase compared to the previous year rates of 0.47 and 0.29

respectively. The main reason was an increase in cash and cash equivalent from sales revenue, rental income and spending in new store expansion decreased from last year.

### - Return on Equity

In 2015, the Company's return on was equal to 15.7%, a decrease from 15.4% in 2014. A Dupont analysis can be illustrated as follows:

Dupont Analysis	2015	2014
Net profit Margin (%)	8.5%	8.1%
Total Assets Turnover (times)	1.02	1.14
Equity multiplier (times)	1.79	1.67

In 2015, The Company had an increasing the growth sales and profitability from the previous year. With the support of the government stimulus spending, its net margin at the rate of 8.5% compared to that of 8.1% in 2014. In addition, the Company also had increased the working capital for support expansion plans. Its equity multiplier was 1.79 times, increasing from 1.67 times in the previous year. However, the investment for the new stores had not affect the effectiveness in assets utilization fully. As a consequence, its asset turnover was 1.02 times decreasing from 1.14 times in last year.

## Expansion plan

The Company achieved their store expansion plan total 4 stores in 2015. There are 1 new store in the department store format i.e. Rayong and 3 new stores in the Lifestyle Centers format i.e. Burirum, Srisaman and Maesod.



# Financial Highlights

## Statements of Comprehensive Income

(Unit: Million Baht)

	Consolidated financial statements		
	2015	2014	2013
Revenue from sale of goods	25,185	23,896	24,300
Total income	28,762	26,614	26,396
Cost of sale of goods	19,022	18,053	18,386
Selling and administrative expenses	7,231	6,328	5,686
Share of profit of associates	451	404	358
Net profit	2,153	1,927	1,986

## Statements of financial position

(Unit: Million Baht)

	Consolidated		
	2015	2014	2013
Cash and cash equivalents	2,082	1,833	1,882
Current assets	3,234	2,787	2,929
Non-current assets	20,743	18,482	14,020
Total assets	26,059	23,102	18,830
Current liabilities	9,864	9,757	6,629
Non-current liabilities	1,744	306	188
Total liabilities	11,608	10,062	6,818
Issued and paid-up share capital	3,943	3,943	3,943
Retained earnings	9,374	8,176	7,253
Total equity	14,451	13,040	12,013





## Financial Ratios

		Consolidated		
		2015	2014	2013
Liquidity ratio	(time)	0.54	0.47	0.73
Average collection period	(day)	13.01	12.17	9.95
Average selling period	(day)	32.03	31.67	29.30
Average payment period	(day)	84.14	86.27	85.71
Gross profit margin	(%)	24.47	24.45	24.34
Net profit margin	(%)	8.55	8.07	8.17
Return on equity	(%)	15.66	15.39	17.37
Return on asset	(%)	8.76	9.19	11.03
Debt to equity ratio	(time)	0.80	0.77	0.57
Book value per share	(Baht)	13.01	11.74	10.82
Basis earning per share	(Baht)	1.94	1.74	1.79
Dividend Payout ratio*	(%)	51.59	51.86	50.34

\* The meeting of the company's Board of Director no.1/2016 passed the resolution of dividend payment to shareholders at the rate of Baht 1.00 per share. The resolution will be proposed to the Annual General Meeting of Shareholders no.1/2016 on 8 April, 2016 to consider the approval of dividend payment.



# Policy and Business Structure

## Vision and Business Goal

To profitably grow our market share

## Mission

**01**

To put our customers employees and suppliers at the heart of our business decisions

**02**

To be locally relevant in our merchandising offering and our shopping experience

**03**

To increase sales by attracting new customers, expanding our customer base and increasing customer spend

**04**

To make retail more than just shopping

**05**

To invest in the future growth of our stores and people

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Attracting, retaining and growing the most talented people in the Retail Industry

**08**

Exceeding the expectations of our shareholders, customers and employees



## History and major development

1979

Robinson Department Store opened its first store at Victory Monument.

1995

The Central Retail Corporation group joined Robinson as a major shareholder and was jointly established CR Thailand Co., Ltd. in order to develop provincial department stores under the "Robinson" brand. Later, the Company proceeded to open new stores up to 20 stores.

1997

The Company was approved for the asset transfer transaction to Power Buy Co., Ltd. and CRC Sport Co., Ltd. respectively. Also, the Company granted right to those companies to utilize space in each store in order to operate electrical appliance stores and sport accessories stores. The Company received income from those companies as income sharing on percentage of sales or fixed charge per square meter. In April 1998, the Company purchased 40% shareholdings in both companies.

1992

Robinson became the first department store company listed on the Stock Exchange of Thailand on 3 January 1992.

1996

Robinson integrated its supermarket business with Central Group and formed a joint venture with Royal Ahold Co., Ltd. a Netherlands based supermarket operator. The resulting company, CRC Ahold Co., Ltd. began operating supermarkets under the "TOPS SUPERMARKET" brand. In December 1996 and May 1998, the Company sold its shares to Royal Ahold Co., Ltd.

1998

The Company announced a debt moratorium as a result of the sharp depreciation of Baht following the sudden floatation of the currency on 2 July 1997.

2000

On 2 May 2000, the Central Bankruptcy Court ordered rehabilitation of the Company as well as appointed Robinson Planner Co., Ltd. as a Planner and as a Plan Administrator on 20 December 2000. The Company also decided to close its Don Muang store due to unacceptable of return on investment.



## 2001

The Company closed its Victory Monument store since lease agreement had terminated as well as this store attributed an unacceptable of return on investment. This left the Company with a total of 18 stores. Of these 9 stores were in Bangkok and 9 in provincial locations. The Company also issued Notes to the unsecured financial creditors with a total value of Baht 4,766.7 million for principal and interest.

## 2002

The Company successfully implemented major steps set forth in its Rehabilitation Plan i.e. increasing its capital from Baht 1,480.8 million to Baht 14,808.8 million, proceeding the debt-to equity conversion, proceeding 25% capital reduction, and forgiveness of remaining debt. This achievement prompted the Stock Exchange of Thailand to consider approving resumption of trade in the Company's ordinary shares in Commerce sector, effective 26 November 2002.

## 2003

In March, the Company waived the right to purchase new issuance shares from capital increase of CRC Sports Co., Ltd. as its proportion. As a result, the Company's shareholding in - CRC Sports was reduced to 29.19%. In May, the Company re-launched its campaign to promote a new image using the concept of "Robinson...Your Life Vitalizer". In December, the Company gained Court approval for an amendment of its Rehabilitation Plan to facilitate the repurchase of Notes under the VDRP.

## 2004

In January, Robinson SPV Co., Ltd. (SPV) signed a loan agreement with two financial institutions to secure funding for repurchase of Notes under the VDRP. The long-term loan was for up to Baht 2,700 million.

At year-end 2004, the Company repurchased 15,899,277 units of Notes under the VDRP program, equal to 77.04% of total outstanding Notes. In addition, on 22 March, the Creditors' Meeting ordered by the Court, passed a resolution to elect three new directors representing unsecured financial creditors to replace resigning directors.

On 8 December 2004, the Company acquired the remaining balance of shares from its local partner in CR Ratchaburi (Thailand) Co., Ltd, thereby increasing its shareholding from 49.99% to 99.99%. The acquisition stemmed from the need to improve management flexibility.

## 2005

The Company continued to run its "Robinson...Your Life Revitalizer" campaign in its retail businesses with the aim of generating continuous sales growth. The Company Also launched a new store, at Rattathibet, while continuously renovating and modernizing its existing stores across the country to create a more colorful and lively ambiance.

In addition, product selections with variety of assortment were readjusted to tie in with Robinson's target customer groups and reflect its new image. On 19 December 2005, the Company has proceeded the early redemption on remaining notes which resulted in the completion of the Company's rehabilitation plan.

## 2006

The Bankruptcy Court considered the petition and ordered the termination of the Company's rehabilitation plan. On April 2006, the Annual Ordinary General Meeting of shareholder was firstly held after the Company resumed the ordinary business operation. The Meeting unanimously approved the appointment 10 directors as the Company's Board of Directors, comprising of 3 independent directors. In November, the new store Robinson Ayutthaya was official opened as the 20th store of Robinson, the investment cost was approximately Baht 347 million.





## 2007

The Company made the first dividend payment after the order the termination of rehabilitation plan from The Bankruptcy Court, at the rate of Baht 0.32 per share. Pursuant to the resolution of the Extraordinary Shareholders' Meeting 1/2007 which held on June 19, 2007 that the Company decreased its capital through reducing par value from Baht 10 to Baht 3.55, an share premium and partial of retained earnings were transferred to set aside share discount according to the Federation of Accounting Professions (FAP) Announcement. On September 13, 2007, Department of Business Development of Ministry of Commerce completed amended the Company registered capital and Memorandum of Association. In September, the new store Robinson Ocean Jungceylon was opened as the 21st store of Robinson. It's also 2nd Robinson store in Phuket.

## 2009

Robinson Department Store launched two new stores in Chonburi Province and Khonkaen Province as its 22nd and 23rd stores respectively. These two grand-scale stores boast a total area of approximately 32,000 square meters. In addition, the company has also carried on its share repurchase program for financial management which was fully completed on 22 May 2009. As a result, the company was able to repurchase a total of 6,765,000 shares, making 0.61% of issued and paid-up share capital. The company's board of committees thereby approved to sell these repurchased shares by means of selling them in the Stock Exchange of Thailand (SET). The selling period of repurchased shares lasts from 23 November 2009 to 22 May 2012.

## 2008

The Company closed SilomStore in June 2008, as a result from Silom Asset Co., Ltd.,'s Baht 230 million purchase of rental rights and assets from the Company. Afterwards, following the Shareholders Meeting 1/2551, the meeting approved to make an adjustment in the Company's rule with regards to share repurchasing policy, and approved to commence its share repurchase program for financial management under the maximum Baht 536 million credit and not allowed to exceed 10% of the Company's already distributed shares; the program has commenced on November 24, 2008 and will run until May 22, 2008.

## 2010

Robinson Department Store launched a new store in Trang Province as its 24th stores. With a total of over 650-million Baht budget invested, it is considered as "Robinson Lifestyle Center", the new business model of Robinson. Moreover, on 12 March 2010, the Company received the repayment from the loan agreement from an associated company, which had borrowed long time ago, in an amount of Baht 448 million and the Company recorded an allowance for doubtful account for the full amount of principal and interest receivable since 1998. Regarding the Board of Directors' resolution to resell the repurchased share in 2009, the Company began the resale on 18 August 2010. As of 31 December 2010, there are 3,674,800 repurchased shares which have not been disposed of yet.



## 2011

Robinson Department Store launched 3 new stores in both Bangkok and upcountry i.e. Chiangraistore, Phitsanulokstore, and Rama 9 store. The Rama 9 store is now the new flagship store of the company in Bangkok with an area of more than 20,000 square meters. Furthermore, the company has finished reselling all of the remained repurchased shares on 28 April 2011. In addition, the company's stock has been selected to be one of the stocks for calculating SET 50 Index of the Stock Exchange of Thailand since January 2011. Moreover, the company was ranked by Forbes Asia as one of the 200 companies in the Asia Pacific region having continuous growth and strong financial position with a revenue less than 1,000 million US dollar or known as **"Asia's 200 Best Under a Billion for the first time"**. There were only 5 Thai companies which were ranked in year 2011.

## 2013

Robinson Department Store has continued its proactive approach in store expansion. As such, five new stores were inaugurated, including four Lifestyle Centres in Kanchanaburi, Sakonnakorn, Saraburi, Surin and one store in a shopping mall in Ubonratchathani. Having closed down its Ratchadapisekstore on 26 March 2013 due to the rental contract expired, Robinson Department Store therefore has a total of 34 stores nationwide as of 2013 yearend – 10 in Bangkok and 24 in provincial areas. In addition to that, Robinson Department Store was ranked among the prestigious list of top 200 Asia-Pacific companies with a consistent growth and consolidated financial status. Having been ranked among the Asia's 200 Best Under a Billion list in 2013, it is considered the second time after the Company was first ranked by Forbes Asia in 2011.

## 2012

The Company started its aggressive store-expansion plan by opening new five stores, in Bangkok and upcountry. The stores are Suphanburistore (under the Lifestyle Center project), Bangnastore, Suratthanistore, Bangkaestore and Lampangstore. Hence, at the end of 2012, the Company had 30 stores nationwide i.e.: 11 stores in Bangkok, and 19 stores in upcountry. Moreover, the Company received interim dividend from its two associates, Power Buy Company Limited and CRC Sport Company Limited, in a total amount of Baht 1,385 million.

## 2014

Since 4 January 2014, Mr. Alan George Thomson has been the president of the Company succeeding Mr. PreechaEkkunagul who resigned. Mr. Alan George Thomson has a vision to drive the Company as "To profitably grow our market share". Moreover, the Company actively expanded its stores by opening new seven stores. Five of them are in Thailand and are under the Lifestyle Center project, i.e. ChachoengsaoStore, Roi-Et Store, SamutPrakanStore, PrachinburiStore and MukdahanStore. The Company, moreover, expanded two stores abroad, particularly in Vietnam i.e. Hanoi Store and Ho Chi Minh City Store. This marks an important step on improving the Company's growth. The resolution of the board of director no. 6/2014 approved the issuance of corporate guarantee in favor of the Hongkong and Shanghai BankingCorporation Limited for loan to Power Buy Company Limited (PWB) in accordance withthe principle of proportionate of shareholders (The Company holds 40% shares of PWB). The guaranteed amount is Baht 1,518 million (or 46 million US dollar). In addition, they also approved the share repurchase program for financial management purposesin an amount of Baht 100 million or not exceed 10% of the total paid-up capital of the Company. This program period is from 26 December 2014 to 25 June 2015.

The company has agreed to establish, a subsidiary company called, Robinson Department Store Vietnam Joint Stock Company. It is to invest in retail business in Vietnam. Our Department Store was officially opened in Hanoi and then Ho Chi Minh City. Also, in Thailand, Robinson opened 5 more Lifestyle Centres : Chachoengsao, Roi-et, Samutprakarn, Prachinburi and Mukdaharn. Moreover, Robinson Department Store received award of the outstanding business for labour relations and labour welfare from Ministry of Labor and Welfare.



## Major changes and development of the Company in the year 2015

### May

Opened Robinson Department Store Rayong, which was our first Lifestyle Department Store concept. We created a new shopping environment which we made a retail more than just shopping destination. Robinson Department Store Rayong provides Play Land, Free Internet Service, Coffee Shop, Optician and Ear piercing Service by Claire's, inside our Department Store. Also, we had introduced new multimedia screen on the ceiling and Grand Hall, to communicate with our customers.

Robinson Ladya was closed after 19 years of service on 6th of May, 2015.

### July

Robinson Department Store received award of the outstanding business for labour relations and labour welfare from Ministry of Labor and Welfare.

Opened Robinson Buriram Lifestyle Centre on 29th July, 2015 as our 40th Stores. Buriram is a major province in the North Eastern of Thailand, where it is a centre of the North eastern economic and transportation.

### September

Re-opened Robinson Department Store at Future Park Rangsit after a overhaul renovation, transformed our traditional Department Store to Lifestyle Department Store and adding our brand-new International Brands from around the world as Claire's (No.1 Accessories Brand from USA), Babay Shop (No. 1 Baby and Kids Brand from Middle East) and Payless Shoesource (No. 1 Family Shoe Store from USA).



## Major changes and development of the Company in the year 2015

### *November*

Opened Robinson Srisamarn Lifestyle Centre on 11th November, 2015, where we have Uniqlo in our mall for the first time.

Re-opened Robinson Sriracha after overhaul renovation on 13th November, 2015, where we have Uniqlo to join inside our Department Store.

### *December*

Opened 42th Robinson Store, Robinson Measot Lifestyle Centre in Tak Province. Mae Sot is a special economic zone in Tak and also it was already the busiest checkpoint among the five permanent ones along the Myanmar-Thai border.





## Transforming Robinson 2016 – 2020

### 9 Key Areas of Investment

#### 1. Investing in No.1 Dominant Categories/ “Playing into Trends”

Reallocating space from underperforming categories to new and higher performing categories and services

#### 2. Overhauling Robinson Existing Store Real Estate

Space management and renovation with investment in visual merchandise across all Top 20 and potential stores over the next 3 years

#### 3. Investing for Future Growth 2015-2020

New Store 2016: 1 Department Store and 1 Lifestyle Center

Renovation: All top 20 will have investment over the next 3 years

#### 4. To Make Retail More Than Just Shopping

Introducing new services to drive footfall into our stores and increase dwell time e.g. F&B, Fitness, Ear Piercing, Nail Bar, Kids Play Area, Optician

#### 5. Improving Our Gross Margins

Our Gross margin has shown no improvement due to significantly heavy promotional activity to drive sales. Robinson will reposition the business with a better balance between focusing on products and discount and reduce the level of discounting and markdown activity to improve overall GP

#### 6. Improving Our Relationship and Support for Our Consignment Business Including Product Availability, Presentation and Service

Significant support for consignment (Top brands) to amplify their presence across all stores and help invest in infrastructure to support their brands growth (Top sellers, replenishment, locations, stockroom, IT and incentive program). Invest in

training of management and store teams to improve the quality and consistency of customer service

#### 7. Realising Efficiencies

- Invest where customer sees/feels the difference
- Operational efficiencies
- Realize savings on new and renovated stores (energy saving initiatives)
- A more productive store network on a smaller footprint

#### 8. Becoming a Digitally Led Retailer 2020

Initially Focus on Click & Collect : In-store kiosk can give customers access to Robinson's complete product catalog, even items not in that particular store's inventory.

#### 9. Putting The Right Resources in Place for The Future Development of Our Business

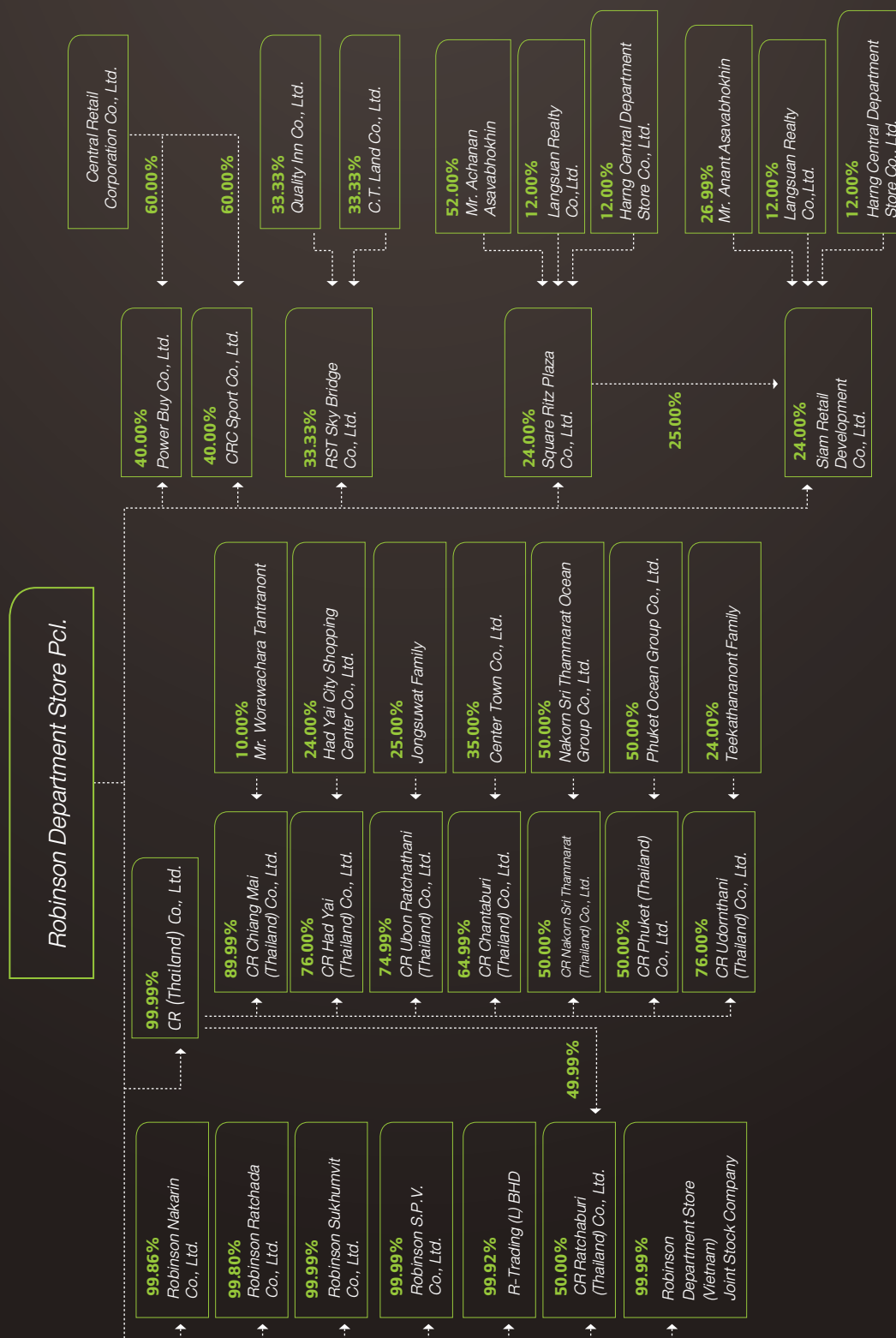
A complete review of head office function and roles and responsibilities to underpin our key strategies:

- Re-organizing key areas of support functions to align with new strategies priorities
- Continued implementing of future focused culture
- Supported by investment systems to improve efficiencies





# Structure of the Company and its subsidiaries





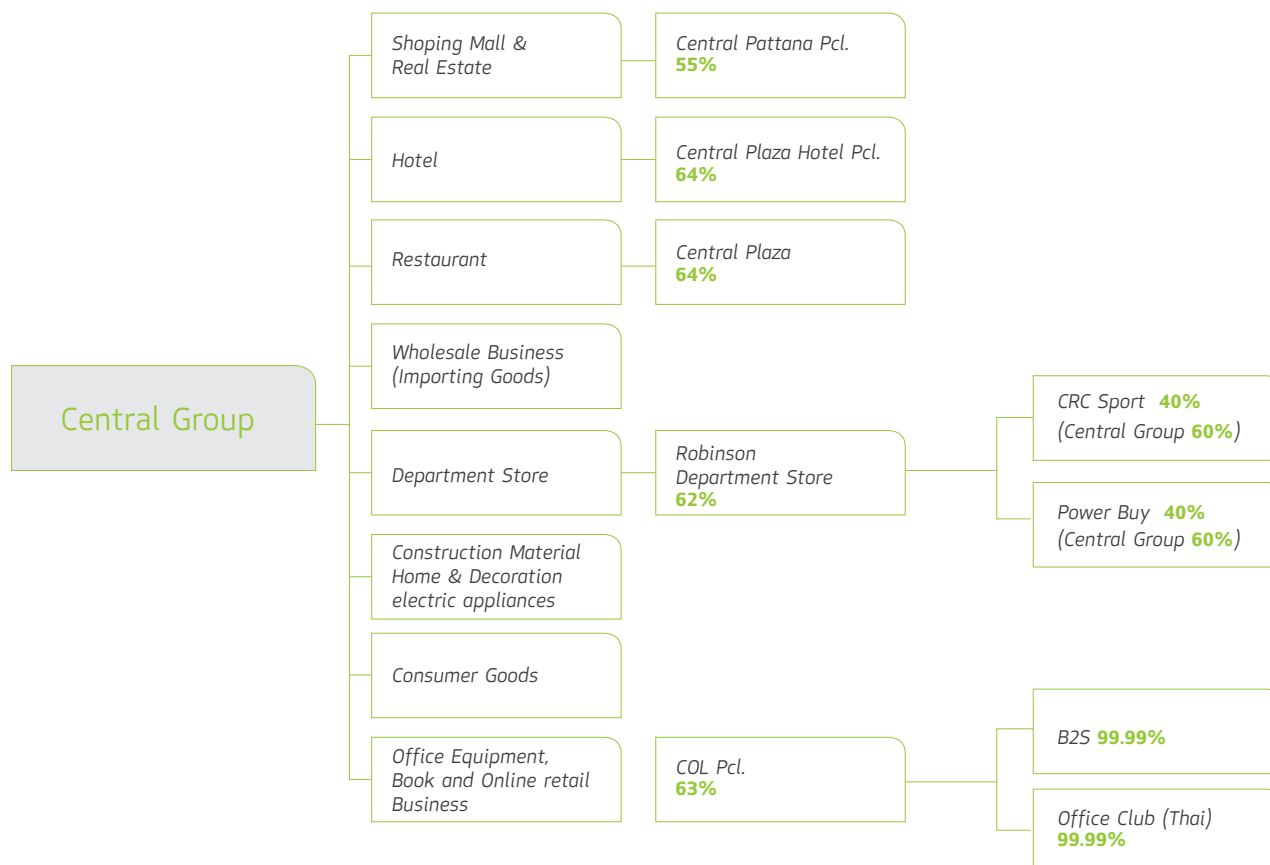
## The Company and its subsidiaries

Name	Paid-up Capital (Baht)	Nature of Business
Robinson Department Store Public Company Limited	3,942,847,022	Retail, including department stores in Bangkok and upcountry areas, under <b>"Robinson"</b> brand. The stores include: Sukhumvit, Bangrak, Bangkoe, Srinakarin, Fashion Island, Rangsit, Ladya, Rattanathibet, Rama9, Sriracha, Ayutthaya, Chonburi, KhonKaen, Trang, Chaingrai, Phitsanulok, Suphanburi, Bangna, Lumpang, Surattani, Kanchanaburi, Ubonratchathani 2, Sakonnakorn, Saraburi, Surin, Chachoensao, Samutprakarn, Roi-Et, Prachinburi, Mukdaharn ,Rayong, Burirum ,Srisamarn and Maesot
CR (Thailand) Co., Ltd.	3,201,000,000	Holding company to jointly invest in department store business under the "Robinson" brand in eight provinces
CR Ratchaburi (Thailand) Co., Ltd.	645,600,000	Operating a department store in Ratchaburi
CR Chiang Mai (Thailand) Co., Ltd.	220,000,000	Operating a department store in Chiang Mai
CR Hadyai (Thailand) Co., Ltd.	202,000,000	Operating a department store in Hadyai
CR Udonthani (Thailand) Co., Ltd.	225,000,000	Operating a department store in Udonthani
CR UbonRatchathani (Thailand) Co., Ltd.	71,000,000	Operating a department store in UbonRachathani
CR Chantaburi (Thailand) Co., Ltd.	130,000,000	Operating a department store in Chantaburi
CR Nakorn Sri Thammarat	280,000,000	Operating a department store in Nakorn Sri Thammarat (Thailand) Co., Ltd.
CR Phuket (Thailand) Co., Ltd.	177,000,000	Operating a department store in Phuket
Robinson Nakarin Co., Ltd.	105,000,000	Dormant company
Robinson Sukhumvit Co., Ltd.	100,000,000	Dormant company
Robinson Ratchada Co., Ltd.	75,000,000	Dormant company
R-Trading (L) BHD	50,000	Invest in businesses
Robinson S.P.V. Co., Ltd.	1,000,000	Repurchase Notes under VDRP
Power Buy Co., Ltd.	560,000,000	Operate specialty stores: Electrical Appliances
CRC Sport Co., Ltd.	370,000,000	Operate specialty stores: Sports Accessories
Siam Retail Development Co., Ltd.	500,000,000	Owner and management of Fashion Island shopping complex (Ramindra)
Square Ritz Plaza Co., Ltd.	125,000,000	
R.S.T. Sky bridge Co., Ltd.	49,395,000	Build and manage the sky train connection to department store
Robinson Department Store (Vietnam) Joint Stock Company	5,000,000 USD	Operating a department store in Vietnam



## Relationship with business corporation of major shareholders

Major shareholders' business structure as of 31 December 2015



The Company is one of the businesses of the Central Group. A policy of the Group is to promote competitiveness by investing in related businesses including shopping center development, retail space rental, and importation, production and distribution of fashionable cloth and personal items. Another related business is management in a centralization style on supporting retail business. This creates economy of

scale and expertise as well as increase potential in operation.

In addition, the Company has a policy on transaction with any person relating to the Company, details of which are specified in the "connected transaction" section.





# Nature of Business



## Income Structure

Revenue Type/Company	2015		2014		2013	
	Million Baht	%	Million Baht	%	Million Baht	%
Revenue from sale of goods						
- Robinson Department Store Pcl. (1)	18,534	63.44	16,849	62.36	16,560	61.90
- Subsidiaries* (2)	6,651	22.77	7,047	26.08	7,740	28.93
Total revenue from sales of goods (1)+(2)	25,185	86.21	23,896	88.44	24,300	90.83
Investment income	2,554	8.74	1,858	6.88	1,300	4.86
Other income	1,024	3.50	860	3.18	796	2.98
Share of profit from associates	451	1.55	404	1.50	358	1.34
Total income	29,214	100.00	27,018	100.00	26,754	100.00

\*Subsidiaries including CR Ratchaburi (Thailand) Co., Ltd. (Hold shares of 99.99%), CR Chiang Mai (Thailand) Co., Ltd. (Hold shares of 89.99%), CR Hadyai (Thailand) Co., Ltd. (Hold shares of 76.00%), CR Udonthani (Thailand) Co., Ltd. (Hold shares of 76.00%), CR UbonRatchathani (Thailand) Co., Ltd. (Hold shares of 74.99%), CR Chantaburi (Thailand) Co., Ltd. (Hold shares of 64.99%), CR Nakorn Sri Thammarat (Thailand) Co., Ltd. (Hold shares of 49.99%), CR Phuket (Thailand) Co., Ltd. (Hold shares of 49.99%) and Robinson Department Store (Vietnam) Joint Stock Company (Hold shares of 99.99%)

## Income Structure from sales

Categories of Products	Income (%)		
	2015	2014	2013
Health and Beauty	14	14	14
Fashion	39	37	38
Accessories	29	31	30
Home and Hardline	18	18	18
	100	100	100



## Market & Retail Business

### Competitors

Department store operators

Competitors

Department store operators

1. As the Company's direct competitor in terms of nearby location or sharing similar target groups, department store operators can be divided into

1.1 Chain Department Store, including

**Central Group** manages under the Brands :

- Central Department Store which operates the shopping mall along with Thailand for over 69 years. A total of 20 Central Department Store branches can be divided into 13 in Bangkok and 7 in regional areas.
- Zen Department Store which focus on the teenagers and new generation people who have high purchasing power. There is only 1 Department Store branch in Bangkok.

**The Mall Group** have a total of 10 branches, they manages shopping mall and department store under the brands :

- The Mall Department Store which focus on the customers with intermediate purchasing power. A total of 7 The Mall branches can be divided into 6 in Bangkok and 1 in regional area.
- The Emporium (1 branch) Siam Paragon (1 branch) and The Emquartier (1 branch) which are all located in Bangkok and target at customers who have high purchasing power and adore luxury.

1.2 Other department store operators, including for example Tang Hua Seng Department Store, Tokyu Department Store, Isetan Department store, and local department store operators of each regional area.

2. Other department store operators, including for example Tang Hua Seng Department Store, Tokyu

Department Store, Isetan Department store, and local department store operators of each regional area.

### Other retail business operators

Other retail business operators include discount stores/super centers, and various types of shopping mall such as Central World, Esplanade, King Power, Platinum Mall, Crystal Park, Terminal 21, Mega Bangna and more well-known international fashion brands such as Uniqlo, H&M, TOPMAN, TOPSHOP, and etc. These operators are the company's indirect competitors as they target to the different groups of customer or different purposes of purchase.

### Retail Market Overview

In 2015, Thai economy grew by 2.8 percent, higher than the 0.8 percent growth in 2014. On the expenditure side, domestic demand grew at a faster pace, in line with the acceleration in public investment, private and public consumption expenditure, and improvement in private investment. On the contrary, export of goods contracted and imposed constraints on economic growth. On the production side, the stronger growth in the construction sector, as well as favorable expansion of hotels and restaurants and other services sector, and modest growth in manufacturing sector. Meanwhile, agricultural sector was impacted by the drought. Private consumption and total investment expanded by 2.1 and 4.7 percent respectively. Headline inflation stood at -0.9 percent, and current account registered a surplus equivalent to 8.9 percent of GDP. (Source: NESDB)

In 2015, Retail business grew up from the previous year by public expenditure, it was the result of government stimulus measure continuously. In addition, the high expansion of number of tourists is another factor in supporting economic growth.

In private consumption sector is likely recovered gradually from the previous year, due to the



government stimulus policies included of lower inflation rate and oil price constantly. For the stabilization of Thai economy is favorable by headline inflation in 2015 stood at -0.9 percent lowering from previous year, due to decreasing price of world oil and commodities. (Source: MOF)

Nevertheless, retail business operators secured their business opportunity by establishing new branches in big communities and provinces due to dispersing population and expanded economy.

With regard to department store business, there was more competition than the previous year not only in Bangkok but also in big city in upcountry. Nevertheless, department store operators have still expanded their business by launching new stores in many areas or renovating existing ones. Some operators expanded to new markets in order to seize any business opportunity particularly in ASEAN region. Robinson Department Store expanded 4 stores in Thailand, all of which were lifestyle center stores in provinces which has small market size and lower competition. Central Department Store expanded 2 branches in Bangkok. On the other hand, Mall Group did not expand any new store. Instead, it renovated its Bangkok stores to be more competitive. All three operators started in online business. They presented their products and launched promotion campaigns through their website in order to target customers who prefer to shop online and want more convenient.

## Product Type

The Company operates retail business concerning department stores. It offers products from leading domestic and international brands and it focuses on modern, trendy and quality products. Products also should be multi-functional purpose, and multi utilities. These can be classified into 4 main lines as follows.

1. **Health and Beauty** consists of cosmetics such as skincare products, perfumes, and health and beauty products.
2. **Fashion** consists of
  - Ladies' Fashion and Lingerie  
Comprising of ladies' wear, along with women's lingerie, the diverse array of items available under this product type not only keep up with the latest trends, but are also made available for teenagers to working women.
  - Men's Fashion  
Comprising of fashionable men's wear, this product type includes clothes, shoes, bags, belts and men's underwear.
  - Jeans and Unisex  
Comprising of jeans casual wear ranging from top, trousers to various types of skirt, a comprehensive range of items available are all from leading brands.
3. **Accessories** consists of
  - Accessories  
Comprising of jewelries and accessories, as well as ladies' shoes and bags.
  - Children's Wear  
Comprising of children's wear, shoes and utensils which cover all ages from newborn to grown-up kids. Sizes have also been expanded in order to suitably respond to children growth in every age bracket. Products of leading brands and highest quality are made available.

01

HEALTH AND BEAUTY

02

FASHION

03

ACCESSORIES

04

HOME AND HARDLINE



#### 4. Home and Hardline consists of

##### - Home Decoration & Household Apparatus

This type of product comprises of towels, beddings, kitchenware, home decoration items, household apparatus - all of which are guaranteed to have on offer in numerous designs, plus with the best quality and highest utility.

##### - Gifts and Toys

Comprising of gifts, knickknacks as well as toys for children in every age bracket, the highest standard and safety are primary concern for this type of product.

##### - Other types of product

Aside from the aforementioned types, Robinson Department Store has on offer other types of products namely automobile tools and equipments, just to name a few.

In addition, the Company has also developed its own product design, which is different from general products available on the market. Besides, the Company has selected new products with interesting feature and designs from both local and international markets in order to increase product variety and differentiate itself from competitors. Available only at Robinson (Only@ Robinson), the management for this type of products can be divided into main 3 categories as follows:

**1. Private Brand :** These comprise products whose brands are developed by the Company itself in order to be presented throughout all stores. The Company considers and selects only the products demanded by customers and provides them at reasonable price with emphasis on good quality and modern style, the products can be divided into the following categories.

Product Category	Brand		
Kitchen, small appliance and bedding	Cuizimate	Robinson*Home	
Fashion and Ladies' wear	F.O.F	Ohayo	
Shoes, bags and Ladies' accessories	F.O.F		
Fashion and Men's wear	Pacific Union	Snap	Otoko
Children product	F.O.F	Snap	
Luggage	Robinson Luggage		

**2. Exclusive International Brand Product :** Well-known international brand and manufactured abroad which is selected to sell only at Robinson Department stores.

Product category	Brand	
Shoes Bag and Accessories	Claire's	Payless ShoeSource
Kids	Babyshop	
Cosmetics	Mades Cosmetic	



This product category is also included local popular brands that we order special exclusive collections to sell only at Robinson Department stores. It is all our differentiate strategies to select

fashion items matching to the purchasing power and demand of our customers each store.

Product Category	Brand
Fashion and Ladies' wear	Yishion
Fashion and Men's wear	Yishion Emilio Valentino

Additionally, the Company provides the local popular brands which are produced special collection exclusively available at Robinson. These are part of the Company's differentiation strategy. The fashion products are then positioned in stores where customer demand for such distinct products from others and purchasing power is most conducive.

**3. One Price 'Just Buy' :** A variety of products which are sold at Baht 60 consisting of products for teenagers and young professionals. Consumer products such as accessories, cosmetics, stationary, gifts, and home products are also included.

### Competitive Strategy

In order to achieve its business goal, the Company manages its business under main 7 strategies as follows.

#### New store expansion

The Company aims to expand its stores within a country continuously in order to be located in a potential area and become the first mover. Store expansion is also served the economic expansion and urbanization in each location. Attention is paid to an area closing to neighboring countries due to potential benefit from economic expansion of ASEAN Economic Community (AEC). In 2015, the Company opened 1 new Department Store i.e. Rayong and opened 3 lifestyle centers i.e. Burirum, Srisamarn, and Maesot.

#### Exploit Vietnam Opportunity

The Company expanded its investment to foreign market which has trade opportunity to succeed its domestic store expansion. In 2014, the Company, thus, expanded its business to Vietnam under a department store named "Robins Department Store". One store is in Hanoi and another is in Ho Chi Minh City. The Company has a plan to continue its investment in Vietnam so as to fully create business opportunity there.

#### Identify and realize (brands for growth)

The Company deeply analyzes customers' demand so as to make Robinson a shopping destination and a leader in each type of product. Each product offering must excellently fulfill the need of customers in each area. Helping customers when making a decision to buy is done by providing products with good quality in an affordable price. Products that the Company aims for their growth are shoes, health and beauty product, jeans and denims, home category, lingerie, young fashion apparel, and luggage.

#### Create outstanding "customer journeys" for an excellent shopping experience

The Company aims to give an outstanding shopping experience to its customers every time they visit the store. Services provided by employees are





improved and standardized. Employees should begin with greeting, approaching and understanding a customer's need, closing a deal and thanking a customer (Greet-Engage-Sell-Thank). This creates a stronger bond between customers and the Company which leads to re-visit the store.

#### Ensure that Marketing spend results in real incremental sales & brand value to Robinson

The Company targets to add branding value of "Robinson" by using effective marketing strategies in management, customer relationship management (the 1 Card member customers, the Robinson - Kbank credit card and the Robinson - Kbank debit card) and public relation via media and online channels. Displaying product in an attractive way in each store is also another strategy. These strategies stress the image of Robinson as modern department store. In each festive season, each store arranges marketing and promotional activities to attract customers and increase their spending.

#### Maximize the use of Retail IT system (be at the forefront for customers & staff)

The Company uses new IT and technology systems to support its effective operation and utilize its existing information technology system. Database of the 1 Card members is used so as to better understand customers' demand. In 2014, the Company developed the Robinson Mobile App and the Online Shopping to expand its success in business to online market. Furthermore, the Company applied the analysis system on the data of visiting times of customers. This can conduct deep analysis to develop and improve its business strategy for better effectiveness and efficiency.

#### Recruit & retain talented individual to meet our future organizational structure

The Company has searched for professional personnel and continuously and seriously improved its employees on their skills, knowledge and potential. They will be well-qualified for the Company's growth, both local and international, in the future.

#### Target Customers

The Company's major target groups include modern families and young professionals between the ages of 25-45 who have medium to high purchase power, have modern lifestyles, love to spend on popular fashion products and focus on quality of products at reasonable prices. In addition, customers who fall into groups such as teenagers, students, and young professionals are those who demand fashion products with affordable price.

Moreover, there are also customers, who are tourists such as Middle East customers, Asia customers, which are Chinese, Taiwanese, Korean and Vietnamese, etc, European tourists and foreigners who work in Thailand. The Company provides products matching to each group of customer at branches that are located in such group's areas or that are in close proximity with overseas residents including Sukhumvit, Bangrak, Phuket, Chiang Mai, Had Yai, Sriracha, and Chonburi. Besides, the Company launched the Tourist Card and VAT refund activities to allow convenience for overseas customers.





In addition, special discounts and sales promotion activities have been organized especially for tourists. The Company provides special services for loyal customers', who are members of The 1 Card including special privileges such as discounts, point accumulation and reward redemption, and also Lifestyle monthly magazine delivered to members. Through this magazine, members are able to obtain news and information on sales promotion activities, new products and special activities.

In addition, the Company also has customers using Robinson Credit Card. The card holders receive special services such as discounts, promotion activities as well as special privileges as defined by the credit card company's management. Furthermore, at the end of 2011, the Company in collaboration with KasikornBank PCL issued a credit card known as "Robinson - KBANK Credit Card" which is separated into Classic Card and Platinum Card. In 2014, the Company cooperated with KBANK to issue a debit card known as "Robinson - KBANK Debit Card" of which objective is to offer a spending choice to customers.

### Procurement of Products and Services

In accordance with merchandising management policy, the Company has emphasized worthwhile product quality, when it placed in store, together with fashion, the current popularity, and diverse range of assortment, type, and model. These are also in meeting customer needs. As a result, the Company

has purchased from over 2,000 suppliers both domestically and internationally in which firmly relationship for long.

Of local purchases, the Company has emphasized on brand-name, modern style, and varied of variety and assortment subject to the need of each target customers

Of international purchases, the Company contacted international suppliers by sending its staff to survey products and negotiate directly with international manufacturers and suppliers. However, the company does not enter into exclusive purchase agreements with any specific suppliers. Imported products are mainly from Singapore, China, Korea, Hong Kong, India, Japan and Australia. The main purpose of overseas purchases is to offer new varieties of products that are different from its competitors.

The Company's procurement of products is operated from the head office. The merchandising line is responsible for controlling in purchasing, price negotiation, payment condition, and inventory management of each store to be at an appropriated level as set by the Company. A computerized system has been utilized to control and follow up the sales and inventory for accurate and efficient management. Of supply chain management, the Company collaborated with Supply Chain Management unit of Central Retail Corporation Co., Ltd., a specialist unit with high capability to develop effective supply chain



system, together with the suppliers to manage the Company's supply chain. In doing this, the system shall reduce suppliers overhead cost and be more response relevant to customer needs.

In terms of payment conditions, the company has employed two systems -a consignment basis which was amounted to approximately 75%-80% of cost of goods sold and credit base of 20%-25% respectively.

### Environmental Impact

none



# Risk Factors



Seriously and continuously placing great significance on the risk management, the Risk Management Committee is responsible for the risk management policy and oversees the risk management guideline. The Risk Management Committee also follows up the operation to manage risk in every aspect in order to assure that risk management is sufficient, proper and able to manage the risk level to be in the acceptable level. The Risk Management Committee meeting is held quarterly. Also, the Company also has the Risk Management Working Team in order to manage the risk in the operating level, and the Risk Management Working Team meeting is held quarterly. The key risks having an effect upon the Company's business operation are as follows:

## 1. Strategic

**The ability to respond to fluctuating economic conditions and competitions.**

The Company adhered to the careful business management and set up a system to punctually follow, assess, and quarterly report the economic situation and other important situations to the Risk Management Working Team in order to be able to specify and adjust the risk management plan to match each risk in that time and to ensure that the Company reaches its goal in business operation as well as sets up risk management strategy for the possible risks in time. These plans and strategies will further be quarterly

reported to Risk Management Committee.

However, the Company has paid attention to its main strategy, creation of competitiveness by presenting the unique product and new brand. This aims for more variety together with introducing products matching the customers' lifestyle plus the value-added service. The Company also emphasized on the marketing activities in both Bangkok stores and provincial stores so as to promote marketing in the area and to be memorable. Further, the Company deeply analyzed consumer's spending behavior so as to introduce promotion campaign better matching each group as well as continuously publicized the marketing to expand the member base. Apart from increasing sales, it also builds good image and customer loyalty to Robinson Department Store.

Regarding operation systems, the Company had on hand the highly-efficient operational management system which included the Logistic and Supply Chain merchandise management system which helped lessen some purchasing and transportation procedures. Furthermore, the Company had also integrated a top-of-the-range computer system in its inventory management to minimize risks of obsolete stocks and to quickly and appropriately respond to sales operation. Besides, the Company ensured the efficiency of its front office operating system, while the cutting-edge, follow-up system on marketing plans and on customer behavior.



In addition, having stores all over the country, it is considered as the good risk sharing in case of having an event affecting the Company's business operation in certain areas of the country as well. Therefore, the Company can maintain normally its good operation.

## 2. Operation

### The Obsolete Stocks

The Company operates the department store business with emphasis on continually providing fashionable products as well as modern products. Hence, when consumers' trend has changed, the Company's products have become obsolete and cannot be sold. The Company has set an accounting policy that included provision for impairment of inventories in the credit stock. While the rest products, the parties have agreed to be responsible for the case of obsolete stocks. Therefore, risk associated with the obsolete products has created no significant effect on the Company's operation.

The Company diversified its purchases from more than 2,000 suppliers in order to increase variety and differentiation of products in compliance with the Company's strategy, which also included reducing dependency on large purchases from a single, specific supplier.

### The dependency of leasehold for land and building

The Company owns land and buildings for 13 of its stores and has rental contracts, sublease contracts, and leasehold rights on land and buildings from existing owners for the rest of its department stores. The said lease contracts are a result of the necessity to select high potential areas for operating department store business. Such land and/ or buildings are not normally sold by their owners. They are instead leased out. In some cases, the cost for acquiring the rights to land and buildings are costly and not worth the investment, especially when compared to leasing. At present the term of leasehold for land and building contracts, the Company will enter into a long term contract which is about 30 years. Furthermore some contracts already set conditions for contract renewal. Since both parties involved were complying with these existing contracts, the Company accordingly

expects the successful renewal of such contracts in the future.

In the case when the Company owned rental contract on buildings and depended on the management of its existing owner, the risk resulted from damage and losses of shopping complex buildings and other facilities due to lack of appropriate maintenance may occur. However, the Company has cooperated and followed up the building maintenance service provided by the management of the shopping complex on a regular basis to ensure that the shopping complex buildings were safe and suitable for the Company's business operation.

### Accidental damages and natural disasters

Risk associated with accidental damages and natural disasters such as fire, flood, etc. including risks from casualties may cause damage to property and staff of the Company and disruption to the department store operation. However, the Company set a strict security policy, closely followed up, reported each store's situation which might have damage and prepared a plan for readiness in risk management in every stores of the Company. This includes employee's evacuation drill and document removal in case of natural disaster or accident in each store. Furthermore, the Company undertook insurance for damage of properties owned by the Company and properties under the Company's supervision as well as insurance policy which covered losses to the third party.

Additionally, insurance for losses of income caused by business interruption was undertaken in case of temporary operation disruption of any of Robinson's stores.

With regard to, risk from epidemic in one period which may impact the department store business, the Company closely followed the circumstance and strictly carried out the measure of the Ministry of Public Health on protection the pandemic such as keeping every area, inside and outside, of the department store, in particular in the important spots where having a lot of customers, and the air-conditioning system in the buildings clean.



### 3. Finance

#### Financial liquidity

With regard to the financial liquidity as of 31 December 2015, the Company had current assets of Baht 5,317 million and current liabilities of Baht 9,864 million, representing a current ratio of 0.5 times. Also, the Company had short-term loan from financial institutions of Baht 2,000 million. The Company's current liabilities are mostly trade accounts payable, which is a general feature of retail business in the category of department store. Moreover, most of the Company's trade accounts payable were trade accounts payable which have the condition that payment will be made only when products are sold, taking 75-80% of the product costs. The Company will pay the costs to the other party when the product is sold and paid by the customer. Hence, the existing amount of current liabilities has not created any effect on the Company's normal liquidity.

The Company has a policy regarding cash balance management by managing and investing in various forms such as bank deposit, commercial bank promissory note, government bond, and fund focusing on an investment in government bond and state enterprise bond so as to make sure that the Company will receive the principal and any specified return on investment.

Furthermore, regarding financing for store expanding investment plan including continuous investment in existing store renovation every year, and provides long-term loan to support to investment plan at the right interest rate. Company does a cash flow projection in the future and strictly disciplines in investment payment including continuously making good relationship and building high confidence to financial institutes. At present the Company, has been able to invest in the project as specified in the objective from the projected cash flow. As of December 2015, company has long-term loan amounted of Baht 1,500 million.

With regard to currency exchange risk, presently, the Company has a few international transactions. As a result, the risk in this matter does not have any material effect on the Company's operation.

### 4. Information Technology

#### Safety in information storage, access to information and working system

Safety in information storage is the one the Company always gives priority to in particular the important information of the Company as well as trade secret information of each partner and customer of the Company. At present, the Company has the highly safe and reliable information storage system and the back-up system. In addition, the Company utilizes a computerized system to limit access of information by any particular level of authority together with prescribing the Company's regulation on "the disclosure of confidential information" as well as stressing to employees the importance of correct and suitable usage of system; hence, the management and information storage system can work most effectively and continuously.

In addition, the Company considered the risk management in other types of information technology such as developing the working system in order to be consistent with the Company's business plan, monitoring the operation in order to be in full compliance with laws and specifically the computer laws.

### 5. Compliance

Mainly focusing on the Company's compliance with relevant laws, rules and regulations, the risk management working team prescribed performance policy on each aspect which may be related to laws or regulations as follows:

#### Intellectual Property

The Company's business operation involves products from a large number of traders. Some of those products may be copyrighted, patented or under certain product standards regulated by state entities. As such, the Company has always stressed that products distributed in the store must already have attained an authorization to sell, dispose or distribute. Currently, the Company embraces an authorization inspection process as one of its purchasing procedures and also closely follows up the product purchase process with its traders. Not



only having designated a division to be responsible for an intellectual property, but the Company also strongly emphasizes among related departments to place a great emphasis on this area of risk factor. Plus, the Company always randomly check the products so as to ensure that every product from traders strictly adhere to legal requirements.

#### Consumer aspect

With the prime concern to elevate consumers' quality of life and to avoid problems that may claim consumers' lives or deprive them of their properties, the Consumer Protection Law and Product Liability Law are both aimed to clearly prescribe deservedly rights of consumers, as well as duties and responsibilities of manufacturers and operators. In compliance with the law, the Company has held fast to its strong commitment to operate the business on the principles of fairness and integrity. Besides, the Company is determined to meet customers' demands by means of providing them quality products at reasonable prices, in consistent with offering excellent services for their utmost satisfaction. Apart from its highly-efficient product purchasing procedure, the Company also keeps in mind the basic service standard for customers. That is, customers are guarantee to enjoy premium-quality products and well equipped with useful information or product's manuals for their maximum benefits and safety. Furthermore, the Company also provides channels for customers to make their complaints or contact for further information with regards to the Company's products or services.

#### Retail business operation

Regarding the (draft) Retail Business Act, its objective is to directly supervise and monitor retail business. The Act has been continually drafted and improved to include content regarding criteria, methods, and conditions for operating particular segments of retail business and the permission of store expansion. The (draft) Act has been created with the intention of creating balance between large scale retail businesses (which provides basic consumer necessities and use pricing strategies) and community retail businesses (grocery). Regarding this matter, the Company finds that the department store is a retail business which

emphasizes fashion products, product variety, brand name products which are different from consumer products sold in small retail stores. It also provides other related one-stop services. It is a retail business with particular features that are different from community retail businesses (grocery). Therefore, the Company's operation, management, and plans for expansion are not opposed to the idea and intentions of this (draft) Act. It is unlikely that the Company will be directly affected by the (draft) Act.

The announcement of unfair trade practices in commercial business has the objective of setting definitions and qualifications for trade operators who have power over markets, so that trade and business can be conducted independently and fairly. This also allows operators to know which action and qualification may be considered false according to the Trade Competition Act B.E. 2542. However, the Company has always set policies that adhere to and follow the Act regarding fair trade practices in business operation. Throughout the years, the Company has developed a good relationship with its business partners. Both assistance and cooperation have been provided for a long time. Therefore, the announcement of a trade competition committee has had no effect towards the Company.

#### Store expansion

The City Plan law has produced direct effects on the development of large-sized commercial complex buildings which also included the construction and expansion of certain segments of some retail businesses such as large scale retail stores which provide various consumer products. This law has been used by the government as a means to monitor store expansion of modern retail stores, as the process of the Retail Business Act enforcement has not been completed yet. Although the City Plan law has no direct effect on the expansion of department stores, this law has created an indirect effect on their expansion, as it is more difficult to develop new shopping complexes and the expansion of retail areas has since slowed down. The shopping complex is a major location for department store expansion, as it is a commercial point which provides a variety of products and services.





# Shareholder and Dividend Policy

## Company's securities

The Company's capital structure, as of 30 December 2015 was as follows:

<u>Common Shares</u>	Registered and paid-up capital	3,942,847,022.15	Baht
	Total number of shares	1,110,661,133	shares
	Par value	3.55	Baht
	Share Price as of 30 December 2015	43.50	Baht

## Company's Shareholders

Top 10 shareholder list as of 30 December 2015

No.	Shareholder's Name	No. of Shares	%
1.	CENTRAL RETAIL CORPORATION LTD.	308,162,660	27.75
2.	C.R.G. SERVICE CO., LTD.	289,645,488	26.08
3.	CREDIT SUISSE AG, SINGAPORE BRANCH	43,444,765	3.91
4.	Social Security Office	37,607,000	3.39
5.	STATE STREET BANK EUROPE LIMITED	30,757,771	2.77
6.	MR.SUDHILAK CHIRATHIVAT	26,919,796	2.42
7.	THAI NVDR Co., LTD.	25,823,290	2.33
8.	THE BANK OF NEW YORK MELLON	18,932,500	1.70
9.	HSBC (SINGAPORE) NOMINEES PTE LTD	16,034,300	1.44
10.	VIELLA ASSETS LTD.	14,578,677	1.31

The Company's ultimate shareholder, a group of major shareholders, by circumstances, having significant influence over the policy making or operation of the Company, is Central Retail Group (Chirathivat Family), which comprises of Central Retail Corporation Co., Ltd. and C.R.G Service Co., Ltd. and persons in Chirathivat family. They jointly hold the Company's shares in aggregate of 62% approximately.

## Foreign limit in shareholding

The Company has set a foreign limit of 49% of the paid-up capital. As of 30 December 2015, foreign investors altogether held 20.56% of the total of paid-up capital.

Shareholders	No.of shares	%
Thai Shareholders	882,343,708	79.44
Foreign Shareholders	228,317,425	20.56
Total number of shares	1,110,661,133	100.00



## Dividend Policy

The Company's dividend payout policy is at the rate of approximately 40% of profit arising from ordinary business (after corporate income tax). The Company's dividend payment in the past is as follows:

Year	Net Profit (million Baht)	Dividend per Share (Baht)	Dividend Payout Ratio
2555	2,063	0.90	48%
2556	1,986	0.90	50%
2557	1,927	0.90	52%
2558*	2,153	1.00	52%

\*According to the meeting of the Company's Board of Directors No. 1/2016 held on 18 February 2016, the meeting passed the resolution of dividend payment to shareholders at the rate of Baht 1.00 per share or payout ratio at 52% (higher than dividend payout policy). The resolution will be proposed to the Annual General Meeting of Shareholders No. 1/2016 on 8 April 2016 to consider the approval of dividend payment.

## The policy of the associates

The Company has a policy to pay a dividend of its subsidiaries; however, this has to be approved by the Board of Directors or the authorized directors. Notwithstanding, dividend payment from its subsidiaries shall be subject to operation result, business expansion plan, liquidity, financial statement, any financial condition and constraint toward creditors (if any) and any other possibility.



# Management Structure of the Board

The organization structure of Robinson Department Store Public Company Limited consists of the board of directors which responsible for supervision of the Company's governance, and 5 specific committee which includes Audit Committee, Board of Executive Committee, Nomination and Remuneration Committee, Risk Management Committee and Corporate Governance Committee with details of each director as follows:

## Board of Directors

The Board of Directors has a duty to perform the Company's business in compliance with laws, objectives, Article of Association of the Company and the resolutions of the shareholder's meetings together with the compliance with the rules and regulations of the Stock Exchange of Thailand and the Securities Exchange Commission. The Board also adheres to the business conduct and takes the interest of all sides into consideration as well as provides credible accounting system, financial reports and audit.

In performing duties, the Board of Directors may assign a director or many directors or any person to perform any act on behalf of the Board of Directors under the control of the Board of Directors or authorize such person to have the power as the Board of Directors deems appropriate and within the period as the Board of Directors deems appropriate.

As of 31 December 2015, member of the Company's Board of Directors comprises of 12 directors. There are 11 directors who are not the executive and the other 1 director is an executive, details of which are as follows;

No.	Name of the Directors	Position
1.	Mr. Sudhisak Chirathivat	Chairman
2.	Mr. Sudhitham Chirathivat	Vice Chairman
3.	Mr. Somchai Apiwattanaporn	Independent Director
4.	Mr. Yodhin Anavil	Independent Director

5.	Mr. Vithaya Chavananand	Independent Director
6.	Mr. Charan Mongkolchan	Independent Director
7.	Mr. Kanchit Bunajinda	Independent Director
8.	Mr. Prin Chirathivat	Director
9.	Mrs. Yuwadee Chirathivat	Director
10.	Mr. Piya Nguiakaramahawongse	Director
11.	Mr. Pandit Mongkolkul	Director
12.	Mr. Alan George Thomson	Director and President

## Remark

- The directors no. 1-2 and 8-11 are the director representing the shareholders.
- The director no. 12 is the director who is an executive.

Authorized directors for the Company signage are Mr. Sudhisak Chirathivat, or Mr. Sudhitham Chirathivat, or Mr. Prin Chirathivat, or Mrs. Yuwadee Chirathivat, or Mr. Piya Nguiakaramahawongse, or Mr. Alan George Thomson, or Mr. Pandit Mongkolkul. Any two of these seven directors are authorized to jointly sign on behalf of the Company with the Company seal affix.

As of 31 December 2015, Mr. Pandit Mongkolkul, Director, is the Company's corporate secretary.

## Scope of Duties and Responsibilities of the Board of Directors

1. To consider and approve policies, business plan, and the Company's annual budget.
2. To consider and approve any transactions made by the Company and its subsidiaries which may result in changes to the Company's financial status, liabilities, and capital structure.
3. To consider and approve an investment of assets with the amount above Baht 200 million per investment.
4. To consider and approve significant engagement in rental or service related to the real estate properties of the Company and its subsidiaries.
5. To consider and approve the significant activities which include selling, transferring, and getting rid of the Company and its subsidiaries' fixed assets.



6. To consider, approve or give their consent on connected transactions and transactions which may cause a conflict of interests between the Company or its subsidiaries and the concerned persons. The board should monitor compliance with the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.
7. To consider, approve, or give their consent on transactions concerning important issues, the acquisition and trading of assets, all the while ensuring compliance to the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.
8. To appoint and set duties and responsibilities of the committees.
9. To nominate directors and to consider and approve the appointment of a President.

## The Management

As of 31 December 2015, the Management of the Company comprise of 15 persons as follows;

1. Mr. Alan George Thomson President
2. Mr. Mark Ashlin Senior Vice President Retail
3. Mrs. Ratana Anontakaroon Senior Vice President Merchadising
4. Mr. Paresh Chauhan Senior Vice President International Brands
5. Mr.Sukitti Kittipassorn Vice President Business Analysis and Development
6. Mrs. Orawan Tipsuwanporn Acting- Senior Vice President Merchandising
7. Mr.Anan Tantipanyakun Vice President Operations
8. Mrs. Tiparat Promburee Vice President Merchandising
9. Ms. Arunee Tulya-Anukit Vice President Merchandising
10. Ms. Apisuwee Chai-amnuaysuk Vice President International Brands

11. Mr. Wuttukiat Techamongklapiwat Vice President Property & Lifestyle Mall
12. Mr. Kritchart Jindasamai Vice President Store Design Development & Costing
13. Mr. Puthada Teravetchakarn Vice President Operations
14. Mr. Komsan Kwunchaithunya Vice President Commercial
15. Mr. Dissatat Wisetvara Financial Controller

### Remark

- The Management no.5 Mr.Sukitti Kittipassaorn resigned from 1 September, 2015 onwards.
- The Management no.6 Mrs. Orawan Tipsuwanporn is appointed Acting-Senior Vice President Merchandising in replacement of Mrs.Ratana Anoontakaroon from 1 September, 2015 onwards.
- The Management no.9 Ms.Arunee Tulya-Anukit resigned from 16 April, 2015 onwards.
- The management no.13 Mr. Puthada Teravetchakarn is appointed Vice President Operations in replacement of Mr. Anan Tantipanyakun from 1 April, 2015 onwards.

### Scope of Duties and Responsibilities of the President

1. Prepare policies, business plan, and annual budget, to be submitted to the board of executive directors for consideration and then to the board of directors for approval.
2. Manage the business according to the Company's policies and business plan as assigned by the Company's board of directors.
3. Approve disbursement of expenses as specified in the budget, and consider and approve investment of assets at a credit limit with the amount up to Baht 5 million per transaction.
4. To consider and approve the Company's engagement in rental or service of any movable properties which are considered as normal business operations.



5. To consider and approve the Company's engagement in rental or service of the real estate properties which are considered as normal business operations. The contract value shall not exceed Baht 50 million and/or three years of tenure.
6. Consider and approve policy of merchandising, trading policy, marketing, sales, and general asset administration.

### Company Secretary

The Board of Directors has appointed Mr. Pandit Mongkolkul, Director as the Company Secretary to arrange the meeting of the Board of Directors and Shareholders, including filing related documents and supporting activities to be compliance with the good corporate governance principles as well as with the Securities and Exchange Act.

#### Scope of Duties and Responsibilities of the Company Secretary

1. Prepare and keep documents, including :
  - a register of directors
  - annual report of the company
  - a notice calling director meeting and a minute of meeting of the board of directors
  - a notice calling shareholders meeting and a minute of shareholders' meeting
2. Keep a report on interest filed by a director or an executive.
3. Submit a copy of report on interest of a director and of executive or of related persons to the Chairman and the Chairman of audit committee within 7 business days from the date on which the company has received such report.
4. Arrange the meeting of the board of directors, the subcommittees and the shareholders meeting including preparing minutes of those meetings so as to be in compliance with relevant regulations, rules and laws.

5. Suggest the performance of the company and of the board of directors to be in compliance with the Memorandum of Association, the Article of Association, the Securities and Exchange Act, the Public Company Limited Act and other relevant laws.
6. Be a center of communication between directors, executives and shareholders.
7. Coordinate and follow the performance under the resolution of the directors and of the shareholders.
8. Make sure that there is disclosure of information and information report of the responsible part to the regulatory body under the regulation and requirement of such authority.
9. Perform any other duties prescribed by the Capital Market Supervisory Board or assigned by the Company's board of directors.

### Remuneration of Directors and Executives

#### Monetary Remuneration

##### Board of Directors

The remuneration for the entire Board of Directors in the year 2015 which was approved by the General Meeting of the Shareholders no. 1/2015 was in the total amount not exceeding Baht 10,000,000 (ten million Baht net) (excluding the remuneration for Mr. Alan George Thomson who held another position as the Company's president) The structure of the monetary remuneration for directors comprises of 2 types of remuneration, quarterly fee and meeting fee, as follows:



## 1. Quarterly Fee

Type of Director	Quarterly Fee* (Baht/Quarter)
Chairman of Board of Directors	110,000
Independent Director who is Chairman of Audit Committees	80,000
Independent Director who is Audit Committee/ Independent Director	70,000
Non-Executive Directors	70,000

## 2. Meeting Fee

Board Type	Director Type	Meeting Fee (Baht/Meeting)
Board of Directors	Independent Director / Expert	32,000
	Director	32,000
Audit Committee	Chairman of the Audit Committee	45,000
	Audit Committee	32,000
Executive Committee	Non-Executive Directors	32,000
Non-Executive Directors	Independent Directors /	
	Non-Executive Directors/	25,000
	Non-Executive Directors who is Consultant	

In 2015, the monetary remuneration actually paid for the Board of Directors, in the total of 12 persons was in the total amount of Baht 8,533,000 while the

remuneration in 2014 was 7,495,000 Baht. The details of the meeting attendance and directors' remuneration for the year 2015 are as follows:





# Detail of the remuneration received by the director individually in the year 2015

Director's name	Position	Meeting Attendance (times)						Director Remuneration (Baht)								
		Board of Directors 8 Meetings	Board of Executive Directors 7 Meetings	Audit Committee 6 Meetings	Nomination and Remuneration Committee 1 Meeting	Corporate Governance Committee 1 Meeting	Risk Management Committee 4 Meetings	Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee	Total of Meeting Fee	Quarterly Fee	Total (Baht)
1. Mr. Sudhisak Chirathivat	Chairman of the Board	8/8						256,000						256,000	440,000	696,000
2. Mr. Sudhiham Chirathivat	Vice Chairman of the Board/ Chairman of Executive Director/ Nomination and Remuneration Committee	8/8	7/7		1/1			256,000	224,000		25,000			505,000	280,000	785,000
3. Mr. Prin Chirathivat	Director/ Executive Director	7/8	7/7					224,000	224,000					448,000	280,000	728,000
4. Mrs. Yuwadee Chirathivat	Director/ Executive Director/ Consultant of the Nomination and Remuneration Committee	7/8	7/7		1/1			224,000	224,000		25,000			473,000	280,000	753,000
5. Mr. Alan George Thomson	Director/ Executive Director/ Risk Management Committee/ President	7/8	7/7				4/4	224,000	-		-	-		224,000	-	224,000
6. Mr. Piya Nguekaramhawongse	Director/ Executive Director/ Corporate Governance Committee	8/8	7/7				1/1	256,000	224,000		25,000	-		505,000	280,000	785,000
7. Mr. Pandit Mongkolkul	Director/ Executive Director/ Consultant of the Corporate Governance Committee	8/8	7/7				1/1	256,000	224,000			25,000		505,000	280,000	785,000
8. Mr. Somchai Apiwatanaporn	Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee	8/8		6/6	1/1			256,000		270,000	25,000			551,000	320,000	871,000
9. Mr. Vithaya Chavananand	Independent Director/ Chairman of Risk Management Committee/ Audit Committee/ Nomination and Remuneration Committee	7/8		6/6	1/1		4/4	224,000		192,000	25,000		100,000	541,000	280,000	821,000
10. Mr. Charan Mongkolchan	Independent Director/ Audit Committee/ Risk Management Committee	8/8		6/6			4/4	256,000		192,000			100,000	548,000	280,000	828,000
11. Mr. Yodhin Anavil	Independent Director/ Chairman of Corporate Governance Committee/ Audit Committee	8/8		6/6		1/1		256,000		192,000		25,000		473,000	280,000	753,000
12. Mr. Kanchit Bunajinda	Independent Director	7/8						224,000	1,120,000	846,000	100,000	75,000		224,000	280,000	504,000
Total (Baht)								2,912,000	1,120,000	846,000	100,000	75,000	200,000	5,253,000	3,280,000	8,533,000



### Remuneration of the Management

The executive directors are responsible for reviewing the remuneration of the chairman and executives. The objective is to appropriately set the remuneration based on the Company's remuneration structure. The criteria are performance and assigned duties. Comparison with other companies doing

similar business is one of the criteria as well.

The management consists of executive officers taking the positions of president, senior vice president, and vice president. The details of remuneration are as follow:

Remuneration of the Management	Total Remuneration (Baht/year)	
	2015	2014
Total number of managements (person)	15	11
Monetary Remuneration	87,574,289	76,300,190
- Monthly salary, bonus, and other remuneration (car allowance)	85,220,342	74,842,920
- Provident Fund and the Social Security Fund	2,353,947	1,457,270
Non-Monetary Remuneration	None	None

### Personnel

The Company always pays great attention to its employees. There is a policy concerning employees. The Company not only treats employees in accordance with labour and social welfare regulations but also seriously respects privacy rights. The Company, accordingly, sets up a department responsible for permanent employees' welfare in every branch so they will be well treated fairly. Working environment has been designed in a suitable and safety way for employees' life and property. Besides, the Company builds a good relationship between employees and itself constantly.

As of 31 December 2015, the Company had 5,219 permanent employees, including employees in the central office and employees in the operation line at the 42 stores nationwide. There are 1,820 male and 3,399 female employees. The permanent employees in 2013 and 2012 were 4,821 and 4,646 employees respectively.

The Company sets remuneration for employees in accordance with businesses with a similar size. The remuneration can be adjusted based on the market and remuneration in the Central Group. Knowledge,

experience and performance are critically examined. The remunerations of employees are monthly salary, bonus, reward for working, contribution to the Social Security Fund at the rate of 5% or not exceeding Baht 750 per month including fringe benefit in the form of medical fee, workmen's compensation fund, get-well-soon gifts, wedding allowance, children education aid, employee's death allowance, funeral aid, accident aid, uniform, products at employee price, annual medical checkup, health insurance for the executive, etc. In addition, the Company supported employees to save funds in co-operative. The Company and its subsidiaries established the provident fund for employees of the Company and its subsidiaries from the first level executive. The membership of the fund was based on the willing of the employee. The detail appeared as follows.

#### Deduction of the employee's contribution and payment of the employer's contribution

1. Deduction of the employee's contribution at the rate of 3 % (5% from the Senior Vice President level above);
2. Payment of the employer's contribution at the rate of 3 % (5% from the Senior Vice President level above).



## Condition to receive the employer's contribution and benefits from the employer's contribution

Membership period	Employer's contribution with the average benefits
Less than 3 years	0 %
From 3 years - Less than 4 years	30 %
From 4 years - Less than 5 years	50 %
From 5 years - Less than 7 years	70 %
Above 7 years	100 %

In 2015, the Company had expenses regarding personnel in an amount of Baht 1,689 million (additional detail in section 30 and 31 of Notes to the Financial Statements). The expenses regarding personnel in 2014 and 2013 are Baht 1,480 and 1,378 million respectively.

## Policy on employer's development

The Company has a policy emphasizing on potential and capability development seriously and continuously. Employees in every level have a chance to develop their knowledge and capability thoroughly. Moreover, the Company aims that employees work proudly, happily and have a good relationship within the department and among other departments; therefore, the Company supports its employees to participate in any trainings and courses, particularly the course relating to their work about retail business in order to improve knowledge of employees, whether in central office or in branches, relating to retail trade, management and organization culture. Consequently, the Company's personnel will have quality in knowledge, ability together with business ethics as well as be prepared to move into a higher position due to the Company present and future growth. Aiming so, the Company has hired Central People Development Center Co.,Ltd ("CRT") to work on the human resource which includes employee training and development under the policy prescribed by the Company. In 2015, CRT established "Central Group (RBS Training Center)" or retail business training

project in order to be the knowledge-based organization and main body on stipulating training curriculum for employees in every level. The project and curriculum are under the policy stipulated by the Company. Employees will be trained necessary skills which match with the department's need and such employee's responsibilities before working. Moreover, they are trained systematically for the purpose of their career advancement.

The Company foresees an importance of education. In 2015, the Company arranged a bi-lateral program with leading vocational schools to let its employees further study in vocational certificate and high vocational certificate degrees on retail trade. This program was cooperated by vocational schools under the Ministry of Education. There are classes every weekday before the store opening hours of each store where an employee works. Also, the Company foresees importance of education by sponsoring employees and intern students. Its objective is to enhance education opportunity to those in need. Since 2013, the Company has participated in "Young Professional Retailer Program" arranged by CRC, public sectors and universities to develop and pass on knowledge on retail business to juvenile. Students in Bachelor of Business Administration program majoring in retail business management can study theory and practice. Students will receive full scholarship for the whole curriculum as well as payment during their internship. Moreover, they will be employed automatically after their graduation. With regard to employees, the Company awards scholarships for further study to employees who are well-performed and industrious. This widens their career advancement.

The Company used the Training Road Map as a tool to improve its employees. This training is designed based on employees' job description, position and appropriateness to take each course. Moreover, the Company constantly promotes efficiency in employees' work and good teamwork as well as good relationship. In 2015, the Company



supported employees in developing their working skill and management skill through 125 training courses or 11,500 training hours per year approximately. The Company revised its existing courses and regularly added new courses in order to update and match with the Company's business strategies. It also sponsored projects which promote teamwork. The Company, therefore, launched many projects enhancing effectiveness and builds unity in teamwork in many departments. Internship program and employees' orientation for new branches are arranged for employees' preparation for store expansion. Furthermore, the Company has a project to develop employees' specific skill which will improve employees' work performance in their specific practice.

Moreover, the Company has a policy to support employees' career advancement by selecting a group of employees who are well-equipped with knowledge and potential to make the Company prosperity in the future under the Top 100 Program. The selected employees will be trained and developed to fill in a position in various fields including new branches under the store expansion plan. In each year, the Company increases a number of employees in each level according to management level, that is, store manager or general manager, division manager and department manager. These help the Company in various ways. These employees can work effectively but also work instantly. It encourages and promotes employees with a strong will to grow together with the Company as well.

In addition, the Company has a policy to strengthen organization culture by focusing on the improvement and adding value of performing tasks so as to heighten customers' satisfaction, to continuously promote the development in one's work and the initiation and to specify the guideline on operation for best outcome. The Company applies the Key Performance Index ("KPI") to assess the performance and manage the remuneration of the executives from the first level and above. The KPI index will link to each year's business

goal of the Company. Furthermore, KPI is also used as a tool to direct the employees' way of working.

On top of employees' knowledge and efficiency development, the Company continuously arranges the "Power of Voice (POV) project", a test communicating happiness and satisfaction in working in the organization of every employee, since 2008 consecutively. Its objectives are to ensure that employees are happy at work and have opportunity to fully exercise their ability which will enhance the employees to work more effectively. It also supports every employee to create a good working environment which, likewise, will lead to a better service to the customers. The survey from the said project of the Company has had a higher rate than the international average standard rate since 2009 and this rate has been continuously increasing as a result of the success in serious and continuous follow-up and revision of various working plans to be in accordance with the employees' need.

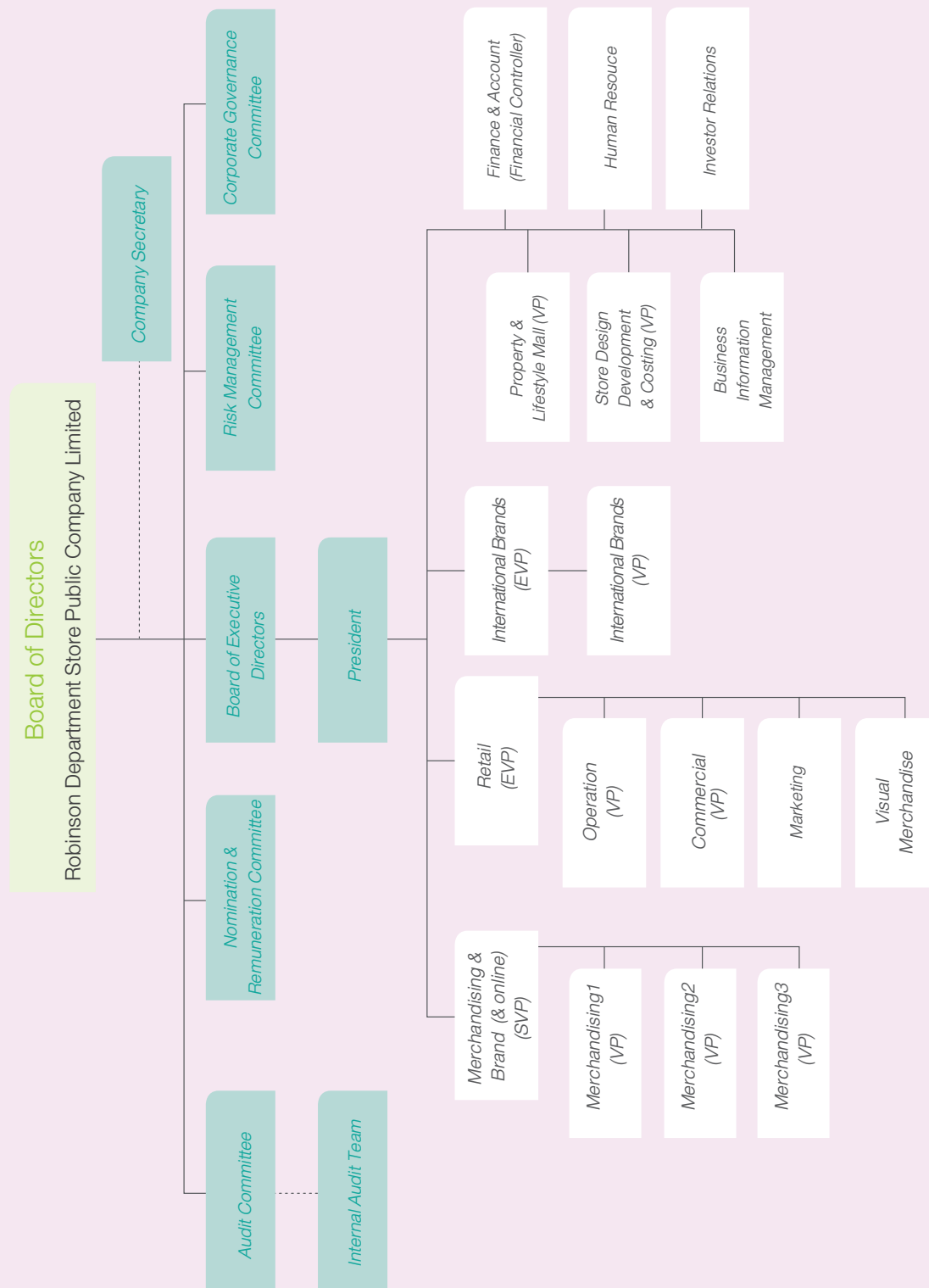
The Company arranged many activities to create good relationship and express concern to employees' health such as employee medical check-up program which is arranged every year. The Company also promotes activities about sports and exercises by arranging the sports competition in each branch so employees can exercise for good health and more realize the importance of exercise. In the previous year, With the hope that its personnel to be mental and physical healthy, the Company, thus, launches the "Smile D, this line...has only smile" project, the hotline center for employees to consult and ask for advice in daily life including every type of problems such as work, family, etc. Additionally, the "Happy Family" campaign is launched with an aim to let employees spend their free time with family members. This will undoubtedly promote family affinity. Another activity is selling necessary consumer goods in a price lower than the market price so employees can get good products in a more affordable price. This can help reduce their expenses.



## Organization Chart

Robinson Department Store Public Company Limited

As of 31 December 2015



Remark: According to definition of the Stock Exchange of Thailand, the Company's managements consist of Director, President, Executive Vice President (EVP), Senior Vice President (SVP), Vice President (VP) and Financial Controller.



Board of Directors and  
The Management





## Mr. Sudhisak Chirathivat

Chairman of the Board of Directors

(Authorized Director)

Age 70 Years



At present there are 3 listed companies which he is taking positions.

### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year   None

### Relationship between Directors and Management

Brother of Mr.Sudhitham  
and uncle of Mr.Prin and Mrs.Yuwadee

### Education

- Bachelor Degree B.S. (Mathematics)  
St. John Fisher College, New York, U.S.A.

### Thai Institute of Directors Association

- Director Certification Program (DCP) 2007
- Director Accreditation Program (DAP) 2007

### Working Experience

- |                |   |
|----------------|---|
| 1994           | President of Industry and Retail Business<br>Companies in Central Group.                  |
| 2000           | Chairman of the Board of Executive Directors<br>Central Marketing Group Co., Ltd.         |
| 2001 - Present | Director<br>Central Group of Companies  |
| 2003 - Present | Director<br>Central Pattana Public Company Limited  |
| 2003 - Present | Director<br>Central Plaza Hotel Public Company Limited                                    |
| 2006 - Present | Chairman of the Board of Directors<br>Robinson Department Store<br>Public Company Limited |



### Mr. Somchai Apiwattanaporn

Independent Director/

Chairman of the Audit Committee/

Chairman of the Nomination and Remuneration Committee

Age 65 Years

At present there are 4 listed companies which he is taking positions.

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year   None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree (Accounting)  
Ramkhamhaeng University
- Master of Art (Public Management),  
Ramkhamhaeng University
- Certified Public Accountant

#### Thai Institute of Directors Association

- Director Accreditation Program (DAP) ฎ 2547
- Director Certification Program (DCP) ฎ 2549
- Audit Committee Program (ACP) ฎ 2551

#### Others

- National Defence College Graduated  
(Wor Por Ror Or 2003)
- Capital Market Academy Leader Program  
(Capital Market Academy)
- Top Executive Program in Commerce and Trade :  
TEPCoT #4th

#### Working Experience

- |              |   |
|--------------|---|
| 2005-2011    | Member of Federation of Accounting Professions Tax Accounting Committee Federation of Accounting Professions  |
| 2008-2011    | Inspector - General Ministry of Finance   |
| 2008-2011    | Chairman Asean Potash Mining Public Company Limited   |
| 2009-2011    | Chairman of the Audit Committee Queen Sirikit Botanic Garden  |
| 2012-2014    | Chairman of the Board of Directors Thailand Tobacco Monopoly, Ministry of Finance   |
| 2008-Present | Chairman of the Audit Committee Synnec (Thailand) Public Company Limited  |
| 2011-Present | Chairman of the Audit Committee M Link Asia Corporation Public Company Limited  |
| 2012-Present | Chairman of the Audit Committee MC Group Public Company Limited   |
| 2006-Present | Director/ Independent Director/ Chairman of the Audit Committee/ Chairman of the Nomination and Remuneration Committee Robinson Department Store Public Company Limited |



### Mr. Sudhitham Chirathivat

Director / Vice Chairman of the Board of Directors/  
Chairman of the Executive Director/ the Nomination  
and Remuneration Committee Member  
(Authorized Director)  
Age 68 Years

At present there are 4 listed  
companies which he is taking positions.

#### No. of Shareholding

- As of Dec 31,14	0.12%
- As of Dec 31,15	0.12%
- Change during year	None

#### Relationship between Directors and Management

Brother of Mr.Sudhisak  
and uncle of Mr. Prin and Mrs. Yuwadee

#### Education

- Bachelor Degree (Electrical Engineering),  
University of Maryland (College Park), U.S.A.
- MBA (Operations Research), Iona University,  
New York, U.S.A.

#### Thai Institute of Directors Association

- Director Certification Program (DCP) 2003

#### Others

- National Defence College Graduated  
(Wor Por Ror Or - 4313)

#### Working Experience

2002 – 2009	Executive Committee Retail and Real Estate Central Group of Companies
2011 – 2012	Director Big C Super Center Public Company Limited
2002 – 2013	Executive Chairman Central Group of Companies Co., Ltd.
2002 - Present	Chairman Earth Care Co., Ltd.
2002 - Present	Executive Director The Vintage Club Co., Ltd.
2002 - Present	Director Central Holding Co., Ltd.
2002 - Present	Director/ Executive Director Central Plaza Hotel Public Company Limited
2002 - Present	Director/ Executive Director Central Pattana Public Company Limited
2010 - Present	Independent Director/ Chairman of the Board of Directors Jasmine International Public Company Limited
2004 - Present	Vice Chairman of the Board of Directors/ Chairman of Executive Director/ Nomination and Remuneration Committee Member Robinson Department Store Public Company Limited
2015 – Present	Audit Committee / Independent Director TV Thunder PCL.



### Mr. Prin Chirathivat

Director / Executive Director  
(Authorized Director)  
Age 53 Years

At present there are 4 listed companies which he is taking positions.

#### No. of Shareholding

- As of Dec 31,14 0.22%
- As of Dec 31,15 0.22%
- Change during year None

#### Relationship between Directors and Management

Nephew of Mr.Sudhisak, Mr.Sudhitham and brother of Mrs. Yuwadee

#### Education

- B.S. (Accounting), Skidmore College, New York, U.S.A.
- MBA Sasin Graduate Institute of Business Administration, Chulalongkorn University

#### Thai Institute of Directors Association

- Director Certification Program (DCP) 2000 - Director Accreditation Program (DAP) 2005 - Audit Committee Program (ACP) 2005 - The Role of Chairman Program (RCP) 2005
- Chief Financial Officer 2006
- Monitoring the System of Internal Control and Risk Management (MIR) 2007
- Monitoring the Internal Audit Function (MIA) 2007
- Monitoring Fraud Risk Management (MFM) 2009
- Monitoring of the Quality of Financial Reporting (MFR) 2009
- Advanced Audit Committee Program 2010

#### Others

- Applied Psychology For Senior Executives (class No.73) (Applied Psychology Institute)

- Graduate Diploma in Management of Public Economy 4/2005, (King Prajadhipok's Institute)
- Capital Market Academy Leadership Program 1/2004, (Capital Market Academy)
- The Program For Senior Executives Criminal Justice Administration (Bor Yor Sor 13/2008)
- National Defence College Graduated (Wor Por Ror Or 2009)

#### Working Experience

- |                |  |
|----------------|--|
| 1999 - 2012    | Director<br>Malee Sampran Public Company Limited   |
| 2003 - 2012    | Chairman of the Audit Committee/ Director<br>Bualuang Securities<br>Public Company Limited |
| 1993 - Present | Director/ Executive Director<br>Central Plaza Hotel Public Company Limited                 |
| 1994 - Present | Director/ Executive Director<br>Central Pattana Public Company Limited                     |
| 1996 - Present | Director/Executive Director<br>Central Retail Corporation Co., Ltd.                        |
| 2002 - Present | Executive Director<br>Central Group of Companies   |
| 2004 - Present | Member of Board University Affairs<br>Chiangrai Rajabhat University                        |
| 2004 - Present | Consultant<br>Market for Alternative Investment (MAI)                                      |
| 2012- Present  | Audit Committee Member<br>Bumrungrad Hospital<br>Public Company Limited                    |
| 2006 - Present | Director/ Executive Director<br>Robinson Department Store<br>Public Company Limited        |
| 2015- Present  | Executive Director<br>The Thai Chamber of Commerce   |



### Mrs. Yuwadee Chirathivat

Director / Executive Director/ Nomination and  
Remuneration Committee Consultant  
(Authorized Director)  
Age 62 Years

At present there are 1 listed  
company which she is taking a position.

#### No. of Shareholding

- As of Dec 31,14 0.10%
- As of Dec 31,15 0.10%
- Change during year (-0.03%)

#### Relationship between Directors and Management

Niece of Mr.Sudhisak,Mr.Sudhitham Sister of Mr. Prin

#### Education

- Bachelor of Arts 2nd Class Honors  
Thammasart University
- Master Degree (MSJ) North Western University, USA.

#### Thai Institute of Directors Association

- Director Accreditation Program (DAP) 2014

#### Others

- National Defence Course: Public and Private  
(NDC), Class No. 18
- High level manager on business, industrial and  
investment development (Institute of Business and  
Industrial Development), Class No. 1

- High level manager, Capital Market Academy,  
Class No. 19

#### Working Experience

- |               |   |
|---------------|---|
| 1996-2013     | President<br>Central Department Store Co.,Ltd.  |
| 1996-2013     | Executive Director<br>Central Retail Corporation Co., Ltd.  |
| 2011- Present | Executive Director/ Director<br>La Rinascente S.p.A. Milan, Italy   |
| 2014- Present | Department Store Group CEO /<br>Executive Director<br>Central Retail Corporation Co., Ltd.  |
| 2014- Present | Director / Executive Director/<br>Nomination and Remuneration<br>Committee Consultant<br>Robinson Department Store<br>Public Company Limited and<br>its Subsidiaries. |





### Mr. Alan George Thomson\*

Director/ Executive Director/  
Risk Management Committee Member/ President  
(Authorized Director)  
Age 50 Years

At present there is 1 listed  
companies which he is taking a position.

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year   None

#### Relationship between Directors and Management

None

#### Education

- BA, Robert's Gordon Institute of Technology  
Business Studies

#### Thai Institute of Directors Association

-

#### Working Experience

- |                |   |
|----------------|---|
| 2009 - 2012    | Managing Director<br>CRC Sports Co.,Ltd.  |
| 2012 - Present | International Business Director<br>Central Department Store Co.,Ltd.                      |
| 2013 - Present | Group MD/<br>International Business Director<br>CRC Sports Co.,Ltd.                       |
| 2014 - Present | President<br>Robinson Department Store<br>Public Company Limited<br>and its Subsidiaries. |





## Mr. Piya Nguiakaramahawongse

Director/ Executive Director/  
Corporate Governance Committee Member  
(Authorized Director)  
Age 58 Years

At present there are 2 listed  
companies which he is taking positions

### No. of Shareholding

- As of Dec 31, 14 None
- As of Dec 31, 15 None
- Change during year None

### Relationship between Directors and Management

None

### Education

- B.S. (Electrical Engineering) and B.S. (Management),  
Massachusetts Institution of Technology,  
Cambridge, U.S.A.
- MBA and M.S. (Electrical Engineering),  
University of Southern California, Los Angeles, U.S.A.

### Thai Institute of Directors Association

- Director Certification Program (DCP) 2005

### Working Experience

- |                |   |
|----------------|---|
| 1997 - 2014    | Senior Vice President Finance and Account<br>Central Retail Corporation Co., Ltd.   |
| 2004 - 2014    | Director CG Broker Co., Ltd.  |
| 2006 - 2011    | Director Dhanamitr Factoring<br>Public Company Limited  |
| 2007 - 2014    | Director Central Life Broker Co., Ltd.  |
| 1997 - Present | Director Robinson Planner Co., Ltd.   |
| 2007 - Present | Director<br>Terasoft Solution Development Co., Ltd.   |
| 2008 - Present | Director<br>Central People Development Center<br>(previous : Central Retail Training<br>Center Co., Ltd.)   |
| 2014 - Present | Director<br>Central Insurance Services Co., Ltd.<br>(previous : CG Broker Co., Ltd.<br>and Central Life Broker Co., Ltd.)                               |
| 2014 - Present | Co-Group CFO<br>Harg Central Department Store Co., Ltd.   |
| 2014 - Present | Director /<br>Chairman of Remuneration Committee<br>Office Mate Public Company Limited  |
| 2006 - Present | Director / Executive Director /<br>Corporate Governance Committee Member<br>Robinson Department Store<br>Public Company Limited<br>and its Subsidiaries |



### Mr. Pandit Mongkolkul

Director/ Executive Director/  
Corporate Governance Committee Consultant  
(Authorized Director)  
Age 52 Years

At present there are 2 listed companies which he is taking a position.

#### No. of Shareholding

- As of Dec 31, 14	0.00002%
- As of Dec 31, 15	0.00002%
- Change during year	None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree (Accounting), Chulalongkorn University
- MBA (Finance and International Business), Sasin Graduate Institute of Business Administration, Chulalongkorn University

#### Thai Institute of Directors Association

- Director Certification Program (DCP) 2003

#### Others

- Capital Market Academy Leader Program, 4/2007 (Capital Market Academy)
- Financial Planning for the executive Program, 2012, (Thai Financial Planners Association)

#### Working Experience

2004 - 2011	Chief of Executive Committee Dhanamitr Factoring Public Company Limited
2004 - 2014	Director CG Broker Co., Ltd.
2006 - 2012	Director/ Risk Management Committee Malee Sampran Public Company Limited
2005 - 2014	Director Central Life Broker Co., Ltd.
1992 - Present	CO-Group CFO Harng Central Department Store Co., Ltd.

1993 - Present	Director Earth Care Co., Ltd.
1994 - Present	Director Central Marketing Group Inter Trade Co., Ltd.
2000 - Present	Director Robinson Planner Co., Ltd.
2008 - Present	Director Central People Development Center (previous: Central Retail Training Center Co., Ltd.)
2008 - Present	Director Central Samui Hotel Management Co., Ltd.
2011 - Present	Director CG Training Center Co., Ltd.
2011 - Present	Director Central Watson Co., Ltd.
2012 - Present	Director/ Chairman of Executive Committee, Remuneration and Compensation Committee Member / Risk Management Committee Consultant Office Mate Public Company Limited
2013 - Present	Director/ Nomination and Remuneration Committee Member The Listed Company Association
2014 - Present	Director Central Insurance Services Co., Ltd. (previous: CG Broker Co., Ltd. and Central Life Broker Co., Ltd.)
2014 - Present	Director Central Wealth Solution Mutual Fund Brokerage Securities Company Limited
1996 - Present	Director / Executive Director/ Corporate Governance Committee Consultant Robinson Department Store Public Company Limited and its Subsidiaries



## Mr. Vithaya Chavananand

Independent Director/  
Audit Committee Member/  
Nomination and Remuneration Committee Member /  
Chairman of Risk Management Committee  
Age 58 Years



At present there are 2 listed  
company which he is taking positions.

### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

### Relationship between Directors and Management

None

### Education

- Bachelor Degree  
(Political Science Finance), Chulalongkorn University
- MBA, Webster University, U.S.A.

### Thai Institute of Directors Association

- Director Accreditation Program (DAP) 2006
- Director Certification Program (DCP) 84/2007
- Audit Committee Program (ACP) 32/2010
- Monitoring Fraud Risk Management (MFM) 4/2010

### Working Experience

- 1979 - Present    Director  
Vichitbhan Construction Co., Ltd.
- 1985 - Present    Managing Director  
Vichitbhan Plantation Co., Ltd.
- 1987 - Present    Director  
Vichitbhan Farm Co., Ltd.
- 1988 - Present    Vice Chairman  
Vichitbhan Palm Oil Public Company Limited
- 1992 - Present    Director  
Vichitbhan Real Estate Co., Ltd.
- 1994 - Present    Managing Director  
CVN Development Co., Ltd.
- 1996 - Present    Director  
Chavananand Holding Co., Ltd.
- 2006 - Present    Director/ Independent Director/  
Audit Committee Member / Nomination  
and Remuneration Committee  
Member/ Chairman of  
Risk Management Committee Member  
Robinson Department Store  
Public Company Limited



### Mr. Charan Mongkolchan

Independent Director/  
Audit Committee Member/  
Risk Management Committee Member  
Age 67 Years

At present there is 1 listed  
company which he is taking a position.

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- Bachelor of Arts, Burapha University
- Master of Arts (Economic Development),  
Kasetsart University

#### Thai Institute of Directors Association

- Director Certification Program (DCP) 111/2008,
- Audit Committee Program (ACP) 32/2010
- Monitoring the Internal Audit Function (MIA) 9/2010
- Monitoring Fraud Risk Management (MFM) 4/2010
- Monitoring the System of Internal Control and  
Risk Management (MIR) 9/2010
- Monitoring the Quality of Financial Reporting  
(MFR) 11/2010

#### Others

- National Defence College Graduated  
(Wor Por Ror Or 4313)

#### Working Experience

- |                |   |
|----------------|---|
| 2006 - 2009    | Executive Vice President,<br>Corporate Services Group<br>TMB Bank Public Company Limited          |
| 2006 - 2013    | Director<br>Bridge View Co., Ltd.   |
| 2008 - Present | Director/<br>Independent Director/<br>Audit Committee Member/<br>Risk Management Committee Member |



### Mr. Yodhin Anavil

Independent Director/  
Audit Committee Member/  
Chairman of Corporate Governance Committee  
Age 66 Years

At present there are 3 listed  
Companies which he is taking positions.

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year   None

#### Relationship between Directors and Management

None

#### Education

- B.S. Mechanical Engineer & Electrical Engineer, University of Maryland, U.S.A.
- M.S. Electrical Engineer, George Washington University, U.S.A. - Ph.D. Electrical Engineer, University of Cincinnati, U.S.A.

#### Thai Institute of Directors Association

- Director Accreditation Program (DAP) 60/2006
- Director Certification Program (DCP) 101/2008
- Chartered Certification Program (CDC) 3/2008
- Audit Committee Program (ACP) 24/2008
- Role of the Compensation Committee Program (RCC) 8/2008
- Financial Statements Demystified for Directors (FSDD) 2009

#### Working Experience

- |                |   |
|----------------|---|
| 1991 - 2013    | Executive Director<br>The Vintage Club Co., Ltd.  |
| 1991 - 2013    | Executive Director<br>Fairway Estate Co., Ltd.  |
| 2008 - 2011    | Advisor to the Committee<br>Constitution Organs Affairs and<br>Following up the Budget<br>Administration, Senator   |
| 2002 - Present | President & Chief Operation Officer<br>POP Network Co., Ltd.  |
| 2006 - Present | Independent Director/<br>Audit Committee Member/<br>Chairman of Remuneration and<br>Nomination Committee<br>Jasmine International<br>Public Company Limited         |
| 2013 - Present | Independent Director<br>Muangthai Leasing<br>Public Company Limited   |
| 2011 - Present | Director/ Independent Director/<br>Audit Committee Member /<br>Chairman of Corporate Governance<br>Committee<br>Robinson Department Store<br>Public Company Limited |



### Mr. Kanchit Bunajinda

Independent Director

Age 48 Years

At present there is 4 listed

Companies which he is taking a position.

#### No. of Shareholding

- As of Dec 31,14          None
- As of Dec 31,15          None
- Change during year      None

#### Relationship between Directors and Management

None

#### Education

- B.E. (Civil Engineering), Chulalongkorn University
- MBA:Finance and International Business,  
SASIN Graduate Institute of Business Administration,  
Chulalongkorn University

#### Thai Institute of Directors Association

- Directors Certification Program (DCP) 30/2003,  
Fellow Member,
- Directors Accreditation Program (DAP) 35/2005,
- Audit Committee Program (ACP) 14/2006,
- Monitoring the System of Internal Control and Risk  
Management (MIR) 6/2009,
- Monitoring the Quality of Financial Reporting (MFR)  
8/2009,
- Monitoring the Internal Audit Function (MIA) 5/2009,

#### Working Experience

- |                |  |
|----------------|--|
| 2002 – 2012    | Director<br>Private Equity (Thailand) Co., Ltd.                                    |
| 2002 – 2015    | Director Central Pattana PCL.  |
| 2005 – 2014    | Director True Vision PCL.  |
| 2006 – 2011    | Director Pruksha Real Estate PCL.  |
| 2006 – 2013    | Director Central Plaza Hotel PCL.  |
| 2007 – 2012    | Alternate Director Asian Corporate<br>Governance Association Limited,<br>Hong Kong |
| 2013 – 2011    | Director Pruksha Real Estate PCL.  |
| 2014 – 2015    | Director Aksorn Education Co., Ltd.  |
| 2014 – Present | Director ZEN Corporation Group Co., Ltd.   |
| 2010 – Present | Independent Director<br>Robinson Department Store PCL.                             |





### Mr. Mark Ashlin Senior

Senior Vice President – Retail

Age 42 Years

#### No. of Shareholding

- As of Dec 31, 14      None
- As of Dec 31, 15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- A-Level Geography History Economics,  
Hills Road Sixth Form College, Cambridge, England

#### Working Experience

- |                |   |
|----------------|---|
| 2010 – 2012    | Franchise Account Director, EMEA<br>The Body Shop                                     |
| 2012 – 2014    | General Manager /<br>Head of Operations<br>Marks & Spencer MENA Al Futtaim            |
| 2014 – Present | Senior Vice President – Retail<br>Robinson Department Store<br>Public Company Limited |
| 2015 – Present | Executive Vice President Retail<br>Robinson Department Store PCL.                     |

### Mr. Paresh Chauhan

Executive Vice President – Retail

Age 50 Years

#### No. of Shareholding

- As of Dec 31, 14      None
- As of Dec 31, 15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- A – Levels Chemistry, Physics,  
Maths Charles Keene College, England

#### Working Experience

- |                |  |
|----------------|--|
| 2008 – 2011    | Head of Merchandising Colin's Brand  |
| 2011 – 2013    | Head of Merchandising Adidas Centre<br>of Excellence Retail                    |
| 2013 – 2015    | GTM Director – Marketing Planning<br>Adidas                                    |
| 2015 – Present | Senior Vice President – International Brands<br>Robinson Department Store PCL. |
| 2015 – Present | Executive Vice President Robinson<br>Department Store PCL.                     |



### Mrs. Orawan Tipsuwanporn

Vice President - Merchandising

Age 47 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree of Business Administration,  
Ramkhamhaeng University
- Master of Business Administration,  
University of Central Queensland, Australia

#### Working Experience

- |                |   |
|----------------|---|
| 2005 - 2009    | Head of Men's Wear Clothing<br>Eak - Chai Distribution System Co., Ltd.               |
| 2009 - 2012    | Head of Ladies' Wear Clothing<br>Eak - Chai Distribution System Co., Ltd.             |
| 2012 - Present | Vice President – Merchandising<br>Robinson Department Store<br>Public Company Limited |
| 2015 - Present | Acting Senior Vice President –<br>Merchandising<br>Robinson Department Store PCL.     |

### Mrs. Tiparat Promburee

Vice President - Cosmetics, Health & Beauty

Age 47 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree (Business Administration)  
The University of the Thai Chamber of Commerce

#### Working Experience

- |                |   |
|----------------|---|
| 2012 - 2014    | General Manager - Cosmetics,<br>Health & Beauty<br>Robinson Department Store PCL. |
| 2015 - Present | Vice President - Cosmetics,<br>Health & Beauty<br>Robinson Department Store PCL.  |



### Ms. Apisuwee Chai-amnuaysuk

Vice President – International Brands

Age 47 Years

#### No. of Shareholding

- As of Dec 31,14 None
- As of Dec 31,15 None
- Change during year None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree (Economics) Kasetsart University
- Master Degree (Economics)  
National Institute of Development Administration

#### Working Experience

- 2002 – 2013 General Manager – Supply Chain  
CRC Sport Co.,Ltd.
- 2013 – 2015 General Manager – Merchandise  
Oversea Fashion Co.,Ltd.  
(Supersports Vietnam)
- 2015 – Present Vice President – International Brands  
Robinson Department Store PCL.

### Mr. Wuttukiat Techamongklapiwat

Vice President – Property & Lifestyle Mall

Age 41 Years

#### No. of Shareholding

- As of Dec 31,14 None
- As of Dec 31,15 None
- Change during year None

#### Relationship between Directors and Management

None

#### Education

- AA in General Business and Administration,  
Grossmont College, CA. USA
- BA in Finance, California State University  
San Bernardino, CA. USA
- MBA in Marketing strategic, Assumption University

#### Working Experience

- 2006 – 2010 Head of Store & Local Marketing  
Eak – Chai Distribution System Co., Ltd.
- 2010 – 2012 VP of Food Service & CP Freshmart  
Charoen Pokphand Foods  
Public Company Limited
- 2012 – 2014 Head of Leasing  
Eak – Chai Distribution System Co., Ltd.
- 2014- Present VP Property and Leasing  
Robinson Department Store  
Public Company Limited



### Mr. Kritchart Jindasamai

Vice President - Store Design Development & Costing

Age 48 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- Bachelor of Art - Political Science, Ramkhamhaeng University
- Certificate of Mini MBA, Chulalongkorn University

#### Working Experience

1997 - 2012	General Manager - Project Planning & Management CRC Super Sport
2013 - 2014	General Manager - Project Planning & Management CRC International Vietnam
2014 - Present	Vice President - Store Design Development & Costing Robinson Department Store Public Company Limited

### Mr. Puthada Teravetchchakarn

Vice President - Operations

Age 51 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year    None

#### Relationship between Directors and Management

None

#### Education

- Bachelor Degree (Economics) The University of the Thai Chamber of Commerce

#### Working Experience

2002 - 2015	District Manager Big C Supercenter PCL.
2015 - Present	Vice President - Operations Robinson Department Store PCL



### Mr. Komsan Kwunchaithunya

Vice President – Commercial Operations

Age 48 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year      None

#### Relationship between Directors and Management

None

#### Education

- BS in Accounting St.Francois College,  
U.S.A - MBA in Finance Assumption University

#### Working Experience

2010 – 2012	District Manager Big C Supercenter PCL.
2012 – 2013	District Manager (Northern) Big C Supercenter PCL.
2013 – 2014	Vice President - Operation CRC Sport Co.,Ltd.
2014 – Present	Vice President - Commercial Operations Robinson Department Store PCL.

### Mr. Dissatat Wisetvara

Financial Controller

Age 53 Years

#### No. of Shareholding

- As of Dec 31,14      None
- As of Dec 31,15      None
- Change during year      None

#### Relationship between Directors and Management

None

#### Education

- MBA, Rangsit University

#### Working Experience

2010 – 2014	Financial Controller Central Department Store Co., Ltd.
2014 – Present	Financial Controller Robinson Department Store Public Company Limited





# Company Secretary

## Mr. Pandit Mongkolkul

Director/ Executive Director/  
Corporate Governance Committee Consultant  
Company Secretary (Authorized Director)  
Age 52 Years



At present there are 2 listed companies which he is taking a position.

### No. of Shareholding

- As of Dec 31,14 0.00002%
- As of Dec 31,15 0.00002%
- Change during year None

### Relationship between Directors and Management

None

### Education

- Bachelor Degree (Accounting), Chulalongkorn University
- MBA (Finance and International Business), Sasin Graduate Institute of Business Administration, Chulalongkorn University

### Thai Institute of Directors Association

- Director Certification Program (DCP) 2003

### Others

- Capital Market Academy Leader Program, 4/2007 (Capital Market Academy)
- Financial Planning for the executive Program, 2012, (Thai Financial Planners Association)

### Working Experience

- 2004 - 2011 Chief of Executive Committee  
Dhanamitr Factoring Public Company Limited
- 2004 - 2014 Director  
CG Broker Co., Ltd.
- 2006 - 2012 Director/ Risk Management Committee  
Malee Sampran Public Company Limited
- 2005 - 2014 Director  
Central Life Broker Co., Ltd.
- 1992 - Present CO-Group CFO  
Harn Central Department Store Co., Ltd.

- 1993 - Present Director  
Earth Care Co., Ltd.
- 1994 - Present Director  
Central Marketing Group Inter Trade Co., Ltd.
- 2000 - Present Director  
Robinson Planner Co., Ltd.
- 2008 - Present Director Central People Development  
Center (previous: Central Retail Training  
Center Co., Ltd.)
- 2008 - Present Director  
Central Samui Hotel Management Co., Ltd.
- 2011 - Present Director  
CG Training Center Co., Ltd.
- 2011 - Present Director  
Central Watson Co., Ltd.
- 2012 - Present Director/ Chairman of Executive  
Committee, Remuneration and  
Compensation Committee Member /  
Risk Management Committee Consultant  
Office Mate Public Company Limited
- 2013 - Present Director/ Nomination and Remuneration  
Committee Member  
The Listed Company Association
- 2014 - Present Director  
Central Insurance Services Co., Ltd.  
(previous: CG Broker Co., Ltd. and  
Central Life Broker Co., Ltd.)
- 2014 - Present Director  
Central Wealth Solution Mutual Fund  
Brokerage Securities Company Limited
- 1996 - Present Director / Executive Director/ Corporate  
Governance Committee Consultant  
Robinson Department Store  
Public Company Limited  
and its Subsidiaries





## Mr.Phisoot Suksangtip

Head of Internal Audit

Age 48 Years

### No. of Shareholding

- As of Dec 31,14          None
- As of Dec 31,15          None
- Change during year      None

### Relationship between Directors and Management

None

### Education

- Bachelor Degree of Accounting,  
Thammasat University
- Master of Science in Accounting,  
Thammasat University

### Working Experience

- 
- 2008 – Present    Vice President Internal Audit - Central  
Group Harng  
Central Department Store Co., Ltd.  
(Previous : Central Retail Corporation  
Co., Ltd.)



## Corporate Governance



The Board of Directors and the Company's executive officers are determined to formulate and develop good corporate governance level to be the key foundation for business operation, so as to gain universal acceptance, to be transparent and ethical for business operation, and to be responsible for stakeholders of the Company which includes shareholders, employees, customers, business alliances and societies. Therefore, the Company conducts its business in compliance with corporate governance principles and the guidelines lay down by the Securities and Exchange Commission (SEC). The Company is determined to apply corporate governance as its guiding principle for efficient business management, value-added business reinforcement, and sustainable business growth enhancement. Moreover, the Company publicizes corporate governance policy and business code of conduct through its department responsible for personnel in every branch and through the Company's website so as to create good practice to employees in every level.

### Corporate Governance Policy and Business Code of Conduct

The Company issued a written good corporate governance practices and code of conduct in 2006.

The content covers structure, duties and responsibilities of the Board of Directors and sub-committees including right and equality of shareholders, roles of the Company to stakeholders, transparent disclosure of information. The Corporate Governance Committee is responsible for making the policy on corporate governance and Business Code of Conduct which are followed by the Committee in order to strictly adhere to. The Committee also regularly reviews, revises the corporate governance policy and submits to the Board of Directors for consideration so as to be in compliance with the international principle and good practice.

The Company complies with the Company's good corporate governance policy as well as promotes its employees in every level to strictly comply with code of conduct. In 2015, the Company revised and updated its good corporate governance policy and code of conduct in order to be in line with the Company's operation and the guidelines concerning corporate governance laid down by the Stock Exchange of Thailand and cover the principle of ASEAN CG Scorecard. Hence, employees in every level can strictly abide with the policy and code. The details of the good corporate governance policy and code of conduct can be obtained in the Company's website: [www.robinson.co.th](http://www.robinson.co.th) in the investors section and in IR webpage <http://robins.listedcompany.com>



## Sub-Committee

### Audit Committee

The audit committee, appointed by the board of directors, comprises of various expertises which is independent director, not the Company's executive, and their qualifications comply with the requirement of SET and SEC.

As of 31 December 2015, there were 4 audit committees as follows:

1. Mr. Somchai Apiwattanaporn  
Chairman of the Audit Committee
2. Mr. Yodhin Anavil  
Audit Committee
3. Mr. Vithaya Chavananand  
Audit Committee
4. Mr. Charan Mongkolchan  
Audit Committee

Director no.1, Mr.Somchai Apiwattanaporn is the audit committee who has adequate expertise and experience to review creditability of the financial reports.

The secretary of audit committee is Mr.Phisoot Suksangtip

Scope of Duties and Responsibilities of the Audit Committee

#### Scope of Duties of Audit Committee

1. Financial report
  - (1) To review the preparation and disclosure process for an accurate, adequate, trusting and timely financial report by collaborating with the auditor and the executives responsible for preparing the quarter and annual financial report.
2. Internal control
  - (1) To review that the Company has an adequate and effective internal control system in order to prevent corruption.
  - (2) To consider the outcome and recommendation of the auditor and internal audit division regarding internal control system and to

advise the management implement the recommendation including following up the outcome of such implementation.

### 3. Internal Audit

- (1) To review that the Company has an independent internal audit function and an effective internal audit system, to support any operation such as budget and personnel and to approve a charter of the internal audit.
- (2) To jointly give an opinion on the nomination, promotion, transfer, removal or termination of employment including determination and adjustment of remuneration for the head of the internal audit division or any other division responsible for internal audit in order to make sure that such division is able to perform its duties independently.
- (3) To jointly review and approve an internal audit plan with the head of the internal audit division especially the part relating to internal audit system and financial management process.
- (4) To consider audit plan and auditing scope of work for the internal auditor's and the Company's auditor to make them support each other and not overlapping.
- (5) To give an opinion on the Company's regulations on internal audit before submitting to the Board of Directors for approval.
- (6) Monitor an internal audit's performance in order to prevent or reduce any possible corruption. This is done by evaluating sufficiency of internal control as specified by the executive. If there is any doubt concerning corruption or mistake, the executive or responsible department should be informed immediately.

### 4. Audit

- (1) To consider, select, nominate the independent Company's auditor and determine annual remuneration for the Company's auditor by considering the trustworthy and adequacy of resources, auditing workloads of such audit office and experience of persons assigned to



audit the Company as well as a performance in the previous year; and to remove the auditor.

- (2) To review an auditing scope and method proposed by the auditor as well as to consider the reason regarding a change in audit plan.
- (3) To recommend the auditor to review or audit any item which is considered necessary and important during the Company's and its subsidiary's audit.
- (4) To review the auditor's report, advise the management to revise such report and follow up the implementation of such audit recommendation.
- (5) To consider the adequacy and efficiency in collaboration between the auditor and the internal auditor.
- (6) To arrange meeting with the auditor at least once a year without the management.

5. Related party transactions, or the transactions which may cause conflicts of interests

- (1) To review the related party transactions or the transactions which may cause conflicts of interest, to ensure that they are in compliance with the laws and the Stock Exchange of Thailand's regulations as well as reasonable and at the optimum benefit of the Company.
- (2) To consider the disclosures of the Company's information concerning all related party transactions or transactions which may cause conflicts of interests to be accurate and adequate.

6. Compliance with the concerned laws and regulations

- (1) To review the effective of the follow-up and control system to be in compliance with the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business.
- (2) To review the outcome of the management's investigation and follow up the noncompliance case.

7. Report of the audit committee

- (1) The audit committee has duties and is

responsible for reporting the outcome of the performance or of any other duty assigned for acknowledgement and consideration by the Board of Directors at the Board meeting at least once per quarter. Such as, the report of the audit committee should clearly contain the opinion of the audit committee in any matters.

- (2) To review any reports prepared by the Company which relate to duties and responsibilities of the audit committee.
- (3) To prepare an Audit Committee's report on its annual performance as the criteria set by the Stock Exchange of Thailand, which has to be signed by the chairman of the audit committee and disclosed in the Company's annual report.

- (4) Regarding performing duty, if the audit committee finds or suspects any trace of transaction or acting, which may significantly affect its financial status and performance, the audit committee shall report to the Board of Directors for correcting within the time that the audit committee deems appropriate. The aforementioned transactions or acts are as follows:

- (4.1) any trace of conflicts of interests
- (4.2) fraud, unusual or significant deficiency of the internal control's system
- (4.3) violating of the Securities and Exchange Act, regulations of the Stock Exchange of Thailand, or laws related to the Company's business

- (5) If the Board of Directors or the management fails to correct the transaction or act under the above subsection (4.1), (4.2) and (4.3) within an appropriate as advised by the Audit Committee, the latter may report that there is the abovementioned transaction or act to the Securities and Exchange Commission or the Stock Exchange of Thailand.

- (6) When the audit committee is informed by the auditor about suspicious circumstance on fraud or violating of law relating to the director's and the executive's duty



performance, the audit committee shall conduct the preliminary investigation and report such investigation result to the Office of the Securities and Exchange Commission and the auditor within 30 days from the day the auditor informed. If the audit committee has finished the additional factual investigation, it shall report to the Board of Director in order to correct such circumstance within the time the audit committee deems appropriate.

#### 8. Risk management

- (1) To review that the Company has a standard and efficient risk management process.
- (2) To jointly consider and render its opinion regarding the report on the outcome and progress of the Company's risk management together with the risk management committee, the risk management working team and the management.

#### Responsibilities of the Audit Committee

1. To do any other act as the Board of Directors assigns with the concurrence of the audit committee. The audit committee is responsible to the Board of Directors for duties and responsibilities assigned by the Board while the responsibility in every activity of the Company to the third party is still bestowed on the Board of Directors.
2. To review and revise the charter of the internal audit so as to make it update and proper with the Company's circumstance at least once a year.
3. To have duties in accordance with any additional regulations, notification, etc. prescribed by the Stock Exchange of Thailand.

#### Board of Executive Directors

As of 31 December 2015, the Company's board of executive directors which appointed by board of directors comprises of 6 directors i.e.;

1. Mr. Sudhitham Chirathivat  
Chairman of Executive Directors
2. Mr. Prin Chirathivat  
Executive Director
3. Mrs. Yuwadee Chirathivat

Executive Director

4. Mr. Alan George Thomson  
Executive Director
5. Mr. Piya Nguiakaramahawongse  
Executive Director
6. Mr. Pandit Mongkolkul  
Executive Director

#### Scope of Duties and Responsibilities of the Board of Executive Directors

1. Assign power of attorney to the president to act on behalf of the Company and set the scope of responsibilities for the president to operate day-to-day business.
2. Consider and submit relevant policies, business plan, and annual budget as proposed by the management before submission to the Company's board of directors for approval.
3. Approve an investment of assets at a credit limit up to Baht 200 million per investment. The board of executive directors should prepare a quarterly report on details of investments for the Company's board of directors.
4. Trade and transfer the Company's fixed assets with the amount up to Baht 100 million per item.
5. Consider and approve transactions related to banks and financial institutions. This is regarded as an ordinary trading business operation of the Company.

#### Nomination and Remuneration Committee

As of 31 December 2015, the Company's Nomination and Remuneration Committee which appointed by board of directors comprises of 4 directors;

1. Mr. Somchai Apiwattanaporn  
Chairman of Nomination and Remuneration Committee
2. Mr. Vithaya Chavananand  
Nomination and Remuneration Committee
3. Mr. Sudhitham Chirathivat  
Nomination and Remuneration Committee
4. Mrs. Yuwadee Chirathivat  
Consultant of the committee





## Scope of Duties and Responsibilities of the Nomination and Remuneration Committee

### Nomination

1. Define the scope of work and policy on the selection and recruitment of directors and sub-committee based on the structure and composition of the Board of Directors, including determination of the qualification of the candidate for submission for the Board's consideration and/or further to shareholders' meetings for approval.
2. Nominate, select and propose qualified person for the position of director whose tenure have ended and/ or unoccupied position including for newly appointed president, high-level executive and company secretary.
3. Prepare and regularly revise the succession plan for the position of president, and high-level executive.
4. Consider strategies and policies regarding human resources to be in line with the Company's business.

### Compensation

1. Define a form of compensation and other benefits for directors and subcommittee for submission to the Board and further to shareholders' meetings for approval as the case may be.
2. Define the method and practice of appropriate compensation both monetary and non-monetary compensation for directors and sub-committees for submission to the Board and further to shareholders' meetings for approval.
3. Consider, set the objective, evaluate the outcome, present and approve the evaluation of the president's performance to the Company's board of directors in order to consider the suitability of compensation.

### Risk Management Committee

As of 31 December 2015, the Company's Risk Management Committee which appointed by board of directors comprises of;

1. Mr. Vithaya Chavanand  
Chairman of Risk Management Committee

2. Mr. Alan George Thomson  
Risk Management Committee
3. Mr. Charan Mongkolchan  
Risk Management Committee

The consultant of the Risk Management Committee is Mr. Phisoot Suksangtip, representative from internal audit unit and the secretary of the Risk Management Working Team is Ms. Patthama Piyawongsechai.

The Risk Management Working Team comprises of 6 executives from various fields as follows.

1. Mr. Dissatat Wisetvara  
Chairperson of the Working Team
2. Mrs. Ratana Anoontakaroon  
Working Team
3. Mrs. Orawan Tipsuwanporn  
Working Team
4. Mr. Wuttukiat Techamongklapiwat  
Working Team
5. Mr. Kritchart Jindasamai  
Working Team
6. Mr. Puthada Teravetchakarn  
Working Team

### Remarks

- The Management no.3 has been a member of the Working Team replacing Mrs. Ratana Anoontakaroon who resigned effective from 1 September 2015.
- The Management no. 6, Mr. Puthada Teravetchakarn has been a member of the Working Team replacing Mr. Anan Tantipanyakun who resigned effective from 1 April 2015.

## Scope of Duties and Responsibilities of the Risk Management Committee

1. Make suggestions and give support to the Board in formulating the risk management policy and defining acceptable risk levels.
2. Define the framework of the Company's risk management in line with the risk management policy, and follow up on its implementation as well as reviewing the effectiveness of the framework.
3. Report a broad view for the Board's consideration





of business risks and its management method, and follow upon results.

4. Review risk management reports, ensure adequate and suitable risk management to acceptable levels, and ensure continued implementation of risk management.
5. Regularly coordinate with the Audit Committee by sharing knowledge, information about risks and internal control potentially affecting the Company's business.
6. Approve and provide recommendations and advice on critical issues regarding the risk management process and development.
7. Support a Company culture for adequate risk management and internal control.
8. Appoint the Board's representatives and/or working teams and/or additional personnel relating to the risk managements deemed appropriate including defining the scope of duties and responsibilities there of for the benefits of the works under the objective.

#### Corporate Governance Committee

As of 31 December 2015, the Company's Corporate Governance Committee which appointed by board of directors comprises of;

1. Mr. Yodhin Anavil  
Chairman of Corporate Governance Committee
2. Mr. Piya Nguiakaramahawongse  
Corporate Governance Committee
3. Mr. Pandit Mongkolkul  
Consultant of the Committee

#### Scope of Duties and Responsibilities of the Corporate Governance Committee

1. Define the policy and review an adequacy and appropriation of the Company Good Corporate Governance Policy, including setting practices of good corporate governance and code of conduct to be in accordance with the corporate governance principle and submitting to the board of directors for approval.
2. Define the policy and set the plan concerning corporate social responsibility activities.

3. Quarterly meet up to follow up ongoing the Company's good corporate governance plan and monitor practicing of the good corporate governance policy of directors, management and employees, to assure that the Company full comply with the principle of the good corporate governance and operate its business with efficiency, transparency and be able to examine.
4. Conduct self-assessment pertaining to the principle of the good corporate governance and submit the findings to the Board for consideration, approval, or comments as deemed.
5. Be the Company's agent or assign any person to communicated and conduct activity concerning corporate governance with executives, employees and other authorities.

#### Nomination and Appointment of Directors and Chief Executives

##### Independent Directors

##### Qualification of Independent Director

The Company's independent directors are fully qualified and independent. Such qualifications are stricter than the minimum criteria of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand (SET), that is:

1. Holding shares not exceeding 0.5 percent of the total number of voting rights of the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, including the shares held by related persons.
2. Neither being nor having been an executive director, employee, staff, or advisor who receives salary, or a controlling person of the company, its parent company, subsidiary, affiliate, same-level subsidiary or juristic person who may have conflicts of interest unless the foregoing status has ended not less than 2 years prior to the date of appointment.
3. Not being a person related by blood or registration under laws, such as father, mother, spouse, sibling, and child, including spouse of the children, of executives, major shareholders, controlling



persons, or persons to be nominated as executive or controlling persons of the company or its subsidiary.

4. Not having a business relationship with the company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, in the manner which may interfere with his independent judgment, and neither being nor having been a major shareholder, non-independent director or executive of any person having business relationship with the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.

The term 'business relationship' aforementioned under the first paragraph includes any normal business transaction, rental or lease of immovable property, transaction relating to assets or services, grant or receipt of financial assistance through receiving or extending loans, guarantee, providing action, which results in the company or its counterparty being subject indebtedness payable to the other party in the amount of 3 percent or more of the net tangible assets of the company or 20 million Baht or more, whichever is lower. The amount of such indebtedness shall be calculated according to the calculation method for value of connected transactions under the Notification of Capital Market Supervisory Board concerning Rules on Connected Transactions *mutatis mutandis*. The combination of such indebtedness shall include indebtedness taking place during the course of 1 year prior to the date on which the business relationship with the person commences.

5. Neither being nor having been an auditor of the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and not being a major shareholder, nonindependent director, executive or partner of an audit firm which employs auditors of the company, its parent company, subsidiary, affiliate

or juristic person who may have conflicts of interest unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.

6. Neither being nor having been any professional advisor including legal advisor or financial advisor who receives an annual service fee exceeding 2 million Baht from the Company, its parent company, subsidiary, affiliate or juristic person who may have conflicts of interest, and neither being nor having been a major shareholder, non-independent director, executive or partner of the professional advisor unless the foregoing relationship has ended not less than 2 years prior to the date of appointment.
7. Not being a director who has been appointed as a representative of the Company's director, major shareholder or shareholders who are related to the Company's major shareholder.
8. Not having any characteristics which make him incapable of expressing independent opinions with regard to the Company's business affairs.

The independent director may be authorized by the Board of Directors to make a decision on business execution of the Company, its parent company, subsidiary, affiliate, same level subsidiary or juristic person who may have conflicts of interest, providing that such decision is made as a collective decision.

At present, the Company has five independent directors which are considered more than a number specified by the corporate governance policy which is the board of directors of the company shall consist of at least one-third of the total directors (12 persons).

#### Nomination of Directors and Chief Executives

According to the Company's Articles of Association, it specifies that at every annual general meeting of the Company, one-third of the directors, or if their number is not a multiple of three, then the number nearest to one-third shall retire from office. The director who has



been in office longest shall retire. A retiring director is eligible for re-election.

The board of directors assigns the nomination and remuneration committee, two out of four nomination and remuneration committees are independent directors, to have duties and responsibilities to propose, screen the qualified candidate and nominate such qualified candidate in accordance to article of association whom have diverse background subject to the structure, size and composition of the directors for the Board's consideration and further to shareholders' meetings for approval.

Appointment of the Company's directors shall be conducted according to the Article of Association as follows:

- The Company's directors need not to be the Company's shareholders. The third person who agrees to be the Company's director and is appointed by the general shareholders meeting can be the Company's directors.
- The Company's board of directors shall consist of not less than five directors and not less than half of those shall reside within the Kingdom.

In addition, the Company has adopted the best practices of good corporate governance in regard to the board structure, where the Company's board of directors shall compose of independent directors at least one third of the board size (12 persons).

Criteria and procedure for electing directors at the shareholders meeting are as follows:

- In vote for election of directors, majority vote shall be regarded and each shareholder shall have one vote per one share held by such shareholder.
- Each shareholder may exercise all the votes he/she has to electing each candidate nominated as a director.
- The candidates ranked in order descending from the highest number of votes received to the lowest shall be appointed as directors until the number of directors to be comprised or elected in such meeting

is filled. In case the votes cast for candidates in descending order are tied, which would otherwise cause the number of directors to be exceeded, the chairman of the meeting shall have casting vote.

- Regarding the right of minor shareholders to appoint a director, the Company's regulations specify that each shareholder has one vote for one share. The cumulative voting is not applicable.

The nomination and remuneration committee lets the directors and shareholders participate in nominating qualified individuals as a director.

In addition, the Company's shareholders were invited via SET online system to have a right to propose the person(s) whose qualification comply with the Article of Association, the Public Company Limited B.E.2535 Act, and the notice of the Securities Exchange Commission to the Company's corporate secretary for consideration as the candidate to serve as the Company director(s) in advance for about 3 months before propose to the Nomination and Remuneration Committee's meeting and the Board's meeting. The nomination and consideration procedure are published in the Company's website, [www.robinson.co.th](http://www.robinson.co.th). The shareholders who wish to propose the director nominee must possess the following qualifications.

1. Being the shareholder of the Company which can be either one shareholder or combined shareholders.
2. Holding minimum shares not less than 100,000 shares.
3. Having continuously held those shares in the amount prescribed in the above section for not less than 1 year and by the date the shareholder proposes the director nominee.

The Company Secretary shall review the documents initially prior to proposing to the Nomination and Remuneration Committee for their consideration and opinion to the Board of Directors to consider the appropriation of further submission to shareholders for the approval. However, the resolution of the Board



of Director shall be deemed the final decision. The name of the nominated person approved by the Board of Director of the Company shall be included in the agenda regarding the election of the Company's directors, accompanied with the opinion of the Board of Director and propose to the shareholder meeting for the approval.

The Company Secretary also considers a name list of qualified candidate to nominate as the Company's director from the director pool and other sources.

Regarding the chief executive nomination, the board of directors assigns the nomination and remuneration committee to have duties and responsibilities to screen, select and propose the qualified candidate for the position of president for the Board's consideration and approval.

### Monitoring the Operation of Subsidiaries and Affiliates

The Company specifies a rule that nomination and vote for any director in its subsidiaries and affiliates has to be approved by the Company's board of directors. A person appointed as a director in a subsidiary or affiliate has a duty to work for the optimum benefit of such subsidiary or affiliate (not of the Company). The Company prescribes that such person has to be approved by the Company's board of directors prior to resolve or vote in any matter which has to be approved by the board of directors if it is done by the Company. In addition, a number of directors representing the Company in a subsidiary or affiliate is in accordance with the shareholding ratio.

Furthermore, in case of a subsidiary, a person appointed by the Company has to monitor that such subsidiary has its complete regulation concerning connected transactions, acquisition or disposition of assets or any important transactions of such company. Such company shall use the same regulation as the Company. Data collection and accounting record of such subsidiary has to be able to immediately review and compile for the matter of preparing financial statements.

### Supervision on Inside Information

The Company specified the good practice of inside information usage and of customer's personal information storage in the Company's code of conduct so as to prevent the disclosure or leak of such inside information to any third party. This also included the protection of customer's personal information which every directors, executives, and employees shall strictly adhere to, when using inside information. The Company informs directors and executive in writing in advance to avoid or restraint from purchasing or selling the Company's securities within 30 days prior to disclosing financial statement. The purpose is for transparency and preventing directors and executives obtaining benefits to themselves or others by using inside information for purchasing and selling securities issued by the Company. Additionally, the Company orders its Investor Relations Department to determine a suitable silent period concerning the Company's turnover to shareholders, investors and securities analysts in order to be comply with the good corporate governance on transparent and equal information disclosure.

The Company prescribes that its directors and executives have a duty to report the Company's securities held by themselves, spouse and minor child to the SEC, the SET and the Company's secretary who will compile this securities holding information and present in the meeting of the board of director quarterly.

violates by disclosing confidential information or financial information without permission, it shall be considered as disciplinary offence and said employee shall be subject to strict punishment by the investigative committee in accordance with the Company's regulations. If there is a rumor or leakage of undisclosed information, it will be reported to superior officers who will further present to executives in order to clarify the issues or disclose to public. In the case where the Company hires outside contractors to perform particular tasks the Company



requests that a contract should be made in terms of protection of confidential information which may be disclosed due to the nature of the task performed. The hired party must ensure that its staff is under obligation to protect clients' confidentiality. The staff and executives of the hired party are prohibited from using such disclosed inside information to buy or sell shares issued by the company either for their own benefit or that of others.

In 2015, inside information usage was strictly adhered to by directors, executives, and employees. There was neither selling nor purchasing of any securities issued by the Company during the prohibition period. Also the Company did not receive any complaint concerning violation of directors,

executives and employees regarding dishonest inside information usage.

## Auditor's fee

### Audit Fee

The Annual General Meeting of Shareholders No. 1/2015 approved the appointment of KPMG Phoomchai Audit Co., Ltd., which is a member of KPMG International - an international standard expertise, as the Company's auditor for the year 2015. Mr. Thanit Osatalert, Certified Public Accountant Registration No. 5155, who is authorized to audit, perform and sign the Company's audited report.

### Audit fee for the financial statements of the Company and its subsidiaries

(Unit : Baht)		2015	2014	2013
Audit fee for the audit office*	The Company	3,620,000	3,620,000	3,620,000
	Subsidiaries	1,660,000	1,680,000	1,680,000
	Total**	5,280,000	5,300,000	5,300,000
Audit fee for the auditor		None	None	None
Non-audit fee		None	None	None

\*The audit office of the auditor, person, or business related to the auditor and the auditor's office

\*\* Total audit fee is actual payment in each year

## Conclusion on compliance with the Good Corporate Governance of the year 2015

In 2015 the Company was rated as 5 symbols (or Very Good) of the corporate governance survey of the Thai Institute of Directors (IOD), the SET and the SEC. The Company was assessed by the AGM Assessment Project with 98.75 score by the Thai Investors Association. Moreover, the Company was awarded as outstanding enterprise for every Robinson stores from the Ministry of Labor every year. This is the testament showing that the Company is always

committed towards being attentive and placing emphasis on labor relation with its employees.

The Company complies with its corporate governance policy, most of which are in line with the guidelines concerning corporate governance laid down by the Stock Exchange of Thailand. With regard to the other non-compliant guidelines, this is due to the limit of the Company's human resources or other resources. In addition, the Company also considers the Company's competitive advantage to maximize profit to shareholders and stakeholders.





The development on corporate governance of the Company in 2015 is divided into 5 categories, the detail of which appears as follows

#### The Rights of Shareholders

The Company has been striving to enhance the efficiency of distribution of necessary news and information procedure to ensure that shareholders will receive sufficient and accurate information on the Company in a timely manner. Shareholders can use their rights to protect their interests by asking, commenting, recommending and voting in the Meeting of Shareholders.

In addition, shareholders and minority shareholders are able to address their questions, agendas of the meeting and proposal of qualified candidates for the Company's director nomination via post to the Company Secretary or E-mail : [co.secretary@robinson.co.th](mailto:co.secretary@robinson.co.th) in advance. In addition the Company informs the shareholders via SET online system. Any rules concerning such matter are posted in the Company's website as well. The shareholders can submit information prior to the meeting of the Board of Directors in order to set the agendas of the Meeting of Shareholders 3 months in advance. In 2015, there is no any shareholder present any agenda or nominate any candidate for the position of director for the 2015 Annual General Meeting.

The Company places an emphasis on arranging the Annual General Meeting of Shareholders, including the Extraordinary Meeting of Shareholders by adhering to and following the practical guidelines of the AGM Checklist provided by the Securities and Exchange Commission (SEC).

The Company Secretary informs the schedule, date and time of the meeting to each director in advance in order to enable all directors to allocate time for the meeting especially the chairman, chairman of the sub-committee and president unless such director is unable to attend due to reasonable cause.

- The rights to receive information

The Company clearly and adequately provides shareholders with meeting notices that contain all agenda details, facts and reasons in each agenda along with the board of directors' opinions such as:

- Regarding the directors' remuneration, the Company proposes the shareholders for approval every year as well as submits the clear policy and criteria on remuneration with details showing remuneration by position, types of remuneration and comparing to the paid amount of the previous year to the shareholders for acknowledgement.
- Regarding the directors appointment, the Company presents the director candidates' resume together with the invitation letter to the shareholders' meeting. In voting for director, the Company allows the shareholders to be able to vote individual person.
- Regarding auditor appointment and audit fee consideration, the Company presents adequate information of the auditor in order to demonstrate the independence, a number of appointed years (in case of appointing the existing auditor) including opinion of the audit committee, audit fee and compare with the audit fee of the previous year.
- Regarding dividend payment, the Company gives adequate and clear details, facts and reasons on the proposed amount asked for approval including comparing with the dividend payment of the previous year.

In addition, The Company has provided a detailed list of supporting document that require for attend meeting. All supporting documents both in Thai and English versions along with the proxy forms, Forms A, B and C, are also posted on the Company's website at least 30 days in advance of meeting. Such documents are also sent to shareholders at least 21 days prior to the meeting.

In each meeting of the shareholder, the Company has neither additional meeting agendas nor changes on important on information without prior notice and





the Company has not distributed any documents that contained additional information at the meetings, especially the important agendas that required shareholders' times to make consideration. The Company continuously adheres to this practice.

Regarding the minutes of the shareholders' meeting, the Company provides the minutes both in Thai and English versions with each agenda for complete and clear consideration, the name of directors, executives, auditor and other related persons and the voting result of each agenda in the form of approve, disapprove and abstain vote. In addition, there is a record of questions and answers raised by the shareholders with the name of the inquirer and the answering director.

- Arranging the meeting

The Company supports all types of shareholders, including institutional investors to attend the shareholders' meeting with no restriction on the right to attend the meetings for shareholders who show up late. The Company has a policy to equally treat every shareholder as well as facilitates shareholders to attend the meetings both in terms of necessary documents for registration including revenue stamp, venue, food and beverages preparation as well as proper time setting. The shareholders have 2-hour registration period before the meeting. The Company uses computer and bar code system for registration and vote counting for the acceleration and reliability of information. Additionally, independent persons are responsible for vote counting.

In addition, The Company provides lists of independent directors who do not have any conflict of interest issues related to the agendas to be appointed as proxy. Shareholders are allowed to appoint either other persons or the Company's independent directors as their proxy.

- During the meeting

Before the meeting formally began, Chairman of the Board will explain detail of making up a quorum,

voting right, voting procedures and vote counting clearly to shareholders, whereby, one share is for one vote. In case where the meeting considers approving the connected transaction, connected person and shareholder, who is interested party, shall not have a right to vote. By this, the Company's meeting notice shall provide sufficient information together with financial advisor's opinion regarding the reason of entering into such transaction as supporting information for shareholder and propose to shareholder for approval such transaction.

The Company has provided ballot for shareholders in every agenda. Voting in every agenda is conducted through computer and bar code systems for shareholders and proxy holders. With transparency and verification, separate voting slips are provided for each agenda item. In every meeting, shareholders are allowed to freely express their opinions, give suggestions, raise questions on any agenda item, and timely discussion. Each query shall be considered materially where chairman and management answer clearly with sufficient detailed information on the matters. After that, chairman shall convene the meeting agenda accordingly. In addition, the Company will not consider other agendas apart from meeting's invitation agenda. After the meeting is adjourned, the Company will keep all ballots as reference.

In vote for election of directors, the Company conducts voting procedure to electing each candidate nominated as a director only and also encourages shareholder to apply proxy which dominated direction of voting (Proxy Form B). Additionally, the Company provides special proxy for the custodian, foreign institution shareholder (Proxy Form C).

In each meeting, the Company informs the Company's resolutions in the next working day through the SET channel and the Company's website. Moreover, the Company minutes of the meeting accurately and exhibits voting results of each



agenda. In addition, the Company also records VDO through the meeting and posts in the Investors and IR webpage (<http://robins.listedcompany.com>) of the Company's website ([www.robinson.co.th](http://www.robinson.co.th)) within 14 days after the meeting.

#### Equitable Treatment of Shareholders

- The Company adheres to the equitable treatment of shareholders, especially minority shareholders shall receive the basic rights and other rights equally to other shareholders including the equal voting right per the amount of shareholding.
- The minority shareholders have rights to propose qualified candidates for director nomination, to propose agendas and to receive fairness in the Meeting of Shareholders.
- In the shareholders' meeting, the Company allows shareholders who cannot attend the meeting to appoint either any person or the Company's independent director appointed by the Company to participate and cast the votes in the meeting. In addition, all shareholders are also allowed to make opinions and ask questions comprehensively.
- Regarding the delivery of an invitation letter to shareholders, as the Company's practice, it sends the invitation letter 21 days in advance every year. Moreover, the Company prepares all supporting documents both in Thai and English versions so as to facilitate foreign shareholders. These supporting documents and the proxy forms, Forms A, B and C are also available in the Company's website at least 30 days prior to the meeting so shareholders can receive documents in advance and have proper time to review information.
- The Company specifies the directors and executives to report the holding of securities and also the transfer of securities to the director's meeting every quarter.
- The Company promotes prevention on conflict of interests. Directors, executives including their spouse and minor children should not purchase or sell any of the Company's securities during the 1-month period prior to publicize financial statement.
- The Company sets a policy that a director or top executive has to inform the board of directors through the Company secretary about securities trade at least one day prior to such trade.
- The Company also clearly specifies the duties and responsibilities of the executives and organization units by prohibiting directors, executives or any persons who have inside information from disclosing such information to outsiders on non-engaged persons which may cause damage to all shareholders, except if the disclosure is made to the public as specified in the regulations of the Stock Exchange of Thailand. Any violation shall be subject to disciplinary action according to the Company's regulations.
- Regarding the consideration for the issues that cause or may cause conflict of interests, connected transactions and inter-company transactions, the Company strictly abides by the notification and regulation. Related party transaction is done fairly and at arms' length. In case, it has to consider any issue that may cause conflict of interests, related transactions and connected transactions, directors who have beneficial interests shall not participate in consideration of such matters.

#### The Role of Stakeholders in Corporate Governance

The Company pays great attention to all groups of stakeholders to make sure that they are treated fairly and in accordance with their legal rights as specified in the laws that concern stakeholders and/or through mutual agreements with the Company. The Company also realizes an importance of treating every stakeholder fairly and refuses bribery or illegal benefits. The Company emphasizes on anti-corruption as well. This is prescribed in the Company's corporate governance policy. In addition, the Company provides training courses regarding to the Company's policy and practice of anti-corruption. Moreover, the Company provides a channel for all stakeholders to contact or complain through email : [cghotline@robinson.co.th](mailto:cghotline@robinson.co.th) which is direct to the Board of Directors. The



independent directors and the audit committee will receive such complain. Also, the steps and procedures can protect a reporter clearly and efficiently. The Company always reviews and revises its Business Code of Conduct as well as its internal communication so as to let executives and employees understand and realize the ethics standard which the Company adopts for its business conduct. The Company also wishes everybody in the organization strictly adheres as a guideline so as to promote the responsibility to stakeholders. The Company well realizes that these stakeholders play a great role in supporting the Company's long-term success. The details are as follows:

- Shareholders - The Company is determined to operate its business and has been striving for steady growth in compliance with the good corporate governance, taking into account sustainable growth in returns for shareholders. The Company places great emphasis on the rights of shareholders and ensures the equitable treatment of shareholders. The Company respects shareholders rights to receive necessary information for making evaluation of the Company's management by disclosing operating performance, operating financial status, and other supporting reliable information in a timely manner in order to enhance the transparency and fairness to shareholders.
- Employees - The Company promoted and created understating and compliance with the good corporate governance and business code of conduct at the employee level. Moreover, there are trainings on corporate code of conduct to employees in an orientation in order to create understanding to every new employees. Furthermore, the Company focused on development a good relationship between employees and the Company continuously by treating employees according to the rules of labour and welfare laws, strictly respecting individual rights, and providing proper remuneration and welfare benefits in comparison with those in the same business group, such as:-

establishing provident fund and savings cooperative, endowing scholarship to employees' children who demonstrate excellent academic, and providing annual medical check-up for employees, etc. The Company set up a working unit particularly responsible for staff welfare benefits at all branches to ensure that the Company's staff as well as the sales staff employed by our business partners receives a fair treatment from the Company, while working in a proper and safe environment. In addition, the Company stresses the importance of developing potential of human resources in knowledge, mental health and morality. Staffs at all levels have opportunity to receive skill enhancement thoroughly and continually. Furthermore, the Company promotes practice of good citizenship in order to create value for themselves and the Company. Various activities have been organized for staff to promote teamwork and create pleasant atmosphere.

- Partners and/or Creditors - The Company strictly observes and adheres to all its obligations to partners and/or creditors. Selection of partners is done fairly. Also, it has regulations to prohibit executives or staff from performing any illegal or unethical practices against partners and/or creditors by admitting or asking for any properties or benefits. Should there be any evidence or information of unethical practice the Company or partners and/or creditors must inform or disclose such information for joint consideration to find a solution to the problem in order to prevent any losses which may occur in the future.
- Customers - The Company attempts to create customer satisfaction by providing fine quality products that meet customers' demands at reasonable price as well as excellent service. It also conducts its business rightly and equitably and provides actual information about products, not propaganda. The Company has a strict policy of preventing the confidential information of customers. Customers have a chance to make complaints or queries at all time.



- Competitors - The Company abides by the framework, rules and ethics of fair competition, and will not destroy the reputation of its competitors through pricing strategy or any unethical strategies.
- Community and Environment - The Company has a policy to continually support activities which are beneficial to the community and environment. Moreover, the Company provides a training to make its employees aware of environmental issues prior to launch the Company's projects on environment. In addition, the Company promote the employees and clients to participate any activities that related to social and environmental projects. The Company will not take any illegal action or support any illegal action which is harmful to the natural resources and community.

#### Disclosure and Transparency

- The Company has regularly had the disclosure of information including financial reports and business information that is accurate, complete, transparent, equitable, and on a timely basis through the communication channel of the SET and the Company's website [www.robinson.co.th](http://www.robinson.co.th). In addition, there is IR website: <http://robins.listed-company.com> as another channel for shareholders, investors, analysts and interested persons to easily access to the Company's information whereby the said information does not have any effect to the competition status of the Company.
- For investor relations, the Company assigns the investor relations section, the financial management and investor relations division, along with the President to be responsible for duties related to investor relations in order to communicate important and beneficial information to the institutional investors, shareholders, stock analysts, press and general public and to quarterly report the activities on investor relations to the meeting of the Board of Directors. Nevertheless disclosure of the Company's performance to shareholders, investors, and securities analysts shall be in compliance with the

good corporate governance so there will be a period when the Company does not publish such information. This aims to be in line with transparent and equitable disclosure of information principle. In this year investor relation activities were as follows:

1. Company visits by investors and analysts, including conference calls were in total of 90 companies or persons which was equivalent to 152 times (Remark : the number of time was counted by the number of companies that visited the Company)
2. Investor Conference and Road Show/Non Deal Road Show were in total of 9 times as follows:
  - Investor Conference (Local/International) 8 times
  - International Non Deal Road Show 1 times
3. The Company participated Opportunity Day held by the Stock Exchange of Thailand.
4. The Company held an analyst meeting on a regular basis.
5. The Company held Store Visits for analysts and investors in total of 11 times.

Investors can contact the Company's investor relations section by

Contact person : General Manager -

Investor relations department  
Address : Robinson Department Store Public Company Limited  
9/9 14th Floor, Rama 9 Road,  
Huai Khwang, Huai Khwang,  
Bangkok 10310

Telephone : 02 169 2500 ext 4750-2

Fax : 02 169 2577

E-mail: [ir@robinson.co.th](mailto:ir@robinson.co.th)

- Regarding the quality of financial reports, the Company's board of directors is responsible for consolidated financial statements of the Company and its subsidiaries (approved by the Company's auditor) as well as financial information presented



in the annual report. The Company's board of directors appoints the audit committee which consists of an independent committee responsible for the quality of financial reports and internal control system. For the year 2015 financial report, the board of directors had the opinion that such financial statements were prepared in accordance with Thai General Accepted Accounting Principles through the adoption of the appropriate accounting policy and consistent practice of that policy, including the disclosure of substantial information in the Notes to the financial statements of the Company and its subsidiaries.

#### Responsibilities of the Board

##### Board Composition

In 2015, the Company's board of directors has currently 5 independent directors which is higher one-third of the board. As a result, the board composition leads to proper clarity in checks-and-balances system.

In addition, each of the current board of directors has diversified qualification in both skills and professional working experiences of retailing and department store business management, including high proficiency and expertise on accounting, finance and law. This is in consonance with the policy concerning director nomination. The board diversity and required skill which has not yet had in the board are taken into account. Furthermore, every independent director is qualified under the Company's requirement which is stricter than the minimum criteria of the Securities and Exchange Commission (SEC). The board of directors comprises 12 members (1 female director) including:

- |                           |          |
|---------------------------|----------|
| - Executive director      | 1 person |
| - Non-executive directors | 6 person |
| - Independent directors   | 5 person |

Independent directors are 41.7% of the board (a total number of directors are 12 persons)

#### Role and Responsibility of the Board

The board of directors' authority and responsibilities include:

- To carry out the Company's activities responsibly, carefully and honestly in accordance with governing laws, the Company's objectives and Article of Association, as well as the resolutions of the Board, and of the shareholder meeting. Directors shall consider the interest of every shareholder fairly and act like a reasonable man in such business going to do in the same circumstance.
- To determine vision, mission, plan and annual budget of the Company by continuously following up the outcome of each operation so as to make sure that the operation is in accordance with the settled goal and able to handle any possible obstacles on time.
- To regularly review and revise important policies and plans in order to keep them up to date and match with the nature of business
- To consider and approve any important transactions under the scope of duties of the Board according to the laws and Article of Association of the Company including considering and approving an investment of assets with the amount above Baht 200 million per investment.
- To appoint any sub-committees in order to support the work under the responsibility of the Board as deemed appropriate and necessary by following up the operation of the sub-committees continuously.
- Independent directors should exercise independent discretion in the formulation of strategies, management of work and resources, appointment of directors, and determination of business standards. They should also be ready to disagree with management team members and other directors on matters that may affect the equality of each shareholder.
- To disclose information to shareholders and all stakeholders accurately, completely, transparently, accountably and on time.





- To provide efficient and effective internal control system and internal audit.
- To provide appropriate and efficient risk management which can assess, follow up and manage risk.
- To obtain the Company secretary to monitor any activities of the Board and assist the Board and the Company's conduct to be in accordance with related laws and regulations.
- To have a business code of conduct of the directors, executives, and employees as a standard for business operation of the Company.
- To make the operation in accordance with the good corporate governance and support the acknowledgement of everybody in the Company so as to strictly comply with it.
- To obtain a clear and transparent connected transaction.
- To obtain a clear process regarding a report of the audit committee to the Board. When finding or suspecting about transaction or action which may have any material effects to the Company's financial status and the operation, the Board shall correct such transaction or action within the time the audit committee deems appropriate.
- To provide a succession plan of the high level executive of the Company.
- To perform any other duty related to the Company's business as assigned by the shareholders.

#### The number of board position

The Company defines limit of the number of board positions that a director can hold a position of director in other listed companies in the Stock Exchange of Thailand which shall not exceed 5 positions during his/her tenure in order for director to have time to attend the meeting for following up the Company's business performance. While, the Company's president shall limit to be the president of a listed company only in order for he/she to have sufficient time to conduct the business operation.

The Board of Directors enumerated that an independent director shall hold a position not more

than 2 consecutive terms. The tenure can be extended but the total period of all terms must not be more than 9 years. The objective is to guarantee the independence in opining and working as an independent director as well as to comply with the corporate governance principle.

Furthermore, the Board specified the directors, executives and related persons to disclose information on interest on 31 December of every year as well as specified the directors and executives to disclose on the holding of securities and also inform the change to the Company Secretary every time.

#### Sub-committee and Company Secretary

The Company has the additional Committees, appointed by the Board which considers necessary and appropriate, with the objective to take care of specific duties which expertise is needed to consider and review on the assigned work as its delegation. The Committees shall report their duties to the Board according to regular schedule. Moreover, the Board also appointed the Company Secretary as specified in the Securities and Exchange Act B.E. 2551 (A.D. 2008). At present the Company has subcommittee appointed by the Board as follows:

1. Audit Committee the structure of audit committee comprises of not fewer than 3 independent directors and one of them, at the minimum, must possess the knowledge of finance and/or accounting.
2. Nomination and Remuneration Committee the structure of the committee comprises of 2 independent directors as minimum, where the proportion of independent director shall not less than two-third of the committee and being the chairman of the committee.
3. Risk Management Committee the structure of the committee comprises of independent directors not fewer than half of the total directors and the independent director shall be the chairman of the committee.





4. Corporate Governance Committee the structure of the committee comprises of independent directors not fewer than half of the total directors and the independent director shall be the chairman of the committee.
5. Company Secretary the Board appointed the Company Secretary to be responsible for secretarial works as prescribed by law.

### The Board Meeting

The Company's Board of Director Meetings is held on regular basis, at least 1 meeting in every quarter and not less than 5 meetings per year. Hence, the Board has set its meeting schedule in advance for every quarter and sends notice of the meeting along with a meeting agenda and meeting documents of each agenda to each director in advance not fewer than seven days prior to the meeting date so that the directors have sufficient time for their consideration. In the event that queries are raised from director, each director has their right to examine the meeting document and other important documents and the management shall state it clearly.

Of the Board Meeting, the chairman of the Board, President, and corporate secretary set the meeting

agenda and all important issues together including the Company and its subsidiaries' acquisition or disposal of assets which is significantly impact on the Company, investment projects, as well as connected transactions, in such case, these issues shall be proposed to the board of executive directors and/ or audit committee for their consideration and state their opinion before propose to the Board. In addition, the Board assigned the audit committee to opine on the major connected transactions and to consider the appropriateness of the transaction by taking the highest interest of the Company into highest consideration. Furthermore, it also regularly disclosed such information in every quarterly financial statements, Form 56-1 and annual report.

In the agenda that one of the director who has interest in transaction shall be out of the meeting room before the Board consider and make decision on that agenda.

The meeting of the board of directors no. 6/2014 considered and approved the vision, mission, strategy and business plan for the year 2015. In 2015, there were 8 Board of Directors meetings.

Details of the meeting attendance of each board and each committee in 2015 are as follows:

Director's Name	Meeting Attendance of each board/committee (time)						
	Board of Directors	Board of Executive Directors	Audit Committee	Nomination and Remuneration Committee	Corporate Governance Committee	Risk Management Committee	Shareholders' Meeting
1. Mr. Sudhisak Chirathivat	8/8	-	-	-	-	-	1/1
2.Mr.Sudhitham Chirathivat	8/8	7/7	-	1/1	-	-	1/1
3. Mr. Prin Chirathivat	7/8	7/7	-	-	-	-	0/1
4. Mrs. Yuwadee Chirathivat	7/8	7/7	-	1/1	-	-	0/1
5. Mr. Alan George Thomson	7/8	7/7	-	-	-	4/4	1/1
6.Mr. Piya Nguiakramahawongse	8/8	7/7	-	-	1/1	-	1/1
7. Mr. Pandit Mongkolkul	8/8	7/7	-	-	1/1	-	1/1
8. Mr. Somchai Apiwattanaporn	8/8	-	6/6	1/1	-	-	1/1
9. Mr. Vithaya Chavananand	7/8	-	6/6	1/1	-	4/4	1/1
10. Mr. Charan Mongkolchan	8/8	-	6/6	-	-	4/4	1/1
11. Mr. Kanchit Bunajinda	7/8	-	-	-	-	-	1/1
12. Mr.Yodhin Anavil	8/8	-	6/6	-	1/1	-	1/1



In 2015, an attendance ratio of every directors is more than 94.8% of this year meetings. While each director attended the meeting of the Board of Directors not less than 80% of this year meeting. This is in accordance with the Company's policy that directors have a duty to attend a meeting every time unless there is a necessary reason. In addition, the Company will send the minutes of the meeting report and meeting document for the Company's Directors to use as references and can be references for inspection.

In 2015, there was one meeting among the non-executive directors without the management.

#### Board Self Assessment

The Company conducts self-assessment for the Board of Directors and Audit Committee every year.

The Company delivers self-assessment form of the Board of Directors to each director and the Company Secretary is the collector and presents the assessment result to every director to improve and develop the performance of the Board of Directors to be more effective. The assessment covers 6 categories:

- 1) Structure and characteristics of the board
- 2) Roles and responsibilities of the BOD
- 3) Board meetings
- 4) The BOD's performance of duties
- 5) Relationship with management
- 6) Self-development of directors and executive development

The average Board self assessment point in 2015 was 96.3%

With regard to the performance assessment of the President, since 2011, the Company has revised the assessment form to be complied with the corporate

governance guideline of the SET. The assessment separated into 3 categories as follow:

- 1) Assessment of business plan progress
- 2) Assessment of operation which covers 10 operating categories:
  - Leadership
  - Defining strategy
  - Complying with strategy
  - Financial plans and results
  - Relationship with Board of Directors
  - External relationship
  - Management and interpersonal skill
  - Succession planning
  - Knowledge on product and service
  - Personal characteristic
- 3) President development

In 2015, the President assessment was considered by the Nomination and Remuneration Committee and shall be reported to the Corporate Governance Committee for further acknowledgement.

#### Board and Management Training

The Company continuously encourages the Board of Directors and Executives of the Company to attend courses which are benefit to the operation and self-improvement and improvement of the Company such as training courses of the Thai Institute of Directors and the Stock Exchange of Thailand, etc.

The Company has determined president and senior vice president to establish his/her succession plan and report the progress to the Board of Executive Directors.



# Corporate Social Responsibility



## Policy on Corporate Social Responsibility

The Company aims to get ahead in business along with being responsible for social development and environment. Hence, the Company has paid a lot of attention on corporate responsibility. There are three policies on this issue: education, social development and environment. Believing that every employee is a part of social and environmental development, the Company motivates its employees in every level to realize the importance of social development through its internal public relation. Moreover, the Company widely welcomes employees and customers to join the Company in its campaigns every year which expect for bringing the optimal benefits to societies.

## Operation and Report

There are six groups of stakeholders; shareholders, employees, business alliances or creditors, customers, competitors, and communities and environment. The Company prepares a report in accordance with the corporate social responsibility guideline of the Stock Exchange of Thailand, comprising of eight principles that can complies with these eight principles as follows:



### 1) Fair operation

The Company treats every stakeholder fairly. It strictly adheres to the law, trade conditions and fair competition practice. The Company encourages its employees stick to honest also business and life ethics. In addition, it treats customers, business alliances and co-workers in fairness.

### 2) Counter corruption

Every procedure of the Company proceeds in good faith, correct, transparent, and accountable. Its code of conduct for employees clearly mentions about honesty. The Company's employees shall not only be lured by any bribery in order to breach of any code of conduct, regulation or policy of the Company but also not accepting any cash, cash-equivalent instrument or any valuable property such as gold and diamond for his/her own benefit. In case of accepting gift or present, it shall not be more than the rate acceptable in society or business with not offer request or accept any bribery directly, indirectly or through any person for any personal benefit for whichever reason.

### 3) Respecting human rights

The Company strictly respects human rights. It pays equal attention to every stakeholder in order to guarantee that every right under the law or agreement with the Company is recognized. Moreover, the Company suggests a guideline for its employees to treat co-workers and other people in good manners,

polite and kindness. The Company's employees have to treat everybody equally and respect privacy without any discrimination against race, culture, religion or any other status also respected privacy, personal information and employees' freedom to manage their duty under law and human rights.

### 4) Fair labor treatment

The Company has been concern in labour relationship and welfare obeys labour rules and welfare law. The salary and welfare are appropriately paid. The Company also regularly takes good care of its employees's safety, occupational health and working environment. Cause the outstanding enterprise in labour relationship and welfare award sanitation and good environment award from the Ministry of Labour in every year. The Company, furthermore, encourages employees in every level to develop their potential in knowledge, mental health and moral habitually. Promotion and relocation shall be based on knowledge, ability and suitability of employees. Each employee is entitled to lodge a complaint under a specified process if he/she is treated unfairly.

### 5) Responsibility toward Consumers

The Company strives for offering high quality products in a reasonable price as well as wholeheartedly giving the best service to customer. Completely and correctly suggest the information about products is provided to customers based on fact without any



exaggeration. Therefore, customers can understand and get highest benefit follow regarding confidential. The Company sets up a policy concerning customer data to maintain a good relationship that customers can complain or query.

#### 6) Environmental Protection

The Company promotes expression of corporate social responsibility within the organization that can be illustrated in every part of the Company. For example, reduce the paper usage by using computer system and E-Commerce. Saving energy consumption by installation and change to eco-friendly devices as well as launching a campaign about decreasing energy consumption. The Company also concerns about global warming by encourage using tote bags instead of plastic bags and aims to the employees to be responsible themselves, family, community and society. They should be a role model and participate in social and environmental activity by Company's supports and support employees and customers to participate in projects on environmental protection regularly.

#### 7) Community and society development

The Company has a policy to support beneficial activities to community including has been develop community and society. According the Company's plan, store expansion nationwide partially also developed local economic and created new jobs and careers. In Addition, the Company shall not support any kind of perform which is against the law and may cause negative outcome to community and society.

#### 8) Innovation and Disseminating Corporate Social Responsibility Innovation

The Company promotes creativity and innovation on corporate social responsibility including dissemination of such innovation in order to benefit general public. The Company supports various campaigns on education, society and environment. For example, "Robinson Presents 88 Dreams to 88 Schools" project (Robinson San Fun Hai Nong: 88 Fun Hai 88 Rong Rian) has been run by the Company continuously. There is cooperation among local communities, the Company's knowledgeable committees and employees concerning lifting quality of living of students in rural schools. This educational support responds to the need of local community directly. Moreover, the Company aims to create a better society and raise social awareness. It asked its employees, customers, and traders to jointly pay back to society and community through its new projects depended upon each festive season.





## Activities on Society and Environment

In addition to corporate social responsibility in the Company's operation, the Company launches various campaigns as follows.

### Support for education



Since 2006, the Company has continually held this project to develop the quality of student's life and the basic education development. In addition, another objective is to pay homage to His Majesty the King on the auspicious occasion of His Majesty the King's birthday anniversary.



This project aims to sharing to the children in the rural area where Robinson located.

## Support for communities and society



“The Most Wonderful lady award” is a thankful award from Robinson to encourage woman's duty who strongly support woman activities and education.



The Company launched this project during Valentine's Day to invite the customers join in our project by associate income from selling products under the “My Valentine” campaign will be given to the Cardiac Children Foundation of Thailand for heart transplant surgery of children having congenital heart disease with the Teddy Bear from Teddy House Exclusively in Robinson.





### Robinson Shares and Cares (Robinson Pun Namjai Sai Jai Sungkom)



This campaign aims to donation to Provincial Red Cross, Where we have our new store opening such as Rayong, Burirum, Nonthaburi and Tak.

### Blood donation with Thai Red Cross



This project has been establish since 1987. The Company continuously supported the National Blood Center, Thai Red Cross by promoting and providing places for blood donation. The Company also supported employees, in the central office and each branch, to donate blood and gave support to Provincial Red Cross in the province where Robinson store located.

### Support for environmental preservation

Robinson make good thing for Mom:  
5 years afforest 50,000 trees (year 1)



“Robinson make good thing for Mom: 5 years afforest 50,000 trees (year 1)”For pay homage to His Majesty the queen on the auspicious occasion of Her Majesty the Queen’s birthday anniversary and respond Queen’s speech about afforest the she concern and support in nature conservation and rehabilitation. In this year start to afforest 10,000 trees in Chiang-Mai and invite the customers and staff to join in our project by fill the money in Robinson card in every 100 baht for 1 tree.



### Robinson NO PLASTIC BAG



### Robinson : NO BAG NO BAHT



The Company aim to reduce pollution and global warming, issued a campaign to encourage customers to shop without plastic bags in June of every year and also promote throughout the year with reminder promotion on every 15th and 30th of each month (started from 15th Oct 15)

Furthermore, the Company under the Central group joined every Central Group CSR campaigns such as:

#### Million Gifts Million smile by Central Group co-operate with national army

To sending the gift; education aid, sport aid, clothes, snack and toy for children in 3 southern frontier provinces for celebrate New Year and children.

**Central Retail Mini Marathon, Walk and Run for Charity** to raise funds for soldiers and victims of unrests in 3 southern frontier provinces

**The Women Cancer Project** has raised funds and donates to the Queen Sirikit Boromrajineenart Center (for breast cancer) for build the nursing home and day care center for cancer patients and to buy a mobility vehicle for woman cancer checkup

#### Prevention Measure concerning Participating in Corruption

The Company has a policy against corruption in its compliance policy. The policy is transferred into a written code of conduct approved by the Board of Directors. Moreover, the Company communicates with its directors, executives and employees in every level about such policy so as to prevent any participation in corruption. Every operation shall be under the law. If any director, executive or employee violates the law, he/she shall be punished with an administrative punishment. Moreover, if it is against the law, regulation or state order, the Company shall immediately submit such issue to the government officer. If there is any violation or corruption, any person can report such matter via email: [cghotline@robinson.co.th](mailto:cghotline@robinson.co.th) which will be directly forwarded to the Board of Directors. The independent directors and the audit committee will accept such matter and provide protection measure to a person who lodges a complaint.

The Company manifestly expresses its opposition against any form of corruption. Accordingly, it signed in the Declaration on Collective Action Coalition against Corruption Council (CAC) so as to oppose against corruption seriously. At present, the Company is studying and revising its procedure against corruption to be in line with the accreditation process of the Thai Institute of Directors (IOD).

Details of policy and operations concerning prevention measure concerning participating in corruption can be found in the corporate governance policy and code of conduct on the Company's website: <http://robins.listedcompany.com> under corporate governance section.



# Internal Control and Risk Management

The Company considers the importance of internal control and risk management system as a tool for effective operation of the Company. The Company, thus, continually develops its internal control system. The audit committee, which are the independent directors appointed by the Board of Directors shall be responsible for supervising an internal audit to be in accordance with the professional internal audit standard by adopting the risk assessment method and determining the adequacy of its internal control system according to the COSO standard (the Committee of Sponsoring Organization of the Treadway Commission). Moreover, there is an internal audit department responsible for internal audit of the Company and its subsidiaries as well as directly report such outcome to the audit committee. The risk management committee, appointed by the Board of Directors, is responsible for reviewing the Company's risk management policy. This is to enhance the effectiveness of the risk management as well as respond to changing situation.

The Board of Directors considered the sufficiency and appropriateness of the internal control system according to the 2013 edition assessment form of the Office of the Securities and Exchange Commission as presented by the Audit Committee. Internal control was assessed in five factors and 17 principles, namely control environment, risk assessment, operation control, information & communication and monitoring activities. In conclusion, the Company's internal control system is sufficient and appropriate. The details of such assessment and its result are as follows.

## Control Environment

- The Company pays high attention to integrity and code of conduct. There are written code of conduct, works rules and punishment of executives and employees. These are informed during the orientation.
- The committee is independent from their executive. It oversights and improve works on internal control. Duties of each committee are clearly set in the committee charter. Clear goal on business operation, vision, mission, strategy and budget is also manifestly planned and informed to each department. As a result, operation is in line with and achieves the Company's objectives.
- The Company has a clear chain of report, command and responsibility so as to achieve the organization's objectives under the committee's oversight. Another objective is to let employees know about their role, duty and responsibility in order to efficiently work and achieve the objectives.
- The Company aims to develop and keep capable personnel. There is a certain plan concerning recruitment, development and keeping executives and employees. Key Performance Indicators (KPI) is adopted to be a guideline for working and assess an annual performance of executives and employees.

## Risk Assessment

- The Company clearly sets objectives in order to be able to identify and assess any relevant risk. The risk management committee reviews the Company's risk management policy which is used as a scope or guideline for the effectiveness of the risk





management as well as for responding to changing situation. The risk management working team is comprised of executives in various fields. They consider any risk factors and then set an annual risk management plan, and a preventive and reducing risk plan. Later, they inform progress of implementation of the risk management plan to the risk management committee, the audit committee quarterly and the Board of Directors respectively.

- The Company completely reviews every risk which may affect its achievement in its objectives annually. The level of risk covers organizational level including main chain of work.
- The Company considers any chance of possible fraudulent act in risk assessment concerning objective achievement. The fraud risk committee is appointed to consider risk on fraud and specify any preventive measures.

### Control Activities

- The Company regularly reviews its controlling system so as to be in line with any change and risk including scope of operation, revision of operation process, and authority plus responsibility of executives in every level and employees. There is a clear separation of important responsibility such as approving, accounting recording and asset treasurer. Its objective is to effectively check.
- The Company pays a lot of attention to develop any control activities with technology in order to support the Company's effective and efficient objective achievement. Moreover, there is a

sufficient security system policy on access to information control, application of information, network control and communication.

- The Company has a policy on approval of connected transaction or transaction which may have conflict among companies. This transaction shall be approved in accordance with the Company's regulation and considered by the audit committee in order to ensure that such transaction is reasonable with an optimal benefit to the Company. This shall be treated as a transaction entered with any third party. This can ensure that the Company is complied with law including regulation of the Office of The Securities and Exchange Commission and the Stock Exchange of Thailand. This enhances correctness, transparency and accountability in the Company operation as well as prevents any possible damage.

### Information & Communication

- There is an information system so the executives can receive complete information. Template of each report is specified so the executives can readily access to complete information which can be promptly used. Moreover, making and transmitting any important information to the committee is done in advance prior to the meeting of the Board of Directors. Additionally, minutes of the meeting are recorded completely. Storing of source documents and accounts is kept by category easily to check.



- The Company assigns the secretary of the Company to coordinate with other departments concerning holding a meeting or arranging additional information when the committee requests.
- The Company has an investor relation department to act as a channel for informing investors. The Company also has a call center for receiving any information on fraudulent act.

### Monitoring Activities

- The Company holds a monthly meeting among its executives so the executives can report the operation result and present this information to the meeting of the Board of Directors at least once per quarter.
- The Company supports an internal auditor to act under the International Standards for the Professional Practice of Internal Auditing: IIA. A report on internal audit and correction of such internal control shall be directly reported to the audit committee regularly.

In 2014, the Audit Committee had one meeting with auditors but without the management in order to ask for auditors' opinion concerning auditing. This aims to increase efficiency in co-working. In that meeting, the auditor reported that there was no any significant defect in the Company's internal control on accounting.

### Internal Audit Team

The Company appointed Harn Central Department Store Co., Ltd. as the Company's internal auditor in the meeting of the audit committee no.1/2006 on July 27, 2006. The Company's internal auditor is independent from executives. It is responsible for auditing and assessing internal control system of any important operating process. The internal auditor then regularly and directly reports its performance to the audit committee. The Internal Audit Department also communicates and coordinates with the management about an internal control result, its remarks and recommendations. They jointly set suitable solutions and follows up an application of such solution. The chairman of the audit committee will report its audit in sum to the Board of Directors in every quarter. Any fraudulent act found shall be immediately reported to the Board of Directors.

### The Head of the Internal Audit Team

The audit committee appointed Mr. Phisoot Suksangtip, Vice President - Internal Audit, as an internal audit of the Company. He is also qualified to perform the aforesaid duties because of his independences and experience in internally auditing business similar to the Company's business for 8 years.

Consideration, approval, appointment, withdraw and removal of the Company's head of the internal audit shall be approved by the audit committee.



# Report of the Audit Committee

To: The Shareholder of Robinson Department Store Public Company Limited

The Audit Committee of Robinson Department Store Public Company Limited is composed of four independent qualified members: Mr. Somchai Apiwattanaporn, the Chairman of the Audit Committee, who has adequate expertise and experience to review creditability of the financial reports, Mr. Vithaya Chavanand, Mr. Charan Mongkolchan and Mr. Yodhin Anavil, the Audit Committee. In 2015 there were six meetings. All audit committee members attended every meeting, details of which are as follows:

Name	Position	Meeting Attendance
1. Mr. Somchai Apiwattanaporn	Chairman of the Audit Committee	6/6
2. Mr. Vithaya Chavanand	Audit Committee	6/6
3. Mr. Charan Mongkolchan	Audit Committee	6/6
4. Mr. Yodhin Anavil	Audit Committee	6/6

In each meeting, there is a consultation between executives, certified auditors and internal auditors as deemed appropriate. Opinions and recommendations are freely given. One of the meetings was a meeting with internal auditors and one of the meetings was a meeting with certified auditors, where executives were not allowed to attend. In every quarter, the Audit Committee reported its operation to the board of directors. Details of its operation and opinions can be summarized as follows:

## Correctness, completeness and accountability of financial statement

The Audit Committee reviewed the quarter financial statements and annual financial statement of the year 2015 plus jointly inspected the audit report with executives and certified auditors. Completeness and accountability of the disclosure of financial statements; any possible risk factors; related account standards; changes in account standards; internal control system concerning finance and accountancy; and information technology system are taken into consideration.

The Audit Committee agrees with the auditor that the quarter financial statements and annual financial statement are materially correct, complete and accountable in accordance with generally recognized account standards. Important information is publicized as well as account policy is reasonably chosen.

## Sufficiency of internal control system and internal audit

The Audit Committee monitored internal control system to be in line with both Thai and international professional internal audit standard. Risk-Based Audit Method and internal control system under the Committee of Sponsoring Organizations of the Treadway Commission (COSO) Standard are applied. Moreover, computer program is used to enhance its audit work. The Audit Committee considered the annual audit plan, prepared under the risk-based audit plan, as well as a result of internal audit and recommendation thereof. It regularly followed up any action taken by the management pursuant to such recommendation proposed by the internal audit.





Hence, the Audit Committee opines that the Company's internal control system is sufficient and proper. Its internal audit is independent and in accordance with the professional standard.

#### Compliance with securities and stock exchange laws, regulations of Stock Exchange of Thailand and law relating to the Company's business

The Audit Committee made sure that the Company was constantly in compliance with the law concerning securities and stock exchange, regulations of the Stock Exchange of Thailand and other laws relating to the Company's business including the Company's terms and undertaking which the Company agreed with other third parties.

The Audit Committee is of an opinion that the Company is correctly and completely in compliance with the law concerning securities and stock exchange, regulations of the Stock Exchange of Thailand and other laws relating to the Company's business.

#### Connected transactions and disclosure

Since the Company deals with many companies, the Audit Committee pays high attention on transactions which may be conflict of interest. Connected transactions or transactions which may be conflict of interest are quarterly considered under the laws and regulations of the Stock Exchange of Thailand. The Committee inquired the auditor and the internal auditor on the accuracy and transparency of any transaction as well as reasonableness and optimal benefit of the Company. The transaction has to be correctly and completely disclosed in a report to the financial statement.

The Audit Committee opines that reviewed connected transactions are reasonable, fair and optimal benefit to the Company.

#### Risk management

The Audit Committee reviewed policy and guideline on risk management as well as risk management plan for this year. Report concerning progress of an operation under such plan from the Risk Management Working Team is regularly acknowledged. The risk indicator index was revised and new risk management measures were added. In addition the operation plan is adjusted in order to match with the situation.

The Audit Committee is of an opinion that the Company has proper and adequate risk management system.

#### Good corporate governance

The Audit Committee continuously supports good corporate governance. It regularly review and revise policy on corporate governance and code of conduct to be in accordance with the new corporate governance issued in 2014. This is in line with the ASEAN CG Scorecard. Moreover, the Company was assessed in the "Very Good" level from the Corporate Governance Survey of Thai Listed Companies in 2015.



### Consideration, selection and nomination of the auditor

The Audit Committee has assessed performance of the auditor for the year 2015 and viewed that this auditor is independent and its overall performance is satisfying.

Regarding the selection and nomination of the auditor in 2016, the Audit Committee, considering audit fee together with readiness to comply with audit standard, audit report presentation, proposed the board of directors to appoint KPMG Phoomchai Audit Ltd., the existing auditor of the Company and its subsidiaries for the year 2016. Its audit fee for the Company and its subsidiaries is Baht 5,280,000 (five million and two hundred eighty thousand Baht). In addition, this is to be approved by the Annual General Meeting of Shareholders.

### Overall opinion and remark on performing duties under the charter

On February 15, 2016 the Audit Committee self-assessed its operation for the year 2015 divided into six categories: role and duties of the Audit Committee, composition of the Audit Committee, training and resources, meeting, activities of the Audit Committee and relationship with head of internal audit, auditor and executives. The result was that its performance was very good. Its performance is completely complied with the Handbook of the Audit Committee, the Securities and Exchange Commission and the Charter of the Audit Committee.

In sum, the Audit Committee completely performed its task as specified in the charter. The Audit Committee, under an approval from the Board of Directors, opines that the Company has a correct, proper and accountable process concerning preparation and disclosure of financial statements. Its internal control, internal audit and risk management is suitable and efficient. They are complied with laws, regulations and any undertakings. The Company seriously considers before entering into any connected transactions. Its performance is in line with good corporate governance in a proper, transparent and accountable manner. Furthermore, the Company has constantly developed and improved its performance to cope with business environment.

Mr. Somchai Apiwattanaporn

Chairman of the Audit Committee

16 February 2016



# Statement of the Directors Responsibility

The Board of Directors is responsible for financial statements of Robinson Department Store Public Company Limited and its subsidiaries. The financial statements and information set out in Annual report have been prepared in compliance with the generally accepted accounting principles in Thailand and other appropriate and consistent accounting policies and with careful consideration. Thus the company has disclosed all important information in the Notes under the Financial Statement, in a proper and highly transparent manner.

The Board of Directors and maintain appropriate and efficient internal control systems, ensuring that all accounting records are accurate, complete and sufficient to protect the Company's assets, In this regards, the Board of Directors has appointed the Audit Committee, comprising independent directors, to review the financial reporting and internal audit procedures. The Committee's report is presented accordingly in this Annual Report.

The Borad of Directors agrees that the overall internal control systems of Robinson Department Store Public Company Limited are satisfactory and credible rationally for reliability on financial statement of Robinson Department Store Public Company Limited and is subsidiaries for the year ending 31 December 2015.

Mr.Sudhisak Chirathivat  
Chairman

Mr.Alan George Thomson  
President



# Connected Transactions

During 2015, the Company and its subsidiaries enter into connected transactions with related companies or persons that may cause conflict of interest. These businesses may be related by being the shareholder or having joint shareholder or joint

director, details of which are disclosed in Note 5 of the Company's financial statement of 2015. Details of major connected transactions during the year ended 31 December 2015 and 2014 can be summarized as follows:

## Details of Major Connected Transactions

### List of the Company's expenses

Transaction	Related Company	Relationship with			Transaction value (Million Baht)	
		Associated Company	Major Shareholders	Joint- Shareholders and/or Joint Directors	2015	2014
Expenses						
Merchandising	CRC Sports Co., Ltd	X		X	1,917	1,460
Payment	Central Department Co., Ltd.			X		
	Power Buy Co., Ltd.	X		X		
	Central Trading Co., Ltd.			X		
	Textrel Textile Co., Ltd.			X		
	Central Garment Factory Co., Ltd.			X		
	CMG Marketing Co., Ltd.			X		
	Thai Watts Co., Ltd.			X		
Rental/ Service	Group of Central Pattana Pcl.			X	247	233
	Central Trading Co., Ltd.			X		
	Other companies in Central group			X		
Management	Central Retail Corporation Co., Ltd.		X	X	140	153
Fees	RIS Co., Ltd.			X		
	Harn Central Department Co., Ltd.			X		
	Other companies in Central group			X		
Sales Promotion	Central Retail Corporation Co., Ltd.		X	X	199	144
Expenses	Group of Central Pattana Pcl.			X		
	Central Department Co., Ltd.			X		
	Central Online Co., Ltd.			X		
	Other companies in Central group			X		



List of the Company's income

Transaction	Related Company	Relationship with			Transaction value (Million Baht)	
		Associated Company	Major Shareholders	Joint- Shareholders and/or Joint Directors	2015	2014
Rentals/ Service	Power Buy Co., Ltd.	X		X	765	640
	CRC Sports Co., Ltd.	X		X		
	Central Department Co., Ltd.			X		
	Group of Central Food Retail Co., Ltd.			X		
	B2S Co., Ltd.			X		
	Office Club (Thailand) Co., Ltd.			X		
	Central Watson Co., Ltd.			X		
	RIS Co., Ltd.			X		
	Central Trading Co., Ltd.			X		
	CG Broker Co., Ltd.			X		
	Group of Central Restaurant Group Co., Ltd. (Auntie Anne's, Pizza Hut, Mister Donut, KFC)			X		
	Other companies in Central group			X		
Management fee income	Power Buy Co., Ltd.	X		X	34	22
	CRC Sports Co., Ltd.	X		X		
	B2S Co., Ltd.			X		
	Central Department Co., Ltd.			X		
	Group of Central Food Retail Co., Ltd.			X		
	Office Club (Thailand) Co., Ltd.			X		
	RIS Co., Ltd.			X		
	Other companies in Central group			X		
Sales Promotion Income	Central Retail Corporation Co., Ltd.		X	X	68	34
	Group of Central Food Retail Co., Ltd.			X		
	Central Trading Co., Ltd.			X		
	Other companies in Central group			X		





## Necessary Connected Transactions

### 1. Normal Business Items

- Merchandise purchases    The Company purchases popular brand products from connected suppliers and acts as sole distributor of those products. The same merchandising policy is followed with other suppliers. Prices are negotiated with a view to achieving the highest gross profit margin. Such products must be currently available in the market and competitive with similar products offered by other department stores.
- Rental and service income    Specialty stores are run by affiliated companies and connected companies that are expert in specialty merchandising of specific products that are popular among the Company's target customers. Specialty stores are also specially designed in unique, modern styles in accordance with the Company's concepts. Compensation is based either on a percentage of sales or a fixed rate. In addition, the Company provides space to connected companies to set up international money transferred counter services.
- Rental and service expenses    These expenses were from rental space in shopping mall or land from related parties. The price is set in accordance with market price and/or acquisition cost plus related expenses with the justified condition and reasonable.

### 2. Normal Business Supporting Items

- Management fee income    Collected from the Company's affiliates and subsidiaries for department store management, merchandising, marketing and use of the Robinson Brand. The contractually agreed rate is based on a percentage of sales and/or other income, as per each joint venture agreement. This source of income is derived from affiliates who use the Company's secure room to store their cash receipts during the day. The service is a general service to be offered by other department stores in order to facilitate their traders or tenants. The service fee charged to those related parties are at the same rates charged to other tenants and/or business partners.
- Sales promotion income    This source of income is service income for the purpose of facilitation on the sales promotion which is carried out by the related companies under the fair and reasonable price or condition.
- Management fee expenses    Paid to related company for accounting and financial management services, human resources, legal issues, and tax. The service provider is of specialized management expertise, so as to enable the Company to efficiently and effectively minimize related costs. The contractually agreed rate is based on a percentage of sales and/or the actual cost including operating expenses.

### 3. Financial Assistant Transactions

- Obtaining loans/ granting loans between the Company and its subsidiaries    Currently, the Company has a policy to obtain loans and/or grant loans within only the Company and its subsidiaries. By Setting the minimum loan rates or saving rates or fixed deposit rate of certain local financial institutions plus 0% to 2.5% per annum depending on finance cost of each company.



## Measures and procedures for approval of connected transactions

The Company and its subsidiaries act in compliance with regulations of the Stock Exchange of Thailand and the notification of the Capital Market Supervision Board on criteria, procedure and disclosure of connected transactions of listed companies under the supervision of the Board of Directors and the Audit Committee.

The Board of Directors approved in principle about entry into transactions between the Company and its subsidiaries and connected persons which are the normal business items and normal business supporting items. Other transactions which do not fall into the general commercial terms shall be in compliance with the criteria of the Stock Exchange of Thailand and the notifications specified by the Capital Market Supervisory Board.

Transaction between the Company and connected persons has to pass the approval process under the Company's order on working practice like normal transactions. It has to pass the consideration from authorized persons under the responsible line and relating to such affair. The responsible persons and persons relating to the transactions shall consider whether the transaction is reasonable and in accordance with normal business and shall take the highest interest of the Company and of the shareholders into consideration as if it were the transaction with the third party. Moreover, the Company revises transaction between the Company and connected persons every year in case of additional connected persons. This is to ensure that regulations prescribed by the Company are correctly adhered to. In addition, procedures and existing regulations are updated and revised in order to be in compliance with regulations of the Securities and Exchange Commission (SEC) and the Stock Exchange of Thailand.

The Company defines the scope of duties and approved financial amount of every executive clearly in writing and separates duties which may cause corruption.

Furthermore, entry into the said transaction shall be examined by the internal audit agency including the consideration by the audit committee, which opines that the said transaction has a reasonable and fair price as well as has the same condition as the market price.

This has to ask for approval from the board of directors or ask for acknowledgement from the board and further approval from the meeting of the shareholder as the case may be. In some cases, an opinion from independent financial consultant may be required. The director who has conflict of interest shall neither attend the meeting nor cast a vote so as to ensure that such considered connected transaction is transparent, reasonable and in compliance with laws and regulations of the SEC and the Stock Exchange of Thailand

## Future policy and trends for connected transactions

Since the transactions with persons relating to the Company are a necessary part of department store operation regularly, the Company and its subsidiaries will continue their connected transactions. Such transactions will be strictly conducted in compliance with the Stock Exchange of Thailand rules and regulations on criteria for connected transaction. All in all, the pricing policy for connected transactions has been adhered to the same principle as in the previous year.



# General Information

Robinson Department Store Public Company Limited and its subsidiaries operate department stores across the country under the name “Robinson”. The company currently has 42 stores, comprising of 11 stores in Greater Bangkok and 31 stores in the upcountry. In addition, the company currently has 2 stores in Vietnam.

## General Information

(As of 31 December 2015)

<b>Company Name</b> Robinson Department Store Public Company Limited	<b>Registered Share Capital</b> Baht 3,942,847.022.15 (1,110,661,133 common shares)
<b>Registration Number</b> 0107536000412 (previous number Bor Mor Jor 115)	<b>Paid-up Share Capital</b> Baht 3,942,847.022.15 (1,110,661,133 common shares)
<b>Type of Business</b> : Department Store	<b>Par Value</b> : Baht 3.55

<b>Head office</b>	9/9 14th- 17th Floor, Rama 9 Road , Huai Khwang, Huai Khwang, Bangkok 10310 Tel. 0-2169-2500 Fax 0-2169-2577
<b>Company's Website</b>	<a href="http://www.robinson.co.th">www.robinson.co.th</a>
<b>Share Register</b>	Thailand Securities Depository Co., Ltd. 93th Floor, Ratchadapisek Road, Din Daeng, Din Daeng ,Bangkok 10400
<b>Auditor</b>	KPMG Phoomchai Audit Co., Ltd. Mr.Thanit Osatalert – CPA no.5155 48th Floor Empire Tower, 195 South Sathorn Road,Yanawa, Satorn, Bangkok 10120 Tel. 0-2677-2000 Fax. 0-2677-2222



# Location

## RAMA 9 BRANCH

Robinson Department Store Public Company Limited

### Location

9/8-9 Room G1, 127, 225,  
326, 428, 533, Floor G, 1st - 5th

### Open-Close

Every day 10.00-22.00 Hr.

## SUKHUMVIT BRANCH

Robinson Department Store Public Company Limited

### Location

259 Sukhumvit Road,  
North Klongtoey, Wattana, Bangkok 10110

### Open-Close

Every day 10.00-22.00 Hr.

## BANGRAK BRANCH

Robinson Department Store Public Company Limited

### Location

1522 New Road, Bangrak, Bangkok 10500

### Open-Close

Every day 10.30-22.00 Hr.

## BANGKAE BRANCH

Robinson Department Store Public Company Limited

### Location

615 Phetkasem Road, Bangwa,  
Phasicharoen, Bangkok 10160

### Open-Close

Every day 11.00-21.30 Hr.

## SRINAKARIN BRANCH

Robinson Department Store Public Company Limited

### Location

55/1 Srinakarin Road, Nhong Born, Pravej, Bangkok 10250

### Open-Close

Mon - Fri 10.30-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

## RANGSIT BRANCH

Robinson Department Store Public Company Limited

### Location

94 Phaholyothin Road, Prachatipat, Thanyaburi,  
Pathumthani 12130

### Open-Close

Mon - Fri 10.30-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

## RAMINTRA BRANCH

Robinson Department Store Public Company Limited

### Location

591 Ramintra Road, Kannayao, Kannayao,  
Bangkok 10230

### Open-Close

Every day 10.00-21.00 Hr.

## RATTANATHIBET BRANCH

Robinson Department Store Public Company Limited

### Location

562 Moo 8 Rttanathibet Road, Bangkasor  
Muahgnonthaburi, Nonthaburi 11000

### Open-Close

Every day 10.00-22.00 Hr.

## BANGNA BRANCH

Robinson Department Store Public Company Limited

### Location

39 Moo 6, Tambon Bangkaew, Amphoe Bangplee,  
Samutprakan 10540

### Open-Close

Every day 10.00-22.00 Hr.

## SAMUT PRAKAN BRANCH

Robinson Department Store Public Company Limited

### Location

789 Moo 2, Tambon Taibanmai,  
Amphoe Mueang Samut Prakan, Samut Prakan 10280

### Open-Close

Every day 10.00-22.00 Hr.



#### SRIRACHA BRANCH

Robinson Department Store Public Company Limited

##### Location

90/1 Sukhumvit Road, Sriracha, Sriracha,  
Chonburi 20110

##### Open-Close

Mon - Fri 10.30-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

#### UDORNTHANI BRANCH

Cr Udonthani (Thailand) Co.,Ltd.

##### Location

277/2 Prajaksilpakom Road,  
Muang Udonthani,  
Udonthani 41000

##### Open-Close

Mon - Fri 11.00-21.30 Hr.

Sat - Sun 10.30-22.00 Hr.

#### PHUKET BRANCH

Cr Phuket (Thailand) Co.,Ltd.

##### Location

36 Tilokutis 1 Road, Muang, Phuket 83000

##### Open-Close

Every day 10.30-22.00 Hr.

#### ROBINSON OCEAN

#### JUNGCEYLON BRANCH

Cr Phuket (Thailand) Co.,Ltd.

##### Location

177 Rat-U-Thit  
200 Pee Road, Patong,  
Katu, Phuket 83150

##### Open-Close

Every day 11.00-22.00 Hr.

#### NAKHON SI THAMMARAT BRANCH

Cr Nakhon Si Thammarat (Thailand) Co.,Ltd.

##### Location

89/201 Pattanakarnkukwang Road, Muang,  
Nakhon Si Thammarat 80000

##### Open-Close

Every day 10.30-21.00 Hr.

#### HAD YAI BRANCH

Cr Had Yai (Thailand) Co.,Ltd.

##### Location

9 Thammanoonvithi Road, Hadyai, Songkhla 90110

##### Open-Close

Every day 10.30-21.00 Hr.

#### CHIANG MAI BRANCH

Cr Chiang Mai (Thailand) Co.,Ltd.

##### Location

2 Maheedon Road, Haiya,  
Muang Chiang Mai, Chiang Mai, 50100

##### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

#### UBONRATCHATHANI BRANCH

Cr Ubonratchathani (Thailand) Co.,Ltd.

##### Location

221 Chayankool Road, Muang Ubonratchathani,  
Ubonratchathani 34000

##### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.30-21.00 Hr.

#### RATCHABURI BRANCH

Cr Ratchaburi (Thailand) Co.,Ltd.

##### Location

265 Srisuriyawong Road, Muang Ratchaburi  
Ratchaburi 70000

##### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.30-21.00 Hr.

#### CHANTHABURI BRANCH

Cr Chanthaburi (Thailand) Co.,Ltd.

##### Location

22/107 Moo 7 Chantanimit, Muang Chanthaburi,  
Chanthaburi 22000

##### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.30-21.00 Hr.



### AYUTTHAYA BRANCH

Robinson Department Store Public Company Limited

#### Location

126 Moo 3 Asia Road, Klong Suan Plu,  
Phranakhonsiyutthaya, Phranakhonsiyutthaya 13000

#### Open-Close

Every day 10.00-21.00 Hr.

### CHONBURI BRANCH

Robinson Department Store Public Company Limited

#### Location

55/90 Moo 1, Samed, Muang Chonburi, Chonburi 20000

#### Open-Close

Mon - Fri 10.30-21.30 Hr.

Sat - Sun 10.00-22.00 Hr.

### KHONKEAN BRANCH

Robinson Department Store Public Company Limited

#### Location

99/2 Srichan Road,  
Naimuang Muang Khonkaen, Khonkaen 40000

#### Open-Close

Mon - Fri 10.30-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

### TRANG BRANCH

Robinson Department Store Public Company Limited

#### Location

138 Phatthalung Road, Tubtiang, Muang Trang,  
Trang 92000

#### Open-Close

Mon - Fri 10.00-21.00 Hr.

Sat - Sun 10.00-21.30 Hr.

### CHIANGRAI BRANCH

Robinson Department Store Public Company Limited

#### Location

199/9 Moo 13, Robwieng Muang Chiangrai,  
Chiangrai 57000

#### Open-Close

Every day 10.00-21.00 Hr.

### PHITSANULOK BRANCH

Robinson Department Store Public Company Limited

#### Location

9/98 Moo 5, Tambon Plaiyachumpol, Amphoe Mueang  
Phitsanulok, Phitsanulok 65000, Thailand

#### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

### SUPHAN BURI BRANCH

Robinson Department Store Public Company Limited

#### Location

449 Moo 5, Tambon Tharahat, Amphoe Mueang Suphan Buri,  
Suphan Buri 72000

#### Open-Close

Every day 10.00-21.00 Hr.

### SURATTHANI BRANCH

Robinson Department Store Public Company Limited

#### Location

88/1 Moo 10, Tambon Watpradoo,  
Amphoe Mueang Suratthani, Suratthani 84000

#### Open-Close

Mon - Fri 10.00-21.00 Hr.

Sat - Sun 10.00-21.30 Hr.

### LAMPANG BRANCH

Robinson Department Store Public Company Limited

#### Location

319/1 Highway-Lampang-Ngao Road, Tambon Suan Dok,  
Amphoe Mueang Lampang, Lampang 52100

#### Open-Close

Mon - Fri 11.00-21.00 Hr.

Sat - Sun 10.00-21.00 Hr.

### KANNCHANABURI BRANCH

Robinson Department Store Public Company Limited

#### Location

110 Moo 9, Tambon Pakpraek, Amphoe Mueang  
Kanchanaburi, Kanchanaburi 71000

#### Open-Close

Every day 10.00-21.00 Hr.





#### UBON RATCHATHANI BRANCH

Robinson Department Store Public Company Limited

##### Location

312 Moo 7, Tambon Jaeramae, Amphoe Mueang  
Ubon Ratchathani,  
Ubon Ratchathani 34000

##### Open-Close

Mon - Fri 11.00-21.00 Hr.  
Sat - Sun 10.30-21.00 Hr.

#### SAKON NAKHON BRANCH

Robinson Department Store Public Company Limited

##### Location

88/8 Nittayo Road, Tambon That Choeng Chum,  
Amphoe Mueang Sakon Nakhon, Sakon Nakhon 47000

##### Open-Close

Every day 10.00-21.00 Hr.

#### SARABURI BRANCH

Robinson Department Store Public Company Limited

##### Location

99 Moo 7, Tambon Thalingchun, Amphoe Mueang Saraburi,  
Saraburi 18000

##### Open-Close

Every day 10.00-21.00 Hr.

#### SURIN BRANCH

Robinson Department Store Public Company Limited

##### Location

338 Moo 16, Tambon Salakdai, Amphoe Mueang Surin,  
Surin 32000

##### Open-Close

Every day 10.00-21.00 Hr.

#### CHACHOENGSAO BRANCH

Robinson Department Store Public Company Limited

##### Location

910 Chachoengsao-Bangpakong Road, Tambon Na Mueang,  
Amphoe Mueang Chachoengsao, Chachoengsao 24000

##### Open-Close

Every day 10.00-21.00 Hr.

#### ROI ET BRANCH

Robinson Department Store Public Company Limited

##### Location

137 Moo 3, Tambon Dong Lan,  
Amphoe Mueang Roi Et,  
Roi Et 45000

##### Open-Close

Every day 10.00-21.00 Hr.

#### PRACHIN BURI BRANCH

Robinson Department Store Public Company Limited

##### Location

72 Moo 3, Tambon Bang Boribun  
Amphoe Mueang Prachin Buri, Prachin Buri 25000

##### Open-Close

Every day 10.00-21.00 Hr.

#### MUKDAHAN BRANCH

Robinson Department Store Public Company Limited

##### Location

99/11 Chayangkura Khor Road, Tambon Mukdahan,  
Amphoe Mueang Mukdahan, Mukdahan 49000, Thailand.

##### Open-Close

Every day 10.00-21.00 Hr.

#### RAYONG BRANCH

Robinson Department Store Public Company Limited

##### Location

99/2 Bangna - Trad Road, Tambon Choengnoen, Amphoe  
Mueang Rayong, Rayong 21000

##### Open - Close

Mon - Fri 10.30-21.00 hr.  
Sat - Sun 10.00-21.00 hr.

#### BURI RAM BRANCH

##### Location

Robinson Department Store Public Company Limited  
125 Moo 6, Tambon Krasang, Amphoe Mueang Buri Ram,  
Buri Ram 31000

##### Open - Close Time

Everyday 10.00-21.00 hr.



### SRISAMARN BRANCH

Robinson Department Store Public Company Limited

#### Location

99 Moo 1, Srisamarn Road, Ban Mai, Pak Kret ,  
Nonthaburi 11120

#### Open – Close

Mon – Thu 10.00-21.00 hr.

Fri – Sun 10.00-22.00 hr.

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### MAE SOT BRANCH

Robinson Department Store Public Company Limited

#### Location

99/115 , Asia Road, Mae Sot, Mae Sot , Tak 63110

#### Open – Close

EVERYDAY 10.00-21.00 hr.

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### HANOI

Robins Department Store Royal City

#### Location

B1 Floor, Vincom Mega  
Mall - Royal City, 72 Nguyen Trai Street,  
Thanh Xuan District, Hanoi, Vietnam

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### HO CHI MINH CITY

Robins Department Store Crescent Mall

#### Location

101 Ton Dat Tien Street, Tan  
Phu Ward, District 7, Ho Chi Minh City, Vietnam

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Robinson Department Store Public Company Limited  
and its Subsidiaries

Financial statements for the year ended  
31 December 2015  
and Independent Auditor's Report

## Independent Auditor's Report

### To the shareholders of Robinson Department Store Public Company Limited

I have audited the accompanying consolidated and separate financial statements of Robinson Department Store Public Company Limited and its subsidiaries (the "Group") and of Robinson Department Store Public Company Limited (the "Company"), respectively, which comprise the consolidated and separate statements of financial position as at 31 December 2015, the consolidated and separate statements of 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.

#### *Management's Responsibility for the Consolidated and Separate Financial Statements*

Management is responsible for the preparation and fair presentation of these consolidated and separate financial statements in accordance with Thai Financial Reporting Standards, 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.

#### *Auditor's Responsibility*

My responsibility is to express an opinion on these consolidated and separate financial statements based on my audit. I conducted my audit in accordance with Thai Standards on Auditing. Those standards require that I comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated and separate financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion.

*Opinion*

In my opinion, the 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 2015 and their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

(Thanit Osatalert)  
Certified Public Accountant  
Registration No. 5155

KPMG Phoomchai Audit Ltd.  
Bangkok  
18 February 2016

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of financial position

Assets	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
(in Baht)					
<b>Current assets</b>					
Cash and cash equivalents	6	2,081,771,890	1,833,262,646	1,206,199,426	1,129,545,682
Current investments	7	35,054,831	88,271,936	31,675,599	84,942,150
Trade accounts receivable	5, 8	942,603,807	877,294,802	810,880,033	754,122,012
Other receivables	9	201,635,953	133,560,498	118,093,411	78,082,241
Short-term loans to related parties	5	-	-	11,726	-
Inventories	10	1,875,463,542	1,508,877,427	1,480,472,969	1,135,710,765
Other current assets		180,115,718	178,785,869	180,115,718	178,785,869
<b>Total current assets</b>		<b>5,316,645,741</b>	<b>4,620,053,178</b>	<b>3,827,448,882</b>	<b>3,361,188,719</b>
<b>Non-current assets</b>					
Investments in associates	11	1,958,985,919	1,507,045,974	377,817,600	377,817,600
Investments in subsidiaries	12	-	-	3,967,599,220	3,967,599,220
Other long-term investments	7	207,623,681	211,163,681	207,620,221	211,160,221
Long-term loans to related party	5	-	-	61,223,493	61,223,493
Investment properties	14	5,157,723,458	4,279,273,373	4,862,240,263	3,964,461,359
Property, plant and equipment	15	9,807,890,737	8,670,893,300	9,211,659,441	8,139,230,255
Leasehold rights	5, 16	2,659,905,308	2,878,094,764	1,852,898,482	1,982,576,334
Goodwill		45,397,331	45,397,377	-	-
Deferred tax assets	17	157,939,952	217,372,953	120,194,968	173,622,143
Other non-current assets	18	747,251,474	672,938,305	698,610,418	618,517,806
<b>Total non-current assets</b>		<b>20,742,717,860</b>	<b>18,482,179,727</b>	<b>21,359,864,106</b>	<b>19,496,208,431</b>
<b>Total assets</b>		<b>26,059,363,601</b>	<b>23,102,232,905</b>	<b>25,187,312,988</b>	<b>22,857,397,150</b>

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



## Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of financial position

Liabilities and equity	Note	Consolidated financial statements		Separate financial statements	
		31 December		31 December	
		2015	2014	2015	2014
(in Baht)					
<b>Current liabilities</b>					
Short-term loan from					
financial institutions	19	2,000,000,000	2,574,497,618	2,000,000,000	2,520,000,000
Trade accounts payable	5, 20	4,646,066,961	4,245,248,039	3,474,043,302	3,056,299,225
Other payables	5, 21	3,068,612,913	2,798,463,251	2,692,838,256	2,515,086,355
Short-term loans from related parties	5, 19	-	-	5,061,050,396	4,607,215,685
Income tax payable		149,659,029	138,569,155	75,847,602	62,905,884
<b>Total current liabilities</b>		<b>9,864,338,903</b>	<b>9,756,778,063</b>	<b>13,303,779,556</b>	<b>12,761,507,149</b>
<b>Non-current liabilities</b>					
Deferred tax liabilities	17	14,257,549	10,021,859	-	-
Long-term loan from					
financial institution	19	1,581,556,837	79,008,186	1,500,000,000	-
Long-term loan from related party	5, 19	-	-	-	113,300,000
Employee benefit obligations	22	99,031,158	162,102,975	80,660,026	131,365,099
Unearned lease income		38,924,482	43,669,984	23,940,591	24,941,592
Other non-current liabilities	23	10,299,200	10,899,200	-	-
<b>Total non-current liabilities</b>		<b>1,744,069,226</b>	<b>305,702,204</b>	<b>1,604,600,617</b>	<b>269,606,691</b>
<b>Total liabilities</b>		<b>11,608,408,129</b>	<b>10,062,480,267</b>	<b>14,908,380,173</b>	<b>13,031,113,840</b>
<b>Equity</b>					
Share capital	24				
Authorised share capital		3,942,847,022	3,942,847,022	3,942,847,022	3,942,847,022
Issued and paid-up share capital		3,942,847,022	3,942,847,022	3,942,847,022	3,942,847,022
Additional paid-in capital					
Surplus on treasury shares	25	125,376,534	125,376,534	125,376,534	125,376,534
Surplus on purchase of interest					
in associate	11	21,260,574	21,260,574	-	-
Retained earnings					
Appropriated					
Legal reserve	26	394,285,000	394,285,000	394,285,000	394,285,000
Unappropriated		8,985,516,904	7,785,593,846	5,815,229,587	5,361,568,226
Other component of equity	26	(6,032,355)	(3,396,614)	1,194,672	2,206,528
<b>Equity attributable to owners</b>					
<b>of the Company</b>		<b>13,463,253,679</b>	<b>12,265,966,362</b>	<b>10,278,932,815</b>	<b>9,826,283,310</b>
Non-controlling interests	13	987,701,793	773,786,276	-	-
<b>Total equity</b>		<b>14,450,955,472</b>	<b>13,039,752,638</b>	<b>10,278,932,815</b>	<b>9,826,283,310</b>
<b>Total liabilities and equity</b>		<b>26,059,363,601</b>	<b>23,102,232,905</b>	<b>25,187,312,988</b>	<b>22,857,397,150</b>

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

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of comprehensive income

		Consolidated		Separate	
		financial statements		financial statements	
		For the year ended		For the year ended	
		31 December		31 December	
	Note	2015	2014	2015	2014
		(in Baht)			
<b>Income</b>					
Revenue from sale of goods	5	25,185,049,534	23,895,980,487	18,533,734,752	16,848,633,889
Investment income	5, 28	2,553,871,067	1,858,049,677	2,186,656,031	1,505,267,022
Other income	5, 29	1,023,576,143	860,000,630	1,227,327,824	874,129,798
<b>Total income</b>		<b>28,762,496,744</b>	<b>26,614,030,794</b>	<b>21,947,718,607</b>	<b>19,228,030,709</b>
<b>Expenses</b>					
Cost of sale of goods	5	19,021,776,866	18,052,602,204	14,002,688,795	12,732,060,139
Selling expenses	5, 30	5,954,550,911	5,255,323,255	4,857,896,865	4,133,824,964
Administrative expenses	5, 31	1,276,484,111	1,072,516,899	1,142,491,833	952,930,170
Finance costs	5, 34	79,089,637	40,292,642	184,512,639	134,112,039
<b>Total expenses</b>		<b>26,331,901,525</b>	<b>24,420,735,000</b>	<b>20,187,590,132</b>	<b>17,952,927,312</b>
Share of profit of associates	11	451,381,900	404,112,113	-	-
<b>Profit before income tax expense</b>		<b>2,881,977,119</b>	<b>2,597,407,907</b>	<b>1,760,128,475</b>	<b>1,275,103,397</b>
Income tax expense	35	(533,973,703)	(448,371,808)	(344,954,037)	(250,395,539)
<b>Profit for the year</b>		<b>2,348,003,416</b>	<b>2,149,036,099</b>	<b>1,415,174,438</b>	<b>1,024,707,858</b>
<b>Other comprehensive income</b>					
<b>Items that will never be reclassified to profit or loss</b>					
Defined benefit plan actuarial gains		49,818,285	-	38,078,635	-
		<b>49,818,285</b>	<b>-</b>	<b>38,078,635</b>	<b>-</b>
<b>Items that are or may be reclassified to profit or loss</b>					
Foreign currency translation differences for foreign operations		(1,623,885)	(5,603,144)	-	-
Gain (Loss) on remeasurement of available-for-sale investments		(1,011,856)	880,513	(1,011,856)	880,513
		<b>(2,635,741)</b>	<b>(4,722,631)</b>	<b>(1,011,856)</b>	<b>880,513</b>
<b>Other comprehensive income for the year, net of income tax</b>		<b>47,182,544</b>	<b>(4,722,631)</b>	<b>37,066,779</b>	<b>880,513</b>
<b>Total comprehensive income for the year</b>		<b>2,395,185,960</b>	<b>2,144,313,468</b>	<b>1,452,241,217</b>	<b>1,025,588,371</b>

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

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of comprehensive income

		Consolidated financial statements		Separate financial statements	
		For the year ended 31 December		For the year ended 31 December	
	Note	2015	2014	2015	2014
		(in Baht)			
<b>Profit attributable to:</b>					
Owners of the Company		2,153,036,928	1,927,488,232	1,415,174,438	1,024,707,858
Non-controlling interests	13	194,966,488	221,547,867	-	-
<b>Profit for the year</b>		<b>2,348,003,416</b>	<b>2,149,036,099</b>	<b>1,415,174,438</b>	<b>1,024,707,858</b>
<b>Total comprehensive income attributable to:</b>					
Owners of the Company		2,196,879,029	1,922,765,601	1,452,241,217	1,025,588,371
Non-controlling interests	13	198,306,931	221,547,867	-	-
<b>Total comprehensive income for the year</b>		<b>2,395,185,960</b>	<b>2,144,313,468</b>	<b>1,452,241,217</b>	<b>1,025,588,371</b>
<b>Basic earnings per share</b>	36	<b>1.94</b>	<b>1.74</b>	<b>1.27</b>	<b>0.92</b>

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

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of changes in equity

		Consolidated financial statements						
		Retained earnings			Other component of equity			
Note		Issued and paid-up share capital	Surplus on Treasury shares	Surplus on purchase of interest in associate	Currency translation differences (in Baht)	Fair value changes in available-for-sale investment	Total other components of equity	Total equity attributable to owners of the Company
				Legal reserve				Non-controlling interests
								Total equity
<b>Year ended 31 December 2014</b>								
		3,942,847,022	125,376,534	21,260,574	-	1,326,017	1,326,017	11,342,758,776
				394,285,000	6,857,663,629			669,781,882
								12,012,540,658
<b>Balance at 1 January 2014</b>								
<b>Transactions with owners, recorded directly in equity</b>								
<i>Distributions to owners of the Company</i>								
Dividends to owners of the Company	37	-	-	-	-	-	-	(999,558,015)
								(117,543,473)
<b>Total transactions with owners, recorded directly in equity</b>								
<b>Comprehensive income for the year</b>								
Profit		-	-	-	-	-	-	1,927,488,232
Other comprehensive income		-	-	-	(5,603,144)	880,513	(4,722,631)	221,547,867
								-
<b>Total comprehensive income for the year</b>								
<b>Balance at 31 December 2014</b>								
		3,942,847,022	125,376,534	21,260,574	(5,603,144)	880,513	(4,722,631)	1,922,765,601
				394,285,000	(5,603,144)	2,206,530	(3,396,614)	12,265,966,362
								221,547,867
								773,786,276
								13,039,752,638

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

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

**Robinson Department Store Public Company Limited and its Subsidiaries**  
**Statements of changes in equity**

Year ended 31 December 2014							
Balance at 1 January 2014		3,942,847,022	125,376,534	394,285,000	5,336,418,383	1,326,015	9,800,252,954
Transactions with owners, recorded directly in equity							
<i>Distributions to owners of the Company</i>							
37	Dividends to owners of the Company	-	-	-	(999,558,015)	-	(999,558,015)
	Total transactions with owners, recorded directly in equity	-	-	-	(999,558,015)	-	(999,558,015)
Comprehensive income for the year							
	Profit	-	-	-	1,024,707,858	-	1,024,707,858
	Other comprehensive income	-	-	-	-	880,513	880,513
	Total comprehensive income for the year	-	-	-	1,024,707,858	880,513	1,025,588,371
	Balance at 31 December 2014	3,942,847,022	125,376,534	394,285,000	5,361,568,226	2,206,528	9,826,283,310

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



**Robinson Department Store Public Company Limited and its Subsidiaries**  
**Statements of changes in equity**

Separate financial statements							
		Retained earnings			Other component of equity	Total equity attributable to owners of the Company	
		Issued and paid-up share capital	Surplus on treasury shares	Legal reserve	Fair value changes in available-for-sale investment		
Year ended 31 December 2015							
Balance at 1 January 2015		3,942,847,022	125,376,534	394,285,000	5,361,568,226	2,206,528	9,826,283,310
Transactions with owners, recorded directly in equity							
Distributions to owners of the Company							
	Dividends to owners of the Company	-	-	-	(999,591,712)	-	(999,591,712)
37							
Total transactions with owners, recorded directly in equity		-	-	-	(999,591,712)	-	(999,591,712)
Comprehensive income for the year							
	Profit	-	-	-	1,415,174,438	-	1,415,174,438
	Other comprehensive income	-	-	-	38,078,635	(1,011,856)	37,066,779
Total comprehensive income for the year		-	-	-	1,453,253,073	(1,011,856)	1,452,241,217
	Balance at 31 December 2015	3,942,847,022	125,376,534	394,285,000	5,815,229,587	1,194,672	10,278,932,815

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

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014	2015	2014
	(in Baht)			
<b>Cash flows from operating activities</b>				
Profit for the year	2,348,003,416	2,149,036,099	1,415,174,438	1,024,707,858
<i>Adjustments for</i>				
Depreciation	1,741,199,421	1,427,190,706	1,586,248,862	1,258,904,445
Amortisation of intangible assets	247,827,846	277,869,967	155,147,055	186,380,158
Interest income	(19,203,618)	(24,022,746)	(19,521,631)	(24,510,233)
Dividend income	(884,117)	(884,117)	(2,279,019)	(884,117)
Employee benefits	15,446,619	17,498,881	12,756,851	14,861,386
Finance costs	79,089,637	40,292,642	184,512,639	134,112,039
(Reversal) Bad debts and doubtful debts expenses	2,377,892	359,653	(183,146,870)	9,582,353
(Reversal) of allowance for obsolete and slow-moving inventories	9,955,353	(18,919,626)	5,367,625	(13,107,624)
(Reversal) of allowance for impairment loss on investments	3,540,000	(1,820,000)	3,540,000	(1,820,000)
Loss on disposal of plant and equipment	2,009,963	4,861,101	1,415,074	5,101,786
Gain on disposal of current investments	(2,027,651)	(1,576,866)	(2,027,651)	(1,576,866)
Gain on disposal of investments in subsidiary	-	-	-	(6,815,609)
Recognition of unearned lease income	(4,745,502)	(9,802,045)	(1,001,001)	(5,088,419)
Share of profit of associates	(451,381,900)	(404,112,113)	-	-
Unrealised gain on exchange	52,257	(6,103,775)	-	-
Income tax expense	533,973,703	448,371,808	344,954,037	250,395,539
	4,505,233,319	3,898,239,569	3,501,140,409	2,830,242,696
<b>Changes in operating assets and liabilities</b>				
Trade accounts receivable	(66,893,882)	(138,792,537)	(60,728,100)	(114,701,613)
Inventories	(376,138,039)	177,488,743	(350,129,829)	113,136,512
Other receivables	(68,254,887)	(5,417,639)	(41,978,900)	3,720,031
Other non-current assets	(91,876,531)	(162,112,454)	(95,302,065)	(153,216,295)
Trade accounts payable	400,099,368	(162,068,015)	417,744,077	(31,884,692)
Other payables	(160,066,012)	280,421,734	(250,177,450)	268,214,465
Employee benefit obligations paid	(16,245,580)	(1,885,000)	(15,863,630)	(1,885,000)
Unearned lease income	-	30,030,011	-	30,030,011
Other non-current liabilities	(600,000)	(600,000)	-	-
Cash generated from operating activities	4,125,257,756	3,915,304,412	3,104,704,512	2,943,656,115
Income taxes paid	(472,106,512)	(439,109,388)	(287,851,278)	(237,587,940)
<b>Net cash provided by operating activities</b>	<b>3,653,151,244</b>	<b>3,476,195,024</b>	<b>2,816,853,234</b>	<b>2,706,068,175</b>

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

## Robinson Department Store Public Company Limited and its Subsidiaries

### Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014	2015	2014
	(in Baht)			
<b><i>Cash flows from investing activities</i></b>				
Interest received	18,031,188	20,661,829	17,430,756	19,306,444
Dividend received	884,117	884,117	2,279,019	884,117
Purchase of property, plant and equipment	(3,334,610,257)	(4,958,470,585)	(3,134,830,083)	(4,766,469,751)
Sale of plant and equipment	5,454,862	12,708,499	4,818,479	2,321,918
Increase in leasehold rights	(11,260,000)	(217,025,751)	(10,260,000)	(216,025,751)
Short-term loans repaid by related parties	-	31,050,000	387,575,608	18,555,069
Short-term loans to related parties	-	(31,050,000)	(197,797,750)	(25,932,879)
Purchase of current investments	-	(103,029,383)	-	(103,029,383)
Sale of current investments	54,084,944	236,204,708	54,084,944	236,204,708
Purchase of investment in subsidiary	-	-	-	(163,050,000)
Sale of investment in subsidiary	-	-	-	9,814,909
Purchase of other long-term investments	-	(13,125,110)	-	(13,125,110)
<b>Net cash used in investing activities</b>	<b>(3,267,415,146)</b>	<b>(5,021,191,676)</b>	<b>(2,876,699,027)</b>	<b>(5,000,545,709)</b>
<b><i>Cash flows from financing activities</i></b>				
Finance costs paid	(79,073,553)	(39,962,214)	(195,217,880)	(130,871,909)
Dividend paid to equity holders of the Company	(999,591,712)	(999,558,015)	(999,591,712)	(999,558,015)
Dividends paid to non-controlling interests	(124,391,533)	(117,543,473)	-	-
Increase (decrease) in short-term loans from financial institutions	(574,497,618)	2,574,497,618	(520,000,000)	2,520,000,000
Proceeds from short-term loans from related parties	-	-	7,887,555,507	8,784,668,837
Repayment of short-term loans from related parties	-	-	(7,422,946,378)	(7,895,302,211)
Proceeds from long-term loans from financial institution	1,500,000,000	79,008,186	1,500,000,000	-
Repayment of long-term loans from related parties	-	-	(113,300,000)	-
Proceeds from issue of ordinary shares by subsidiary	140,000,119	-	-	-
<b>Net cash provided by (used in) financing activities</b>	<b>(137,554,297)</b>	<b>1,496,442,102</b>	<b>136,499,537</b>	<b>2,278,936,702</b>

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

# Robinson Department Store Public Company Limited and its Subsidiaries

## Statements of cash flows

	Consolidated financial statements		Separate financial statements	
	For the year ended 31 December		For the year ended 31 December	
	2015	2014	2015	2014
	(in Baht)			
<b>Net decrease in cash and cash equivalents</b>	<b>248,181,801</b>	<b>(48,554,550)</b>	<b>76,653,744</b>	<b>(15,540,832)</b>
Cash and cash equivalents at 1 January	1,833,262,646	1,881,817,196	1,129,545,682	1,145,086,514
Effect of exchange rate changes on balances held in foreign currencies	327,443	-	-	-
<b>Cash and cash equivalents at 31 December</b>	<b>2,081,771,890</b>	<b>1,833,262,646</b>	<b>1,206,199,426</b>	<b>1,129,545,682</b>

## Non-cash transactions

During the year ended 31 December 2015, the Group acquired property, plant and equipment with total costs of Baht 3,764.1 million (2014: Baht 5,262.7 million) of which Baht 3,334.6 million (2014: Baht 4,958.5 million) was acquired by cash payments and Baht 429.5 million was outstanding as liabilities as at 31 December 2015 (2014: Baht 304.2 million).

During the year ended 31 December 2015, the Company acquired property, plant and equipment with total costs of Baht 3,562.7 million (2014: Baht 5,061.1 million) of which Baht 3,134.8 million (2014: Baht 4,766.5 million) was acquired by cash payments and Baht 427.9 million was outstanding as liabilities as at 31 December 2015 (2014: Baht 294.6 million).

**Robinson Department Store Public Company Limited  
and its Subsidiaries**  
**Notes to the financial statements**

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# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

These notes form an integral part of the financial statements.

The financial statements issued for Thai statutory and regulatory reporting purposes are prepared in the Thai language. These English language financial statements have been prepared from the Thai language statutory financial statements, and were approved and authorized for issue by the Board of Directors on 18 February 2016.

### 1 General information

Robinson Department Store Public Company Limited, the “Company”, is incorporated in Thailand and has its registered office at 9/9 floor 14-17, Rama 9 Road, Huaikhwang, Huaikhwang, Bangkok, Thailand.

The Company was listed on the Stock Exchange of Thailand in January 1992.

The Company’s major shareholders during the financial year were Central Retail Corporation Co., Ltd. (27.74% shareholding) and CRG Service Co., Ltd. (26.07% shareholding). Both companies were incorporated in Thailand.

The principal activities of the Company and its subsidiaries are engaged in a chain of department stores under the brand of “Robinson”. The Company has also jointly invested with groups of business partners (Indirect subsidiaries) outside Bangkok through a holding company, CR (Thailand) Co., Ltd.. Details of the Company’s direct subsidiaries as at 31 December 2015 and 2014 are given in note 12.

Details of the Company’s indirect subsidiaries as at 31 December 2015 and 2014 are as follows:

Name of the entities	Type of business	Country of incorporation	Ownership interest (%)	
			31 December 2015	31 December 2014
<i>Indirect subsidiaries</i>				
CR Udorn Thani (Thailand) Co., Ltd.	Department Store	Thailand	76.00	76.00
CR Phuket (Thailand) Co., Ltd.	Department Store	Thailand	49.99	49.99
CR Nakhon Sri Thammarat (Thailand) Co., Ltd.	Department Store	Thailand	49.99	49.99
CR Had Yai (Thailand) Co., Ltd.	Department Store	Thailand	76.00	76.00
CR Chiang Mai (Thailand) Co., Ltd.	Department Store	Thailand	89.99	89.99
CR Ubon Ratchathani (Thailand) Co., Ltd.	Department Store	Thailand	74.99	74.99
CR Chantaburi (Thailand) Co., Ltd.	Department Store	Thailand	64.99	64.99
CR Rajchaburi (Thailand) Co., Ltd.	Department Store	Thailand	49.99	49.99

### 2 Basis of preparation of the financial statements

#### (a) Statement of compliance

The financial statements are prepared in accordance with Thai Financial Reporting Standards (TFRS) and guidelines promulgated by the Federation of Accounting Professions (“FAP”); and applicable rules and regulations of the Thai Securities and Exchange Commission.



## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

The FAP has issued new and revised TFRS effective for annual accounting periods beginning on or after 1 January 2015. 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 except the disclosure of the Group's financial statement. (note 3)

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 2016 and have not been adopted in the preparation of these financial statements. Those new and revised TFRS that are relevant to the Group's operations are disclosed in note 41.

#### (b) *Basis of measurement*

The financial statements have been prepared on the historical cost basis except for available-for-sale financial assets which are measured at fair value.

#### (c) *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 the nearest thousand unless otherwise stated.

#### (d) *Use of estimates and judgments*

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

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which estimates are revised and in any future periods affected.

Information about judgments made in applying accounting policies that have the most significant effect on the amount recognised in the financial statements is included in the following notes.

Note 4(t) Current and deferred taxation

Note 14 Key assumptions used in discounted cash flow projections for calculation of fair value of investment properties

Note 22 Measurement of defined benefit obligations

Note 38 Valuation of financial instruments

#### Measurement of fair values

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 CFO.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

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.

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 7 Other investments
- Note 38 Financial instruments

### 3 Change in accounting policies

From 1 January 2015, consequent to the adoption of new and revised TFRS as set out in note 2, the Group has adopted the following new and revised TFRS having an effect on the Company's notes to the financial statements:

TFRS 13

*Fair Value Measurement*

TFRS 13 establishes a single framework for measuring fair value and making disclosures about fair value measurements, when such measurements are required or permitted by other TFRSs. In particular, it unifies the definition of fair value as the price at which an orderly transaction to sell an asset or to transfer a liability would take place between market participants at the measurements date. It also replaces and expands the disclosure requirements about fair value measurements in other TFRSs.

In accordance with the transitional provisions of TFRS 13, the Group has applied the new fair value measurement guidance prospectively, and has not provided any comparative information for new disclosures.

## **Robinson Department Store Public Company Limited and its Subsidiaries**

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

#### **4 Significant accounting policies**

The accounting policies set out below have been applied consistently to all periods presented in these financial statements except as explained in note 3, which addresses changes in accounting policies.

##### **(a) Basis of consolidation**

The consolidated financial statements relate to the Company and its subsidiaries (together referred to as the “Group”) and the Group’s interest in associates.

##### *Subsidiaries*

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power, directly or indirectly, to govern the financial and operating policies of an entity so as to obtain benefits from its activities. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases.

The accounting policies of subsidiaries have been changed where necessary to align them with the policies adopted by the Group. Losses applicable to non-controlling interests in a subsidiary are allocated to non-controlling interests even if doing so causes the non-controlling interests to have a deficit balance.

##### *Associates (equity-accounted investees)*

The Group’s interests in equity-accounted investees comprise interests in associates.

Associates are those entities in which the Group has significant influence, but not control or joint control, over the financial and operating policies.

Interests in associates 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 in preparing the consolidated financial statements. Unrealised gains arising from transactions with associates 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.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### (b) *Foreign currencies*

##### *Foreign currency transactions*

Transactions in foreign currencies are translated to the respective functional currency of Group entities at the exchange rates at the dates of transactions.

Monetary assets and liabilities denominated in foreign currencies are translated to the functional currency at the foreign exchange rates at that 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 currency differences are generally recognized in profit or loss.

##### *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.

Foreign exchange differences are recognised in other comprehensive income and presented in the foreign currency translation reserve in equity until disposal of the investment.

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.

#### (c) *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 financing activities for the purpose of the statement of cash flows.

#### (d) *Trade and other accounts receivable*

Trade and other accounts receivable 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.

#### (e) *Inventories*

Inventories are stated at the lower of cost and net realisable value.

Cost is calculated using the moving average cost principle and comprises all costs of purchase and other costs incurred in bringing the inventories to their present location and condition.

## **Robinson Department Store Public Company Limited and its Subsidiaries**

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

Net realizable value is the estimated selling price in the ordinary course of business less the estimated costs to complete and to make the sale.

#### **(f) Investments**

##### *Investments in subsidiaries and associates*

Investments in subsidiaries and associates in the separate financial statements of the Company are accounted for using the cost method. Investments in associates in the consolidated financial statements are accounted for using the equity method.

##### *Investments in other debt and equity securities*

Debt and 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 available-for-sale monetary items, are recognised directly in equity. Impairment losses and foreign exchange differences are recognised in the 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 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 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.

#### **(g) 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.

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:

Investment property	5- 30	years
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## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### (h) *Property, plant and equipment*

##### *Recognition and measurement*

##### *Owned assets*

Property, 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. Cost also may include transfers from other comprehensive income of any gain or loss on qualifying cash flow hedges of foreign currency purchases of property, plant and equipment. Purchased software that is integral to the functionality of the related equipment is capitalised as part of that equipment, considering as property, plant and 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 within other income in 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 property, plant and equipment are recognised in profit or loss as incurred.

##### *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 over the estimated useful lives of each component of an item of property, plant and equipment. Depreciation on plant and equipment acquired before the year 2001 is calculated by the straight-line method. Depreciation on equipment acquired since 1 January 2001 is calculated by the sum-of-the-years-digits method. The estimated useful lives are as follows:

Land improvements	5	years
Leasehold improvements	20 and 30	years
Buildings and structures	30	years
Buildings and structure improvements	5 and 20	years
Information system equipment	3-5	years
Building system equipment	5, 7, 10 and 20	years
Furniture, fixtures and office equipment	5 and 20	years
Transportation equipment	5	years

No depreciation is provided on freehold land or assets under construction.



## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

Depreciation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

#### (i) *Leasehold rights*

Leasehold rights are recorded at cost less accumulated amortisation and accumulated impairment losses.

##### *Amortisation*

Leasehold rights are charged to the statement of income on a straight-line basis over the terms of the lease periods. The lease periods are 20-30 years.

#### (j) *Intangible assets*

##### *Goodwill*

Goodwill that arises upon the acquisition of subsidiaries is included in intangible assets. Goodwill is measured as the fair value of the consideration transferred including the recognized amount of any non-controlling interest in the acquiree, less the net recognised amount (generally fair value) of the identifiable assets acquired and liabilities assumed, all measured as of the acquisition date. Subsequent to initial recognition, goodwill is measured at cost less accumulated impairment losses. In respect of equity-accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment, and an impairment loss on such an investment is not allocated to any asset, including goodwill, that forms part of the carrying amount of the equity-accounted investee.

##### *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 accumulated 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, including expenditure on internally generated goodwill and brands, is recognised in profit or loss as incurred.

##### *Amortisation*

Amortisation is based on the cost of the asset, or other amount substituted for cost, less its residual value.

Amortisation is recognised in profit or loss on a straight-line basis over the estimated useful lives of intangible assets, other than goodwill, from the date that they are available for use, 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:

Trademark	27	years
Software licences	10	years
Deferred system development costs	5 and 10	years

Amortisation methods, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### (k) *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. For goodwill and 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 or its cash-generating unit 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. Receivables with a short duration are not discounted.

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 available-for-sale financial assets that are equity securities, the reversal is recognised in other comprehensive income.

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.

#### (l) *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.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### (m) *Trade and other accounts payable*

Trade and other accounts payable are stated at cost.

#### (n) *Employee benefits*

##### *Defined contribution plans*

A defined contribution plan is a post-employment benefit plan under which an entity pays fixed contributions into a separate entity and will have no legal or constructive obligation to pay further amounts. Obligations for contributions to defined contribution pension plans are recognised as an employee benefit expense in profit or loss in the periods during which services are rendered by employees.

##### *Defined benefit plans*

A defined benefit plan is a post-employment benefit plan other than a defined contribution plan. The Group's net obligation in respect of defined benefit pension plans is calculated separately for each plan by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value

The calculation is performed annually by a qualified actuary using the projected unit credit method.

Remeasurements of the net defined benefit liability, actuarial gain or loss are recognized immediately in OCI. 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 recognized 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.

The Group recognises all actuarial gains and losses arising from defined benefit plans in other comprehensive income and all expenses related to defined benefit plans in profit or loss.

##### *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.

#### (o) *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.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### (p) *Repurchase of share capital (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.

#### (q) *Revenue*

Revenue excludes value added taxes and is arrived at after deduction of trade discounts and volume rebates.

##### *Sale of goods and services rendered*

Revenue is recognised in profit or loss when the significant risks and rewards of ownership have been transferred to the buyer. No revenue is recognised if there is continuing management involvement with the goods or there are significant uncertainties regarding recovery of the consideration due, associated costs or the probable return of goods. Service income is recognised as services are provided.

##### *Investments*

Revenue from investments comprises rental income from investment properties and dividend and interest income from investments and bank deposits.

##### *Rental income*

Rental income from investment property 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*

Dividend income is 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.

## **Robinson Department Store Public Company Limited and its Subsidiaries**

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

#### **(r) Finance costs**

Finance costs comprise interest expense on borrowings, unwinding of the discount on provisions and contingent consideration, losses on disposal of available for sale financial assets, fair value losses on financial assets at fair value through profit or loss and impairment losses recognised on financial assets (other than trade receivables), that are recognised in profit or loss.

Borrowing costs that are not directly attributable to the acquisition, construction or production of a qualifying asset are recognised in profit or loss using the effective interest method.

#### **(s) Lease payments**

Payments made under operating leases are recognised in profit or loss on a straight line basis over the term of the lease. Lease incentives received are recognised in profit or loss as an integral part of the total lease expense, 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.

#### **(t) 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.

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 jointly-controlled entities to the extent that it is probable that they will not reverse in the foreseeable future.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

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.

#### (u) *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.

#### (v) *Segment reporting*

Segment results that are reported to the Group's CEO (the chief operating decision maker) include items directly attributable to a segment as well as those that can be allocated on a reasonable basis.

## 5 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 associates and subsidiaries are described in notes 1, 11 and 12. Relationships with key management and other related parties were as follows:



# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

Name of entities	Country of incorporation / nationality	Nature of relationships
Central Retail Corporation Co., Ltd.	Thailand	Major shareholder, 27.74% shareholding, some common directors
CRG service Co., Ltd.	Thailand	Major shareholder, 26.07% shareholding, some common directors
CRC Power Retail Co.,Ltd.	Thailand	Some common directors
Office Club (Thai) Co.,Ltd.	Thailand	Some common directors
CRC Property Co.,Ltd.	Thailand	Some common directors
B2S Co., Ltd.	Thailand	Some common directors
Central Food Retail Co., Ltd.	Thailand	Some common directors
Central Department Store Co., Ltd.	Thailand	Some common directors
Central Trading Co., Ltd.	Thailand	Some common directors
Central Garment Factory Co., Ltd.	Thailand	Some common directors
Cetrac International Co., Ltd.	Thailand	Some common directors
RIS Co., Ltd.	Thailand	Some common directors
PB Logistic Co., Ltd.	Thailand	Some common directors
Central Pattana Rattanaibeth Co., Ltd.	Thailand	Some common directors
Central Pattana Chiangmai Co., Ltd.	Thailand	Some common directors
Central Pattana Chonburi Co., Ltd.	Thailand	Some common directors
Central Pattana Khonkaen Co., Ltd.	Thailand	Some common directors
Central World Co., Ltd.	Thailand	Some common directors
Central Pattana Development Co., Ltd.	Thailand	Some common directors
Central Pattana Nine Square Co., Ltd.	Thailand	Some common directors
Central Insurance Services Co., Ltd.	Thailand	Some common directors
Thai Watts Co., Ltd	Thailand	Some common directors
Harnng Central Department Store Co., Ltd.	Thailand	Some common directors
Central People Development Center Co., Ltd	Thailand	Some common directors
Key management personnel	Thailand	Persons having authority and responsibility for planning, directing and controlling the activities of the entity, directly or indirectly, including any director (whether executive or otherwise) of the Group.

The pricing policies for particular types of transactions are explained further below:

Transactions	Pricing policies
Sale of goods	Market prices should not be lower than the cost of goods
Interest income/Interest expense	Minimum loan rates or saving rates or fixed deposit rate of certain local financial institutions plus interest not exceed 2.5% per annum depending on finance cost of each company
Rental and service income	Certain percentages of sales with a reference to the related market prices or fixed amount
Sales promotion income	Contractually agreed prices
Utility income	Contractually agreed prices
Management fee income	Certain percentages of sales or fixed amount

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### Transactions

Rental and service expenses  
Utility expenses  
Sales promotion expenses  
Management fee expense  
Key management personnel compensation

### Pricing policies

Contractually agreed prices  
Contractually agreed prices  
Contractually agreed prices  
Contractually agreed prices  
As defined by the nomination and remuneration committee

Significant transactions for the years ended 31 December 2015 and 2014 with related parties were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
Sale of goods	-	-	270,589	240,979
Rental and service income	-	-	60	60
Management fee income	-	-	150,206	158,991
Sales promotion income	-	-	1,214	1,599
Interest income	-	-	8,007	12,048
Rental and service expenses	-	-	360	360
Sales promotion expense	-	-	2,086	4,610
Interest expense	-	-	114,158	95,258
<b>Associates</b>				
Rental and service charges	231,623	193,988	196,550	160,275
Utility income	34,247	32,102	29,467	27,519
Management fee income	17,514	11,384	15,844	9,758
<b>Key management personnel</b>				
Key management personnel compensation				
Short-term employee benefits	96,807	84,515	96,107	83,795
<b>Other related parties</b>				
Sale of goods	6,640	1,201	6,338	1,086
Rental and service income	533,871	446,102	437,447	352,697
Utility income	141,964	134,060	110,836	101,378
Management fee income	16,875	10,678	15,861	9,626
Sales promotion income	68,177	33,758	50,340	25,475
Rental and service expenses	247,041	232,832	190,451	167,359
Utility expenses	73,865	76,530	39,383	41,812
Sales promotion expense	200,059	144,291	150,674	106,664
Management fee expense	154,000	152,638	136,643	132,497

Balances as at 31 December 2015 and 2014 with related parties were as follows:

<b>Trade accounts receivable from related parties</b>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>				
CR Udon Thani (Thailand) Co., Ltd.	-	-	8,942	6,357
CR Phuket (Thailand) Co., Ltd.	-	-	19,101	13,010

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

<i>Trade accounts receivable from related parties</i>	<b>Consolidated</b>		<b>Separate</b>			
	<b>financial statements</b>		<b>financial statements</b>			
	2015	2014	2015	2014		
	<i>(in thousand Baht)</i>					
<b>Subsidiaries</b>						
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	11,673	7,905		
CR Had Yai (Thailand) Co., Ltd.	-	-	5,829	6,501		
CR Chiang Mai (Thailand) Co., Ltd.	-	-	11,183	7,820		
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	1,009	1,015		
CR Rajchaburi (Thailand) Co., Ltd.	-	-	4,652	3,303		
CR Chantaburi (Thailand) Co., Ltd.	-	-	4,874	3,520		
ROBINSON DEPARTMENT STORE (VIETNAM) JOINT STOCK COMPANY	-	-	-	2,092		
<b>Associates</b>						
Power Buy Co., Ltd.	12,451	10,624	10,508	9,082		
CRC Sport Co., Ltd.	32,669	21,732	29,505	18,884		
<b>Other related parties</b>						
Central Retail Corporation Co.,Ltd.	29,210	25,501	20,265	18,570		
B2S Co., Ltd.	10,479	9,987	8,649	8,142		
Central Food Retail Co., Ltd.	58,709	47,994	48,424	40,641		
Central Department Store Co., Ltd.	12,881	13,304	11,694	12,342		
Office Club (Thai) Co., Ltd	25,437	27,659	25,437	27,659		
Central Trading Co., Ltd	35,775	35,627	28,134	25,462		
Others	44,813	36,783	23,729	26,337		
	<b>262,424</b>	<b>229,211</b>	<b>273,608</b>	<b>238,642</b>		
<i>Less allowance for doubtful accounts</i>	-	-	-	-		
<b>Net</b>	<b>262,424</b>	<b>229,211</b>	<b>273,608</b>	<b>238,642</b>		
<b>Bad and doubtful debts expenses for the year</b>	-	-	-	-		
<b>Loans to related parties</b>	<b>Interest rate</b>		<b>Consolidated</b>		<b>Separate</b>	
	2015	2014	<b>financial statements</b>		<b>financial statements</b>	
	<i>(% per annum)</i>		2015	2014	2015	2014
<b>Short-term loans</b>			<i>(in thousand Baht)</i>			
<b>Subsidiaries</b>						
Robinson Nakarin Co., Ltd.	2.65	3.00	-	-	145,067	332,726
Robinson S.P.V. Co.,Ltd.	2.65	-	-	-	12	-
			-	-	145,079	332,726
<i>Less allowance for doubtful accounts</i>			-	-	(145,067)	(332,726)
<b>Short-term loans to related parties, net</b>			-	-	<b>12</b>	<b>-</b>
<b>Long-term loans</b>						
<b>Subsidiary</b>						
Robinson Nakarin Co., Ltd.	2.65	6.00	-	-	61,224	61,224

**Robinson Department Store Public Company Limited**  
**and its Subsidiaries**  
**Notes to the financial statements**

*Loans to related parties*

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<i>Summary of loans to related parties</i>				
Short-term loans	-	-	145,079	332,726
Long-term loans	-	-	61,224	61,224
	-	-	206,303	393,950
Less allowance for doubtful accounts	-	-	(145,067)	(332,726)
<b>Total loans to related parties, net</b>	<b>-</b>	<b>-</b>	<b>61,236</b>	<b>61,224</b>
<b>Bad and doubtful debts expenses (reversal) for the year</b>	<b>-</b>	<b>-</b>	<b>(187,659)</b>	<b>11,967</b>

Movements during the years ended 31 December 2015 and 2014 of loans to related parties were as follows:

*Loans to related parties*

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<i>Short-term loans</i>				
<b>Subsidiaries</b>				
At 1 January	-	-	332,726	321,745
Increase				
- principal	-	-	197,798	25,933
- interest	-	-	8,007	12,048
Decrease				
- principal	-	-	(387,576)	(18,555)
- interest	-	-	(5,876)	(8,445)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>145,079</b>	<b>332,726</b>
<b>Other related party</b>				
At 1 January	-	-	-	-
Increase				
- principal	-	31,050	-	-
- interest	-	1,834	-	-
Decrease				
- principal	-	(31,050)	-	-
- interest	-	(1,834)	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<i>Long-term loan</i>				
<b>Subsidiary</b>				
At 1 January	-	-	61,224	61,224
Increase	-	-	-	-
Decrease	-	-	-	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>61,224</b>	<b>61,224</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

<i>Leasehold right - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Other related parties</b>	<b><u>1,416,335</u></b>	<b><u>1,495,619</u></b>	<b><u>1,230,620</u></b>	<b><u>1,291,168</u></b>

<i>Trade accounts payable - related parties</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			

### Subsidiaries

CR Phuket (Thailand) Co., Ltd.	-	-	2,998	649
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	2,185	537
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	1,916	532
CR Udorn Thani (Thailand) Co., Ltd.	-	-	1,832	1,853
CR Chiang Mai (Thailand) Co., Ltd.	-	-	1,419	1,475
CR Rajchaburi (Thailand) Co., Ltd.	-	-	910	648
CR Chantaburi (Thailand) Co., Ltd.	-	-	975	671
CR Had Yai (Thailand) Co., Ltd.	-	-	489	605

### Associates

CRC Sport Co., Ltd.	15,462	2,130	10,155	1,124
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### Other related parties

Central Trading Co., Ltd.	255,455	226,768	179,176	156,175
Central Garment Factory Co., Ltd.	18,580	18,771	12,598	11,930
Central Department Store Co., Ltd.	3,171	4,739	3,171	4,739
Others	101,573	34,865	39,321	9,451
<b>Total</b>	<b><u>394,241</u></b>	<b><u>287,273</u></b>	<b><u>257,145</u></b>	<b><u>190,389</u></b>

<i>Loans from related parties</i>	<b>Interest rate</b>		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014	2015	2014
	<i>(% per annum)</i>		<i>(in thousand Baht)</i>			
<b>Short-term loans</b>						
<b>Subsidiaries</b>						
Robinson Ratchada Co., Ltd.	-	2.87	-	-	-	68,548
Robinson Sukhumvit Co., Ltd.	-	2.87	-	-	-	12,635
R -Trading (L) BHD.	-	-	-	-	885,471	884,045
Robinson S.P.V. Co.,Ltd.	-	2.87	-	-	-	2,433
CR (Thailand) Co., Ltd.	2.83	2.87	-	-	3,357,315	2,940,458
CR Rajchaburi (Thailand) Co., Ltd.	2.83	2.87	-	-	818,264	699,097
<b>Short-term loans from related parties</b>			<b><u>-</u></b>	<b><u>-</u></b>	<b><u>5,061,050</u></b>	<b><u>4,607,216</u></b>
<b>Long-term loan</b>						
<b>Subsidiary</b>						
Robinson Sukhumvit Co., Ltd.	-	2.00	-	-	-	<b><u>113,300</u></b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Summary of loans from related parties</b>				
Short-term loans	-	-	5,061,050	4,607,216
Long-term loan	-	-	-	113,300
<b>Total loans from related parties</b>	<b>-</b>	<b>-</b>	<b>5,061,050</b>	<b>4,720,516</b>

Movements during the years ended 31 December 2015 and 2014 of loans from related parties were as follows:

### Loans from related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Short-term loans</b>				
<b>Subsidiaries</b>				
At 1 January	-	-	4,607,216	3,714,819
Increase				
- principal	-	-	7,887,555	8,784,669
- interest	-	-	114,158	95,258
Decrease				
- principal	-	-	(7,422,946)	(7,895,302)
- interest	-	-	(124,933)	(92,228)
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>5,061,050</b>	<b>4,607,216</b>
<b>Long-term loan</b>				
<b>Subsidiary</b>				
At 1 January	-	-	113,300	113,300
Decrease	-	-	(113,300)	-
<b>At 31 December</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>113,300</b>

### Other payables

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Advances from related parties</b>				
<b>Subsidiaries</b>				
CR Udorn (Thailand) Co., Ltd.	-	-	14	208
CR Phuket (Thailand) Co., Ltd.	-	-	245	442
CR Nakorn Sri Thammarat (Thailand) Co., Ltd.	-	-	18	-
CR Had Yai (Thailand) Co., Ltd.	-	-	62	5
CR Chiang Mai (Thailand) Co., Ltd.	-	-	20	115
CR Ubon Ratchathani (Thailand) Co., Ltd.	-	-	-	174
CR Rajchaburi (Thailand) Co., Ltd.	-	-	1	-
CR Chantaburi (Thailand) Co., Ltd.	-	-	131	105



## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

<i>Other payables</i>	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Advances from related parties</i>				
<b>Associate</b>				
Power Buy Co., Ltd.	13	129	13	120
<b>Other related parties</b>				
Central Department Store Co., Ltd.	10,721	7,781	9,262	4,664
Harn Central Department Store Co., Ltd.	36,914	33,336	33,457	33,115
Central People Development Center Co., Ltd.	6,099	3,578	5,566	3,477
Central Retail Corporation Co., Ltd.	57,602	38,781	34,950	22,469
Central Pattana Khonkhan Co., Ltd.	57,707	4,916	57,707	4,916
Central Pattana Chonburi Co., Ltd.	1,242	5,895	1,242	5,895
RIS Co., Ltd.	32,835	30,206	27,645	26,818
Central Pattana Rattanaibeth Co., Ltd.	2,045	2,965	2,045	2,965
Central Pattana Development Co., Ltd.	8,087	3,801	8,087	3,801
Central Pattana Chiangmai Co., Ltd.	3,241	2,565	-	-
Central World Co., Ltd.	4,608	5,759	2,463	2,424
Central Pattana Nine Square Co., Ltd.	26,060	7,406	26,060	7,406
Central Pattana Pcl.	4,185	2,959	683	22
Central Insurance Services Co., Ltd.	171	1,646	124	1,585
Thai Watts Co., Ltd.	-	2,164	-	2,164
CRC Property Co., Ltd.	146,610	136,350	146,610	136,350
Others	8,567	10,327	6,888	7,229
<b>Total</b>	<b>406,707</b>	<b>300,564</b>	<b>363,293</b>	<b>266,469</b>
<i>Commitments with related parties</i>				
	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<i>Operating lease commitments</i>				
Within one year	164,522	162,687	137,727	123,921
After one year but within five years	490,822	479,987	392,791	382,239
After five years	1,637,336	1,404,831	1,524,192	1,273,485
<b>Total</b>	<b>2,292,680</b>	<b>2,047,505</b>	<b>2,054,710</b>	<b>1,779,645</b>

#### *Significant agreements with related parties*

##### *Rental and service agreements*

The Company has entered into rental agreements for retail space and service agreements with related parties. In consideration thereof, these related parties agreed to pay the rental and service fees at percentages of sales and/or size of occupied areas. The agreements have a term of 1 year and are renewable for successive periods by either party giving advance written notice.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### *Service agreements*

The Group entered into a service agreement with a related party whereby such company will provide services relating to accounting, taxation, financial and other related services. In consideration thereof, the Group agreed to pay service fees at amount specified in the agreement. The agreement has a term of 1 year and is renewable for successive periods by either party giving written notice 30 days in advance.

#### *Computer service agreements*

The Group has entered into service agreements with a related party whereby the latter will provide services relating to the computer systems of the Group. The Group has to pay service fees at amount specified in the agreements. The agreement has a term of 1 year and is renewable for successive periods.

#### *Warehouse management service agreements*

The Company has entered into inventory warehouse management service agreements with a related party for a period of 12 months. The Company has to pay warehouse management service fees at amount specified in the agreements. Either party may give notice of termination within 90 days prior to expiry date of these agreements, otherwise the agreements are automatically renewed for successive periods of 12 months each.

#### *Member card service agreement*

The Group has entered into a member card service agreement “The 1 Card” with a related party. The said related party will provide services to members of the Group, marketing management, members database management and provide the reward and other benefits for The 1 Card point redemption. In consideration thereof, the Group has to pay service fee at rates specified in the agreement. The agreement expired on 31 December 2015.

#### *Rental and service agreements*

The Group agreed to rent an area and obtain the services from a related party. In consideration thereof, the Group has agreed to pay the rental and service fees on a monthly basis. The agreements are for periods of 1 year and 3 years and are renewable for successive periods by either party giving not less than 90 days advance written notice.

## 6 Cash and cash equivalents

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Cash on hand	219,779	173,555	162,295	120,633
Cash at banks - current accounts	626,246	856,265	595,375	713,889
Cash at banks - savings accounts	1,078,810	763,357	447,198	281,706
Highly liquid short-term investments	156,937	40,086	1,331	13,318
<b>Total</b>	<b>2,081,772</b>	<b>1,833,263</b>	<b>1,206,199</b>	<b>1,129,546</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

The currency denomination of cash and cash equivalents as at 31 December was as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Thai Baht (THB)	2,071,001	1,723,641	1,206,199	1,129,546
Vietnam Dong	10,771	109,622	-	-
<b>Total</b>	<b>2,081,772</b>	<b>1,833,263</b>	<b>1,206,199</b>	<b>1,129,546</b>

## 7 Other investments

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Current investments</b>				
Equity securities available for sale	31,676	81,913	31,676	81,913
Other debt securities	3,379	6,359	-	3,029
	<b>35,055</b>	<b>88,272</b>	<b>31,676</b>	<b>84,942</b>
<b>Other long-term investments</b>				
Other non-marketable equity securities	207,623	211,163	207,620	211,160
	<b>207,623</b>	<b>211,163</b>	<b>207,620</b>	<b>211,160</b>
<b>Total</b>	<b>242,678</b>	<b>299,435</b>	<b>239,296</b>	<b>296,102</b>

Other investments of the Group and the Company as at 31 December 2015 and 2014 were denominated entirely in Thai Baht.

Movements during the years ended 31 December 2015 and 2014 of marketable equity securities were as follows:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
<b>Current investments</b>				
<b>Available for sale securities</b>				
At 1 January	81,913	202,235	81,913	202,235
Sale during the year	(48,972)	(121,423)	(48,972)	(121,423)
Valuation adjustment	(1,265)	1,101	(1,265)	1,101
<b>At 31 December</b>	<b>31,676</b>	<b>81,913</b>	<b>31,676</b>	<b>81,913</b>
<b>Other securities</b>				
At 1 January	6,359	16,269	3,029	13,000
Purchases during the year	-	103,029	-	103,029
Sale during the year	(3,086)	(113,000)	(3,086)	(113,000)
Interest received	106	61	57	-
<b>At 31 December</b>	<b>3,379</b>	<b>6,359</b>	<b>-</b>	<b>3,029</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

Non-marketable equity securities recorded by the cost method as at 31 December 2015 and 2014 and dividend income for the years then ended were as follows:

Consolidated financial statements												
	Ownership interest (%)		Paid-up capital		Cost		Impairment		Cost – net of impairment		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(in thousand Baht)												
Siam Retail Development Co., Ltd.	24.00	24.00	500,000	500,000	120,000	120,000	-	-	120,000	120,000	-	-
Square Ritz Plaza Co., Ltd	24.00	24.00	125,000	125,000	30,000	30,000	-	-	30,000	30,000	-	-
Seacon Bangkae Co., Ltd.	0.0014	0.0014	700,000	700,000	117,503	117,503	(117,500)	(117,500)	3	3	-	-
Rangsit Plaza Co., Ltd.	6.56	6.56	538,890	538,890	52,500	52,500	-	-	52,500	52,500	884	884
Samakeesan (Dokya) Co., Ltd.	4.15	4.15	170,000	170,000	12,713	12,713	(12,713)	(12,713)	-	-	-	-
Central Family Mart Co., Ltd.	0.71	0.71	575,000	575,000	22,840	22,840	(17,720)	(14,180)	5,120	8,660	-	-
<b>Total</b>					<b>355,556</b>	<b>355,556</b>	<b>(147,933)</b>	<b>(144,393)</b>	<b>207,623</b>	<b>211,163</b>	<b>884</b>	<b>884</b>
Separate financial statements												
	Ownership interest (%)		Paid-up capital		Cost		Impairment		Cost – net of impairment		Dividend income	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014	2015	2014
(in thousand Baht)												
Siam Retail Development Co., Ltd.	24.00	24.00	500,000	500,000	120,000	120,000	-	-	120,000	120,000	-	-
Square Ritz Plaza Co., Ltd	24.00	24.00	125,000	125,000	30,000	30,000	-	-	30,000	30,000	-	-
Rangsit Plaza Co., Ltd.	6.56	6.56	538,890	538,890	52,500	52,500	-	-	52,500	52,500	884	884
Samakeesan (Dokya) Co., Ltd.	4.15	4.15	170,000	170,000	12,713	12,713	(12,713)	(12,713)	-	-	-	-
Central Family Mart Co., Ltd.	0.71	0.71	575,000	575,000	22,840	22,840	(17,720)	(14,180)	5,120	8,660	-	-
<b>Total</b>					<b>238,053</b>	<b>238,053</b>	<b>(30,433)</b>	<b>(26,893)</b>	<b>207,620</b>	<b>211,160</b>	<b>884</b>	<b>884</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 8 Trade accounts receivable

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Related parties	5	262,424	229,211	273,608	238,642
Other parties		<u>700,843</u>	<u>666,937</u>	<u>555,399</u>	<u>529,637</u>
		963,267	896,148	829,007	768,279
Less allowance for doubtful accounts		<u>(20,663)</u>	<u>(18,853)</u>	<u>(18,127)</u>	<u>(14,157)</u>
<b>Net</b>		<b><u>942,604</u></b>	<b><u>877,295</u></b>	<b><u>810,880</u></b>	<b><u>754,122</u></b>
Bad and doubtful debts expenses for the year (reversal)		<u>1,810</u>	<u>321</u>	<u>3,970</u>	<u>(2,420)</u>

Aging analyses for trade accounts receivable were as follows:

		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Related parties</b>					
Within credit terms		220,200	212,294	223,140	214,728
Overdue:					
Less than 1 month		16,412	12,044	23,268	17,188
1-3 months		22,795	2,707	23,842	4,307
3-12 months		2,622	528	2,947	940
Over 12 months		<u>395</u>	<u>1,638</u>	<u>411</u>	<u>1,479</u>
		262,424	229,211	273,608	238,642
Less allowance for doubtful accounts		<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>Net</b>		<b><u>262,424</u></b>	<b><u>229,211</u></b>	<b><u>273,608</u></b>	<b><u>238,642</u></b>
<b>Other parties</b>					
Within credit terms		493,546	453,013	385,203	354,664
Overdue:					
Less than 1 month		135,863	160,612	107,808	129,635
1-3 months		43,164	32,833	37,379	29,574
3-12 months		21,486	12,967	18,865	9,329
Over 12 months		<u>6,784</u>	<u>7,512</u>	<u>6,144</u>	<u>6,435</u>
		700,843	666,937	555,399	529,637
Less allowance for doubtful accounts		<u>(20,663)</u>	<u>(18,853)</u>	<u>(18,127)</u>	<u>(14,157)</u>
<b>Net</b>		<b><u>680,180</u></b>	<b><u>648,084</u></b>	<b><u>537,272</u></b>	<b><u>515,480</u></b>
<b>Total</b>		<b><u>942,604</u></b>	<b><u>877,295</u></b>	<b><u>810,880</u></b>	<b><u>754,122</u></b>

The normal credit term granted by the Group ranges from 30 days to 60 days.

# Robinson Department Store Public Company Limited

## and its Subsidiaries

### Notes to the financial statements

The currency denomination of trade accounts receivable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht (THB)	945,634	888,689	829,007	768,279
Vietnam Dong	17,633	7,459	-	-
<b>Total</b>	<b>963,267</b>	<b>896,148</b>	<b>829,007</b>	<b>768,279</b>

## 9 Other receivables

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Value added tax receivable	21,525	13,277	-	-
Prepaid expenses	99,848	49,675	65,370	36,847
Advance payments	26,436	30,349	22,610	24,438
Others	53,827	40,259	30,113	16,797
<b>Total</b>	<b>201,636</b>	<b>133,560</b>	<b>118,093</b>	<b>78,082</b>

## 10 Inventories

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Merchandise	1,932,977	1,566,464	1,520,487	1,177,625
Less allowance for shortage, damaged, obsolete and slow-moving inventories	(57,513)	(57,587)	(40,014)	(41,914)
<b>Net</b>	<b>1,875,464</b>	<b>1,508,877</b>	<b>1,480,473</b>	<b>1,135,711</b>

## 11 Investments in associates

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
At 1 January	1,507,046	1,102,433	377,818	377,818
Share of net profits of equity - accounted associates	451,382	404,112	-	-
Currency translation differences	558	501	-	-
<b>At 31 December</b>	<b>1,958,986</b>	<b>1,507,046</b>	<b>377,818</b>	<b>377,818</b>



## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

Investments in associates as at 31 December 2015 and 2014 were as follows:

Consolidated financial statements										
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Equity		
		2015	2014	2015	2014	2015	2014	2015	2014	
		(%)		(in thousand Baht)						
<i>Associates</i>										
Power Buy Co., Ltd.	Retail	Thailand	40.00	40.00	560,000	560,000	224,000	224,000	1,017,473	864,866
CRC Sports Co., Ltd.	Retail	Thailand	40.00	40.00	370,000	370,000	153,818	153,818	941,513	642,180
<b>Total</b>						<b>377,818</b>	<b>377,818</b>	<b>1,958,986</b>	<b>1,507,046</b>	
Separate financial statements										
Type of business	Country of incorporation	Ownership interest		Paid-up capital		Cost		Impairment		At cost - net
		2015	2014	2015	2014	2015	2014	2015	2014	
		(%)		(in thousand Baht)						
<i>Associates</i>										
Power Buy Co., Ltd.	Retail	Thailand	40.00	40.00	560,000	560,000	224,000	-	224,000	224,000
CRC Sports Co., Ltd.	Retail	Thailand	40.00	40.00	370,000	370,000	153,818	-	153,818	153,818
<b>Total</b>						<b>377,818</b>	<b>377,818</b>	<b>-</b>	<b>377,818</b>	<b>377,818</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

None of the Company's equity securities recorded by equity method are publicly listed and consequently do not have published price quotations.

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 summarized financial information to the carrying amount of the Group's interest in these companies.

	Power Buy Co., Ltd.		CRC Sports Co., Ltd.	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Revenue	16,926,799	16,706,776	8,266,776	7,232,608
Profit from continuing operations	381,518	403,004	748,332	608,528
Other comprehensive income	-	-	-	-
<b>Total comprehensive income</b>	<b>381,518</b>	<b>403,004</b>	<b>748,332</b>	<b>608,528</b>
Attributable to investee's shareholders	381,518	403,004	748,332	608,528
Current assets	4,306,186	3,885,409	2,960,264	2,333,167
Non-current assets	6,427,087	2,316,306	753,575	616,877
Current liabilities	(4,357,486)	(3,979,743)	(1,347,953)	(1,324,858)
Non-current liabilities	(3,832,106)	(59,808)	(12,103)	(19,735)
<b>Net assets</b>	<b>2,543,681</b>	<b>2,162,164</b>	<b>2,353,783</b>	<b>1,605,451</b>
Attributable to investee's shareholders	2,543,681	2,162,164	2,353,783	1,605,451
Group's interest in net assets of investee at 1 January	864,866	703,664	642,180	398,769
Total comprehensive income attributable to the Group	152,607	161,202	299,333	243,411
<b>Carrying amount of interest in investee at 31 December</b>	<b>1,017,473</b>	<b>864,866</b>	<b>941,513</b>	<b>642,180</b>

#### Guarantee loan issuance

In December 2014, the Board of Directors of the Company approved the issuance of a corporate guarantee in respect of a loan to Power Buy Co., Ltd. with the Hongkong and Shanghai Banking Corporation Limited. The Company has guaranteed 40% of the total loan of Baht 3,795 million, amounting to totaled Baht 1,518 million. On 7 January 2015, the Company signed the joint obligation guarantee.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### 12 Investments in subsidiaries

	<b>Separate financial statements</b>	
	2015	2014
	<i>(in thousand Baht)</i>	
At 1 January	3,967,599	3,807,549
Acquisition	-	163,050
Disposal	-	(3,000)
<b>At 31 December</b>	<b><u>3,967,599</u></b>	<b><u>3,967,599</u></b>

##### *Acquisition*

In February 2014, the Company made a new investment in 99.99% of the issued and paid up capital of ROBINSON DEPARTMENT STORE (VIETNAM) JOINT STOCK COMPANY, which is incorporated in Vietnam, for a consideration of Baht 163 million.

##### *Disposal*

In December 2014, the Company sold all investment in RD Pattana Co., Ltd. which was a subsidiary of the Company for a consideration of Baht 9.81 million. The Company recognised a gain on sale of Baht 6.82 million in the statement of comprehensive income for the year ended 31 December 2014.

##### *Increasing share capital in indirect subsidiary*

On 24 December 2015, the Extraordinary General Meeting of shareholders of an indirect subsidiary approved the issue of 2,800,000 ordinary shares, at a par value of Baht 100 per share which the Company's ownership interest remained at 49.99% shareholding.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

Investment in subsidiaries as at 31 December 2015 and 2014, were as follows:

Separate financial statements										
Type of business	Ownership interest		Paid-up capital		Cost		Impairment		At cost- net	
	2015	2014	2015	2014	2015	2014	2015	2014	2015	
(in thousand Baht)										
Subsidiaries	Investment	99.99	99.99	3,201,000	3,201,000	3,201,000	-	-	3,201,000	3,201,000
	Department Store	50.00	50.00	645,600	645,600	322,800	-	-	322,800	322,800
	Dormant Company	99.86	99.86	105,000	105,000	104,850	-	-	104,850	104,850
	Rental	99.99	99.99	100,000	100,000	100,000	-	-	100,000	100,000
	Dormant Company	99.80	99.80	75,000	75,000	74,850	-	-	74,850	74,850
	Dormant Company	99.99	99.99	1,000	1,000	999	-	-	999	999
	Investment	99.92	99.92	50	50	50	-	-	50	50
	(in thousand Baht)									
ROBINSON DEPARTMENT STORE (VIETNAM) JOINT STOCK COMPANY	Department Store	99.99	99.99	105,000,000	105,000,000	163,050	-	-	163,050	163,050
Total						3,967,599	-	-	3,967,599	3,967,599

Apart from R-Trading (L) BHD. which is incorporated in the British Virgin Islands and ROBINSON DEPARTMENT STORE (VIETNAM) JOINT STOCK COMPANY which is incorporated in Vietnam, all subsidiaries are incorporated in Thailand.

### 13 Non-controlling interests

The following table summarises the information relating to each of the Group's subsidiaries and indirect subsidiaries that has a material non-controlling interest, before any intra-group eliminations:

	31 December 2015			
	CR Nakorn Si Thammarat (Thailand) Co.,Ltd.	CR Phuket (Thailand) Co.,Ltd.	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Total
Non-controlling interest percentage	50.01	50.01		
Current assets	239,558	477,972		
Non-current assets	446,243	178,617		
Current liabilities	(217,735)	(329,447)		
Non-current liabilities	(13,273)	(3,522)		
<b>Net assets</b>	<b>454,793</b>	<b>323,620</b>		
Carrying amount of non-controlling interest	227,442	161,842	597,780	<b>987,702</b>
Revenue	688,130	1,577,977		
Profit	65,768	124,336		
Other comprehensive income	1,396	2,501		
<b>Total comprehensive income</b>	<b>67,164</b>	<b>126,837</b>		
Profit allocated to non-controlling interest	32,891	62,180	100,039	<b>194,966</b>
Other comprehensive income allocated to non-controlling interest	698	1,251	1,391	<b>3,340</b>
Cash flows from operating activities	123,915	145,530		
Cash flows from investing activities	(152,164)	(26,370)		
Cash flows from financing activities	133,814	(167,265)		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>105,565</b>	<b>(48,105)</b>		

# Robinson Department Store Public Company Limited

## and its Subsidiaries

### Notes to the financial statements

	31 December 2014			
	CR Nakorn Si Thammarat (Thailand) Co.,Ltd.	CR Phuket (Thailand) Co.,Ltd.	Other individually immaterial subsidiaries <i>(in thousand Baht)</i>	Total
Non-controlling interest percentage	50.01	50.01		
Current assets	100,525	524,346		
Non-current assets	321,274	184,933		
Current liabilities	(298,724)	(338,728)		
Non-current liabilities	(15,447)	(6,503)		
<b>Net assets</b>	<b>107,628</b>	<b>364,048</b>		
Carrying amount of non-controlling interest	53,825	182,060	537,119	773,786
Revenue	753,656	1,740,997		
Profit	77,658	167,367		
Other comprehensive income	-	-		
<b>Total comprehensive income</b>	<b>77,658</b>	<b>167,367</b>		
Profit allocated to non-controlling interest	38,837	83,700	99,024	221,548
Cash flows from operating activities	97,147	159,610		
Cash flows from investing activities	(4,330)	3,092		
Cash flows from financing activities	(76,069)	(176,115)		
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>16,748</b>	<b>(13,413)</b>		



**Robinson Department Store Public Company Limited  
and its Subsidiaries**  
Notes to the financial statements

**14 Investment properties**

		<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	<i>Note</i>	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b><i>Cost</i></b>					
At 1 January		5,879,527	3,668,886	5,129,072	2,930,129
Reclassification from property, plant and equipment	15	1,327,749	2,217,907	1,320,996	2,204,530
Disposals		(36,469)	(7,266)	(36,480)	(5,587)
<b>At 31 December</b>		<b><u>7,170,807</u></b>	<b><u>5,879,527</u></b>	<b><u>6,413,588</u></b>	<b><u>5,129,072</u></b>
<b><i>Accumulated depreciation and impairment losses</i></b>					
At 1 January		1,600,254	1,288,515	1,164,611	882,778
Depreciation charge for the year		449,126	318,559	422,601	286,974
Disposals		(36,296)	(6,820)	(35,864)	(5,141)
<b>At 31 December</b>		<b><u>2,013,084</u></b>	<b><u>1,600,254</u></b>	<b><u>1,551,348</u></b>	<b><u>1,164,611</u></b>
<b><i>Net book value</i></b>					
At 1 January		<b><u>4,279,273</u></b>	<b><u>2,380,371</u></b>	<b><u>3,964,461</u></b>	<b><u>2,047,351</u></b>
<b>At 31 December</b>		<b><u>5,157,723</u></b>	<b><u>4,279,273</u></b>	<b><u>4,862,240</u></b>	<b><u>3,964,461</u></b>

Investment properties comprise a number of commercial properties that are leased to third parties and land not used in operation. As at 31 December 2015, fair value computed by the Group's management was approximately Baht 19,886 million (2014: Baht 16,635 million) for consolidated financial statements and Baht 18,069 million (2014: Baht 15,252 million) for separate financial statements based on the Discounted Cash Flow Analysis method using key assumptions of discount rates, terminal value growth rates and EBITDA margins in computation of fair value.

**Robinson Department Store Public Company Limited  
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Notes to the financial statements**

## 15 Property, plant and equipment

[illegible]

## Notes to the financial statements

	Consolidated financial statements						Assets under construction and installation	Total
	Land and improvements	Leasehold improvements	Building, structures and improvements	Information system equipment	Building system equipment	Furniture, fixtures and office equipment		
	(in thousand Baht)							
<b><i>Accumulated depreciation and impairment losses</i></b>								
At 1 January 2014	296	687,429	1,802,433	244,999	1,687,008	991,506	4,833	5,418,504
Depreciation charge for the year	-	32,446 (190)	433,383 (11,599)	26,651 (6,654)	453,154 (11,064)	162,949 (6,827)	49 (509)	1,108,632 (36,843)
Disposals	-	-	-	-	-	-	-	-
<b>At 31 December 2014</b>	<b>296</b>	<b>719,685</b>	<b>2,224,217</b>	<b>264,996</b>	<b>2,129,098</b>	<b>1,147,628</b>	<b>4,373</b>	<b>6,490,293</b>
Depreciation charge for the year	-	20,980 (8,491)	497,161 (52,873)	28,129 (14,460)	567,482 (69,478)	178,260 (57,964)	61 -	1,292,073 (203,266)
Disposals	-	-	-	-	-	-	-	-
<b>At 31 December 2015</b>	<b>296</b>	<b>732,174</b>	<b>2,668,505</b>	<b>278,665</b>	<b>2,627,102</b>	<b>1,267,924</b>	<b>4,434</b>	<b>7,579,100</b>
<b><i>Net book value</i></b>								
At 1 January 2014	1,696,067	56,817	2,819,473	36,955	1,689,884	352,237	108	6,751,882
At 31 December 2014								
At 1 January 2015	1,836,006	55,321	3,940,879	46,617	2,001,257	373,359	122	8,670,893
At 31 December 2015	2,395,574	33,312	4,712,414	46,088	2,055,982	366,558	162	9,807,891

**Robinson Department Store Public Company Limited  
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Notes to the financial statements**

	Separate financial statements								Total
	Land and improvement	Leasehold improvement	Building, structures and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment	Assets under construction and installation	
	(in thousand Baht)								
<b>Cost</b>									
At 1 January 2014	1,620,943	693,862	3,726,527	229,254	2,888,001	1,021,229	861	85,281	10,265,958
Additions	671,106	-	366,374	27,472	232,554	105,727	63	3,657,822	5,061,118
Transfers	-	-	2,370,643	77	924,616	37,748	-	(3,333,084)	-
Transfers to investment properties	(531,695)	64	(1,187,716)	-	(485,183)	-	-	-	(2,204,530)
Disposals	-	(235)	(8,072)	(4,507)	(9,256)	(4,761)	-	-	(26,831)
<b>At 31 December 2014</b>									
<b>and 1 January 2015</b>	<b>1,760,354</b>	<b>693,691</b>	<b>5,267,756</b>	<b>252,296</b>	<b>3,550,732</b>	<b>1,159,943</b>	<b>924</b>	<b>410,019</b>	<b>13,095,715</b>
Additions	852,706	-	313,475	25,618	283,941	146,476	101	1,940,372	3,562,689
Transfers	-	-	1,634,892	1,900	646,986	22,242	-	(2,306,020)	-
Transfers to investment properties	(292,962)	(297)	(702,525)	-	(325,212)	-	-	-	(1,320,996)
Disposals	-	(7,640)	(53,796)	(8,441)	(70,206)	(57,916)	-	-	(197,999)
<b>At 31 December 2015</b>	<b>2,320,098</b>	<b>685,754</b>	<b>6,459,802</b>	<b>271,373</b>	<b>4,086,241</b>	<b>1,270,745</b>	<b>1,025</b>	<b>44,371</b>	<b>15,139,409</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

	Separate financial statements							Assets under construction and installation	Total
	Land and improvement	Leasehold improvement	Building, structures and improvement	Information system equipment	Building system equipment	Furniture, fixtures and office equipment	Transportation equipment		
				(in thousand Baht)					
<b>Accumulated depreciation and impairment losses</b>									
At 1 January 2014	-	652,255	1,123,638	197,543	1,315,283	714,936	753	-	4,004,408
Depreciation charge for the year	-	26,599	372,099	21,570	414,910	136,703	49	-	971,930
Disposals	-	(190)	(2,845)	(4,296)	(9,190)	(3,332)	-	-	(19,853)
<b>At 31 December 2014 and 1 January 2015</b>	-	<b>678,664</b>	<b>1,492,892</b>	<b>214,817</b>	<b>1,721,003</b>	<b>848,307</b>	<b>802</b>	-	<b>4,956,485</b>
Depreciation charge for the year	-	12,908	448,041	23,686	524,546	154,406	61	-	1,163,648
Disposals	-	(7,406)	(52,793)	(8,188)	(68,939)	(55,057)	-	-	(192,383)
<b>At 31 December 2015</b>	-	<b>684,166</b>	<b>1,888,140</b>	<b>230,315</b>	<b>2,176,610</b>	<b>947,656</b>	<b>863</b>	-	<b>5,927,750</b>
<b>Net book value</b>									
At 1 January 2014	1,620,943	41,607	2,602,889	31,711	1,572,718	306,293	108	85,281	6,261,550
At 31 December 2014 and 1 January 2015	1,760,354	15,027	3,774,864	37,479	1,829,729	311,636	122	410,019	8,139,230
At 31 December 2015	2,320,098	1,588	4,571,662	41,058	1,909,631	323,089	162	44,371	9,211,659

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

The gross amount of the Group's fully depreciated plant and equipment that was still in use as at 31 December 2015 amounted to Baht 3,890 million (2014: Baht 3,563 million).

The gross amount of the Company fully depreciated plant and equipment that was still in use as at 31 December 2015 amounted to Baht 2,963 million (2014: Baht 2,742 million).

### Plant and equipment under construction

During the year ended 31 December 2015, costs of the Group's and the Company's plant and equipment under construction incurred up to the reporting date was Baht 198 million (2014: Baht 422 million) and Baht 44 million (2014: Baht 410 million), respectively. Costs incurred were mainly for constructions of new stores.

## 16 Leasehold rights

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Related parties	5	1,416,335	1,495,619	1,230,620	1,291,168
Other parties		1,328,891	1,482,866	707,599	791,798
		<u>2,745,226</u>	<u>2,978,485</u>	<u>1,938,219</u>	<u>2,082,966</u>
Allowance for impairment		(85,321)	(100,390)	(85,321)	(100,390)
<b>Total</b>		<b><u>2,659,905</u></b>	<b><u>2,878,095</u></b>	<b><u>1,852,898</u></b>	<b><u>1,982,576</u></b>

Movements during the years ended 31 December 2015 and 2014 of leasehold rights are as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
(in thousand Baht)				
At 1 January	2,878,095	2,767,018	1,982,576	1,782,988
Additions	123,460	356,007	123,581	352,376
Disposal	(7,968)	-	(121,289)	-
Amortisation charge for the year	(333,682)	(244,930)	(131,970)	(152,788)
<b>At 31 December</b>	<b><u>2,659,905</u></b>	<b><u>2,878,095</u></b>	<b><u>1,852,898</u></b>	<b><u>1,982,576</u></b>

The Group and the Company entered into lease and sublease agreements to rent office buildings and department store space to operate Robinson Department Store for periods of 19-30 years. The longest agreement will expire in April 2043. The Group and the Company paid for the leasehold rights approximately Baht 6,799 million and Baht 4,229 million, respectively.

## 17 Deferred tax

Deferred tax assets and liabilities as at 31 December were as follows:

	Consolidated financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
(in thousand Baht)				
Total	180,343	237,228	(36,661)	(29,877)
Set off of tax	(22,403)	(19,855)	22,403	19,855
<b>Net deferred tax assets (liabilities)</b>	<b><u>157,940</u></b>	<b><u>217,373</u></b>	<b><u>(14,258)</u></b>	<b><u>(10,022)</u></b>

**Robinson Department Store Public Company Limited  
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**Notes to the financial statements**

	Separate financial statements			
	Assets		Liabilities	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Total	140,625	190,491	(20,430)	(16,869)
Set off of tax	(20,430)	(16,869)	20,430	16,869
<b>Net deferred tax assets</b>	<b>120,195</b>	<b>173,622</b>	<b>-</b>	<b>-</b>

Movements in total deferred tax assets and liabilities during the year ended 31 December 2015 and 2014 were as follows:

	Consolidated financial statements		
	(Charged) / credited to:		
	At 1 January 2015	Profit or loss Other comprehensive income <i>(in thousand Baht)</i>	At 31 December 2015
<b><i>Deferred tax assets</i></b>			
Trade and other accounts receivable <i>(allowance for doubtful accounts)</i>	3,808	454	4,262
Loans to related parties <i>(allowance for doubtful accounts)</i>	120,631	(37,532)	83,099
Inventories <i>(allowance for decline in value)</i>	11,076	(941)	10,135
Other long-term investments <i>(allowance for impairment)</i>	2,836	708	3,544
Leasehold rights <i>(allowance for impairment)</i>	56,268	(6,329)	49,939
Employee benefit obligations	32,796	(535)	19,806
Others <i>(deposit, advance received)</i>	9,813	(255)	9,558
<b>Total</b>	<b>237,228</b>	<b>(44,430)</b>	<b>180,343</b>
<b><i>Deferred tax liabilities</i></b>			
Available for sale investments <i>(valuation adjustment)</i>	(552)	-	(299)
Property, plant and equipment <i>(depreciation gap)</i>	(29,325)	(7,037)	(36,362)
<b>Total</b>	<b>(29,877)</b>	<b>(7,037)</b>	<b>(36,661)</b>
<b>Net</b>	<b>207,351</b>	<b>(51,467)</b>	<b>143,682</b>



## Notes to the financial statements

		Consolidated financial statements		
		(Charged) / credited to:		
	At 1 January 2014	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2014
<b>Deferred tax assets</b>				
Trade and other accounts receivable (allowance for doubtful accounts)	3,706	102	-	3,808
Loans to related parties (allowance for doubtful accounts)	118,237	2,394	-	120,631
Inventories (allowance for decline in value)	17,574	(6,498)	-	11,076
Other long-term investments (allowance for impairment)	3,200	(364)	-	2,836
Leasehold rights (allowance for impairment)	63,277	(7,009)	-	56,268
Employee benefit obligations	29,298	3,498	-	32,796
Others (deposit, advance received)	10,548	(735)	-	9,813
<b>Total</b>	<b>245,840</b>	<b>(8,612)</b>	<b>-</b>	<b>237,228</b>
<b>Deferred tax liabilities</b>				
Available for sale investments (valuation adjustment)	(332)	-	(220)	(552)
Property, plant and equipment (depreciation gap)	(21,170)	(8,155)	-	(29,325)
<b>Total</b>	<b>(21,502)</b>	<b>(8,155)</b>	<b>(220)</b>	<b>(29,877)</b>
<b>Net</b>	<b>224,338</b>	<b>(16,767)</b>	<b>(220)</b>	<b>207,351</b>
		Separate financial statements		
		(Charged) / credited to:		
	At 1 January 2015	Profit or loss (in thousand Baht)	Other comprehensive income	At 31 December 2015
<b>Deferred tax assets</b>				
Trade and other accounts receivable (allowance for doubtful accounts)	2,858	882	-	3,740
Loans to related parties (allowance for doubtful accounts)	120,631	(37,532)	-	83,099
Inventories (allowance for decline in value)	8,383	(380)	-	8,003
Other long-term investments (allowance for impairment)	2,836	708	-	3,544
Leasehold rights (allowance for impairment)	20,078	(3,014)	-	17,064
Employee benefit obligations	26,273	(621)	(9,520)	16,132
Others (deposit, advance received)	9,432	(389)	-	9,043
<b>Total</b>	<b>190,491</b>	<b>(40,346)</b>	<b>(9,520)</b>	<b>140,625</b>

**Robinson Department Store Public Company Limited  
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**Notes to the financial statements**

	At 1 January 2015	Separate financial statements (Charged) / credited to:		At 31 December 2015
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax liabilities</b>				
Available for sale investments (valuation adjustment)	(16,317)	(3,814)	-	(20,131)
Property, plant and equipment (depreciation gap)	(552)	-	253	(299)
<b>Total</b>	<b>(16,869)</b>	<b>(3,814)</b>	<b>253</b>	<b>(20,430)</b>
<b>Net</b>	<b>173,622</b>	<b>(44,160)</b>	<b>(9,267)</b>	<b>120,195</b>
	At 1 January 2014	Separate financial statements (Charged) / credited to:		At 31 December 2014
		Profit or loss (in thousand Baht)	Other comprehensive income	
<b>Deferred tax assets</b>				
Trade and other accounts receivable (allowance for doubtful accounts)	3,315	(457)	-	2,858
Loans to related parties (allowance for doubtful accounts)	118,238	2,393	-	120,631
Inventories (allowance for decline in value)	12,830	(4,447)	-	8,383
Other long-term investments (allowance for impairment)	3,200	(364)	-	2,836
Leasehold rights (allowance for impairment)	23,772	(3,694)	-	20,078
Employee benefit obligations	23,678	2,595	-	26,273
Others (deposit, advance received)	10,272	(840)	-	9,432
<b>Total</b>	<b>195,305</b>	<b>(4,814)</b>	<b>-</b>	<b>190,491</b>
<b>Deferred tax liabilities</b>				
Available for sale investments (valuation adjustment)	(332)	-	(220)	(552)
Property, plant and equipment (depreciation gap)	(11,562)	(4,755)	-	(16,317)
<b>Total</b>	<b>(11,894)</b>	<b>(4,755)</b>	<b>(220)</b>	<b>(16,869)</b>
<b>Net</b>	<b>183,411</b>	<b>(9,569)</b>	<b>(220)</b>	<b>173,622</b>

# Robinson Department Store Public Company Limited and its Subsidiaries Notes to the financial statements

## 18 Other non-current assets

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Refundable value added tax	173,126	145,968	173,126	144,662
Deferred charge	355,782	311,658	347,146	300,377
Guarantees and deposits	138,826	131,647	131,121	122,912
Restricted cash at bank	23,099	23,863	-	-
Deferred system development costs	9,318	14,488	8,846	13,656
Trademark	7,064	8,073	-	-
Others	40,036	37,241	38,371	36,911
<b>Total</b>	<b>747,251</b>	<b>672,938</b>	<b>698,610</b>	<b>618,518</b>

## 19 Interest-bearing liabilities

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
<b>Current</b>					
Short-term loans from financial institutions					
Unsecured		2,000,000	2,574,498	2,000,000	2,520,000
Short-term loans from related parties					
Unsecured	5	-	-	5,061,050	4,607,216
		<u>2,000,000</u>	<u>2,574,498</u>	<u>7,061,050</u>	<u>7,127,216</u>
<b>Non-current</b>					
Long-term loans from financial institution					
Unsecured		1,581,557	79,008	1,500,000	-
Long-term loans from related parties					
Unsecured	5	-	-	-	113,300
		<u>1,581,557</u>	<u>79,008</u>	<u>1,500,000</u>	<u>113,300</u>
<b>Total</b>		<b>3,581,557</b>	<b>2,653,506</b>	<b>8,561,050</b>	<b>7,240,516</b>

The periods to maturity of interest-bearing liabilities as at 31 December were as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Within one year	2,000,000	2,574,498	7,061,050	7,127,216
After one year but within five years	-	-	-	113,300
After five years	1,581,557	79,008	1,500,000	-
<b>Total</b>	<b>3,581,557</b>	<b>2,653,506</b>	<b>8,561,050</b>	<b>7,240,516</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

*The Company's credit facility totaling Baht 3,000 million from a commercial bank dated 6 May 2015.*

Baht term loan with interest rate payable at BIBOR plus interest margin. The interest is payable in accordance with agreement term and the principal will be paid fully within 36 months after the first drawdown.

As at 31 December 2015, the Group and the Company had unutilised credit facilities totalling Baht 9,281 million and Baht 8,893 million, respectively (2014: Baht 19,688 million and Baht 19,376 million, respectively).

The currency denomination of interest-bearing liabilities as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht	3,500,000	2,520,000	8,561,050	7,240,516
Vietnam Dong	81,557	133,506	-	-
<b>Total</b>	<b>3,581,557</b>	<b>2,653,506</b>	<b>8,561,050</b>	<b>7,240,516</b>

## 20 Trade accounts payable

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		(in thousand Baht)			
Related parties	5	394,241	287,273	257,145	190,389
Other parties		4,251,826	3,957,975	3,216,898	2,865,910
<b>Total</b>		<b>4,646,067</b>	<b>4,245,248</b>	<b>3,474,043</b>	<b>3,056,299</b>

The currency denomination of trade accounts payable as at 31 December was as follows:

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Thai Baht	4,618,059	4,217,136	3,474,043	3,056,299
Vietnam Dong	28,008	28,112	-	-
<b>Total</b>	<b>4,646,067</b>	<b>4,245,248</b>	<b>3,474,043</b>	<b>3,056,299</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 21 Other payables

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Accrued expenses		524,663	435,713	431,210	398,132
Other accounts payable		596,863	669,307	533,327	616,626
Advance from related parties	5	406,707	300,564	363,293	266,469
Deposits and advances received		1,016,538	964,680	913,859	886,176
Gift voucher payable		101,939	68,527	93,707	58,032
Others		421,903	359,672	357,442	289,651
<b>Total</b>		<b>3,068,613</b>	<b>2,798,463</b>	<b>2,692,838</b>	<b>2,515,086</b>

### 22 Employee benefit obligations

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<i>Statement of financial position</i>				
<b>Statement of financial position obligations for:</b>				
Post-employee benefit obligations	<u>99,031</u>	<u>162,103</u>	<u>80,660</u>	<u>131,365</u>
	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<i>For the year ended 31 December</i>				
<b>Statements of comprehensive income</b>				
<b>Recognised in profit or loss:</b>				
Post-employment benefits	<u>15,447</u>	<u>17,499</u>	<u>12,757</u>	<u>14,861</u>
<b>Recognised in other comprehensive income:</b>				
Actuarial gain recognised in the year	(62,273)	-	(47,598)	-

The Group and the Company operate defined benefit plans based on the requirement of Thai Labour Protection Act B.E. 2541 (1998) to provide retirement benefits to employees based on pensionable remuneration and length of service.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

Movement in the present value of the defined benefit obligations:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Defined benefit obligations at 1 January	162,103	146,489	131,365	118,389
<b>Include in profit or loss:</b>				
Benefits paid	(16,246)	(1,885)	(15,864)	(1,885)
Current service costs and interest on obligation	15,447	17,499	12,757	14,861
<b>Recognised in other comprehensive income:</b>				
Actuarial gain recognised in the year	(62,273)	-	(47,598)	-
<b>Defined benefit obligations at 31 December</b>	<b>99,031</b>	<b>162,103</b>	<b>80,660</b>	<b>131,365</b>

Actuarial gains and losses recognised in other comprehensive income arising from:

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Demographic assumptions	42,944	-	34,869	-
Financial assumptions	(2,957)	-	(2,370)	-
Experience adjustment	22,286	-	15,099	-
<b>Total</b>	<b>62,273</b>	<b>-</b>	<b>47,598</b>	<b>-</b>

#### *Actuarial assumptions*

The following were the principal actuarial assumptions at the reporting date (expressed as weighted averages).

	<b>Consolidated financial statements</b>		<b>Separate financial statements</b>	
	2015	2014	2015	2014
	<i>(%)</i>			
Discount rate	3.1	4.1	3.1	4.1
Future salary growth	4.0-8.0	5.0	4.0-8.0	5.0

Assumptions regarding future mortality have been based on published statistics and mortality tables.

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 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 statements		Separate financial statements	
	(in thousand Baht)			
Defined benefit obligation 31 December 2015	Increase	Decrease	Increase	Decrease
Discount rate (1% movement)	(9,221)	10,683	(7,558)	8,744
Future salary growth (1% movement)	10,439	(9,204)	8,545	(7,546)

Although the analysis does not take account of the full distribution of cash flows expected under the plan, it does provide an approximation of the sensitivity of the assumptions shown.

### 23 Other non-current liabilities

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
Accrued leasehold rights	10,299	10,899	-	-

### 24 Share capital

	Par value per share (in Baht)	2015		2014	
		Number	Amount	Number	Amount
(thousand shares/ thousand Baht)					
<b>Authorised</b>					
At 1 January					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847
<b>At 31 December</b>					
<b>- ordinary shares</b>	3.55	<b>1,110,661</b>	<b>3,942,847</b>	<b>1,110,661</b>	<b>3,942,847</b>
<b>Issued and paid- up</b>					
At 1 January					
- ordinary shares	3.55	1,110,661	3,942,847	1,110,661	3,942,847
<b>At 31 December</b>					
<b>- ordinary shares</b>	3.55	<b>1,110,661</b>	<b>3,942,847</b>	<b>1,110,661</b>	<b>3,942,847</b>



## **Robinson Department Store Public Company Limited and its Subsidiaries**

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

#### **25 Treasury share**

In December 2014, the Board of Directors of the Company approved a treasury share plan ('Plan') to re-purchase not more than 111,066,133 shares or 10 percent of the Company's shares then in issue. The purpose of the Plan is to manage the Company's excess liquidity. The maximum amount approved for share purchase under the Plan is Baht 100 million and the price to be paid for the shares is not to exceed 115 percent of the average closing price on the Stock Exchange of Thailand (SET) over the 5 trading days before each share purchase is made. The Company may purchase the shares through the SET during the period from 26 December 2014 to 25 June 2015. The shares purchased may be resold after 6 months but within 3 years from the date of purchase.

##### *Surplus on treasury shares*

The surplus on treasury shares represents the accumulated surplus on sale of treasury shares, net of any deficits on sale or cancellation of treasury shares. The surplus on treasury shares is not available for dividend distribution.

#### **26 Reserves**

Reserves comprise:

##### *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 registered authorised capital. The legal reserve is not available for dividend distribution.

##### *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, as well as from the translation of liabilities that hedge the Company's net investment in a foreign operation.

##### *Fair value changes in available for sale investments*

The fair value changes in available for sale investments account within equity comprise the cumulative net change in the fair value of available for sale investments until the investments are derecognised or impaired.

##### *Movements in reserves*

Movements in reserves are shown in the statements of changes in equity.

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 27 Segment information

Management considers that the Group operates in a single line of business, namely operation of department stores, and has, therefore, only one reportable segment.

#### *Geographical segments*

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

### 28 Investment income

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b><i>Rental income</i></b>					
Operating lease rental income:					
Investment properties		2,533,783	1,833,143	2,164,855	1,479,873
<b><i>Dividend income</i></b>					
Subsidiary		-	-	1,395	-
Other party		884	884	884	884
<b><i>Interest income</i></b>					
Subsidiaries	5	-	-	8,007	12,048
Other parties		19,204	24,023	11,515	12,462
<b>Total</b>		<b>2,553,871</b>	<b>1,858,050</b>	<b>2,186,656</b>	<b>1,505,267</b>

### 29 Other income

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	<i>(in thousand Baht)</i>			
Utility income	389,447	333,122	318,171	257,158
Promotion and advertising income	248,146	235,482	230,459	216,999
Bad debt recovery	-	-	183,250	-
Management fee income	27,249	27,050	181,930	178,564
Compensation from prosecution	61,730	-	61,730	-
Gain from sale of securities	2,028	8,392	2,028	8,392
Reversal of allowance for impairment of investments	-	6,227	-	1,820
Others	294,976	249,728	249,760	211,197
<b>Total</b>	<b>1,023,576</b>	<b>860,001</b>	<b>1,227,328</b>	<b>874,130</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### 30 Selling expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Employee benefit expenses	32	1,207,821	1,079,517	949,890	822,692
Sales promotion expenses		579,710	531,947	462,440	402,105
Utility expenses		1,087,610	949,843	889,009	744,458
Depreciation and amortisation		1,946,582	1,666,566	1,700,756	1,405,151
Building expenses		587,285	533,953	428,758	390,081
Others		545,543	493,497	427,044	369,338
<b>Total</b>		<b>5,954,551</b>	<b>5,255,323</b>	<b>4,857,897</b>	<b>4,133,825</b>

#### 31 Administrative expenses

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
Employee benefit expenses	32	481,088	400,488	462,053	388,278
Management fee expenses		154,691	154,562	136,721	132,685
Property tax expenses		127,841	100,974	112,635	86,342
Depreciation and amortisation		42,445	44,047	40,640	40,134
Maintenance expenses		43,095	35,042	31,152	22,737
Others		427,324	337,404	359,291	282,754
<b>Total</b>		<b>1,276,484</b>	<b>1,072,517</b>	<b>1,142,492</b>	<b>952,930</b>

#### 32 Employee benefit expenses

		Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		<i>(in thousand Baht)</i>			
<b>Management</b>					
Wages and salaries		57,989	50,160	57,989	50,160
Contribution to provident fund		2,235	1,373	2,235	1,373
Others		36,583	32,982	35,883	32,262
		<b>96,807</b>	<b>84,515</b>	<b>96,107</b>	<b>83,795</b>
<b>Other employees</b>					
Wages and salaries		1,068,614	951,848	883,245	764,253
Contribution to provident fund		13,652	12,180	12,125	10,610
Others		509,836	431,462	420,466	352,312
		<b>1,592,102</b>	<b>1,395,490</b>	<b>1,315,836</b>	<b>1,127,175</b>
<b>Total</b>		<b>1,688,909</b>	<b>1,480,005</b>	<b>1,411,943</b>	<b>1,210,970</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### Defined contribution plans

The defined contribution plan comprises a provident fund established by the Group for its employees. Membership to the fund is on a voluntary basis. Contributions are made monthly by the employees at rates 3% and 5% of their basic salaries and by the Group at rates 3% and 5% of the employees' basic salaries. The provident fund is registered with the Ministry of Finance as a juristic entity and is managed by a licensed Fund Manager.

### 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	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>Include in cost of sales of goods :</b>				
Changes in merchandises	369,603	(191,942)	342,862	(122,265)
<b>Included in selling expenses:</b>				
Depreciation	1,714,692	1,399,808	1,559,839	1,232,065
Amortisation of intangible assets	231,890	266,759	140,917	173,086
Employee benefit expenses	1,207,821	1,079,517	949,890	822,692
<b>Included in administrative expenses:</b>				
Depreciation	26,507	27,383	26,410	26,839
Amortisation of intangible assets	15,938	16,663	14,230	13,295
Employee benefit expenses	481,088	400,488	462,053	388,278
Management fee expenses	154,691	154,562	136,721	132,685

### 34 Finance costs

	Note	Consolidated financial statements		Separate financial statements	
		2015	2014	2015	2014
		(in thousand Baht)			
<b>Interest expense</b>					
Related parties	5	-	-	114,158	95,258
Other parties		79,090	40,293	70,355	38,854
<b>Total</b>		<b>79,090</b>	<b>40,293</b>	<b>184,513</b>	<b>134,112</b>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 35 Income tax expense

#### Income tax recognised in profit or loss

		Consolidated financial statements		Separate financial statements	
	Note	2015	2014	2015	2014
(in thousand Baht)					
<b>Current tax expense</b>					
Current year		482,595	432,240	301,240	241,354
Adjustment for prior years over		(88)	(635)	(446)	(527)
		<u>482,507</u>	<u>431,605</u>	<u>300,794</u>	<u>240,827</u>
<b>Deferred tax expense</b>					
Movements in temporary differences	17	<u>51,467</u>	<u>16,767</u>	<u>44,160</u>	<u>9,569</u>
<b>Total income tax expense</b>		<u>533,974</u>	<u>448,372</u>	<u>344,954</u>	<u>250,396</u>

#### Income tax recognised in other comprehensive income

	Consolidated financial statements					
	2015			2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax expense	Net of tax
<i>(in thousand Baht)</i>						
Change in fair value of Available-for-sale investments	(1,265)	253	(1,012)	1,101	(220)	881
Defined benefit plan actuarial gains	62,273	(12,455)	49,818	-	-	-
<b>Total</b>	<u>61,008</u>	<u>(12,202)</u>	<u>48,806</u>	<u>1,101</u>	<u>(220)</u>	<u>881</u>

	Separate financial statements					
	2015			2014		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax expense	Net of tax
<i>(in thousand Baht)</i>						
Change in fair value of Available-for-sale investments	(1,265)	253	(1,012)	1,101	(220)	881
Defined benefit plan actuarial gains	47,598	(9,520)	38,078	-	-	-
<b>Total</b>	<u>46,333</u>	<u>(9,267)</u>	<u>37,066</u>	<u>1,101</u>	<u>(220)</u>	<u>881</u>

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### Reconciliation of effective tax rate

	Consolidated financial statements			
	Rate	2015	Rate	2014
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit before income tax expense		2,881,977		2,597,408
Income tax using the Thai corporation tax rate	20	576,396	20	519,482
Difference in effective tax rate of share of profit of equity-accounted investees		(90,276)		(80,823)
Income not subject to tax		(1,021)		(877)
Expenses not deductible for tax purposes		40,385		6,581
Expenses with additional deduction for tax purposes		(9,208)		(10,200)
Current year losses for which no deferred tax asset was recognised		17,786		14,844
Over provided in prior year		(88)		(635)
<b>Total</b>	<b>18.5</b>	<b>533,974</b>	<b>17.3</b>	<b>448,372</b>

	Separate financial statements			
	Rate	2015	Rate	2014
	(%)	(in thousand Baht)	(%)	(in thousand Baht)
Profit before income tax expense		1,760,128		1,275,103
Income tax using the Thai corporation tax rate	20	352,025	20	255,021
Income not subject to tax		(456)		(363)
Expenses not deductible for tax purposes		2,181		2,423
Expenses with additional deduction for tax purposes		(8,350)		(6,158)
Over provided in prior year		(446)		(527)
<b>Total</b>	<b>19.6</b>	<b>344,954</b>	<b>19.6</b>	<b>250,396</b>

### Income tax reduction

Royal Decree No. 577 B.E. 2557 dated 10 November 2014 grants the reduction of the corporate income tax rate to 20% of net taxable profit for the accounting period 2015 which begins on or after 1 January 2015.

On 22 January 2016, The National Legislative Assembly has approved a reduction of the statutory corporate income tax rate from 30% to 20% of net taxable profit for the accounting period which begins on or after 1 January 2016.

The Group has applied the tax rate of 20% in measuring deferred tax assets and liabilities as at 31 December 2015 and 2014 in accordance with the clarification issued by the FAP in 2012.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

#### 36 Basic earnings per share

The calculations of basic earnings per share for the years ended 31 December 2015 and 2014 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	
	2015	2014	2015	2014
	<i>(in thousand Baht / thousand shares)</i>			
<b>Profit for the year attributable to ordinary shareholders of the Company (basic)</b>	<b><u>2,153,037</u></b>	<b><u>1,927,488</u></b>	<b><u>1,415,174</u></b>	<b><u>1,024,708</u></b>
<b>Number of ordinary shares outstanding (basic)</b>	<b><u>1,110,661</u></b>	<b><u>1,110,661</u></b>	<b><u>1,110,661</u></b>	<b><u>1,110,661</u></b>
<b>Basic earnings per share (in Baht)</b>	<b><u>1.94</u></b>	<b><u>1.74</u></b>	<b><u>1.27</u></b>	<b><u>0.92</u></b>

#### 37 Dividends

At the annual general meeting of the shareholders of the Company held on 8 April 2015, the shareholders approved the appropriation of dividends of Baht 0.90 per share, amounting to Baht 999.6 million. The dividend was paid to shareholders during 2015.

At the annual general meeting of the shareholders of the Company held on 3 April 2014, the shareholders approved the appropriation of dividends of Baht 0.90 per share, amounting to Baht 999.6 million. The dividend was paid to shareholders during 2014.

#### 38 Financial instruments

##### *Financial risk management policies*

The Group is exposed to normal business risks from changes in market interest rates and from non-performance of contractual obligations by counterparties. The Group does not hold or issue derivative financial instruments for speculative or trading purposes.

Risk management is integral to the whole business of the Group. The Group has a system of controls in place to create an acceptable balance between the cost of risks occurring and the cost of managing the risks. The management continually monitors the Group's risk management process to ensure that an appropriate balance between risk and control is achieved.

##### *Capital management*

The Board's policy is to maintain a strong capital base so as to maintain investor, creditor and market confidence and to sustain future development of the business. The Board monitors the return on capital which the Group defines as result from operating activities divided by total shareholders' equity, excluding non-controlling interests and also monitors the level of dividends to ordinary shareholders.

##### *Interest rate risk*

Interest rate risk is the risk that future movements in market interest rates will affect the results of the Group's operations and its cash flows. The Group is primarily exposed to interest rate risk from its interest-bearing liabilities (note 19).



# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

The effective interest rates of loans receivable as at 31 December and the periods in which the loans receivable mature or re-price were as follows:

	Effective interest rate (% per annum)	Separate financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2015</b>					
<b>Current</b>					
Short-term loans to related parties	2.65	145,079	-	-	145,079
<b>Non-current</b>					
Long-term loan to related party	2.65	-	-	61,224	61,224
<b>Total</b>		<b>145,079</b>	<b>-</b>	<b>61,224</b>	<b>206,303</b>
<b>2014</b>					
<b>Current</b>					
Short-term loans to related party	3.00	332,726	-	-	332,726
<b>Non-current</b>					
Long-term loan to related party	6.00	-	-	61,224	61,224
<b>Total</b>		<b>332,726</b>	<b>-</b>	<b>61,224</b>	<b>393,950</b>

The effective interest rates of interest-bearing financial liabilities as at 31 December and the periods in which those liabilities mature or re-price were as follows:

	Effective interest rate (% per annum)	Consolidated financial statements			Total
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	
<b>2015</b>					
<b>Current</b>					
Short-term loans from financial institutions	1.85	2,000,000	-	-	2,000,000
<b>Non-current</b>					
Long-term loans from financial institution	2.36-2.55	-	1,500,000	81,557	1,581,557
<b>Total</b>		<b>2,000,000</b>	<b>1,500,000</b>	<b>81,557</b>	<b>3,581,557</b>

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

	Effective interest rate (% per annum)	Consolidated financial statements			
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
<b>2014</b>					
<b>Current</b>					
Short-term loans					
from financial institutions	2.40-2.55	2,574,498	-	-	2,574,498
<b>Non-current</b>					
Long-term loans					
from financial institution	2.55	-	-	79,008	79,008
<b>Total</b>		<b>2,574,498</b>	<b>-</b>	<b>79,008</b>	<b>2,653,506</b>

	Effective interest rate (% per annum)	Separate financial statements			
		Within 1 year	After 1 year but within 5 years (in thousand Baht)	After 5 years	Total
<b>2015</b>					
<b>Current</b>					
Short-term loans					
from financial institutions	1.85	2,000,000	-	-	2,000,000
Short-term loans					
from related parties	2.83-2.98	5,061,050	-	-	5,061,050
<b>Non-current</b>					
Long-term loan					
from financial institutions	2.36-2.37	-	1,500,000	-	1,500,000
<b>Total</b>		<b>7,061,050</b>	<b>1,500,000</b>	<b>-</b>	<b>8,561,050</b>

<b>2014</b>					
<b>Current</b>					
Short-term loans					
from financial institutions	2.40-2.55	2,520,000	-	-	2,520,000
Short-term loans					
from related parties	2.87	4,607,216	-	-	4,607,216
<b>Non-current</b>					
Long-term loan from					
related party	2.00	-	113,300	-	113,300
<b>Total</b>		<b>7,127,216</b>	<b>113,300</b>	<b>-</b>	<b>7,240,516</b>

#### Foreign currency risk

The Group is exposed to foreign currency risk relating to foreign subsidiaries.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

At 31 December, the Group was exposed to foreign currency risk in respect of financial assets and liabilities denominated in the following currencies:

	Note	Consolidated financial statements	
		2015	2014
<i>Vietnam Dong</i>		<i>(in thousand Baht)</i>	
Cash and cash equivalents	6	10,771	109,622
Trade accounts receivable	8	17,633	7,459
Interest-bearing liabilities	19	(81,557)	(133,506)
Trade accounts payable	20	(28,008)	(28,112)
<b>Gross balance sheet exposure</b>		<b>(81,161)</b>	<b>(44,537)</b>

#### *Credit risk*

Credit risk is the potential financial loss resulting from the failure of a customer or counterparty to settle its financial and contractual obligations to the Group as and when they fall due.

Management has a credit policy in place and the exposure to credit risk is monitored on an ongoing basis. Credit evaluations are performed on all customers requiring credit over a certain amount. At the reporting date, there were no significant concentrations of credit risk. The maximum exposure to credit risk is represented by the carrying amount of each financial asset in the statement of financial position. However, due to the large number of parties comprising the Group's customer base, management does not anticipate material losses from its debt collection.

#### *Liquidity risk*

The Group monitors its liquidity risk and maintains a level of cash and cash equivalents deemed adequate by management to finance the Group's operations and to mitigate the effects of fluctuations in cash flows.

#### *Fair values of financial assets and liabilities*

A number of the Group's accounting policies and disclosures require the determination of fair value, for both financial and non-financial assets and liabilities. The fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. Fair values have been determined for measurement and/or disclosure purposes based on the following methods. When applicable, further information about the assumptions made in determining fair values is disclosed in the notes specific to that asset or liability.

The fair value of trade account receivables and payables, other short-term receivables and payables is taken to approximate the carrying value.

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

Fair values of financial assets and liabilities, together with the carrying values shown in the consolidated and separate statement of financial position as at 31 December were as follows:

		Consolidated financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Non-current					
Other investment - equity					
security available for sales	31,676	-	31,676	-	31,676
Loans from financial institutions	(1,581,557)	-	-	(1,581,557)	(1,581,557)
		Separate financial statements			
	Carrying amount	Fair value			
		Level 1	Level 2	Level 3	Total
		(in thousand Baht)			
31 December 2015					
Non-current					
Other investment - equity					
security available for sales	31,676	-	31,676	-	31,676
Loans from financial institutions	(1,500,000)	-	-	(1,500,000)	(1,500,000)

### Financial instruments carried at fair value

#### Fair value hierarchy

The table above analyses recurring fair value measurements for financial assets. These fair value measurements are categorised into different levels in the fair value hierarchy based on the inputs to valuation techniques used. The different levels are defined as follows.

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities that the Group can access at the measurement date.
- Level 2: inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: unobservable inputs for the asset or liability.

The Group determines level 2 fair values for equity securities by referring net assets values promulgated by such funds.

### Financial instruments not measured at fair value

Type	Valuation technique	Significant unobservable inputs
Long term loan from financial institution	Discounted cash flows	Discounted rate

# Robinson Department Store Public Company Limited and its Subsidiaries

## Notes to the financial statements

### 39 Commitments with non-related parties

	Consolidated financial statements		Separate financial statements	
	2015	2014	2015	2014
	(in thousand Baht)			
<b>(a) Capital commitments</b>				
Contracted but not provided for				
leasehold rights	14,000	15,000	-	-
Buildings and other constructions	100,616	584,318	15,062	582,450
<b>Total</b>	<b>114,616</b>	<b>599,318</b>	<b>15,062</b>	<b>582,450</b>
<b>(b) Non-cancellable operating     lease commitments</b>				
Within one year	237,013	219,145	185,478	163,652
After one year but within five years	952,602	914,267	739,293	683,995
After five years	2,089,802	2,105,633	1,451,685	1,388,185
<b>Total</b>	<b>3,279,417</b>	<b>3,239,045</b>	<b>2,376,456</b>	<b>2,235,832</b>

The Group has lease agreements covering rental and service agreements with several local companies. These agreements are for periods up to 2043.

### 40 Event after the reporting period

At the Board of Director meeting of the Company held on 18 February 2016, the Board approved the appropriation of dividends based on the operating profit for the year 2015 of Baht 1.00 per share, amounting to Baht 1,110.7 million.

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

The Group has not adopted the new and revised TFRS that have been issued as of the reporting date but are not yet effective. Those new and revised TFRS that are applicable to the Group's operations, which become effective for annual financial periods beginning on or after 1 January 2016 in the year indicated in the following table, are as follows:

TFRS	Topic	Year effective
TAS 1 (revised 2015)	Presentation of Financial Statements	2016
TAS 2 (revised 2015)	Inventories	2016
TAS 7 (revised 2015)	Statement of Cash Flows	2016
TAS 8 (revised 2015)	Accounting Policies, Changes in Accounting Estimates and Errors	2016
TAS 10 (revised 2015)	Events after the Reporting Period	2016
TAS 12 (revised 2015)	Income Taxes	2016
TAS 16 (revised 2015)	Property, Plant and Equipment	2016
TAS 17 (revised 2015)	Leases	2016
TAS 18 (revised 2015)	Revenue	2016
TAS 19 (revised 2015)	Employee Benefits	2016
TAS 21 (revised 2015)	The Effects of Changes in Foreign Exchange Rates	2016
TAS 23 (revised 2015)	Borrowing Costs	2016
TAS 24 (revised 2015)	Related Party Disclosures	2016

## Robinson Department Store Public Company Limited and its Subsidiaries

### Notes to the financial statements

<b>TFRS</b>	<b>Topic</b>	<b>Year effective</b>
TAS 26 (revised 2015)	Accounting and Reporting by Retirement Benefit Plans	2016
TAS 27 (revised 2015)	Separate Financial Statements	2016
TAS 28 (revised 2015)	Investments in Associates and Joint Ventures	2016
TAS 33 (revised 2015)	Earnings per Share	2016
TAS 34 (revised 2015)	Interim Financial Reporting	2016
TAS 36 (revised 2015)	Impairment of Assets	2016
TAS 37 (revised 2015)	Provisions, Contingent Liabilities and Contingent Assets	2016
TAS 38 (revised 2015)	Intangible Assets	2016
TAS 40 (revised 2015)	Investment Property	2016
TFRS 3 (revised 2015)	Business Combinations	2016
TFRS 8 (revised 2015)	Operating Segments	2016
TFRS 10 (revised 2015)	Consolidated Financial Statements	2016
TFRS 11 (revised 2015)	Joint Arrangements	2016
TFRS 12 (revised 2015)	Disclosure of Interests in Other Entities	2016
TFRS 13 (revised 2015)	Fair Value Measurement	2016
TSIC 15 (revised 2015)	Operating Leases - Incentives	2016
TSIC 27 (revised 2015)	Evaluating the Substance of Transactions Involving the Legal Form of a Lease	2016
TFRIC 1 (revised 2015)	Changes in Existing Decommissioning, Restoration and Similar Liabilities	2016
TFRIC 4 (revised 2015)	Determining whether an Arrangement contains a Lease	2016
TFRIC 10 (revised 2015)	Interim Financial Reporting and Impairment	2016
TFRIC 13 (revised 2015)	Customer Loyalty Programmes	2016

The Group has made a preliminary assessment of the potential initial impact on the consolidated and separate Company's financial statements of these new and revised TFRS and expects that there will be no material impact on the financial statements in the period of initial application.

