



ANNUAL REPORT 2018

AP HAPPINESS 😊



THE BEST SPACE IS ONE WE SHARE.

The equation of AP Space considers more variables than having a renowned designer. AP Space values more than modern technology or AI assisted facilities. But AP Space is the space where you can create your own happy stories, where you can share your collective joy with your loved ones or your neighbors. Every happiness of yours is the reason we keep creating the best space of all time.

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TRANSACTION

THE BEST SPACE IS ONE WE SHARE.







AP HAPPINESS 😊







THE BEST SPACE IS ONE WE SHARE.

AP HAPPINESS 😊





NAVIGATING HAPPINESS

THE BEST SPACE IS ONE WE SHARE.



Have you ever noticed those children? Children who live in the dark place and seem to have no visibility in the society. AP Thailand together with SATI foundation open a new "space of opportunities" for at-risk youths; the space that will navigate them to find their happiness. NAVIGATING HAPPINESS is the project where at-risk youths receive trainings in 4 creative fields: dancing, cooking, rapping and photography. This learning will help them develop skills, find their passion in life, and hopefully inspire them to develop these into future careers.

NAVIGATING HAPPINESS

THE BEST SPACE IS ONE WE SHARE.

Expressing emotions
through dancing



Composing thoughts
into rap music



NAVIGATING HAPPINESS

THE BEST SPACE IS ONE WE SHARE.

Express creativity
through cooking



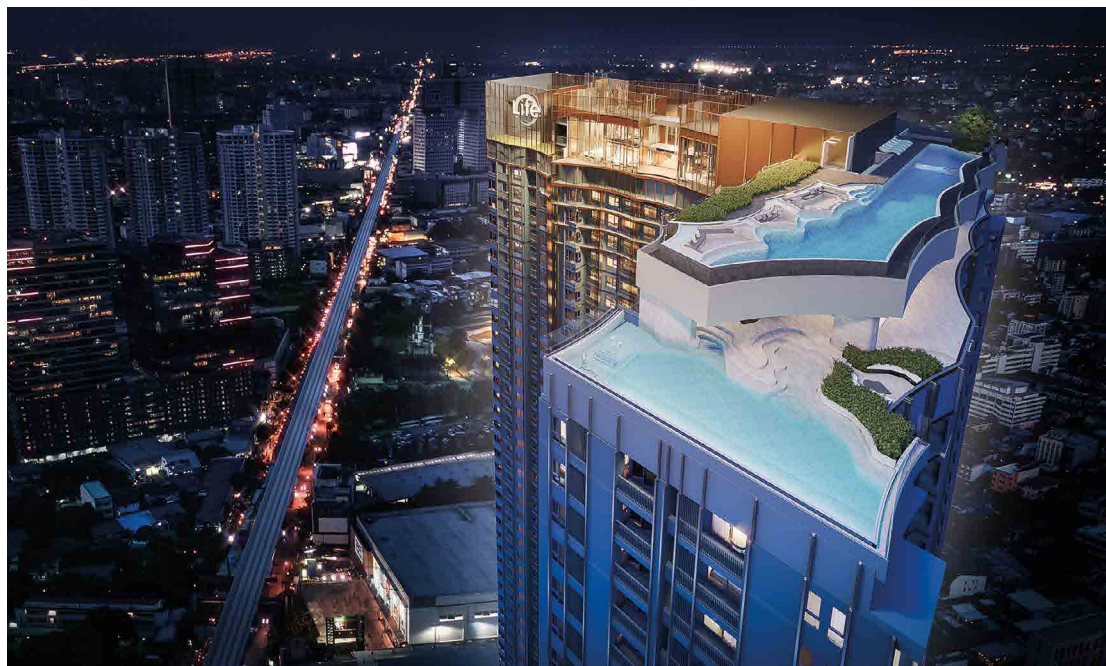
Recording emotions
with photography





Platform of Success





บ้านกลางเมือง



— NO.1 HI-END TOWNHOME —



Pleno

PREMIUM TOWNHOME



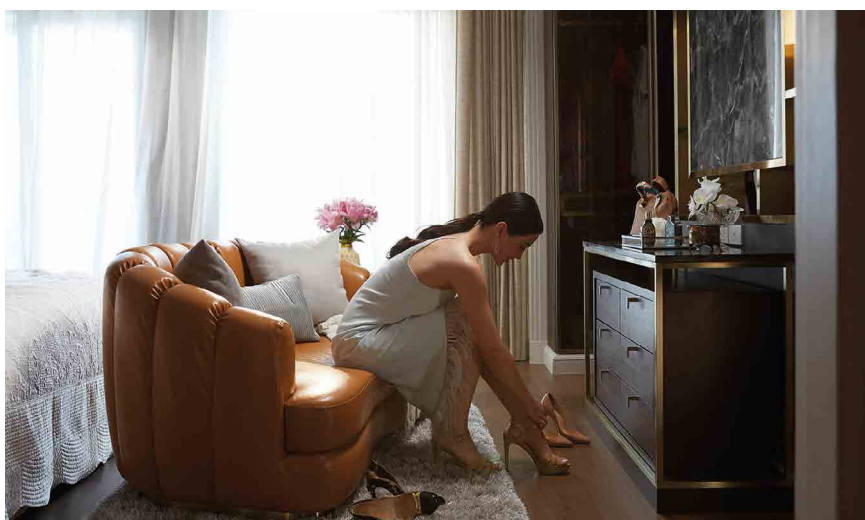
CENTRO

Space Complete Life



THE
CITY

Where Function Meets Luxury





THE PALAZZO

Masterpiece For Generations



2018 The Year of Achievements

AP Thailand acclaims the most successful property developer position, winning total of 14 most outstandingly prestigious awards from both national and international enterprises.



BCI ASIA
INTERIOR DESIGN

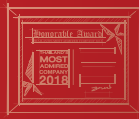
THE INTERNATIONAL
DESIGN & ARCHITECTURE



ASIA'S MOST
INFLUENTIAL COMPANIES



BEST BRAND
PERFORMANCE
BY PLATFORM



THAILAND'S MOST
ADMIRABLE COMPANY



BEST DEVELOPER
THAILAND



ASIA'S BEST CONDO
DEVELOPMENT



ASIA'S RESPONSIBLE
ENTREPRENEURSHIP



BEST DEVELOPER
THAILAND

OUR AWARDS



1



2

1. **Thailand Property Award 2011**
Real Estate Personality of the Year (2011)
Mr. Anupong Assavabhokhin

2. **Thailand Property Awards 2009**
Best Condo Development (Bangkok)
The Address Chidlom



3



4



5

3. **Agency for Real Estate Affairs 2011**
Best Single Detached House Project
The Palazzo

4. **Thailand Property Award**
Real Estate Personality of the Year (2011)
Mr. Anupong Assavabhokhin

5. **Securities Analysts Association 2010**
Best CEO of Property and Construction Sector
Mr. Anupong Assavabhokhin



6



7

6. **Thailand Property Awards 2011**
Best Affordable Condo Development (Bangkok)
Rhythm Ratchada

7. **Securities Analysts Association 2010**
Best IR of Property and Construction Sector
Mr. Pumipat Sinacharoen

8. **The Stock Exchange of Thailand 2005**
Best Corporate Governance Report



8



9

9. **Cannes Lions 2017**
Grand Prix Award



1



2

1. **Thailand Property Awards 2014**
Highly Commended
Best Developer
AP (Thailand) Public Company Limited

2. **Awards for Listed Companies 2014**
Best CEO
Property and Construction Sector
Mr. Anupong Assavabhokhin
Investment Analysis Association



3



4



5

3. **Thailand Property Awards 2014**
Winner
Best Housing Development (Bangkok)
Soul Ratchadaphisek 68
by AP (Thailand) Public Company Limited

4. **Thailand Zocial Awards 2016**
The Most Popular Brand on Twitter

5. **Thailand Property Awards 2015**
Highly Commended
Best Housing Development (Bangkok)
DISTRICT SRIWARA
by AP (Thailand) Public Company Limited



6



7

6. **Asia Responsible Entrepreneurship Awards (AREA)**
Investment in People category

7. **2014 South East Asia Property Awards**
Highly Commended
Best Villa Development (Thailand)
Soul Ratchadaphisek 68
by AP (Thailand) Public Company Limited



8



9

8. **Award for 2015/2016**
Industry: Property & Construction
Mr. Anupong Assavabhokhin
AP (Thailand) Public Company Limited

9. **SET Awards 2015**
Outstanding Investor Relations Awards
SET market capitalization
of THB 10 bln. – THB 30 bln.
AP (Thailand) Public Company Limited



CEO TALK

AP WORLD

A VISION FOR QUALITY OF LIFE

As we all know, the past 1-2 years many businesses have faced several uncertainties - domestic and international. And the advance of technology, which is faster than in the past, has led to what is known as technology disruption or digital disruption as some people prefer to call. Adding to the issues was fierce industry competition pressuring the business sector to work harder and to get better and better.

For AP, we saw these challenges as an opportunity. They made us work hard to develop our organization to be better, to develop our people to be greater and to improve our products to be better. As a result, we were strengthened and able to achieve our goals, particularly in 2018. Our achievements were in three main areas.

First, in 2018 the overall business operations of AP experienced a phenomenal growth with total revenues reaching Bht 38,020 million (include 100% of joint venture projects), an increase of 30% on the previous year. Total presales of condominiums and low-rise products were Bht 41,298 million, well above projected Bht 39,800 million, due to a success in every product category, whether it be condominium, single detached house or townhome.

Second, 2018 was the year AP garnered the largest number ever of awards from many institutions, local and international, all recognized the quality of the projects we developed and our organization. Among the awards we received were Asia's Most Influential Company of 2018 at The Asia Corporate Excellence & Sustainability Awards and Asia's Best Condominium Developer of 2018 at Asia Property Awards. We were also voted Most Admired Company of 2018 in the real estate industry.

Third, which is very important, we were successful in every business we operates. The property agent known by the name BC, which provides a full range of property brokerage covering sale and rental in Thailand and overseas, experienced a jump in growth with the value of properties brokered reached Bht 12,000 million. Our property management business under the name SMART also grew considerably last year. SMART looks after more than 55,000 families of home-buyers at more than 200 projects developed by AP and other developers.

I have always said that success is the past. But looking forward, digital disruption has unexpectedly advanced technology. And we wonder if a strategy developed last year would still make us

succeed the following year. Is our traditional vision of being a space expert for living satisfaction still sufficient or is it too narrow now ? That has brought us a major shift into a new business dimension with a new vision to be a provider of quality of life. Under the AP World, A New Vision of Quality of Life concept, we have created a blueprint for tomorrow's good life quality complete with an eco-system we have constantly developed as we look to be the first to build a world of good quality of life.

To ensure a sustainable competitive advantage, we have launched 3 new disruptive businesses, namely 1) VAARI which provides an eco-system to support quality of life management 2) CLAYMORE which creates and drives design innovations to meet unmet needs of home-buyers and 3) SEAC which disrupts the approach to learning of people in organizations and people in society at large through new processes in collaboration with a world-class institution. These 3 new businesses form a key jigsaw that will allow us to fulfill the vision to provide good quality of life as we further strengthen with our core real estate businesses and subsidiaries.

The challenges of a disruptive world are still waiting for us. But we believe that our broadened vision to provide quality of life and to diversify into areas beyond real estate will lead AP Thailand into a new chapter of history on a steady, sustainable footing. In the end, all innovations or eco-systems developed will benefit everybody, not just AP customers.

On behalf of AP (Thailand) Public Co., Ltd., I would like to thank all shareholders, including holders of our debentures, as well as our partners for the continued confidence and support. I look forward to continuing moving forward together on our path to success.



Anuphong Assavabhokhin
Chief Executive Officer

BOARD OF DIRECTORS



Mr. Pichet Vipavasuphakorn
Managing Director



Mr. Anuphong Assavabhokhin
Chief Executive Officer
and Vice Chairman



Mr. Siripong Sombutsiri
Executive Director



Assoc. Prof. Dr. Naris Chaiyasoot
Chairman of the Board
and Independent Director



Mr. Wason Naruenatpaisan
Executive Director



Ms. Kittiya Pongpujaneegul
Executive Director

BOARD OF DIRECTORS



Mr. Visanu Suchatlumpong
Executive Director



Mr. Phanporn Dabbaransi
Chairman of Audit Committee
and Independent Director



Mr. Nontachit Tulayanonda
Audit Committee Member
and Independent Director



Mr. Kosol Suriyaporn

Chairman of Corporate Governance and Risk Management Committee, Audit Committee Member and Independent Director

Mr. Pornwut Sarasin

Chairman of Nomination and Remuneration Committee and Independent Director

Mr. Yokporn Tantisawetrat

Independent Director

Mr. Somyod Suteerapornchai

Audit Committee Member and Independent Director

MANAGEMENT TEAM



Mr. Wason Naruenatpaisan
Chief Strategic Property
Investment Officer



Mr. Pamorn Prasertsan
Chief Business Group : TH & CD 2



Mr. Ratchayud Nunthachotsophol
Chief Business Group : SDH



Mr. Somchai Wattanasaowapak
Chief Information Technology Officer



Mr. Vittakarn Chandavimol
Chief Corporate Strategy and
Creation



Mr. Boonchai Jankrajanglerd
Chief Supply Chain Officer



Mr. Worrapong Virojtananugoon
Deputy Chief Business Group: TH



Ms. Kamolthip Bumrungratudom
Deputy Chief Business Group : CD1



Mrs. Kultipa Tinnakornsrirupap
Deputy Chief Financial Officer



Mr. Pattaraphurit Rungjaturapat
Deputy Chief Digital Transformation
and Disruption



Mr. Songpon Busparoek
Deputy Chief Information Technology



Ms. Tippawan Sirikoon
Deputy Chief People Officer



Mr. Thanit Paiboon
Managing Director (SQE)



Mr. Giknarongpol Hathamontol
Managing Director (SSM)



Mr. Kayon Tantichatiwat
Managing Director (BC)

CORPORATE SECRETARY



Mr. Pramart Kwanchuen
Head of Corporate Legal Counselor

COMPREHENSIVE PROPERTY SERVICES

Beyond space innovation, AP Thailand is also focused on meeting residents' and investors' need through a range of affiliates.



Bangkok CitiSmart

An investment consultant specializing in real estate and helping you maximize your investment.



AP Fix It

A high-quality, reliable home maintenance service.



SQE Construction

Providing quality construction on AP's expanding building projects.



Smart Service Management Property Management

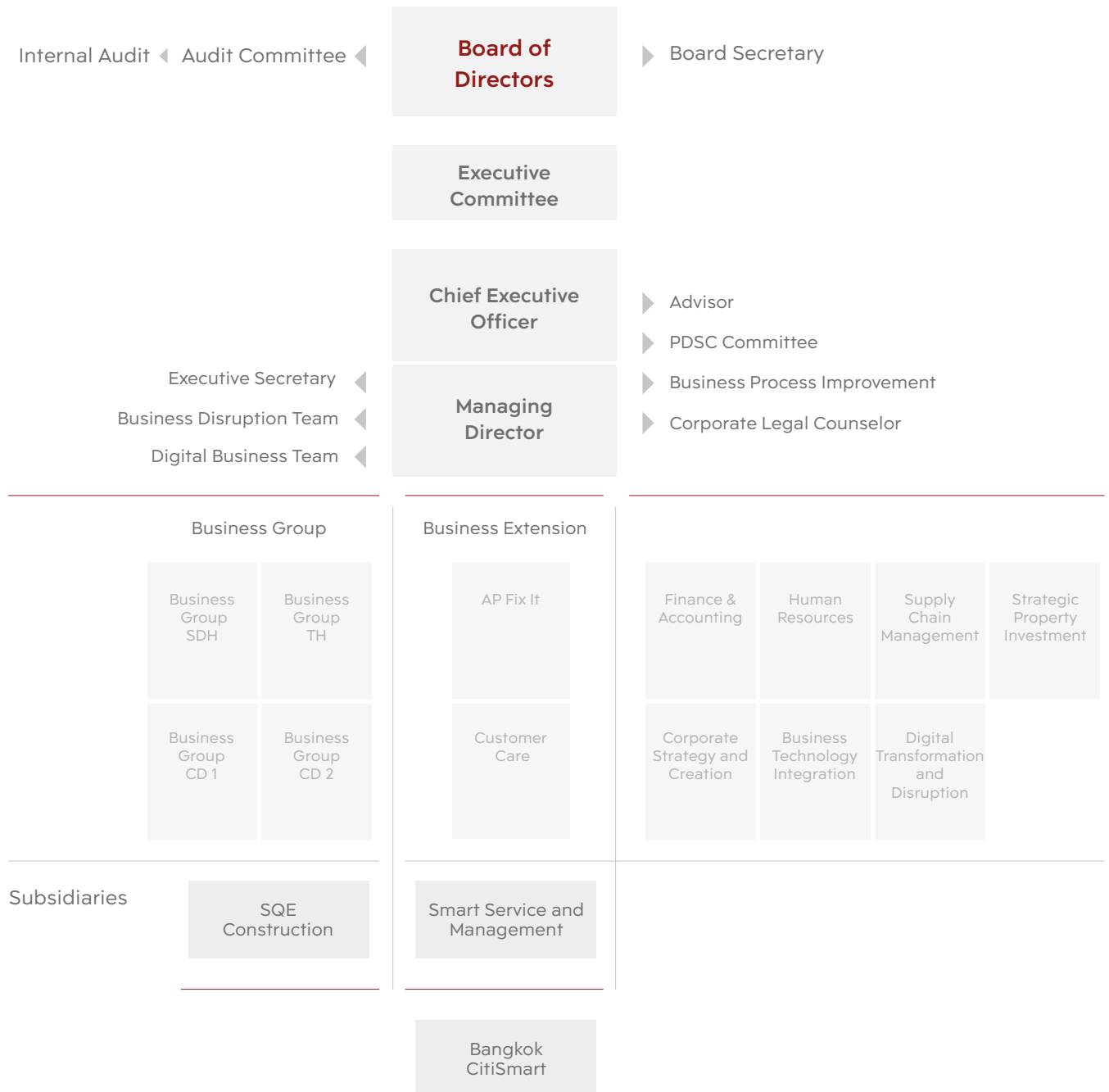
A professional real estate management company committed to serving AP Communities.

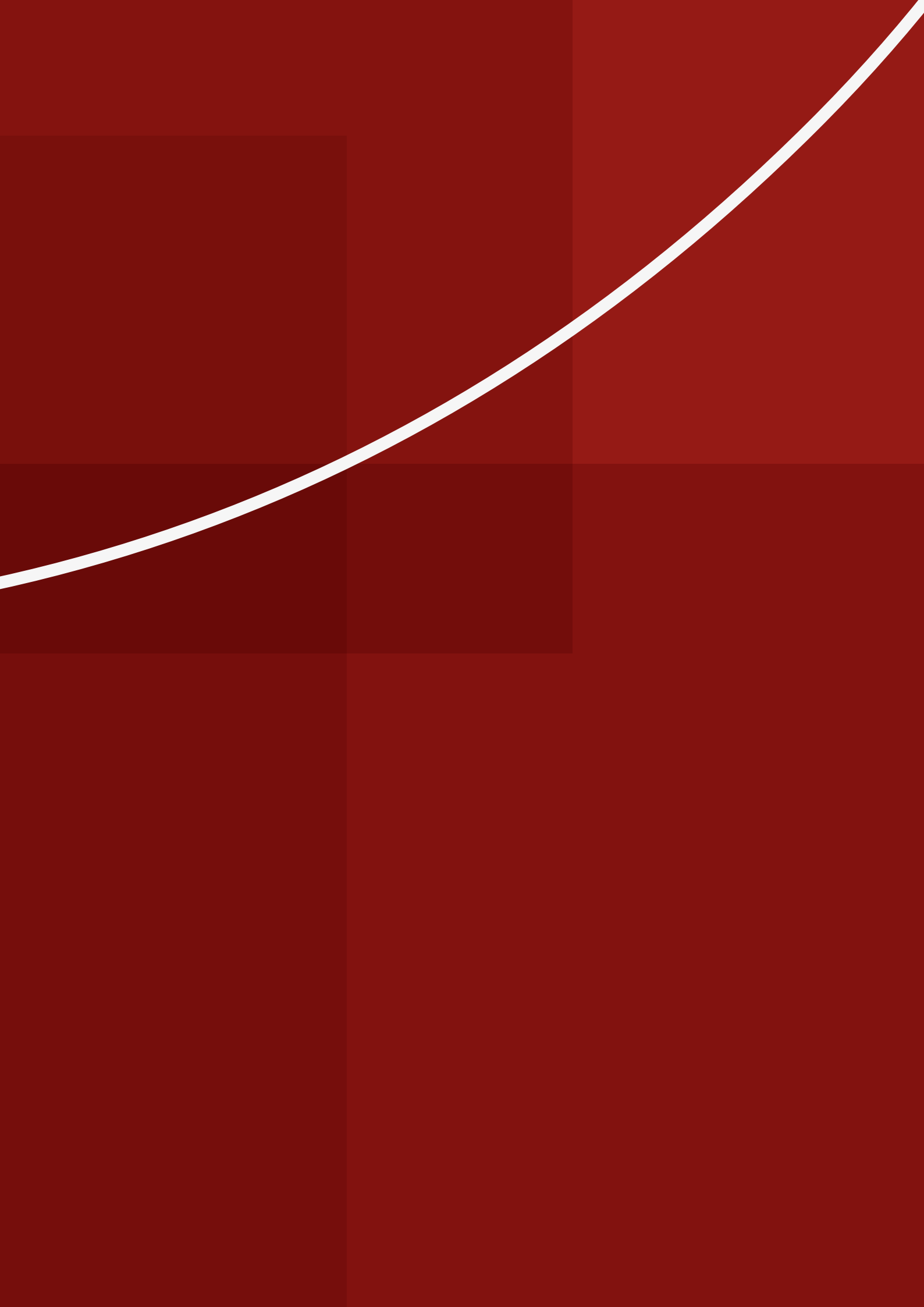


AP Call Service

Offering real-time advice and help to ensure AP residents a smooth living.

AP (THAILAND) STRUCTURE





PROPERTY MARKET OUTLOOK

PROPERTY MARKET OUTLOOK

Property market outlook:

A continued growth in GDP at 4.2%¹ and government spending on public infrastructure, especially extended mass transit lines, are 2 economic factors that supported a positive market condition in 2018. Overall property market continued to grow with 8.5% increase in number of new unit launches comparing to 2017 (Table 1). Single-detached house grew by 21.1% which was the first growth in the last 4 years. Condominium had 2-year consecutive growth at 13.7%. On the contrary, after having a large number of launches over the past few years, townhouse declined slightly by -5.0% in 2018.

Project launches in 2018 in comparison with 2017

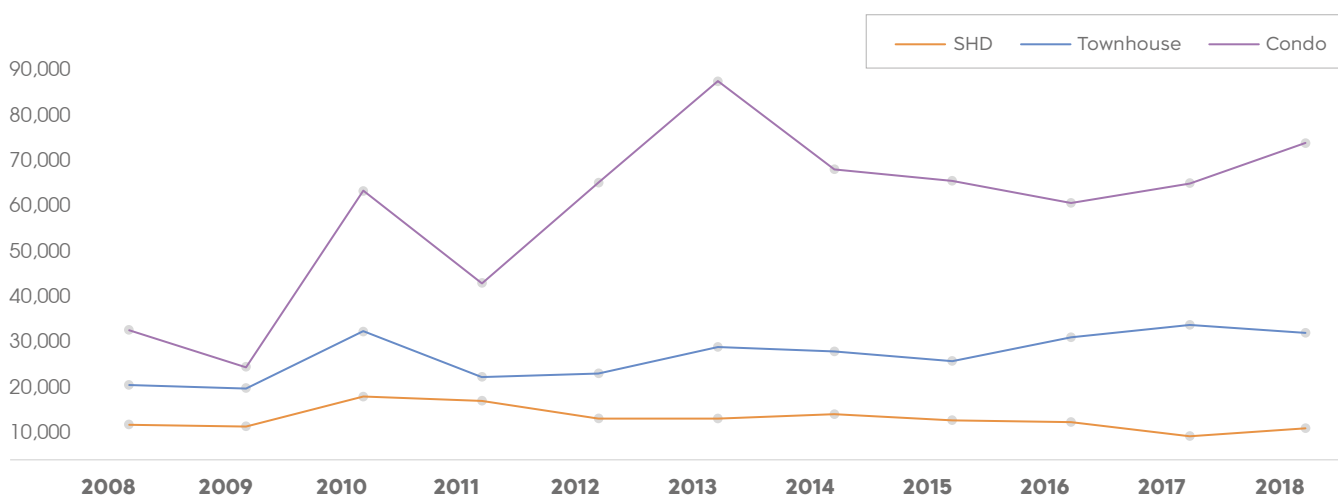
(Unit)

Segment	1H 2017	2H 2017	2017
Single-Detached House	2,718	6,338	9,056
Townhouse	16,227	16,318	32,545
Condominium	28,538	33,963	62,501
Total	47,483	56,619	104,102
Segment	1H 2018	2H 2018	2018
Single-Detached House	4,478	6,489	10,967
Townhouse	12,185	18,729	30,914
Condominium	24,874	46,159	71,033
Total	41,537	71,377	112,914
Segment	%Growth		
Single-Detached House	64.8%	2.4%	21.1%
Townhouse	-24.9%	14.8%	-5.0%
Condominium	-12.8%	35.9%	13.7%
Total	-12.5%	26.1%	8.5%

Source: Agency for Real Estate Affair

¹ Source: Bank of Thailand, December 2018, "Monetary Policy Report"

We observe a clear difference between launches of landed property and condominium. Normally, the launch of landed property corresponds with demand in the market which fluctuates at a similar rate each year. On the other hand, the launch of new condominium usually fluctuates in line with economic situation or factors that affect consumer confidence, such as political situation. However, for condominium, developers tend to be more flexible and adjust their launch plan in accordance with existing supply in the market. This mechanism is beneficial for the property market in the long run since it prevents excess supply within the market.

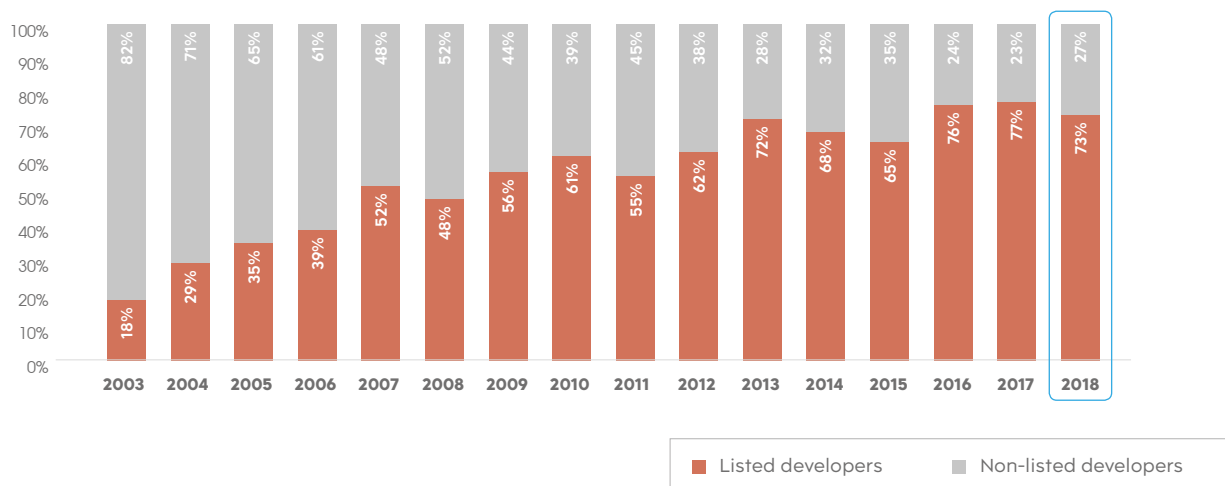


Source: Agency for Real Estate Affairs / AP (Thailand) PCL

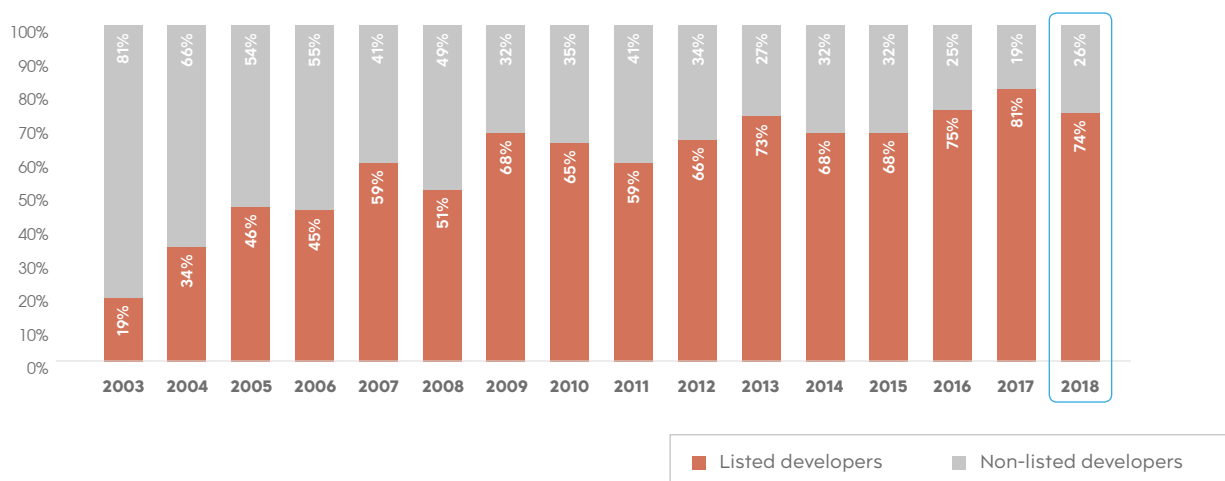
	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Low Rise	31,950	30,236	48,718	38,696	35,223	40,836	40,966	37,564	42,078	41,601	41,881
- SDH	11,707	11,157	17,353	16,824	12,720	12,789	13,830	12,564	12,146	9,056	10,967
- Townhouse	20,243	19,079	31,365	21,872	22,503	28,047	27,136	25,000	29,932	32,545	30,914
Condo	31,322	23,993	60,972	41,492	62,548	84,250	65,298	62,833	58,350	62,501	71,033
Total	63,272	54,229	109,690	80,188	97,771	125,086	106,264	100,397	100,428	104,102	112,914
%Growth	-14.5%	-14.3%	102.3%	-26.9%	21.9%	27.9%	-15.0%	-5.5%	0.03%	3.7%	8.5%

Looking into number of launches and sold between listed and non-listed property developers, as shown below, listed developers still earn big portion of market share. Number of new units launched and sold by listed developers in 2018 was 73% and 74%, respectively, of the total new launches in the market.

Market share of new units “Launched”



Market share of new units “Sold” for new launches



Source: Agency for Real Estate Affairs / AP (Thailand) PCL

2019 Market outlook can be very challenging for developers from several factors as follows. Firstly, Bank of Thailand's LTV measure will be officially enacted in April 2019. However, we believe that it will impact more on a psychological level since majority of buyers, especially real demand, will not be affected. According to Bank of Thailand, only around 20%² of loan agreements will be covered by this measure. With this in place, demand in the market are expected to be brought forward to Q1 2019 and to be sluggish in Q2 2019 before adjusting itself back to normal level once again. Secondly, the US and China tradewar as well as global economic slow down will soften foreign demand and affect those developers with high percentage of foreign sales. Last but not least, Thailand election which will be held on March 24th, 2019 and political instability may impact economic growth and consumer confidence. On the bright side, progress on mass transit construction and expansion in household consumption³ will keep supporting property market in 2019 and it is forecasted that the market will grow by 4%.

Aligning with the above economic condition and new LTV measure, we believe that many developers will focus on medium to high end segments since buyers have cash on hand and higher liquidity. In addition, increase in land price in CBD of Bangkok as well as mass transit expansion will urge many developers to launch more landed property which better reflects real demand and shortens cash cycle.

An ability to adapt to changes, advantages in business operation, and access to financial resources are key success factors of property development business and affect business growth. Listed developers could access to various forms of financial resources such as through issuing debentures. Hence, they tend to get lower finance costs and enjoy more financial advantages. In terms of competition, market shall remain dominated by listed developers with their stronger financial status and a better reach to human resources. Also, a joint venture between listed developers and multi-national property enterprises are common in recent years. Such cooperation strengthens their competitiveness and helps with business expansion.

² Source: Bank of Thailand, October 2018, "Consultation Paper: Macprudential Policy for Housing Loans"

³ Source: SCB EIC, February 2019, "Outlook Quarter 1 2019"

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Summary	2018	2017	2016	%YOY
Total Revenue (Btm)	27,700	22,176	20,253	24.9%
Cost of Sales & Service (Btm)	18,339	14,262	13,292	28.6%
Selling and Administrative Expenses (Btm)	5,731	4,543	4,012	26.1%
Selling Expenses (Btm)	2,805	2,195	2,014	27.8%
Admin Expenses (Btm)	2,926	2,348	1,998	24.6%
Share of profit (loss) from investment in Joint Venture	1,125	502	371	124.3%
Net Profit from Operation (Btm)	3,851	3,078	2,617	25.1%
Net Profit (Btm)	3,856	3,148	2,703	22.5%
Gross Margin (%)	33.8%	35.7%	34.4%	
SG&A as a % of revenue	20.7%	20.5%	19.8%	
Selling exp as a % of revenue	10.1%	9.9%	9.9%	
Admin exp as a % of revenue	10.6%	10.6%	9.9%	
Net Margin from operation	13.9%	13.9%	12.9%	
Net Margin	13.9%	14.2%	13.3%	
EPS (Bt)	1.23	1.00	0.86	
Net debt	19,323	17,348	13,654	
Equity	24,379	21,633	19,423	
Net Debt Equity (x)	0.79	0.80	0.70	

- **2018 was a remarkable year with net profit reaching THB 3.9 billion (+22.5% YoY) and net margin at 13.9% of revenue.**
Key factors contributed to 2018 performance include the followings:
 - Outstanding growth in revenue recognition (+24.9% YoY) to THB 27.7 billion. Property revenue reported at THB 26.6 billion (+26.1% YoY) which was driven by both segments.
 - Reported GM at 33.8% or underlying GM* at 35.1%. Property GM* delivered at 33.7% supported by good GM from low rise and JV projects.
 - Highest ever "Share of profit from investments in joint ventures" at THB 1.1 billion (+124.3% YoY). The great momentum was resulted from impressive transfer of "Rhythm Rangnam" and "Life Asoke".
- **2018 revenue (excluding JV) reported at THB 27.7 billion (+24.9% YoY), of which THB 8.7 billion was recorded in Q4.** Both condo and low rise could deliver a better performance than target.
 - Condominium: In Q4, AP condo performed well with revenue of THB 3.7 billion, making full year revenue of THB 8.8 billion (+10.9% YoY). There was one new project, "Aspire Sathorn - Ratchapruek", started to transfer in November. The project was launched in Q1 and it was transferred by 37.6% at the end of 2018. Highlight of the year would be "Vittorio". The project was well accepted by the market after price adjustment. It was sold by 98.9% at the end of the year and was able to transfer by 61.4% or an amount of THB 2.2 billion. In 2018, we completed transfer of 5 projects including "Rhythm Sukhumvit 42", "Aspire Wuttakard", "Life Sukhumvit 48", "Rhythm Asoke II", and "Rhythm Sukhumvit 36-38", proving good quality backlog and our ability to sell "ready-to-move in" products.

Note : * Revenue and GM are based on AP + 51% portion in JV.

- **Low Rise:** Big year for low rise projects, Q4 revenue peaked at THB 4.7 billion (+11.6% YoY) along with good performance in earlier quarters resulting in a new high full year revenue at THB 17.8 billion (+35.2% YoY). Existing projects continued their good sales and transfer rate, incorporated with 8 new projects which started to transfer in Q4 at a satisfying rate. Such projects include: 1) "Baan Klang Muang The Era Pinklao - Charan", 2) "Centro Ratchapruek - Chaengwattana", 3) "The City Ratchada - Wongsawang", 4) "Centro Ratchapruek 2", 5) "Pleno Bangna - Onnut", 6) "Pleno Chaipruek", 7) "Pleno Ramintra", and 8) "The Palazzo Srinakarin".

Key revenue contributors in 2018 are as follow:

Top 5 Revenue Contributors:	% of 2018 Revenue	% PTD Transfer
Vittorio	8.2%	61.4%
Aspire Sathorn - Ratchapruek	4.2%	37.6%
Aspire Erawan Phase 1	3.9%	61.7%
Life Sukhumvit 48	3.8%	100.0%
Rhythm Sathorn	3.1%	98.1%

- **AP reported GM was 33.8% (-190bpt YoY) with underlying GM* of 35.1% (-70bpt YoY). Property GM* delivered at 33.7% (-30bpt YoY).** A decrease in GM was affected by condo AP and phasing of management and sales fee collected from JV (THB 481 million in 2018 versus THB 581 million in 2017).
- **Condominium:** Impacted by price reduction of "Vittorio" and its large transfer portion in 2018, overall GM for AP condo was reported at 29.1%. On a bright side, JV projects managed to maintain a very healthy level of GM at 41.8% (+510bpt YoY). Hence, with 51% portion of JV, condo GM* recorded at 33.9%.
- **Low rise:** In contrast with condo, low rise projects delivered a very good margin at 33.6% (+90bpt YoY) beyond our 30.0% guidance. Most of new projects could command high GM and majority of existing projects could maintain a favorable GM.
- **SG&A recorded at THB 5.7 billion or 20.7% of reported revenue (+20bpt YoY).** Since JV operation is under AP, underlying admin expenses would be 8.9% of revenue*. In the same manner, underlying SG&A would drop to 19.0% (-10bpt YoY).

Debt structure / CAPEX

- 2018 net debt to equity ratio was well controlled at 0.79x (below our comfortable level at 1.0x). Total outstanding debt was at THB 20.3 billion with average cost of funds at 2.78% which was even lower than 2017 at 2.85%. Fixed rate debenture continued to be the main contributor of our debt structure at 83.6%.
- For Q4, we issued 2 tranches of bonds in December at a competitive rate with details per below table. With replacement of some retirement bonds, we issued 8 tranches of bonds in 2018 with total value of THB 7.6 billion.

Debenture	Amount (THB Million)	Duration	Interest Rate
AP20DA — Dec 2018	1,000	2 Y	2.78%
AP21DA — Dec 2018	1,000	3 Y	3.13%

- We continued to aggressively acquire land with total spending of THB 11.2 billion in 2018 versus THB 8.5 billion budget. Majority of our spending was for low rise projects which will be launched this year.

Note : * Revenue and GM are based on AP + 51% portion in JV.

Overall situation and outlook

- In 2018, we launched 32 projects with total value of THB 45.2 billion. Most of new launches were well accepted along with consistent sales rate from existing projects. Hence, 2018 presales was recorded high at THB 41.3 billion.
- Condominium: We launched 4 condo projects in 2018 with total value of THB 17.1 billion with an overall average take up of 70%. The latest one was "Life Asoke — Hype" in Q4 which was sold by 85%. Due to lower amount of new launches in 2018 compared to 2017 (THB 24.7 billion), condo presales declined -23.1% YoY to THB 21.6 billion (versus guidance at THB 20.0 billion). However, if setting aside presales from new launches, we observed presales growth of +64.9% YoY for "ready-to-move in" projects such as "Vittorio", "Aspire Udomthani", and "Aspire Sathorn — Taksin Phase 3", showing our ability to clear off stocks.
- Low Rise: Highest ever low rise presales was recorded in 2018 at THB 19.7 billion (+32.6% YoY). In 2018, we launched 28 low rise projects with total value of THB 28.1 billion. Most projects showed strong performance (Appendix 3). Existing projects also did well and helped driving presales growth.

2018 presales performance (in THB million) are as below:

Sales Booking	2018	2017	% Growth	% Achieved Target
Low Rise	19,652	14,822	+32.6%	99.3%
Condominium	21,646	28,156	-23.1%	108.2%
Total Sales Booking	41,298	42,978	-3.9%	103.8%

- Without any new launches, 2019 YTD presales as of 15th February recorded at THB 3.6 billion. Low rise started off well with presales recorded at THB 3.0 billion or +14.5% YoY. The average sales rate per week was at THB 430 million comparing to THB 376 million during the same period last year. For condo, we continued to sell existing projects with presales value of THB 630 million. Sales were from both AP and JV projects such as "Life Ladprao Valley", "Aspire Erawan Phase 1" and "Life Pinklao".
- As of 15th February, backlog (excluding JV projects) was at THB 10.2 billion. Low rise and condo backlog recorded at THB 7.9 billion and THB 2.3 billion, respectively. Condo backlog will be recognized as schedule in the below table.

AP	Q1 2019 15 th Feb	2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2017
Beginning Backlog	6,839	6,251	9,835	7,716	7,694	6,251	11,153
Gross sales booking	4,496	41,016	9,778	12,219	9,787	9,232	29,873
Cancellation	(1,090)	(13,394)	(4,455)	(3,530)	(3,285)	(2,125)	(10,036)
Net sales booking (excl. JV)	3,406	27,622	5,323	8,689	6,503	7,107	19,836
Ending Backlog (excl. JV)	10,245	6,839	6,839	9,835	7,716	7,694	6,251
- from TH&SDH	7,935	4,922	4,922	5,542	4,344	4,285	3,097
- from Condo	2,310	1,917	1,917	4,293	3,371	3,409	3,154
Net Sales Booking (excl. JV)	3,406	27,622	5,323	8,689	6,503	7,107	19,836
- from TH&SDH	3,013	19,652	4,037	5,690	4,714	5,210	14,822
- from Condo	392	7,970	1,286	2,999	1,788	1,897	5,014
Net Sales Booking (inc. JV)	3,644	41,298	10,605	13,428	7,248	10,016	42,978
- from TH&SDH	3,013	19,652	4,037	5,690	4,714	5,210	14,822
- from Condo	630	21,646	6,568	7,738	2,534	4,806	28,156

High Rise AP projects	2019F	2020F	2021F	2022F	2023F
Based on project completion	5,506	4,420	1,375	-	-
AP Condo Backlog	2,310	-	-	-	-
% Secure	42%	-	-	-	-

Data as of February 15th, 2019

JV Projects

- Impressive year for JV with transfer amount of THB 10.3 billion (+53.4% YoY). Also, there was an immense growth in "Share of profit from investments in joint ventures" (+124.3% YoY) reaching new high at THB 1.1 billion, above our original guidance at THB 700 million.
- Good momentum from JV was mainly from 2 key projects: 1) "Rhythm Rangnum" (started to transfer in 2017 and completed in 2018) and 2) "Life Asoke" (started to transfer in Q2 and 78.2% transferred by the end of 2018). In addition, "Rhythm Ekkamai" which started to transfer in Q4 and "Life Pinklao" also played a part in superb performance from JV.
- In 2019, we plan to launch another 3 JV projects with total value of THB 18.3 billion.
- As of 15th February, JV condo backlog recorded at THB 39.8 billion and a schedule of revenue recognition is shown in the below table.

JV Projects	Project Value (THB Million)	Total Units	% Sold Unit (as of 15/02/19)	Accumulated Transfer until 2018	2019F	2020F	2021F	2022F	2023F
Rhythm Rangnum	2,700	385	100%	100%	-	-	-	-	-
Life Asoke	7,700	1,642	100%	78%	22%	-	-	-	-
Life Pinklao	2,800	803	73%	67%	33%	-	-	-	-
Rhythm Ekkamai	2,700	326	99%	29%	71%	-	-	-	-
Life Ladprao	7,600	1,615	90%	0%	-	40%	45%	15%	-
Life One Wireless	7,900	1,344	100%	0%	30%	70%	-	-	-
Life Asoke - Rama 9	9,600	2,248	91%	0%	-	25%	55%	20%	-
Life Sukhumvit 62	2,050	438	90%	0%	45%	55%	-	-	-
Life Ladprao Valley	6,400	1,140	70%	0%	-	-	35%	50%	15%
Life Asoke-Hype	5,700	1,253	85%	0%	-	-	30%	50%	20%
Rhythm Ekkamai Estate	3,200	303			-	-	45%	55%	-
Life Sathorn Sierra	6,300	1,979			-	-	20%	50%	30%
The Address Siam - Ratchathewi	8,800	880			-	-	25%	45%	30%
Based on project completion	73,450		91%		7,804	12,098	17,550	17,980	6,630
JV Condo Backlog (100%)	39,780				7,569	11,962	12,650	7,033	566
% Secure					97%	99%	72%	39%	9%

Data as of February 15th, 2019

- As of 15th February, total condo backlog was at THB 42.1 billion with transfer schedule per below.

Total Condo Portfolio:		2019F	2020F	2021F	2022F	2023F
Condo AP Projects		5,506	4,420	1,375	-	-
100% JV Condo		7,804	12,098	17,550	17,980	6,630
Based on project completion		13,310	16,518	18,925	17,980	6,630
AP Condo Backlog	2,310	2,310	-	-	-	-
JV Condo Backlog	39,780	7,569	11,962	12,650	7,033	566
	42,090	9,879	11,962	12,650	7,033	566
% Secure		74%	72%	67%	39%	9%

Data as of February 15th, 2019

Appendix

Appendix 1: Financial Summary

Financial Summary	2018	Q4 2018	Q3 2018	Q2 2018	Q1 2018	2017
Revenues from Property Development (Btm)	26,630	8,334	6,620	6,313	5,363	21,124
YoY Chg (%)	26.1%	6.7%	42.7%	36.5%	32.6%	7.5%
QoQ Chg (%)		25.9%	4.9%	17.7%	-31.4%	
Consolidated Revenues (Btm)	27,700	8,651	6,881	6,557	5,612	22,176
YoY Chg (%)	24.9%	5.0%	39.3%	36.7%	33.6%	9.5%
QoQ Chg (%)		25.7%	4.9%	16.8%	-31.9%	
Gross profit from Property Development (Btm)	8,559	2,570	2,111	2,095	1,783	7,077
Gross margin from Property (%)	32.1%	30.8%	31.9%	33.2%	33.2%	33.5%
Overall Gross profit (Btm)	9,361	2,812	2,292	2,275	1,982	7,914
Gross margin (%)	33.8%	32.5%	33.3%	34.7%	35.3%	35.7%
Operating profit (Btm)	3,631	937	814	927	952	3,371
Operating margin (%)	13.1%	10.8%	11.8%	14.1%	17.0%	15.2%
Net profit from normal operations (Btm)	3,851	953	915	1,176	807	3,078
YoY Chg (%)	25.1%	-29.5%	47.6%	109.7%	47.1%	17.6%
QoQ Chg (%)		4.1%	-22.2%	45.8%	-40.3%	
Net profit (Btm)	3,856	953	915	1,181	807	3,148
YoY Chg (%)	22.5%	-29.7%	43.9%	94.2%	47.1%	16.5%
QoQ Chg (%)		4.1%	-22.5%	46.3%	-40.5%	
EPS (Bt)	1.23	0.30	0.29	0.38	0.26	1.00
Total assets (Btm)	49,284	49,284	49,018	48,568	47,075	43,936
Equity (Btm)	24,379	24,379	23,427	22,512	22,440	21,633
Outstanding debt (Btm)	20,275	20,275	21,517	22,081	20,784	18,402
Net debt (Btm)	19,323	19,323	20,733	20,755	19,622	17,348
Net debt to equity (x)	0.79	0.79	0.89	0.92	0.87	0.80
ROE (%) (average equity)	16.8%	N/A	N/A	N/A	N/A	15.3%

Appendix 2: Ongoing Projects

Brand	No of Projects	No of units	Project value (Btm)	% Sold Unit (as of 31/12/18)	Available for sales (Btm)
Single Detached House					
Palazzo	1	52	1,797	23%	1,382
Soul	1	30	814	97%	27
Mind	3	203	1,812	89%	214
City	12	1,399	15,509	56%	8,167
Centro	17	3,614	20,910	50%	10,475
SDH - Available for Sales	34		40,842		20,265
Townhouse					
Baan Klang Muang	18	3,963	21,232	47%	12,167
Pleno	24	7,103	21,062	42%	11,860
District	1	36	491	44%	273
TH - Available for Sales	43		42,785		24,300
Condominium (AP)					
Vittorio	1	88	3,200	99%	37
Rhythm	1	910	5,344	99%	70
Aspire	7	7,769	16,880	72%	4,921
Coo	1	448	650	64%	234
Condo - Available for Sales (exc. JV)	10		26,074		5,262
Total ongoing projects available for sales (exc. JV)					49,828

Brand	No of Projects	No of units	Project value (Btm)	% Sold Unit (as of 31/12/18)	Available for sales (Btm)
Rhythm	2	711	5,400	100%	25
Life	8	10,483	49,750	88%	4,174
JV - Available for Sales	10		55,150		4,198

Data as of December 31st, 2018

Appendix 3: Projects Launches in 2018

Project Name	Rai	No of units	Project Value (mb)	% Sold Unit (as of 31/12/18)	Launch Period	Completion (Last Unit Transfer)
Pleno Rangsit Klong 4 - Wongwaen	37	398	800	20%	Q1'2018	Q2'2020
Baan Klang Muang Ratchaphruek - Rattanathibet	12	124	540	28%	Q1'2018	Q3'2020
Pleno Pinklao - Charan	31	299	900	45%	Q1'2018	Q2'2020
Baan Klang Muang Watcharapol	18	192	930	4%	Q2'2018	Q3'2020
Centro Rangsit Klong 4 - Wongwaen	61	279	1,130	22%	Q2'2018	Q3'2021
Centro Ratchaphruek - Suan Phak	44	176	1,070	26%	Q2'2018	Q3'2021
Baan Klang Muang Ratchaphruek	26	241	1,340	9%	Q3'2018	Q4'2021
Baan Klang Muang The Era Pinklao - Charan	13	119	730	10%	Q3'2018	Q4'2020
Pleno Rama 9 - Krungthep Kreetha	10	113	380	34%	Q3'2018	Q4'2020
Baan Klang Muang The Edition Rama 9 - Phatthanakan	18	118	760	19%	Q3'2018	Q4'2020
Pleno Ratchaphruek - Rattanathibet	48	463	1,240	6%	Q3'2018	Q4'2021
Centro Chaiyaphruek - Chaengwattana 2	47	207	1,130	4%	Q3'2018	Q4'2021
Centro Ratchaphruek - Chaengwattana	47	179	1,080	11%	Q3'2018	Q4'2020
The City Ratchaphruek - Pinklao	30	113	1,280	7%	Q3'2018	Q4'2021
The City Ratchada - Wongsawang	31	94	1,630	12%	Q3'2018	Q4'2021
Centro Ratchaphruek 2	52	227	1,410	5%	Q3'2018	Q4'2020
Centro Bang Yai	23	110	600	10%	Q3'2018	Q4'2020
Baan Klang Muang The Edition Rama 9 - Krungthep Kreetha	20	94	730	3%	Q4'2018	Q1'2021
Baan Klang Muang Rama 9 - Krungthep Kreetha	26	245	1,100	5%	Q4'2018	Q4'2021
Pleno Bangna - Onnut	39	423	1,070	12%	Q4'2018	Q4'2021
Baan Klang Muang The Edition Bangna - Wongwaen	28	254	1,160	2%	Q4'2018	Q4'2021
Grande Pleno Suksawat - Rama 3	37	303	1,100	12%	Q4'2018	Q4'2021
Pleno Suksawat 70	20	224	870	6%	Q4'2018	Q1'2021
Pleno Westgate	25	276	650	8%	Q4'2018	Q1'2021
Pleno Chaiyaphruek - Chaengwattana 2	26	269	700	3%	Q4'2018	Q1'2021
Pleno Chaiyaphruek	30	406	1,160	5%	Q4'2018	Q4'2021
Pleno Ramintra	29	287	850	14%	Q4'2018	Q4'2020
The Palazzo Srinakarin	30	52	1,750	23%	Q4'2018	Q4'2021
Low Rise			28,090			
Aspire Sathorn - Ratchaphruek	5	1,049	3,000	46%	Q1'2018	Q4'2020
Life Sukhumvit 62 (JV)	3	438	2,000	90%	Q1'2018	Q4'2020
Life Ladprao Valley (JV)	5	1,140	6,400	69%	Q3'2018	Q2'2023
Life Asoke Hype (JV)	5	1,253	5,700	85%	Q4'2018	Q2'2023
Condo			17,100			
Total New launches			45,190			

Data as of December 31st, 2018

Appendix 4: Schedule of Condominium Transfer

Condo Projects	Project Value (THB Million)	Total Units	% Sold Units (as of 31/12/18)	Accumulated Transfer until 2018	2019F	2020F	2021F	2022F	2023F	Launch Year	Estimated Start Transfer	Estimated Last Unit Transfer
Rhythm Sathorn	5,344	910	99%	98%	2%					Q3 2010	Q2 2015	Q3 2019
Aspire Ngamwongwan	2,750	1,458	82%	80%	20%					Q4 2010	Q4 2016	Q4 2019
Vittorio	3,200	88	99%	61%	39%					Q1 2013	Q2 2018	Q4 2019
Aspire Udomthani	620	413	81%	77%	23%					Q1 2013	Q1 2015	Q4 2019
Aspire Rattana Tibet II	2,900	1,428	62%	61%	23%	16%				Q1 2013	Q1 2016	Q4 2020
Rhythm Sukhumvit 42	3,500	407	100%	100%						Q2 2013	Q4 2016	Completed
Coo Phitsanulok	650	448	64%	60%	20%	20%				Q4 2013	Q4 2015	Q4 2020
Aspire Wuttakard	390	166	100%	100%						Q2 2015	Q4 2016	Completed
Aspire Erawan Phase 1	3,500	1,576	68%	62%	28%	10%				Q3 2015	Q4 2017	Q4 2020
Aspire Sathorn - Taksin phase 3	1,260	613	71%	66%	34%					Q2 2016	Q4 2016	Q4 2019
Life Sukhumvit 48	2,200	612	100%	100%						Q2 2016	Q4 2017	Completed
Aspire Sathorn - Ratcha-phreuk	3,000	1,049	46%	38%	30%	32%				Q1 2018	Q4 2018	Q4 2020
Rhythm Sukhumvit 36-38	2,900	496	100%	100%						Q2 2014	Q4 2016	Completed
Aspire Ratchada - Wong-sawang	2,850	1,232	97%	96%	4%					Q2 2014	Q3 2016	Q3 2019
Rhythm Asoke II	1,500	346	100%	100%						Q2 2014	Q4 2016	Completed
Aspire Sukhumvit - Onnut Phase I	1,600	553			15%	85%				Q1 2019	Q4 2019	Q4 2020
Aspire Asoke-Ratchada	2,500	1,025				45%	55%			Q1 2019	Q3 2020	Q4 2021
Joint venture projects												
Life Asoke	7,700	1,642	100%	78%	22%					Q2 2015	Q2 2018	Q4 2019
Rhythm Rangnum	2,700	385	100%	100%						Q2 2015	Q4 2017	Completed
Life Pinklao	2,800	803	70%	67%	33%					Q4 2015	Q4 2017	Q4 2019
Rhythm Ekkamai	2,700	326	99%	29%	71%					Q3 2016	Q4 2018	Q4 2019
Life Ladprao	7,600	1,615	90%	0%		40%	45%	15%		Q2 2017	Q1 2020	Q2 2022
Life One Wireless	7,900	1,344	100%	0%	30%	70%				Q3 2017	Q4 2019	Q4 2020
Life Asoke - Rama 9	9,600	2,248	90%	0%		25%	55%	20%		Q4 2017	Q4 2020	Q4 2022
Life Sukhumvit 62	2,050	438	90%	0%	45%	55%				Q1 2018	Q4 2019	Q4 2020
Life Ladprao Valley	6,400	1,140	69%	0%			35%	50%	15%	Q3 2018	Q4 2021	Q2 2023
Life Asoke Hype	5,700	1,253	85%	0%			30%	50%	20%	Q4 2018	Q4 2021	Q2 2023
Rhythm Ekkamai Estate	3,200	303					45%	55%		Q1 2019	Q3 2021	Q4 2022
Life Sathorn Sierra	6,300	1,979					20%	50%	30%	Q2 2019	Q4 2021	Q4 2023
The Address Siam - Ratchathewi	8,800	880					25%	45%	30%	Q3 2019	Q4 2021	Q4 2023
Total JV	73,450		90%									

Data as of December 31st, 2018



POLICY AND OVERVIEW OF THE COMPANY BUSINESS OPERATION

POLICY AND OVERVIEW OF THE COMPANY BUSINESS OPERATION

Background

AP (Thailand) Public Company Limited was established in 1991 under the name Asian Property Co., Ltd. to develop residential property projects. In 2000, the company did a backdoor listing thru PCM Public Company Limited, a precast concrete floor manufacturing which was listed company in the Stock Exchange of Thailand since 22 September 1992, and changed its name to "Asian Property Development Public Company Limited (AP)". Since the merger between Asian Property and PCM, AP set a new company, called PCM Construction Material Company Limited (PCMC), where AP owned 99.99% of its total shares at that time.

In 2002, AP switched its type of business registered in the Stock of Exchange of Thailand from construction material to property development and location from primarily no. 26/1 Moo 4 Phaholyothin-Lamlukka Road, Lamlukka Sub-district, Lamlukka District, Pathumthani Province, to 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey District, Bangkok which is a current head office.

Changes in the shareholding structure

In 2004, AP sold all shares in PCMC to Pre-built Co.,Ltd., a contractor company and increased its shares in Pre-built Co.,Ltd. from 19.8% to 64.73%. In 2005, AP adjusted its structure to focus particularly on property development by reducing its shares in Pre-Built Pcl. until November 2012 when AP no longer holds any share in Pre-Built.

Corporate objective and long term goal

The company's corporate objective and long term goal reflected by our vision and mission, which have been committed over the past few years. In addition, the company also review annually vision, mission and strategies with overseeing the action in order to create the concrete corporate objective together.

The vision and mission of the company group in 2018 are as follows;

Vision

AP will be the most admired developer who inspired by the evolvement of behavior and lifestyle to create residential products, services and community that enhance customers' living quality and satisfaction.

Mission

To be the most responsive creator for our customers

Shareholding structure

Company group consists of AP (Thailand) Plc. and the 37 subsidiary companies, categorized by their types of business as followed;

■ Property development business

- | | |
|--|-------------------------------------|
| (1) Asian Property Co., Ltd. | (11) AP (Ratchayothin) Co., Ltd.* |
| (2) Asian Property (Krungthep) Co., Ltd. | (12) AP ME (Krungthep) Co., Ltd. |
| (3) Asian Property (2012) Co., Ltd. | (13) Premium Residence Co., Ltd.* |
| (4) Asian Property (2014) Co., Ltd. | (14) AP ME 1 Co., Ltd.* |
| (5) Asian Property (2015) Co., Ltd.* | (15) AP ME 2 Co., Ltd.* |
| (6) The Value Property Development Co., Ltd. | (16) AP ME 3 Co., Ltd.* |
| (7) Thonglor Residence Co., Ltd. | (17) AP ME 4 Co., Ltd.* |
| (8) Signature Advisory Partners Co., Ltd. | (18) AP ME 5 Co., Ltd.* |
| (9) AP (Ekkamai) Co., Ltd.* | (19) AP ME 6 Co., Ltd.* |
| (10) AP (Phetchaburi) Co., Ltd.* | (20) Asian Property (2018) Co., Ltd |

- (21) Thai Big Belly Co., Ltd.
- (22) AP ME 8 Co., Ltd.*
- (23) RC 1 Co., Ltd.
- (24) RC 2 Co., Ltd.
- (25) Asian Property (2017) Co., Ltd.
- (26) AP ME 10 Co., Ltd.
- (27) AP ME 11 Co., Ltd.
- (28) AP ME 12 Co., Ltd.
- (29) AP ME 14 Co., Ltd.*
- (30) AP ME 15 Co., Ltd.

■ **Property management business**

- (31) Smart Service and Management Co., Ltd.

■ **Property brokerage business**

- (32) Bangkok CitiSmart Co., Ltd.

■ **Construction business**

- (33) SQE Construction Co., Ltd.

■ **Training business**

- (34) SEAsia Leadavation Center Co., Ltd.
- (35) SEAC (SINGAPORE) PTE. LTD.

■ **Service business**

- (36) Clay More Innovation Lab Co., Ltd.
- (37) Vaari Digital Co., Ltd.

* Joint venture companies with Mitsubishi Estate group with the direct or indirect shareholding ratio of 51:49

SHAREHOLDING STRUCTURE OF AP GROUP

As of 31st December 2018

AP (Thailand) Public Company Limited

Property development ▼		Other ▼	Joint venture with Mitsubishi group ▼
Asian Property Co., Ltd. 99.97%		Bangkok Citismart Co., Ltd. (Property brokerage) 99.99%	51.00% of total shares held by AP
Asian Property (Krungthep) Co., Ltd. 99.99%		Smart Service and Management Co., Ltd. (Property management) 99.99%	Premium Residence Co., Ltd.
Asian Property (2012) Co., Ltd. 99.99%		SEAsia Leadavation Center Co., Ltd. (Training) 98.41%	AP (Ekkamai) Co., Ltd.
Asian Property (2014) Co., Ltd. 99.99%		SEAC (SINGAPORE) PTE., LTD (Training) 100.00%	99.99% of total shares held by Premium Residence Co., Ltd.
Thai Big Belly Co., Ltd. 99.99%		Clay More Innovation Lab Co., Ltd. (Service) 99.99%	AP (Phetchaburi) Co., Ltd.
Asian Property (2018) Co., Ltd. 99.99%		Vaari Digital Co., Ltd. (Service) 99.99%	Asian Property (2015) Co., Ltd.
AP ME (Krungthep) Co., Ltd 99.99%			AP ME 1 Co., Ltd.
The Value Property Development Co., Ltd. 99.99%			AP ME 2 Co., Ltd.
→ SQE Construction Co., Ltd. 99.99%			AP (Ratchayothin) Co., Ltd.
→ Asian Property (2017) Co., Ltd. 99.99%			AP ME 3 Co., Ltd.
Thonglor Residence Co., Ltd. 99.99%			AP ME 4 Co., Ltd.
→ Signature Advisoty Partners Co., Ltd. 99.99%			AP ME 5 Co., Ltd.
→ RC 1 Co., Ltd. 99.99%			AP ME 6 Co., Ltd.
→ RC 2 Co., Ltd. 99.99%			AP ME 8 Co., Ltd.
AP ME 10 Co., Ltd. 99.99%			AP ME 14 Co., Ltd.
AP ME 11 Co., Ltd. 99.99%			
AP ME 12 Co., Ltd. 99.99%			
AP ME 15 Co., Ltd. 99.99%			

► Shares held by subsidiary

CHARACTERISTICS OF BUSINESS

The changes and significant development

In 2013 the company has changed its name from Asian Property Development Pcl. to AP (Thailand) Pcl. to be in line with the symbol of company name which is listed in the Stock Exchange of Thailand. This is also represents the unity of our brand which is widespread to the customers. In addition, the company has changed its logo in order to present the variety of products and design to response the residential demand of customers.

Major event in the past 3 years

Year	Events
2016	<p>January</p> <ul style="list-style-type: none"> AP (Ratchayothin) Co., Ltd., which is a joint venture company, increased its capital for Baht 490,000,000 from Baht 10,000,000 to Baht 500,000,000. <p>March</p> <ul style="list-style-type: none"> AP ME 2 Co., Ltd., which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000,000 from Baht 1,000,000 to Baht 1,001,000,000 Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,609,408,010 from Baht 1,001,000,000 to Baht 2,610,408,010. The company hold 51% of total shares. Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,500,000,000 from Baht 2,610,408,010 to Baht 4,110,408,010. The company hold 51% of total shares. <p>May</p> <ul style="list-style-type: none"> AP ME 4 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares AP ME 5 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares AP ME (Sukhumvit) Co., Ltd., which is a joint venture company, increased its capital for Baht 80,000,000 from Baht 572,000,000 to Baht 652,000,000. The company hold 51% of total shares. <p>July</p> <ul style="list-style-type: none"> AP (Ratchayothin) Co., Ltd., which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 500,000,000 from Baht 500,000,000 to Baht 1,000,000,000 Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,000,000,000 from Baht 4,110,408,010 to Baht 5,110,408,010. The company hold 51% of total shares. AP Human Development Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of education and training. Asian Property Co.,Ltd. held 90.5 % of the total shares. Thereafter, the name has changed to SEAsia Leadavation Center Co., Ltd. <p>September</p> <ul style="list-style-type: none"> Som Baan Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of service. Signature Advisory Partners Co., Ltd. held 99.99% of the total shares <p>October</p> <ul style="list-style-type: none"> AP ME 2 Co., Ltd., which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000,000 from Baht 1,001,000,00 to Baht 2,001,000,000 Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,000,000,000 from Baht 5,110,408,010 to Baht 6,110,408,010. The company hold 51% of total shares.

Year**Events****November**

- AP ME (Asoke) Co., Ltd., which is a joint venture company, increased its capital for Baht 21,000,000 from Baht 369,000,000 to Baht 390,000,000. The company hold 51% of total shares.
- AP (Ekkamai) Co., Ltd., which is a joint venture company, increased its registered capital for Baht 120,000,000 from Baht 100,000,000 to Baht 220,000,000. The company hold 51% of total shares.

2017 May

- Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 509,000,000 from Baht 6,110,408,010 to Baht 6,619,408,010. The company hold 51% of total shares.
- AP ME 3 Co., Ltd., which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000
- AP ME 3 Co., Ltd., which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 901,000,000 from Baht 2,000,000 to Baht 903,000,000

July

- Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,000,000,000 from Baht 6,619,408,010 to Baht 7,619,408,010. The company hold 51% of total shares.
- AP ME 6 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 7 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- SEAsia Leadavation Center Co., Ltd., which is a subsidiary company, hold 90.5% of total shares by Asian Property Co., Ltd., increased its capital for Baht 49,000,000 from Baht 1,000,000 to Baht 50,000,000. Thereafter, the company has changed its head office address and increase branch office.

September

- AP ME 4 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000
- AP ME 5 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000

October

- AP ME 8 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 9 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 4 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 471,000,000 from Baht 2,000,000 to Baht 473,000,000
- AP ME 5 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 165,000,000 from Baht 2,000,000 to Baht 167,000,000

November

- RC 1 Co., Ltd. was established with the registered capital of Baht 500,000 and the objective of property development. Signature Advisory Partners Co., Ltd. held 99.99% of the total shares.
- RC 2 Co., Ltd. was established with the registered capital of Baht 500,000 and the objective of property development. Signature Advisory Partners Co., Ltd. held 99.99% of the total shares.
- AP (Ekkamai) Co., Ltd., which is a joint venture company, increased its registered capital for Baht 200,000,000 from Baht 220,000,000 to Baht 420,000,000. The company hold 51% of total shares.

December

- The Value Property Development held 99.99% of the total shares in Asian Property (2017) Co., Ltd. with the registered capital of Baht 1,000,000 and the objective of property development.
- Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 2,000,000,000 from Baht 7,619,408,010 to Baht 9,619,408,010. The company hold 51% of total shares.
- AP ME 6 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 150,000,000 from Baht 1,000,000 to Baht 151,000,000
- AP ME 8 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000

Year**Events****2018 January**

- AP ME 8 Co., Ltd. which is a joint venture company, hold 99.99% of total shares by Premium Residence co., Ltd., increased its capital for Baht 391,000,000 from Baht 2,000,000 to Baht 393,000,000

February

- AP ME 9 Co., Ltd. has changed its name to The Powerhouse Co., Ltd.

March

- AP ME 10 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 11 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 12 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP ME 7 Co., Ltd. has changed its name to Asian Property (2018) Co., Ltd.

May

- AP (Thailand) Pcl. has purchased shares of its subsidiaries namely; AP ME (Asoke) Co., Ltd., AP ME (Krungthep) Co., Ltd. and AP ME (Sukhumvit) Co., Ltd. from MEC Thailand Investment Pte. Ltd., Singapore. The AP's shareholdings ratio after such transaction is 99.99% of total shares.
- Dokkaew Real Estate Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.
- AP (Thailand) Pcl. has sold shares of its subsidiary namely; The Powerhouse Co., Ltd. (AP's shareholding ratio in The Powerhouse Co., Ltd. is 99.99%) to Signature Advisory Partners Co., Ltd. (99.99% of total shares held by Thonglor Residence Co., Ltd.)

June

- The Powerhouse Co., Ltd. has changed its name to Vaari Digital Co., Ltd.
- Dokkaew Real Estate Co., Ltd. has changed its name to AP ME 14 Co., Ltd.
- AP (Thailand) PCL. entered into another Joint Venture Agreement with MJR Investment Pte. Ltd. (Singapore), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME 14 Co., Ltd. The Company held 51.00% and MJRI held 49.00% of the total shares.
- AP ME 14 Co., Ltd. which is a joint venture company, hold 51.00% of total shares by the Company, increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000

July

- AP ME 14 Co., Ltd. which is a joint venture company, hold 51.00% of total shares by the Company, increased its capital for Baht 410,000,000 from Baht 2,000,000 to Baht 412,000,000

August

- AP ME (Sukhumvit) is dissolved
- Asian Property (2013) is dissolved
- Vaari Digital Co., Ltd., hold 99.99% of total shares by Signature Advisory Partners Co., Ltd., increased its capital for Baht 29,000,000 from Baht 1,000,000 to Baht 30,000,000

September

- Som Baan Co., Ltd. has changed its name to Clay More Innovation Lab Co., Ltd. and increased its capital for Baht 4,000,000 from Baht 1,000,000 to Baht 5,000,000
- Thonglor Residence Co., Ltd., hold 99.99% of total shares by the Company, increased its capital for Baht 29,000,000 from Baht 10,000,000 to Baht 39,000,000
- Signature Advisory Partners Co., Ltd., hold 99.99% of total shares by Thonglor Residence Co., Ltd., increased its capital for Baht 29,000,000 from Baht 1,000,000 to Baht 30,000,000

November

- SEAsia Leadavation Center Co., Ltd., hold 99.97% of total shares by Asian Property Co., Ltd., increased its capital for Baht 250,000,000 from Baht 50,000,000 to Baht 300,000,000

December

- AP ME (Asoke) is dissolved
- Asian Property (2011) is dissolved
- AP ME 15 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company held 99.99% of the total shares.

REVENUE STRUCTURE

Revenue structure can be divided by product lines as follows;

(Unit: million Baht)

Product lines / Business Group	2018		2017		2016	
	Revenue	%	Revenue	%	Revenue	%
1. Revenue from property development business						
• Low-rise	17,797.7	64.1	13,173.7	58.9	12,392.0	60.6
• High-rise	8,832.1	31.8	7,950.0	35.6	7,261.2	35.5
Total revenue from property development business	26,629.8	95.9	21,123.7	94.5	19,653.2	96.1
2. Revenue from management and service fee.	1,070.6	3.9	1,052.0	4.7	599.9	2.9
3. Other revenue	64.4	0.2	173.7	0.8	194.4	1.0
Grand total	27,764.8	100.0	22,349.4	100.0	20,447.5	100.0

STOCKS AND MAJOR SHAREHOLDERS

Register paid-up capital

The registered capital of the Company is Baht 3,145,912,151 and paid-up capital is Baht 3,145,899,495. All shares are ordinary share with Baht 1 par value.

Shareholders

Top ten major shareholders of the Company as of 28th December 2018;

No.	Name of the shareholder	No. of shares	% of total paid-up shares
1	Mr. Anuphong Assavabhokhin	670,047,561	21.30
2	Thai NVDR Co., Ltd.	309,431,734	9.84
3	NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS 10 PCT ACCOUNT	203,626,946	6.47
4	Mr. Pichet Vipavasuphakorn*	111,382,879	3.28
5	Krungsri Dividend Stock LTF	78,495,000	2.50
6	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	77,568,364	2.47
7	STATE STREET EUROPE LIMITED	72,118,607	2.29
8	Mr. Jaroonsak Bantoonrajinda	68,219,000	2.17
9	Mr. Chanchai Krairitthichai	61,450,060	1.95
10	K Equity 70:30 LTF	40,740,688	1.30

* Mr. Pichet Vipavasuphakorn and spouse

Other stocks

1. Convertible security

None

2. Debentures

The Company has issued the unsecured bonds which are currently active as of 31st December 2018 with the total value of Baht 16,950 million, as followed;

Debenture	Value (Baht Million)	Term	Maturity date	Interest rate
AP191A	350	5 years	24 Jan 2019	4.50%
AP197A	1,000	5 years 1 month	27 Jul 2019	4.36%
AP201A	1,500	5 years	22 Jan 2020	3.58%
AP197B	1,000	4 years	10 Jul 2019	3.04%
AP191B	1,000	2 years 6 months	29 Jan 2019	2.15%
AP191C	500	2 years	19 Jan 2019	2.55%
AP207A	1,500	3 years 6 months	19 Jul 2020	3.06%
AP203A	500	2 years 10 months	30 Mar 2020	2.50%
AP212A	1,000	3 years 6 months	15 Feb 2021	2.50%
AP214A	1,000	3 years 6 months	19 Apr 2021	2.35%
AP217A	1,500	3 years 6 months	22 Jul 2021	2.32%
AP221A	1,500	4 years	22 Jan 2022	2.40%
AP222A	500	3 years 6 months	7 Feb 2022	2.81%
AP228A	1,500	4 years	7 Aug 2022	2.94%
AP222B	500	4 years	24 Aug 2022	2.94%
AP218A	100	2 years 11 months 24 days	17 Aug 2021	2.60%
AP20DA	1,000	2 years	25 Dec 2020	2.78%
AP21DA	1,000	3 years	25 Dec 2021	3.13%

3. Short-term bill of exchange

At 31st December 2018, the Company possesses an undue short-term bill of exchange equivalent to Baht 1,980 million (price on bill).

Dividend payout policy

The Company has dividend payout policy of no more than 50% of net profits (shown in a consolidated financial statement) in any financial year. The Company will consider various factors to determine the dividend, such as operation result and financial status, liquidity, business expansion prospect, and other factors related to the Company's operation. The payout must be approved by the Board of Directors and the Shareholders.

In 2017, the Company achieved Baht 3,148 million net profit and equivalent to Baht 1.004 per share. The dividend payment was approved at the rate of Baht 0.35 per shares, which was 35% of net profit, complying with the Company dividend payout policy. The dividend was paid to shareholders on 24th May 2018.

For the dividend payout policy of subsidiaries, the subsidiaries would pay dividend from net profits. The subsidiaries will consider various factors to determine the dividend, such as operation result and financial status, liquidity, business expansion prospect, and other factors related to the subsidiaries' operation, similar to how the Company considers the dividend payment.

MANAGEMENT STRUCTURE

Board of directors

In the 2018 Year-end, the board of directors comprises of 13 members, which are 1 female director and 12 male directors. They are competent and knowledgeable, which is beneficial to the business operations of the company with the following details

- 7 independent directors (equivalent to 54%) which is more than one-third of the board in accordance with the notification of the Securities and Exchange Commission. The 7 independent directors namely; 1. Assoc. Prof. Dr. Naris Chaiyasoot 2. Mr. Phanporn Dabbaransi 3. Mr. Kosol Suriyaporn 4. Mr. Nontachit Tulayanonda 5. Mr. Pornwut Sarasin 6. Mr. Yokporn Tantisawetrat 7. Mr. Somyod Suteerapornchai (The definition of independent director: of AP (Thailand) Public Company Limited is more stringent than the minimum requirement of the Notification of the Securities and Exchange Commission)
- 6 executive directors namely; 1. Mr. Anuphong Assavabhokhin 2. Mr. Pichet Vipavasuphakorn 3. Mr. Siripong Sombutsiri 4. Mr. Wason Naruenatpaisan 5. Ms. Kittiya Pongpujaneegul 6. Mr. Visanu Suchatlumpong

Director		Position	Independent director	Executive director	IOD training course
1. Assoc. Prof. Dr. Naris Chaiyasoot		Chairman of the board	✓	-	✓
2. Mr. Anuphong Assavabhokhin		Vice chairman/Chief executive officer	-	✓	✓
3. Mr. Pichet Vipavasuphakorn		Director/Managing director	-	✓	✓
4. Mr. Siripong Sombutsiri		Director	-	✓	✓
5. Mr. Phanporn Dabbaransi		Chairman of audit committee	✓	-	✓
6. Mr. Nontachit Tulayanonda		Audit committee member	✓	-	✓
7. Mr. Kosol Suriyaporn		Audit committee member	✓	-	✓
8. Mr. Somyod Suteerapornchai		Audit committee member	✓	-	✓
9. Mr. Yokporn Tantisawetrat		Director	✓	-	✓
10. Mr. Pornwut Sarasin		Director	✓	-	✓
11. Ms. Kittiya Pongpujaneegul		Director	-	✓	✓
12. Mr. Visanu Suchatlumpong		Director	-	✓	✓
13. Mr. Wason Naruenatpaisan		Director	-	✓	✓

Authorized signatory directors

Mr. Anuphong Assavabhokhin

Mr. Pichet Vipavasuphakorn

Mr. Siripong Sombutsiri

Mr. Wason Naruenatpaisan

Mr. Visanu Suchatlumpong

Ms. Kittiya Pongpujaneegul

Any one of these directors shall sign and affix the Company's seal

Scope of the company board of directors' responsibilities

1. Assign visions, strategies and work plans of the Company for the best benefit of shareholders. Consider approval of any general business of the Company where significant, such as land sell and purchase or loan application approval without assigning Chief Executive Officer and Managing Director. The Board, however, assign Chief Executive Officer and Managing Director to administrate the Company following its policies.
2. Act in compliance with the Company's objectives, regulations, and shareholders' resolutions.
3. Set up the follow-up and assessment of working operation of the executives and staff, including the internal control and sufficient risk assessment.
4. Consider appointment of person or outsource for internal auditing and consulting of the internal control improvement.
5. Consider, in accordance with Stock Exchange of Thailand's regulations, any arisen business that may have conflicts of interest with the Company.
6. Conduct the company business with fair and transparency.
7. Neither engage in the business of the same nature as the Company that might compete with the Company, nor a partner in the partnership, unlimited-liability partner in limited partnership, or director of another company limited or public company limited that engages in the business of the same nature as the Company that might compete with the Company, unless informing to the shareholders' meeting prior to the appointment.
8. Promptly inform the Company of any conflict of interest, direct or indirect, arisen from any contract made with the Company, or any increase or reduction in holding of the Company's or subsidiaries' shares or debentures.
9. Arrange general ordinary shareholders' meeting within 4 months after the end of Company's fiscal year.
10. Prepare the balance sheet and income statement as at the end of each fiscal year and propose them to the shareholders at the annual general shareholders' meeting.

The sub-committee

The board of director has established the sub-committees to enhance the operating performance with the specific roles, duties and responsibilities. In this regards, the chairman of the board is an independent director and not hold a chairman position of any committee, to ensure an independence of the committees.

There are 4 sub-committees as follows;

1. Audit committee
2. Executive committee
3. Nomination and remuneration committee
4. Corporate governance and risk management committee

Details and Scope of responsibilities are as follows

1. Audit committee

Audit committee consists of 4 directors, matching the Independence Director qualification requirement of Stock Exchange Commission. The committee members are specialized in the relevant aspects and possess the sufficient experiences in financial statement auditing.

Name		Position
1. Mr. Phanporn	Dabbaransi	Chairman of audit committee
2. Mr. Nontachit	Tulayanonda	Audit committee member
3. Mr. Kosol	Suriyaporn	Audit committee member
4. Mr. Somyod	Suteerapornchai	Audit committee member

Scope of the audit committee responsibilities

1. Verify the Company's financial statements to be accurately and adequately disclosed.
2. Ensure that the Company has appropriate and effective internal control and audit system. Consider approval of work plan of the internal audit unit and its independency. Appoint, transfer or terminate the employment of internal audit unit, including remuneration approval.
3. Encourage the Company's business operation to be complied with relevant laws and regulations, and good corporate governance.
4. Seek and propose for appointment or removal of the Company auditors. Consider and propose their remuneration.
5. Seek and propose for appointment or removal of the Company internal auditors. Consider and propose their remuneration.
6. Participate in meetings with the Company audits and in absence of the Company executives. Such meeting is held at least once a year to communicate freely with the Company auditors.
7. Consider the Company disclosure of any related transaction or any action that conflicts may arise in order to ensure the compliance with laws and regulations under the Stock Exchange Commission and the Stock Exchange of Thailand, and the best benefit for the Company.
8. Disclose an Audit Committee's report in the Company's annual report where the audit committee members sign for its verification. Such report must contain the following details:
 - 8.1. The committee's opinion on the accuracy, sufficiency and reliability of the Company financial report;
 - 8.2. The committee's opinion on the adequacy of the Company's internal control system;
 - 8.3. The committee's opinion on the suitability of the Company's auditors;
 - 8.4. The committee's opinion on any action that may cause conflicts;
 - 8.5. The committee's opinion on the Company's Good Governance and compliance with Stock Exchange of Thailand's laws and regulations or any other related laws;
 - 8.6. Other actions under the scope and responsibilities given from the Board of Directors that the Company deems as significant for shareholders and investors.
9. Investigate reports from the Company auditors regarding any suspicious behavior of directors, executives or related persons which is against the law as defined in Security and Stock Exchange Act. The investigation result must be submitted to the Stock Exchange Commission and the auditors within 30 days after the auditors notify such matter.
10. Consider the draft of Audit Committee Charter and review occasionally to keep the charter up-to-dated.
11. Other actions as designated by the Board of Directors and agreed by the Audit Committee

2. Executive committee

Executive committee consists of 6 directors, whose positions are the Company's Chief Executive Officer, Managing Director and other appointed persons by the board of directors whom nominated by the nomination and remuneration committee.

Name		Position
1. Mr. Anuphong	Assavabhokhin	Chief executive officer
2. Mr. Pichet	Vipavasuphakorn	Managing director
3. Mr. Siripong	Sombutsiri	Executive director
4. Mr. Wason	Naruenatpaisan	Executive director
5. Mr. Visanu	Suchatlumpong	Executive director
6. Ms. Kittiya	Pongpujaneegul	Executive director and secretary of executive committee

Scope of the executive committee responsibilities

Executive committee is responsible for considering, approving and assigning any matters under the Company's notification on the operating authorization, power administration and any other important issues.

3. Nomination and remuneration committee

Nomination and remuneration consists of 5 directors where 3 members are qualified as independence directors namely; Mr. Pornwut Sarasin, the chairman and 2 members namely; Mr. Nontachit Tulayanonda and Mr. Somyod Suteerapornchai

Name		Position
1. Mr. Pornwut	Sarasin	Chairman of nomination and remuneration committee
2. Mr. Anuphong	Assavabhokhin	Member of nomination and remuneration committee
3. Mr. Pichet	Vipavasuphakorn	Member of nomination and remuneration committee
4. Mr. Nontachit	Tulayanonda	Member of nomination and remuneration committee
5. Mr. Somyod	Suteerapornchai	Member of nomination and remuneration committee

Scope of the nomination and remuneration committee responsibilities

1. Nominate persons with matching qualifications for the director position and propose to the Board of Directors in the event that there is a vacancy in the Board of Directors. With an approval from the Board of Directors, the nominated person will be proposed to the shareholders meeting for appointment.
2. Review the self-assessment of the Company directors from time to time.
3. Analyze the result of the Company directors' self-assessment to develop working process.
4. Propose the remuneration principle for the directors, i.e. gratuity, annual bonus and other compensation.
5. Propose the remuneration principle for annual bonus of the executives and staff.

4. Corporate governance and risk management committee

Corporate governance and risk management committee consists of 6 directors where 4 directors are the Company executives for closed monitoring of the company operation. In this regards, the company also appointed Ms. Wirinya Siricharoennan as a secretary of corporate governance and risk management committee.

Name		Position
1. Mr. Kosol	Suriyaporn	Chairman of corporate governance and risk management committee
2. Mr. Siripong	Sombutsiri	Member of corporate governance and risk management committee
3. Mr. Yokporn	Tantisawetrat	Member of corporate governance and risk management committee
4. Mr. Wason	Naruenatpaisan	Member of corporate governance and risk management committee
5. Mr. Visanu	Suchatlumpong	Member of corporate governance and risk management committee
6. Ms. Kittiya	Pongpujaneegul	Member of corporate governance and risk management committee

Scope of the corporate governance and risk management committee responsibilities

1. Consider and propose the Good Corporate Governance Policy to the Board of Directors. Monitor the Company operation to be in accordance with the Good Corporate Governance Policy and review from time to time.
2. Analyze the Good Corporate Governance Policy to ensure that the Company operation is compliance with and to improve the operation to better meet the criteria.

The attendance record of individual directors in the previous year (as of 31st December 2018)

		Board of directors (total meeting 12 times)		Audit Committee (total meeting 4 times)		Nomination and remuneration committee (total meeting 2 times)		Corporate governance and risk management committee (total meeting 4 times)		Executive committee (total meeting 12 times)	
		attendance	%	attendance	%	attendance	%	attendance	%	attendance	%
1.	Assoc. Prof. Dr. Naris Chaiyasoot	12	100%								
2.	Mr. Anuphong Assavabhokhin	12	100%			2	100%			12	100%
3.	Mr. Pichet Vipavasuphakorn	12	100%			2	100%			12	100%
4.	Mr. Siripong Sombutsiri	8	67%					4	100%	11	92%
5.	Mr. Wason Naruenatpaisan	12	100%					4	100%	12	100%
6.	Ms. Kittiya Pongpujaneegul	11	92%					4	100%	12	100%
7.	Mr. Visanu Suchatlumpong	12	100%					4	100%	12	100%
8.	Mr. Pornwut Sarasin	10	83%			1	50%				
9.	Mr. Yokporn Tantisawetrat	11	92%					4	100%		
10.	Mr. Phanporn Dabbaransi	12	100%	4	100%						
11.	Mr. Kosol Suriyaporn	12	100%	4	100%			4	100%		
12.	Mr. Nontachit Tulayanonda	12	100%	4	100%	2	100%				
13.	Mr. Somyod Suteerapornchai	12	100%	4	100%	2	100%				

Executives

The Company's executives, as of 31st December 2018, consists of the following;

Name		Position
1. Mr. Anuphong	Assavabhokhin	Chief Executive Officer
2. Mr. Pichet	Vipavasuphakorn	Managing Director
3. Mr. Siripong	Sombutsiri	Executive Director
4. Mr. Wason	Naruenatpaisan	Executive Director/Chief Strategic Property Investment
5. Ms. Kittiya	Pongpujaneegul	Executive Director
6. Mr. Visanu	Suchatlumpong	Executive Director
7. Mr. Somchai	Wattanasaoowapak	Chief Information Technology Officer
8. Mr. Vittakarn	Chandavimol	Chief Corporate Strategy and Creation
9. Mr. Pamorn	Prasertsan	Chief Business Group - TH & CD2
10. Mr. Ratchayud	Nunthachotsophol	Chief Business Group - SDH
11. Mr. Boonchai	Jankrajanglerd	Chief Supply Chain Officer
12. Mrs. Kultipa	Tinnakornsrirupap	Deputy Chief Financial Officer
13. Mr. Worrapong	Virojtananugoon	Deputy Chief Business Group - TH
14. Mr. Pattaraphurit	Rungjaturapat	Deputy Chief Digital Transformation and Disruption
15. Ms. Tippawan	Sirikoon	Deputy Chief People Officer
16. Ms. Kamolthip	Bumrunghatudom	Deputy Chief Business Group - CD1
17. Mr. Songpon	Busparoeek	Deputy Chief Information Technology

Corporate secretary

Board of Directors has appointed Mr. Pramart Kwanchuen as a Corporate Secretary to be responsible for the tasks under Security and Stock Exchange Act. (4th version) B.E. 2551.

Director and management remuneration

(a) Director's remuneration in terms of meeting allowance and gratuity.

Name of the directors	Type of director	Position	2018 Remuneration			2017 Remuneration		
			Attendance	Gratuity (Baht)	Remunerations (Baht)	Attendance	Gratuity (Baht)	Remunerations (Baht)
1. Assoc. Prof. Dr. Naris Chaiyasoot	Independent Director	Chairman of the Board	100%	423,077	922,500	100%	361,500	895,000
2. Mr. Anuphong Assavabhokhin	Executive Director	Vice Chairman/ Chief Executive Officer	100%	423,077	-none-	100%	361,500	-none-
3. Mr. Pichet Vipavasuphakorn	Executive Director	Director/ Managing Director	100%	423,077	-none-	100%	361,500	-none-
4. Mr. Siripong Sombutsiri	Executive Director	Director	67%	423,076	-none-	100%	361,500	-none-
5. Mr. Wason Naruenatpaisan	Executive Director	Director	100%	423,077	-none-	100%	361,500	-none-
6. Ms. Kittiya Pongpujaneegul	Executive Director	Director	92%	423,077	-none-	92%	361,500	-none-
7. Mr. Visanu Suchartlumpomg	Executive Director	Director	100%	423,077	-none-	92%	361,500	-none-
8. Mr. Pornwut Sarasin	Independent Director	Director	83%	423,077	782,500	92%	361,500	670,000
9. Mr. Phanporn Dabbaransi	Independent Director	Chairman of Audit committee	100%	423,077	880,000	100%	361,500	862,500
10. Mr. Kosol Suriyaporn	Independent Director	Member of Audit committee	100%	423,077	880,000	100%	361,500	780,000
11. Mr. Nontachit Tulayanonda	Independent Director	Member of Audit committee	100%	423,077	770,000	92%	361,500	710,000
12. Mr. Somyod Suteerapornchai	Independent Director	Member of Audit committee	100%	423,077	770,000	100%	361,500	700,000
13. Mr. Yokporn Tantisawetrat	Independent Director	Director	92%	423,077	740,000	100%	-none-	490,000

(b) Executive director and management's remuneration

Total remuneration for directors and managements in 2017 and 2018 for 19 and 17 persons in terms of salary and bonus were Baht 158.8 million and Baht 176.6 million, respectively.

Human resource

As of 31st December 2018, the Company and its subsidiaries have total 2,239 employees.

Labor dispute

From 2016 to 2018, the Company has no dispute with executives or staff, regarding the violation or employment contract breaching.

Remuneration of the employees

Remunerations offered to the Company employees in cash; for example, monthly salary, bonus and the employer's contribution in provident fund, excluding the remunerations of the executives, which is equivalent to baht 1,443.1 million as of 31st December 2018 (Baht 1,284.5 million in 2017). The Company has offered new provident fund schemes for employees where employees have more choices, increasing from 1 policy to 3 policies, to better match their needs. Choices of provident funds are K Master Pool Fund, SCB Master Fund and TMBAM M Choice. Moreover, not only the Company selected the most appropriate scheme in each funds, but also acknowledge employees on their details.

Directors and executives profile

Assoc. Prof. Dr. Naris Chaayasoot

Age 63

Position: Chairman of the Board of Directors
Independent director

Date of Appointment: 28 April 2016

Education

- Ph.D. in Economics, University of Hawaii, USA
- M.A. in Economics (English Program), Thammasat University
- B.A. in Economics (Honors), Thammasat University

Training courses by Thai Institute of Directors

- Chartered Director Class (CDC) 3/2008
- Director Certification Program (DCP) 82/2006
- Director Accreditation Program (DAP) 32/2005
- Finance for Non-Finance Directors (FND) 19/2005
- Advanced Audit Committee Program (AACP) 29/2018

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2016-Present Chairman of the Board of Directors and
Independent directors
AP (Thailand) Pcl.
Type of business: Property development

2015-Present Chairman of the Board of Directors and
Chairman of the audit committee
Banpu Power Plc.
Type of business: Energy

2013-Present Chairman of the audit committee and
Independent director
GMM Grammy Plc.
Type of business: Entertainment

Positions in non-listed company

2015-Present Advisor
Organization for Researches in art, culture, urban
and leisure development (ORAC), Japan

2016-Present Executive director
Institute of Business and Industrial Development.

2016-Present Director
Foundation of Business and Industrial Development.

2018-Present Chairman of the Board of Directors
Travellex (Thailand) Co.,Ltd.
Type of business: Money exchange

2015-Present Chairman of the Board of Directors
R.X. Co.,Ltd.
Type of business: Pharmaceutical products-wholesale
& Manufacturers

2018-Present Chairman of the Board of Directors
Function International Co.,Ltd.
Type of business: Water purifier

Mr. Anuphong Assavabhokhin

Age 56

Position: Vice chairman
Chief executive officer

Date of Appointment: 5 July 2000

Education

- MBA, Wayne State University, Detroit, Michigan, USA
- Bachelor of Engineering (B.Eng.) (Industrial Engineering),
Chulalongkorn University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 30/2004

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2000-Present Vice chairman and CEO
AP (Thailand) Pcl.
Type of business: Property development

Positions in non-listed company

2013-Present Director
Joint ventures companies between
AP subsidiary companies and Mitsubishi group.*
Type of business: Property development

1994-Present Director
AP subsidiary companies
Type of business: Property development

1994-2012 Director
Pathumwan Asset Co., Ltd.
Type of business: Property development

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 13 companies namely 1. Premium Residence Co., Ltd 2. AP (Phetchaburi) Co., Ltd 3. Asian Property (2015) Co., Ltd 4. AP ME 1 Co., Ltd 5. AP ME (Ekkamai) Co., Ltd 6. AP ME 2 Co., Ltd 7. AP ME (Ratchayothin) Co., Ltd 8. AP ME 3 Co., Ltd 9. AP ME 4 Co., Ltd 10. AP ME 5 Co., Ltd 11. AP ME 6 Co., Ltd 12. AP ME 8 Co., Ltd 13. AP ME 14 Co., Ltd

Mr. Pichet Vipavasuphakorn

Age 61

Position: Director

Managing director

Date of Appointment: 5 July 2000

Education

- Bachelor of Business Administration (B.B.A) (second-class honors), Ramkhamhaeng University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 30/2004

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2000-Present Director and Managing director
AP (Thailand) Pcl.

Type of business: Property development

Positions in non-listed company

2013-Present Director
Joint ventures companies between
AP subsidiary companies and Mitsubishi group.*
Type of business: Property development

1994-Present Director
AP subsidiary companies
Type of business: Property development

1994-2012 Director
Pathumwan Asset Co., Ltd.
Type of business: Property development

Mr. Siripong Sombutsiri

Age 63

Position: Director

Executive director

Date of Appointment: 24 April 2002

Education

- Master of Business Administration (MBA), Sul Ross University, USA
- Bachelor of Accountancy (M.Acc.), Chulalongkorn University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 2/2003
- Ethical Leadership Program (ELP) 1/2015

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2002-Present Director and Executive director
AP (Thailand) Pcl.
Type of business: Property development

2015-Present Director
TMB Bank Pcl.
Type of business: Banking

2014-Present Chairman of the Board of Directors and
Chairman of the audit committee
Com7 Pcl.

Type of business: Retail

2013-Present Director and Chairman of the audit committee
Pan Asia Footwear Pcl.
Type of business: Footwear manufacturing

2004-Present Director and Audit committee member
Bangkok Chain Hospital Pcl.
Type of business: Hospital

Positions in non-listed company

2009-Present Director
AP subsidiary companies
Type of business: Property development

2011-Present Director
Infinite Electronic (Thailand) Co., Ltd.
Type of business: Electronic appliance manufacturing
and distributing

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 13 companies namely 1. Premium Residence Co., Ltd 2. AP (Phetchaburi) Co., Ltd 3. Asian Property (2015) Co., Ltd 4. AP ME 1 Co., Ltd 5. AP ME (Ekkamai) Co., Ltd 6. AP ME 2 Co., Ltd 7. AP ME (Ratchayothin) Co., Ltd 8. AP ME 3 Co., Ltd 9. AP ME 4 Co., Ltd 10. AP ME 5 Co., Ltd 11. AP ME 6 Co., Ltd 12. AP ME 8 Co., Ltd 13. AP ME 14 Co., Ltd

Mr. Wason Naruenatpaisan

Age 54

Position: Director

Executive director

Chief strategic property investment

Date of Appointment: 25 September 2009

Education

- Master of Business Administration (MBA), Burapha University
- Bachelor of Business Administration (BBA), Bangkok University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 81/2009

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2013-Present | Director and Chief strategic property investment
AP (Thailand) Pcl.
Type of business: Property development |
| 2009-2012 | Director and Chief operation officer
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

- | | |
|--------------|--|
| 2005-Present | Director
AP subsidiary companies
Type of business: Property development |
| 2005-Present | Director
Capital and Property Management Co., Ltd.
Type of business: Asset development |

Ms. Kittiya Pongpujaneegul

Age 54

Position: Director

Executive director

Date of Appointment: 27 April 2010

Education

- Master of Accountancy (M.Acc.), Chulalongkorn University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 84/2010

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2010-Present | Director
AP (Thailand) Pcl.
Type of business: Property development |
| 2017-2018 | Corporate secretary
AP (Thailand) Pcl.
Type of business: Property development |
| 2001-2016 | Chief financial officer
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

- | | |
|--------------|--|
| 2005-Present | Director
AP subsidiary companies
Type of business: Property development and property brokerage |
| 2005-Present | Director
Capital and Property Management Co., Ltd.
Type of business: Asset management |
| 1996-Present | Director and Executive vice president of accounting
Smart Service and Management Co., Ltd.
Type of business: Property management |

Mr. Visanu Suchatlumpung

Age 57

Position: Director
Executive director

Date of Appointment: 22 September 2010

Education

- Master of Business Administration (MBA), Thammasat University
- Bachelor of Engineering (B.Eng.), (Civil Engineering), Chiang Mai University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 87/2010

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2010-Present | Director
AP (Thailand) Pcl.
Type of business: Property development |
| 2009-2016 | Chief business unit 1
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

- | | |
|--------------|---|
| 2005-Present | Director
AP subsidiary companies
Type of business: Property development and property management |
|--------------|---|

Mr. Pornwut Sarasin

Age 59

Position: Director
Independent director

Date of Appointment: 12 November 2009

Education

- Master of Business Administration (MBA), Pepperdine University, USA
- Bachelor of Business Administration, Boston University, USA

Training courses by Thai Institute of Directors

- Directors Accreditation Program (DAP) 45/2005

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2009-Present | Director
AP (Thailand) Pcl.
Type of business: Property development |
| 2017-Present | Chairman of the Board of Directors
BG Container Glass Pcl.
Type of business: Glass container manufacturing |
| 2015-Present | Director
Crown Seal Pcl.
Type of business: Crown, pilfer-proof, maxi-series and plastic cap manufacturing |
| 2015-Present | Director
Home product center Pcl.
Type of business: A retail business by selling goods and providing complete range of services relating to house and residential places |
| Present | Director and Chairman of the audit committee
Charoong Thai Wire & Cable Pcl.
Type of business: Electric cable & telecommunication cable export and manufacturing |

Positions in non-listed company

- | | |
|---------------|--|
| 2014- Present | Director
Bangkok Glass Pcl.
Type of business: Glass & packaging |
| 2013-Present | Chairman of the Board of Directors
Thai Nam Thip Co., Ltd
Type of business: Beverage manufacturing |
| Present | Director
Thai Bridgestone Co., Ltd.
Type of business: Tire manufacturing |
| Present | Director
Denso (Thailand) Co., Ltd.
Type of business: Advance automotive technology, system and component manufacturing |
| Present | Director
Honda Automobile (Thailand) Co., Ltd.
Type of business: Automobile & spare parts import, export and manufacturing |
| Present | Director
Thai Asia Pacific Brewery Co., Ltd.
Type of business: Beer brewry and distributing |
| Present | Director
Isuzu Motor (Thailand) Co., Ltd.
Type of business: Truck assembling and component parts manufacturing |
| Present | Director
Thai-MC Co., Ltd.
Type of business: Raw material and component for electronics industry |
| Present | Director
Tri Petch Isuzu Sales Co., Ltd.
Type of business: Automobile & spare parts distribution |
| Present | Director
Tri Petch Isuzu Leasing Co., Ltd.
Type of business: Automotive leasing |

Mr. Phanporn Dabbaransi

Age 69

Position: Chairman of the audit committee
Independent director

Date of Appointment: 27 April 2010

Education

- Master of Business Administration (MBA) (Finance),
Michigan State University, USA
- Bachelor of Accountancy (B.Acc.) (Finance and Banking),
Chulalongkorn University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 84/2010

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2010-Present | Director and Chairman of the audit committee
AP (Thailand) Pcl.
Type of business: Property development |
| 2012-2014 | Executive advisor
SCB Life Assurance Pcl.
Type of business: Insurance |

Positions in non-listed company

- | | |
|--------------|---|
| 2015-Present | Audit committee member
Generali life assurance (Thailand) Pcl.
Type of business: Life assurance |
| 2015-Present | Audit committee member
Generali Insurance (Thailand) Pcl.
Type of business: Insurance |

Mr. Kosol Suriyaporn

Age 55

Position: Audit committee member
Independent director

Date of Appointment: 26 April 2000

Education

- Bachelor of Laws (LL.B.), Chulalongkorn University
- Thai barrister at law

Training courses by Thai Institute of Directors

- Audit Committee Program (ACP) 1/2004
- Director Accreditation Program (DAP) 153/2018
- Advanced Audit Committee Program (AACP) 31/2018
- Role of the Chairman Program (RCP) 43/2018

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2000-Present | Director and Audit committee member
AP (Thailand) Pcl.
Type of business: Property development |
|--------------|---|

Positions in non-listed company

- | | |
|--------------|--|
| 2017-Present | Lawyer
JTJB International Lawyers
Type of business: Legal advisory |
| 2001-2017 | Senior lawyerPrice Sanond Praphas & Wynne Ltd.
Type of business: Legal advisory |

Mr. Nontachit Tulayanonda

Age 60

Position: Audit committee member
Independent director

Date of Appointment: 26 April 2000

Education

- Bachelor of Arts (BA), Tarleton State University, Texas, USA

Training courses by Thai Institute of Directors

- Audit Committee Program (ACP) 1/2004
- Director Accreditation Program (DAP) 139/2017

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2000–Present | Director and Audit committee member
AP (Thailand) Pcl.
Type of business: Property development |
| 2010–2018 | First executive vice president,
Credit development and Assets management group
Land and House Bank Pcl.
Type of business: Banking |

Positions in non-listed company

- | | |
|--------------|--|
| 2018–Present | Chief financial officer
Ritta Co., Ltd.
Type of business: Construction |
|--------------|--|

Mr. Somyod Suteerapornchai

Age 52

Position: Audit committee member
Independent director

Date of Appointment: 28 April 2015

Education

- Master of Laws (LL.M.), University of New South Wales, Australia
- Bachelor of Laws (LL.B.), Chulalongkorn University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) 119/2015

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2017–Present | Audit committee member
AP (Thailand) Pcl.
Type of business: Property development |
| 2015–Present | Director
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

- | | |
|--------------|---|
| 2014–Present | Director
Joint ventures companies between
AP subsidiary companies and Mitsubishi Estate group.*
Type of business: Property development |
| 2010–Present | Director
Green Partner Holding Co.,Ltd.
Type of business: Lending, selling and buying, |
| 2010–Present | Director
Wayu and Partners Co.,Ltd.
Type of business: Consultant |

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 13 companies namely 1. Premium Residence Co., Ltd 2. AP (Phetchaburi) Co., Ltd 3. Asian Property (2015) Co., Ltd 4. AP ME 1 Co., Ltd 5. AP ME (Ekkamai) Co., Ltd 6. AP ME 2 Co., Ltd 7. AP ME (Ratchayothin) Co., Ltd 8. AP ME 3 Co., Ltd 9. AP ME 4 Co., Ltd 10. AP ME 5 Co., Ltd 11. AP ME 6 Co., Ltd 12. AP ME 8 Co., Ltd 13. AP ME 14 Co., Ltd

Mr. Yokporn Tantisawetrat

Age 63

Position: Director

Independent director

Date of Appointment: 28 April 2017

Education

- Master's Degree in Economics, Thammasat University
- Bachelor's Degree in Economics, Chulalongkorn University
- National Defence College
- Advanced Management Program (AMP), Harvard Business School
- Advanced Bank Management Program, Wharton school
- Advanced Bank Management Program, Asian Institute of Management

Training courses by Thai Institute of Directors

- Directors Accreditation Program (DAP) 66/2007
- Risk Management Program for Corporate Leaders
- Director Certification Program (DCP) 229/2016
- Advanced Audit Committee Program (AACP) 25/2017

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2017-Present | Independent director
AP (Thailand) Pcl.
Type of business: Property development |
| 2015-Present | Independent director and
Chairman of the audit committee
Banpu Power Pcl.
Type of business: Energy |
| 2015-Present | Director
TMB Bank Pcl.
Type of business: Banking |
| 2002-2015 | Senior executive vice president, Chief risk officer,
Risk management group
Siam Commercial Bank Pcl.
Type of business: Banking |

Positions in non-listed company

- | | |
|--------------|--|
| 2017-Present | Director
Kirloskar Brothers (Thailand) Limited
Type of business: Manufacturing and exporting |
| 2016-Present | Expert member
Securities and Exchange Commission
Type of business: Supervising securities businesses |
| 2014-2015 | Vice chairman
Vina Siam Bank, Vietnam
Type of business: Banking |
| 2011-2015 | Director
SCB Securities Co., Ltd.
Type of business: Brokerage |

Mr. Somchai Wattanasaowapak

Age 55

Position: Chief IT officer

Education

- Master of Business Administration (MBA), Kasetsart University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2012-Present | Chief IT officer
AP (Thailand) Pcl.
Type of business: Property development |
| 2009-2012 | Deputy chief IT officer
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

None

Mr. Vittakarn Chandavimol

Age 50

Position: Chief corporate strategy and creation

Education

■ Master of Business Administration (MBA), University of Portland, USA

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2018-Present	Chief corporate strategy and creation AP (Thailand) Pcl. Type of business: Property development
2016-2018	Chief business group - CD1 AP (Thailand) Pcl. Type of business: Property development
2012-2016	Chief marketing officer AP (Thailand) Pcl. Type of business: Property development
2010-2012	Deputy chief marketing officer AP (Thailand) Pcl. Type of business: Property development

Positions in non-listed company

2017-Present	Director Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.* Type of business: Property development
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Mr. Pamorn Prasertsan

Age 47

Position: Chief business group - TH & CD2

Education

■ Master of Business Administration (MBA), NIDA

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2017-Present	Chief business group - TH & CD2 AP (Thailand) Pcl. Type of business: Property development
2016-2017	Chief business group - TH AP (Thailand) Pcl. Type of business: Property development
2013-2016	Chief business unit 2 AP (Thailand) Pcl. Type of business: Property development

Positions in non-listed company

2017-Present	Director Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.* Type of business: Property development
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* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 13 companies namely 1. Premium Residence Co., Ltd 2. AP (Phetchaburi) Co., Ltd 3. Asian Property (2015) Co., Ltd 4. AP ME 1 Co., Ltd 5. AP ME (Ekkamai) Co., Ltd 6. AP ME 2 Co., Ltd 7. AP ME (Ratchayothin) Co., Ltd 8. AP ME 3 Co., Ltd 9. AP ME 4 Co., Ltd 10. AP ME 5 Co., Ltd 11. AP ME 6 Co., Ltd 12. AP ME 8 Co., Ltd 13. AP ME 14 Co., Ltd

Mr. Ratchayud Nunthachotsophol

Age 44

Position: Chief business group - SDH

Education

- Master of Business Administration (MBA), Thammasat University
- Bachelor of Engineering (B.Eng.) (Civil Engineering), Thammasat University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2016-Present | Chief business group - SDH
AP (Thailand) Pcl.
Type of business: Property development |
| 2013-2016 | Deputy chief operation officer
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

None

Mr. Boonchai Jankrajanglerd

Age 42

Position: Chief supply chain officer

Education

- Master of Engineering (M.Eng.), King Mongkut's University of Technology Thonburi
- Bachelor of Engineering (B.Eng.), Srinakharinwirot University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2017-Present | Chief supply chain officer
AP (Thailand) Pcl.
Type of business: Property Development |
| 2015-2017 | Deputy chief supply chain officer
AP (Thailand) Pcl.
Type of business: Property Development |
| 2012-2014 | Assistant general manager, Supply chain
Serm Suk Pcl.
Type of business: Beverage manufacturing |

Positions in non-listed company

None

Mr. Worrapong Virojtananugoon

Age 46

Position: Deputy chief business group - TH

Education

- Bachelor of Engineering (B.Eng.) (Civil Engineering), King Mongkut's University of Technology Thonburi

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2016-Present | Deputy chief business group - TH
AP (Thailand) Pcl.
Type of business: Property development |
| 2013-2016 | Deputy chief business unit 2 officer
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

None

Mr. Pattaraphurit Rungjaturapat

Age 41

Position: Deputy chief digital transformation & disruption

Education

- Master of Business Administration Program in Business Computer, Assumption University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2018-Present | Deputy chief digital transformation & disruption
AP (Thailand) Pcl.
Type of business: Property Development |
| 2016-2018 | Deputy chief corporate image management
AP (Thailand) Pcl.
Type of business: Property Development |
| 2015-2016 | Online marketing director
VGI Global media Pcl.
Type of business: Advertising |

Positions in non-listed company

- | | |
|-----------|--|
| 2015 | Senior marketing manager
LAVA International (HK)
Type of business: Smartphone |
| 2012-2014 | Digital marketing manager
Gameloft Limited
Type of business: Game and mobile advertising |

Ms. Tippawan Sirikoon

Age 57

Position: Deputy chief people officer

Education

- Master of Political Science, Kasetsart university

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|--|
| 2017-Present | Deputy chief people officer
AP (Thailand) Pcl.
Type of business: Property development |
| 2016-2017 | Assistant vice president human resources and service
Advanced info service public company limited
Type of business: Telecommunications |
| 2012-2016 | Assistant vice president human resources manament
Advanced info service public company limited
Type of business: Telecommunications |

Positions in non-listed company

None

Mrs. Kul-tipa Tinnakorn-srisupap

Age 44

Position: Deputy chief financial officer

Education

- Master of Business Administration (M.B.A.), Monash University, Australia
- B.B.A. Bachelor of Business Administration (Hons), Kasetsart University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2018-Present	Deputy chief financial officer AP (Thailand) Pcl. Type of business: Property development
2015-2018	Head of corporate finance and investor relations AP (Thailand) Pcl. Type of business: Property development
2011-2015	Commercial management account manager Friesland Campina (Thailand) Pcl. Type of business: FMCG : Fast Moving Consumer Goods

Positions in non-listed company

None

Ms. Kamolthip Bumrungchatudom

Age 47

Position: Deputy chief business group - CD1

Education

- Master of Business Administration (MBA), Bangkok university
- BBA (Marketing), Kasetsart University
- Certificate from Marketing Association of Thailand (MAT)

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2018-Present	Deputy chief business group - CD1 AP (Thailand) Pcl. Type of business: Property development
2017-2018	Head of sales and marketing : Business group - CD1 AP (Thailand) Pcl. Type of business: Property development

Positions in non-listed company

None

Mr.Songpon Busparoeck

Age 46

Position: Deputy chief information technology

Education

- Master of Information System, Central Texas A&M University, USA
- Bachelor Degree in Computer Science, KMIL

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2018-Present	Deputy chief information technology AP (Thailand) Pcl. Type of business: Property development
2009-2016	IT Director - Minor food group Minor International Type of business: Retail and food restaurant

Positions in non-listed company

2016-2018	Director of Digital Yum Restaurant Thailand Type of business: Retail and food restaurant
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Mr. Tanit Paiboon

Age 56

Position: Managing director (SQE)

Education

- Master of Business Administration (MBA), Chulalongkorn University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

None

Positions in non-listed company

2016-Present	Managing director SQE Construction Co., Ltd. Type of business: Construction
2010-2015	Dputy managing director SQE Construction Co., Ltd. Type of business: Construction

Mr. Giknarongpol Hathamontol

Age 40

Position: Managing director (SSM)

Education

- Doctorate Degree, Kings International University of Science and Technology
- Master's Degree, James Cook University
- Bachelor's Degree, Nova Southeastern University
- Associate Degree, Weatherford College

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

None

Positions in non-listed company

2018-Present	Managing director Smart Service and Management Co., Ltd. Type of business: Property management
2017-2018	General manager BOUNCEinc (Thailand) Limited Type of business: Sportainment
2013-2016	General manager Carlson Wagonlit Travel (Thailand) Limited Type of business: Corporate business travel management

Mr. Kayon Tantichatiwat

Age 40

Position: Managing director (BC)

Education

- MBA from California State University, USA

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

None

Positions in non-listed company

2018-Present	Managing director Bangkok Citismart Co., Ltd. Type of business: Property brokerage
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Subsidiary companies of AP (Thailand) Plc.

	Assoc.Prof.Dr.Naris Chaiyasoot	Mr. Anuphong Assavabhokhin	Mr. Pichet Vipavasuphakorn	Mr. Somyod Suteerapornchai	Mr. Siripong Sombutsiri	Mr. Wason Naruenatpaisan	Ms. Kittiya Pongpujaneegul	Mr. Visanu Suchatlumpong	Mr. Pornwut Sarasin	Mr. Yokporn Tantissawetrat	Mr. Phanporn Dabbaransi	Mr. Kosol Suriyaporn
AP (Thailand) Pcl.	X	#	✓✓	y	✓	✓	✓	✓	✓	✓	y	y
Asian Property Co., Ltd.		✓	✓			✓	✓	✓				
Asian Property (Krungthep) Co., Ltd.		✓	✓		✓	✓	✓	✓				
Thonglor Residence Co., Ltd.		✓	✓		✓	✓	✓	✓				
Signature Advisory Partners Co., Ltd.		✓	✓		✓	✓	✓	✓				
Bangkok Citismart Co., Ltd.					✓	✓	✓	✓				
Smart Service & Management Co., Ltd.						✓	✓	✓				
SQE Construction Co., Ltd.					✓	✓	✓	✓				
Value Property Development Co., Ltd.		✓	✓		✓	✓	✓	✓				
Asian Property (2012) Co., Ltd.		✓	✓		✓	✓	✓	✓				
Asian Property (2014) Co., Ltd.		✓	✓		✓	✓	✓	✓				
Thai Big Belly Co., Ltd.		✓	✓		✓	✓	✓	✓				
AP (Ekkamai) Co., Ltd.		✓	✓	✓								
AP (Phetchaburi) Co., Ltd.		✓	✓	✓								
AP (Ratchayothin) Co., Ltd.		✓	✓	✓								
AP ME (Krungthep) Co., Ltd.		✓	✓				✓	✓				
Premium Residence Co., Ltd.		✓	✓	✓								
Asian Property (2015) Co., Ltd.		✓	✓	✓								
AP ME 1 Co., Ltd.		✓	✓	✓								
AP ME 2 Co., Ltd.		✓	✓	✓								
AP ME 3 Co., Ltd.		✓	✓	✓								
AP ME 4 Co., Ltd.		✓	✓	✓								
AP ME 5 Co., Ltd.		✓	✓	✓								
Clay More Innovation Lab Co., Ltd.						✓	✓	✓				
SEAsia Leadavaion Center Co., Ltd.		✓	✓		✓							
AP ME 6 Co., Ltd.		✓	✓	✓								
Asian Property (2018) Co., Ltd.		✓	✓		✓	✓						
AP ME 8 Co., Ltd.		✓	✓	✓								
Vaari Digital Co., Ltd.						✓	✓	✓				
Asian Property (2017) Co., Ltd.		✓	✓		✓	✓	✓	✓				
RC 1 Co., Ltd.							✓	✓				
RC 2 Co., Ltd.							✓	✓				
AP ME 10 Co., Ltd.		✓	✓		✓	✓						
AP ME 11 Co., Ltd.		✓	✓		✓	✓						
AP ME 12 Co., Ltd.		✓	✓		✓	✓						
AP ME 14 Co., Ltd.		✓	✓	✓								
AP ME 15 Co., Ltd.		✓	✓		✓	✓						
SEAC (SINGAPORE) PTE. LTD.		✓	✓									

Remark ✓ = Director X = Chairman # = Vice chairman ✓✓ = Managing director y = Audit committee member

Mr. Nontachit Tulayanonda	Mr. Boonchai Jankrajanglert	Mr. Thanit Palboon	Mr. Ratchayud Nunthachotsophol	Mr. Vittakam Chandavimol	Mr.Pamorn Prasertsan	Mr. Kowit Kokilakanistha	Mr. Tomohiko Eguchi	Mr. Yutaro Yotsuzuka	Mr. Takanobu Yoshida	Mr. Hideaki Sato	Mr. Yuji Okamoto	Mr. Naoyuki Okuda	Mr. James Robert Engel	Mrs. Arinya Talengsri	Mr. Lim Eugene
y															
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RISK FACTORS

Business risk

1) Business risk

As being one of the developers in the Thai property sector, the Company is adversely affected by the economic impediment. The government's investment in the infrastructure projects results in extension of the existing projects including new projects, the Company is, therefore, set forth the plan and adjust the strategy to be consistent to the economic condition in the particular time. New project launch, new land purchase, construction, and cash flow management are primary concerns. The Company will develop the projects to correspond to the economic situation in each period. For example, during the economic downturn, the Company will proceed with the construction when the sales rate is on track to avoid a high inventory level. Besides, deceleration in new project launch and new land purchase is also considered a tool to manage cash flow and mitigate economic volatility risk.

2) The risk from changes in loan policy of commercial banks

Due to the domestic household debt burden, the local commercial banks have tightened up granting the loans for those who are acquiring houses and lands from AP. Such a situation will affect the Company's revenue. To cope with the issue, the Company has prepared procedures of sending document indicating an intention to reserve the house and to apply for the loan for pre-approval from the banks, in order to mitigate risks of customers and the Company. Additionally, the Company has discussed with the commercial banks to create alliances and to facilitate its customers for convenient procedures.

Product/Service risk

1) Construction material cost risk

Project construction encounters the risk of rising construction material prices, which results in additional cost and lower profit. The Company moderates the risk by limiting each project development period to be within 2-3 years from land purchase to last unit's ownership transfer period. The Company usually negotiates material price and places the order before setting each unit selling price. Since the company's portfolio consists of high valued projects of Baht 500-6,000 million each, the Company buys materials in large

quantity, thus having substantial bargaining power over contractors and suppliers. In addition, the Company has initiated "Supply Chain Project" to ensure data synchronization between the Company and suppliers to enhance management efficiency. The production plan is set to conform to the project construction plan. The innovation developed together between suppliers and contracts accelerates the construction while the cost is maintained well. Therefore, the construction material cost risk is consequently lessened.

2) Labor shortage risk

Due to the raising infrastructure project development by Thai government and the economic expansion, labor shortage in Thailand property sector has become worse. However, the Company mitigates such risk by (1) switching construction technique from conventional method to precast system, ready-made toiletry system, ready-made roof structure, which less relies on the human workforce and accelerates the construction progress (2) maintaining a good relationship with contractors and continuously offer new projects to enhance loyalty among good contractors and (3) working with contractors in project planning and developing to ensure the project delivery within timeline.

Financial risk

1) The risk from loan repayment to financial institutions and mature bond

The Company carries on planning and adjusting strategy in responding to the economic situation, i.e. project launch, land purchase, control of inventory and cash flow management. As of 31st December 2018, the Company had a total outstanding bond value of Baht 16,950 million and liability to financial institutions (i.e., overdraft accounts, promissory notes, bill of exchange, and long-term loans) of Baht 3,325 million. As of 31st December 2018, the Company perceived the backlog amount of Baht 6,839 million (exclude the backlog of Joint venture companies) and maintains its financial performance and operating result in good standard with a current ratio of 3.8 and debt to equity ratio of 0.8. The Company has cash balance and/or equivalent items of Baht 951 million. This shows the Company ability to pay off debt's when it is due. Furthermore, the Company conducts a timely funding policy by issuing bonds to match with the construction period and

maintains an appropriate amount of bond issuance each round (currently, the Company has over Baht 10,000 million credit line with financial institutions). The Company aims to remain the debt to equity ratio at the agreed rate illustrated in the bond covenant.

Year	2019	2020	2021	2022
Amount of bonds that mature (MB)	3,850	4,500	4,600	4,000

2) Risk from engagement in land purchase agreements and lease agreement

As of 31st December 2018, the Company and related entities were engaged in land purchase agreements with other companies or external parties for future project development. The outstanding balance under land purchase obligation was Baht 3,267 million and Baht 243 million balance under the lease contract related to the office building, vehicles, and advertisement service. As being flexibility-oriented, the Company always plans ahead and adjusts its strategy to best suit with the current economic situation; new project launch, land procurement, construction and cash flow management are deemed as vital roles. The Company sustains its financial status and operating result in good standard (as previously stated in "Risk from loan repayment to financial institutions and mature bonds"); therefore, the Company is capable of paying off these obligations.

3) Risk from interest rate fluctuation

Due to uncertainty in global interest rate which may impact cost of capital for project development and operation, the Company mitigates the risk by issuing fixed-interest bonds in order to remain the interest rate low and be shielded from the upward interest rate trend.

Risks from compliance with rules, regulations, law, and code of conduct

In business operation of real estate development, the Company must comply with the rules, regulations or relevant laws i.e. Land Allocation Act, Condominium Act or National Environmental Promotion and Conservation Act and other relevant laws. It is the Company's policy to proceed to work in line with the law that governs the real estate development business. To mitigate such risk, before the commencement of the real estate development projects, the Company will check the law provision that governing the real estate business prudently.

Emerging risk from social media

Social media has broadened the role in the lifestyle of people nowadays by being a tool for exchange, communication and commenting on products or services positively and negatively. However, the Company has applied the online social network to arrange marketing campaign to reach the target customers. To prevent the emerging risk, the Company assigns the working team to monitor on situations that may cause risks to the reputation and the image on the online social media of the Company, both in proactive and receptive approach.

Emerging risks from IT security

In 2017, AP has applied digital technology to drive forward the business, leveraging procedures of the design, project development, sales, work inspection. The aim is to enhance the accuracy, precision, lead time and to respond to the changes in consumers' behavior in the digital period. Work methodology has been adjusted to depend more on digital technology. Hence, the risks from IT security, cyber threads are increased. This may due to the complexity of the technology and skills of employees, system errors that enable those with unfaithful intention to retrieve the system data or to produce other threads, for example, network disturbance, website counterfeit, sending malware or virus. These threads may cause business interruption of the Company. The Company has established the policy related to the use of information technology such as IT System Security Policy, IT Security Measure. For example, setting criteria for having access to important information in the system, creating IT awareness to all employees to ensure the correct use of technology, to prevent cyber thread.

INTERNAL CONTROL AND RISK MANAGEMENT

AP (Thailand) Pcl. continually emphasizes on the internal control system, the internal audit system and the risk management system as well as the anti-corruption practice. The board of directors assigned the audit committee to be mainly responsible for review such system to ensure its adequacy and appropriateness.

Furthermore, the Board recognizes that the good systems are able to minimize the business risks and the operation risks into the acceptance level and able to detect any weaknesses. These can ensure that the financial statements of the company are accuracy and reliability. Thus, the company's operations are able to achieve its goals.

The opinion of the board of directors and audit committee on the internal control system

In the audit committee meeting no. 1/2019 on 26th February 2019, the committee has evaluated internal control system with the evaluation form issued by the Stock and Exchange Commission, which rely on the concept of COSO (The Committee of Sponsoring Organizations of the Treadway Commission) with the 5 aspects, which are 1) Control environment, 2) Risk assessment, 3) Control activities, 4) Information & Communication, and 5) Monitoring activities.

The audit committee concluded that the Company has adequate and appropriate internal control system with sufficient manpower to enable the system to operate effectively. In this regard, the audit committee reported their opinion to the board and the board agreed with that. (please see the audit committee's report)

In the aspect of the internal audit, the roles and responsibilities of the audit committee are complies with the charter in order to review the internal audit system to be accurate and sufficient, to approve the work plans, to consider the independence of the internal audit and to approve the appointment, transference, disemployment and remuneration of internal auditors. In previous year, the audit committee approved the year plan for auditing, considered the auditing report and the executive's guideline and agreed that the company has prioritized the internal auditing and provided sufficient budget to support the internal auditors to work efficiently in accordance with the plans. The executives have also provided the adequate guideline to the solutions.

Furthermore, the audit committee agreed that the head of internal auditor, who acts as the secretary of the audit committee, is fulfilled with the qualifications, experiences and certificates of specialization, which is sufficient and appropriate to perform the duties.

¹ The Committee of Sponsoring Organizations of the Treadway Commission (COSO) is a joint initiative of the five private sector organizations; American Institute of Certified Public Accountants (AICPA), Institute of Internal Auditors (IIA), Financial Executives Institute (FEI), American Accounting Association (AAA) and Institute of Management Accountants (IMA)

RELATED TRANSACTION

Related Transaction

The Company and its subsidiaries have performed the following transactions with persons or juristic persons that may have conflicts. (Further details can be found in the financial statement's notes)

Persons/ Juristic Persons	Relations (as of 31 st Dec 2018)	Transaction description	Value (Baht Million)		Opinion of the Audit Committee
			31 st Dec 2018	31 st Dec 2017	
A&P Associate Co., Ltd. ("A&P")	- Mr. Anuphong Assavabhokhin (Son of Ms. Plengjai Hanpanich who holds 99.99% in A&P) is the number 1 of major shareholder of the Company	- The Company made the rental agreement with A&P to rent the office and parking space. Rental expense	12.45	9.40	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME (Sukhumvit) Co., Ltd. ("AMSV")	- As of 28 th May 2018, The company holds 51% of total paid-up capital of AMSV - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AMSV is a joint-venture company between AP and MEC Thailand Investment Pte. with the shareholding ration 51:49 - The company charges AMSV for project management fees and sale fees Management fee	1.69	15.68	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME (Krungthep) Co., Ltd ("AMK")	- As of 28 th May 2018, The company holds 51% of total paid-up capital of AMK - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AMK is a joint-venture company between AP and MEC Thailand Investment Pte. with the shareholding ration 51:49 - The company charges AMK for project management fees and sale fees Management fee	5.09	22.45	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME (Asoke)	- As of 28 th May 2018, The company holds 51% of total paid-up capital of AMA - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AMA is a joint-venture company between AP and MEC Thailand Investment Pte. with the shareholding ration 51:49 - The company charges AMA for project management fees and sale fees Managemen fee	1.26	10.86	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.

Persons/ Juristic Persons	Relations (as of 31 st Dec 2018)	Transaction description	Value (Baht Million)		Opinion of the Audit Committee
			31 st Dec 2018	31 st Dec 2017	
Premium Residence Co., Ltd. ("PR")	<ul style="list-style-type: none"> - The company holds 51% of total paid-up capital of PR - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - PR is a joint-venture company between AP and MJRI (Thailand) Co., Ltd. with the shareholding ration 51:49. - The company charges PR for project management fees and sale fees 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	4.32	21.10	
AP (Phetchaburi) Co., Ltd. ("APP")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of APP - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - APP is a subsidiary company of PR, which is a joint venture of the company. 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	30.87	42.76	
AP (Ratchayothin) Co., Ltd. (APR)	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of APR - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - APR is a subsidiary company of PR, which is a joint venture of the company. 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	55.53	168.31	
Asian Property (2015) Co., Ltd. ("AP2015")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AP2015 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AP2015 is a subsidiary company of PR, which is a joint venture of the company. 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	15.08	10.59	
AP ME 1 Co., Ltd. ("AM1")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AM1 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AM1 is a subsidiary company of PR, which is a joint venture of the company. 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	20.97	26.62	
AP (Ekkamai) Co., Ltd. ("APE")	<ul style="list-style-type: none"> - The company holds 51% of total paid-up capital of APE - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - APE is a joint-venture company between AP and MJRI (Thailand) Co., Ltd. with the shareholding ration 51:49 - The company charges APE for project management fees and sale fees 			Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
		Management fee	14.29	73.16	

Persons/ Juristic Persons	Relations (as of 31 st Dec 2018)	Transaction description	Value (Baht Million)		Opinion of the Audit Committee
			31 st Dec 2018	31 st Dec 2017	
AP ME 2 Co., Ltd. ("AM2")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AM2 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AM2 is a subsidiary company of PR, which is a joint venture of the company. <p>Management fee</p>	94.09	142.23	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 3 Co., Ltd. ("AM3")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AM3 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AM3 is a subsidiary company of PR, which is a joint venture of the company. <p>Management fee</p>	170.79	46.87	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 4 Co., Ltd. ("AM4")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AM4 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AM4 is a subsidiary company of PR, which is a joint venture of the company. <p>Management fee</p>	32.32	-	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 5 Co., Ltd. ("AM5")	<ul style="list-style-type: none"> - PR holds 100% of total paid-up capital of AM5 - Mr.Anuphong Assavabhokhin, Mr.Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies 	<ul style="list-style-type: none"> - AM5 is a subsidiary company of PR, which is a joint venture of the company. <p>Management fee</p>	34.63	-	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
Mr. Somyod Suteerapornchai	- Director of AP (Thailand) Pcl.	<ul style="list-style-type: none"> - Mr. Somyod Suteerapornchai is a Director of AP (Thailand) Pcl. And received consulting fees from the company. <p>Consulting fees</p>	-	0.24	Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.

Necessity and appropriateness of the items

Related transaction is necessary and is done on a reasonable basis aiming for the most benefit of the Company. The Audit Committee has assessed the transaction to be a normal business and the Company has received and paid payment in fair amount compared with the market. Loan guarantee to the bank and loans to the subsidiary and related companies are to support the liquidity and improve the financial status of the Company. These related transactions are done according to the Related Transaction policy which was approved by the Company Board of the Directors.

Measures/Steps to approve the related transaction

The related transactions which are of the normal business of the Company, the supporting transaction of the normal business, the assets or services related items, short term leasing and financial aid items must be done with the discretion of a normal person in the common situation and without the power of the directorship, management, or those of the related persons. The transactions must be approved by the authorized persons of the Company's Board of Directors or the Board of Directors themselves, as the case may be. Moreover, according to the Board of the Directors' resolution at the meeting no. 8/2008 which held on 13 August 2008, the transactions must be reported in the Board of the Directors' meeting.

Regarding the financial aid transaction to the subsidiaries, the Company is prohibited to grant any loan to the subsidiaries in which the Company held not less than 90% shares, over the request amount. For the company in which the Company held less than 90% shares, the Company is allowed to grant any loan in the shareholding ratio percentage of the request amount and the loan grant must be approved by the Company's Board of the Directors.

Any item with the condition different from a normal transaction or the longer term or the exceeding value than specified must be approved by the Company's Board of the Directors or the shareholders. Nevertheless, such transaction must comply with the law and regulations of the Stock Exchange Commission and the Stock Exchange of Thailand. It must also follow the instructions of the related transaction disclosure and the acquisition and disposal of the asset.

Policy or occurrence of the related transaction

The Company has adopted the policy of the related transaction which is formed up to be in compliance with the normal business which the prices are comparable to the transaction with the third party. Nevertheless, the audit committee, or the Company auditor or the independent specialists has reviewed the suitability of the price and condition of the transaction.

However, if there is to be a conflict occurred in any of the related transaction, such transaction must be reviewed by the Audit Committee. In case that such transaction is not in the knowledge and experience filed of the Audit Committee, it will be reviewed by the independent specialist on the matter and the comments made by such independent specialist will be presented to the Board of the Directors or the Company's shareholders, as the case may be, as supporting information in approving such transaction. The Company has disclosed the related transaction in the financial statement notes.



STATEMENTS OF FINANCIAL POSITION AND REPORTS

Audit committee report

The Audit Committee of AP (Thailand) Public Company Limited ("the Company") appointed the audit committee consisting 4 independent directors with fully qualified and experienced. The chairman of audit committee is Mr. Phanporn Dabbaransi and the 3 audit committee members are Mr. Nontachit Tulayanonda, Mr. Kosol Suriyaporn and Mr. Somyod Suteerapornchai.

The Audit Committee performed its duty assigned by the board of directors. Duties and responsibilities of the Audit Committee are reviewing the financial reports, internal control, good corporate governance and the compliance with laws, as well as observing any item that can be in conflict with the Company's benefit. In 2018, the audit committee meeting were held 4 times among executives, internal auditors, external auditors to inquire, acknowledge and discuss the following matters:

1. Reviewing the financial statement and reporting operating results.

The Audit Committee reviewed the Company's quarterly and annual financial statements 2018 jointly with the management team and the auditors in the aspect of an accuracy and completeness including the sufficiency of disclosure before proposing the financial statements to the Board of Directors. Audit Committee also attended the exclusive meeting with the auditors and/or internal auditors without management team in order to discuss any matter independently.

The Audit Committee found the Company's financial reports and operating results are accuracy according to the accounting standards and the financial statements are disclosed sufficiently.

2. The internal control system assessment.

The Audit Committee assessed the sufficiency of the internal control system to be in accordance with The Committee of Sponsoring Organizations of the Treadway Commission (COSO), the template designated by the Stock Exchange Commission which consists of 5 parts, i.e. 1) the environment of the control 2) risk assessment of the activities 3) information system 4) communication and 5) follow-up system.

The Audit Committee found that the Company has achieved the sufficient and suitable internal control system and amended to comply with the changing situations. Furthermore, the committee also suggested the management team to continuously improve the internal control system.

3. The appointment of the company's auditors 2018

The Audit Committee considered and appointed the auditors and remuneration from EY Office Limited to be the company's auditors by considering the qualification, knowledge, ability, experience, and independence in accordance with the regulations of the Stock Exchange of Thailand or related authorities as well as the quality of reviewing the financial report in the previous year. The audit committee proposed to appoint the auditors from EY Office Limited to be the company's auditors to the board of directors in order to get approval in the Annual General Meeting of shareholders 2018.

The Audit Committee found that the auditors are qualified as approved auditors by Stock Exchange Commission and carried out their duties by exercising knowledge, abilities, precautions and independence as well as provided useful comments and suggestions. The auditor's fee is suitable to the size and type of the Company business.

4. The connected transaction or conflict of interest monitor.

The Audit Committee monitored the Company's disclosure of connected transaction and conflict of interest.

The Audit Committee deemed the Company's disclosure sufficient and conformed to rules and regulations of Stock Exchange Commission and Stock Exchange of Thailand.

5. The good corporate governance and other relevant law compliance.

The Audit Committee encouraged the Company to strictly follow the good governance principles of the Stock Exchange of Thailand. The committee also examine and monitor the company's operations in order to comply with the Securities and Exchange laws, regulations of Stock Exchange of Thailand and relevant business law. The quarterly meeting were held to acknowledge the Company's operations.

The Audit Committee agreed that the Company has complied with the Good Corporate Governance and has not operated its business against any law that may significantly affect the reputation and financial status of the company.

6. The internal audit.

The Audit Committee examined the performance of internal auditor team covering the mission, scope of responsibilities, the independence of auditing as well as the organization arrangement and manpower. The committee reviewed and approved the year plan for auditing which prepared from the results of risk assessment and advised the internal auditors to perform duties in accordance with international standard as well as followed up the implementation to comply with the significant issues of internal audit report.

The Audit Committee found that the Company has sufficient and efficient internal audit and information management. The internal auditors can perform duties independently and provide suggestion and benefit information in order to develop the company's operation.

The Audit Committee has performed their tasks and fulfilled their responsibilities as assigned by the Company's Board of Directors with their utmost discreet and capability for the benefit of the Company, shareholders and stakeholders.



[Mr. Phanporn Dabbaransi]

Chairman of Audit Committee

REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

The nomination and remuneration committee of AP (Thailand) Public Company Limited ("the Company") consisted of 5 directors, namely

1. Mr. Pornwut	Sarasin	Chairman of nomination and remuneration committee
2. Mr. Nontachit	Tulayanonda	Member of nomination and remuneration committee
3. Mr. Somyod	Suteerapornchai	Member of nomination and remuneration committee
4. Mr. Anuphong	Assavabhokin	Member of nomination and remuneration committee
5. Mr. Pichet	Vipavasuphakorn	Member of nomination and remuneration committee

These three members namely; Mr. Pornwut Sarasin, Mr. Nontachit Tulayanonda and Mr. Somyod Suteerapornchai are qualified as independent directors

In 2018, the nomination and remuneration committee held 2 meetings for considering important issues and reporting the resolutions of meeting with comments and suggestions to the board of directors as followings;

1. The selection of directors.

The Committee had reviewed and nominated candidates with suitable qualifications in accordance with the provisions of the law, whereby such nominated persons must not possess prohibited characteristics according to the article of association of the Company in order to be appointed as directors in replacement of the directors who are retire by rotation in the annual general meeting of shareholders 2019.

Thus, the nomination and remuneration committee had also invited shareholders to nominate suitable persons to be selected as candidates for election in AGM 2019, during 1-31st December 2018 but there was no nominee proposed by shareholders.

2. The remuneration.

The Committee had proposed the remuneration of directors comprise of monthly compensation, meeting allowance and bonus to the board of directors and the Annual General Meeting of shareholders respectively.

In addition, the Committee also proposed the salary increase and bonus for executives and employees to the board of directors for approval.

The nomination and remuneration committee has performed its assigned duties carefully, transparently, honestly and reasonably by taking into account maximum benefits of the Company and the shareholders in line with the guideline of good corporate governance of the Stock Exchange of Thailand.



[Mr. Pornwut Sarasin]

Chairman of nomination and
remuneration committee

REPORT OF CORPORATE GOVERNANCE AND RISK MANAGEMENT COMMITTEE

The corporate governance and risk management committee was appointed by the Board of directors to perform corporate governance's and risk management duties to be in line with the international standard. The committee consists of 6 members, who have knowledge, abilities and experiences in business operation and risk management, namely

- | | | |
|-----------------|-----------------|---|
| 1) Mr. Kosol | Suriyaporn, | Chairman of corporate governance and risk management committee (Independent director) |
| 2) Mr. Yokporn | Tantisawetrat, | Member of corporate governance and risk management committee (Independent director) |
| 3) Mr. Siripong | Sombutsiri, | Member of corporate governance and risk management committee |
| 4) Mr. Visanu | Suchatlumpong, | Member of corporate governance and risk management committee |
| 5) Mr. Wason | Naruenatpaisan, | Member of corporate governance and risk management committee |
| 6) Ms. Kittiya | Pongpujaneegul, | Member of corporate governance and risk management committee |

In 2018, the corporate governance and risk management committee held 4 meetings. The attendance record can be found in the topic of meeting attendance in Management structure section. The committee has performed the following tasks in accordance with the scope of responsibilities and duties assigned by the board of directors.

The encouragement and implementation of the good corporate governance policy.

- To consider the plan for Annual General Meeting of shareholders and provide suggestion according to the good corporate governance and AGM checklist of the Stock Exchange of Thailand in order to held the complete, efficient and transparent meeting in every steps from the pre-AGM to post-AGM. In 2018, the company was praised at excellent level from the AGM assessment by the Thai Investors Association (TIA)
- For the Corporate Governance Report of Thai Listed Companies 2018 conducted by the Thai Institute of Directors (IOD) with the Stock Exchange of Thailand and the Office of the Securities and Exchange Commission, the company has achieved the corporate governance scoring at excellent level.
- To consider and promote the making of CG principle and code of conduct's manual including the arranging of the activities to publicize knowledge and comprehension of guideline to the employees. Furthermore, the CG principle and code of conduct's manual can download from www.apthai.com

The implementation of risk management.

- To provide comments, advices, complaints from customers and follow up the solutions of the company including the prevention measure in every quarters.
- To monitor the risk management's operation and provide suggestions to perform the works efficiently.

The corporate governance and risk management committee emphasized on the development of good corporate governance and risk management's implementation to strictly comply with the various regulations and guidelines in order to achieve the goal setting and create the maximum benefit for the shareholders and every stakeholders.



[Mr. Kosol Suriyaporn]

Chairman of corporate governance and
risk management committee

REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

The Board of Directors is responsible for AP (Thailand) Public Company Limited and its subsidiaries' consolidated financial statements and financial information presented in this annual report. The aforementioned financial statements are prepared in accordance with generally accepted accounting principles, using appropriate accounting policy, consistent basis and careful judgement. Important information is adequately and transparently disclosed in the notes to the financial statements.

The Board of Directors has provided and maintained an efficient internal control system to ensure that accounting records are accurate, reliable, and adequate to protect its assets and uncover any weaknesses that may be presented in order to prevent fraud or materially irregular operations.

In this regard, the Board of Directors has appointed the Audit Committee which is non-executive directors to be responsible for the quality of financial reporting and the internal control system. All their comments on these issues have been included in the Audit Committee Report which is presented in this annual report.

The Board of Directors believes that the Company's overall internal control system has performed to a satisfactory level to lend credibility and provide reliability to AP (Thailand) Public Company Limited and its subsidiaries' financial statements as of 31st December 2018. The Board of Directors also believes all these financial statements have been presented fairly for both operating results and cash flow in all material respects.

(Assoc. Prof. Dr. Naris Chaiyasoot)
Chairman of the Board of Directors

(Mr. Anuphong Assavabhokhin)
Vice Chairman and
Chief Executive Officer

(Mr. Pichet Vipavasuphakorn)
Director and
Managing Director

(Mr. Siripong Sombutsiri)
Director

(Mr. Wason Naruenatpaisan)
Director

(Ms. Kittiya Pongpujaneegul)
Director

(Mr. Visanu Suchatlumpong)
Director

(Mr. Pornwut Sarasin)
Director

(Mr. Yokporn Tantisawetrat)
Director

(Mr. Phanporn Dabbaransi)
Chairman of Audit Committee

(Mr. Kosol Suriyaporn)
Audit Committee Member

(Mr. Nontachit Tulayanonda)
Audit Committee Member

(Mr. Somyod Suteerapornchai)
Audit Committee Member

INDEPENDENT AUDITOR'S REPORT

To the Shareholders of AP (Thailand) Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of AP (Thailand) Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of AP (Thailand) Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of AP (Thailand) Public Company Limited and its subsidiaries and of AP (Thailand) Public Company Limited as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for opinion

I conducted my audit in accordance with Thai Standards on Auditing. My responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report. I am independent of the Group in accordance with the Code of Ethics for Professional Accountants as issued by the Federation of Accounting Professions as relevant to my audit of the financial statements, and I have fulfilled my other ethical responsibilities in accordance with the Code. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

Key audit matters

Key audit matters are those matters that, in my professional judgement, were of most significance in my audit of the financial statements of the current period. These matters were addressed in the context of my audit of the financial statements as a whole, and in forming my opinion thereon, and I do not provide a separate opinion on these matters.

I have fulfilled the responsibilities described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond to the matter are described below.

Revenue recognition from sales of real estate

Revenue from sales of real estate is the most significant amount in the statement of comprehensive income, representing 96 percent and 83 percent of total revenues in the consolidated and separate financial statements, respectively. It is also the main performance indicator to which the users of the financial statements pay attention. Moreover, the Group has numerous real estate projects and sales agreements with a variety of conditions, pertaining to matters such as sales promotions and offering special discounts to boost sales. I have therefore focused on the recognition of revenue from sales of real estate of the Group.

I have examined the Group's recognition of revenue from sales of real estate by assessing and testing the Group's IT system and its internal controls with respect to the revenue cycle, by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. I also applied a sampling method to select sales agreements to assess whether revenue recognition was consistent with the conditions of the relevant agreement, and whether it was in compliance with the Group's policy, examined supporting documents for actual sales transactions occurring during the year and near the end of the accounting period on a sampling basis, and performed analytical procedures on revenue from sales of real estate data to detect possible irregularities in sales transactions throughout the period, particularly for accounting entries made through journal vouchers.

Other information

Management is responsible for the other information. The other information comprise the information included in annual report of the Group, but does not include the financial statements and my auditor's report thereon. The annual report of the Group is expected to be made available to me after the date of this auditor's report.

My opinion on the financial statements does not cover the other information and I do not express any form of assurance conclusion thereon.

In connection with my audit of the financial statements, my responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or my knowledge obtained in the audit or otherwise appears to be materially misstated.

When I read the annual report of the Group, if I conclude that there is a material misstatement therein, I am required to communicate the matter to those charged with governance for correction of the misstatement.

Responsibilities of management and those charged with governance for the financial statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with Thai Financial Reporting Standards, and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditor's responsibilities for the audit of the financial statements

My objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes my opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Thai Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with Thai Standards on Auditing, I exercise professional judgement and maintain professional skepticism throughout the audit. I also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during my audit.

I also provide those charged with governance with a statement that I have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on my independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. I describe these matters in my auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

I am responsible for the audit resulting in this independent auditor's report.

Satida Ratananurak

Certified Public Accountant (Thailand) No. 4753

EY Office Limited

Bangkok: 26 February 2019

STATEMENTS OF FINANCIAL POSITION

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Assets					
Current assets					
Cash and cash equivalents	6	951,259,523	1,054,168,567	217,440,679	540,591,206
Trade and other receivables	7	376,376,371	390,356,483	166,931,344	262,255,984
Inventories	8	41,149,117,404	35,424,614,750	9,858,648,841	16,245,119,862
Interest receivable - related parties	9	-	-	292,557,370	843,448,941
Short-term loans to related parties	9	-	-	26,724,400,000	15,229,100,000
Deposits for construction materials		83,204,330	49,260,699	11,450,970	23,415,523
Deposits for land		719,593,966	822,211,269	-	3,750,000
Total current assets		43,279,551,594	37,740,611,768	37,271,429,204	33,147,681,516
Non-current assets					
Restricted bank deposits	6	549,059	993,151	549,059	549,059
Investments in subsidiaries	10	-	-	2,749,040,390	2,562,160,450
Investments in joint ventures	11	4,391,002,336	4,795,403,155	4,765,495,030	5,215,314,940
Land and cost of project held for development	12	679,073,736	654,422,429	146,756,408	144,456,631
Investment properties	13	74,825,696	70,648,590	49,041,425	52,410,320
Property, plant and equipment	14	407,740,378	265,111,554	153,231,761	63,938,656
Goodwill		100,063,166	100,063,166	-	-
Intangible assets	15	17,343,273	29,334,685	11,648,488	25,520,477
Deferred tax assets	23	259,509,005	194,877,804	96,105,609	90,419,556
Other non-current assets		74,001,389	84,576,603	38,550,306	30,485,762
Total non-current assets		6,004,108,038	6,195,431,137	8,010,418,476	8,185,255,851
Total assets		49,283,659,632	43,936,042,905	45,281,847,680	41,332,937,367

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Liabilities and shareholders' equity					
Current liabilities					
Short-term loans from financial institutions	16	3,184,631,944	5,661,852,703	2,474,631,944	4,800,852,703
Trade and other payables	9, 17	1,617,152,839	1,232,109,229	771,058,127	787,220,889
Accrued interest expenses - related parties	9	-	-	8,328,944	11,981,540
Accrued interest expenses		159,797,416	133,844,086	159,555,630	133,655,602
Short-term loans from related parties	9	-	-	901,300,000	1,137,700,000
Current portion of debentures	19	3,850,000,000	3,300,000,000	3,850,000,000	3,300,000,000
Current portion of finance lease payable		372,854	355,379	-	-
Unearned revenue		248,773,333	304,361,178	23,758,455	152,198,433
Accrued expenses related to the projects		440,519,418	383,763,497	198,391,484	255,578,526
Accrued expenses		1,472,501,808	1,115,710,590	826,245,976	838,049,191
Income tax payable		273,344,345	359,408,834	130,160,585	206,433,937
Total current liabilities		11,247,093,957	12,491,405,496	9,343,431,145	11,623,670,821
Non-current liabilities					
Long-term loans - net of current portion	18	140,000,000	90,000,000	120,000,000	40,000,000
Debentures - net of current portion	19	13,100,000,000	9,350,000,000	13,100,000,000	9,350,000,000
Finance lease payable - net of current portion		628,243	1,001,128	-	-
Retention payable	9	237,814,000	240,764,370	83,559,000	115,278,444
Provision for long-term employee benefits	20	175,929,129	129,854,788	102,092,570	108,688,148
Deferred tax liabilities	23	2,888,006	-	-	-
Total non-current liabilities		13,657,259,378	9,811,620,286	13,405,651,570	9,613,966,592
Total liabilities		24,904,353,335	22,303,025,782	22,749,082,715	21,237,637,413

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

STATEMENTS OF FINANCIAL POSITION (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Shareholders' equity					
Share capital					
Registered					
3,145,912,151 ordinary shares of Baht 1 each		3,145,912,151	3,145,912,151	3,145,912,151	3,145,912,151
Issued and fully paid up					
3,145,899,495 ordinary shares of Baht 1 each		3,145,899,495	3,145,899,495	3,145,899,495	3,145,899,495
Share premium		89,415,830	89,415,830	89,415,830	89,415,830
Retained earnings					
Appropriated – statutory reserve	27	314,591,215	314,591,215	314,591,215	314,591,215
Unappropriated		20,842,850,498	18,086,738,066	18,982,858,425	16,545,393,414
Other components of shareholders' equity		(10,881)	-	-	-
Equity attributable to owners of the Company		24,392,746,157	21,636,644,606	22,532,764,965	20,095,299,954
Non-controlling interests of the subsidiaries		(13,439,860)	(3,627,483)	-	-
Total shareholders' equity		24,379,306,297	21,633,017,123	22,532,764,965	20,095,299,954
Total liabilities and shareholders' equity		49,283,659,632	43,936,042,905	45,281,847,680	41,332,937,367

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

STATEMENTS OF COMPREHENSIVE INCOME

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Profit or loss:					
Revenues					
Revenues from sales of real estate		26,629,783,159	21,123,662,525	14,667,817,390	15,117,302,856
Service income		589,651,379	471,371,529	-	-
Management income	9	480,932,408	580,624,967	480,932,408	580,624,967
Interest income		9,727,564	6,457,167	723,604,688	388,579,463
Dividend income	9, 10, 11	-	-	1,621,917,473	2,618,886,508
Gain from sales of investments	10	5,163,759	85,730,502	60,183,661	156,700,000
Other income		49,549,975	81,511,899	42,307,171	39,373,029
Total revenues		27,764,808,244	22,349,358,589	17,596,762,791	18,901,466,823
Expenses					
	22				
Costs of sales		18,070,339,187	14,047,063,478	9,881,421,509	10,203,146,019
Costs of services		268,603,159	214,804,142	-	-
Selling and distribution expenses		2,804,971,134	2,195,261,626	1,537,293,798	1,658,306,723
Administrative expenses		2,925,707,532	2,347,822,929	1,537,792,360	1,742,122,800
Other expenses		64,089,807	8,701,936	15,205,466	-
Total expenses		24,133,710,819	18,813,654,111	12,971,713,133	13,603,575,542
Profit before share of profit from investments in					
joint ventures, finance cost and income tax expenses					
Share of profit from investments in joint ventures	11	1,125,279,830	501,733,825	-	-
Profit before finance cost and income tax expenses		4,756,377,255	4,037,438,303	4,625,049,658	5,297,891,281
Finance cost		(122,895,900)	(150,411,784)	(598,509,937)	(424,933,884)
Profit before income tax expenses		4,633,481,355	3,887,026,519	4,026,539,721	4,872,957,397
Income tax expenses	23	(777,884,007)	(738,722,912)	(492,670,597)	(460,265,991)
Profit for the year		3,855,597,348	3,148,303,607	3,533,869,124	4,412,691,406

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

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Other comprehensive income:					
Other comprehensive income to be reclassified to profit or loss in subsequent periods					
Exchange difference on translation of financial statements in foreign currency		(10,881)	-	-	-
Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax		(10,881)	-	-	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods					
Actuarial gain (loss) from post-employment benefits	20	(10,063,056)	-	5,124,491	-
Less: Income tax effect	23	1,269,469	-	(1,024,898)	-
Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax		(8,793,587)	-	4,099,593	-
Other comprehensive income for the year		(8,804,468)	-	4,099,593	-
Total comprehensive income for the year		3,846,792,880	3,148,303,607	3,537,968,717	4,412,691,406
Profit attributable to:					
Equity holders of the Company		3,865,409,725	3,157,096,107	3,533,869,124	4,412,691,406
Non-controlling interests of the subsidiaries		(9,812,377)	(8,792,500)		
Total		3,855,597,348	3,148,303,607		
Total comprehensive income attributable to:					
Equity holders of the Company		3,856,605,257	3,157,096,107	3,537,968,717	4,412,691,406
Non-controlling interests of the subsidiaries		(9,812,377)	(8,792,500)		
Total		3,846,792,880	3,148,303,607		
Earnings per share					
24					
Basic earnings per share					
Profit attributable to equity holders of the Company		1.229	1.004	1.123	1.403
Weighted average number of ordinary shares (Shares)		3,145,899,495	3,145,899,495	3,145,899,495	3,145,899,495

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

CASH FLOW STATEMENTS

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash flows from operating activities				
Profit before tax	4,633,481,355	3,887,026,519	4,026,539,721	4,872,957,397
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	69,892,860	54,169,858	29,178,671	28,514,838
Amortisation	15,879,837	13,743,280	14,024,654	12,891,511
Doubtful debts	84,655,893	7,673,651	-	-
Allowance for diminution in value of inventories	50,996,123	-	-	-
Allowance for diminution in value of assets (reversal)	16,579,219	(21,860)	(20,781)	(21,860)
Gain on disposal of land and cost of project held for development	(5,284,448)	-	(5,284,448)	-
Loss on disposals/write-off of assets	2,431,338	926,861	204,824	523,963
Share of profit from investments in joint ventures	(1,125,279,830)	(501,733,825)	-	-
Gain from sales of investments	(5,163,889)	(85,730,502)	(60,183,611)	(156,700,000)
Loss on diminution in value of investments	-	-	15,000,000	-
Dividend income	-	-	(1,621,917,473)	(2,618,886,508)
Provision for long-term employee benefits	37,067,907	31,240,738	19,271,802	19,774,737
Write-off of income tax	2,565,502	2,816,907	-	-
Interest income	(9,727,564)	(6,457,167)	(723,604,688)	(388,579,463)
Interest expenses	85,761,728	124,831,163	576,210,156	403,052,367
Profit from operating activities before changes in operating assets and liabilities	3,853,856,031	3,528,485,623	2,269,418,827	2,173,526,982
Operating assets (increase) decrease				
Trade and other receivables	116,997,968	(809,913,132)	111,039,193	387,187,012
Inventories	(5,859,353,099)	(8,007,411,515)	6,395,401,248	3,437,742,121
Other non-current assets	(73,113,673)	6,365,678	(8,064,544)	1,328,995
Operating liabilities increase (decrease)				
Trade and other payables	710,554,163	328,025,480	(85,153,019)	114,648,903
Unearned revenue	(95,858,053)	(239,905,664)	(128,439,978)	(102,035,580)
Retention payable	(8,176,148)	(5,514,122)	(31,719,444)	(25,542,384)
Cash from (used in) operating activities	(1,355,092,811)	(5,199,867,652)	8,522,482,283	5,986,856,049
Cash paid for long-term employee benefits	(1,056,622)	(153,870)	(20,742,889)	(153,870)
Cash paid for interest expenses	(544,712,516)	(564,884,665)	(563,624,039)	(574,215,778)
Cash paid for income tax	(1,029,835,669)	(627,452,037)	(575,654,900)	(297,101,439)
Net cash from (used in) operating activities	(2,930,697,618)	(6,392,358,224)	7,362,460,455	5,115,384,962

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

CASH FLOW STATEMENTS (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2018	2017	2018	2017
Cash flows from investing activities					
Decrease in restricted bank deposits		444,092	1,222,096	-	191,096
Cash received from short-term loans to related parties		-	-	11,405,014,234	10,262,024,338
Cash paid for short-term loans to related parties		-	-	(22,900,314,234)	(19,419,524,338)
Cash received from sale of investments in subsidiaries		2,942,186	94,040,334	1,747,703,431	161,699,850
Cash paid for investments in subsidiaries		(789,820,632)	-	(966,299,850)	(3,999,880)
Cash paid for investments in joint ventures		(473,280,000)	(1,673,646,650)	(473,280,000)	(1,673,646,650)
Dividend received		988,150,534	816,873,729	1,621,917,473	2,618,886,508
Cash received from disposal of land and cost of project held for development		10,395,000	-	10,395,000	-
Cash received from disposals of assets		1,472,595	1,087,572	1,472,595	898,272
Cash paid for purchases of equipment		(213,324,685)	(220,164,077)	(116,217,890)	(29,773,163)
Cash paid for purchases of intangible assets		(2,148,083)	(27,599,028)	(694,294)	(23,198,103)
Cash received from interest		9,727,564	6,457,167	1,274,496,259	390,697,318
Net cash used in investing activities		(465,441,429)	(1,001,728,857)	(8,395,807,276)	(7,715,744,752)
Cash flows from financing activities					
Increase (decrease) in short-term loans from financial institutions		(2,073,900,000)	5,087,900,000	(2,332,900,000)	2,812,900,000
Cash received from short-term loans from related parties		1,585,000,000	-	2,344,500,000	1,077,700,000
Cash paid for short-term loans from related parties		-	-	(2,580,900,000)	(568,500,000)
Cash received from long-term loans		1,053,000,000	3,262,930,400	500,000,000	40,000,000
Cash paid for repayment of long-term loans		(470,000,000)	(100,000,000)	(420,000,000)	(50,000,000)
Cash received from issuance of debentures		7,600,000,000	4,500,000,000	7,600,000,000	4,500,000,000
Cash paid for repayment of debentures		(3,300,000,000)	(4,450,000,000)	(3,300,000,000)	(4,450,000,000)
Cash paid for liabilities under finance lease agreement		(355,410)	(171,393)	-	-
Dividend payment		(1,100,503,706)	(943,764,181)	(1,100,503,706)	(943,764,181)
Cash received from non-controlling interests of subsidiaries		-	4,655,000	-	-
Dividend payment to non-controlling interests of subsidiaries		-	(112,491)	-	-
Net cash from financing activities		3,293,240,884	7,361,437,335	710,196,294	2,418,335,819
Decrease in translation adjustments		(10,881)	-	-	-
Net decrease in cash and cash equivalents		(102,909,044)	(32,649,746)	(323,150,527)	(182,023,971)
Cash and cash equivalents at beginning of year		1,054,168,567	1,086,818,313	540,591,206	722,615,177
Cash and cash equivalents at end of year (Note 6)		951,259,523	1,054,168,567	217,440,679	540,591,206

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

CASH FLOW STATEMENTS (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

		Consolidated financial statements		Separate financial statements	
	Note	2018	2017	2018	2017
Supplemental cash flow information					
Non-cash transactions from investing activities					
Transfer inventories to investment properties		4,556,078	2,291,178	-	1,092,925
Transfer inventories to land and cost of project held for development		46,361,859	47,580,035	7,410,329	47,580,035
Transfer properties, plant and equipment to intangible assets		2,282,000	-	-	-
Purchase of asset under finance lease agreement		-	1,527,900	-	-

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

(Unit: Baht)

Consolidated financial statements

Equity attributable to owners of the Company									
	Note	Issued and paid-up share capital	Share premium	Retained earnings		Other components of equity			
				Appropriated - statutory reserve	Unappropriated	Other comprehensive income	Exchange difference on translation of financial statements in foreign currency		
						Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity	
Balance as at 1 January 2017									
Profit for the year		3,145,899,495	89,415,830	314,591,215	15,873,406,140	-	19,423,312,680	622,508	19,423,935,188
Dividend paid	25	-	-	-	3,157,096,107	-	3,157,096,107	(8,792,500)	3,148,303,607
Increase in non-controlling interests of subsidiaries from increase share capital of subsidiary		-	-	-	(943,764,181)	-	(943,764,181)	-	(943,764,181)
Decrease in non-controlling interests from dividend payment of subsidiaries		-	-	-	-	-	-	4,655,000	4,655,000
Balance as at 31 December 2017									
		3,145,899,495	89,415,830	314,591,215	18,086,738,066	-	21,636,644,606	(112,491)	21,633,017,123
Balance as at 1 January 2018									
Profit for the year		3,145,899,495	89,415,830	314,591,215	18,086,738,066	-	21,636,644,606	(3,627,483)	21,633,017,123
Other comprehensive income for the year		-	-	-	3,865,409,725	-	3,865,409,725	(9,812,377)	3,855,597,348
Dividend paid	25	-	-	-	(8,793,587)	(10,881)	(8,804,468)	-	(8,804,468)
		-	-	-	(1,100,503,706)	-	(1,100,503,706)	-	(1,100,503,706)
Balance as at 31 December 2018									
		3,145,899,495	89,415,830	314,591,215	20,842,850,498	(10,881)	24,392,746,157	(13,439,860)	24,379,306,297

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

Separate financial statements							(Unit: Baht)
				Retained earnings			
	Note	Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total shareholders' equity	
Balance as at 1 January 2017		3,145,899,495	89,415,830	314,591,215	13,076,466,189	16,626,372,729	
Profit for the year		-	-	-	4,412,691,406	4,412,691,406	
Dividend paid	25	-	-	-	(943,764,181)	(943,764,181)	
Balance as at 31 December 2017		3,145,899,495	89,415,830	314,591,215	16,545,393,414	20,095,299,954	
Balance as at 1 January 2018		3,145,899,495	89,415,830	314,591,215	16,545,393,414	20,095,299,954	
Profit for the year		-	-	-	3,533,869,124	3,533,869,124	
Other comprehensive income for the year		-	-	-	4,099,593	4,099,593	
Dividend paid	25	-	-	-	(1,100,503,706)	(1,100,503,706)	
Balance as at 31 December 2018		3,145,899,495	89,415,830	314,591,215	18,982,858,425	22,532,764,965	

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AP (Thailand) Public Company Limited and its subsidiaries
For the year ended 31 December 2018

1. General information

AP (Thailand) Public Company Limited ("the Company") is a public company, incorporated and domiciled in Thailand. The Company is principally engaged in real estate development. The registered office of the Company is at 170/57 18th floor, Ocean Tower I Building, Rajadapisek Road, Klongtoey, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Professions Act B.E. 2547 and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 11 October 2016, issued under the Accounting Act B.E. 2543.

The financial statements in Thai language are the official statutory financial statements of the Company. The financial statements in English language have been translated from the Thai language financial statements.

The financial statements have been prepared on a historical cost basis except where otherwise disclosed in the accounting policies.

2.2 Basis of consolidation

As at 31 December 2018 and 2017, the group structure was detailed below.

Company’s name	Nature of business	Country of incorporation	Percentage of shareholding		
			2018	2017	
<u>Held by the Company</u>					
The Value Property Development Co., Ltd. and subsidiaries	Real estate development	Thailand	100	100	
Asian Property (Krungthep) Co., Ltd.	Real estate development	Thailand	100	100	
Asian Property Co., Ltd. and subsidiary	Real estate development	Thailand	100	100	
Thonglor Residence Co., Ltd. and subsidiary	Real estate development	Thailand	100	100	
Smart Service & Management Co., Ltd.	Service	Thailand	100	100	
Bangkok CitiSmart Co., Ltd.	Service	Thailand	100	100	
Asian Property (2011) Co., Ltd.	Real estate development	Thailand	-	100	
Asian Property (2012) Co., Ltd.	Real estate development	Thailand	100	100	
Asian Property (2013) Co., Ltd.	Real estate development	Thailand	-	100	
Thai Big Belly Co., Ltd.	Real estate development	Thailand	100	100	
Asian Property (2014) Co., Ltd.	Real estate development	Thailand	100	100	
Asian Property (2018) Co., Ltd. (formerly known as “AP ME 7 Co., Ltd.”)	Real estate development	Thailand	100	100	
Vaari Digital Co., Ltd. (formerly known as “AP ME 9 Co., Ltd.”)	Service	Thailand	-	100	
AP ME 10 Co., Ltd.	Real estate development	Thailand	100	-	
AP ME 11 Co., Ltd.	Real estate development	Thailand	100	-	
AP ME 12 Co., Ltd.	Real estate development	Thailand	100	-	
AP ME 15 Co., Ltd.	Real estate development	Thailand	100	-	
AP ME (Krungthep) Co., Ltd.	Real estate development	Thailand	100	-	

Company’s name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			2018	2017
<u>Held by the subsidiaries of the Company</u>				
SQE Construction Co., Ltd. (100 percent held by The Value Property Development Co., Ltd.)	Construction	Thailand	100	100
Asian Property (2017) Co., Ltd. (100 percent held by The Value Property Development Co., Ltd.)	Real estate development	Thailand	100	100
Signature Advisory Partners Ltd. (100 percent held by Thonglor Residence Co., Ltd.)	Real estate development	Thailand	100	100
SEASIA Leadavation Center Co., Ltd. (98 percent held by Asian Property Co., Ltd.)	Service	Thailand	98	90
Clay More Innovation Lab Co., Ltd. (formerly known as “Som Baan Co., Ltd.”,100 percent held by Signature Advisory Partners Ltd.)	Service	Thailand	100	100
RC 1 Co., Ltd. (100 percent held by Signature Advisory Partners Ltd.)	Real estate development	Thailand	100	100
RC 2 Co., Ltd. (100 percent held by Signature Advisory Partners Ltd.)	Real estate development	Thailand	100	100
Vaari Digital Co., Ltd. (100 percent held by Signature Advisory Partners Ltd.)	Service	Thailand	100	-
SEAC (SINGAPORE) PTE. LTD. (100 percent held by SEASIA Leadavation Center Co., Ltd.)	Service	Singapore	100	100

- a) These consolidated financial statements include the financial statements of AP (Thailand) Public Company Limited (hereinafter called as "the Company") and the following subsidiary companies (hereinafter called as "the subsidiaries"), with the change in the group structure during the current year from the establishment of the subsidiaries and sell the investments in subsidiaries as described in Note 10.
- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) Material balances and transactions between the Company and its subsidiaries have been eliminated from the consolidated financial statements.
- f) Investments in the subsidiaries as recorded in the Company's books of account are eliminated against the equity of subsidiaries.
- g) The premium of investment exceeds the fair value of net assets of subsidiaries at the acquisition date is presented as goodwill or intangible asset under non-current assets in the consolidated statement of financial position.
- h) The assets and liabilities in the financial statements of an overseas subsidiary are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of "Exchange differences on translation of financial statements in foreign currency" in the statements of changes in shareholders' equity.
- i) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

- 2.3 The separate financial statements present investments in subsidiaries and joint ventures under the cost method.

3. New financial reporting standards

(a) Financial reporting standards that became effective in the current year

During the year, the Company and its subsidiaries have adopted the revised financial reporting standards and interpretations (revised 2017) which are effective for fiscal years beginning on or after 1 January 2018. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes and clarifications directed towards disclosures in the notes to financial statements. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2019

The Federation of Accounting Professions issued a number of revised and new financial reporting standards and interpretations (revised 2018) including new accounting treatment guidance, which are effective for fiscal years beginning on or after 1 January 2019. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards clarifying accounting treatment and providing accounting guidance for users of the standards.

The management of the Company and its subsidiaries believe that most of the revised financial reporting standards will not have any significant impact on the financial statements when they are initially applied. However, the new standard involves changes to key principles, as summarised below.

TFRS 15 Revenue from Contracts with Customers

TFRS 15 supersedes the following accounting standards together with related Interpretations.

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

Entities are to apply this standard to all contracts with customers unless those contracts fall within the scope of other standards. The standard establishes a five-step model to account for revenue arising from contracts with customers, with revenue being recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiaries expects the adoption of this accounting standard to result in the adjustment of commission paid to obtain a contract. The Company and its subsidiaries should record as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. Under the previous accounting policy, the Company and its subsidiaries immediately recorded commission as selling expenses when the transaction occurred.

(c) Financial reporting standards related to financial instruments that will become effective for fiscal years beginning on or after 1 January 2020

During the current year, the Federation of Accounting Professions issued a set of TFRSs related to financial instruments, which consists of five accounting standards and interpretations, as follows:

Financial Reporting Standards:

- TFRS 7 Financial Instruments: Disclosures
- TFRS 9 Financial Instruments

Accounting Standard:

TAS 32 Financial Instruments: Presentation

Financial Reporting Standard Interpretations:

TFRIC 16 Hedges of a Net Investment in a Foreign Operation

TFRIC 19 Extinguishing Financial Liabilities with Equity Instruments

These TFRSs related to financial instruments make stipulations relating to the classification of financial instruments and their measurement at fair value or amortised cost (taking into account the type of instrument, the characteristics of the contractual cash flows and the Company's business model), calculation of impairment using the expected credit loss method, and hedge accounting. These include stipulations regarding the presentation and disclosure of financial instruments. When the TFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

The management of the Company and its subsidiaries is currently evaluating the impact of these standards to the financial statements in the year when they are adopted.

4. Significant accounting policies

4.1 Revenue recognition

Revenue from sales of real estate

Revenues from sales of land and houses/condominium units/land are recognised when the ownership has been transferred to buyer. Revenues are the contract value which ownership is transferred to buyer.

Construction income

Revenue from construction contract is recognised as income on the basis of percentage of completion which is estimated by the proportion that contract costs incurred up to date bear to the estimated total costs.

Provision for anticipated loss from construction contracts will be made in the accounts as soon as the possibility of such loss is ascertained.

Construction income represents revenue from service rendered by a subsidiary to the group, which has been eliminated from the consolidated financial statements.

Rendering of services

Service revenue is recognised when services have been rendered taking into account the stage of completion.

Interest income

Interest income is recognised on an accrual basis based on the effective interest rate.

Dividends

Dividends are recognised when the right to receive the dividends is established.

4.2 Cost of sales of real estate

Cost of sales of land and houses/condominium units

Cost of sales of land and houses/condominium units is determined based on the anticipated total development costs (after considering the actual costs incurred to date) attributed to units already sold on the basis of the salable value, and is recognised as cost of sales in accordance with the revenue recognition.

Cost of land

Cost of land is recognised as cost of sales in accordance with the revenue recognition.

Cost of construction

Cost of construction comprises the costs of materials, labour, subcontractors' charges, other services and overheads, which are recognised on the percentage of completion method.

Cost of construction represents cost on construction projects of a subsidiary providing to the group, which has been eliminated from the consolidated financial statements.

4.3 Cash and cash equivalents

Cash and cash equivalents consist of cash in hand and at banks, and all highly liquid investments with an original maturity of three months or less and not subject to withdrawal restrictions.

4.4 Trade accounts receivable

Trade accounts receivable are stated at the net realisable value. Allowance for doubtful accounts is provided for the estimated losses that may be incurred in collection of receivables. The allowance is generally based on collection experiences and analysis of debt aging.

4.5 Inventories

Inventories are valued at the lower of cost and net realisable value. Cost of inventories is calculated as detailed below.

Land

Land is valued at cost on a weighted average method (calculated separately for each project) and is recognised as cost in accordance with the revenue recognition.

Deferred interest

Interest expenses relating to project development are recorded as deferred interest, with capitalisation ceasing when the ownership is transferred to buyer. Such deferred interest is recorded as a part of inventories and is recognised as cost of sales in accordance with the average revenue recognition (calculated separately for each project).

Infrastructure

The costs of construction for infrastructure like road, electricity system, water supply system and others are recorded as a part of inventories and are recognised as cost of sales in accordance with the revenue recognition.

Deferred project development costs

Preparation costs and project development costs before sales are recorded as a part of inventories and are recognised as cost of sales in accordance with the revenue recognition.

The Company and its subsidiaries recognise loss on diminution in value of projects (if any) in profit or loss.

4.6 Investments

- a) Investments in joint ventures are accounted for in the consolidated financial statements using the equity method.
- b) Investments in subsidiaries and joint ventures are accounted for in the separate financial statements using the cost method.

The weighted average method is used for computation of the cost of investments.

In the event the Company reclassifies investments from one type to another, such investments will be readjusted to their fair value as at the reclassification date. The difference between the carrying amount of the investments and the fair value on the date of reclassification are recorded in profit or loss or recorded as other components of shareholders' equity, depending on the type of investment that is reclassified.

On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised as income or expenses in profit or loss.

4.7 Investment properties

Investment properties are initially measured at cost, including transaction costs. Subsequent to initial recognition, investment

properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over estimated useful lives of 20 years. Depreciation of the investment properties is included in determining income.

On disposal of investment properties, the difference between the net disposal proceeds and the carrying amount of the asset is recognised in profit or loss in the period when the asset is derecognised.

4.8 Property, plant and equipment and depreciation

Land is stated at cost. Buildings and equipment are stated at cost less accumulated depreciation and allowance for loss on impairment of assets (if any).

Depreciation of plant and equipment is calculated by reference to their costs on the straight-line basis over the following estimated useful lives.

Land improvement	-	5 and 10 years
Buildings, buildings improvement and constructions	-	10 and 20 years
Club houses, swimming pool and playground	-	20 years
Sample houses and sales office	-	5 years
Furniture, fixtures and office equipment	-	3 and 5 years
Motor vehicles	-	5 years
Mold	-	3 years
Other fixed assets	-	5 years

Depreciation is included in determining income. No depreciation is provided on land and assets under installation.

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on disposal of an asset is included in profit or loss when the asset is derecognised.

4.9 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the cost of the respective assets. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.10 Intangible assets

Intangible assets are initially recognised at cost. Following the initial recognition, the intangible assets are carried at cost less any accumulated amortisation and any accumulated impairment losses (if any).

Intangible assets with finite lives are amortised on a systematic basis over the economic useful life and tested for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method of such intangible assets are reviewed at least at each financial year end. The amortisation expense is charged to profit or loss.

A summary of the intangible assets with finite useful lives is as follows:

	Useful lives
Computer software	3 and 5 years

4.11 Goodwill

Goodwill is initially recorded at cost, which equals to the excess of cost of business combination over the fair value of the net assets acquired. If the fair value of the net assets acquired exceeds the cost of business combination, the excess is immediately recognised as gain in profit or loss.

Goodwill is carried at cost less any accumulated impairment losses. Goodwill is tested for impairment annually and when circumstances indicate that the carrying value may be impaired.

For the purpose of impairment testing, goodwill acquired in a business combination is allocated to each of the Company's cash-generating units (or group of cash-generating units) that are expected to benefit from the synergies of the combination. The Company estimates the recoverable amount of each cash-generating unit (or group of cash-generating units) to which the goodwill relates. Where the recoverable amount of the cash-generating unit is less than the carrying amount, an impairment loss is recognised in profit or loss. Impairment losses relating to goodwill cannot be reversed in future periods.

4.12 Related party transactions

Related parties comprise individuals or enterprises that control, or are controlled by, the Company, whether directly or indirectly, or which are under common control with the Company.

They also include associated companies, and individuals or enterprises which directly or indirectly own a voting interest in the Company that gives them significant influence over the Company, key management personnel, directors and officers with authority in the planning and direction of the Company's operations.

4.13 Operating leases

Leases, which a significant portion of the risks and rewards of ownership are not transferred to the lessee, are classified as operating leases. Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the lease period. When an operating lease is terminated before the lease period has expired, any payment required to be made to the lessor by way of penalty is recognised as an expense in the period in which termination takes place.

4.14 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other intangible assets whenever events or changes in circumstances indicate that an asset may be impaired. The Company and its subsidiaries also carry out annual impairment reviews in respect of goodwill. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining 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. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

In the assessment of asset impairment if there is any indication that previously recognised impairment losses may no longer exist or may have decreased, the Company and its subsidiaries estimate the asset's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The increased carrying amount of the asset attributable to a reversal of an impairment loss shall not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in profit or loss.

4.15 Employee benefits

Short-term employee benefits

Salaries, wages, bonuses and contributions to the social security fund and provident fund are recognised as expenses when incurred.

Post-employment benefits

Defined contribution plans

The Company and its subsidiaries and employees have jointly established a provident fund. The fund is monthly contributed by employees and by the Company and its subsidiaries. The fund's assets are held in a separate trust fund and the Company's and its subsidiaries' contributions are recognised as expenses when incurred.

Defined benefit plans

The Company and its subsidiaries have obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Company and its subsidiaries treat these severance payment obligations as a defined benefit plan.

The obligation under the defined benefit plan is determined by a professionally qualified independent actuary based on actuarial techniques, using the projected unit credit method.

Actuarial gains and losses arising from post-employment benefits are recognised immediately in other comprehensive income.

4.16 Long-term leases

Leases of equipment which transfer substantially all the risks and rewards of ownership are classified as finance leases. Finance leases are capitalised at the lower of the fair value of the leased assets and the present value of the minimum lease payments. The outstanding rental obligations, net of finance charges, are included in other long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases are depreciated over the useful life of the asset.

Leases of equipment which do not transfer substantially all the risks and rewards of ownership are classified as operating lease. Operating lease payments are recognised as an expense in profit or loss on a straight line basis over the lease term.

4.17 Provisions

Provisions are recognised when the Company and its subsidiaries have a present obligation as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

4.18 Income tax

Income tax expense represents the sum of corporate income tax currently payable and deferred tax.

Current tax

Current income tax is provided in the accounts at the amount expected to be paid to the taxation authorities, based on taxable profits determined in accordance with tax legislation.

Deferred tax

Deferred income tax is provided on temporary differences between the tax bases of assets and liabilities and their carrying amounts at the end of each reporting period, using the tax rates enacted at the end of the reporting period.

The Company and its subsidiaries recognise deferred tax liabilities for all taxable temporary differences while they recognise deferred tax assets for all deductible temporary differences and tax losses carried forward to the extent that it is probable that future taxable profit will be available against which such deductible temporary differences and tax losses carried forward can be utilised.

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.19 Fair value measurement

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between buyer and seller (market participants) at the measurement date. The Company and its subsidiaries apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Company and its subsidiaries measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy into three levels based on categorise of input to be used in fair value measurement as follows:

Level 1	Use of quoted market prices in an observable active market for such assets or liabilities
Level 2	Use of other observable inputs for such assets or liabilities, whether directly or indirectly
Level 3	Use of unobservable inputs such as estimates of future cash flows

At the end of each reporting period, the Company and its subsidiaries determine whether transfers have occurred between levels within the fair value hierarchy for assets and liabilities held at the end of the reporting period that are measured at fair value on a recurring basis.

5. Significant accounting judgements and estimates

The preparation of financial statements in conformity with financial reporting standards at times requires management to make subjective judgements and estimates regarding matters that are inherently uncertain. These judgements and estimates affect reported amounts and disclosures; and actual results could differ from these estimates. Significant judgements and estimates are as follows:

Goodwill

The initial recognition and measurement of goodwill and subsequent impairment testing, require management to make estimates of cash flows to be generated by the asset or the cash generating units and to choose a suitable discount rate in order to calculate the present value of those cash flows.

Deferred tax assets

Deferred tax assets are recognised for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profit will be available against which the temporary differences and losses can be utilised. Significant management judgement is required to determine the amount of deferred tax assets that can be recognised, based upon the likely timing and level of estimate future taxable profits.

Post-employment benefits under defined benefit plans

The obligation under the defined benefit plan is determined based on actuarial techniques. Such determination is made based on various assumptions, including discount rate, future salary increase rate, mortality rate and staff turnover rate.

Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The Company and its subsidiaries' managements have used judgement to assess the results of the litigation and believes that provision for such contingent liabilities recorded as at the end of reporting period is sufficient.

6. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2018 and 2017 consisted of the following:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cash	2,188	1,916	1,038	1,170
Deposits at banks	949,620	1,053,246	216,952	539,970
Total	951,808	1,055,162	217,990	541,140
Less: Restricted bank deposits	(549)	(993)	(549)	(549)
Cash and cash equivalents	951,259	1,054,169	217,441	540,591

As at 31 December 2018, bank deposits in savings accounts carried interests between 0.10 and 1.05 percent per annum (2017: between 0.10 and 1.03 percent per annum).

The above restricted bank deposits are bank deposits that the Company and its subsidiaries have placed with banks to secure letters of guarantee issued by the banks on behalf of the Company and its subsidiaries.

7. Trade and other receivables

As at 31 December 2018 and 2017, the outstanding balances of trade and other receivables were unrelated parties, as detailed below.

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade receivables:				
<u>Aged on the basis of due dates</u>				
Not yet due	113,736	190,871	71,449	171,182
Past due				
Up to 12 months	26,144	10,669	-	-
Over 12 months	1,974	1,312	-	-
Total trade receivables	141,854	202,852	71,449	171,182
Less: Allowance for doubtful accounts	(1,974)	(1,312)	-	-
Trade receivables - net	139,880	201,540	71,449	171,182
Other receivables:				
Other receivable - the Revenue department	4,762	22,797	-	-
Others	234,980	166,019	95,482	91,074
Total other receivable	239,742	188,816	95,482	91,074
Less: Allowance for doubtful accounts	(3,246)	-	-	-
Other receivables - net	236,496	188,816	95,482	91,074
Trade and other receivables - net	376,376	390,356	166,931	262,256

8. Inventories

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Land	25,955,880	19,940,829	5,270,827	8,901,420
Land improvement	1,361,053	789,838	318,148	507,901
Work in progress	8,929,396	10,523,547	2,730,483	4,355,584
Infrastructures	3,089,778	2,268,091	1,021,572	1,617,698
Deferred interest expenses	1,005,514	1,026,907	269,450	443,289
Deferred project development costs	842,794	859,012	241,009	412,068
Inventories held for sale	14,072	13,959	7,704	7,704
Construction materials	2,535	1,722	-	-
Other inventories	370	1,988	-	-
Total	41,201,392	35,425,893	9,859,193	16,245,664
Less: Reduce cost to net realisable value	(52,275)	(1,278)	(544)	(544)
Net	41,149,117	35,424,615	9,858,649	16,245,120

Details of the Company's and subsidiaries' projects on hand are as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Number of projects on hand at beginning of year	74	72	53	56
Completed projects	(21)	(20)	(14)	(16)
New projects	29	22	1	13
Increase in number of projects form changing the status of joint ventures to subsidiary	3	-	-	-
Projects on hand at end of year	85	74	40	53

The Company and its subsidiaries have mortgaged their land and construction thereon, with total net book value as at 31 December 2018 and 2017 of Baht 24,342 million and Baht 17,323 million, respectively (Separate financial statements: Baht 7,514 million and Baht 9,458 million, respectively), with banks as collateral for overdrafts and loans from those banks, as described in Note 16 and 18.

During the years, the Company and its subsidiaries included borrowing costs in cost of inventories. These were determined by applying a capitalisation rate which is the weighted average of the financial charges on total borrowings as follows:

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Borrowing costs included in cost of inventories				
(Thousand Baht)	478,125	419,169	16,340	155,026
Capitalisation rate (Percent per annum)	2.75 - 4.28	3.08 - 4.53	2.75 - 3.16	3.08 - 4.50

9. Related party transactions

During the years, the Company and its subsidiaries had significant business transactions with related parties. Such transactions, which are summarised below, arose in the ordinary course of business and were concluded on commercial terms and bases agreed upon between the Company and those related parties

	For the years ended 31 December				(Unit: Thousand Baht)
	Consolidated financial statements		Separate financial statements		Pricing policy
	2018	2107	2018	2017	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Guarantee income	-	-	21,101	3,141	At the rate of 1.00% of the average of outstanding guarantee balance
Rental income	-	-	4,416	4,408	At the contractual price
Interest income	-	-	719,067	383,184	Interest at rate of 3.10 - 3.30% per annum (2017: 3.50 - 3.80% per annum)
Dividend income	-	-	633,767	1,802,013	At the declared rate
Cost of sales	-	-	331,759	322,150	At the contractual price
Selling and administrative expenses	-	-	72,437	123,217	Comparable price with third parties
Interest expenses	-	-	47,526	20,617	Interest at rate of 3.10 - 3.30% per annum (2017: 3.50 - 3.80% per annum)
<u>Transactions with joint ventures</u>					
Management income	480,932	580,625	480,932	580,625	At the contractual price
Service income	12,037	9,772	-	-	Comparable price with third parties
Dividend income	-	-	988,150	816,874	At the declared rate
Other income	3,358	26,276	-	-	At the contractual price
<u>Transactions with related parties</u>					
Selling and administrative expenses	12,453	9,637	12,453	9,637	Comparable price with third parties

As at 31 December 2018 and 2017, the balances of the accounts between the Company and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Interest receivable - related parties				
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	-	30,906	13,059
Asian Property Co., Ltd.	-	-	136,513	64,745
The Value Property Development Co., Ltd.	-	-	78,721	440,697
Thonglor Residence Co., Ltd.	-	-	787	3,488
Asian Property (2012) Co., Ltd.	-	-	16,293	259,362
Asian Property (2014) Co., Ltd.	-	-	12,232	38,661
Thai Big Belly Co., Ltd.	-	-	-	22,940
Asian Property (2018) Co., Ltd.	-	-	16,363	497
AP ME 10 Co., Ltd.	-	-	565	-
AP ME 12 Co., Ltd.	-	-	177	-
Total interest receivable - related parties	-	-	292,557	843,449
Trade accounts payable - related parties (Note 17)				
<u>Subsidiaries</u>				
Signature Advisory Partners Ltd.	-	-	44,175	54,563
SQE Construction Co., Ltd.	-	-	18,585	20,787
Total trade accounts payable - related parties	-	-	62,760	75,350
Others payable - related parties (Note 17)				
<u>Subsidiaries</u>				
Asian Property Co., Ltd. and its subsidiary	-	-	8,154	1
The Value Property Development Co., Ltd.	-	-	5	-
Smart Service & Management Co., Ltd.	-	-	1,780	5,961
Bangkok CitiSmart Co., Ltd.	-	-	-	5,930
SEASIA Leadavation Center Co., Ltd.	-	-	2,606	3,447
SQE Construction Co., Ltd.	-	-	2,304	2,295
Total others payable - related parties	-	-	14,849	17,634
Interest payable - related parties				
<u>Subsidiaries</u>				
AP ME (Krungthep) Co., Ltd.	-	-	7,854	-
Thai Big Belly Co., Ltd.	-	-	475	-
Asian Property (2011) Co., Ltd.	-	-	-	6,758
Asian Property (2013) Co., Ltd.	-	-	-	5,223
Total interest payable - related parties	-	-	8,329	11,981
Retention payable - related party				
<u>Subsidiary</u>				
SQE Construction Co., Ltd.	-	-	458	438
Total retention payable - related party	-	-	458	438

The balances of loans between the Company and those related parties as at 31 December 2018 and 2017, and the movements of are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company's name	Balance as at 31 December 2017	During the year		Balance as at 31 December 2017
		Additional granting	Receiving	
Asian Property (Krungthep) Co., Ltd.	2,051,700	2,388,300	(1,544,000)	2,896,000
Asian Property Co., Ltd.	6,141,200	10,442,700	(4,531,200)	12,052,700
The Value Property Development Co., Ltd.	3,555,600	5,779,009	(723,609)	8,611,000
Bangkok Citismart Co., Ltd.	-	68,000	(68,000)	-
Thonglor Residence Co., Ltd.	70,700	124,900	(151,500)	44,100
Asian Property (2012) Co., Ltd.	2,184,000	443,100	(1,931,500)	695,600
Asian Property (2014) Co., Ltd.	1,001,900	497,000	(1,006,900)	492,000
Thai Big Belly Co., Ltd.	128,000	14,000	(142,000)	-
Asian Property (2018) Co., Ltd.	96,000	1,627,000	(175,000)	1,548,000
Vaari Digital Co., Ltd.	-	13,000	(13,000)	-
AP ME 10 Co., Ltd.	-	386,000	(175,000)	211,000
AP ME 12 Co., Ltd.	-	174,000	-	174,000
AP ME 14 Co., Ltd.	-	943,305	(943,305)	-
Total short-term loans to related parties	15,229,100	22,900,314	(11,405,014)	26,724,400

Short-term loans from related parties

(Unit: Thousand Baht)

Company's name	Balance as at 31 December 2017	During the year		Balance as at 31 December 2018
		Additional granting	Receiving	
AP ME (Sukhumvit) Co., Ltd.	-	738,000	(738,000)	-
Asian Property (2011) Co., Ltd.	326,300	10,700	(337,000)	-
Asian Property (2013) Co., Ltd.	811,400	171,500	(982,900)	-
AP ME (Asoke) Co., Ltd.	-	515,000	(515,000)	-
AP ME (Krungthep) Co., Ltd.	-	825,300	(5,000)	820,300
Thai Big Belly Co., Ltd.	-	84,000	(3,000)	81,000
Total short-term loans from related parties	1,137,700	2,344,500	(2,580,900)	901,300

The above loans to and loans from related parties are in the form of promissory notes, which are uncollateralised and due at call.

Directors' and management's remuneration

During the years ended 31 December 2018 and 2017, the Company and its subsidiaries had employee benefit expenses payable to their directors and management as below.

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
Short-term employee benefits	168,167	152,143
Post-employment benefits	8,472	6,641
Total	176,639	158,784

Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 28.4 a) to the financial statements.

10. Investments in subsidiaries

10.1 Details of investments in subsidiaries as presented in the separate financial statements are as follows;

Company's name	Nature of business	Paid-up share capital		Percentage of shareholding		Investment value under cost method		Allowance for impairment of investments		Investments in subsidiaries -net		Dividend received for the years	
		2018	2017	2018 Percent	2017 Percent	2018	2017	2018	2017	2018	2017	2018	2017
Asian Property (Krungthep) Co., Ltd.	Real estate development	300	300	100	100	294	294	-	-	294	294	-	21
Asian Property Co., Ltd.	Real estate development	896	896	100	100	407	407	-	-	407	407	-	403
The Value Property Development Co., Ltd.	Real estate development	500	500	100	100	500	500	-	-	500	500	-	1,150
Smart Service & Management Co., Ltd.	Service	5	5	100	100	5	5	-	-	5	5	-	-
Bangkok CitiSmart Co., Ltd.	Service	4	4	100	100	4	4	-	-	4	4	-	18
Thonglor Residence Co., Ltd.	Real estate development	39	10	100	100	39	10	(25)	(10)	14	-	-	-
Asian Property (2011) Co., Ltd.	Real estate development	-	300	-	100	-	300	-	-	-	300	15	12
Asian Property (2012) Co., Ltd.	Real estate development	300	300	100	100	300	300	-	-	300	300	-	-
Asian Property (2013) Co., Ltd.	Real estate development	-	300	-	100	-	300	-	-	-	300	502	198
Thai Big Belly Co., Ltd.	Real estate development	50	50	100	100	50	50	-	-	50	50	-	-
Asian Property (2014) Co., Ltd.	Real estate development	400	400	100	100	400	400	-	-	400	400	-	-
Asian Property (2018) Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
Vaari Digital Co., Ltd.	Service	-	1	-	100	-	1	-	-	-	1	-	-
AP ME (Krungthep) Co., Ltd.	Real estate development	768	-	100	-	770	-	-	-	770	-	-	-
AP ME 10 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
AP ME 11 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
AP ME 12 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
AP ME 15 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
AP ME (Sukhumvit) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	31	-
AP ME (Asoke) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	86	-
Total investments in subsidiaries		2,774	2,572			(25)	(10)	2,749	2,562	634	1,802		

10.2 Significant changes in investments in subsidiaries

Establishment of new subsidiaries

AP ME 10 Co., Ltd.

On 27 February 2018, the meeting of the Company's Board of Directors passed a resolution to establish AP ME 10 Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 16 March 2018.

AP ME 11 Co., Ltd.

On 27 February 2018, the meeting of the Company's Board of Directors passed a resolution to establish AP ME 11 Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 16 March 2018.

AP ME 12 Co., Ltd.

On 27 February 2018, the meeting of the Company's Board of Directors passed a resolution to establish AP ME 12 Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 16 March 2018.

AP ME 14 Co., Ltd.

On 11 May 2018, the meeting of the Company's Board of Directors passed a resolution to establish AP ME 14 Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 18 May 2018.

AP ME 15 Co., Ltd.

On 11 May 2018, the meeting of the Company's Board of Directors passed a resolution to establish AP ME 15 Co., Ltd. It has registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each and the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 20 December 2018.

Changing the subsidiaries' name

AP ME 9 Co., Ltd.

On 7 February 2018, the Extraordinary General Meeting of shareholders of AP ME 9 Co., Ltd. passed a resolution to change the company's name from "AP ME 9 Co., Ltd." to "The Powerhouse Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 8 February 2018.

On 5 June 2018, the Extraordinary General Meeting of shareholders of The Powerhouse Co., Ltd. passed a resolution to change the company's name from "The Powerhouse Co., Ltd." to "Vaari Digital Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 5 June 2018.

AP ME 7 Co., Ltd.

On 1 March 2018, the Extraordinary General Meeting of shareholders of AP ME 7 Co., Ltd. passed a resolution to change the company's name from "AP ME 7 Co., Ltd." to "Asian Property (2018) Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 8 March 2018.

Som Baan Co., Ltd.

On 27 September 2018, the Extraordinary General Meeting of shareholders of Som Baan Co., Ltd. passed a resolution to change the company's name from "Som Baan Co., Ltd." to "Clay More Innovation Lab Co., Ltd.". This company registered with the Ministry of Commerce for the change of the name on 27 September 2018.

Sales of investments in subsidiaries

The Powerhouse Co., Ltd.

On 11 May 2018, the Board of Directors Meeting of the Company passed a resolution to sell the investment in The Powerhouse Co., Ltd., amounting to Baht 1 million (99,997 ordinary shares of Baht 10 each) to Signature Advisory Partners Ltd. Therefore, the status of this company was changed to subsidiary of Signature Advisory Partners Ltd.

AP ME 14 Co., Ltd.

On 29 June 2018, the Company sold investment in AP ME 14 Co., Ltd. to Premium Residence Co., Ltd., which is a joint venture company between AP (Thailand) Public Company Limited and MJRI (Thailand) Co., Ltd. totaling Baht 8.9 million. The Company recognised gain from sales of investment of approximately Baht 5.2 million in the consolidated financial statements (Baht 7.9 million in the separate financial statements). Therefore, the status of this company was changed to subsidiary of Premium Residence Co., Ltd., the Company's joint venture, as mentioned in Note 11.

Additionally invested in subsidiaries

- 1) On 28 May 2018, the meeting of the Company's Board of Directors passed a resolution to purchase ordinary shares of 3 joint ventures from MEC Thailand Investment Pte. Ltd. totaling of Baht 932.3 million as follows;
- Purchase 31.95 million ordinary shares of AP ME (Sukhumvit) Co., Ltd. at the price of Baht 10.79 each, or a total of Baht 344.6 million.
 - Purchase 37.63 million ordinary shares of AP ME (Krungthep) Co., Ltd. at the price of Baht 10.05 each, or a total of Baht 378.2 million.
 - Purchase 19.11 million ordinary shares of AP ME (Asoke) Co., Ltd. at the price of Baht 10.96 each, or a total of Baht 209.5 million.

On 28 May 2018, the Company had purchased and already signed the share transfer documents of the aforementioned ordinary shares. As a result, the Company's shareholding in those companies increased from 51.00% to 99.99% and the status of those companies had changed from the Company's joint ventures to the subsidiaries of the Company and the financial statements of these companies had been included in the consolidated financial statements from 28 May 2018, which is the date on which the Company assumed control.

Management of the Company determined that the acquisition of the investment in these companies was an asset acquisition. The carrying values of the assets and liabilities of these 3 companies at the acquisition date were as summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	142,479
Inventories	447,827
Short-term loan to related party	1,585,000
Other current assets	840
Equipment	155
Investment properties	4,287
Deferred tax assets	12,997
Other non-current assets	417
Trade and other payables	(22,403)
Unearned revenue	(40,270)
Accrued expenses	(56,048)
Income tax payables	(81,128)
Other current liabilities	(9,641)
Other non-current liabilities	(5,226)
Net assets	1,979,286
Cash paid for investments in subsidiaries	932,300
Less: Cash and cash equivalents of the subsidiaries	(142,479)
Net cash paid for investments in subsidiaries	789,821

- 2) SEASIA Leadavation Center Co., Ltd.

On 18 April 2018, the Board of Directors Meeting of SEASIA Leadavation Center Co., Ltd. passed a resolution to additionally invest in SEAC (SINGAPORE) PTE. LTD. of SGD 39,999 or equivalent to Baht 0.96 million. This company is incorporated and domiciled in Singapore and its share capital is 99.99 percent held by SEASIA Leadavation Center Co., Ltd.

Dissolution of subsidiary companies

- 1) On 31 August 2018, the Extraordinary General Meeting of the shareholders of Asian Property (2013) Co., Ltd. and AP ME (Sukhumvit) Co., Ltd. resolved to approve the dissolution of these entities. These 2 subsidiary companies registered their dissolution with the Ministry of Commerce on 31 August 2018.

On 31 August 2018, these 2 subsidiary companies entered into entire business transfer agreement to transfer their business to Asian Property Co., Ltd., whereby the assets and liabilities were transferred to Asian Property Company Limited at the book values of net assets and liabilities which was calculated based on these 2 subsidiaries' financial statements as at 31 August 2018. Therefore, Asia Property Co., Ltd. received of Baht 147.98 million from these 2 subsidiaries.

Subsequently, in September 2018, the Company received the return on its investment as a result of the dissolution of Asian Property (2013) Co., Ltd. and AP ME (Sukhumvit) Co., Ltd., at the rate of Baht 11.02 per share and Baht 10.46 per share, respectively, or totaling Baht 1,012.79 million. The Company recognised gain on dissolution of these 2 subsidiaries totaling Baht 35.6 million in the separate financial statement.

These 2 subsidiaries registered the completion of the liquidation process with the Ministry of Commerce on 9 November 2018.

- 2) On 31 October 2018, the Extraordinary General Meeting of the shareholders of Asian Property (2011) Co., Ltd. and AP ME (Asoke) Co., Ltd. resolved to approve the dissolution of these entities. These 2 subsidiary companies registered their dissolution with the Ministry of Commerce on 31 October 2018.

On 31 October 2018, these 2 subsidiary companies entered into entire business transfer agreement to transfer their business to Asian Property Co., Ltd., whereby the assets and liabilities were transferred to Asian Property Company Limited at their net book values of net assets and liabilities which was calculated based on these 2 subsidiaries' financial statements as at 31 October 2018. Therefore, Asian Property Co., Ltd. received of Baht 30.22 million from these 2 subsidiaries.

Subsequently, in November 2018, the Company received the return on its investment as a result of the dissolution of Asian Property (2011) Co., Ltd. and AP ME (Asoke) Co., Ltd., at the rate of Baht 10.66 per share and Baht 10.38 per share, respectively, or totaling Baht 725 million. The Company recognised gain on dissolution of these 2 subsidiaries totaling Baht 16.7 million in the separate financial statement.

These 2 subsidiaries registered the completion of the liquidation process with the Ministry of Commerce on 18 December 2018.

Increase in share capital of the subsidiaries

Thonglor Residence Co., Ltd.

On 21 September 2018, the Extraordinary General Meeting of shareholders of Thonglor Residence Co., Ltd. approved to increase its registered share capital by Baht 29 million (2.9 million ordinary shares of Baht 10 each) from Baht 10 million (1 million ordinary shares of Baht 10 each) to Baht 39 million (3.9 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 24 September 2018.

Signature Advisory Partners Ltd.

On 21 September 2018, the Extraordinary General Meeting of shareholders of Signature Advisory Partners Ltd. approved to increase its registered share capital by Baht 29 million (2.9 million ordinary shares of Baht 10 each) from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 30 million (3 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 24 September 2018.

Vaari Digital Co., Ltd.

On 31 August 2018, the Extraordinary General Meeting of shareholders of Vaari Digital Co., Ltd. approved to increase its registered share capital by Baht 29 million (2.9 million ordinary shares of Baht 10 each) from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 30 million (3 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 3 September 2018.

Clay More Innovation Lab Co., Ltd.

On 27 September 2018, the Extraordinary General Meeting of shareholders of Clay More Innovation Lab Co., Ltd. (formerly known as "Som Baan Co., Ltd.") approved to increase its registered share capital by Baht 4 million (0.4 million ordinary shares of Baht 10 each) from Baht 1 million (0.1 million ordinary shares of Baht 10 each) to Baht 5 million (0.5 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 27 September 2018.

SEASIA Leadavation Center Co., Ltd.

On 29 November 2018, the Extraordinary General Meeting of shareholders of SEASIA Leadavation Center Co., Ltd. approved to increase its registered share capital by Baht 250 million (25 million ordinary shares of Baht 10 each) from Baht 50 million (5 million ordinary shares of Baht 10 each) to Baht 300 million (30 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 30 November 2018.

Asian Property Co., Ltd.; the Company's subsidiary, has invested in the whole amount of this increase share capital of Baht 250 million. Therefore, the percentage of shareholding of Asian Property Co., Ltd. in this company increase from 90 percent to 98 percent.

11. Investments in joint ventures

11.1 Details of investments in joint ventures:

Investments in joint ventures represent investments in entities which are jointly controlled by the Company and other company. Details of these investments are as follows:

(Unit: Million Baht)									
Joint ventures	Nature of business	Shareholding percentage		Separate financial statements		Consolidated financial statements		Separate financial statements	
				Cost		Carrying amounts based on equity method		Dividend received during the year	
		2018	2017	2018	2017	2018	2017	2018	2017
		(%)	(%)						
AP ME (Sukhumvit) Co., Ltd.	Real estate development	-	51	-	332	-	368	21	253
AP ME (Krungthep) Co., Ltd.	Real estate development	-	51	-	392	-	407	7	159
AP ME (Asoke) Co., Ltd.	Real estate development	-	51	-	199	-	228	24	78
AP (Ekkamai) Co., Ltd.	Real estate development	51	51	183	122	269	69	-	-
Premium Residence Co., Ltd. and its subsidiaries	Real estate development	51	51	4,582	4,170	4,122	3,723	936	327
Total				4,765	5,215	4,391	4,795	988	817

11.2 Share of comprehensive income from investments in joint ventures

During the years, the Company recognised its share of comprehensive income from investments in the joint venture in the consolidated financial statements as follows:

(Unit: Million Baht)		
Joint ventures	Consolidated financial statements	
	For the years ended 31 December	
	2018	2017
AP ME (Sukhumvit) Co., Ltd.	13	224
AP ME (Krungthep) Co., Ltd.	16	86
AP ME (Asoke) Co., Ltd.	29	114
AP (Ekkamai) Co., Ltd.	139	(32)
Premium Residence Co., Ltd. and its subsidiaries	928	110
Total	1,125	502

11.3 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)		
	31 December 2018	
	Premium Residence Co., Ltd. and its subsidiaries	AP (Ekkamai) Co., Ltd.
Cash and cash equivalents	1,331	125
Other current assets	19,605	771
Non-current assets	739	3
	21,675	899
Short-term loans	40	-
Current liabilities	4,085	368
Long-term loans	9,019	-
Other non-current liabilities	85	4
	13,229	372
Net assets	8,446	527
Shareholding percentage (%)	51	51
Share of net assets	4,307	269
Elimination	(185)	-
Carrying amounts of joint ventures based on equity method	4,122	269

(Unit: Million Baht)

	31 December 2017				
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd	AP ME (Asoke) Co., Ltd.	Premium Residence Co., Ltd. and its subsidiaries	AP (Ekkamai) Co., Ltd
Cash and cash equivalents	814	320	311	1,054	11
Other current assets	25	512	220	18,197	798
Non-current assets	7	6	5	619	26
	846	838	536	19,870	835
Short-term loans	-	-	-	200	25
Current liabilities	124	36	87	3,113	221
Long-term loans	-	-	-	8,842	450
Other non-current liabilities	1	3	2	47	4
	125	39	89	12,202	700
Net assets	721	799	447	7,668	135
Shareholding percentage (%)	51	51	51	51	51
Share of net assets	368	407	228	3,911	69
Elimination	-	-	-	(188)	-
Carrying amounts of joint ventures based on equity method	368	407	228	3,723	69

These joint ventures have mortgaged their land, with a total net book value as at 31 December 2018 of approximately Baht 17,387 million (the Company's proportion: Baht 8,867 million), as collateral for credit facilities granted by the commercial banks (2017: Baht 17,580 million (the Company's proportion: Baht 8,966 million)).

Summarised information about comprehensive income

(Unit: Million Baht)

For the year ended 31 December 2018					
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	AP (Ekkamai) Co., Ltd.	Premium Residence Co., Ltd. and its subsidiaries
Revenues	23	235	216	847	9,036
Interest income	3	1	-	-	12
Interest expenses	-	-	-	(4)	(28)
Income tax expenses	(7)	(8)	(14)	(68)	(460)
Profit	26	32	56	273	1,803
Total comprehensive income	26	32	56	273	1,803

(Unit: Million Baht)

For the year ended 31 December 2017					
	AP ME (Sukhumvit) Co., Ltd.	AP ME (Krungthep) Co., Ltd.	AP ME (Asoke) Co., Ltd.	AP (Ekkamai) Co., Ltd.	Premium Residence Co., Ltd. and its subsidiaries
Revenues	1,794	894	980	2	3,373
Interest income	5	2	1	-	6
Interest expenses	(1)	-	(4)	(2)	(25)
Income tax revenue (expenses)	(109)	(42)	(57)	16	(56)
Profit (loss)	439	168	225	(64)	216
Total comprehensive income	439	168	225	(64)	216

11.4 Changes in investments in joint ventures

Premium Residence Co., Ltd.

Regarding on 25 December 2017, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. passed a resolution to additionally increase its registered share capital by Baht 2,000 million. During the current year, the additional call up of registered share capital was made as follows:

- On 5 March 2018, the second call up of this additional registered share capital had been paid at 25.6 percent of additional registered share capital or equivalent to Baht 512 million.
- On 29 June 2018, the third call up of this additional registered share capital had been paid at 14.8 percent of additional registered share capital or equivalent to Baht 296 million.

As a result, paid-up share capital increased to Baht 8,985 million. During the year 2018, the Company has additionally invested in the same proportion amounting to Baht 412.1 million.

AP (Ekkamai) Co., Ltd.

Regarding on 7 November 2016, the Extraordinary General Meeting of shareholders of AP (Ekkamai) Co., Ltd. passed a resolution to additionally increase its registered share capital by Baht 120 million. On 18 April 2018, the second call up of registered share capital had been paid at 67.5 percent of additional registered share capital or equivalent to Baht 81 million.

Regarding on 16 November 2017, the Extraordinary General Meeting of shareholders of AP (Ekkamai) Co., Ltd. passed a resolution to additionally increase its registered share capital by Baht 200 million. On 18 April 2018, the second call up of registered share capital had been paid at 19.5 percent of additional registered share capital or equivalent to Baht 39 million.

As a result, paid-up share capital increased to Baht 359 million. During the year 2018, the Company has additionally invested in the same proportion amounting to Baht 61.2 million.

12. Land and cost of project held for development

Land and cost of project held for development as at 31 December 2018 and 2017 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2107
Land	745,393	719,857	165,719	163,420
Land improvement	18,980	15,923	-	-
Construction	2,691	-	-	-
Infrastructure	13,036	8,637	-	-
Deferred interest expenses	239,153	233,781	-	-
Deferred expenses	18,434	18,238	-	-
Total	1,037,687	996,436	165,719	163,420
Less: Allowance for impairment loss	(358,614)	(342,014)	(18,963)	(18,963)
Land and cost of project held for development - net	679,073	654,422	146,756	144,457

In 2018, the Company sold its land and cost of project held for development with net book value of Baht 5.1 Million. Gain on sale of land and cost of project held for development, totaling Baht 5.28 million, was recognised in the 2018 financial statements .

During the year 2018, the Company and its subsidiaries had transferred inventories with net book value of Baht 46.36 million to land and cost of project held for development (the Company only: Baht 7.41 million).

Movements in the allowance for loss on diminution in value of land held for development during the year ended 31 December 2018 are summarised below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Balance as at 1 January 2018	342,014	18,963
Add: Increase during the year	16,600	-
Balance as at 31 December 2018	358,614	18,963

13. Investment properties

The net book value of investment properties, representing condominium units for rent, as at 31 December 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Cost	97,258	88,626	67,378	67,378
Less: Accumulated depreciation	(22,432)	(17,978)	(18,337)	(14,968)
Net book value	74,826	70,648	49,041	52,410

A reconciliation of the net book value of investment properties for the years 2018 and 2017 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Net book value at beginning of year	70,648	73,412	52,410	55,355
Transfer from inventories	4,556	2,291	-	1,093
Increase from changing the status of joint ventures to subsidiaries	4,287	-	-	-
Disposal - net	-	(709)	-	(709)
Depreciation charged during the year	(4,665)	(4,346)	(3,369)	(3,329)
Net book value at end of year	74,826	70,648	49,041	52,410

The fair value of the investment properties as at 31 December 2018 is approximately Baht 346 million (Separate financial statements: Baht 230 million) (2017: Baht 300 million (Separate financial statements: Baht 216 million)). The fair value has been determined based on comparable market price by referring to the purchase-sale information and the comparable transactions of the assets bought-sold during the same period, taking into account the location, size and shape of land, type and condition of the assets.

14. Property, plant and equipment

(Unit: Thousand Baht)

Consolidated financial statements										
	Land and land improvement	Buildings and constructions	Club houses, swimming pool and playground	Sample houses and sales office	Furniture, fixtures and equipment	Motor vehicles	Mold	Other fixed assets	Assets under installation	Total
Cost										
1 January 2017	26,216	9,785	42,473	588	235,830	2,185	46,016	64,971	10,463	438,527
Additions	-	-	-	-	51,125	1,528	16,317	11,605	141,117	221,692
Disposals/write-off	-	-	-	-	(15,948)	-	(57)	(11,233)	-	(27,238)
Transfer in (out)	-	-	-	-	148,086	-	1,526	250	(149,862)	-
31 December 2017	26,216	9,785	42,473	588	419,093	3,713	63,802	65,593	1,718	632,981
Additions	-	-	-	-	35,517	-	17,778	16,341	143,689	213,325
Increase from changing the status of joint ventures to subsidiaries	-	-	-	-	302	-	-	209	-	511
Disposals/write-off	-	-	-	-	(53,034)	-	(7,749)	(12,813)	-	(73,596)
Transfer in (out)	-	-	-	-	44,038	-	-	9,925	(56,245)	(2,282)
31 December 2018	26,216	9,785	42,473	588	445,916	3,713	73,831	79,255	89,162	770,939
Accumulated depreciation										
1 January 2017	6,661	5,012	36,574	588	193,997	1,617	37,917	51,386	-	333,752
Depreciation for the year	331	307	206	-	32,463	474	9,352	6,691	-	49,824
Depreciation on disposals/write-off	-	-	-	-	(15,574)	-	(57)	(10,602)	-	(26,233)
31 December 2017	6,992	5,319	36,780	588	210,886	2,091	47,212	47,475	-	357,343
Depreciation for the year	331	306	-	-	45,401	527	10,620	8,043	-	65,228
Increase from changing the status of joint ventures to subsidiaries	-	-	-	-	220	-	-	136	-	356
Depreciation on disposals/write-off	-	-	-	-	(50,775)	-	(7,155)	(12,304)	-	(70,234)
31 December 2018	7,323	5,625	36,780	588	205,732	2,618	50,677	43,350	-	352,693

Consolidated financial statements (continued)

	Land and land improvement	Buildings and constructions	Club houses, swimming pool and playground	Sample houses and sales office	Sample houses and sales office	Motor vehicles	Mold	Other fixed assets	Assets under installation	Total
Allowance for impairment loss										
31 December 2016	4,802	54	5,693	-	-	-	-	-	-	10,549
Reversal during the year	-	(22)	-	-	-	-	-	-	-	(22)
31 December 2017	4,802	32	5,693	-	-	-	-	-	-	10,527
Reversal during the year	-	(21)	-	-	-	-	-	-	-	(21)
31 December 2018	4,802	11	5,693	-	-	-	-	-	-	10,506
Net book value										
31 December 2017	14,422	4,434	-	-	208,207	1,622	16,590	18,118	1,718	265,111
31 December 2018	14,091	4,149	-	-	240,184	1,095	23,154	35,905	89,162	407,740
Depreciation for the year										
2017 (included in the administrative expenses)										49,824
2018 (included in the administrative expenses)										65,228

	Separate financial statements					Total
	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Other fixed assets	Assets under installation	
Cost						
1 January 2017	22,907	4,085	206,028	41,351	2,043	276,414
Additions	-	-	12,284	4,198	13,291	29,773
Disposals/write-off	-	-	(12,463)	(10,058)	-	(22,521)
Transfer in (out)	-	-	14,729	-	(14,729)	-
31 December 2017	22,907	4,085	220,578	35,491	605	283,666
Additions	-	-	21,897	9,219	85,102	116,218
Disposals/write-off	-	-	(44,425)	(10,059)	-	(54,484)
Transfer in (out)	-	-	34,330	9,925	(44,255)	-
31 December 2018	22,907	4,085	232,380	44,576	41,452	345,400
Accumulated depreciation						
1 January 2017	5,511	4,031	169,381	32,592	-	211,515
Depreciation for the year	-	22	21,618	3,546	-	25,186
Depreciation on disposals/write-off	-	-	(12,183)	(9,625)	-	(21,808)
31 December 2017	5,511	4,053	178,816	26,513	-	214,893
Depreciation for the year	-	21	21,297	4,491	-	25,809
Depreciation on disposals/write-off	-	-	(43,577)	(9,770)	-	(53,347)
31 December 2018	5,511	4,074	156,536	21,234	-	187,355

(Unit: Thousand Baht)

	Separate financial statements (continued)				
	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Other fixed assets	Assets under installation
					Total
Allowance for impairment loss					
31 December 2016	4,802	54	-	-	4,856
Reversal during the year	-	(22)	-	-	(22)
31 December 2017	4,802	32	-	-	4,834
Reversal during the year	-	(21)	-	-	(21)
31 December 2018	4,802	11	-	-	4,813
Net book value					
31 December 2017	12,594	-	41,762	8,978	63,939
31 December 2018	12,594	-	75,844	23,342	153,232
Depreciation for the year					
2017 (Included in the administrative expenses)					25,186
2018 (Included in the administrative expenses)					25,809

As at 31 December 2018 and 2017, certain plant and equipment items of the Company and its subsidiaries have been fully depreciated but are still in use. The gross carrying amount (before deducting accumulated depreciation and allowance for impairment loss) of those assets amounted to approximately Baht 235 million and Baht 240 million, respectively (Separate financial statements: Baht 129 million and Baht 142 million, respectively).

15. Intangible assets

The net book value of intangible asset, representing computer software, as at 31 December 2018 and 2017 is presented below

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Cost		
1 January 2017	139,750	129,169
Additions	27,599	23,198
Disposals	(448)	-
31 December 2017	166,901	152,367
Additions	2,148	694
Transferred from asset under installation	2,282	-
Disposals	(4,562)	(4,416)
31 December 2018	166,769	148,645
Accumulated amortisation		
1 January 2017	123,971	113,955
Amortisation for the year	13,743	12,891
Disposals	(148)	-
31 December 2017	137,566	126,846
Amortisation for the year	15,880	14,025
Disposals	(4,020)	(3,874)
31 December 2018	149,426	136,997
Net book value		
31 December 2017	29,335	25,521
31 December 2018	17,343	11,648
Amortisation for the year		
2017 (included in the administrative expenses)	13,743	12,891
2018 (included in the administrative expenses)	15,880	14,025

16. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2018 and 2017 comprised the following:

	Interest rate		Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017	2018	2017
	(percent per annum)	(percent per annum)				
Bill of exchanges	1.88 - 2.78	1.51 - 2.65	3,190,000	5,673,900	2,480,000	4,812,900
Less: Prepaid interest expenses			(5,368)	(12,047)	(5,368)	(12,047)
Short-term loans from financial institutions			<u>3,184,632</u>	<u>5,661,853</u>	<u>2,474,632</u>	<u>4,800,853</u>

Certain in bank overdrafts and short-term loans from financial institutions of the Company and its subsidiaries are secured by the mortgage of land of certain projects of the Company and its subsidiaries and are guaranteed by the Company.

17. Trade and other payables

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Trade accounts payable - related parties	-	-	62,760	75,350
Trade accounts payable - unrelated parties	1,416,645	1,008,415	620,671	562,988
Other payables - the Revenue Department	44,428	42,819	17,043	23,501
Other payables - related parties	-	-	14,849	17,634
Other payables - unrelated parties	156,080	180,875	55,735	107,748
Total trade and other payables	<u>1,617,153</u>	<u>1,232,109</u>	<u>771,058</u>	<u>787,221</u>

18. Long-term loans

Long-term loans from bank as at 31 December 2018 and 2017 can be summarised as follows:

Significant terms and conditions of loan agreement							Outstanding long-term loan amount		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate (Percent per annum)		Current portion	Non-current portion	Total
<u>2018</u>									
<u>The Company</u>									
1.	Bank	1,576,750	At 70 percent of selling price upon release of the mortgage and due within 2020	The mortgage of land and construction thereon	MLR-2.00	-	-	120,000	120,000
Total loans of the Company									
<u>Subsidiary</u>									
<u>Asian Property Co., Ltd.</u>									
1.	Bank	2,742,000	At 60 percent of selling price upon release of the mortgage and due within 2022	The mortgage of land and construction thereon	MLR-2.15 to MLR-2.00	-	-	20,000	20,000
Total loans of the subsidiary									
Total loans of the Company and its subsidiary									
							-	20,000	20,000
							-	140,000	140,000

(Unit: Thousand Baht)

(Unit: Thousand Baht)

Significant terms and conditions of loan agreement				Outstanding long-term loan amount		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate (Percent per annum)	Total
<u>2017</u>						
<u>The Company</u>						
1.	Bank	2,331,500	At 70 percent of selling price upon release of the mortgage and due within 2020	The mortgage of land and construction thereon	MLR-2.00	40,000
Total loans of the Company						
<u>Subsidiary</u>						
<u>Asian Property (2014) Co., Ltd.</u>						
1.	Bank	1,270,000	At 70 percent of selling price upon release of the mortgage and due within 2020	The mortgage of land and construction thereon	MLR-1.75	50,000
Total loans of the subsidiary						
Total loans of the Company and its subsidiary						
					-	50,000
					-	90,000

These loan agreements contain several covenants and restrictions which, among other things, require the Company and its subsidiaries to maintain debt service coverage ratio at the rate prescribed in the agreements.

As at 31 December 2018, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 4,617 million (Separate financial statements: Baht 1,314 million) (2017: Baht 5,575 million (Separate financial statements: Baht 2,291 million)).

19. Debentures

Debentures as at 31 December 2018 and 2017, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Consolidated and separate financial statements							
Name of debenture	Fixed interest rate	Period	Maturity date	Unit		Amount	
				2018	2017	2018	2017
				(Thousand units)	(Thousand units)	(Million Baht)	(Million Baht)
AP181A	4.24% p.a.	5 years	24 January 2018	-	1,250	-	1,250
AP188A	4.13% p.a.	5 years and 3 months	9 August 2018	-	1,250	-	1,250
AP191A	4.50% p.a.	5 years	24 January 2019	350	350	350	350
AP197A	4.36% p.a.	5 years and 1 month	27 July 2019	1,000	1,000	1,000	1,000
AP201A	3.58% p.a.	5 years	22 January 2020	1,500	1,500	1,500	1,500
AP187A	2.65% p.a.	3 years and 1 month	18 July 2018	-	300	-	300
AP181B	2.30% p.a.	2 years and 6 months	10 January 2018	-	500	-	500
AP197B	3.04% p.a.	4 years	10 July 2019	1,000	1,000	1,000	1,000
AP191B	2.15% p.a.	2 years and 6 months	29 January 2019	1,000	1,000	1,000	1,000
AP191C	2.55% p.a.	2 years	19 January 2019	500	500	500	500
AP207A	3.06% p.a.	3 years and 6 months	19 July 2020	1,500	1,500	1,500	1,500
AP203A	2.50% p.a.	2 years and 10 months	30 March 2020	500	500	500	500
AP212A	2.50% p.a.	3 years and 6 months	15 February 2021	1,000	1,000	1,000	1,000
AP214A	2.35% p.a.	3 years and 6 months	19 April 2021	1,000	1,000	1,000	1,000
AP217A	2.32% p.a.	3 years and 6 months	22 July 2021	1,500	-	1,500	-
AP221A	2.40% p.a.	4 years	22 January 2022	1,500	-	1,500	-
AP222A	2.81% p.a.	3 years and 6 months	7 February 2022	500	-	500	-
AP228A	2.94% p.a.	4 years	7 August 2022	1,500	-	1,500	-
AP228B	2.94% p.a.	4 years	24 August 2022	500	-	500	-
AP218A	2.60% p.a.	2 years, 11 months and 24 days	17 August 2021	100	-	100	-
AP20DA	2.78% p.a.	2 years	25 December 2020	1,000	-	1,000	-
AP21DA	3.13% p.a.	3 years	25 December 2021	1,000	-	1,000	-
Total						16,950	12,650
Less: Current portion						(3,850)	(3,300)
Debentures - net of current portion						13,100	9,350

19.1 On 19 January 2017, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which is institutional and/or major investors. The debentures have 2-year term from the date of issuance and bear the fixed interest rate of 2.55% per annum. The interest payment is made every six months and the debentures are due for redemption on 19 January 2019.

19.2 On 19 January 2017, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting Baht 1,500 million, to private placement which is institutional and/or major investors. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 3.06% per annum. The interest payment is made every six months and the debentures are due for redemption on 19 July 2020.

- 19.3 On 30 May 2017, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 30 April 2015, by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which is not more than 10 investors. The debentures have 2-year and 10-month term from the date of issuance and bear the fixed interest rate of 2.50% per annum. The interest payment is to be made every six months and the debentures are due for redemption on 30 March 2020.
- 19.4 On 15 August 2017, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 30 April 2015, by issuing and offering 1.0 million units of named, unsubordinated, unsecured debentures, without debentures holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is not more than 10 investors. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 2.50% per annum. The interest payment is to be made every six months and the debentures are due for redemption on 15 February 2021.
- 19.5 On 10 October 2017, the Company issued and offered debentures according to the resolution of the Annual General Meeting of the Company's shareholders held on 30 April 2015, by issuing and offering 1.0 million units of named, unsubordinated, unsecured debentures, without debentures holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is not more than 10 investors. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 2.35% per annum. The interest payment is to be made every six months and the debentures are due for redemption on 19 April 2021.
- 19.6 On 9 January 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, to private placement which is institutional and/or major investors. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 2.32% per annum. The interest payment is made every six months and the debentures are due for redemption on 22 July 2021.
- 19.7 On 9 January 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, to private placement which is institutional and/or major investors. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 2.40% per annum. The interest payment is made every six months and the debentures are due for redemption on 22 January 2022.
- 19.8 On 14 August 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to private placement which is institutional. The debentures have 3-year and 6-month term from the date of issuance and bear the fixed interest rate of 2.81% per annum. The interest payment is made every six months and the debentures are due for redemption on 7 February 2022.
- 19.9 On 14 August 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,500 million, to private placement which is institutional. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 2.94% per annum. The interest payment is made every six months and the debentures are due for redemption on 7 August 2022.
- 19.10 On 14 August 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 0.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 500 million, to

private placement which the number of investors of not over 10. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 2.94% per annum. The interest payment is made every six months and the debentures are due for redemption on 24 August 2022.

19.11 On 14 August 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 0.1 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 100 million, to private placement which the number of investors of not over 10. The debentures have 2-year, 11-month and 24-day term from the date of issuance and bear the fixed interest rate of 2.60% per annum. The interest payment is made every six months and the debentures are due for redemption on 17 August 2021.

19.12 On 25 December 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.0 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is institutional. The debentures have 2-year term from the date of issuance and bear the fixed interest rate of 2.78% per annum. The interest payment is made every six months and the debentures are due for redemption 25 December 2020.

19.13 On 25 December 2018, the Company issued and offered debentures according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015 by issuing and offering 1.0 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,000 million, to private placement which is institutional. The debentures have 3-year term from the date of issuance and bear the fixed interest rate of 3.13% per annum. The interest payment is made every six months and the debentures are due for redemption 25 December 2021.

These issued debentures contain certain covenants and restrictions that the Company has to comply with, such as the maintenance of net financial debt to equity ratio not exceeding 2:1.

As at 31 December 2018, fair values of debentures are Baht 16,920 million.

20. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employee after they retire from the Company and its subsidiaries, was as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Defined benefit obligation at beginning of year	129,854	98,768	108,688	89,067
Expenses recognised in profit or loss:				
Current service cost	31,475	28,229	15,883	17,103
Interest cost	5,593	3,011	3,389	2,672
Transferred to the subsidiary	-	-	(19,686)	-
Expenses recognised in other comprehensive income:				
Actuarial gain from post-employment benefits				
Demographic assumptions changes	24,190	-	22,223	-
Financial assumptions changes	(29,504)	-	(29,586)	-
Experience adjustments	15,378	-	2,239	-
Benefits paid during the year	(1,057)	(154)	(1,057)	(154)
Defined benefit obligation at end of year	175,929	129,854	102,093	108,688

Long-term employee benefit expenses included under the selling and administrative expenses in the profit or loss consist of the following:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current service cost	31,474	28,230	15,882	17,103
Interest cost	5,593	3,011	3,389	2,672
Total expense recognised in profit or loss	37,067	31,241	19,271	19,775

The Company and its subsidiaries expect to pay Baht 22.6 million of long-term employee benefits during the next year (Separate financial statements: Baht 22.5 million) (2017: Baht 4.7 million, separate financial statements: Baht 4.3 million).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit is 17.00 - 26.33 years (Separate financial statements: 24.83 years) (2017: 17.14 - 23.33 years, separate financial statements: 19.07 years).

Key actuarial assumptions used for the valuation are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	3.08 - 3.35	2.71 - 3.28	3.34	2.78
Future salary increase rate (depending on employee's age)	0 - 7	0 - 10	0 - 7	0 - 10
Staff turnover rate	0 - 28.57	5 - 50	0 - 28.57	10 - 26.99

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2018 are summarised below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(15)	26	(5)	12
Salary increase rate	25	(17)	13	(6)
Staff turnover rate	(9)	24	(3)	9

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive not less than 400 days' compensation at the latest wage rate. This change is considered a post-employment benefits plan amendment and a subsidiary company has additional liabilities for long-term employee benefits of Baht 6.2 million. This subsidiary will reflect the effect of the change by recognising past services costs as expenses in the income statement of the period in which the law is effective.

The employees of the Company, other subsidiaries in the group and joint venture who have worked for an uninterrupted period of 20 years or more are entitled to receive not less than 400 days' compensation at the latest wage rate. Therefore, the amendment of this law does not have an impact on a provision for long-term employee benefits recorded in the Company and other subsidiaries' financial statements as at 31 December 2018.

21. Statutory reserve

Pursuant to Section 116 of the Public Limited Companies Act B.E. 2535, the Company is required to set aside to a statutory reserve at least 5 percent of its net income after deducting accumulated deficit brought forward (if any), until the reserve reaches 10 percent of the registered capital. The statutory reserve is not available for dividend distribution. The statutory reserve has fully been set aside.

22. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Construction and infrastructure costs	10,438,859	8,497,871	5,615,088	5,883,168
Land cost	5,627,867	4,763,974	3,628,604	3,705,808
Salary and wages and other employee benefits	1,603,619	1,284,744	780,373	955,748
Advertising and promotion expenses	1,511,920	1,236,737	897,244	925,162
Rental expenses from operating lease agreements	150,922	148,712	88,288	79,834
Allowance for diminution in value of inventory	50,997	-	-	-
Allowance for diminution in value of assets	16,579	-	-	-
Depreciation	69,893	54,170	29,179	28,515
Amortisation	15,880	13,743	14,025	12,891

23. Income tax

Income tax expenses for the years ended 31 December 2018 and 2017 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Current income tax				
Current income tax charge	810,717	751,197	486,010	431,697
Adjustment in respect of current income tax of previous year	15,306	19,135	17,309	18,168
Deferred tax:				
Relating origination and reversal of temporary differences	(48,139)	(31,609)	(10,648)	10,401
Income tax expense reported in the statement of comprehensive income	777,884	738,723	492,671	460,266

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2018 and 2017 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Deferred tax relating to actuarial gain (loss) from post-employment benefits	(1,269)	-	1,025	-

The reconciliation between accounting profit and income tax expense is shown below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Accounting profit before tax	4,633,481	3,887,026	4,026,540	4,872,957
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by income tax rate	926,696	777,405	805,308	974,591
Adjustment in respect of income tax of previous year	15,306	19,135	17,309	18,168
Effect of non-taxable expenses (revenues) for tax purpose	17,968	20,495	(2,416)	10,965
Tax effect on tax-deductible more than 1 time	(9,072)	(7,999)	(5,109)	(3,806)
Tax effect of non-taxable dividend income	-	-	(324,383)	(523,777)
Share of profit from investments in joint ventures	(225,056)	(100,347)	-	-
Others	52,042	30,034	1,962	(15,875)
Income tax expenses reported in the statement of comprehensive income	777,884	738,723	492,671	460,266

The components of deferred tax assets are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements	
	As at 31 December 2018	As at 31 December 2017
Deferred tax assets		
Allowance for doubtful accounts	27	2,193
The difference between book and tax accounting net revenue	1,236	448
Allowance for asset impairment	46,249	37,251
Profit in outstanding inventories	13,061	7,805
Accumulated depreciation - plant and equipment	1,192	1,212
Provision for long-term employee benefits	32,484	24,836
Deferred sales and marketing expenses	123,918	91,181
Unused tax loss	41,342	29,952
Total	259,509	194,878
Deferred tax liabilities		
Investment in subsidiaries and joint ventures	2,888	-
Total	2,888	-

(Unit: Thousand Baht)

	Separate financial statements	
	As at 31 December 2018	As at 31 December 2017
Deferred tax assets		
Accumulated depreciation - plant and equipment	-	17
Provision for long-term employee benefits	20,419	21,738
Allowance for asset impairment	-	1
Deferred sales and marketing expenses	75,687	68,664
Total	96,106	90,420

As at 31 December 2018 the subsidiaries have deductible temporary differences totaling Baht 2 million (2017: deductible temporary differences totaling Baht 1.1 million), on which deferred tax assets have not been recognised as the subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

24. Earnings per share

Basic earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year.

25. Dividends

Dividends paid for the years ended 31 December 2018 and 2017 are as follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
2018			
Final dividends for 2017	Annual General Meeting of the shareholders on 26 April 2018	1,101	0.35
2017			
Final dividends for 2016	Annual General Meeting of the shareholders on 27 April 2017	944	0.30

26. Provident fund

The Company and its subsidiaries and employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Company and its subsidiaries and their employees contribute to the fund monthly at the rate of 3 to 8 percent of basic salary. The funds, which are managed by Kasikorn Asset Management Company Limited, SCB Asset Management Company Limited and TMB Asset Management Company Limited, will be paid to employees upon termination in accordance with the fund rules. The contributions for the years 2018 and 2017 amounting to Baht 34 million and Baht 31 million, respectively were recognised as expenses in the consolidated financial statements (Separate financial statements: Baht 19 million and Baht 24 million, respectively).

27. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources the segment and assess its performance.

For management purposes, the Company and its subsidiaries are organised into business units based on business operations and have 3 reportable segments as follows:

- Low - rise segment is the development of real estate which comprises of single detached house and townhouse.
- High - rise segment is the development of real estate which comprises of condominium.
- Other segment which comprises of after sales services, property brokerage, education and training businesses, and construction services provided to group of companies and other services.

No operating segment have been aggregated to form the above reportable operating segments.

The chief operating decision maker monitors the operating results of the business units separately for the purpose of making decisions about resource allocation and assessing performance. Segment performance is measured based on operating profit or loss and total assets and on a basis consistent with that used to measure operating profit or loss and total assets in the financial statements.

The basis of accounting for any transactions between reportable segments is consistent with that for third party transactions.

The following tables present revenue, profit and total assets information regarding the Company's and its subsidiaries' operating segments for the years ended 31 December 2018 and 2017, respectively.

For the years ended 31 December												(Unit: Million Baht)
	Low - rise segment		High - rise segment		Other segments		Total segments		Elimination of inter-segment revenues		Consolidated financial statements	
	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017
Revenues												
Revenues from external customers												
Sales of real estate	17,798	13,174	8,832	7,950	-	-	26,630	21,124	-	-	26,630	21,124
Management income and service income	-	-	-	-	1,071	1,052	1,071	1,052	-	-	1,071	1,052
Inter-segment revenues	-	-	-	-	545	353	545	353	(545)	(353)	-	-
Total revenues	17,798	13,174	8,832	7,950	1,616	1,405	28,246	22,529	(545)	(353)	27,701	22,176
Operating results												
Segment profit	4,197	2,958	1,670	2,030	1,011	1,022	6,878	6,010	(169)	(118)	6,709	5,892
Unallocated selling expenses											(152)	(174)
Finance cost											(123)	(150)
Other income											64	174
Share of profit from investments in joint venture											1,125	502
Other expenses											(2,990)	(2,357)
Profit before income tax											4,633	3,887
Income tax											(778)	(739)
Profit for the year											3,855	3,148

(Unit: Million Baht)

As at 31 December

	Low - rise segment		High - rise segment		Other segments		Total segments		Unallocated assets		Consolidated financial statements	
	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018	2017	2018
Segment total assets												
Investment in joint ventures accounted for by the equity method	33,770	25,541	8,253	10,824	204	263	36,569	42,286	7,367	6,998	49,284	43,936
Additions (decrease) to non-current assets other than financial investment and deferred tax assets	-	-	-	-	-	-	-	-	4,795	4,391	4,391	4,795
Segment total liabilities												
	5	(1)	4	(4)	173	48	168	57	1,330	(313)	(256)	1,498
	-	-	-	-	-	-	-	-	22,303	24,904	24,904	22,303

Geographic information

The Company and its subsidiaries are operated in Thailand only. As a result, all of the revenues and assets as reflected in these financial statements pertain to the aforementioned geographical reportable.

Major customers

For the years 2018 and 2017, the Company and its subsidiaries have no major customer with revenue of 10 percent or more of an entity's revenues

28. Commitments and contingent liabilities

28.1 Capital commitments

As at 31 December 2018, the Company and its subsidiaries had entered into agreements with third parties to purchase land with the amount payable in the future of approximately Baht 3,267 million (Separate financial statements: nil) (2017: Baht 2,878 million (Separate financial statements: nil)).

28.2 Operating lease commitments

The Company and its subsidiaries entered into several lease and service agreements in respect of the lease of office buildings, vehicles and advertising space. The terms of the agreements are generally between 3 months and 5 years. Future minimum lease payments under these non-cancellable operating lease agreements were as follows:

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Payable within:				
Less than 1 year	161	131	72	65
1 to 5 years	82	128	62	67

28.3 Commitments under contracts for project developments

The Company, its subsidiaries and joint ventures had commitments in respect of contracts for project developments as follows:

(Unit: Million Baht)			
Company's name	2018	2017	
<u>The Company</u>			
AP (Thailand) Plc.	1,444	1,947	
<u>Subsidiaries</u>			
Asian Property (Krungthep) Co., Ltd.	662	433	
Asian Property Co., Ltd.	2,350	596	
The Value Property Development Co., Ltd.	887	250	
Asian Property (2012) Co., Ltd.	18	38	
Asian Property (2013) Co., Ltd.	-	5	
AP ME (Krungthep) Co., Ltd.	4	-	
Asian Property (2014) Co., Ltd.	15	250	
Thai Big Belly Co., Ltd.	2	3	
Asian Property (2017) Co., Ltd.	107	-	
Asian Property (2018) Co., Ltd.	31	-	
<u>Joint ventures</u>			
AP ME (Sukhumvit) Co., Ltd.	-	4	
AP ME (Krungthep) Co., Ltd.	-	6	
AP ME (Asoke) Co., Ltd.	-	4	
AP (Ekkamai) Co., Ltd.	27	338	
Premium Residence Co., Ltd. and its subsidiaries	5,662	6,728	
Total	11,209	10,602	

28.4 Guarantees

- a) As at 31 December 2018 and 2017, contingent liabilities in respect of guarantees provided by the Company on the subsidiaries' loans and credit facilities from banks were as follows:

(Unit: Million Baht)		
Guarantees	2018	2017
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	1,975	1,340
Asian Property Co., Ltd.	6,971	1,453
The Value Property Development Co., Ltd.	2,093	1,108
Asian Property (2012) Co., Ltd.	330	330
Asian Property (2013) Co., Ltd.	-	200
Asian Property (2014) Co., Ltd.	230	1,300
Thai Big Belly Co., Ltd.	25	25
Asian Property (2017) Co., Ltd.	412	-
Total	12,036	5,756

- b) The Company and its subsidiaries had contingent liabilities in respect of letters of guarantee issued by banks to government agencies and individuals for maintenance of utilities, purchase of materials and electricity use, as follows:

(Unit: Million Baht)		
Company's name	2018	2017
<u>The Company</u>		
AP (Thailand) Plc.	1,235	1,528
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	495	280
Asian Property Co., Ltd.	1,269	254
The Value Property Development Co., Ltd. and its subsidiary	354	132
Asian Property (2012) Co., Ltd.	1	1
Asian Property (2013) Co., Ltd.	-	2
Asian Property (2014) Co., Ltd.	5	3
Total	3,359	2,200

28.5 Litigation

- a) In 2016, the Company and its subsidiary were sued as a co-defendant in a civil lawsuit, with the amount in dispute is Baht 89 million. The case is currently be considered by the Court of First Instance. However, the management believes that there will be no material impact to the Company and its subsidiary. Therefore, no provision has been set aside.
- b) As at 31 December 2018, the Company and its subsidiaries have been sued for a breach of agreements with an amount in dispute totaling Baht 112 million. The management believes that the liabilities arising as a result of the legal cases will not exceed the related liabilities which have already been recorded in the financial statements. However, after 31 December 2018, the Company and its subsidiaries have negotiated with the plaintiff and certain plaintiffs have withdrawn the cases; therefore, the amount in dispute of these lawsuits has decreased to Baht 80 million.

29. Fair value hierarchy

As at 31 December 2018, the Company and its subsidiaries had the assets and liabilities that were disclosed at fair value using different levels of inputs as follows:

	(Unit: Million Baht)	
	Consolidated financial statements	Separate financial statements
	Level 2	Level 2
Assets for which fair value are disclosed		
Investment property	346	230
Liabilities for which fair value are disclosed		
Debentures	16,920	16,920

30. Financial instruments

30.1 Financial risk management

The Company's and its subsidiaries' financial instruments, as defined under Thai Accounting Standard No. 107 "Financial Instruments: Disclosure and Presentations", principally comprise cash and cash equivalents, trade and other receivables, loans, investments, trade and other payables, debentures, short-term and long-term borrowings. The financial risks associated with these financial instruments and how they are managed is described below.

Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade accounts receivable and loans. The Company and its subsidiaries manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Company and its subsidiaries do not have high concentration of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of receivables and loans stated in the statements of financial position.

Interest rate risk

The Company's and its subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, bank overdrafts, debentures, and short-term and long-term borrowings. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate, the interest rate risk is expected to be minimal.

Significant financial assets and liabilities classified by type of interest rates are summarised in the table below, with those financial assets and liabilities that carry fixed interest rates further classified based on the maturity date, or the repricing date if this occurs before the maturity date.

(Unit: Million Baht)

	Consolidated financial statements					
	31 December 2018					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1-5 years					
Financial assets						
Cash and cash equivalents	-	-	912	39	951	0.10 to 1.05
Trade and other receivables	-	-	-	376	376	-
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	913	415	1,328	-
Financial liabilities						
Short-term loans from financial institutions	3,185	-	-	-	3,185	1.88 to 2.78
Trade and other payables	-	-	-	1,617	1,617	-
Long-term loans	-	-	140	-	140	MLR-2.0 to MLR-2.15
Debentures	-	16,950	-	-	16,950	2.15 to 4.50
Retention payable	-	-	-	238	238	-
	3,185	16,950	140	1,855	22,130	

(Unit: Million Baht)

	Consolidated financial statements					
	31 December 2017					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
Within 1 year	1-5 years					
Financial assets						
Cash and cash equivalents	-	-	1,012	42	1,054	0.10 to 1.03
Trade and other receivables	-	-	-	390	390	-
Restricted bank deposits	-	-	1	-	1	0.38 to 0.50
	-	-	1,013	432	1,445	-
Financial liabilities						
Short-term loans from financial institutions	5,662	-	-	-	5,662	1.51 to 2.65
Trade and other payables	-	-	-	1,232	1,232	-
Long-term loans	-	-	90	-	90	MLR-2.00 to MLR-1.75
Debentures	-	12,650	-	-	12,650	2.15 to 4.50
Retention payable	-	-	-	241	241	-
	5,662	12,650	90	1,473	19,875	

(Unit: Million Baht)

	Separate financial statements					
	31 December 2018					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years				
Financial assets						
Cash and cash equivalents	-	-	198	19	217	0.10 to 1.05
Trade and other receivables	-	-	-	167	167	-
Short-term loans to related parties	-	-	26,724	-	26,724	3.10
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	26,923	186	27,109	-
Financial liabilities						
Short-term loans from financial institutions	2,475	-	-	-	2,475	1.88 to 2.25
Trade and other payables	-	-	-	771	771	-
Short-term loans from related parties	-	-	901	-	901	3.10
Long-term loans	-	-	120	-	120	MLR-2.00
Debentures	-	16,950	-	-	16,950	2.15 to 4.50
Retention payable	-	-	-	84	84	-
	2,475	16,950	1,021	855	21,301	

(Unit: Million Baht)

	Separate financial statements					
	31 December 2017					
	Fixed interest rate		Floating interest rate	Non-interest bearing	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years				
Financial assets						
Cash and cash equivalents	-	-	513	28	541	0.10 to 1.03
Trade and other receivables	-	-	-	262	262	-
Short-term loans to related parties	-	-	15,229	-	15,229	3.50
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	15,743	290	16,033	
Financial liabilities						
Short-term loans from financial institutions	4,801	-	-	-	4,801	1.51 to 2.65
Trade and other payables	-	-	-	787	787	-
Short-term loans from related parties	-	-	1,138	-	1,138	3.50
Long-term loans	-	-	40	-	40	MLR-2.00
Debentures	-	12,650	-	-	12,650	2.15 to 4.50
Retention payable	-	-	-	115	115	-
	4,801	12,650	1,178	902	19,531	

30.2 Fair values of financial instruments

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature and loans bear interest close to the market rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position, except for the fair value of debentures which had been disclosed in Note 29.

A fair value is the amount for which an asset can be exchanged or a liability settled between knowledgeable, willing parties in an arm's length transaction. The fair value is determined by reference to the market price of the financial instrument or by using an appropriate valuation technique, depending on the nature of the instrument.

In determining the fair value of financial instruments recognised in the statement of financial position that are not actively traded and for which quoted market prices are not readily available, the management exercises judgement, using a variety of valuation techniques and models. The input to these models is taken from observable markets, and includes consideration of credit risk (bank and counterparty, both) liquidity, correlation and longer-term volatility of financial instruments. Change in assumptions about these factors could affect the fair value recognised in the statement of financial position and disclosures of fair value hierarchy.

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

- a) For financial assets and liabilities which have short-term maturity, including cash and cash equivalents, accounts receivable and short-term loans, accounts payable and short-term borrowings, their carrying amounts in the statement of financial position approximate their fair value.
- b) For long-term loans carrying interest approximate to the market rate, their carrying amounts in the statement of financial position approximates their fair value.
- c) The fair value of debentures is determined based on yield rates quoted by the Thai Bond Market Association.

During the current year, there were no transfers within the fair value hierarchy.

31. Capital management

The primary objective of the Company's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value.

The Company manages its capital position with reference to its debt-to-equity ratio in order to comply with a condition in debenture agreement, which requires the Company to maintain the net financial debt to equity ratio not exceeding 2:1.

The Company's debt used to calculate the above financial ratio is the net financial liabilities that are the net value of interest bearing liabilities minus with cash and/or cash equivalent in the audited/reviewed consolidated financial statements of the Company.

The Company's equity used to calculate the above financial ratio is the shareholders' equity in the audited/reviewed consolidated financial statements of the Company.

No changes were made in the objectives, policies or processes during the years ended 31 December 2018 and 2017.

32. Events after the reporting period

- 32.1 Regarding the resolution of the Company's Board of Directors during 2018, the Company has established additional subsidiaries as follows:
- (a) Establishment of AP ME 16 Co., Ltd. with the registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each, in which the Company has 99.99% interest. This company registered its establishment with the Ministry of Commerce on 22 February 2019.
 - (b) Establishment of AP ME 17 Co., Ltd. with the registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each, in which the Company has 99.99% interest. This company registered its establishment with the Ministry of Commerce on 22 February 2019.
 - (c) Establishment of AP ME 18 Co., Ltd. with the registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each, in which the Company has 99.99% interest. This company registered its establishment with the Ministry of Commerce on 22 February 2019.
- 32.2 On 26 February 2019, the meeting of the Company's Board of Directors passed the resolutions to approve the payment of dividend for 2018 to the Company's shareholders at Baht 0.4 per share. The payment of dividends will later be proposed for approval in the Annual General Meeting of the Company's shareholders.

33. Approval of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 26 February 2019.



CORPORATE GOVERNANCE AND SUSTAINABLE DEVELOPMENT

CORPORATE GOVERNANCE

Corporate governance policy

The company recognizes that good corporate governance is the major factor that enables the organization to have efficient operation and supports sustainable growth. The CG Policy was drafted by corporate governance and risk management committee and approved by the Board of Directors. On 7th November 2016, the board of directors agreed to revise such policy in order to improve the standard and the operation of the good corporate governance, to be complied with ASEAN Corporate Governance Scorecard (ASEAN CG Scorecard).

In this regards, the corporate governance policy is available on the company's website <http://www.apthai.com/investor-relations> under the sequence of menu headings "Corporate Governance"

Corporate governance report 2018

In 2018, the board of directors was considered and reviewed the implementation of CG code with the context of company's business. Furthermore, the company's corporate governance practices in 2018 were in line with the principle of good corporate governance for listed companies by the Stock Exchange of Thailand, which are presented in 5 categories as follows:

Section 1. Rights of shareholders

Section 2. Equitable treatment of shareholders

Section 3. Role of stakeholders

Section 4. Disclosure and transparency

Section 5. Responsibilities of the board

Rights of shareholders

Concerned as the company owner, shareholders have their rights and votes, according to the laws, in key administration of the company. Therefore; the company aims to create highest benefit among shareholders on a basis of equal treatment such as buying or selling shares, receiving dividends, together with an adequate, timely, and complete information. Relations and Corporate Secretary section were set up as a channel for communication where the shareholders can access via telephone, email, and post. In addition, shareholders are entitled to take part in material business decisions, e.g., payment of dividends, appointment and removal of directors, determination of directors' remuneration and amendment to provisions of the Articles of Association.

1. Shareholders' meeting

In 2018, the company held its Annual General Meeting of Shareholders (AGM) on 26th April 2018, which did not exceed 4 months after the fiscal year end. The company conducted the proceedings in a manner to ensure that the shareholders were able to exercise their rights in accordance with law, relevant regulations and good governance practices as follows:

Before the meeting

1.1 The company ensures that shareholders receive clear and adequate information with sufficient time to consider agenda items of the AGM, also, shareholders are able to easily access the Notice of the AGM and its accompanying documents. To this end, the company posted the Notice of the AGM and related documents on its website (<http://www.apthai.com/investor-relations/>) on 21st March 2018, which was not less than 30 days prior to the meeting date. Then, the Notice of the AGM, in both in Thai and English, together with the 2017 Annual Report (in CD-ROM format) was sent via post by Thailand Security Depository Co., Ltd. (TSD) to shareholders on 11th April 2018, which was more than 14 days in advance of the meeting date. The Shareholders were entitled to receive the printed 2017 Annual Report before the date of the meeting from the company secretary upon request. The aforesaid Notice of the AGM contained information such as date, time and venue of the meeting, and details of each agenda item (including factual background, rationale, and opinions or recommendations of the board) as well as accompanying documents. The Meeting Notice was also advertised in newspapers during 9 - 11th April 2018, which were three consecutive days prior to the date of the meeting.

1.2 In order to encourage all shareholders (individuals, juristic persons and institutional investors) to attend the AGM and exercise their rights in an equitable manner, the company delivered the Notice of the AGM together with the Proxy Form to the shareholders for the appointment of proxies to attend the meeting on their behalf in the event that the shareholders were unable to attend the AGM in person. In addition, the company proposed the name of 2 independent directors, Mr. Nonthachit Tulayanonda and Mr. Kosol Suriyaporn on the notice of the meeting for the shareholders consideration to appoint proxy.

- 1.3 In order to facilitate attendance to all shareholders and proxy holders, the AGM 2018 was held on a working day - Thursday 26th April 2018 at 14.30 hrs, at easily accessible location, Meeting room 1-4, zone B, Queen Sirikit National Convention Centre, New Ratchadapisek Road, Bangkok, 10110. The company provided the adequate personnel to facilitate the meeting and verify the documents. The meeting registration service was divided into different counters for each shareholder by type, i.e., individuals, juristic persons, and fund managers or custodians.
- 1.4 In encouraging the using of technology, the company has assigned Inventech Systems (Thailand) Co.,Ltd to provide a barcode system for registration and voting process including ballots bearing the same barcode as their registration barcode for voting on each agenda item. The IT experts were provided to oversee the meeting for the accuracy and convenience of the registration, and vote counting process.

2. The conduction of the shareholders' meeting

- 2.1 Directors and executives were to present at the meeting to explain and answer the shareholder's questions. All directors, executives, auditors, and the representatives of each sub-committee were introduced to shareholders before the start of the meeting.
- 2.2 The company conducted transparent shareholder's voting and allowed shareholders to vote separately in each agenda item. Therefore, the shareholders can exercise their right freely.
- 2.3 The chairman of the meeting allowed shareholders to have an opportunity to ask questions and/or make recommendations on an equitable treatment basis, and provided comprehensive responses to all questions or issues raised. Minutes of the meeting and votes cast under each agenda item were recorded by the company secretary.
- 2.4 The company counted the votes and announced the voting results of each agenda item with transparency during the meeting by specifying the voting of approval, disapproval, and abstention. In 2018, there were no shareholders opposed to the voting results.

3. The preparation of AGM's minute and disclosure of AGM's resolution

- 3.1 The resolutions adopted were disclosed via SETportal in both Thai and English on websites of the Stock Exchange of Thailand. In 2018, the company submitted the resolution of AGM's meeting on 26th April 2018 by classifying the votes into approval, disapproval, and abstention.

- 3.2 The company prepared the minutes of the meeting with the significant information such as the name list of directors who attended or missed the meeting, abstracts of the questions, issues raised and the answers or clarifications, and the resolutions with the number of approval, disapproval and abstention votes.
- 3.3 The minutes of the AGM 2018 in Thai and English were submitted to the Stock Exchange of Thailand on the website on 10th May 2018, which is 14 days following the meeting.

Equitable treatment of shareholders

As stipulated in the company's Corporate Governance Policy, all shareholders, i.e., major, minor, institutional and foreign shareholders, are entitled to have common shareholder rights and to be treated on an equitable and fair basis. The details are as follows:

1. Providing of information before AGM meeting

- 1.1 On 21st March 2018, 35 days prior to the meeting date, the company posted the notice with related information in both Thai and English on the company website, which was identical with the hard copies.
- 1.2 Before the meeting begins, the company informs the meeting on the proportion of shareholders and the proxy holders, the vote counting procedure, and the voting process.

2. Protection of minor shareholders

- 2.1 The company allows shareholders to propose the meeting agenda items and names for consideration elections as directors in advance of the shareholders' meeting. For the AGM 2019, the company disclosed the information of complete criteria proposal on 19th November 2018 through the Stock Exchange of Thailand's website under the sequence of menu headings 'investor relations' (<http://www.apthai.com/investor-relations/>). Shareholders were welcomed to submit the agenda proposal and director nomination during 1st to 31st December 2018, but no agenda items and name of directors were proposed.
- 2.2 The company conducts the meeting in accordance with the regulations without switching, adding, revising any agenda items, or modifying previously issued information during the meeting.
- 2.3 In the agenda item of the election of directors, the company allows shareholders to cast their votes for individual directors with separated ballots and collected all ballots from all shareholders in every case (approval, disapproval, and abstention).

3. Supervision of the use of insider information

The company has supervision of the use of insider information measure in written notice. 'The supervision of the use of insider information and report of the company's shareholding' was approved by The Board of Directors on 13th August 2013 with the following objectives:

1. Informing the executives of every division regarding duties and responsibilities to report their holdings of the company's shares, also announcing the punishments according to regulations of the Stock Exchange of Thailand and the Securities and Exchange Act B.E. 2535.
2. The company obliges the executives to report any changes in their shareholding to the Office of Securities Exchange Commission and the Stock Exchange of Thailand according to Section 59 of the Securities and Exchange Act B.E. 2535. The executives shall provide the copy of the report to the company on the same day that they provide the report to the Office of Securities Exchange Commission and the Stock Exchange of Thailand.
3. Connected transactions made by directors and executives must be reviewed by independent directors to ensure the best benefit or to prevent loss of the company.
4. The Board of Directors issues the principle and penalty measures concisely on the usage of internal information, especially before being reviewed by certified public accountants and approved by the audit committee and the Board of Directors, or before being publicly disclosed.

Moreover, the silent periods are set to refrain directors, executives and staff who are significantly involved in financial reporting from the company's stock trading during the period of financial report disclosure (both before and after). Shareholders and public are allowed to have enough time to study the report and gain equal investment opportunities. This also applies to staff in the investor relations and public relations section to refrain from giving the significant insider information to outsiders, shareholders, investors, analysts, and mass media 7 days before the public announcement, also, to refrain from meeting or responding to any question so related.

If any employee violates the aforementioned measures, the company will take the following disciplinary actions:

- | | |
|---------------------|--|
| 1. First violation | Written warning |
| 2. Second violation | Salary cut / Suspension |
| 3. Third violation | Termination of employment without compensation |

For the report of ownership of shares, directors and executives are responsible for making reports of company's stock trading within 3 working days after changes to propose to office of Securities and Exchange Commission (SEC) and Stock Exchange of Thailand. The company secretary is responsible for collecting those changes to put into the agenda of information for every board meeting. Directors and executives are to inform the Board of Directors about stock trading at least 1 day before making transaction.

In 2018, the changes on the directors and executives' ownership of shares are as follows:

Directors' ownership of AP shares

No.	Name - Surname		Number of shares			Remark
			28 th December 2018	29 th December 2017	Change during the year	
1	Assoc. Prof. Dr. Naris	Chaiyasoot	-	-	-	No ownership
2	Mr. Anuphong	Assavabhokhin	670,047,561	670,047,561	-	No trading transaction
3	Mr. Pichet	Vipavasuphakorn*	111,382,879	113,982,879	(2,600,000)	Sold 2,600,000 shares
4	Mr. Siripong	Sombutsiri	-	-	-	No ownership
5	Mr. Wason	Naruenatpaisan	132,000	132,000	-	No trading transaction
6	Ms. Kittiya	Pongpujaneegul	817,520	817,520	-	No trading transaction
7	Mr. Visanu	Suchatlumpong	400,000	100,000	+300,000	Bought 300,000 shares
8	Mr. Pornwut	Sarasin	673,000	673,000	-	No trading transaction
9	Mr. Yokporn	Tantisawetrat	-	-	-	No ownership
10	Mr. Phanporn	Dabbaransi	-	-	-	No ownership
11	Mr. Kosol	Suriyaporn	-	-	-	No ownership
12	Mr. Nontachit	Tulayanonda	-	-	-	No ownership
13	Mr. Somyod	Suteerapornchai	2,200	2,200	-	No trading transactions

* including indirect shareholding (spouse)

Executives' ownership of AP shares

No.	Name - Surname		Number of shares			Remark
			28 th December 2018	29 th December 2017	Change during the year	
1	Ms. Tippawan	Sirikoon	-	-	-	No ownership
2	Mr. Somchai	Wattanaaowapak	-	-	-	No ownership
3	Mr. Vittakarn	Chandavimol	-	-	-	No ownership
4	Mr. Pamorn	Prasertsan	38	38	-	No trading transactions
5	Ms. Kamolthip	Bumrunchatudom	-	-	-	No ownership
6	Mr. Worrapong	Virojtananugoon	-	11,000	(11,000)	Sold out 11,000 shares
7	Mr. Ratchayud	Nunthachotsophol	-	-	-	No ownership
8	Mr. Boonchai	Jankrajanglerd	-	-	-	No ownership
9	Mr. Pattaraphurit	Rungjaturapat	-	-	-	No ownership
10	Mr. Songpon	Busparoek (was appointed as an executive in December 2018)	-	-	-	No ownership
11	Mrs. Kultipa	Tinnakornsisupap (was appointed as an executive in September 2018)	38,300	24,800	+13,500	Bought 13,500 shares

4. Conflicts of interest by directors

4.1 In accordance with the Securities and Exchange Act, B.E. 2535, the company requires directors and executives to report any conflict of interest of themselves and their related parties to chairman of the board within 7 days following the end of the year and the day of existing reported items changes. The company secretary is responsible for collecting such reports. However, no conflicts of interest by directors are reported.

4.2 The company considers any transactions with transparency and fairness for the best interest of the company and shareholders. The transactions need to be approved by the audit committee, the board and/or the shareholders in accordance with the notification of SEC and SET related to the acquisition or disposal of assets. Executives or shareholders who have any conflicts of interest reports are not involved in such transactions.

In 2018, the company had reported the acquisition or disposal of assets transaction of 5 items to the Stock Exchange of Thailand, which were not exceed the transaction size to get approval from shareholders. Also, the company informed Stock Exchange of Thailand thoroughly.

Role of stakeholders

The company emphasizes on the right of a broad range of stakeholders, both internal and external, including employees, creditors, trade partners, governmental agencies, customers and shareholders. The company's corporate governance policy includes the role of stakeholder and the treatment of stakeholders is summarized as below:

Employees

The company recognizes that human resource is an essential key for driving the company to success. Therefore, the company aims to recruit and develop all employees equally. The company also treats employees fairly and adopts a non-discriminatory basis regarding gender, age, nationality or religion. The employees interests are addressed through the market based as well as compensation practices (short and long term) and the welfare and benefit are considers as important issues according to their performances. That is, in short term, employees' performances, capability to make profit each year and KPI would be tools in compensation management, and in long term, Employee Stock Ownership Plan (ESOP) would be offered.

In addition, the company provides various benefits to the employee who has passed the probationary period as follows:

- Annual check up
- Group insurance, including life insurance, health insurance, and disability insurance.
- Provident fund
- Booking of the AP's condominiums.
- Home loan

Besides, the company works hard on building culture, good relationship, and good working atmosphere by arranging various activities. Employees are encouraged to suggest ideas for organization development. Therefore, the company conducts an annual survey and analyzes the results for further improvement. Moreover, health promotion activities are provided regularly for employees to take part in running program, weight loss running program, and annual check up.

Training and human resource development

The company sets up AP Property School to provide knowledge and develop abilities and working skills for employees. 5 curricula are provided at AP Property School. The details of 2018 training are shown in the topic of Corporate Social Responsibility (CSR), sub-topic of AP Property School.

Anti-corruption

The company holds the principles of honesty and transparency in business conduct by realizing that corruption would affect company reputations, competitiveness, and trust of all stakeholders.

The company issues very strict guidelines of Anti-corruption policy for all Board of Directors, committees, executives, and every level of employees as stated below:

1. Anti-corruption policy
2. Anti-corruption measures
3. Code of conduct
4. Good Corporate Governance
5. Accepting/Offering Gifts, Rewards, and Benefit policy
6. Whistleblowing policy

Following Anti-corruption policy and measures, the company provides knowledge to employees via various inside communication channels such as employees' e-mail, pop-up animation on screen of every computer, and activities. These are to support learning and understanding, and to inform code of conducts of company's Anti-corruption policy. Besides, Anti-corruption policies and measures are put in new employees' training curricula.

All employees are able to act as a whistleblower by sending e-mail to kosol.boardap@gmail.com ; hotline@apthai.com. The company conducts procedures of investigation by setting committees to determine complains and petitions, in order to create fairness for every whistleblower, also, all data and information of whistleblowers are kept confidentially.

Whistleblower policy

To promote participation in the governance process by employees, the Company encourages any employee who may detect an actual or suspected breach of, or failure to follow, any of the applicable laws, rules, regulations or code of conduct to raise his or her concern or make a complaint subject to the following terms of this policy.

1. Definition

“Complaint” refers to information about the behaviour of an individual that may breach the law or the Company’s Code of Conduct, including an act done with fraudulent or corrupt intent that may bring harm to the Company or to any other interested party.

“Management” refers to the Company’s board members, chief executive, managing director, deputy managing directors and directors, as well as holders of the same or higher levels of positions in the Company.

“Supervisor” means an Employee who is authorised to give instructions and assignments, to monitor or control compliance with the Company’s policies and to take disciplinary actions against other Employees of the Company.

“Employee” refers to an employee as defined under the Company’s regulations.

“External Party” refers to an individual and/or organisation involved in the operation of the Company’s business, including without limitation, the shareholders, customers, suppliers, creditors, competitors and society as a whole.

“Investigation Committee” refers to a body of persons appointed by the managing director to conduct an ad hoc investigation, and consists of the Supervisor at the relevant department, representatives from the Human Resources Department and from the Legal Department and at least one director

2. Whistleblowing channels

The Company provides whistleblowing channels as follows:

- Email:
kosol.boardap@gmail.com ; hotline@apthai.com
- Letter/Post
Director for Internal Audit
AP Thailand Public Company Limited
170/57 Ocean Tower 1, 18th Fl., Ratchadapisek Rd.,
Klongteoy Sub-District, Klongteoy District, Bangkok 10110

3. Rules applicable to whistleblowing

- 3.1 The Complaint must provide correct, clear or sufficient information to allow further investigation and actions.
- 3.2 The information received will be treated as confidential. The name of the whistleblower will not be revealed to the public without his or her consent.
- 3.3 The right of whistleblower, whether an Employee or an External Party, will be protected.
- 3.4 The time required for addressing the Complaint will depend on the complexity of the subject-matter and the adequacy of the documentation obtained from the whistleblower, as well as the documentation and explanation from the person who is the subject of the Complaint.
- 3.5 The officer who accepts the Complaint and those involved in the investigation process must keep the secrecy of the related information. They may disclose the information to the extent necessary, bearing in mind the safety of and harm to the whistleblower, the persons who cooperate in the investigation, the data sources or the persons involved.
- 3.6 Should the whistleblower or the persons who cooperate in the investigation fears of his or her safety, or fears of trouble, he or she may request protection by the Company as appropriate. On the other hand, the Company, without such request, may provide such protection if, in its opinion, trouble or safety threat is likely to occur.
- 3.7 Any person who suffers trouble will receive suitable and fair remedies.

4. Protection of rights of company's employees or subcontractors

- 4.1 The Company will not treat any of its Employees or subcontractors unfairly, such as changing their position, nature of job or workplace, suspending them from work, subjecting them to threats or harassment, terminating their employment, etc., because of
- Their provision in good faith of information, cooperation or assistance to the directors, the Management or any government unit or regulatory agency; or
 - Their provision of statements, documentation or assistance to the directors, the Management or any government unit or regulatory agency to facilitate a review or examination process.
- 4.2 The right of the whistleblower who makes his or her Complaint in good faith will be protected. On the contrary, a whistleblower who makes his or her Complaint with a malicious intent to harm other people will be subjected to disciplinary actions as provided in the Work Rules as well as legal actions to protect the good reputation of the Company and the person who is the subject of the Complaint.
- 4.3 Retaliation for whistleblowing will likewise result in disciplinary actions according to the Work Rules.

5. Process of addressing complaints

- 5.1 Once a Complaint is made through one of the channels provided by the Company, the Internal Audit Department will record the matter as accepted and notify the whistleblower (if any) of the acceptance.
- 5.2 The Internal Audit Department will gather details and identify the nature of the Complaint.
- If the subject-matter of the Complaint is not complicated, the Internal Audit Department and the Human Resources Department will follow the Company's regulations and report it to the Audit Committee.
 - If the subject-matter of the Complaint is complicated and/or reasonably suspected to involve a serious offence, the managing director, on behalf of the Company, will set up an Investigation Committee comprising the Supervisor at the relevant department, representatives from the Human Resource Department and from the Legal Department and at least one director from another department.
- 5.3 The investigation results will be concluded, notified to the whistleblower (if any) and reported to the Executive Committee and to the Audit Committee, successively.

Resource and environments

The company recognizes the importance of Safety, Hygiene, and Environment in working operations (SHE), therefore, the policy of Safety, Hygiene, and Environment in working operations is set to provide knowledge and to encourage practicing. Animation information is made to disseminate via inside communication channels such as e-mail and company's website which are easily accessible. Moreover, training courses for employees, focusing on environment are put in the management curriculum of Construction Curriculum as one of AP Property School curricula. The details of 2018 training are shown in the topic of Corporate Social Responsibility (CSR).

From the previous year of 2018, accidental rate, leave of absence rate, and sickness rate were recorded as shown below:

1. Accidental rate during work: total 2 cases, details as follow;

Month	No.	Accident/Symptom
August	1.	falling
September	2.	sliding

2. Leave rate:

Type	Total employees (person)	Total leaves (day)	Average (day/person)
1. Sick leave	1,537	9,063	6
2. Personal leave	264	686	2.5
3. Annual leave	1,867	15,208.5	8

3. Work related sick leaves

Type	Total employees (person)	Total leaves (day)	Average (day/person)
Work related sick leaves	2	2	1

For environmental conservation, the company enhances employees to operate works without causing any impact to environment. Employees shall not cause any emission by discharging garbage or wastewater from construction sites to community, also, garbage and dangerous goods from construction are not allowed to be eliminated and create air pollution by burning. Fences are built around construction areas in order to cover dust and debris not to spread out to areas nearby. The company expects employees to consume resources efficiently for instance, using reuse papers, and saving energy and water by displaying campaign on boards inside the office building. The company follows the law of environment by applying EIA before starting any project. The details are shown under the topic of Corporate Social Responsibility (CSR), sub-topic of Environmental conservation.

Human rights

The company issues human right policy to encourage the Board of Directors, committees, executives, and employees including employees of subsidiary company to follow strictly. According to the Universal Declaration of Human Rights and Human Right in Organization, the company holds the recruitment with employment ethics - no discrimination on race, religion, color skin, and gender, also, no children labor or illegal labor. Moreover, the disabled are welcome for the suitable position and responsibilities.

Consumer

The company adheres to and strictly complies with the policy of liabilities for consumers. House and condominium care, together with another services are provided with high standard and high quality development. The company organizes the assessment of construction impact on consumer regularly as well as After Sale Service team, which details are illustrated in the topic of Corporate Social Responsibility (CSR) under the sub-topic of Accountability to customers. Also, many accessible channels are provided for consumers to easily communicate with the company - through the website <http://www.apthai.com/contact-ap>, call center 1623, and special call service for AP's customers 0-2018-9999.

Furthermore, in 2018, various activities were continually held by AP Society as shown in details available on company's website <http://www.apthai.com/ap-society/>, in the topic of CSR under sub-topic of AP Society.

Community (including creditors, business partners, and competitors)

The company behaves in an ethical and transparent way with creditors, business partners, and competitors based on good faith and business ethics. The company also operates strictly to comply with stakeholder policy as shown on company's website <http://www.apthai.com/investor-relations/>, under the topic of Corporate Governance.

Creditors

The company sets creditors policy to encourage the Board of Directors, committees, executives, and employees including employees of subsidiary company to follow strictly. It is taken into action by following the commitment and agreement equitably between all creditors based on fairness of mutual benefits, in order to create trust and sustainable relationship with creditors. The code

of practices are conducted by setting guidelines for guarantee conditions, fund management, and default payment to bring fairness to creditors, both trade payable and financial institutions. The settlement shall be conducted in the period punctually according to the agreement to avoid default payments, and any contracts or agreements shall be followed seriously. In case of the situation which causes impact significantly to financial stability and payment capability, fund shall be managed by informing the creditors to consider for the solution to prevent damages or loss.

Business partners

The company sets business partners policy to encourage the Board of Directors, committees, executives, and employees including employees of subsidiary company to follow strictly by focusing on maximizing company's benefits, conducting business with transparency, and improving collaboration with business partners to generate customers highest benefit. Besides, the company issues procurement policy, which identifies the criterion of procurements for company's project both low rise and high rise, as well as Buyer Code of Conduct for purchasing officers to be the framework and code of practices to operate their duties with honesty, integrity, and transparency by seriously concerning about company's benefit and equitable treatment for business partners.

However, in selecting business partners, the company sets the regulations in written notice as illustrated clearly and concretely in the section of procurement and code of practices. The approaches are as follows:

1. Comparing and Bargaining approach - at least 3 partners or contractors are taken into consideration and the one with best offering would be selected.
2. Bid Auction approach - at least 2 partners or contractors are allowed in bid auction by proposing the offering and bargaining on date and time quoted by the company.
3. Specific approach - special procurement which requires specific criteria such as, urgent cases related to company's benefit, materials or works restricted on identifying the producers or expert contractors, etc.

The company offers the opportunity of business equality without bringing disadvantages to small enterprises of business partners. Also, the company launches campaign of creating core value and anti-bribery by providing knowledge to all levels of employees via inside communication channels.

Competitors

The company sets competitors policy to encourage the Board of Directors, committees, executives, and employees including employees of subsidiary company to follow strictly by conducting the business according to regulations of business competition with honesty and fairness, based on alliance principle to support each other under the framework, not to bring loss and disconnection. Up until now, including in 2018, the company had no dispute among competitors.

Furthermore, the company recognizes the importance of being a part of society that is responsible for helping and supporting the society in providing beneficial public activities for communities. Therefore, the company sets social policy to encourage the Board of Directors, committees, executives, and employees including employees of subsidiary company to follow strictly. The purpose is to participate in developing quality of Thai society by continuously supporting and providing activities that are beneficial for communities and public society. The details of social activities are shown in the topic of Corporate Social Responsibility (CSR).

Apart from the implementation of policies related to stakeholders above, the company emphasizes on Anti-corruption by enhancing and supporting every level of employees to build good sense against all types of dishonesty and corruption. To ensure such intention, the company declared to be the part of Private Sector Collective Action Coalition Against Corruption (CAC) on 26th February 2015. Later, AP was officially certified as a member of Private Sector Collective Action Coalition against Corruption (CAC) by CAC council on 9th March 2017. The details are shown in Anti-corruption guidelines.

Communication channels for stakeholders

The board realizes the importance of stakeholders and participation of all stakeholders, so the communication channels are provided for stakeholders to directly give suggestion, advice, or complain about any issues that may cause damages to the company. Sending e-mail is available through Mr. Kosol Suriyapon, audit committee member of the company; kosol.boardap@gmail.com. or hotline@apthai.com. The procedures of accepting complains, petitions, and investigation shall be reported to the board.

Disclosure and transparency

1. Disclosure of information

1.1 In 2018, the company disclosed the significant information in accordance with the regulations of listed companies such as the Annual Registration Statement (form 56-1) and the

Annual Report (form 56-2) in both Thai and English through the Stock Exchange of Thailand's website and the company's website.

- 1.2 In Annual Report 2018, the company disclosed the following significant information for shareholders: director's responsibilities concerning the company's financial report alongside the auditor's report, a management discussion and analysis (MD&A), audit fee and non-audit fee, names and responsibilities of sub-committee, the number of meeting held, the attendance record of each director, and the remuneration policies for directors and executives.
- 1.3 The company designated the Investor Relations to be responsible for communication and disclosure of information on the operating performance of the company to the investors, shareholders, analysts, and related agencies. The contact person is Mr. Pramart Kwanchuen, corporate secretary, or

Investor Relations

AP (Thailand) Public Company Limited

170/57 Ocean Tower 1 Building,

18th Floor, New Ratchadapisek Road,

Klongtoey Sub-district, Klongtoey District, Bangkok 10110

Tel : 0 2261 2518-22

E-mail : investor@apthai.com

Website : <http://www.apthai.com/contact-ap/>

In 2018, the activities undertaken by Investor Relations are summarized as below:

Activities	times
Analyst meeting	4
Investor conferences	29
Roadshow	
- Domestic	5
- Global	-

2. Minimum information disclosed on the company's website

The company disclosed its information on website such as the Annual Registration Statement (form 56-1), the Annual Report (form 56-2), the notice to the shareholders' meeting, the article of association, company's regulations, Memorandum and Article of Association, the CG policy, business ethics for employees and board of directors, and other information. All disclosed information is up to date.

3. Disclosure of key performance indicators

The company discloses company Key Performance Indicators (KPI), both financial KPI (e.g. revenue and profit) and non-financial KPI (e.g. customer satisfaction), with an intention to continuously build and increase customer satisfaction of the residence by emphasizing on research and product development. The company organizes marketing research sector and product development sector in order to profoundly analyze customers' need, especially in the aspect of space utilization that meets customers' lifestyle. This highlights AP's qualification of Responsive creator as the company always uses the feedback from the research to help develop new projects. Besides, the company also organizes the sector of marketing strategy which operates the survey, research, and analysis about customers' need in each area together with the potential of providing public utility of every project location. Therefore, the company is holding sufficient database for the analysis to study market demand on residence in each area along with roles, residence types, locations, and price levels in order to develop company's project to be the most outstanding project among the competitors nearby, also, to affirm customers' pride on selecting company's product.

Responsibilities of the board

1. Board structure

The board of directors' qualification is in line with clause 68 of Public Limited Company Act B.E. 2535 and the related notification of the Securities and Exchange Commission (SEC). The board appointed Mr. Pramart Kwanchuen as a secretary of the Board of Directors, in order to handle the meeting in accordance with the relevant rules and regulations.

The company considered an appropriate Board Structure and balanced their responsibilities. As of 31st December 2018, the board comprised of 13 directors, as shown in the section of management structure.

- 1.1 The board comprises of directors with diversity of age, gender, skill, experience and specific ability, that are beneficial to perform their duties. There are 6 executive directors from total of 13 directors as follows: Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn, Mr. Siripong Sombutsiri, Mr. Wason Naruenatpaisan, Ms. Kittiya Pongpujaneegul, and Mr. Visanu Suchatlumpong. The chairman of the board is Prof. Dr. Naris Chaiyasoot, who has no experiences in property business. The profiles of each director are shown in the attachment.

- 1.2 There are 7 independent directors as follows: Prof. Dr. Naris Chaiyasoot, Mr. Pornwut Sarasin, Mr. Yokporn Tantisawetrat, Mr. Phanporn Dabbaransi, Mr. Nontachit Tulayanonda, Mr. Kosol Suriyaporn, and Mr. Somyod Suteerapornchai, that are more than one-third of the total directors. All of them have qualifications as specified by SET and SEC. There are 4 members of audit committee as follows: Mr. Phanporn Dabbaransi, Mr. Nontachit Tulayanonda, Mr. Kosol Suriyaporn and Mr. Somyod Suteerapornchai. The independent directors are to review company's operation and act as balance of power in the board of directors as well as to independently object any issue in the meeting and enable efficient decision making process.

- 1.3 Each director has a term of position for 3 years, when any directors complete their terms, the board will proposed to the shareholder's meeting for approval, details are shown in the corporate governance policy.

- 1.4 The chief executive officer and the managing director hold 21.30% and 3.28% shares (combining shares holding by spouse) in the company respectively (as of 28th December 2018). Therefore, the CEO and managing director are both major shareholders and act on behalf of all shareholders in managing the company with the objective of maximizing shareholders' benefit.

However, to separate duties and responsibilities between board of directors and executives, the company sets up corporate governance policy and daily management policy separately that chairman of the board, CEO, and managing director are not the same person. The chairman of the board performs duty of the leader and the operator of board meetings efficiently, supports the participation in meetings, and gives advice without interference with daily duty or daily business performed by executives.

- 1.5 The Board of Directors establishes policy and practices about the directorship in other companies that the Chief Executive Officer, Managing Director, and Executive Directors shall hold a directorship in no more than 5 companies, in conformity with the corporate governance policy.
- 1.6 The board appoints the Corporate Secretary to serve the board by providing legal advice, taking care of the board's activities and monitoring compliance with the board resolutions. Mr. Pramart Kwanchuen was appointed as Corporate Secretary.

2. Sub-committees

2.1 The following 4 sub-committees were set up by the board.

1. Audit committee.
2. Executive committee.
3. Nomination and remuneration committee.
4. Corporate governance and risk management committee.

The scope of responsibilities of each committee is shown in the section of management structure.

2.2 The chairman of the board is an independent director and does not hold any chairman position in any sub-committee in order to create independence.

2.3 The sub-committee meetings are held regularly. The record of attendance, the list of attended person, and the positions in each committee are shown in the section of management structure.

3. Roles and responsibilities of the board

3.1 The board's duties and responsibilities shall be in accordance with those specified by law, Memorandum and Article of Association, and resolution of the shareholders, as well as the corporate governance policy.

3.2 The board established a written corporate governance policy, which was latest revised on 7th June 2016.

3.3 The board established a written code of conduct for all directors, executives, and employees in order to provide understanding of ethical standards for business operation. The details are available on the company's website <http://www.apthai.com/investor-relations/> under the sequence of menu headings "Corporate Governance" sub-heading "Code of conduct". The latest revision of Code of conduct was announced on 3rd January 2018

3.4 The board considers any conflict of interests thoroughly with no stakeholder involving in decision making process and provides the clear guidelines for benefits of company and shareholders. The board also monitors compliance with regulations regarding criteria, procedure, and disclosure of transactions with conflict of interests.

3.5 The board establishes an internal control including financial, compliance, and policy control. The board assigns the internal audit to be responsible for auditing such internal control.

The audit committee conducted the assessment of adequacy of internal control systems for 2018 in the audit committee meeting no.1/2019 held on 26th February 2019.

3.6 The board also sets clear procedures on whistleblowing for related parties or stakeholder, ensures that the company provide protective measures on keeping the whistleblowers' names confidential, and operates the investigation according to company's regulations.

3.7 The board organizes risk management procedures properly and efficiently. Risk management policy and risk committee are set.

4. Board meetings

4.1 In 2018, the company set the meeting schedule and agenda in advance and notifies each director in order to manage time for meeting attendance.

4.2 The number of board meetings are appropriated with duties and responsibilities of the board as well as the nature of business operation. In addition, the company held 12 board meetings in 2018.

4.3 The company sends all meeting documents to each director at least 7 business days in advance of the meeting.

4.4 The minutes of the Board of Directors' meeting have all necessary and relevant information, such as date, time, names of directors with presence and absence, significant information, comments and resolutions. The company has good storage systems to retrieve the data. The Company Secretary also informs SEC of the storage place.

4.5 In 2018, the director, who is not in the position of executive, managed the meeting among directors once in order to have a discussion without managing division.

5. Assessment

5.1 Board Self-Assessment

The Board of Directors conducts Evaluation on the Performance of the Board of Directors, Director Self-Assessment, and Sub-Committee Self-Assessment annually. The assessment of these 3 forms would be organized by the same process and criterion.

Process

The company secretary makes and reviews assessment forms to ensure the accuracy, then proposes to the Board of Directors to make an evaluation. The secretary is to summarize all performance assessments and proposes to the Board of Directors to consider and make improvement of the operations for more efficiency.

Criterion

The percentages correspond to the levels of performance achieved in each of area:

Over	85%	= Excellent
Over	75%	= Very good
Over	65%	= Good
Over	50%	= Fair
Below	50%	= Need improvement

Assessment topics

Topic	All Board of Directors	Sub-Committee	Individual
Structure and characteristics of the board	✓	✓	✓
Roles/duties/responsibilities of the board	✓	✓	✓
Board Meeting	✓	✓	✓
Board's performance of duties	✓	-	-
Relationship with management	✓	-	-
Self-development of directors and executive development	✓	-	-

The 2018, board's assessment result of the Performance of the Board of Directors, Director Self-Assessment, and Sub-Committee Self-Assessment indicated excellent performances.

5.2 CEO Assessment

The board makes an assessment of CEO by dividing into 9 topics: Leadership, Strategy Formulation, Strategy Implementation, Planning and Financial Performance, Relationship with the board, External relationship, Products and services knowledge, and CEO Characteristics. In 2018, CEO assessment result indicated excellent performances.

6. Remuneration

The Compensation Committee considers the remuneration of directors by taking into account prevailing profit of the company, reflect experience, obligations, scope of work, accountability, and responsibilities that are comparable to the industry level in which the company operates. The committee would recommend the compensation of the directors to the Board of Director for approval and propose to the shareholders' for final approval. The details of directors and executives' remuneration in 2018 are shown in the section of management structure.

7. Development of directors and executives

7.1 The board encourages and facilitates training for all internal parties related to corporate governance (such as audit committee member, executives, corporate secretary, etc.) in order to keep developing the operations. In 2018, There are some director enrolled the training programs namely;

- Assoc. Prof. Dr. Naris Chaiyasoot had attended the training program, Advanced Audit Committee Program (AAPC) no. 29/2018, provided by Thai Institute of Directors (IOD).
- Mr. Kosol Suriyaporn had attended the training program, Director Accreditation Program (DAP) no. 153/2018,
- Advanced Audit Committee Program (AAPC) no. 31/2018
- Role of the Chairman Program (RCP) no. 43/2018 provided by Thai Institute of Directors (IOD).

Also, all boards had attended various training program of IOD as illustrated in the table below:

Directors	Training course							
	DAP	DCP	FND	CDC	ELP	AACP	RCP	ACP
1. Assoc. Prof. Dr. Naris Chaiyasoot	✓	✓	✓	✓	-	✓	-	-
2. Mr. Anuphong Assavabhokhin	✓	-	-	-	-	-	-	-
3. Mr. Pichet Vipavasuphakorn	✓	-	-	-	✓	-	-	-
4. Mr. Siripong Sombutsiri	✓	-	-	-	✓	-	-	-
5. Mr. Phanporn Dabbaransi	✓	-	-	-	-	-	-	-
6. Mr. Nontachit Tulayanonda	✓	-	-	-	-	-	-	✓
7. Mr. Kosol Suriyaporn	✓	-	-	-	-	✓	✓	✓
8. Mr. Pornwut Sarasin	✓	-	-	-	-	-	-	-
9. Mr. Yokporn Tantisawetrat	✓	✓	-	-	-	✓	-	-
10. Mr. Somyod Suteerapornchai	✓	-	-	-	-	-	-	-
11. Ms. Kittiya Pongpujaneegul	✓	-	-	-	-	-	-	-
12. Mr. Visanu Suchatlumpong	✓	-	-	-	-	-	-	-
13. Mr. Wason Naruenatpaisan	✓	-	-	-	-	-	-	-

DAP = Director Accreditation Program DCP = Director Certification Program
 FND = Finance for Non-Finance Director CDC = Chartered Director Class
 RCP = Role of the Chairman Program ELP = Ethical Leadership Program
 ACP = Audit Committee Program AAPC = Advanced Audit Committee Program

7.2 In the orientation of new directors, since the company realized the importance of new directors' duty performances, the company sets the regulation to help new directors prepare their duty performance to let new directors understand their roles, responsibilities, and company business operation. The "Director handbook", document of company information and essential regulations and laws, would be distributed in order to be beneficial for new directors' performances.

8. Succession Plan

The company has a succession plan that the chief executive officer and managing director are authorized to nominate a qualified and experienced person to be the executive of the company.

The Selection and nomination of the Company's directors and key executives

1. Independent directors

Independent directors' qualification requirement

Qualification requirements of company's independent directors are stricter than the SEC notification Tor. Jor.4/2552 dated on 20th February 2009 (no.16 of the SEC notification Tor.Jor. 28/2551 was repealed.) as follows:

1. Independent directors shall hold not more than 0.5 of all voting rights of the company, parent company, subsidiary company, affiliate company, major shareholder, or controlling person unless such condition is terminated for at least 2 years. This is not applied to the independent director who was a civil servant or consultant to the government sector that held company shares in majority or was a controlling person.
2. Independent directors shall never be appointed as a director having a role in the company operation, employee, staff, consultant receiving fixed salary, or controlling person of the company, parent company, subsidiary company, affiliate company, subsidiary company in the same share held level, major shareholder, or the controlling person of the company unless such condition is terminated for at least 2 years. This is not applied to the independent director who was a civil servant or consultant of the government sector that held company shares in majority or was a controlling person.
3. Independent directors shall not related by blood or legal marriage to any parents, spouses, siblings, children, or spouses of children of members on the management team, major shareholders, candidates to the management team, or authorized persons to the company or subsidiaries.
4. Independent directors shall never be related to the business of the company, parent company, subsidiary company, affiliate company, major shareholder, or the controlling person in a way that may affect his/her independency in discretion and never be a significant shareholder or a controlling person over the person who relates to the company, parent company, subsidiary company, affiliate company, major shareholder, or the controlling person of the company, unless such condition is terminated for at least 2 years.
5. Independent directors shall never be an auditor to the company, parent company, subsidiary company, affiliate company, major shareholder, or the controlling person of the company and never be a significant shareholder, controlling person, or partner of the audit company to the company, parent company, subsidiary company or where the major shareholder or the controlling person takes part in, unless such condition is terminated for at least 2 years.
6. Independent directors shall never render a professional service, including a legal and financial consultant which is paid for service more than 2 millions baht per year by the company, parent company, subsidiary company, affiliate company, a major shareholder, or a controlling person of the company and never be a significant shareholder, controlling person, or partner of such service render company, unless such condition is terminated for at least 2 years.
7. Independent directors shall not appointed as a director to represent company directors, major shareholder, or any shareholders related to a major shareholders.
8. Independent directors shall not belong to any business or partnership that is similar to or competing with the company or subsidiaries; or being an executive director, an employee, or a consultant that receives monthly salary; or holding more than 1% of shares that entitle to voting right in other companies that are in the same business or competing with the company and subsidiaries.
9. No other conditions that affect the independency of discretion on company management.

2. Selection of directors and key executives

Director selection

The Board of Directors considers persons to be nominated as the company's directors by their educational background, specialization, and experiences which support the company's business. The selection principles are as follows:

1. Requirements by laws, SET's / SEC's notifications, and the company's articles of association in regard of a director qualification
2. Qualifications as stated in the directors' ethic
3. Educational background and experiences which support the company's business
4. Trainings related to the directors' responsibilities, the company business, good corporate governance, and advance policy planning
5. Intention to guard the shareholders' benefit with fairness
6. Devotion and ability to develop the company business

Selection procedure

Nomination and Remuneration Committee nominates any appropriate person(s) qualified to the company's director position, then proposes to the Board of Directors. The Board of Directors, then, proposes to the Shareholders' meeting.

An election / appointing of directors.

A meeting of shareholders shall elect the directors in accordance with the following procedures and rules:

1. Each shareholder has one vote for each share held;
2. Each shareholder may exercise the votes in electing one or more persons to be the directors but the votes for more than one person are indivisible; and
3. The person who obtains the highest votes shall be elected as a director in respective order according to the required number of directors, but if two or more persons obtain equal votes, the chairman must exercise a casting vote.

In the event of vacancy in the Board of Directors due to other factors aside from the end of directorship term, the Board of Directors shall select any persons qualified with Public Company Limited Act and Security and Stock Exchange Act to fill in. Unless such vacant directorship remains less than 2 months, a person who replaces the vacant directorship shall apply for the remaining term.

Key executives selection

The company's human resource section is responsible for the hunt of qualified persons under the executive's discretion, with the most relevant working experience and educational background.

The control of subsidiary companies.

The company group authorization empowers the executive committee to appoint the directors and the authorized signatory directors of the subsidiary companies in order to align the

management of the subsidiaries with the company. Also, the financial status and business operation disclosure, the transaction among the company group, the asset acquisition, and disposal or any other important transaction of subsidiary companies are conducted by the same guideline of the company.

Auditor's fee

At the 2017 AGM, EY Office Limited (formerly Ernst & Young Co., Ltd.) by Mrs. Siriwan Suratepin (C.P.A. Registration No. 4604) and/or Mr. Wichart Lokatekrawee (C.P.A. Registration No. 4451), and/or Ms. Sathida Ratananurak (C.P.A. Registration No. 4753) were appointed as the company's auditor for 2017 with the auditor's fees of Baht 2,100,000 per year without non-audit fee.

At the 2018 AGM, EY Office Limited by Mrs. Siriwan Suratepin (C.P.A. Registration No. 4604) and/or Mr. Wichart Lokatekrawee (C.P.A. Registration No. 4451), and/or Ms. Sathida Ratananurak (C.P.A. Registration No. 4753) were appointed as the company's auditor for 2018 with the auditor's fees of Baht 2,100,000 per year without non-audit fee.

These appointed auditors have no relationship and conflict of interest with the company/ subsidiaries/ management and major shareholders of the company.

Good corporate governance guidelines in other aspects

According to the CGR survey 2018 by Thai Institute of Directors (IOD), the CG score of the company was excellent. Nevertheless, there were some issues that may not cover the criteria of the Corporate Governance Report of Thai Listed Companies and ASEAN CG Scorecard, as stated below:

Issues	Explanations
The board of directors consist of 5-12 members	The board of directors consists of 13 members, who are appropriate for the nature and size of business during expansion. Experts from a variety of professions are needed.
The Board of Directors shall set limitations that individual may serve as an independent director for a maximum of 9 consecutive years.	The company has no limitations on terms of the position of directors since the company believes that company's directors with knowledge and capability would be beneficial. Long term experience of the director provides deep understanding of the company's business.
Director election through cumulative voting	The company regulations call for director election to be decided by a majority of votes. Each shareholder carries votes equal to his or her number of shares. The company has consistently devised other ways to preserve the rights of minor shareholders including its encouragement for them to exercise their right to nominate additional agenda items or nominate directors in advance.

CORPORATE SOCIAL RESPONSIBILITY AND SUSTAINABILITY DEVELOPMENT

Background

AP (Thailand) Public Company Limited had realized on the importance of education which is a core of property development and advancement of Thailand. The policy of Corporate Social Responsibility (CSR) for Sustainability Development was set to bring into accord with the Stock Exchange of Thailand and the government sectors' policies that encourage the private sectors to be more attentive towards social responsibilities in many ways as well as to gain the company's credibility from local and foreign investors. The company conscientiously and engrossingly runs the business according to these policies for many years. In the previous year, the company had organized and provided activities together with social responsibility plans, both as a part of the business (In-process CSR) and as a benefit for society and environment (After-process CSR). This CSR policy was launched not only to support financial assistance, but also to promote the idea of environment and social responsibilities in line with to improve company managing methods towards the reinforcement of social quality in sustainable ways. The company has been working hard on promoting education and human resource development in order to support widely on sharing knowledge and innovation resulted from company's performances. AP Academy was established as a centre of a complete range of integrated learning in property industry. The company's experiences and knowledge on organizing high-quality real estate constructions, including the inspiration of designing spaces would be passed on not only to company personnel or employees but also to the outsiders such as students, university students, and other people. As a result, it was successfully accepted with excellent feedbacks. In 2018, the company consecutively extended the operation and results on education and human resource development in the sections of AP Academy, AP CHARITY, and Space scholarship by supporting and sharing space management project to students who live in Bangkok. Besides, there are other projects for society which are as following in this report.

Thus, the company aimed that an investment in education and human resource development is the key to the solid advancement and sustainability development for youth, society, environment, and property industries. It is aimed to breed quality personnel through education to build qualified human resource full of knowledge in

property development. In order to achieve the goal, the company provides long time accumulated knowledge to the whole staff and gives back to the society to create learning community and quality residences.

We believe that anyone with high capability and knowledge would build quality residences, and that quality residences would create a sustainability ideal society.

Issuing reports and operations

The report of Corporate Social Responsibility and Sustainability Development covers all company's activities in 2018 by focusing on parts that related to stakeholders such as employees and customers, as well as communities, society, and environment. The format of the report conforms to guidelines on Disclosure of Information of the Stock Exchange of Thailand, and the presentation and disclosure of contents has been reviewed and approved by board of directors of the company.

The overview of policy

The policy of company's business operation and its subsidiary companies management is set by board of directors according to the concern to environment, stakeholders, social responsibility, and sustainability developments regarding 8 principles as follows:

1. Fair business conduct

The board of directors has considered and reviewed the principle of good corporate governance annually in order to make the revised version up-to-dated. The company takes this practice as a model of organizing and managing to create fairness. The details are presented on the topic of Corporate Governance

2. Anti-corruption

The company follows Anti-corruption policy as the details shown in the topic of Anti-corruption practices

3. Human rights

According to company's good corporate governance, all company's board of directors, executives, and employees shall follow and conform to the rules of International Human Rights as follows:

- Supporting employees on their rights as good citizens in democracy regarding to the laws.
- Preserving employees' confidentiality of information. Disclosing or transferring employees' personal information to the public shall be conducted after an agreement and approval of those employees, unless it is under the act of company's regulations or laws.
- None of the support shall be conducted against human rights and corruptions.
- The company and employees shall not offend or threaten any person by words or actions based on nationality, gender, religion, age, and disabilities both physical and mental. The punishment is set in case of those performances.

4. Equitable treatment of labour

Company personnel are the key factor to drive the company towards Business Excellence. Therefore, the company emphasizes on human resource development to create knowledgeable employees with equivalent high opportunity in career path according to the details as follows:

- The company organizes the project of employee developments continuously by aiming at further development on work effectiveness and employee's self-improvement. Workshops are provided for every level of employees as written in the topic of AP Academy. Also, the records of development are kept to be reviewed and made the project up-to-date. Moreover, employee assessment is conducted with transparency by reliable tools regularly.
- The company treats every employee equally and fairly according to Human Rights without any rules or conditions that deprive them of their rights based on gender, age, nationality, and religion.
- The recruitment of the employees in every position shall be fair, considering on qualification, education background, experience, and any important factor related to the job without depriving disable person by the recruitment. In case the company employs the disabled, equipment and facilities shall be provided together with appropriate remuneration and welfare.
- Remuneration and welfare are determined with transparency and fairness by considering on tasks, job description, performances, and company's ability to pay.
- Work spaces and environment of employees are managed concerning to hygienic conditions and safety according to tasks and positions.

- Communication channels are set for the employees to share any suggestions and complains under the scope of their duties. Every suggestion shall be considered seriously as well as the solution in order to fit the needs and be beneficial to all sectors for good relationship among working conditions.
- The company supports employees' self-reliance such as savings, home loans (collaborates with other financial institutions), health welfare, and other welfares that improve employees and families' life quality.

5. Accountability to customers

- The company launched a clear policy of responsibility in product quality, complains and problems occurred by the products and services. The impact of products and services on customers are researched, evaluated, and improved regularly.
- Communication channels are provided to create good customer relationship and accept complains. Complains shall be considered seriously via all easy and accessible channels in charge of particular sectors of After Sale Service. The service consists of 2 parts which are 1) Handed over after the completion (Call Service) and 2) Maintenance (Fix It) to provide service after moving in. Also, this service are under the 4 standards which are Time Control, Standard and Quality test, Clean and Security, and Caring (follow up and checking for maintenance on lists).

For the previous year of 2018, the company had accepted the call from customers via Call Service totally 74,629 calls. Call Service and Fix It had worked together to follow up the maintenance process and solution until the entire problems are resolved under Call Service procedures, which started from classifying problems to match the information given by customers. Main records from the customers 34,095 records in total were the repair and maintenance request of the house/condominium in warranty. Fix It had cleared and completed 46% of all records, only some were still under the investigation and preparation for problem solving. For the complains such as service complains and request for house/condominium out warranty 4,319 records in total, Customer Care had took action to investigate and complete the tasks 89% of all records. Any complains that still remained, the company is working on process with every sector to find the solutions and try hard to reach customer highest satisfaction when using company's products.

After Sale Service provides Data and Privacy protection that any information of the customers shall not be disclosed without consent.

AP-Society

In order to promote good relationship between homeowners and the company together with the community among housing and condominium, entertainment activities are provided by setting up food booths, concert, and health promotion activities under the name of AP-Society with 7 campaigns for instance

AP Happiness
Welcome Home Party
AP Innovation Kids
Valentines's Blend Workshop
Songkran Festival
Halloween Party
Celebration of AP Happiness
Etc.

Besides, these include any privilege provided by major alliance for homeowners under AP Group in order to share the benefit among AP society. In 2018, 79 activities were set for company housing estate and condominium, which had drawn up budget around 16 million baht with participation of 12,500 homeowners.

6. Environmental conservation

The report on environmental impact assessment (EIA)

Before starting any project and going under the construction, both Low Rise and High Rise projects, the company concerns for many factors that affect to the environment considerably and intends to follow the rules, laws, and regulations under environment issues. Every project of the company shall be limited by sizes and utility spaces according to the law of the report on Environmental Impact Assessment (EIA) which is set by the Enhancement and Conservation of National Environmental Quality Act B.E. 2535. The EIA report shall be made by the company and an expert consulting company, and gets registered with legitimate right by Ministry of Natural Resources and Environment. In making the report and setting regulations to prevent environmental impact, the company joins an evaluation of the impact in every project closely, both with the consulting company and with the residents around the areas, including to public hearing in order to set most effective guidelines and preventive measures for the customers, residents, and environment.

After the report is approved by Environmental Impact Evaluation Bureau, during the construction, the company follows and tracks for the progress according to the regulations, methods, and conditions written in the report by setting up the follow up meeting with contractors and project consultants of each project closely to ensure that the construction would affect to the residents and environment around at the very least. Experiences gained from

many projects help the company learn and analyze the problem more effectively to improve other projects.

Product development and green innovation

The company takes energy efficient spaces and efficient product usage into consideration to work on product development, and also chooses the best equipment for energy saving to install in houses and condominiums for example, energy saving light bulbs, water saving sanitary wares, Air conditioners with label no. 5 of Minimum Energy Performance Standard (MEPs), and waste water treatment tank with environmental quality standards.

Moreover, the company has been continuously run the project collaborating with professors from local and international universities in order to design and create new innovations for future livings and improving the quality of life as well as Eco-Friendly.

Value strengthening and environmental protection education

The company launches campaigns to encourage employees to consume resources efficiently for instance, Electricity and Water Saving Campaign, Energy Saving light bulbs and Water Saving sanitary wares in head office and construction site Campaign, Waste Management in workplace Campaign, Minimization of paper usage Campaign, and Recycle Campaign

In addition, employees including outsiders are supported by providing education about environmental protection together with environment and construction related regulations to strengthen value, good attitude, and responsibility on environment. The topic of the curricula are given in details in the topic of AP Academy.

7. Society and community development

Corporate Social Responsibility (CSR) policy of the company in the past years was CSR In-process which integrated into company's operations. The company, as a professional of building quality residences, we believe that quality residences would uplift the living quality of people. By long time accumulated experiences in business, the company is full of knowledge and capability to share to internal personnel and outsiders to improve their skills and provide incremental knowledge to benefit the society. Besides, the company aims at creating quality personnel with knowledge and skills of residence development in many fields such as construction, management, and social responsibility. Quality personnel and professionals with knowledge and high responsibility would build quality buildings that reach the standard, which is a significant foundation to build sustainability development in society.

For this reason, the company establishes AP Academy as Thailand's first institution for the full range knowledge on real estate. The curricula are provided in various subjects from design, construction, sales, to how to manage the property, under the concept of "Deep knowledge, Big creativity, and High quality performances".

In founding AP Academy, the company has been working continuously on this project. From the previous year, the operating results of AP Academy and unusual football field's project were satisfied as the company got CSR reward 3 years in a row in "human resource investment" prize from Asia Responsible Entrepreneurship Awards 2018.

AP Academy operates 3 major projects under its mission, which are 1) AP Property School 2) AP Open House and 3) AP Symposium or Public Course Training. The details are as follows:

AP Property School AP Property School is a school for developing knowledge, abilities, and work skills for employees. We think that before building a good house, quality builders are needed. Each curriculum is designed to cover all fundamental knowledge, functional knowledge, selective skills, and leadership.

AP Property School comprises of 5 curricula as follows:

(1) Construction Curriculum

This curriculum focuses on strengthening major knowledge of project management in parts of duration, cost, and quality throughout all process from under construction to customer handover, as well as knowing all operation procedures starting from land acquisition to project closing. The management is emphasized according to AP regulations, quality standard, environmental law, including performances concerning environmental impact by experienced personnel of each sector such as engineers, workers, contractors, etc.

(2) Sales and Services Curriculum

The curriculum helps living consultant get prepared for the task, starting from personality development and AP standard greetings, then going through essential information and customer research to meet customers' satisfaction. Also, effective tips of dealing with arguments, convincing, closing sales, together with knowledge about basic credit and other essential skills are provided under the mission of the best residence hand overing that fits the need of our customers.

(3) Home Solution Curriculum

The objective of this curriculum is to develop service standard and maintenance standard (of electric system, water supply system, sanitation system, and architectural work), including cleaning and security service (starting from the first step of maintenance to the last step of hand overing and delivery) for employees. It is operated with a concern to environmental impact, as well as with an advice for residence maintenance service that suits the customers.

(4) Property Management Curriculum

This curriculum aims at developing a potential of Condominium and Housing Estate Management Team by providing education about property management starting from the step of open project to close project of the utilities. It is emphasized on unidirectional standard management with transparency, and also performed by quality personnel, together with the use of modern technology to fit customers' need in all aspects.

(5) Development Program Curriculum

The purpose of this curriculum is to improve employees' skills and knowledge to reach their full work potential in completing the tasks. The curriculum for every employee emphasizes on skills development such as leadership, communication, problem solving, self and team work planning, along with good attitude and ethics (Code of Conduct). Human Resource Development plan conforms to company's goal in each year.

In the previous year, 4,011 employees had participated in this program and completed curriculum. The result of performance tests were satisfied, and the questionnaire illustrated that all participants were capable of adapting their knowledge gained from the program to their work effectively.

The training course Outward Mindset or adjusting the perspective based on the need of the other is changing the Mindset or the belief that has an influence on the behavior to encourage the employees to view other people's needs to be as important as their own, and to consider shared benefits impacts on the other people always. Once the organization has personnel that understand the need of each other and help each other, the employees will unlock their existing potentiality and convert it into the desired outcome sustainably. In the year 2018, the Company arranged training courses to over 100 executives from primary - high level of AP and its subsidiaries to create the core of business operation with efficiency move forward to achieve the success and happiness together. The Company will be a place of working with joy.

With the goal to deliver the very best to AP customers or the Quality of Life, AP employees have changed their viewpoint and the how they work by applying the concept of Design Thinking, a design thinking process from Stanford University, the number one innovative University in the United States.

In 2018, over 100 employees attended the Design Thinking Course with the SEAC which certified by Stanford University. Over 700 new employees also received basic training in Design Thinking on their first day at AP Family so that they can apply the information into the main thinking about work procedures to improve the good quality of life for residents and customers.

Anti-corruption workshops and trainings

In every curriculum above, the policy and practices of Corruption Prevention are added by focusing on the importance of corruption problem, together with avoidance guidelines, and punishment in order to make employees realize company's intention of this issue.

Total number of participants in AP Property School's curriculum

Curriculum	Times	Number of participants	Expense (Baht)	Number of hours (total)	Number of hours (per person)
1 Sales and Services Curriculum	70	595	630,756.94	306	4.37
2 Construction Curriculum	91	699	117,845.00	373	4.09
3 Property Management Curriculum	17	533	77,008.50	112	6.59
4 Home Solution Curriculum	28	368	27,858.75	149	5.32
5 Development Program Curriculum	80	1,816	7,147,982.07	509	6.36
Total	286	4,011	8,001,451.26	1,448.50	26.74

Each program conducted in 2018, the company had spent 8,001,451.26 baht in total. There were 4,011 participants.

AP Open house

AP Open House has an objective to transfer knowledge, share experiences, and provide opportunities to university students to practice their thinking and working skills for getting ready in working lives after the graduation. The company realizes that learning from hand-on experience in real situation would build efficient skills and support careers after graduation, as in the developed countries that emphasizing on students' hand-on experiences in workplaces besides theories.

From the past 3 years, "AP Open House: Life more than a Theory" has been continuously organized. In 2018, 3rd year and 4th year, university students from Faculty of Engineering who had been

majoring in Civil Engineer all over the country were recruited. This year the company also widen the opportunities to the university students majoring marketing and sales. The company publicized the project via variety communicating channels in order to reach the students in whole country by using social media and university media including roadshow to introduce this project and share knowledge in the field of Civil engineer together with marketing and sales.

After the end of application period, there were 3,018 candidates from institutes around Thailand. All candidates needed to pass the online tests and participate in auditions at AP Headquarter

On January 12th, 2018, it was announced that 50 candidates were selected comprising 30 civil engineer students and 20 marketing and sales students in order to participate in an internship program. Students who passed the tests were to work at the site with experts of different fields from government sector, entrepreneurs, and business alliance. The trainees would be closely advised and coached starting from foundation of each component to standard of the construction with quality control. Students that accomplished the program would receive certificates from AP Academy and would be provided opportunities to work with the company. In this case, the company had supported the project amount to 2 million baht.

Knowledge transferring and collaboration with Mitsubishi Estate Group

Apart from knowledge within the company, AP Academy is very well supported by business alliances, Mitsubishi Estate Group, Japan. Since then, the company has been cooperating in an investment, not only condominium development but also knowledge, skills, and property innovation transferring. Mitsubishi Estate Group is one of the top leaders with full knowledge in Japan that is capable of transferring knowledge and creating benefits in Technology transfer in property industry. It is much beneficial for society and customers in Thailand.

Last year, in order to increase trainee's knowledge and abilities, AP Open House collaborated with Mitsubishi Estate Group to provide an observation trip in Japan for the students so they could learn technology and property management from the prototype of construction innovation of Property Company of international standard. The objective was to transfer knowledge, experiences, and opportunities of practicing think skills and other skills to the trainees, the representatives of Thai youth, in order that they could prepare themselves for an effective working lives after graduation.

This observation trip was held in Osaka, Japan, during 19th-24th August, 2018. Four Students with high performances were

selected namely Mr. Tikamporn Samretsilp (a junior student from the faculty of Engineering, majoring Civil Engineer, King Mongkut's university of Technology Thonburi), Ms. Pimpisa klinkajorn (a junior student from the faculty of Civil and Environmental Engineering, Srinakharinwirot University), Mr. Napawat Puttacha (a junior student from the faculty of Business Administration, Mae Fah Luang University) and Ms. Phattaralapa Wajeekrailart (a senior student from the faculty of Architecture, Chulalongkorn University)

AP ACADEMY LAB

In 2018, AP had various educational institutions interested in visiting our AP ACADEMY LAB and many participated in our AP programs as follow:

January - November 2018

Student internship project - Civil engineering: 402 people including students and instructors from eight institutions namely King Mongkut's University of Technology North Bangkok, King Mongkut's Institute of Technology Ladkrabang, Mahanakorn University of Technology, Kasetsart University Kamphaeng Saen Campus, Kasetsart University, Bang Khen, Mahidol University, Srinakharinwirot University, King Mongkut's University of Technology Thonburi, visited the AP ACADEMY LAB model home. This is The aim was to enable those students to see and learn the process of working in the real estate business in comeprehensive range. The students had an opportunity to try, test and learn about systems within the houses and also join the field trip to visit an actual construction site. The site manager and the team of narrators from AP Academy supervised and gave advice closely to the visitors.

April - November 2018

Student visit project - Architecture 137 visitors which included students and instructors from four institutions namely Assumption University (ABAC), Chulalongkorn University, King Mongkut's Institute of Technology Ladkrabang, and Thammasat University visited AP ACADEMY LAB, a creative area for real-life learning. The emphasis on real structure: the Lab simulates the structure and composition of the actual house to enable students to see the actual construction process, the use of various materials and their functions within AP Home Lab including structural work, water supply system, electrical system, and fire alarm. Besides there is the Materials Archive section that displays the materials that AP uses in various projects. Students visited the real construction site to experience the construction process to have knowledge and understanding in the architectural design and the selection of suitable materials for designing of future residence.

Event	Segment	When	Register
1 Student Visit - Civil Engineering	Students from Civil Engineering Year 1-4	Jan - Nov 18	
King Mongkut's University of Technology North Bangkok		22 Jan 18	39
King Mongkut's Institute of Technology Ladkrabang		14 Feb 18	79
Mahanakorn University of Technology		13 March 18	47
Kasetsart University Kamphaeng Saen Campus		29 March 18	48
Kasetsart University, Bang Khen		18 Apr 18	14
Mahidol University		28 May 18	79
Srinakharinwirot University		12 Sep 18	59
King Mongkut's University of Technology Thonburi		26 Nov 18	37
2 Student Visit Project - Architecture	Students from Architecture Faculty Year 1-5	Apr - Nov 18	
Assumption University (ABAC)		25 Apr 18	53
Chulalongkorn University		3 May 18	40
King Mongkut's Institute of Technology Ladkrabang		6 Sep 18	10
Thammasat University		2 Nov 18	34

AP Public Course Training

The program AP Public Course Training is initiated with the aim to share knowledge, innovation, and worldview in the areas of construction, design, sales and real estate services and to be an inspiration to others. The program is available to the general public including students, working professionals, and individuals interested in joining the program to learn more about the topics from experts in the industry in Thailand and internationally. There is no cost to attend the program.

In 2018, the Company held AP Public Course Training for a total of 5 training sessions.

1. Directions and marketing of real estate business

Launching on 27 January 2018, the training was for MBA students from Mae Fah Luang University who urged to learn about the direction and marketing of real estate business. The session was lectured by investment experts from AP Thailand.

2. Introduction to high-rise building systems

The program was hosted on 23 March 2018 for those who wanted to be a building technician but lacked of an experience. Participants had a chance to attend an intensive course about the high-rise buildings in 1 day. The aim of this program is to prepare for professional work with real specialists from high-rise building having experience over 20 years, to improve knowledge and skills of the relevant careers, and to enhance competitiveness capacity of business groups in Thailand by applying the knowledge into real practice. This is the forth session for the program where in 2017 3 sessions were held.

3. Sales and service in the real estate business

On 29 March 2018, AP held a training course for students from marketing major from Bangkok University. The course was a specific program for sales and marketing executives in the real estate business. Speakers were experts in marketing strategy from AP Thailand.

4. Make up class x ETUDE

On 26 October 2018, AP held a training course for the sales agent and the general public who were interested in increasing their professional appearance by learning makeup techniques by professionals from ETUDE. Participants also learned basic sales and top-selling tips by sales consultants from AP Thailand.

5. Property management and human resource management

On 28 November 2018, AP Thailand held a training course for students in Property Management and Building Resources from Panyapiwat Institute of Management. The program is a comprehensive corporate management. The program had a total of 850 participants. The expenses for the program totaled 74,682 baht. According to the questionnaire, the program receive positive feedback, participants were satisfied and gained knowledge from attending in a very good level.

Participants attending the AP PUBLIC COURSE TRAINING

Event	Segment	When	Register	Expense
1 Directions and Marketing of Real Estate Business	Graduate students from Mae Fah Luang University	27 Jan 18	27	1,560
2 Introduction to High-rise Building Systems	Technician	23 Mar 18	485	10,122
3 Sales and Services in the Real Estate Business	Students from Marketing Major, Bangkok University	29 Mar 18	52	Free
4 Make Up Class x ETUDE	Sales person and general public	26 Oct 18	205	63,000
5 Property Management and Human Resource Management	Students in Property Management and Building Resources Panyapiwat Institute of Management	28 Nov 18	81	Free
		Total	850	74,682

In addition, AP Academy provided scholarships for 100 students from King Mongkut's University of Technology North Bangkok, the Faculty of Civil Engineering on 2 November 2018, for a total of 30,000 baht.

6. Sharing innovation influenced by responsibility for the society, environment and stakeholders

NAVIGATING HAPPINESS

a space where we share opportunities with others.

Together we create happiness, opportunities, and equality for at-risk and underprivileged children groups. AP Thailand in partnership with SATI (Sati) Foundation to bring happiness to at-risk and underprivileged children and to provide learning opportunities to promote self-confidence and desire to succeed by providing new learning styles to encourage ambition and create happiness for children at the same time.

AP Thailand believes that the best space is where we can share happiness with others. In addition to providing quality living spaces, AP wants to give back to society by adhering to our principle to develop "people with creatively and sustainably". The Company invited four famous volunteer teachers, from four professions with outstanding creative skills namely Khun Pae MVL Bodin Charoenrat, the famous singer-songwriter, Chef Tam Chudari Thephakham, the winner of Top Chef Thailand, Khun Chatchat Chatchawan Chantachotibut, a new gen- international photographer, and Khun Prejit Amanakmanee from D-Dance School, a choreographer who works for many famous artists, to meet with the children and to help inspire the children to believe in themselves and to teach new skills so that they can further develop their talents in the future. The goal of this program is to emphasize the importance of sharing of opportunity and resources to support the children who are at risk and underprivileged. AP welcome anyone interested in joining the campaign to join us by merely posting a photo of a smile on to Social Media and include #NavigatingHappiness to the post. With every post, AP Thailand will donate 50 baht to the program and the nonprofit agency Besides, the creative projects done by the children and the volunteer teachers will be on display at the Bangkok Design Week 2019 from 26 Jan. - 3 Feb. 2019 In the concept of the short documentary "The World Without Sky" The story is based on real life of these vulnerable children. There are tears, smiles, dreams, shortages, spirit, and opportunities based on true stories, real locations, real experiences that belong in another world that is within the world that we live in. We also offer menus for new and interesting snacks and drinks. The children created the movie poster. Hip hop music in the movie provided a unique and creative way to present this difficult topic and received great feedback from viewers.

ANTI-CORRUPTION PRACTICES

The company insists to conduct its business with faithfulness, transparency and fairness as well as the fairness treatment to stakeholders. The Board of Directors supports an engagement into anti-corruption, which will promotes an efficient operation of the company such as providing anti-corruption policy and practice, whistle-blowing policy, accepting or offering gifts policy. In the present, the company was certified as a member of Collective Action against Corruption: CAC by the Thai Institute of Directors (IOD).

Implementation

Besides the written policy, the Company also encourage the employees to participate in policy implementation such as providing information about anti-corruption practice through the Company's intranet, VDO presentation in orientation day for new employees, communicating with business partner and everyone in the company about gift policy. The whistleblowing policy has been amended by provided both internal and external Whistleblowing channel in order to get notified about any actions related to law violation, unethical performance, or fraudulent behavior of all level of employees and stakeholders. In this regards, the company also established the monitoring procedures and complaint management process with transparency fairness and obviousness as well as the whistleblower protection measure.

The details of anti-corruption policy and measurement as published on a company's website (www.apthai.com) in the topic of Corporate governance.

RELEVANT INFORMATION AND OTHER IMPORTANT INFORMATION

General information

Information of the Company

AP (Thailand) Public Company Limited

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok with business objective of property development. Registration number is 0107537000149. Telephone number is +66 2261-2518-22, facsimile is +66 2261-2548-9 and URL is www.apthai.com. As of 31st December 2018, The Company has a registered capital of Baht 3,145,912,151 consisting of 3,145,912,151 ordinary shares and a paid-up capital of Baht 3,145,899,495 consisting of 3,145,899,495 ordinary shares.

Subsidiaries which the Company holds more than 10% of total paid up shares*

1) Asian Property Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105553079178.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property Co., Ltd. has a registered capital of Baht 895,833,900 consisting of 89,583,390 ordinary shares and a paid-up capital of Baht 895,833,900.

3) Asian Property (2012) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105555003110.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (2012) Co., Ltd. has a registered capital of Baht 300,000,000 consisting of 30,000,000 ordinary shares and a paid-up capital of Baht 300,000,000.

2) Asian Property (Krungthep) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105537054875.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (Krungthep) Co., Ltd. has a registered capital of Baht 300,000,000 consisting of 3,000,000 ordinary shares and a paid-up capital of Baht 300,000,000.

4) Asian Property (2014) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, Soi Sukhumvit 16 (Sammit), New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development. Registration number is 0105557175490.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (2014) Co., Ltd. has a registered capital of Baht 400,000,000 consisting of 40,000,000 ordinary shares and a paid-up capital of Baht 400,000,000.

* Direct and indirect shareholding

5) Asian Property (2015) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105558021291.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (2017) Co., Ltd. has a registered capital of Baht 660,000,000 consisting of 66,000,000 ordinary shares and a paid-up capital of Baht 440,040,000.

8) Signature Advisory Partners Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105545061320.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Signature Advisory Partners Co., Ltd. has a registered capital of Baht 30,000,000 consisting of 3,000,000 ordinary shares and a paid-up capital of Baht 30,000,000.

6) The Value Property Development Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105545118836.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, The Value Property Development Co., Ltd. has a registered capital of Baht 500,000,000 consisting of 50,000,000 ordinary shares and a paid-up capital of Baht 500,000,000.

9) AP (Ekkamai) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105557063691.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP (Ekkamai) Co., Ltd. has a registered capital of Baht 420,000,000 consisting of 42,000,000 ordinary shares and a paid-up capital of Baht 359,000,000.

7) Thonglor Residence Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105545118852.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Thonglor Residence Co., Ltd. has a registered capital of Baht 39,000,000 consisting of 3,900,000 ordinary shares and a paid-up capital of Baht 39,000,000.

10) AP (Phetchaburi) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105557109039.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP (Phetchaburi) Co., Ltd. has a registered capital of Baht 1,420,000,000 consisting of 142,000,000 ordinary shares and a paid-up capital of Baht 992,000,000.

11) AP (Ratchayothin) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105557183409.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP (Phetchaburi) Co., Ltd. has a registered capital of Baht 1,000,000,000 consisting of 100,000,000 ordinary shares and a paid-up capital of Baht 868,000,000.

14) Smart Service Management Co., Ltd.

Head office is situated at 170/39 Ocean Tower 1 Building, 13th Floor, Soi Sukhumvit 16 (Sam Mittr) New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok,

with business objective of property management.

Registration number is 0105539066251.

Telephone number is +66 2261-2218-22 and facsimile is +66 2661-9748 and URL is www.apthai.com.

As of 31st December 2018, Smart Service Management Co., Ltd. has a registered capital of Baht 5,000,000 consisting of 500,000 ordinary shares and a paid-up capital of Baht 5,000,000.

12) AP ME (Krungthep) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105556162238.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME (Krungthep) Co., Ltd. has a registered capital of Baht 768,000,000 consisting of 76,800,000 ordinary shares and a paid-up capital of Baht 768,000,000.

15) Bangkok CitiSmart Co., Ltd.

Head office is situated at 170/48 Ocean Tower 1 Building, 15th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property brokerage.

Registration number is 0105548123024.

Telephone number is +66 2661-2218-22 and facsimile is +66 2261-9748 and URL is www.apthai.com.

As of 31st December 2018, Bangkok CitiSmart Co., Ltd. has a registered capital of Baht 4,000,000 consisting of 400,000 ordinary shares and a paid-up capital of Baht 4,000,000.

13) Premium Residence Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105556162301.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Premium Residence Co., Ltd. has a registered capital of Baht 9,619,408,010 consisting of 961,940,801 ordinary shares, and a paid-up capital of Baht 8,985,108,010.

16) SQE Construction Co., Ltd.

Head office is situated at 170/85 Ocean Tower 1 Building, 30th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of construction.

Registration number is 0105553083698.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, SQE Construction Co., Ltd. has a registered capital of Baht 50,000,000 consisting of 5,000,000 ordinary shares and a paid-up capital of Baht 50,000,000.

17) Thai Big Belly Co., Ltd.

Head office is situated at 170/64.66 Ocean Tower 1 Building, 21st Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105556036810

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Thai Big Belly Co., Ltd. has a registered capital of Baht 50,000,000 consisting of 5,000,000 ordinary shares and a paid-up capital of Baht 50,000,000.

20) AP ME 3 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105558109199

Telephone number is +662-261-2518-22, and facsimile is +662-261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 3 Co., Ltd. has a registered capital of Baht 903,000,000 consisting of 90,300,000 ordinary shares and a paid-up capital of Baht 903,000,000.

18) AP ME 1 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105558049218

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 1 Co., Ltd. has a registered capital of Baht 901,000,000 consisting of 90,100,000 ordinary shares and a paid-up capital of Baht 654,400,000.

21) AP ME 4 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105559070016

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 4 Co., Ltd. has a registered capital of Baht 473,000,000 consisting of 47,300,000 ordinary shares and a paid-up capital of Baht 473,000,000.

19) AP ME 2 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105558067640

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 2 Co., Ltd. has a registered capital of Baht 2,001,000,000 consisting of 200,100,000 ordinary shares and a paid-up capital of Baht 1,059,500,000.

22) AP ME 5 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105559070024.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 5 Co., Ltd. has a registered capital of Baht 167,000,000 consisting of 16,700,000 ordinary shares and a paid-up capital of Baht 167,000,000.

23) Clay More Innovation Lab Co., Ltd.

Head office is situated at 170/43 Ocean Tower 1 Building, 14th Floor, Soi Sukhumvit 16 (Sam Mittr), New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok,

with business objective of service.

Registration number is 0105559148449.

Telephone number is +66-2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Clay More Innovation Lab Co., Ltd. has a registered capital of Baht 5,000,000 consisting of 500,000 ordinary shares and a paid-up capital of Baht 5,000,000

26) Asian Property (2018) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560124515.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (2018) Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares and a paid-up capital of Baht 1,000,000.

24) SEASIA LEADAVATION CENTER Co., Ltd.

Head office is situated at 2525, Room no. 2/301-2/310, FYI Center 2 Building, 3rd Floor, Rama IV Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of training.

Registration number is 0105559106240.

Telephone number is +66-2028-9759, facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, SEASIA LEADAVATION CENTER Co., Ltd. has a registered capital of Baht 300,000,000 consisting of 30,000,000 ordinary shares and a paid-up capital of Baht 300,000,000.

27) AP ME 8 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560175632.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 8 Co., Ltd. has a registered capital of Baht 393,000,000 consisting of 39,300,000 ordinary shares and a paid-up capital of Baht 393,000,000.

25) AP ME 6 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560124493.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 6 Co., Ltd. has a registered capital of Baht 151,000,000 consisting of 15,100,000 ordinary shares and a paid-up capital of Baht 151,000,000.

28) Vaari Digital Co., Ltd.

Head office is situated at 2525, Room no. 2/301-2/310, Tower 2 FYI Center Building, 3rd Floor, Rama IV Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of service.

Registration number is 0105560178330.

Telephone number is +66 2028-9759 and URL is www.apthai.com.

As of 31st December 2018, Vaari Digital Co., Ltd. has a registered capital of Baht 30,000,000 consisting of 3,000,000 ordinary shares and a paid-up capital of Baht 30,000,000.

29) RC 1 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560190119.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, RC 1 Co., Ltd. has a registered capital of Baht 500,000 consisting of 50,000 ordinary shares and a paid-up capital of Baht 500,000.

32) SEAC (Singapore) Pte., Ltd.

Head office is situated at 50 Raffles Place #32-01 Singapore land tower, Singapore (048623), with business objective of education. Registration number is 201729058D.

As of 31st December 2018, SEAC (Singapore) Pte., Ltd. has a registered capital of SGD 1 consisting of 1 ordinary shares and a paid-up capital of SGD 1.

30) RC 2 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560200211.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, RC 2 Co., Ltd. has a registered capital of Baht 500,000 consisting of 50,000 ordinary shares and a paid-up capital of Baht 500,000.

33) AP ME 10 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105561049304.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 10 Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares and a paid-up capital of Baht 1,000,000.

31) Asian Property (2017) Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105560174822.

Telephone number is +66 2261-2518- 22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, Asian Property (2017) Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares.

34) AP ME 11 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105561049339.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 11 Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares and a paid-up capital of Baht 1,000,000

35) AP ME 12 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105561049452.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 12 Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares and a paid-up capital of Baht 1,000,000.

36) AP ME 14 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105561085688.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 14 Co., Ltd. has a registered capital of Baht 412,000,000 consisting of 41,200,000 ordinary shares and a paid-up capital of Baht 412,000,000.

37) AP ME 15 Co., Ltd.

Head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with business objective of property development.

Registration number is 0105561212841.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2018, AP ME 15 Co., Ltd. has a registered capital of Baht 1,000,000 consisting of 100,000 ordinary shares and a paid-up capital of Baht 1,000,000.

Other references

Registrar

Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building,
Ratchadapisek Road, Klongtoey,
Bangkok 10110, Thailand
Tel : (66 2) 009 9000
Fax : (66 2) 009 9991

Auditor

EY Office Limited

By Ms. Siriwan Suratepin C.P.A. Registration No. 4604
and/or Mr. Vichart Loketkrawi, C.P.A. Registration No. 4451,
and/or Ms. Sathida Ratananurak, C.P.A. Registration No. 4753,
193/136-137, 33rd Floor, Lake Rachada Office Complex,
New Rachadapisek Road Klongtoey, Bangkok 10110 Thailand
Tel : (66 2) 264 0777
Fax : (66 2) 264 0790

* Further information of the Company is available in 56-1 report (Thai language only) which the Company has disclosed at www.sec.or.th and <http://www.apthai.com/investor-relations/> in the section of financial information

AP HAPPINESS 😊

AP (Thailand) Public Company Limited

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