



AP WORLD

OUR BLUEPRINT OF WELLBEING

ANNUAL REPORT 2019



OUR BLUEPRINT OF WELLBEING

AP (Thailand) Public Company Limited presents the Blueprint of Wellbeing that offers a concept of an abundant ecosystem as well as fulfilling overall residential experience. The creation that addresses the needs of homebuyers through innovative thinking to pursue the aesthetic ideal of living. Embracing the innovation that inspires a sense of intimacy to sharing community, our residential properties are meant to redefine and elevate the quality of life.

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PROJECT GROW

The master plan of a sustainable development philosophy that integrates sophisticated design for mindful and healthy living, along with our best effort to expand urban greenery and to conserve the environment in urban areas.

PROJECT JOY

The joy of living starts from comfort, peace of mind, and safety. AP demonstrates the innovation for comfort and the personal space for everyone as you can enjoy any finest moment with your loved ones without worries.



ORLD

PROJECT FLOW

An urban quality community that thrives on sharing and trusts through well-devised innovation and services that are relevant to everyone's ideal of living. Enhance your experience of a better quality of life with comprehensive services and solutions from AP's professional partnerships.



CREATING NEW STANDARDS FOR QUALITY OF LIFE.



A NEW BLUEPRINT OF BANGKOK'S WELLBEING

Ensuring a sustained quality of life for the whole community, AP initiated a conservation project to save big urban trees on the site of Rhythm Ekkamai Estate.







AP GROW DAY

Encouraging public awareness on tree conservation and the environment through a wide range of activities.





PARENTOGRAPHER

#รูปนี้แม่ถ่าย #รูปนี้พ่อถ่าย

Make every space a home for everyone.







THE PICNIC

with

HAY & AP

Sharing Community.



AP X VOGUE UNIFORM
SMART | MODERN | FUNCTIONAL





THE
ADDRESS

SIAM - RATCHATHEWI





THE
CITY
EKKAMAI - LADPRAO



CENTRO

MAHA CHESADABODINDRANUSORN BRIDGE



THE
SONNE
SRINAKARIN-BANGNA



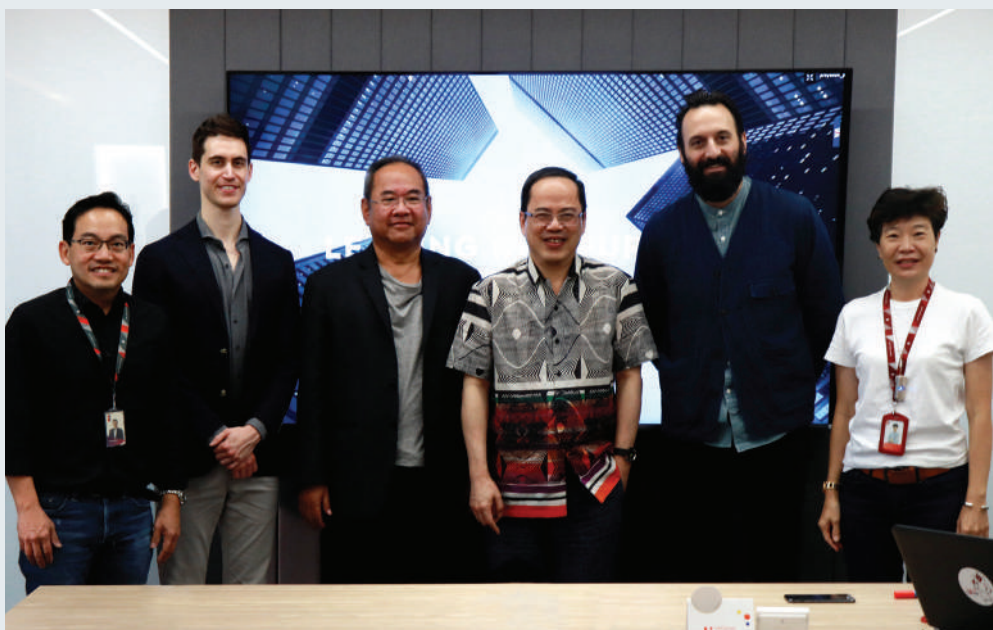
— Grande —
PLENO
RATCHAPRUEK



EMPOWER LIVING

AP (Thailand) Public Company Limited teamed up with **Sub Rosa**, a United States-based brand consulting agency, to establish AP's corporate vision and corporate culture of building a better quality of life in Thailand.





OUR AWARDS



1



2



3

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

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

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

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

- 5. Thailand Property Awards 2011**
Real Estate Personality of the Year
Mr. Anupong Assavabhokhin



4



5



6

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

- 7. Thailand Property Awards 2011**
Real Estate Personality of the Year
Mr. Anupong Assavabhokhin

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



7



8



9

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



1



2



3



4



5



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7



8



9

1. Awards for Listed Companies 2014

Best CEO
Property and Construction Sector
Mr. Anupong Assavabhokhin
Investment Analysis Association

2. Thailand Property Awards 2014

Winner
Best Housing Development (Bangkok)
Soul Ratchadaphisek 68
by AP (Thailand) Public Company Limited

3. South East Asia Property Awards 2014

Highly Commended Best Villa Development
(Thailand)
Soul Ratchadaphisek 68
by AP (Thailand) Public Company Limited

4. Thailand Property Awards 2015

Highly Commended
Best Housing Development (Bangkok)
DISTRICT SRIRAWA
by AP (Thailand) Public Company Limited

5. SET Awards 2015

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

6. Award for 2015/2016

Industry: Property & Construction
Mr. Anupong Assavabhokhin
AP (Thailand) Public Company Limited

7. Thailand Zocial Awards 2016

The Most Popular Brand on Twitter

8. Asia Responsible Entrepreneurship Awards (AREA)

Investment in People Category

9. Cannes Lions 2017

Grand Prix Award

OUR AWARDS



1



2



3



4



5



6



7



8



9



10

1. Property Guru Thailand Property Awards 2018
Asia's Best Condo Development
Vittorio Residence

2. Asia Corporate Excellence & Sustainability Awards (ACES) 2018
Asia's Most Influential Companies

3. Property Guru Thailand Property Awards 2018
Best Developer, Thailand

4. BCI Asia Interior Design Awards 2018
Vittorio Residence

5. The International Design & Architecture Awards 2018
Vittorio Residence

6. Asia Responsible Enterprise Awards 2018
Investment in People Category

7. Thailand Zocial Awards 2018
Best Brand Performance by Platform
Twitter

8. Property Guru Thailand Property Awards 2018
Special Recognition for Corporate Social Responsibility

9. Property Guru Thailand Property Awards 2018
Special Recognition for Sustainable Development

10. Property Guru Thailand Property Awards 2018
Special Recognition for Design and Construction



1



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10

1. Property Guru Thailand Property Awards 2018

Best Condo Development
Vittorio Residence

2. Property Guru Thailand Property Awards 2018

Best Developer

3. Property Guru Thailand Property Awards 2018

Best Condo Interior Design
Vittorio Residence

4. Property Guru Thailand Property Awards 2018

Best Ultra Luxury Condo Development
Vittorio Residence

5. Asia Responsible Enterprise Awards 2019

Investment in People Category

6. Longtunman (ဆုရှင်)

Most Valuable Brands of the Year 2019

7. Marketeer No.1 Brand Thailand Awards 2018-2019

Winner for Condominium & Low-rise Property

8. Property Guru Thailand Property Awards 2019

Best Luxury Condo Development (Bangkok)
Highly Commended:
The Address Siam-Ratchathewi
by AP (Thailand) Public Company Limited

9. Property Guru Thailand Property Awards 2019

Special Recognition in CSR
by AP (Thailand) Public Company Limited

10. Brandage 2019

Thailand Most Admired Brand



CEO TALK

EMPOWER LIVING

Amid various challenges in the business world such as technology roles that disrupt many business segments, unknown competitors that have been attacking market share constantly with their preparation of fund and information, in increasing expectation among customers including economic factors from within the country and overseas, the question is how to create competitiveness for our product or service, how to elaborate business growth along with seeking for a new business opportunity.

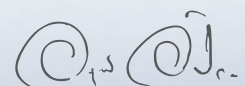
Under the mission **'EMPOWER LIVING'**, a new driving strategy for a great pace, AP is bracing to help people in the society to fulfill their live purposes with innovative products and services which are valuable and momentous, as well as leading forward to enlarge the development of the real estate project to be even more extensive. The year 2020 will be the first milestone when the Company has broadened their development plan for low-rise projects to regional scale following positive feedback from customers in Bangkok and the vicinity plus continual growth at a top rate. Onward, the Company has drawn up a plan to leverage construction quality in which the entire work procedures are converted into BIM (Building Information Management) process to effectively minimize errors that may affect the future living and creating a far better quality of our real estate development.

Moreover, the Company is well organized to carry on the EMPOWER LIVING goal to reach service innovation through 3 disruptive businesses of AP subsidiaries to comprehend all life dimensions as follows: 1) LIFELONG LEARNING: SEAC (Southeast Asia Center) a development and lifelong learning center of the ASEAN; 2) AP and 'Amazon Web Services' — a service provider of comprehensive and the most broadly used cloud system around

the globe, jointly develop the 'SMART WORLD' Life Management Platform to empower lifestyle of AP residents with the goal to build an ecosystem that support a desired well-being by VARRI Co., Ltd.; 3) CLAYMORE Co., Ltd., will create innovative services that satisfy the unmet needs continually.

The comprehensive view of the real estate sector in the early year (2019) was challenging comprising external factors such as the imposing of government measures, macroeconomic factors, the noticeable changes of consumers' behavior, i.e., younger age of buyers with more specific needs. However, in the same year, AP Thailand has developed a new 27 residential projects worth THB 48,000 million and earned favorable feedback. A total sales volume which includes condominium and low-rise reaches THB 32,800 million (included a joint venture projects 100%) thanks to a success of all product lines i.e., condominium, the single detached house or townhome which has generated total revenue worth THB 32,450 million (included 100% joint venture).

On behalf of AP (Thailand) Public Company Limited, I would like to express my earnest gratefulness to all customers, shareholders and debenture stock including alliances for your trust and support to AP all along. I truly hope that we all will step together in this path of success in perpetuity.



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 Chaipasoot
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. Vittakarn Chandavimol

Chief Corporate Strategy
and Creation



Mr. Pamorn Prasertsan

Chief Business Group : TH



Mr. Ratchayud Nunthachotsophol

Chief Business Group : SDH



Mr. Somchai Wattanasaowapak

Chief Information Technology Officer



Mr. Boonchai Jankrajanglerd

Chief Supply Chain Officer



Mr. Worrapong Virojtananugoon

Deputy Chief Business Group: TH



Ms. Kamolthip Bumrungratudom

Deputy Chief Business Group : CD1



Mr. Prajark Prapamonthol

Deputy Chief Business Group : CD2



Mrs. Kultipa Tinnakornsisupap

Deputy Chief Financial Officer



Mr. Songpon Busparoeck
Deputy Chief Digital Officer



Ms. Tippawan Sirikoon
Deputy Chief People Officer



Mr. Pongnalit Chansanguan
Deputy Chief External Affairs



Mr. Thanit Paiboon
Managing Director
(SQE Construction Co., Ltd.)



Mr. Kayon Tantichatiwat
Managing Director
(Bangkok CitiSmart Co., Ltd.)



Mr. Maytha Rakthum
Deputy Chief Extended Business
(Smart Service and Management
Co., Ltd. and Vaari Digital Co., Ltd.)

CORPORATE SECRETARY



Mr. Pramart Kwanchuen
Head of Corporate Legal
and Compliance Department

THE ECOSYSTEM OF AP WORLD

Beyond the property development, AP Thailand is also focusing on the comprehensive living solutions to enhance a better quality of life through a range of affiliates.



A full-service real estate consultancy for city-centre properties.



A full-service professional property management company committed to serving AP Communities.



Operating the business of building a life management eco-system for a better quality of life.



Operating the business of developing design innovations to meet the unmet needs of people in society.



Life-long learning development and promotion centre of ASEAN operates the business of disrupting the way of learning of people in organisations and society through new processes.

PROPERTY SERVICES



A high-quality, reliable home maintenance service.

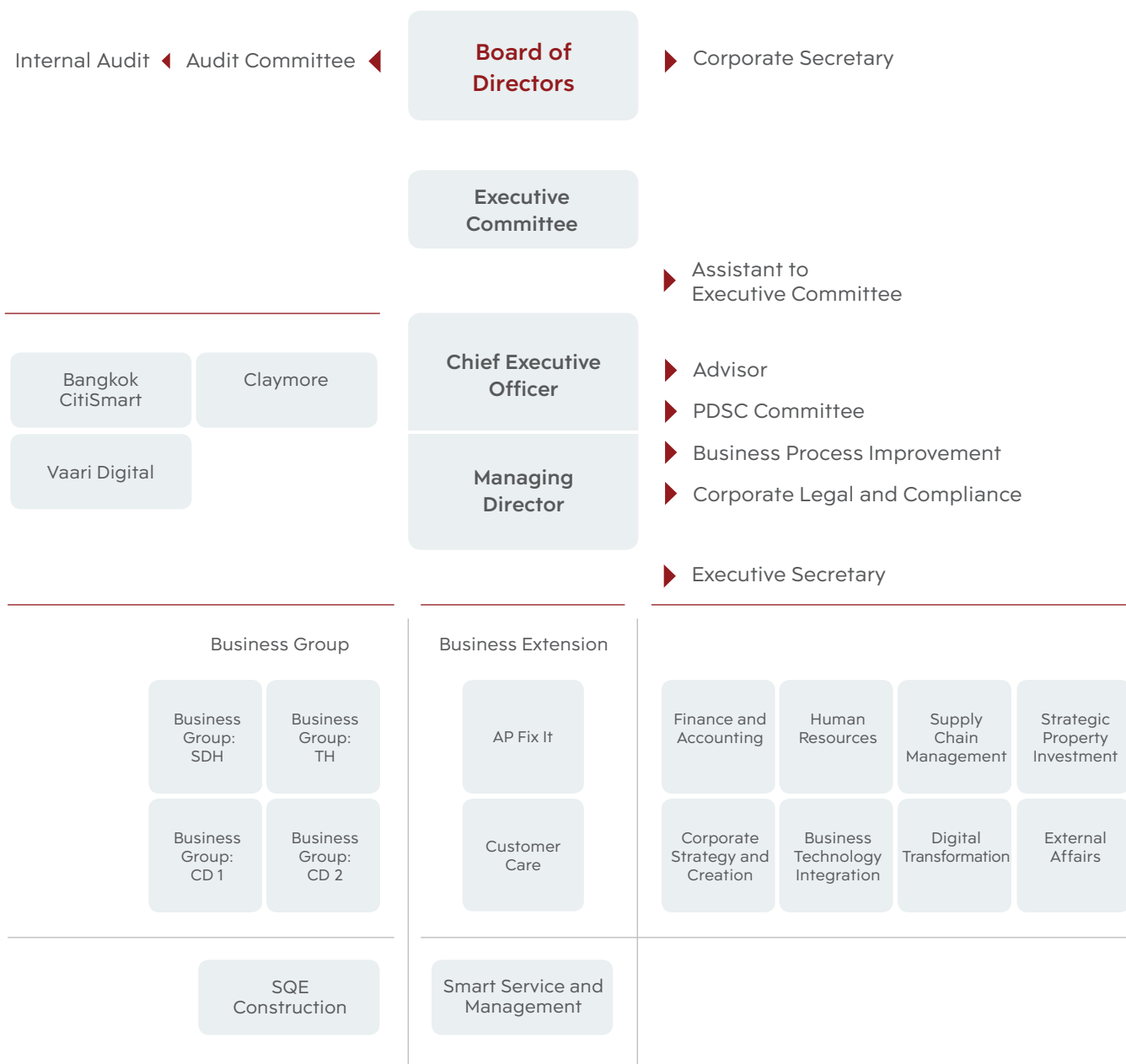


Providing quality construction on AP's expanding building projects.



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

AP (THAILAND) STRUCTURE





PROPERTY MARKET OUTLOOK

PROPERTY MARKET OUTLOOK

2019 Property Market Recap:

Property market sentiment in 2019 was a mixed picture. Before the implementation of the Bank of Thailand's macroprudential measure in April, the market was very active in terms of both presales and transfer of ownership. However, overall market sentiment plunged from Q2 onward from partial demand being brought forward to the first quarter, the enactment of Loan-to-Value ("LTV") measure, and other macroeconomic factors. We observed sluggish presales as well as the delay of launch by many developers. In addition, we saw a weakened demand from both domestic and foreign buyers. To sum up, key elements attributed to unfavorable sentiment are: 1) Thai economic slowdown with a growth of only 2.5%¹; 2) Bank of Thailand's LTV measure together with stricter mortgage lending by commercial banks; 3) high level of household debt to GDP at 78.7%²; 4) Thai Baht appreciation against other major currencies (especially USD and RMB); and 5) US-China trade war. These factors directly affected consumer confidence and decelerated consumption and investment.

According to data from the Agency for Real Estate Affairs Co., Ltd. (Table 1), 2019 overall launches decreased by -6.7% compared to the previous year. Only a single-detached house launched more into the market with a +10.5% increase. Townhouse and condo launch went down by -10.0% and -7.9%, respectively. Looking into more details, there were 48,513 units launches in the 1st half of 2019 or +16.8% versus the same period of the earlier year. After seeing the market reaction to LTV measure in the 2nd quarter, many developers decided to postpone their launch plans. As a result, overall launch in the 2nd half of 2019 contracted by -20.3% compared to 2018 to 56,865 units. Separated by the product segment, a drop was mainly found in the condo at -29.7% versus the 2nd half of 2018 while the single-detached house was able to sustain growth. Moreover, the townhouse also showed a downward launch number at -10.0% in total year 2019 due to many launches in previous 2-3 years as well as its price segment which customers are prone to be more sensitive to mortgage tightening.

Table 1: Number of launches in 2019 in comparison with 2018

(Unit)

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	1H 2019	2H 2019	2019
Single-Detached House	5,017	7,104	12,121
Townhouse	10,492	17,324	27,816
Condominium	33,004	32,437	65,441
Total	48,513	56,865	105,378
Segment	%Growth		
Single-Detached House	12.0%	9.5%	10.5%
Townhouse	-13.9%	-7.5%	-10.0%
Condominium	32.7%	-29.7%	-7.9%
Total	16.8%	-20.3%	-6.7%

Source: Agency for Real Estate Affairs Co., Ltd.

¹ Source: Bank of Thailand, January 2020, "Monetary Policy Report, December 2019"

² Source: Bank of Thailand, January 2020, "Monetary Policy Report, December 2019"

We observe a clear difference between launches of landed property and condominiums. Normally, the launch of landed property corresponds with demand in the market which fluctuates at a small rate each year. On the other hand, the launch of a new condominium usually fluctuates in line with the economic situation or factors that affect consumer confidence. However, for condominiums developers tend to be more flexible and adjust their launch plans 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 in the market. (Table 2)

Table 2: Historical launch between 2008 - 2019

(Unit)

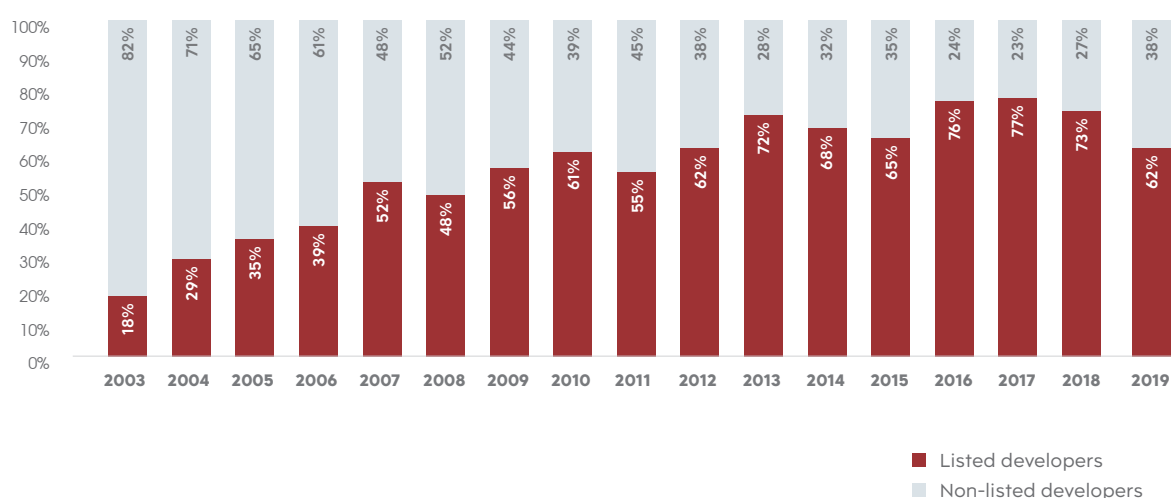


Source: Agency for Real Estate Affairs Co., Ltd. / AP (Thailand) PCL

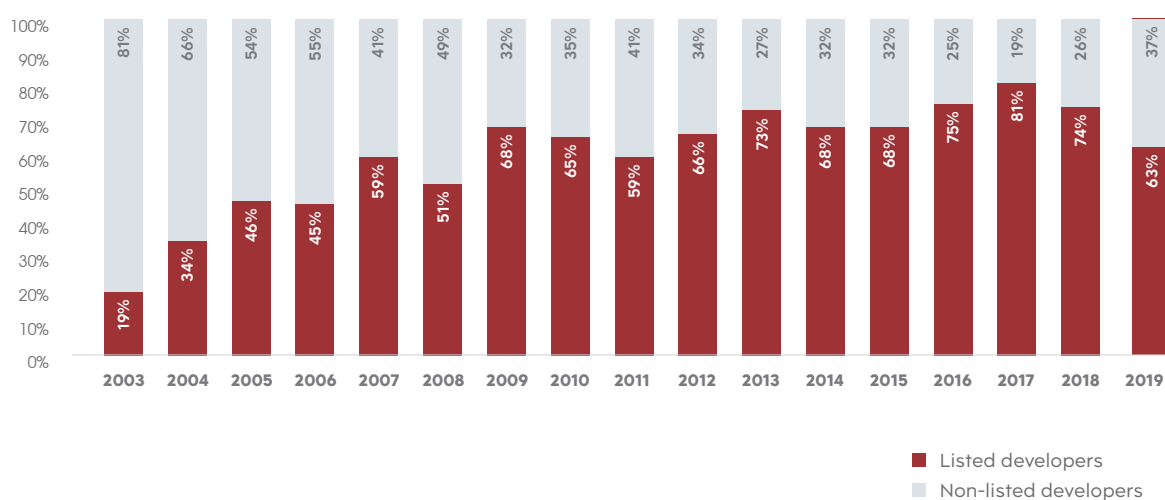
Considering a number of units launched and sold by listed and non-listed developers (Table 3), 2019 new launches continued to be dominated by listed developers. Percentage of new units launched and sold by listed developers in proportion to the whole market was 62% and 63%, respectively. Although the portion of listed developers seemed to be smaller comparing to 2018, it was from one big project launched in suburban area by a non-listed developer in early 2019 with price per unit around THB 1.0 million distorting the whole market picture.

Table 3: Market share between listed and non-listed developers

Market share of new units launched



Market share of sold units of new launches



Source: Agency for Real Estate Affairs Co., Ltd. / AP (Thailand) PCL

An ability to adapt to changes, advantages in business operation, and access to financial resources are key success factors of property development business and impact business growth. Listed developers could access various forms of financial resources and tend to have lower finance costs enjoying more financial advantages. In terms of competition, the market shall remain dominated by listed developers with their stronger financial status and a better reach to human resources.

2020 Property Market Outlook:

For 2020 property outlook, we foresee that this year will be another challenging year for developers. It is forecasted that the property market will continue to be slow or grow at a small rate within the range of 5.0%³.

Several macroeconomic factors will continue to affect the overall market including 1) Though Bank of Thailand has relaxed some rules regarding LTV measure since January 2020 there was not a clear sign of improvement. We believe it will help in terms of market sentiment rather than a significant boost in presales. 2) With unfavorable mortgage appetite from commercial banks, tighter mortgage lending, and high level of household debt, it will continue to be uneasy for homebuyers to obtain financial resources. 3) Some good news is that on 5th February 2020, the monetary policy committee has further cut down the policy interest rate by 0.25% from 1.25% to 1.00%⁴. Hence, interest rate and government bond yield will remain low. 4) In spite of some achievements on trade agreement between the US and China as well as a 3.3%⁵ forecast on world economic expansion, we would not expect a rebound from foreign demand given that Thai baht still appreciate, and 5) Last but not least, due to Coronavirus (Covid-19) outbreak which further aggravates Thailand's tourism industry, 2020 Thailand's GDP growth was revised down to 1.5-2.5%⁶. Thus, this year should be another challenging year for the property market.

³ Source: Real Estate Information Center, January 2020, "Real Estate Information Center Journal by GH Bank Oct - Dec 2019"

⁴ Source: Bank of Thailand, January 2020, "Monetary Policy Committee's Decision 1/2020"

⁵ Source: International Monetary Fund, January 2020, "World Economic Outlook Update"

⁶ Source: Office of the National Economic and Social Development Council, February 2020, "NEDSC Economic Report: Q4 2019 Thai Economic and 2020 Outlook"

MANAGEMENT DISCUSSION AND ANALYSIS

Financial Summary	2019	2018 (Restated)	2017	%YOY (Restated)
Total Revenue (Btm)	23,802	27,271	22,176	-12.7%
Cost of Sales & Service (Btm)	15,627	18,339	14,262	-14.8%
Selling and Administrative Expenses (Btm)	5,443	5,295	4,543	2.8%
Selling Expenses (Btm)	2,309	2,369	2,195	-2.5%
Admin Expenses (Btm)	3,134	2,926	2,348	7.1%
Share of Profit (Loss) from Investment in Joint Venture	1,009	1,218	502	-17.2%
Net Profit from Operation (Btm)	2,987	3,948	3,078	-24.3%
Net Profit (Btm)	3,064	3,953	3,148	-22.5%
Gross Margin (%)	34.3%	32.8%	35.7%	
SG&A as a % of revenue	22.9%	19.4%	20.5%	
Selling Expenses as a % of Revenue	9.7%	8.7%	9.9%	
Admin Expenses as a % of Revenue	13.2%	10.7%	10.6%	
Net Margin from Operation	12.5%	14.5%	13.9%	
Net Margin	12.9%	14.5%	14.2%	
EPS (Bt)	0.97	1.26	1.00	
Net debt	27,037	19,323	17,348	
Equity	26,296	24,491	21,647	
Net Debt to Equity (x)	1.03	0.79	0.80	

Remark: Due to the adoption of the new accounting standard (IFRS 15), 2018 results mentioned below are restated.

■ With many challenging factors together with the unfavorable sentiment, 2019 net profit dropped by -22.5% YoY reporting at THB 3,064 million of which THB 881 million came from Q4. Net margin declined to 12.9% (-160bpt YoY).

Key factors attributed to 2019 performance include the followings:

- AP reported revenue recorded at THB 23,802 million (-12.7% YoY). Without any new completion of AP condo, property revenue relied heavily on the low rise resulting in the full-year amount of THB 22,679 million or -13.4% YoY.
- The good news is overall GM increased to 34.3% (+150bpt YoY). We see improvement in low rise gross margin along with stable AP condo gross margin making property GM (excluding JV) of 32.1% (+110bpt YoY).
- "Share of profit from investments in joint ventures" peaked in Q4 from new transfer of 2 JV projects ("Life One Wireless" and "Life Sukhumvit 62"). In total, THB 1,009 million was recorded in 2019.
- We booked THB 77 million from "Gain from sales of investments" of 5 subsidiaries to "Premium Residence Co., Ltd." (a joint venture company between AP and "MJRI (Thailand) Co., Ltd.").

- **2019 revenue (excluding JV) reported at THB 23,802 million (-12.7% YoY) of which THB 22,679 million was from the property and another THB 1,123 million was from service and management income. Although low rise revenue continued to grow, total property revenue contracted from the condo segment due to lack of new transfer.**

Note: Property revenue includes THB 307 million from sales of land in Q2 with immaterial margin.

- **Low rise:** Even with difficult circumstances as well as the implementation of several adverse measures, low rise revenue was still growing thanks to strong performance from the single-detached house. 2019 revenue recorded at THB 18,145 million (+3.6% YoY) of which THB 4,202 million was booked in Q4.

In Q4, we started to transfer another 7 projects making the full-year new transfer of 29 projects (8 single-detached house and 21 townhouses). Q4 new transfer was from the following projects: 1) "Centro Bangna - Wongwaen", 2) "Baan Klang Muang Bangna - Wongwaen", 3) "The Sonne Srinakarin - Bangna", 4) "Baan Klang Muang The Edition Suksawat - Rama 3", 5) "Pleno Sathorn - Suksawat", 6) "Pleno Bangna - Wongwaen", and 7) "Pleno Bangyai 2".

- **Condominium:** As there was no new building due to complete in 2019 (against "Vittorio" and "Aspire Sathorn - Ratchaphreuk" in 2018), AP condo revenue declined to THB 4,227 million (-51.3% YoY). Carrying on from 2018, "Vittorio" and "Aspire Sathorn - Ratchaphreuk" were main contributors to 2019 revenue along with another existing project, "Aspire Erawan Phase 1". These 3 projects accounted for more than 60% of total AP condo transfer.

Proving our salesforce competence, we managed to close 2 projects last year including "Aspire Ratchada - Wongsawang" and "Rhythm Sathorn". Also, we gradually cleared off stocks from other existing projects such as "Aspire Ngamwongwan", "Aspire Udonthani", and "Aspire Sathorn - Taksin Phase 3" which are now transferred by more than 90% (Appendix 4). Last but not least, we are glad to inform you that, in the first week of February 2020, we have completed transfer "Vittorio" which has 1 unit carried from 2019.

2019 Key Revenue Contributors

Top 5 Revenue Contributors:	% of 2019 Revenue	% PTD Transfer
Vittorio	5.2%	98.9%
Aspire Erawan Phase 1	3.8%	85.0%
Aspire Sathorn - Ratchaphreuk	2.7%	58.1%
The City Bangna KM7	2.4%	98.9%
Centro Suksawat - Rama 3	2.3%	94.8%

- **Overall GM rose to 34.3% (+150bpt YoY) from better property GM (32.1% or +110bpt YoY) as well as phasing of sales and management fee collected from JV (THB 558 million in 2019 vs THB 481 million in 2018). GM from JV was still impressive lifting overall GM with 51% revenue from JV to 36.1% (+200bpt YoY).**

- **Low rise:** From a combination of good pricing and reversal of unused cost, a low rise portfolio delivered healthy GM at 33.6% (+110bpt YoY) against our 30% target. Most existing and new launch projects still turned over an impressive GM.
- **Condominium:** AP condo GM delivered at 28.1% (-10bpt YoY). Similar to 2018, "Vittorio" was a key contributor which accounted for almost 30% of total AP condo transfer. The project had lower than average margin due to the price reduction scheme adopted earlier. Setting aside "Vittorio", average GM for the rest of AP condo should be 33.8%. On the other hand, JV handed over a remarkable GM at 45.4% (+400bpt YoY). Including 51% revenue from JV, condo GM would be 37.0% (+380bpt YoY).

- **2019 SG&A reported at THB 5,443 million (+2.8% YoY). Due to shrinkage in revenue, %SG&A increased to 22.9% (+350bpt YoY). As JV operation is covered by AP, underlying %SG&A with 51% revenue from JV would be 20.8%.**

JV Projects

- 2019 JV revenue (100%) reported at THB 8,650 million (-15.6% YoY). A drop in revenue was mainly from the different phasing of condo completion comparing to 2018. Revenue recognition window for 2019 new transfer ("Life One Wireless" and "Life Sukhumvit 62") was quite limited as they started to transfer in Q4 and we could only realize revenue from existing projects in prior quarters.
- Showing our backlog quality, both "Life One Wireless" and "Life Sukhumvit 62" were well accepted by customers and could beat its transfer target at 43.5% (30% target) and 52.3% (45% target), respectively (Appendix 4). Therefore, "Share of profit from investments in joint ventures" peaked in Q4 (THB 574 million or +124.6% YoY) making the full-year amount of THB 1,009 million (-17.2% YoY).
- To further update on existing projects, "Life Asoke" and "Rhythm Ekkamai" were completed transfer in Q4. Similarly, %transfer of "Life Pinklao" had progressed to 89.7% at the end of 2019 (Appendix 4).

Debt Structure & CAPEX

- We spent approximately THB 10.1 billion on land acquisition (against THB 9.5 billion budget). The majority of spending went to low rise land plots which will be developed and launched in 2020.
- At the end of the year, the net debt to equity ratio reported at 1.03x. Total outstanding debt was at THB 27,607 million with an average cost of fund of 2.54%. Fixed rate debenture was still the largest portion of our debt structure and contributed to 67.4% of outstanding debt.
- In summary, we issued 4 tranches of debentures (THB 5,500 million) in 2019 to replace matured ones at a competitive rate with more details in the following table.

Debenture	Amount (THB Million)	Duration	Interest Rate
AP235A - May 2019	3,000	4Y	3.17%
AP227A - July 2019	500	3Y	2.63%
AP238A - August 2019	1,230	4Y	2.42%
AP248A - August 2019	770	5Y	2.62%

Overall situation and outlook

From the dull market condition, 2019 presales declined to THB 32,857 million (-20.4% YoY). In conclusion, we launched 27 projects with a total project value of THB 47,860 million.

- **Low rise:** Low rise kicked off strong in Q1 but started to slow down in Q2 with LTV measure in place. On top of that, we delayed a few launches in the 2nd half of 2019 to 2020. To sum up, 2019 low rise launches were 21 projects (THB 20,760 million or - 26.1% YoY) (Appendix 3) against 28 projects (THB 28,090 million) in 2018. These factors along with sluggish economy resulted in a slight decrease in low rise presales at THB 18,419 million (-6.3% YoY).
- **Condominium:** Performance of condo new launches was mixed ranging from 20% take up to sold out at launch. Although number and value of launches were higher than in 2018, the average %sold was lower (42.9% in 2019 against 70.2% in 2018) from softer local demand as well as weakened foreign appetite. Incorporated with lesser available for sales from existing projects (beginning balance: THB 9,461 million in 2019 vs THB 13,349 million in 2018), 2019 condo presales reported at THB 14,438 million (-33.3% YoY).

Yet, we would like to highlight some successes during the year. One of our new projects, "Aspire Asoke - Ratchada", was sold out at launch. Additionally, %sold of some new projects gradually picked up. For example, "The Address Siam - Ratchathewi" which was sold by 25% at launch in Q2 closed the year at 30%. Similarly, "Rhythm Charoenkrung Pavillion" which was recently launched in November at 33% could earn 8% more within a month and finished the year at 41%. Furthermore, we continued to sell existing projects and managed to deplete completed stock by more than half of the outstanding value at the beginning of the year.

2019 Presales Performance (in THB Million)

Presales	2019	2018	% YoY	2019 Target	% Achieved Target
Low Rise	18,419	19,652	-6.3%	22,500	81.9%
Condominium	14,438	21,646	-33.3%	16,500	87.5%
Total Presales	32,857	41,298	-20.4%	39,000	84.2%

- As of 23rd February 2020, YTD presales recorded at THB 4,230 million (-4.1% YoY). Low rise presales declined slightly against high base last year reporting at THB 3,493 million (-3.2% YoY). We opened 4 single-detached house projects over the weekend with a total launch value of 5,205 million. For a condo, there was no new launch just yet and presales reported at THB 737 million (-8.0% YoY) combined from a few existing projects with "Rhythm Charoenkrung Pavillion", "Aspire Sathorn - Ratchaphreuk", and "Life Pinklao" on the lead.
- AP backlog recorded at THB 12,714 million as of 23rd February 2020. THB 8,387 million was from a low rise while THB 4,328 million was from the condo. The schedule of AP condo revenue recognition is shown below.

AP	Q1 2020 23 rd Feb 20	2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2018
Beginning Backlog	8,966	6,839	11,250	11,480	10,059	6,839	6,251
Gross sales booking	5,505	46,507	8,861	11,168	11,222	15,255	41,016
Cancellation	-1,757	-21,649	-6,010	-5,719	-5,505	-4,416	-13,394
Net sales booking (excl. JV)	3,748	24,857	2,852	5,449	5,717	10,839	27,622
Ending Backlog (excl. JV)	12,714	8,966	8,966	11,250	11,480	10,059	6,839
- from TH&SDH	8,387	4,894	4,894	6,598	6,833	5,063	4,922
- from Condo	4,328	4,072	4,072	4,651	4,647	4,996	1,917
Net Sales Booking (excl. JV)	3,748	24,857	2,852	5,449	5,717	10,839	27,622
- from TH&SDH	3,493	18,419	2,574	4,557	5,065	6,222	19,652
- from Condo	255	6,438	277	892	652	4,617	7,970
Net Sales Booking (inc. JV)	4,230	32,857	4,295	7,767	8,209	12,585	41,298
- from TH&SDH	3,493	18,419	2,574	4,557	5,065	6,222	19,652
- from Condo	737	14,438	1,721	3,210	3,144	6,363	21,646

*Backlog includes YTD 2020 transfer value which is not yet announced.

High Rise AP projects	2020F	2021F	2022F	2023F	2024F
Based on project completion	4,352	3,029	2,180	2,230	1,190
AP Condo Backlog	4,328	2,792	1,536	-	-
% Secure	64%	51%			

Data as of 23rd February 2020

- Incorporated with THB 39,273 million from JV, the total condo backlog would be THB 43,601 million with a transfer schedule per the following table.

Total Condo Portfolio:	2020F	2021F	2022F	2023F	2024F
Condo AP projects	4,352	3,029	2,180	2,230	1,190
100% JV Condo	14,134	14,165	15,280	13,290	8,345
Based on project completion	18,486	17,194	17,460	15,520	9,535
AP Condo Backlog	4,328	2,792	1,536	-	-
JV Condo Backlog	39,273	13,768	13,337	9,947	2,221
% Secure	43,601	16,560	14,873	9,947	2,221
	90%	86%	57%	14%	

Data as of 23rd February 2020

Appendix

Appendix 1: Financial Summary

Financial Summary	2019	Q4 2019	Q3 2019	Q2 2019	Q1 2019	2018 (Restated)
Revenues from Property Development (Btm)	22,679	5,051	5,595	4,530	7,503	26,200
YoY Chg (%)	-13.4%	-38.4%	-14.1%	-27.1%	42.4%	24.0%
QoQ Chg (%)		-9.7%	23.5%	-39.6%	-8.5%	
Consolidated Revenues (Btm)	23,802	5,364	5,886	4,762	7,790	27,271
YoY Chg (%)	-12.7%	-37.0%	-13.1%	-26.3%	41.2%	23.0%
QoQ Chg (%)		-8.9%	23.6%	-38.9%	-8.5%	
Gross Profit from Property Development (Btm)	7,279	1,712	1,834	1,400	2,333	8,130
Gross Margin from Property (%)	32.1%	33.9%	32.8%	30.9%	31.1%	31.0%
Overall Gross Profit (Btm)	8,176	1,962	2,068	1,584	2,561	8,932
Gross Margin (%)	34.3%	36.6%	35.1%	33.3%	32.9%	32.8%
Operating Profit (Btm)	2,732	407	818	447	1,060	3,637
Operating Margin (%)	11.5%	7.6%	13.9%	9.4%	13.6%	13.3%
Net Profit from Normal Operations (Btm)	2,987	875	575	460	1,078	3,948
YoY Chg (%)	-24.3%	-10.1%	-37.9%	-61.1%	24.6%	28.3%
QoQ Chg (%)		52.1%	25.1%	-57.3%	10.7%	
Net Profit (Btm)	3,064	881	618	487	1,078	3,953
YoY Chg (%)	-22.5%	-9.5%	-33.2%	-59.0%	24.6%	25.6%
QoQ Chg (%)		42.4%	27.0%	-54.8%	10.7%	
EPS (Bt)	0.97	0.28	0.20	0.15	0.34	1.26
Total Assets (Btm)	58,794	58,794	56,153	55,295	53,093	49,395
Equity (Btm)	26,296	26,296	25,415	24,797	25,568	24,491
Outstanding Debt (Btm)	27,607	27,607	26,031	25,722	22,248	20,275
Net Debt (Btm)	27,037	27,037	25,277	24,211	19,898	19,323
Net Debt to Equity (x)	1.03	1.03	0.99	0.98	0.78	0.79
ROE (%) (Average Equity)	12.1%	N/A	N/A	N/A	N/A	17.1%

Appendix 2: Ongoing Projects

Brand	No. of Projects	No. of units	Project value (Btm)	% Sold Unit (as of 31/12/19)	Available for sales (Btm)
Single Detached House					
Palazzo	1	52	1,815	38%	1,117
Mind	3	203	1,769	94%	100
City	11	1,329	16,109	60%	7,673
Centro	20	4,297	25,989	55%	11,597
SDH - Available for Sales	35		45,682		20,487
Townhouse					
Baan Klang Muang	18	3,544	19,801	47%	10,982
Pleno	31	8,997	28,009	45%	15,346
District	1	36	468	64%	169
Sonne	1	56	713	16%	598
TH - Available for Sales	51		48,990		27,095
Condominium (AP)					
Vittorio	1	88	3,200	100%	-
Aspire	8	8,115	18,530	84%	3,284
Coo	1	448	650	89%	71
Condo - Available for Sales (exc. JV)	10		22,380		3,355
Total ongoing projects available for sales (exc. JV)					50,937

Brand	No. of Projects	No. of units	Project value (Btm)	% Sold Unit (as of 31/12/19)	Available for sales (Btm)
The Address	1	880	8,800	30%	6,120
Rhythm	2	724	7,900	39%	4,843
Life	8	10,812	49,100	76%	9,137
JV - Available for Sales	11		65,800		20,099

Data as of 31st December 2019

Appendix 3: Projects Launches in 2019

Project Name	Rai	No. of units	Project Value (mb)	% Sold Unit (as of 31/12/19)	Launch Period
Pleno Donmuang - Songprapa	26	270	850	47%	Q1'2019
Baan Klang Muang The Edition Suksawat - Rama 3	8	28	230	11%	Q1'2019
Pleno Phaholyothin - Watcharapol 2	21	187	750	14%	Q2'2019
Baan Klang Muang Ramindra	24	261	1,080	10%	Q2'2019
Pleno Phaholyothin	37	342	1,020	14%	Q2'2019
Grande Pleno Watcharapol - Sukhaphiban 5	35	304	1,350	10%	Q2'2019
Grande Pleno Phaholyothin - Rangsit	52	250	1,100	14%	Q2'2019
Grande Pleno Ratchapruek	44	373	1,350	8%	Q2'2019
Baan Klang Muang Bangna - Wongwaen	21	217	1,200	1%	Q3'2019
Pleno Sathorn - Suksawat	11	117	400	41%	Q3'2019
The Sonne Srinakarin - Bangna	12	56	630	16%	Q3'2019
Pleno Bangyai 2	24	270	770	13%	Q3'2019
Pleno Ladprao - Serithai	14	136	490	83%	Q3'2019
Pleno Bangna - Wongwaen	25	271	1,000	10%	Q4'2019
Townhouse			12,220		
The City Ratchapruek - Suan Phak	43	133	1,600	22%	Q1'2019
Centro Onnut - Suvarnabhumi	66	288	1,590	18%	Q1'2019
Centro Rama 2 - Phuttha Bucha	57	265	1,730	22%	Q1'2019
Centro Wongwaen - Chatuchote	62	300	1,450	26%	Q2'2019
The City Ekkamai - Ladprao	18	67	1,020	15%	Q3'2019
Centro Saphan Mahachasabodin	11	52	370	40%	Q3'2019
Centro Bangna - Wongwaen	25	120	780	14%	Q3'2019
Single Detached House			8,540		
Total Low rise			20,760		
Aspire Sukhumvit - Onnut Phase I	6	553	1,600	48%	Q1'2019
Aspire Asoke - Ratchada	11	1,025	2,500	98%	Q1'2019
Rhythm Ekkamai Estate (JV)	2	303	3,200	35%	Q1'2019
The Address Siam - Ratchathewi (JV)	3	880	8,800	30%	Q2'2019
Life Sathorn Sierra (JV)	8	1,971	6,300	20%	Q3'2019
Rhythm Charoenkrung Pavillion (JV)	4	421	4,700	41%	Q4'2019
Condo			27,100		
Total New Launches			47,860		

Data as of 31st December 2019

Appendix 4: Schedule of Condominium Transfer

Condo Projects	Project Value (THB Million)	Total Units	% Sold Units (as of 31/12/19)	% Accumulated Transfer (2019)	2020F	2021F	2022F	2023F	2024F	2025F	Launch Year	Estimated Start Transfer	Estimated Finish Transfer
Aspire Ngamwongwan	2,750	1,458	96%	93%	7%						Q4 2010	Q4 2016	Q3 2020
Vittorio	3,200	88	100%	99%	1%						Q1 2013	Q2 2018	Q1 2020
Aspire Udomthani	620	413	98%	95%	5%						Q1 2013	Q1 2015	Q2 2020
Aspire Rattanaibet II	2,900	1,428	77%	75%	15%	10%					Q1 2013	Q1 2016	Q4 2021
Coo Phitsanulok	650	448	89%	87%	13%						Q4 2013	Q4 2015	Q4 2020
Aspire Erawan Phase 1	3,500	1,576	89%	85%	15%						Q3 2015	Q4 2017	Q4 2020
Aspire Sathorn-Taksin Phase 3	1,260	613	99%	98%	2%						Q2 2016	Q4 2016	Q1 2020
Aspire Sathorn-Ratchaphreuk	3,000	1,049	61%	58%	25%	17%					Q1 2018	Q4 2018	Q4 2021
Aspire Sukhumvit - Onnut Phase I	1,600	553	48%	0%	60%	40%					Q1 2019	Q1 2020	Q4 2021
Aspire Asoke - Ratchada	2,900	1,025	98%	0%	45%	55%					Q1 2019	Q3 2020	Q4 2021
Aspire Erawan Prime	3,400	1,275					35%	30%	35%		Q2 2020	Q4 2022	Q4 2024
Life Ratchapratorp	2,200	485					45%	55%			Q3 2020	Q3 2022	Q4 2023
Joint venture projects													
Life Pinklao	2,800	803	92%	90%	10%						Q4 2015	Q4 2017	Q3 2020
Life Ladprao	8,000	1,615	93%	0%	55%	45%					Q2 2017	Q2 2020	Q4 2021
Life One Wireless	8,050	1,344	98%	44%	56%						Q3 2017	Q4 2019	Q4 2020
Life Asoke - Rama 9	9,800	2,248	93%	0%	40%	45%	15%				Q4 2017	Q3 2020	Q2 2022
Life Sukhumvit 62	2,050	438	84%	52%	48%						Q1 2018	Q4 2019	Q4 2020
Life Ladprao Valley	6,400	1,140	67%	0%		40%	50%	10%			Q3 2018	Q3 2021	Q2 2023
Life Asoke-Hype	5,700	1,253	85%	0%		35%	40%	25%			Q4 2018	Q4 2021	Q2 2023
Rhythm Ekkamai Estate	3,200	303	35%	0%		50%	50%				Q1 2019	Q3 2021	Q4 2022
The Address Siam - Ratchathewi	8,800	880	30%	0%			30%	45%	25%		Q2 2019	Q2 2022	Q2 2024
Life Sathorn Sierra	6,300	1,971	20%	0%			40%	30%	30%		Q3 2019	Q2 2022	Q3 2024
Rhythm Charoenkrung Pavillion	4,700	421	41%	0%			20%	55%	25%		Q4 2019	Q4 2022	Q2 2024
Life Ladprao - Jatujak	2,100	401					30%	70%			Q2 2020	Q4 2022	Q4 2023
Life Sukhumvit - Rama 4	4,400	1,122						30%	70%		Q3 2020	Q4 2023	Q4 2024
Total JV	72,300		71%										

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 through 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 2019 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 communities 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 40 subsidiary companies, categorized by their types of business as followed;

■ Property development business

- (1) Asian Property Co., Ltd.
- (2) Asian Property (Krungthep) Co., Ltd.
- (3) Asian Property (2012) Co., Ltd.
- (4) Asian Property (2014) Co., Ltd.
- (5) The Value Property Development Co., Ltd.
- (6) Thonglor Residence Co., Ltd.
- (7) Signature Advisory Partners Co., Ltd.
- (8) AP (Ekkamai) Co., Ltd.
- (9) AP (Phetchaburi) Co., Ltd.*
- (10) AP (Ratchayothin) Co., Ltd.*
- (11) Premium Residence Co., Ltd.*
- (12) AP ME 1 Co., Ltd.*
- (13) AP ME 2 Co., Ltd.*
- (14) AP ME 3 Co., Ltd.*
- (15) AP ME 4 Co., Ltd.*
- (16) AP ME 5 Co., Ltd.*
- (17) AP ME 6 Co., Ltd.*
- (18) Asian Property (2018) Co., Ltd.
- (19) Thai Big Belly Co., Ltd.
- (20) AP ME 8 Co., Ltd.*
- (21) RC1 Co., Ltd.
- (22) RC2 Co., Ltd.
- (23) Asian Property (2017) Co., Ltd.
- (24) AP ME 10 Co., Ltd.*

- (25) AP ME 11 Co., Ltd.
- (26) AP ME 12 Co., Ltd.*
- (27) AP ME 14 Co., Ltd.*
- (28) AP ME 15 Co., Ltd.*
- (29) AP ME 16 Co., Ltd.*
- (30) AP ME 17 Co., Ltd.*
- (31) AP ME 18 Co., Ltd.
- (32) AP ME 19 Co., Ltd.
- (33) AP ME 20 Co., Ltd.

■ Property management business

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

■ Property broker business

- (35) Bangkok CitiSmart Co., Ltd.

■ Construction business

- (36) SQE Construction Co., Ltd.

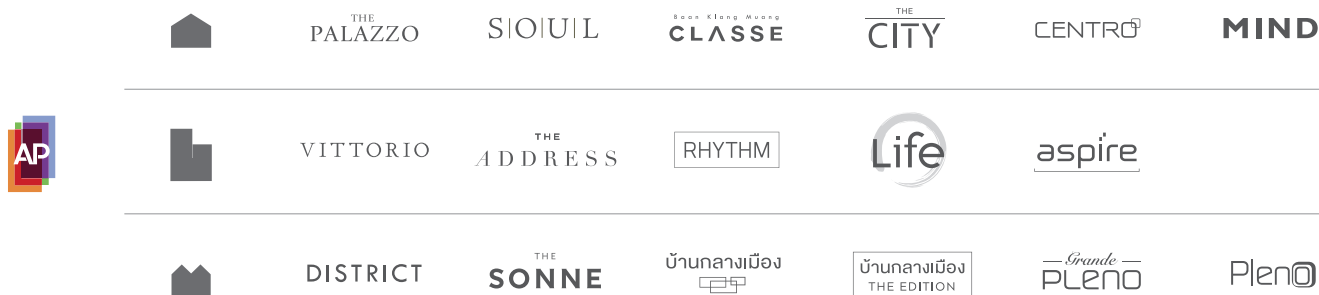
■ Training business

- (37) SEAsia Leadavation Center Co., Ltd.
- (38) SEAC (Singapore) Pte., Ltd.

■ Service business

- (39) Clay More Innovation Lab Co., Ltd.
- (40) 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 COMPANIES

as of 31st December 2019

AP (Thailand) Public Company Limited

Property development business ▼	Other business ▼	Joint venture with Mitsubishi Estate 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) 99.05%	99.99% of total shares held by Premium Residence Co., Ltd.
Asian Property (2014) Co., Ltd. 99.99%	SEAC (SINGAPORE) PTE., LTD. (Training) 100.00%	AP (Phetchaburi) Co., Ltd.
Thai Big Belly Co., Ltd. 99.99%	Clay More Innovation Lab Co., Ltd. (Service) 99.99%	AP ME 1 Co., Ltd.
Asian Property (2018) Co., Ltd. 99.99%	Vaari Digital Co., Ltd. (Service) 99.99%	AP ME 2 Co., Ltd.
The Value Property Development Co., Ltd. 99.99%		AP (Ratchayothin) Co., Ltd.
→ SQE Construction Co., Ltd. 99.99%		AP ME 3 Co., Ltd.
→ Asian Property (2017) Co., Ltd. 99.99%		AP ME 4 Co., Ltd.
Thonglor Residence Co., Ltd. 99.99%		AP ME 5 Co., Ltd.
→ Signature Advisory Partners Co., Ltd. 99.99%		AP ME 6 Co., Ltd.
→ RC1 Co., Ltd. 99.99%		AP ME 8 Co., Ltd.
→ RC2 Co., Ltd. 99.99%		AP ME 10 Co., Ltd.
AP (Ekkamai) Co., Ltd. 99.99%		AP ME 12 Co., Ltd.
AP ME 11 Co., Ltd. 99.99%		AP ME 14 Co., Ltd.
AP ME 18 Co., Ltd. 99.99%		AP ME 15 Co., Ltd.
AP ME 19 Co., Ltd. 99.99%		AP ME 16 Co., Ltd.
AP ME 20 Co., Ltd. 99.99%		AP ME 17 Co., Ltd.

→ 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 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 designs to respond to the residential demand of customers.

Major event in the past 3 years

Year	Events
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 holds 51% of the total shares. - AP ME 3 Co., Ltd., which is a joint venture company, holds 99.99% of the 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, holds 99.99% of the 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 holds 51% of the 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 holds 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 holds 99.99% of the total shares. - SEAsia Leadavation Center Co., Ltd., which is a subsidiary company, held 90.5% of the 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 the branch office.
September	- AP ME 4 Co., Ltd. which is a joint venture company, held 99.99% of the 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, held 99.99% of the 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 holds 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 holds 99.99% of the total shares. - AP ME 4 Co., Ltd. which is a joint venture company, held 99.99% of the 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, held 99.99% of the 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

Year	Events
2017	
November	- RC1 Co., Ltd. was established with the registered capital of Baht 500,000 and the objective of property development. Signature Advisory Partners Co., Ltd. holds 99.99% of the total shares. - RC2 Co., Ltd. was established with the registered capital of Baht 500,000 and the objective of property development. Signature Advisory Partners Co., Ltd. holds 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 holds 51% of the total shares.
December	- The Value Property Development co., Ltd. holds 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 holds 51% of the total shares. - AP ME 6 Co., Ltd. which is a joint venture company, held 99.99% of the 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, held 99.99% of the 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
2018	
January	AP ME 8 Co., Ltd. which is a joint venture company, held 99.99% of the 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 holds 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 holds 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 holds 99.99% of the total shares. - AP ME 7 Co., Ltd. has changed its name to Asian Property (2018) Co., Ltd.
May	- Dokkaew Real Estate Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares. - 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. The company holds 51% of the total shares from MEC ThaiInvestment Pte. Ltd., ("MTI"), Singapore. The AP's shareholdings ratio after such transaction is 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 the total shares held by Thonglor Residence Co., Ltd.)

Year	Events
2018	
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 MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME 14 Co., Ltd. The Company holds 51.00% and MJRT holds 49.00% of the total shares. ■ AP ME 14 Co., Ltd. which is a joint venture company, held 51.00% of the 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, held 51.00% of the 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) Co., Ltd. is dissolved ■ Asian Property (2013) Co., Ltd. is dissolved ■ Vaari Digital Co., Ltd. held 99.99% of the 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. held 99.99% of the 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. held 99.99% of the 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. held 99.97% of the 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) Co., Ltd. is dissolved ■ Asian Property (2011) Co., Ltd. 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 holds 99.99% of the total shares.

2019

February

- AP ME 16 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares.
- AP ME 17 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares.
- AP ME 18 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares.

Year	Events
2019	
March	AP (Thailand) Pcl. has purchased 51% of total shares of its subsidiaries, namely Asian Property (2015) Co., Ltd. from MEC Thailand Investment Pte. Ltd., ("MTI"), Singapore. The AP's shareholdings ratio after such transaction is 99.99% of total shares.
May	- The Value Property Development co., Ltd. held 99.99% of total shares by Thonglor Residence Co., Ltd., increased its capital for Baht 1,500,000,000 from Baht 500,000,000 to Baht 2,000,000,000 - Asian Property Co., Ltd. held 99.99% of total shares by Thonglor Residence Co., Ltd., increased its capital for Baht 1,104,166,100 from Baht 895,833,900 to Baht 2,000,000,000
June	- Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 1,000,000,000 from Baht 9,619,408,010 to Baht 10,619,408,010. The company holds 51% of the total shares. - AP (Thailand) PCL. entered into another Joint Venture Agreement with MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME12 Co., Ltd. The Company hold 51.00% and MJRT hold 49.00% of the total shares. - AP ME 12 Co., Ltd. which is a joint venture company, held 51.00% of total shares by the Company, increased its capital for Baht 617,000,000 from Baht 1,000,000 to Baht 618,000,000
August	- AP ME (Krungthep) Co., Ltd. is dissolved - Asian Property (2015) Co., Ltd. is dissolved
September	- AP ME 19 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares. - AP ME 20 Co., Ltd. was established with the registered capital of Baht 1,000,000 and the objective of property development. The Company holds 99.99% of the total shares. - AP (Thailand) Pcl. entered into another Joint Venture Agreement with MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME10 Co., Ltd. The Company holds 51% and MJRT holds 49% of the total shares. - AP (Thailand) Pcl. entered into another Joint Venture Agreement with MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME15 Co., Ltd. The Company holds 51% and MJRT holds 49% of the total shares. - Premium Residence co., Ltd., which is a joint venture company, increased its capital for Baht 2,000,000,000 from Baht 10,619,408,010 to Baht 12,619,408,010. The company holds 51% of the total shares. - AP ME 10 Co., Ltd. which is a joint venture company, held 99.99% of the total shares by the Premium Residence co., Ltd. increased its capital for Baht 1,000,000 from Baht 1,000,000 to Baht 2,000,000 - AP ME 15 Co., Ltd. which is a joint venture company, held 99.99% of the total shares by the Premium Residence co., Ltd. increased its capital for Baht 693,000,000 from Baht 1,000,000 to Baht 694,000,000

Year	Events
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2019

October

- AP ME 10 Co., Ltd. which is a joint venture company, increased its capital for Baht 387,000,000 from Baht 2,000,000 to Baht 389,000,000. The company holds 51% of the total shares.
- AP (Thailand) Pcl. has purchased 51% of total shares of its subsidiaries, namely AP (Ekkamai) Co., Ltd. from MJRI (Thailand) Co., Ltd. ("MJRT"). The AP's shareholdings ratio after such transaction is 99.99% of total shares.

November

- AP (Thailand) Pcl. entered into another Joint Venture Agreement with MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME16 Co., Ltd. The Company holds 51% and MJRT holds 49% of the total shares.
- AP (Thailand) Pcl. entered into another Joint Venture Agreement with MJRI (Thailand) Co., Ltd. ("MJRT"), a subsidiary company under Mitsubishi Estate Group (Japan) to jointly develop condominium project through AP ME17 Co., Ltd. The Company holds 51% and MJRT holds 49% of the total shares.
- AP ME 16 Co., Ltd. which is a joint venture company, held 99.99% of the total shares by the Premium Residence co., Ltd. increased its capital for Baht 113,000,000 from Baht 1,000,000 to Baht 114,000,000
- AP ME 17 Co., Ltd. which is a joint venture company, held 99.99% of the total shares by the Premium Residence co., Ltd. increased its capital for Baht 186,000,000 from Baht 1,000,000 to Baht 187,000,000

December

- SEAsia Leadavation Center Co., Ltd. held 99.05% of the total shares by Asian Property Co., Ltd., increased its capital for Baht 200,000,000 from Baht 300,000,000 to Baht 500,000,000
- Thonglor Residence Co., Ltd. held 99.99% of the total shares by the Company, increased its capital for Baht 11,000,000 from Baht 39,000,000 to Baht 50,000,000
- Signature Advisory Partners Co., Ltd. held 99.99% of the total shares by Thonglor Residence Co., Ltd., increased its capital for Baht 11,000,000 from Baht 30,000,000 to Baht 41,000,000
- Clay More Innovation Lab Co., Ltd. held 99.99% of the total shares by Signature Advisory Partners Co., Ltd., increased its capital for Baht 11,000,000 from Baht 5,000,000 to Baht 16,000,000

REVENUE STRUCTURE

Revenue structure can be divided by product lines as follows;

(Unit: million Baht)

Product lines / Business Group	2019		2018 (Restated)		2017	
	Revenue	%	Revenue	%	Revenue	%
1. Revenue from property development business						
• Low-rise	18,144.6	75.7	17,521.4	64.1	13,197.6	59.0
• High-rise	4,227.2	17.6	8,678.7	31.8	7,926.1	35.5
• Land sales	307.0	1.3	-	-	-	-
Total revenue from property development business	22,678.8	94.6	26,200.1	95.9	21,123.7	94.5
2. Revenue from management and service fee	1,123.4	4.7	1,070.6	3.9	1,052.0	4.7
3. Other revenue	164.5	0.7	64.4	0.2	173.7	0.8
Grand total	23,966.7	100.0	27,335.1	100.0	22,349.4	100.0

Remark: The 2018 operating results were restated due to the enforcement of Thai Financial Reporting Standards (TFRS 15)

STOCKS AND MAJOR SHAREHOLDERS

Register paid-up capital

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

Shareholders

Top ten major shareholders of the Company as of 30th December 2019;

No.	Name of the shareholders	No. of shares	% of total paid-up shares
1.	Mr. Anuphong Assavabhokhin	670,047,561	21.30
2.	Thai NVDR Co., Ltd.	239,873,765	7.62
3.	NORTRUST NOMINEES LIMITED-THE NORTHERN TRUST COMPANY RE IEDU UCITS CLIENTS 10 PCT ACCOUNT	222,633,133	7.08
4.	Mr. Pichet Vipavasuphakorn*	111,382,879	3.54
5.	STATE STREET EUROPE LIMITED	95,000,961	3.02
6.	THE BANK OF NEW YORK MELLON	86,251,850	2.74
7.	Krungsri Dividend Stock LTF	78,495,000	2.50
8.	SOUTH EAST ASIA UK (TYPE C) NOMINEES LIMITED	76,841,964	2.44
9.	Mr. Jaroonsak Bantoonrajinda	66,569,000	2.12
10.	Mr. Chanchai Krairitthichai	61,700,060	1.96

*including 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 2019 with the total value of Baht 18,600 million, as followed;

Debentures	Value (Baht million)	Term	Maturity Date	Interest rate
AP201A	1,500	5 Years	22 Jan 2020	3.58%
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%
AP235A	3,000	4 Years	17 May 2023	3.17%
AP227A	500	3 Years	11 Jul 2022	2.63%
AP238A	1,230	4 Years	19 Aug 2023	2.42%
AP248A	770	5 Years	19 Aug 2024	2.62%

3. Short-term bill of exchange

At 31st December 2019, the Company possesses an undue short-term bill of exchange equivalent to Baht 6,800 million (price on bill).

Dividend payout policy

The Company has a 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 2018, the Company achieved Baht 3,855.60 million net profit and equivalent to Baht 1.229 per share. The dividend payment was approved at the rate of Baht 0.40 per shares, which was 32.5 % of net profit, complying with the Company dividend payout policy. The dividend was paid to shareholders on 23rd May 2019.

For the dividend payout policy of subsidiaries, the subsidiaries would pay a 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 2019 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 are 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 membe

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	Executive 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 2019)

Name-Surname	Board of directors (total meeting 11 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	10	91%								
2. Mr. Anuphong Assavabhokhin	11	100%			2	100%			12	100%
3. Mr. Pichet Vipavasuphakorn	11	100%			2	100%			12	100%
4. Mr. Siripong Sombutsiri	10	91%					3	75%	11	92%
5. Mr. Wason Naruenatpaisan	11	100%					4	100%	12	100%
6. Ms. Kittiya Pongpujaneegul	10	91%					4	100%	12	100%
7. Mr. Visanu Suchatlumpong	11	100%					4	100%	12	100%
8. Mr. Pornwut Sarasin	10	91%			2	100%				
9. Mr. Yokporn Tantisawetrat	10	91%					3	75%		
10. Mr. Phanporn Dabbaransi	11	100%	4	100%						
11. Mr. Kosol Suriyaporn	11	100%	4	100%			4	100%		
12. Mr. Nontachit Tulayanonda	10	91%	4	100%	2	100%				
13. Mr. Somyod Suteerapornchai	11	100%	4	100%	2	100%				

Executives

The Company's executives (according to the definition of SEC), as of 31st December 2019, consists of the following;

Name-Surname			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.	Ms. Kittiya	Pongpujaneegul	Executive Director
6.	Mr. Visanu	Suchatlumpong	Executive Director
7.	Mr. Somchai	Wattanasawapak	Chief Information Technology Officer
8.	Mr. Vittakarn	Chandavimol	Chief Corporate Strategy and Creation
9.	Mr. Pamorn	Prasertsan	Chief Business Group: TH
10.	Mr. Ratchayud	Nunthachotsophol	Chief Business Group: SDH
11.	Mr. Boonchai	Jankrajanglerd	Chief Supply Chain Officer
12.	Ms. Kultipa	Tinnakornsrirupap	Deputy Chief Financial Officer
13.	Mr. Worrapong	Virojtananugoon	Deputy Chief Business Group: TH
14.	Ms. Tippawan	Sirikoon	Deputy Chief People Officer
15.	Ms. Kamolthip	Bumrungchatudom	Deputy Chief Business Group: CD 1
16.	Mr. Projark	Prapamonthol	Deputy Chief Business Group: CD 2
17.	Mr. Pongnalit	Chansanguan	Deputy Chief External Affairs
18.	Mr. Songpon	Busparoeek	Deputy Chief Digital Officer

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 director	Type of director	Position	2019 Remuneration			2018 Remuneration		
				Attendance	Gratuity (Baht)	Remuneration (Baht)	Attendance	Gratuity (Baht)	Remuneration (Baht)
1.	Assoc. Prof. Dr. Naris Chaiyasoot	Independent Director	Chairman of the Board	91%	484,615.40	917,500	100%	423,077	922,500
2.	Mr. Anuphong Assavabhokhin	Executive Director	Vice Chairman/ Chief Executive Officer	100%	484,615.40	None	100%	423,077	None
3.	Mr. Pichet Vipavasuphakorn	Executive Director	Director/ Managing Director	100%	484,615.40	None	100%	423,077	None
4.	Mr. Siripong Sombutsiri	Executive Director	Director	91%	484,615.20	None	67%	423,076	None
5.	Mr. Wason Naruenatpaisan	Executive Director	Director	100%	484,615.40	None	100%	423,077	None
6.	Ms. Kittiya Pongpujaneegul	Executive Director	Director	91%	484,615.40	None	92%	423,077	None
7.	Mr. Visanu Suchartlumporn	Executive Director	Director	100%	484,615.40	None	100%	423,077	None
8.	Mr. Pornwut Sarasin	Independent Director	Director	91%	484,615.40	855,000	83%	423,077	782,500
9.	Mr. Phanporn Dabbaransi	Independent Director	Chairman of Audit committee	100%	484,615.40	890,000	100%	423,077	880,000
10.	Mr. Kosol Suriyaporn	Independent Director	Member of Audit committee	100%	484,615.40	930,000	100%	423,077	880,000
11.	Mr. Nontachit Tulayanonda	Independent Director	Member of Audit committee	91%	484,615.40	770,000	100%	423,077	770,000
12.	Mr. Somyod Suteerapornchai	Independent Director	Member of Audit committee	100%	484,615.40	780,000	100%	423,077	770,000
13.	Mr. Yokporn Tantisawetrat	Independent Director	Director	91%	484,615.40	740,000	92%	423,077	740,000

(b) Executive director and management's remuneration. Total remuneration for directors and managements in 2018 and 2019 for 17 and 18 persons in terms of salary and bonus were Baht 176.6 million and Baht 163.8 million, respectively.

Human Resource

As of 31st December 2019, the Company and its subsidiaries have total 2,571 employees divided by the following fields: 1) management group 18 persons and 2) operations group 2,553 persons, a total of 2,571 persons.

Labor dispute

From 2016 to 2019, 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 1,642.9 million as of 31st December 2019 (Baht 1,443.1 million in 2018). 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 fund, but also acknowledge employees on their details.

Directors and executives profile

Assoc. Prof. Dr. Naris Chaayasoot

Age 64

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) no. 3/2008
- Director Certification Program (DCP) no. 82/2006
- Director Accreditation Program (DAP) no. 32/2005
- Finance for Non-Finance Directors (FND) no. 19/2005
- Advanced Audit Committee Program (AACP) no. 29/2018
- Role of Chairman Program (RCP) no. 45/2019

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 audit committee member
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

- | | |
|--------------|---|
| 2018-Present | Chairman of the Board of Directors
Traveler (Thailand) Co., Ltd.
Type of business: Money exchange |
| 2018-Present | Chairman of the Board of Directors
Function International Co., Ltd.
Type of business: Water purifier |
| 2015-Present | Chairman of the Board of Directors
R.X. Co., Ltd.
Type of business: Pharmaceutical Products-Wholesale & Manufacturers |

Mr. Anuphong Assavabhokhin

Age 57

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) no. 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 Estate 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 16 companies, namely (1) Premium Residence Co., Ltd. (2) AP (Phetchaburi) Co., Ltd. (3) AP ME 1 Co., Ltd. (4) AP ME 2 Co., Ltd. (5) AP (Ratchayothin) Co., Ltd. (6) AP ME 3 Co., Ltd. (7) AP ME 4 Co., Ltd. (8) AP ME 5 Co., Ltd. (9) AP ME 6 Co., Ltd. (10) AP ME 8 Co., Ltd. (11) AP ME 10 Co., Ltd. (12) AP ME 12 Co., Ltd. (13) AP ME 14 Co., Ltd. (14) AP ME 15 Co., Ltd. (15) AP ME 16 Co., Ltd. (16) AP ME 17 Co., Ltd.

Mr. Pichet Vipavasuphakorn

Age 62

Position: Director
Managing director

Date of Appointment: 5 July 2000

Education

- Bachelor of Business Administration (BBA) (second-class honors), Ramkhamhaeng University

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) no. 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 Estate 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 64

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) no. 2/2003
- Ethical Leadership Program (ELP) no. 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

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

2015-2019 Director
TMB Bank Pcl.
Type of business: Banking

Positions in non-listed company

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

2011-Present Director
Infinite Technology Corporation Co., Ltd.
Type of business: Electronic appliance manufacturing and distributing

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 16 companies, namely (1) Premium Residence Co., Ltd. (2) AP (Phetchaburi) Co., Ltd. (3) AP ME 1 Co., Ltd. (4) AP ME 2 Co., Ltd. (5) AP (Ratchayothin) Co., Ltd. (6) AP ME 3 Co., Ltd. (7) AP ME 4 Co., Ltd. (8) AP ME 5 Co., Ltd. (9) AP ME 6 Co., Ltd. (10) AP ME 8 Co., Ltd. (11) AP ME 10 Co., Ltd. (12) AP ME 12 Co., Ltd. (13) AP ME 14 Co., Ltd. (14) AP ME 15 Co., Ltd. (15) AP ME 16 Co., Ltd. (16) AP ME 17 Co., Ltd.

Mr. Wason Naruenatpaisan

Age 55

Position: Director
Executive director

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) no. 81/2009
- Risk Management Program for Corporate Leaders (RCL) no. 7/2017

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 |
| 2013-2019 | 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 management |

Ms. Kittiya Pongpujaneegul

Age 55

Position: Director
Executive director

Date of Appointment: 27 April 2010

Education

- Master of Accountancy (M.Acc.), Chulalongkorn University
- Risk Management Program for Corporate Leaders (RCL) no. 7/2017

Training courses by Thai Institute of Directors

- Director Accreditation Program (DAP) no. 84/2010
- Risk Management Program for Corporate Leaders (RCL) no 7/2017

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 Suchatlumpong

Age 58

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) no. 87/2010
- Risk Management Program for Corporate Leaders (RCL) no. 7/2017

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
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Mr. Pornwut Sarasin

Age 60

Position: Director
Independent director
Chairman of nomination and remuneration committee

Date of Appointment: 12 November 2009

Education

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

Training courses by Thai Institute of Directors

- Directors Accreditation Program (DAP) no. 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: Home improvement retail
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 70

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) no. 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 56

Position: Audit committee member
Independent director
Chairman of corporate governance and
risk management committee

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) no. 1/2004
- Director Accreditation Program (DAP) no. 153/2018
- Advanced Audit Committee Program (AACP) no. 31/2018
- Role of the Chairman Program (RCP) no. 43/2018
- Family Business Governance (FBG) no. 15/2019

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 lawyer
Price Sanond Praphas & Wynne Co., Ltd.
Type of business: Legal advisory |

Mr. Nontachit Tulayanonda

Age 61

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) no. 1/2004
- Director Accreditation Program (DAP) no. 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

2019-Present	Director Ritta Co., Ltd. Type of business: Construction
2018-Present	Chief financial officer Ritta Co., Ltd. Type of business: Construction

Mr. Somyod Suteerapornchai

Age 53

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) no. 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
2019-Present	Director Mudman Pcl. Type of business: Holding company

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 16 companies, namely (1) Premium Residence Co., Ltd. (2) AP (Phetchaburi) Co., Ltd. (3) AP ME 1 Co., Ltd. (4) AP ME 2 Co., Ltd. (5) AP (Ratchayothin) Co., Ltd. (6) AP ME 3 Co., Ltd. (7) AP ME 4 Co., Ltd. (8) AP ME 5 Co., Ltd. (9) AP ME 6 Co., Ltd. (10) AP ME 8 Co., Ltd. (11) AP ME 10 Co., Ltd. (12) AP ME 12 Co., Ltd. (13) AP ME 14 Co., Ltd. (14) AP ME 15 Co., Ltd. (15) AP ME 16 Co., Ltd. (16) AP ME 17 Co., Ltd.

Mr. Yokporn Tantisawetrat

Age 64

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) no. 66/2007
- Risk Management Program for Corporate Leaders
- Director Certification Program (DCP) no. 229/2016
- Advanced Audit Committee Program (AACP) no. 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 |

Mr. Somchai Wattanasaowapak

Age 56

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 51

Position: Chief corporate strategy and creation

2016-2018

Chief business group - CD1

AP (Thailand) Pcl.

Type of business: Property development

Education

- Master of Business Administration (MBA),
University of Portland, Oregon, USA

2012-2016

Chief marketing officer

AP (Thailand) Pcl.

Type of business: Property development

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2010-2012

Deputy chief marketing officer

AP (Thailand) Pcl.

Type of business: Property development

2018-Present

Chief corporate strategy and creation

AP (Thailand) Pcl.

Type of business: Property development

Positions in non-listed company

2017-2019

Director

Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.*

Type of business: Property development

Mr. Pamorn Prasertsan

Age 48

Position: Chief Business Group - TH

Education

- Master of Business Administration (MBA), NIDA
- 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

2019-present

Chief Business Group - TH

AP (Thailand) Pcl.

Type of business: Property development

2017-2019

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

2017-2019

Director

Joint ventures companies between

AP subsidiary companies and Mitsubishi Estate group.*

Type of business: Property development

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 16 companies, namely (1) Premium Residence Co., Ltd. (2) AP (Phetchaburi) Co., Ltd. (3) AP ME 1 Co., Ltd. (4) AP ME 2 Co., Ltd. (5) AP (Ratchayothin) Co., Ltd. (6) AP ME 3 Co., Ltd. (7) AP ME 4 Co., Ltd. (8) AP ME 5 Co., Ltd. (9) AP ME 6 Co., Ltd. (10) AP ME 8 Co., Ltd. (11) AP ME 10 Co., Ltd. (12) AP ME 12 Co., Ltd. (13) AP ME 14 Co., Ltd. (14) AP ME 15 Co., Ltd. (15) AP ME 16 Co., Ltd. (16) AP ME 17 Co., Ltd.

Mr. Ratchayud Nunthachotsophol

Age 45

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 43

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 47

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

Ms. Tippawan Sirikoon

Age 58

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 Pcl. Type of business: Telecommunications
2012-2016	Assistant vice president, Human Resources Management Advanced info service Pcl. Type of business: Telecommunications

Positions in non-listed company

None

Mrs. Kultipa Tinnakornsrisupap

Age 45

Position: Deputy Chief Financial Officer

Education

- Master of Business Administration (MBA) - Monash University, Mt. Eliza Business school, Melbourne, Australia
- Bachelor of Business Administration (BBA) (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 48

Position: Deputy Chief Business Group : CD1

Education

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

- | | |
|--------------|--|
| 2019–present | Director
Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.*
Type of business: Property development |
|--------------|--|

Mr. Prajark Prapamonthol

Age 45

Position: Deputy Chief Business Group : CD2

Education

- Bachelor of Engineering (Civil engineering), King Mongkut's Institute of Technology Ladkrabang

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

- | | |
|--------------|---|
| 2019–present | Deputy Chief Business Group : CD2
AP (Thailand) Pcl.
Type of business: Property development |
| 2017–2019 | Senior Vice President : CD2
AP (Thailand) Pcl.
Type of business: Property development |
| 2016–2017 | Vice president construction
AP (Thailand) Pcl.
Type of business: Property development |
| 2011–2015 | Head of business unit
AP (Thailand) Pcl.
Type of business: Property development |

Positions in non-listed company

- | | |
|--------------|--|
| 2019–present | Director
Joint ventures companies between AP subsidiary companies and Mitsubishi Estate group.*
Type of business: Property development |
|--------------|--|

* The joint venture companies between AP (Thailand) Pcl. and Mitsubishi Estate group, totaling 16 companies, namely (1) Premium Residence Co., Ltd. (2) AP (Phetchaburi) Co., Ltd. (3) AP ME 1 Co., Ltd. (4) AP ME 2 Co., Ltd. (5) AP (Ratchayothin) Co., Ltd. (6) AP ME 3 Co., Ltd. (7) AP ME 4 Co., Ltd. (8) AP ME 5 Co., Ltd. (9) AP ME 6 Co., Ltd. (10) AP ME 8 Co., Ltd. (11) AP ME 10 Co., Ltd. (12) AP ME 12 Co., Ltd. (13) AP ME 14 Co., Ltd. (14) AP ME 15 Co., Ltd. (15) AP ME 16 Co., Ltd. (16) AP ME 17 Co., Ltd.

Mr. Pongnalit Chansanguan

Age 57

Position: Deputy Chief External Affairs

Education

■ Bachelor degree, Thonburi University.

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2019-present	Deputy Chief External Affairs AP (Thailand) Pcl. Type of business: Property development
2013-2019	Head of External Affairs - Low rise AP (Thailand) Pcl. Type of business: Property development

Positions in non-listed company

None

Mr. Songpon Busparoek

Age 47

Position: Deputy Chief Digital Officer

Education

- Master of Information System, Central Texas A&M University
- Bachelor Degree in Computer Science,
King Mongkut's Institute of Technology Ladkrabang

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2019-present	Deputy Chief Digital Officer AP (Thailand) Pcl. Type of business: Property development
2018-2019	Deputy Chief Information Technology AP (Thailand) Pcl. Type of business: Property development
2009-2016	IT Director - Minor Food Group Minor International Pcl. Type of business: Retail and Food Restaurant

Positions in non-listed company

2016-2018	Director of Digital Yum Restaurant Thailand Co., Ltd. Type of business: Retail and Food Restaurant
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Mr. Tanit Paiboon

Age 57

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	Deputy Managing Director SQE Construction Co., Ltd. Type of business: Construction

Mr. Kayon Tantichatiwat

Age 41

Position: Managing Director (BC)

Education

- Master of Business Administration (MBA),
California State University, Fullerton

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

Mr. Maytha Rakthum

Age 43

Position: Deputy Chief Extended Business
(SSM, Vaari Digital)

Education

- Bachelor degree, Assumption University

Relationship between management: None

Experiences during the last 5 years

Positions in listed company

2019 Director of Commerce
AP (Thailand) Pcl.
Type of business: Property development

2018-2019 Vice President of Operation Station
PTG Energy Pcl.
Type of business: Energy

2017-2018 Senior Vice President Department (Low rise)
Sansiri Pcl.
Type of business: Property development

2011-2017 Head of commercial service
AP (Thailand) Pcl.
Type of business: Property development

Positions in non-listed company

2020-present Deputy Chief Extended Business
Smart Services and Management Co., Ltd.
and Vaari Digital Co., Ltd.
Type of business: Property management and Service

Subsidiary companies of AP (Thailand) Plc.

	Assoc. Prof. Dr. Naris Chaiyasoot	Mr. Anuphong Assavabhokhin	Mr. Pichet Vipavassuphakorn	Mr. Somyod Suteerapornchai	Mr. Siripong Sombutsiri	Mr. Wason Naruenatpaisan	Ms. Kittiya Pongpujaneeikul	Mr. Visanu Suchatlampong	Mr. Pornwut Sarasin	Mr. Yokporn Tantissawetrat	Mr. Phanporn Dabbaransri	Mr. Kosol Suriyaporn	Mr. Nontachit Tulayanonda	Mr. Boonchai Jankrajangleerd
AP (Thailand) Plc.	X	#	✓✓	y	✓	✓	✓	✓	✓	✓	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.		✓	✓		✓	✓	✓	✓						
Asian Property (2017) Co., Ltd.		✓	✓		✓	✓	✓	✓						
Asian Property (2018) Co., Ltd.		✓	✓		✓	✓								
Thai Big Belly Co., Ltd.		✓	✓		✓	✓	✓	✓						
AP (Ekkamai) Co., Ltd.		✓	✓				✓	✓						
AP (Phetchaburi) Co., Ltd.		✓	✓	✓										
AP (Ratchayothin) Co., Ltd.		✓	✓	✓										
Premium Residence 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.		✓	✓	✓										
AP ME 6 Co., Ltd.		✓	✓	✓										
AP ME 8 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.		✓	✓	✓										
AP ME 16 Co., Ltd.		✓	✓	✓										
AP ME 17 Co., Ltd.		✓	✓	✓										
AP ME 18 Co., Ltd.		✓	✓		✓	✓								
AP ME 19 Co., Ltd.		✓	✓			✓								
AP ME 20 Co., Ltd.		✓	✓			✓								
Clay More Innovation Lab Co., Ltd.						✓	✓	✓						
SEAsia Leadavaion Center Co., Ltd.		✓	✓		✓									
Vaari Digital Co., Ltd.						✓	✓	✓						✓
RC1 Co., Ltd.							✓	✓						
RC2 Co., Ltd.							✓	✓						
SEAC (SINGAPORE) PTE. LTD.		✓	✓											

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

RISK FACTORS

Business risk

1. Risks from the volatility of the world economy

An overall economy in 2019 continuously recessed, being affected by a US-China trade war, the adverse impact of the strong baht on exporters' competitiveness, limited investment from the government and private sector. Since the real estate sector relatively concern economic growth, the Company experienced a declination in purchasing for investment while only purchase for residential purpose continued. The Company has in place an explicit policy for sustainable growth and has improved business plans and strategies to meet the change in economic situations. The Company prioritizes a progressive self-development with a target to create "an innovative for a good life quality in a sustainable dwelling" through an elongated experience in real estate and modern technology for perfect life quality in every dimension, plus a disciplined financial management. All in all, these achievements are to maintain robust financial status and adequate liquidity and to prepare for future economic volatility.

2. Risks from changes in the financial policy of the Bank of Thailand

With the continual rise of household debt and NPL because of loan for residence, the Bank of Thailand has adjusted many policies, criteria that may directly cause impacts to business operation. For example, the announcement on 1st April 2019, to impose the requirement for the residential loan and other relevant loans in order to leverage credit underwriting standards of the financial institution or "LTV (Loan to Value) measure" requiring a varied down payment based on contract level and price range of the property. The Measure object is to minimize debt rising among households, cut down the buy-for-investment in the real estate market. Eventually, the approval rates on new residential loans dropped in 2019, in particular the second and more contracts for the residential loan. More limitations on loans and higher down payment required affected investors and those who looking for a second home including the sales volume (reservation), revenue (transfer) of the residential market and the Company as a whole. Nonetheless, to mitigate risks among customers and the Company itself.

The Company prepared the necessary documents during the product offering stage which include the intention to reserve the property and loan application to the bank for pre-approve.

The Company also built a good relationship with state and public commercial banks to facilitate customers for their best convenience. On a regular basis, we continued to look for customers with the potential to apply for an additional loans and also arrange a meeting with alliance banks to exchange information, discuss issues and jointly seek for the best solution for giving loans to AP's customers.

Product/Service risk

1. Risks of acquiring land for property development

At present, the competition in acquiring the land with size and property suitable for inbound city development becomes more intense, plus the complexity and specificity of land issues. For example, the land which is located on over one administrative district, impacts on communities during the construction phase, pose adverse result on time and increase the cost of development. To mitigate risk when acquiring land, the Company has assigned a team to take a survey on the land adjacent area to assess opportunities and impacts including to investigate related regulations, provision or law before purchasing land to assure the prudent and cautious approach. Moreover, we have assigned the Project Development Steering Committee comprising of members who possess elongated direct experience and executive officers of low-rise and high-rise projects to jointly make a decision together and to select the land with the potential that matches the Company strategy.

2. Risks of complaints from customers and communities next to the construction site

Having in place an explicit policy of taking responsibility for product quality, complaints and customers' issues rising out of product and service defect, the Company has conducted a study, assessment and improved adverse effects on products and services that may occur to customers on a regular basis. The Company has established a communication channel to strengthen the relationship and to receive customer complaint of which will we take into account for strict remedy and improvement. The following are communications in which customers can have a convenient approach. After-Sale Service is a unit assigned to take care of customers after moving in comprising 2 parts which are 1) Call Service and 2) Fix it — providing maintenance service for customers after moving in.

The units work by following 4 standards including Time Control, Standard & Quality - testing and selecting of a fine quality material, Clean & Security - cleanliness and customer safety standard, and Caring - the follow-up on completeness of maintenance progress.

Before commencing any projects including the low-rise or high-rise, the Company takes into account the environmental impacts as a priority, compliance with the relevant laws and regulations. For any development projects having sizes and usage space under the criteria to create the Environmental Impact Assessment (EIA) Report pursuant to the requirement of the National Environment Quality Promotion and Conservation Act B.E. 2535, we have collaborated with the consultant company to prepare for the EIA Report and being listed legally with the Natural Resources and Environment Ministry. To prepare the report and define environmental impact prevention measures, the Company has assessed impacts from all projects closely, coordinate with the consultant and residents around the project area, as well as to conduct a public hearing in order to identify the best guidance and preventive measures for the residents, customers, society, community and surrounding environment. The Company has assigned a working team to liaise with surrounding communities in case of complaints to acknowledge issues and to create understanding and mitigate impacts including to closely monitors the situations in a timely manner.

3. Risks from the fluctuation of interested rates and funding to maintain liquidity

Seeing the uncertainty of the interest rates in the global market which directly disturbing the policy rate of Thailand and may affect the financial cost used for project development and operation, the Company has prepared a policy on the financial plan and strategy change to conform to the economic situation in each time frame. For instance, financial estimation is calculated and edited regularly, preparation of loan, preparation of source of the fund with adequate time and fixed interest rate to minimize the fluctuation that could occur afterward. Financial discipline is another practice that the Company has always adhered to by maintaining the Debt to Equity ratio (D/E) strictly and ensure the agreed rate illustrated in the bond covenant.

Financial risk

1. Risks from loan repayment to financial institutions and mature bond

The company has continued its flexible policies and strategies to keep up with the economic situation in each particular period. The approach includes new project launch, land procurement, inventory control, and cash flow management.

As of 31st December 2019, the company had a total outstanding bond value of Baht 18,600 million and liability to financial institutions (i.e., overdraft accounts, promissory notes, bill of exchange, and long-term loans) of Baht 9,007 million. As of 31st December 2019, the company perceived the backlog amount of Baht 8,966 million (exclude the backlog of Joint venture companies) and maintains its financial performance and operating result in good standard with current ratio of 3.0x and debt to equity ratio of 1.0x. The company has cash balance and/or equivalent items of Baht 570 million. This shows that the company's 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	2020	2021	2022	2023	2024
Amount of bonds that mature (MB)	4,500	4,600	4,500	4,230	770

2. Risks from engagement in Land Purchase Agreements and Lease Agreement

As of 31st December 2019, the Company and related entities were engaged in land purchase agreements with other companies or external parties for future project development. And the outstanding balance under the land purchase obligation was Baht 3,246 million. And Baht 190 million balance under the operating lease obligation.

As being flexibility-oriented, the company always plans ahead and adjusts its strategy to best suit 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.

Emerging Risk

1. Risks from compliance with newly imposed rules, regulations, law, and code of conduct

In the 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. To carry on business operation and enhance competitiveness, the Company

has a precise policy in compliance with all relevant laws, including complies with the newly imposed rules or regulations i.e., the enforcement of Personal Data Protection Act B.E. 2562, Cyber security Act on 27th May 2019. These enforcements have a direct impact on the Company's business since digital technology has become a driving part of the business operation from the design, project development, sales, work inspection, after-sales service, assuring the accuracy, precision, and timely operation, well response to the consumers' behavior in the digital era. The Company, as a data controller is ready to comply with the regulations/requirements from the aforesaid Acts, by assigning a working team that will prepare all related policies, data protection measures, standardized work procedures covering the receipt of personal data, the business use of personal data, the data storage, as well as communicate to all employees. Furthermore, the changes in Land Tax and Building Act B.E. 2562 which will be effective in 2019 will pose impacts on the residential project development which include the empty land and pending development projects. Being affected as a real estate developer for sales, possessing the lands which are pending the development and undergoing the development, the Company has adjusted its strategy and working procedures for project development to achieve the highest interest during the tax exemption period. The Company has no policy to hold an empty land for a too long period of time.

2. Risks from emerging epidemics, natural disasters, and man-made disasters

The human causes a majority of the disasters. Upon the increase of the world population is a higher demand on natural resources, which disturbs the natural balance. Each disaster leaves damages to lives and properties and changes habits of the population in both the short and long term. Some disaster creates unavoidable impacts to macroeconomic for instance, an outbreak of a new coronavirus 2019 of COVID-19 which has affected the lives of most of the countries around the globe. Tourists — the primary income of Thailand has significantly dropped while international transportation is limited for foreign investors. Furthermore, the prolonged or uncontrollable situation will affect confidence among consumers and recession in private investment, a decline in employment rate

and unemployment situation while the cost of living for hygiene will rise. To prepare and cope with such unexpected situations, the Company has created Business Continuity Planning (BCP) to respond and operate during the crisis or emergency together with closed monitoring on updates in order to be able to adjust business strategy to mitigate impacts from the emergency or disaster. In addition, the Company has applied for insurance that covers severe events that could occur to lives and properties within the organization. In the time when COVID-19 outbreak is likely to protract, concerning lives and safety of employees and their families, including customers, the Company has established a policy and practice guidance to conform to the disease control of national and international level by passing information about disease prevention and hygienic care to employees and stakeholders to ensure the correct practice during the outbreak. The Company also monitors the situation and news closely.

INTERNAL CONTROL AND RISK MANAGEMENT

AP (Thailand) Pcl. continually emphasizes on the internal control system and the risk management system. The board of directors assigned the audit committee to be mainly responsible for review such a system to ensure its adequacy and appropriateness and in line with the internal control framework of COSO 2013 (The Committee of Sponsoring Organizations of Treadway Commission). The internal auditors independently perform their duties with fairness, ethics, and expertise in accordance with the International Standards for the Professional Practice of Internal Auditing

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

In the audit committee meeting no. 4/2019 on 12th November 2019, the committee has evaluated the adequacy of internal control system with the evaluation form issued by the Stock and Exchange Commission, which rely on the concept of COSO¹ (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 and proposed to the board of directors in the board meeting.

The board of directors and the audit committee concluded that the Company has adequate, appropriate and efficient internal control system in line with the laws, regulations including the asset management and resource efficiency. Therefore, no significant errors relating to internal control were found.

In 2019, the audit committee reported their opinion in audit committee report explaining that the Company has adequate and appropriate internal control system, which is not different from the opinion of the Board of Directors' and auditors from EY Office Co., Ltd., who audited financial statement 2019 of the Company.

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 the previous year, the audit committee approved the year plan for auditing, considered the auditing report and the solutions for issues detected by executives as well as regularly monitored the operations. The company has prioritized the internal auditing and provided sufficient budget to support the internal auditors to work efficiently in accordance with the plans.

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

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 2019)	Transaction description	Total (million Baht)			Opinion of the Audit Committee
			31 st Dec 2019	31 st Dec 2018	31 st Dec 2017	
A&P Associate Co., Ltd. ("A&P")	- Mr. Anuphong Assavabhokhin (Son of Ms. Piengjai Hanpanich who holds 99.99% in A&P) is the number 1 of the major shareholder of the Company	- The Company made the rental agreement with A&P to rent the office and parking space. Rental expense	14.94	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 the total shares 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 the total shares 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) Co., Ltd. ("AMA")	- As of 28 th May 2018, the Company holds 51% of the total shares 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 APT and MEC Thailand Investment Pte. with the shareholding ration 51:49 - The Company charges AMA for project management fees and sale fees Management 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 2019)	Transaction description	Total (million Baht)			Opinion of the Audit Committee
			31 st Dec 2019	31 st Dec 2018	31 st Dec 2017	
Premium Residence Co., Ltd. ("PR")	- The Company holds 51% of the total shares of PR - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- PR is a joint-venture company between APT and MJRI (Thailand) Co., Ltd. with the shareholding ration 51:49. - The Company charges PR for project management fees and sale fees Management fee	4.32	4.32	21.10	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP (Phetchaburi) Co., Ltd. ("APP")	- PR holds 100% of the total shares of APP - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- APP is a subsidiary company of PR, which is a joint venture of the Company. Management fee	28.65	30.87	42.76	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP (Ratchayothin) Co., Ltd. (APR)	- PR holds 100% of the total shares of APR - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- APR is a subsidiary company of PR, which is a joint venture of the Company. Management fee	38.85	55.53	168.31	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
Asian Property (2015) Co., Ltd. ("AP2015")	- PR holds 100% of the total shares of AP 2015 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies - As of 27th March 2019, APT holds 100% of the total shares of AP 2015	- AP 2015 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	0.81	15.08	10.59	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair..
AP ME 1 Co., Ltd. ("AM1")	- PR holds 100% of the total shares of AM1 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM1 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	16.85	20.97	26.62	- 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 2019)	Transaction description	Total (million Baht)			Opinion of the Audit Committee
			31 st Dec 2019	31 st Dec 2018	31 st Dec 2017	
AP (Ekkamai) Co., Ltd. ("APE")	- The Company holds 51% of the total shares of APE - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies - As of 29th October 2019, APT changed its shareholding ration in APE to 99.99%	- APE is a joint-venture company between APT and MJRI (Thailand) Co., Ltd. with the shareholding ration 51:49 - The Company charges APE for project management fees and sale fees Management fee	12.11	14.29	73.16	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 2 Co., Ltd. ("AM2")	- PR holds 100% of the total Shares of AM2 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM2 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	33.04	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")	- PR holds 100% of the total shares of AM3 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM3 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	161.11	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")	- PR holds 100% of the total shares of AM4 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM4 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	89.28	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")	- PR holds 100% of the total Shares of AM5 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM5 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	24.94	34.63	-	- 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 2019)	Transaction description	Total (million Baht)			Opinion of the Audit Committee
			31 st Dec 2019	31 st Dec 2018	31 st Dec 2017	
AP ME 6 Co., Ltd. ("AM6")	- PR holds 100% of the total Shares of AM6 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM6 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	41.12	-	-	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 8 Co., Ltd. ("AM8")	- PR holds 100% of the total Shares of AM8 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM8 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	34.41	-	-	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 10 Co., Ltd. ("AM10")	- PR holds 100% of the total Shares of AM10 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM10 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	30.79	-	-	- Assessed by the Audit Committee and executives, the price paid for such service is appropriate and fair.
AP ME 14 Co., Ltd. ("AM14")	- PR holds 100% of the total Shares of AM14 - Mr. Anuphong Assavabhokhin, Mr. Pichet Vipavasuphakorn and Mr. Somyod Suteerapornchai are the directors of both companies	- AM14 is a subsidiary company of PR, which is a joint venture of the Company. Management fee	41.66	-	-	- 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.	- Mr. Somyod Suteerapornchai is a Director of AP (Thailand) Pcl. and received consulting fees from the Company. Management fee	-	-	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

The 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 a fair amount compared with the market. Loan guarantees 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 13th 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 requested 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 requested 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 transactions 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 in 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 transactions, such transactions 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 appointed the audit committee consisting of 4 independent directors with fully qualified and experienced. The chairman of the audit committee is Mr. Phanporn Dabbaransi and the three 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 and the charter of audit committee, in accordance with the good practice of the Securities and Exchange Commission.

In 2019, the audit committee meeting was 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 2019 jointly with the management team and the auditors in the aspect of accuracy and completeness as well as the adjusting entries focusing on Thai Financial Reporting Standard. No. 15 applied this year. The proposing of additional information about Key Audit Matter: KAM, and adequacy of the basis of accounting and the scope of the audit, the independence of auditors in order to ensure that the preparation of financial statements has been made in compliance with the law and financial reporting standards including the sufficient disclosure of information, which is beneficial to the financial statement's users. The Audit Committee also attended the exclusive meeting with the auditors without management team in order to discuss about audit, independent work and auditor's comments.

2. The Internal control system assessment.

The Audit Committee assessed the sufficiency of the internal control system with an internal audit in every quarter in the aspects of the operation, usage of the resource, asset management, prevention or loss minimization or corruption as well as an internal control assessment of the Stock Exchange Commission. The Audit Committee agreed that the Company has achieved the sufficient and efficient internal control system and risk management. Furthermore, the auditors have evaluation of the internal control system and agreed that there are no problematic issues or errors, which is significant to the financial statement of the Company.

3. The Good corporate governance and compliance with relevant laws.

The Audit Committee encouraged the Company to strictly follow the good corporate governance principles of the Stock Exchange of Thailand by supporting its operation to comply with the Securities and Exchange laws, regulations of Stock Exchange of Thailand and relevant business law as well as consideration of information disclosure in the case of the connected transactions and conflict of interest transactions. Furthermore, the audit committee also supported the Company to continually certify as a member of the Collective Action Coalition Against Corruption (CAC) by the Anti-Corruption Organization of Thailand. The Company operated its business under the corporate governance without violation of laws that may significantly impact the reputation and financial status of the Company.

4. The internal audit.

The Audit Committee supervised the internal audit for its operational effectiveness to comply with the approved audit plan and considered the audit issues and provided beneficial suggestions in order to increase the efficiency of an internal audit system and regularly monitored the audit results.

5. The appointment of the company's auditors 2019.

The Audit Committee considered and appointed the auditors and remuneration by considering the qualification, knowledge, ability, experience, and independence in accordance with the regulations of the Stock Exchange of Thailand or related authorities. In 2019 the Audit Committee agreed that the auditors from EY Office Limited are fully qualified and provided useful comments and suggestions. The audit fee is suitable for the size and type of the Company business. Thus, 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 2019.

The Audit Committee has performed their tasks and fulfilled their responsibilities as assigned by the Company's Board of Directors with their utmost discretion 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 2019, 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 to retire by rotation in the annual general meeting of shareholders 2020.

Thus, the nomination and remuneration committee had also invited shareholders to nominate suitable persons to be selected as candidates for election in AGM 2020, during 1-31st December 2019 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 4 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 2019, the corporate governance and risk management committee held 4 meetings. The attendance record can be found on the topic of meeting attendance in the 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 the Annual General Meeting of shareholders and provide suggestions according to the good corporate governance and AGM checklist of the Stock Exchange of Thailand in order to hold the complete, efficient and transparent meeting in every step from the pre-AGM to post-AGM. In 2019, the company was praised at an excellent level from the AGM assessment by the Thai Investors Association (TIA)
- For the Corporate Governance Report of Thai Listed Companies 2019 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 an 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 such as "Rahad Kon Tham Dee" campaign, which is an answering questions game about anti-corruption measure and code of conduct with the examples of guidelines. Furthermore, the CG principle and code of conduct's manual can download from www.apthai.com

The implementation of risk management.

- To consider complaints from customers, provide advices and prevention measure including monitoring the solutions in every quarter.
- To consider and provide suggestion to set the risk management's framework 2019 of the company to be in accordance with the international standard of COSO Enterprise Risk Management (COSO ERM), including the criteria of risk assessment in the dimension of opportunities and its effects
- To provide suggestions and comments on the significant risk issues and risk assessment 2019 in organization level through division level in order to create Enterprise Risk Map and use as a guideline to set up the Mitigation plan and Key Risk Indicator : KRI
- To consider and advise on the design of Mitigation plan for the high risk level as well as Key Risk Indicator : KRI in order to track the risk status and progress of risk management to minimize the impact on a business's operating of the group company.
- To monitor the risk management's performances and results for risk assessment 2019 and provide suggestions to improve work's efficacy.

The corporate governance and risk management committee emphasized 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 stakeholder.



(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 2019. 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 2019, 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 2019, 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.

Emphasis of matter

I draw attention to Note 3 to the financial statements regarding the change in accounting policy as the result of adoption of Thai Accounting Standard 15 Revenue from Contracts with Customers. My conclusion is not qualified in respect of this matter.

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 95 percent and 72 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: 25 February 2020

STATEMENTS OF FINANCIAL POSITION

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
	Note	31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018
			(Restated)	(Restated)		(Restated)	(Restated)
Assets							
Current assets							
Cash and cash equivalents	7	570,227,433	951,259,523	1,054,168,567	136,742,218	217,440,679	540,591,206
Trade and other receivables	8	169,180,455	141,396,724	242,015,380	76,624,016	79,020,223	190,726,566
Inventories	9	49,714,687,481	41,149,117,404	35,424,614,750	6,248,524,995	9,858,648,841	16,245,119,862
Interest receivable - related parties	10	-	-	-	1,202,223,834	292,557,370	843,448,941
Short-term loans to related parties	10	-	-	-	33,788,400,000	26,724,400,000	15,229,100,000
Deposits for construction materials		127,856,631	83,204,330	49,260,699	5,829,995	11,450,970	23,415,523
Deposits for land		709,036,601	719,593,966	822,211,269	-	-	3,750,000
Assets recognised from the costs							
to obtain contracts with customers	11	36,651,410	6,586,940	213,507	-	-	213,507
Other current assets		142,749,920	234,979,648	148,341,103	46,264,870	87,911,121	71,529,418
Total current assets		51,470,389,931	43,286,138,535	37,740,825,275	41,504,609,928	37,271,429,204	33,147,895,023
Non-current assets							
Restricted bank deposits	7	549,059	549,059	993,151	549,059	549,059	549,059
Investments in subsidiaries	12	-	-	-	5,027,616,030	2,749,040,390	2,562,160,450
Investments in joint ventures	13	5,452,948,465	4,496,984,587	4,809,089,559	5,821,705,060	4,765,495,030	5,215,314,940
Land and cost of project held for development	14	679,073,736	679,073,736	654,422,429	146,756,408	146,756,408	144,456,631
Investment properties	15	72,628,506	74,825,696	70,648,590	45,672,530	49,041,425	52,410,320
Property, plant and equipment	16	468,093,681	407,740,378	265,111,554	258,016,094	153,231,761	63,938,656
Goodwill		100,063,166	100,063,166	100,063,166	-	-	-
Intangible assets	17	113,509,630	17,343,273	29,334,685	42,930,213	11,648,488	25,520,477
Deferred tax assets	26	356,493,400	258,191,617	194,835,103	79,925,067	96,105,609	90,376,855
Other non-current assets		80,464,439	74,001,389	84,576,603	38,909,429	38,550,306	30,485,762
Total non-current assets		7,323,824,082	6,108,772,901	6,209,074,840	11,462,079,890	8,010,418,476	8,185,213,150
Total assets		58,794,214,013	49,394,911,436	43,949,900,115	52,966,689,818	45,281,847,680	41,333,108,173

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 2019

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
	Note	31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018
			(Restated)	(Restated)		(Restated)	(Restated)
Liabilities and shareholders' equity							
Current liabilities							
Short-term loans from financial institutions	18	8,180,146,532	3,184,631,944	5,661,852,703	7,371,596,532	2,474,631,944	4,800,852,703
Trade and other payables	10, 19	1,753,493,231	1,617,152,839	1,232,109,229	561,448,113	771,058,127	787,220,889
Accrued interest expenses - related parties	10	-	-	-	10,174,464	8,328,944	11,981,540
Accrued interest expenses		159,231,204	159,797,416	133,844,086	158,971,420	159,555,630	133,655,602
Short-term loans from related parties	10	-	-	-	1,079,000,000	901,300,000	1,137,700,000
Current portion of debentures	21	4,500,000,000	3,850,000,000	3,300,000,000	4,500,000,000	3,850,000,000	3,300,000,000
Current portion of finance lease payable		391,189	372,854	355,379	-	-	-
Unearned revenue		326,361,091	248,773,333	304,361,178	13,321,575	23,758,455	152,198,433
Accrued expenses related to the projects		441,241,642	440,519,418	383,763,497	65,334,963	198,391,484	255,578,526
Accrued expenses		1,490,313,550	1,472,501,808	1,115,710,590	757,386,194	826,245,976	838,049,191
Income tax payable		205,469,987	273,344,345	359,408,834	76,358,102	130,160,585	206,433,937
Total current liabilities		17,056,648,426	11,247,093,957	12,491,405,496	14,593,591,363	9,343,431,145	11,623,670,821
Non-current liabilities							
Long-term loans - net of current portion	20	827,000,000	140,000,000	90,000,000	210,000,000	120,000,000	40,000,000
Debentures - net of current portion	21	14,100,000,000	13,100,000,000	9,350,000,000	14,100,000,000	13,100,000,000	9,350,000,000
Finance lease payable - net of current portion		237,054	628,243	1,001,128	-	-	-
Retention payable	10	291,871,621	237,814,000	240,764,370	57,100,318	83,559,000	115,278,444
Provision for long-term employee benefits	22	222,330,680	175,929,129	129,854,788	121,221,969	102,092,570	108,688,148
Deferred tax liabilities	26	-	2,888,006	-	-	-	-
Total non-current liabilities		15,441,439,355	13,657,259,378	9,811,620,286	14,488,322,287	13,405,651,570	9,613,966,592
Total liabilities		32,498,087,781	24,904,353,335	22,303,025,782	29,081,913,650	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 2019

(Unit: Baht)

		Consolidated financial statements			Separate financial statements		
	Note	31 December 2019	31 December 2018	1 January 2018	31 December 2019	31 December 2018	1 January 2018
			(Restated)	(Restated)		(Restated)	(Restated)
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	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	3,145,899,495	3,145,899,495
Share premium		89,415,830	89,415,830	89,415,830	89,415,830	89,415,830	89,415,830
Retained earnings							
Appropriated - statutory reserve	23	314,591,215	314,591,215	314,591,215	314,591,215	314,591,215	314,591,215
Unappropriated		22,763,259,706	20,954,102,302	18,100,595,276	20,334,869,628	18,982,858,425	16,545,564,220
Other components of shareholders' equity		(49,988)	(10,881)	-	-	-	-
Equity attributable to owners of the Company		26,313,116,258	24,503,997,961	21,650,501,816	23,884,776,168	22,532,764,965	20,095,470,760
Non-controlling interests of the subsidiaries		(16,990,026)	(13,439,860)	(3,627,483)	-	-	-
Total shareholders' equity		26,296,126,232	24,490,558,101	21,646,874,333	23,884,776,168	22,532,764,965	20,095,470,760
Total liabilities and shareholders' equity		58,794,214,013	49,394,911,436	43,949,900,115	52,966,689,818	45,281,847,680	41,333,108,173

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

STATEMENTS OF COMPREHENSIVE INCOME

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018 (Restated)	2019	2018 (Restated)
Profit or loss:					
Revenues					
Revenues from sales of real estate		22,678,813,691	26,200,085,937	8,139,099,061	14,409,985,584
Service income		565,440,742	589,651,379	-	-
Management income	10	557,941,834	480,932,408	557,941,834	480,932,408
Interest income		9,121,322	9,727,564	1,036,032,135	723,604,688
Dividend income	10, 12, 13	-	-	1,394,556,298	1,621,917,473
Gain from sales of investments	12	76,863,760	5,163,759	139,278,873	60,183,661
Other income		78,474,101	49,549,975	56,478,489	42,307,171
Total revenues		23,966,655,450	27,335,111,022	11,323,386,690	17,338,930,985
Expenses					
	25				
Costs of sales		15,399,470,036	18,070,339,187	5,428,588,441	9,881,421,509
Costs of services		227,180,214	268,603,159	-	-
Selling expenses		2,308,810,888	2,368,900,478	925,763,007	1,279,675,499
Administrative expenses		3,134,478,900	2,925,707,532	1,339,348,799	1,537,792,360
Other expenses		12,852,272	64,089,807	276,693	15,205,466
Total expenses		21,082,792,310	23,697,640,163	7,693,976,940	12,714,094,834
Profit before share of profit from investments in joint ventures, finance cost and income tax expenses					
		2,883,863,140	3,637,470,859	3,629,409,750	4,624,836,151
Share of profit from investments in joint ventures	13	1,008,578,149	1,217,575,677	-	-
Profit before finance cost and income tax expenses		3,892,441,289	4,855,046,536	3,629,409,750	4,624,836,151
Finance cost		(247,480,130)	(122,895,900)	(704,055,334)	(598,509,937)
Profit before income tax expenses		3,644,961,159	4,732,150,636	2,925,354,416	4,026,326,214
Income tax expenses	26	(580,997,999)	(779,158,694)	(314,987,291)	(492,627,896)
Profit for the year		3,063,963,160	3,952,991,942	2,610,367,125	3,533,698,318

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

STATEMENTS OF COMPREHENSIVE INCOME (CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

		(Unit: Baht)			
		Consolidated financial statements		Separate financial statements	
	Note	2019	2018 (Restated)	2019	2018 (Restated)
Other comprehensive income:					
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods</i>					
Exchange difference on translation of financial statements in foreign currency					
		(39,107)	(10,881)	-	-
<i>Other comprehensive income to be reclassified to profit or loss in subsequent periods - net of income tax</i>					
		(39,107)	(10,881)	-	-
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods</i>					
Actuarial gain (loss) from post-employment benefits	22	-	(10,063,056)	-	5,124,491
Less: Income tax effect	26	-	1,269,469	-	(1,024,898)
<i>Other comprehensive income not to be reclassified to profit or loss in subsequent periods - net of income tax</i>					
		-	(8,793,587)	-	4,099,593
Other comprehensive income for the year		(39,107)	(8,804,468)	-	4,099,593
Total comprehensive income for the year		<u>3,063,924,053</u>	<u>3,944,187,474</u>	<u>2,610,367,125</u>	<u>3,537,797,911</u>
Profit attributable to:					
Equity holders of the Company		3,067,513,326	3,962,804,319	<u>2,610,367,125</u>	<u>3,533,698,318</u>
Non-controlling interests of the subsidiaries		(3,550,166)	(9,812,377)		
Total		<u>3,063,963,160</u>	<u>3,952,991,942</u>		
Total comprehensive income attributable to:					
Equity holders of the Company		3,067,474,219	3,953,999,851	<u>2,610,367,125</u>	<u>3,537,797,911</u>
Non-controlling interests of the subsidiaries		(3,550,166)	(9,812,377)		
Total		<u>3,063,924,053</u>	<u>3,944,187,474</u>		
Earnings per share					
27					
Basic earnings per share					
Profit attributable to equity holders of the Company		0.98	1.26	0.83	1.12
Weighted average number of ordinary shares (Shares)		<u>3,145,899,495</u>	<u>3,145,899,495</u>	<u>3,145,899,495</u>	<u>3,145,899,495</u>

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

CASH FLOW STATEMENTS

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Cash flows from operating activities				
Profit before tax	3,644,961,159	4,732,150,636	2,925,354,416	4,026,326,214
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation	91,503,118	69,892,860	43,765,567	29,178,671
Amortisation	26,991,548	15,879,837	17,804,822	14,024,654
Doubtful debts (reversal)	(60,217)	84,655,893	-	-
Allowance for diminution in value of inventories(reversal)	(39,730,464)	50,996,123	-	-
Allowance for diminution in value of assets (reversal)	(10,355)	16,579,219	(10,355)	(20,781)
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	12,770,070	2,431,338	287,048	204,824
Share of profit from investments in joint ventures	(1,008,578,149)	(1,217,575,677)	-	-
Gain from purchase of investment in subsidiaries	(6,850,968)	-	-	-
Gain from sales of investments	(76,863,760)	(5,163,889)	(139,278,873)	(60,183,611)
Loss on diminution in value of investments	-	-	-	15,000,000
Dividend income	-	-	(1,394,556,298)	(1,621,917,473)
Provision for long-term employee benefits	47,141,815	37,067,907	19,869,663	19,271,802
Write-off of income tax	139,950	2,565,502	-	-
Interest income	(9,121,322)	(9,727,564)	(1,036,032,135)	(723,604,688)
Interest expenses	206,717,537	85,761,728	685,907,562	576,210,156
Profit from operating activities before changes in operating assets and liabilities	2,889,009,962	3,860,229,465	1,123,111,417	2,269,205,320
Operating assets (increase) decrease				
Trade and other receivables	(10,893,035)	134,962,840	2,396,207	111,706,343
Inventories	(10,926,024,583)	(5,859,353,099)	3,610,123,846	6,395,401,248
Other current assets	(482,495,404)	(24,338,306)	47,267,226	(453,643)
Other non-current assets	(6,129,188)	(73,113,673)	(359,123)	(8,064,544)
Operating liabilities increase (decrease)				
Trade and other payables	131,484,098	710,554,163	(411,526,317)	(85,153,019)
Unearned revenue	77,587,758	(95,858,053)	(10,436,880)	(128,439,978)
Retention payable	52,364,619	(8,176,148)	(26,458,682)	(31,719,444)
Cash from (used in) operating activities	(8,275,095,773)	(1,355,092,811)	4,334,117,694	8,522,482,283
Cash paid for long-term employee benefits	(740,264)	(1,056,622)	(740,264)	(20,742,889)
Cash paid for interest expenses	(723,155,837)	(544,712,516)	(712,681,664)	(563,624,039)
Cash paid for income tax	(811,343,133)	(1,029,835,669)	(352,609,232)	(575,654,900)
Net cash from (used in) operating activities	(9,810,335,007)	(2,930,697,618)	3,268,086,534	7,362,460,455

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

CASH FLOW STATEMENTS

(CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	2019	2018 (Restated)	2019	2018 (Restated)
Cash flows from investing activities				
Decrease in restricted bank deposits	-	444,092	-	-
Cash received from short-term loans to related parties	-	-	22,222,120,000	11,405,014,234
Cash paid for short-term loans to related parties	-	-	(29,286,120,000)	(22,900,314,234)
Cash received from sale of investments in subsidiaries	(110,229,548)	2,942,186	1,398,158,693	1,747,703,431
Cash paid for investments in subsidiaries	(718,425,071)	(789,820,632)	(3,354,365,490)	(966,299,850)
Cash paid for investments in joint ventures	(1,239,300,000)	(473,280,000)	(1,239,300,000)	(473,280,000)
Dividend received	945,115,405	988,150,534	1,394,556,298	1,621,917,473
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	3,287,037	1,472,595	1,265,889	1,472,595
Cash paid for purchases of equipment	(200,621,384)	(213,324,685)	(162,593,101)	(116,217,890)
Cash paid for purchases of intangible assets	(85,426,961)	(2,148,083)	(33,217,033)	(694,294)
Cash received from interest	9,121,322	9,727,564	126,365,671	1,274,496,259
Net cash used in investing activities	(1,396,479,200)	(465,441,429)	(8,933,129,073)	(8,395,807,276)
Cash flows from financing activities				
Cash received from short-term loans from financial institutions	44,413,390,000	39,240,410,000	28,129,250,000	34,067,910,000
Cash paid for repayment of short-term loans from financial institutions	(37,625,840,000)	(41,314,310,000)	(23,204,250,000)	(36,400,810,000)
Cash received from short-term loans from related parties	1,177,000,000	1,585,000,000	1,669,000,000	2,344,500,000
Cash paid for short-term loans from related parties	-	-	(1,491,300,000)	(2,580,900,000)
Cash received from long-term loans	3,399,750,000	1,053,000,000	684,750,000	500,000,000
Cash paid for repayment of long-term loans	(929,750,000)	(470,000,000)	(594,750,000)	(420,000,000)
Cash received from issuance of debentures	5,500,000,000	7,600,000,000	5,500,000,000	7,600,000,000
Cash paid for repayment of debentures	(3,850,000,000)	(3,300,000,000)	(3,850,000,000)	(3,300,000,000)
Cash paid for finance lease payable	(372,854)	(355,410)	-	-
Dividend payment	(1,258,355,922)	(1,100,503,706)	(1,258,355,922)	(1,100,503,706)
Net cash from financing activities	10,825,821,224	3,293,240,884	5,584,344,078	710,196,294
Decrease in translation adjustments	(39,107)	(10,881)	-	-
Net decrease in cash and cash equivalents	(381,032,090)	(102,909,044)	(80,698,461)	(323,150,527)
Cash and cash equivalents at beginning of year	951,259,523	1,054,168,567	217,440,679	540,591,206
Cash and cash equivalents at end of year (Note 7)	570,227,433	951,259,523	136,742,218	217,440,679
	-	-	-	-

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

CASH FLOW STATEMENTS

(CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

	(Unit: Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Supplemental cash flow information				
Non-cash transactions from investing activities				
Transfer inventories to investment properties	-	4,556,078	-	-
Transfer inventories to land and cost of project held for development	-	46,361,859	-	7,410,329
Transfer properties, plant and equipment to intangible assets	37,730,944	2,282,000	15,869,514	-

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

1

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

STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

(CONTINUED)

AP (Thailand) Public Company Limited and its subsidiaries
As at 31 December 2019

	Separate financial statements				(Unit: Baht)
	Retained earnings				
	Issued and paid up share capital	Share premium	Appropriated - statutory reserve	Unappropriated	Total shareholders' equity
	3,145,899,495	89,415,830	314,591,215	16,545,393,414	20,095,299,954
4	-	-	-	170,806	170,806
	3,145,899,495	89,415,830	314,591,215	16,545,564,220	20,095,470,760
	-	-	-	3,533,698,318	3,533,698,318
	-	-	-	4,099,593	4,099,593
28	-	-	-	(1,100,503,706)	(1,100,503,706)
	3,145,899,495	89,415,830	314,591,215	18,982,858,425	22,532,764,965
	3,145,899,495	89,415,830	314,591,215	18,982,858,425	22,532,764,965
4	-	-	-	-	-
	3,145,899,495	89,415,830	314,591,215	18,982,858,425	22,532,764,965
	-	-	-	2,610,367,125	2,610,367,125
	-	-	-	-	-
28	-	-	-	(1,258,355,922)	(1,258,355,922)
	3,145,899,495	89,415,830	314,591,215	20,334,869,628	23,884,776,168

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

AP (Thailand) Public Company Limited and its subsidiaries

As at 31 December 2019

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

- 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, additionally invested in subsidiaries and sell the investments in subsidiaries as described in Note 12.

As at 31 December 2019 and 2018, the group structure was detailed below.

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2019	2018
<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 (2012) Co., Ltd.	Real estate development	Thailand	100	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.	Real estate development	Thailand	100	100
AP ME 10 Co., Ltd.	Real estate development	Thailand	-	100
AP ME 11 Co., Ltd.	Real estate development	Thailand	100	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
AP ME 18 Co., Ltd.	Real estate development	Thailand	100	-
AP (Ekkamai) Co., Ltd.	Real estate development	Thailand	100	-
AP ME 19 Co., Ltd.	Real estate development	Thailand	100	-
AP ME 20 Co., Ltd.	Real estate development	Thailand	100	-

Company's name	Nature of business	Country of incorporation	Percentage of indirect shareholding	
			2019	2018
<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	98
Clay More Innovation Lab 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	100
SEAC (SINGAPORE) PTE. LTD. (100 percent held by SEASIA Leadavation Center Co., Ltd.)	Service	Singapore	100	100

- 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 Group 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 Group has adopted the revised (revised 2018) and new financial reporting standards and interpretations 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 adoption of these financial reporting standards does not have any significant impact on the Group's financial statements. However, the new standard involves changes to key principles, which are 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 Group adopted TFRS 15 using the full retrospective method of adoption. The Group elects to apply the relaxed practice allowing non-disclosure of impact the transition on the current year.

The cumulative effect of the change is described in Note 4.

(b) Financial reporting standards that will become effective for fiscal years beginning on or after 1 January 2020

The Federation of Accounting Professions issued a number of new and revised financial reporting standards and interpretations, which are effective for fiscal years beginning on or after 1 January 2020. 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 except the following new standards which involve changes to key principles, which are summarised below.

Financial reporting standards related to financial instruments

A set of TFRSs related to financial instruments 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
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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 Group expects the adoption of these accounting standards to result in the following adjustments.

- Recognition of credit losses - The Group is to recognise an allowance for expected credit losses on its financial assets, and it is no longer necessary for a credit-impaired event to have occurred. The Group applies the simplified approach to consider impairment of trade receivables.

The management of the Group is currently evaluating the impact of these standards on the financial statements in the year when they are adopted.

TFRS 16 Leases

TFRS 16 supersedes TAS 17 Leases together with related Interpretations. The standard sets out the principles for the recognition, measurement, presentation and disclosure of leases, and requires a lessee to recognise assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is low value.

Accounting by lessors under TFRS 16 is substantially unchanged from TAS 17. Lessors will continue to classify leases as either operating or finance leases using similar principles to those used under TAS 17.

The management of the Group is currently evaluating the impact of this standard on the financial statements in the year when they are adopted.

4. Cumulative effects of changes in accounting policies due to the adoption of new financial reporting standard

As described in Note 3 to the financial statements, during the current year, the Group has adopted TFRS 15 using the full retrospective method of adoption. The cumulative effect of the change in accounting policy is presented as a separate item in the statement of changes in shareholders' equity.

The amounts of the adjustments affecting the statement of financial position and the statement of comprehensive income are summarised below:

	(Unit: Thousand Baht)			
	Increase (decrease)			
	Consolidated		Separate	
	financial statements		financial statements	
	31 December 2018	1 January 2018	31 December 2018	1 January 2018
Statement of financial position				
Assets				
Assets recognised from the costs				
to obtain contracts with				
customers	6,587	214	-	214
Investment in joint ventures	105,982	13,686	-	-
Deferred tax assets	(1,317)	(43)	-	(43)
Total assets	111,252	13,857	-	171
Shareholders' equity				
Retained earnings	111,252	13,857	-	171
Total shareholders' equity	111,252	13,857	-	171
Total liabilities and				
shareholders' equity	111,252	13,857	-	171

	(Unit: Thousand Baht)	
	For the year ended	
	31 December 2018	
	Increase (decrease)	
	Consolidated	Separate
	financial	financial
	statements	statements
Statement of comprehensive income		
Profit or loss:		
Revenues from sales of real estate	(429,697)	(257,832)
Selling expenses	(436,071)	(257,618)
Share of profit from investments in joint ventures	92,296	-
Income tax expense	1,275	(43)
Profit for the year	97,395	(171)
Attributable to:		
Profit attributable to equity holders of the Company	97,395	(171)
Earnings per share (Baht):		
Basic earnings per share	0.031	-

The nature of these adjustments are described below:

- Commission paid to obtain a contract - The Group has determined that commission paid to obtain a customer contract should be recorded 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 Group immediately recorded commission as selling expenses when the transaction occurred.
- Consideration paid to customers - The Group paid registration fee for the transfer of houses or condominium units or paid common area fee to the juristic person of house projects or condominium projects on behalf of customers when the customers register the transfer of houses or condominium units. The management of the Group has considered that these transactions are consideration paid to customers. Therefore, they should be recorded as net offsetting with revenue from property sales, not selling expenses as previously recorded.

5. Significant accounting policies

5.1 Revenue recognition

Revenue from sales of real estate

Revenues from sales of land and houses and sales of residential condominium are recognised at the point in time when control of the asset are transferred to the customer by transferring the ownership/delivery of the properties. Revenue from sales of real estate is measured at the amount of the consideration received after deducting discounts and consideration paid to customers. The payment condition depends on the payment terms which is stipulated in the contract with customers. Payment in advance from customers, which made before transferring of control of the asset, has been presented under the caption of “Unearned revenue” in the statement of financial position.

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 at a point in time upon completion of the service or recognised over time when services have been rendered taking into account the stage of completion as estimated by project managers.

The obligation to transfer goods or services to a customer for which the Group has received consideration or an amount of consideration is due from the customer is presented under the caption of “Unearned revenue” in the statement of financial position. Contract liabilities are recognised as revenue when the Group performs under the contract.

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.

5.2 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.

5.3 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.

5.4 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.

5.5 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 Group recognises loss on diminution in value of projects (if any) in profit or loss.

5.6 Cost to obtain a contract

The Group recognises commission paid to obtain a customer contract as an asset and amortised to expenses on a systematic basis that is consistent with the pattern of revenue recognition. An impairment loss is recognised to the extent that the carrying amount of an asset recognised exceeds the remaining amount of consideration that the entity expects to receive less direct costs. Provided that the amortisation period of the asset that the Group otherwise would have used is one year or less, costs to obtain a contract are immediately recognised as expenses.

5.7 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 Group 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.

5.8 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.

5.9 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.

5.10 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction or production of an asset or development of the projects that necessarily takes a substantial period of time to get ready for its intended use or sale are capitalised as part of the costs 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.

To the extent that funds are borrowed specifically for the development of projects, interest costs are presented as the actual borrowing costs less any investment income from the temporary investment of those borrowings. To the extent that funds are borrowed and used for the general purposes, the interest costs are determined by applying a capitalisation rate to the expenditures on that project. The capitalisation rate is the weighted average of the borrowing costs applicable to the borrowings of the entity that are outstanding during the year, other than borrowings made for specific purposes.

5.11 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:

	<u>Useful lives</u>
Computer software	3 and 5 years

5.12 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.

5.13 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.

5.14 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.

5.15 Impairment of assets

At the end of each reporting period, the Group performs 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 Group also carries 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 Group 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 Group estimates 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.

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

Defined benefit plans

The Group has obligations in respect of the severance payments they must make to employees upon retirement under labor law. The Group treats 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 defined benefits plans are recognised immediately in other comprehensive income.

Past service costs are recognized in profit or loss on the earlier of the date of the plan amendment or curtailment and the date that the Company recognises restructuring-related costs.

5.17 Provisions

Provisions are recognised when the Group has 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.

5.18 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 Group recognises 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 Group reviews and reduces 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 Group records deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

5.19 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 Group applies 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 Group measures 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 Group determines 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.

6. 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 Group has contingent liabilities as a result of litigation. The Group's 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.

7. Cash and cash equivalents

Cash and cash equivalents as at 31 December 2019 and 2018 consisted of the following:

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Cash	3,430	2,188	2,153	1,038
Deposits at banks	567,346	949,620	135,138	216,952
Total	570,776	951,808	137,291	217,990
Less: Restricted bank deposits	(549)	(549)	(549)	(549)
Cash and cash equivalents	570,227	951,259	136,742	217,441

As at 31 December 2019, bank deposits in savings accounts carried interests between 0.10 and 0.85 percent per annum (2018: between 0.10 and 1.05 percent per annum).

The above restricted bank deposits are bank deposits that the Group has placed with banks to secure letters of guarantee issued by the banks on behalf of the Group.

8. Trade and other receivables

As at 31 December 2019 and 2018, the outstanding balances of trade and other receivables were unrelated parties, as detailed below.

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
		(Restated)		
Trade receivables:				
<u>Aged on the basis of due dates</u>				
Not yet due	88,989	113,736	70,449	71,449
Past due				
Up to 12 months	46,966	26,144	-	-
Over 12 months	2,605	1,974	-	-
Total trade receivables	138,560	141,854	70,449	71,449
Less: Allowance for doubtful accounts	(2,597)	(1,974)	-	-
Trade receivables - net	135,963	139,880	70,449	71,449
Other receivables:				
Other receivable - the Revenue department	23,278	4,763	-	-
Others	13,185	-	6,175	7,571
Total other receivable	36,463	4,763	6,175	7,571
Less: Allowance for doubtful accounts	(3,246)	(3,246)	-	-
Other receivables - net	33,217	1,517	6,175	7,571
Trade and other receivables - net	169,180	141,397	76,624	79,020

9. Inventories

	Consolidated		(Unit: Thousand Baht)	
			Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Land	30,537,395	25,955,880	3,158,361	5,270,827
Land improvement	1,917,478	1,361,053	194,002	318,148
Work in progress	10,846,894	8,929,396	1,891,935	2,730,483
Infrastructures	4,332,058	3,089,778	685,454	1,021,572
Deferred interest expenses	1,139,397	1,005,514	169,294	269,450
Deferred project development costs	942,316	842,794	142,319	241,009
Inventories held for sale	7,704	14,072	7,704	7,704
Construction materials	3,619	2,535	-	-
Other inventories	370	370	-	-
Total	49,727,231	41,201,392	6,249,069	9,859,193
Less: Reduce cost to net realisable value	(12,544)	(52,275)	(544)	(544)
Net	49,714,687	41,149,117	6,248,525	9,858,649

Details of the Group's projects on hand are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Number of projects on hand at beginning of year	85	74	40	53
Completed projects	(16)	(21)	(12)	(14)
New projects	24	29	1	1
Increase in number of projects form changing the status of joint ventures to subsidiary	2	3	-	-
Projects on hand at end of year	95	85	29	40

The Group has mortgaged their land and construction thereon, with total net book value as at 31 December 2019 and 2018 of Baht 31,088 million and Baht 24,342 million, respectively (Separate financial statements: Baht 4,692 million and Baht 7,514 million, respectively), with banks as collateral for overdrafts and loans from those banks, as described in Note 18 and 20.

During the years, the Group 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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Borrowing costs included in cost of inventories (Thousand Baht)	482,621	478,125	-	16,340
Capitalisation rate (Percent per annum)	3.30 - 4.13	2.75 - 4.28	-	2.75 - 3.16

10. Related party transactions

During the years, the Group 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.

(Unit: Thousand Baht)

	For the years ended 31 December				
	Consolidated		Separate		
	financial statements		financial statements		Pricing policy
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>	
<u>Transactions with subsidiaries</u>					
<i>(eliminated from the consolidated financial statements)</i>					
Guarantee income	-	-	41,407	21,101	At the rate of 1.00% of the average of outstanding guarantee balance
Rental income	-	-	3,908	4,416	At the contractual price
Interest income	-	-	1,031,804	719,067	Interest at rate of 3.30% per annum (2018: 3.10 - 3.30% per annum)
Dividend income	-	-	449,441	633,767	At the declared rate
Cost of sales	-	-	163,035	331,759	At the contractual price
Selling and administrative expenses	-	-	87,950	72,437	Comparable price with third parties
Interest expenses	-	-	34,351	47,526	Interest at rate of 3.30% per annum (2018: 3.10 - 3.30% per annum)
<u>Transactions with joint ventures</u>					
Management income	557,942	480,932	557,942	480,932	At the contractual price
Service income	1,735	12,037	-	-	Comparable price with third parties
Dividend income	-	-	945,115	988,150	At the declared rate
Other income	-	3,358	-	-	At the contractual price
<u>Transactions with related parties</u>					
Selling and administrative expenses	14,938	12,453	14,938	12,453	Comparable price with third parties

As at 31 December 2019 and 2018, the balances of the accounts between the Company and those related parties are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Interest receivable - related parties				
<u>Subsidiaries</u>				
Asian Property (Krungthep) Co., Ltd.	-	-	118,798	30,906
Asian Property Co., Ltd.	-	-	479,738	136,513
The Value Property Development Co., Ltd.	-	-	492,581	78,721
Thonglor Residence Co., Ltd.	-	-	3,180	787
Asian Property (2012) Co., Ltd.	-	-	-	16,293
Asian Property (2014) Co., Ltd.	-	-	25,285	12,232
Asian Property (2018) Co., Ltd.	-	-	76,296	16,363
AP ME 10 Co., Ltd.	-	-	-	565
AP ME 11 Co., Ltd.	-	-	6,346	-
AP ME 12 Co., Ltd.	-	-	-	177
Total interest receivable - related parties	-	-	1,202,224	292,557

(Unit: Thousand Baht)

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade accounts payable - related parties (Note 19)				
<u>Subsidiaries</u>				
Signature Advisory Partners Ltd.	-	-	-	44,175
SQE Construction Co., Ltd.	-	-	1,916	18,585
Total trade accounts payable - related parties	-	-	1,916	62,760
Others payable - related parties (Note 19)				
<u>Subsidiaries</u>				
Asian Property Co., Ltd.	-	-	1	8,154
The Value Property Development Co., Ltd.	-	-	-	5
Smart Service & Management Co., Ltd.	-	-	2,378	1,780
Bangkok CitiSmart Co., Ltd.	-	-	2,970	-
SEASIA Leadavation Center Co., Ltd.	-	-	-	2,606
SQE Construction Co., Ltd.	-	-	-	2,304
Total others payable - related parties	-	-	5,349	14,849
Interest payable - related parties				
<u>Subsidiaries</u>				
AP ME (Krungthep) Co., Ltd.	-	-	-	7,854
AP (Ekkamai) Co., Ltd.	-	-	3,713	-
Thai Big Belly Co., Ltd.	-	-	2,802	475
Asian Property (2012) Co., Ltd.	-	-	3,659	-
Total interest payable - related parties	-	-	10,174	8,329
Retention payable - related party				
<u>Subsidiary</u>				
SQE Construction Co., Ltd.	-	-	201	458
Total retention payable - related party	-	-	201	458

The balances of loans between the Company and those related parties as at 31 December 2019 and 2018, and the movements of are as follows:

Short-term loans to related parties

(Unit: Thousand Baht)

Company's name	Balance as at	During the year		Balance as at
	31 December	Additional	Receiving	31 December
	2018	granting		2019
Asian Property (Krungthep) Co., Ltd.	2,896,000	2,466,500	(2,766,000)	2,596,500
Asian Property Co., Ltd.	12,052,700	8,939,800	(9,319,500)	11,673,000
The Value Property Development Co., Ltd.	8,611,000	11,484,000	(3,483,000)	16,612,000
Thonglor Residence Co., Ltd.	44,100	85,300	(35,000)	94,400
Asian Property (2012) Co., Ltd.	695,600	14,000	(709,600)	-
Asian Property (2014) Co., Ltd.	492,000	289,000	(537,000)	244,000
Asian Property (2018) Co., Ltd.	1,548,000	728,500	(132,000)	2,144,500
AP ME 10 Co., Ltd.	211,000	730,000	(941,000)	-
AP ME 11 Co., Ltd.	-	424,000	-	424,000
AP ME 12 Co., Ltd.	174,000	1,901,020	(2,075,020)	-
AP ME 15 Co., Ltd.	-	1,597,000	(1,597,000)	-
AP ME 16 Co., Ltd.	-	110,000	(110,000)	-
AP ME 17 Co., Ltd.	-	484,000	(484,000)	-
AP ME 18 Co., Ltd.	-	33,000	(33,000)	-
Total short-term loans to related parties	26,724,400	29,286,120	(22,222,120)	33,788,400

Short-term loans from related parties

(Unit: Thousand Baht)

Company's name	Balance as at	During the year		Balance as at
	31 December	Additional	Repayment	31 December
	2018	granting		2019
Asian Property (2012) Co., Ltd.	-	384,000	(12,000)	372,000
Asian Property (2015) Co., Ltd.	-	527,000	(527,000)	-
AP ME (Krungthep) Co., Ltd.	820,300	97,000	(917,300)	-
AP (Ekkamai) Co., Ltd.	-	651,000	(10,000)	641,000
Thai Big Belly Co., Ltd.	81,000	10,000	(25,000)	66,000
Total short-term loans from related parties	901,300	1,669,000	(1,491,300)	1,079,000

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 2019 and 2018, the Group had employee benefit expenses payable to their directors and management as below.

	(Unit: Thousand Baht)	
	Consolidated and separate financial statements	
	<u>2019</u>	<u>2018</u>
Short-term employee benefits	156,744	168,167
Post-employment benefits	<u>7,054</u>	<u>8,472</u>
Total	<u>163,798</u>	<u>176,639</u>

Guarantee obligations with related parties

The Company had outstanding guarantee obligations with its related parties, as described in Note 31.4 a) to the financial statements.

11. Assets recognised from the costs to obtain a contract with a customer

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
Net book value at beginning of year	6,587	-	-	-
Addition	38,599	20,041	-	791
Amortisation	<u>(8,535)</u>	<u>(13,454)</u>	<u>-</u>	<u>(791)</u>
Net book value at end of year	<u>36,651</u>	<u>6,587</u>	<u>-</u>	<u>-</u>

12. Investments in subsidiaries

12.1 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	
		2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
		(Unit: Million Baht)											
Asian Property (Krungthep) Co., Ltd.	Real estate development	300	300	100	100	294	294	-	-	294	294	-	-
Asian Property Co., Ltd.	Real estate development	2,000	896	100	100	1,511	407	-	-	1,511	407	-	-
The Value Property Development Co., Ltd.	Real estate development	2,000	500	100	100	2,000	500	-	-	2,000	500	-	-
Smart Service & Management Co., Ltd.	Service	5	5	100	100	5	5	-	-	5	5	40	-
Bangkok CitiSmart Co., Ltd.	Service	4	4	100	100	4	4	-	-	4	4	30	-
Thonglor Residence Co., Ltd.	Real estate development	50	39	100	100	50	39	(25)	(25)	25	14	-	-
Asian Property (2011) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	-	15
Asian Property (2012) Co., Ltd.	Real estate development	300	300	100	100	300	300	-	-	300	300	-	-
Asian Property (2013) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	-	502
Thai Big Belly Co., Ltd.	Real estate development	50	50	100	100	50	50	-	-	50	50	25	-
Asian Property (2014) Co., Ltd.	Real estate development	400	400	100	100	400	400	-	-	400	400	220	-
Asian Property (2018) Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	1	1	-	-
AP ME (Krungthep) Co., Ltd.	Real estate development	-	768	-	100	-	770	-	-	-	770	119	-
AP ME (Sukhumvit) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	-	31
AP ME (Asoke) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	-	86
AP ME 10 Co., Ltd.	Real estate development	-	1	-	100	-	1	-	-	-	1	-	-
AP ME 11 Co., Ltd.	Real estate development	1	1	100	100	1	1	-	-	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 18 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
Asian Property (2015) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	-	-	-	15	-
AP (Ekamai) Co., Ltd.	Real estate development	359	-	100	-	433	-	-	-	433	-	-	-
AP ME 19 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
AP ME 20 Co., Ltd.	Real estate development	1	-	100	-	1	-	-	-	1	-	-	-
Total investments in subsidiaries			5,052		2,774		(25)		(25)		5,027		634

12.2 Significant changes in investments in subsidiaries

Establishment of new subsidiaries

Regarding the resolution of the Company's Board of Directors during 2018 and 2019, the Company has established additional subsidiaries in 2019 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 holds 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 holds 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 holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 22 February 2019.
- (d) Establishment of AP ME 19 Co., Ltd. with the registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each, in which the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 30 September 2019.
- (e) Establishment of AP ME 20 Co., Ltd. with the registered capital of Baht 1 million, comprising 0.1 million ordinary shares of Baht 10 each, in which the Company holds 99.99% interest. This company registered its establishment with the Ministry of Commerce on 30 September 2019.

Additionally invested in subsidiaries

Asian Property (2015) Co., Ltd.

On 12 March 2019, the meeting of the Company's Board of Directors passed a resolution to purchase ordinary shares of Asian Property (2015) Co., Ltd. from Premium Residence Co., Ltd., the Company's joint venture; of 66 million ordinary shares or equivalent to 99.99 percent of the share capital at the price of Baht 7.33 each, or a total of Baht 484 million. The Company had purchased and signed the share transfer documents of the aforementioned ordinary shares on 27 March 2019. As a result, the status of this company changed to the subsidiary of the Company and the financial statements of Asian Property (2015) Co., Ltd. had been included in the consolidated financial statements since 27 March 2019, which is the date on which the Company assumed control.

Management of the Company determined that the acquisition of the investment in this company was an asset acquisition. The carrying values of the assets and liabilities of Asian Property (2015) Co., Ltd. at the acquisition date were as summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	10,188
Short-term loan to related party	527,000
Other current assets	242
Equipment	11
Investment properties	1,399
Deferred tax assets	4,577
Other non-current assets	9
Trade and other payables	(19,573)
Accrued expenses related to the project	(22,885)
Accrued expenses	(32)
Income tax payables	(14,809)
Other current liabilities	(171)
Other non-current liabilities	(1,240)
Net assets	<u>484,716</u>
Cash paid for investments in subsidiary	484,000
Less: Cash and cash equivalents of the subsidiary	<u>(10,188)</u>
Net cash paid for investments in subsidiary	<u>473,812</u>

AP (Ekkamai) Co., Ltd.

On 29 October 2019, the meeting of the Company's Board of Directors passed a resolution to purchase ordinary shares of AP (Ekkamai) Co., Ltd. from MJRI (Thailand) Co., Ltd. of 20.58 million ordinary shares at the price of Baht 12.16 each, or a total of Baht 250.2 million. The Company had purchased and signed the share transfer documents of the aforementioned ordinary shares on 29 October 2019. As a result, the Company's shareholding in this company increased from 51.00% to 99.99% and the status of this company changed to the subsidiary of the Company and the financial statements of AP (Ekkamai) Co., Ltd. had been included in the consolidated financial statements since 29 October 2019, which is the date on which the Company assumed control.

Management of the Company determined that the acquisition of the investment in this company was an asset acquisition. The carrying values of the assets and liabilities of AP (Ekkamai) Co., Ltd. at the acquisition date were as summarised below.

	(Unit: Thousand Baht)
Cash and cash equivalents	5,586
Short-term loan to related party	650,000
Interest receivable - related party	176
Equipment	89
Investment properties	1,316
Deferred tax assets	4,769
Trade and other payables	(82,688)
Accrued expenses related to the project	(23,845)
Accrued expenses	(1,318)
Income tax payables	(29,690)
Other current liabilities	(53)
Other non-current liabilities	(1,209)
Net assets	<u>523,133</u>
Cash paid for investments in subsidiary	250,200
Less: Cash and cash equivalents of the subsidiary	<u>(5,586)</u>
Net cash paid for investments in subsidiary	<u>244,614</u>

Dissolution of subsidiary companies

On 29 August 2019, the Extraordinary General Meeting of the shareholders of Asian Property (2015) Co., Ltd. and AP ME (Krungthep) Co., Ltd. resolved to approve the dissolution of these entities. These 2 subsidiary companies registered their dissolution with the Ministry of Commerce on 29 August 2019.

On 29 August 2019, 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 Co., Ltd. at the book values of net assets and liabilities which was calculated based on these 2 subsidiaries' financial statements as at 29 August 2019. Therefore, Asia Property Co., Ltd. received of Baht 55.78 million from these 2 subsidiaries.

The Company received the return on its investment as a result of the dissolution of Asian Property (2015) Co., Ltd. and AP ME (Krungthep) Co., Ltd., at the rate of Baht 11.0 per share and Baht 10.35 per share, respectively, or totaling Baht 1,253.88 million. The Company recognised gain on dissolution of these 2 subsidiaries totaling Baht 17.51 million in the separate financial statement.

On 7 October 2019, these 2 subsidiaries had registered the completion of the liquidation process with the Ministry of Commerce.

Increase in share capital of the subsidiaries

The Value Property Development Co., Ltd.

On 17 May 2019, the Extraordinary General Meeting of shareholders of The Value Property Development Co., Ltd. approved to increase its registered share capital by Baht 1,500 million (150 million ordinary shares of Baht 10 each) from Baht 500 million (50 million ordinary shares of Baht 10 each) to Baht 2,000 million (200 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 21 May 2019.

Asian Property Co., Ltd.

On 17 May 2019, the Extraordinary General Meeting of shareholders of Asian Property Co., Ltd. approved to increase its registered share capital by Baht 1,104 million (110.4 million ordinary shares of Baht 10 each) from Baht 896 million (89.6 million ordinary shares of Baht 10 each) to Baht 2,000 million (200 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 22 May 2019.

Thonglor Residence Co., Ltd.

On 19 December 2019, the Extraordinary General Meeting of shareholders of Thonglor Residence Co., Ltd. approved to increase its registered share capital by Baht 11 million (1.1 million ordinary shares of Baht 10 each) from Baht 39 million (3.9 million ordinary shares of Baht 10 each) to Baht 50 million (5 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 23 December 2019.

Signature Advisory Partners Ltd.

On 19 December 2019, the Extraordinary General Meeting of shareholders of Signature Advisory Partners Ltd. approved to increase its registered share capital by Baht 11 million (1.1 million ordinary shares of Baht 10 each) from Baht 30 million (3.0 million ordinary shares of Baht 10 each) to Baht 41 million (4.1 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 24 December 2019.

Clay More Innovation Lab Co., Ltd.

On 19 December 2019, the Extraordinary General Meeting of shareholders of Clay More Innovation Lab Co., Ltd. approved to increase its registered share capital by Baht 11 million (1.1 million ordinary shares of Baht 10 each) from Baht 5 million (0.5 million ordinary shares of Baht 10 each) to Baht 16 million (1.6 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 23 December 2019.

SEASIA Leadavation Center Co., Ltd.

On 19 December 2019, the Extraordinary General Meeting of shareholders of SEASIA Leadavation Center Co., Ltd. approved to increase its registered share capital by Baht 200 million (20 million ordinary shares of Baht 10 each) from Baht 300 million (30 million ordinary shares of Baht 10 each) to Baht 500 million (50 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 24 December 2019.

Sales of investments in subsidiaries

AP ME 12 Co., Ltd.

On 25 June 2019, the Company sold investment in AP ME 12 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 42.6 million. The Company recognised gain from sales of investment of approximately Baht 27.3 million in the consolidated financial statements (Baht 41.6 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 13.

AP ME 10 Co., Ltd.

On 25 September 2019, the Company sold investment in AP ME 10 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 40.3 million. The Company recognised gain from sales of investment of approximately Baht 23.1 million in the consolidated financial statements (Baht 39.3 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 13.

AP ME 15 Co., Ltd.

On 25 September 2019, the Company sold investment in AP ME 15 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 32.6 million. The Company recognised gain from sales of investment of approximately Baht 20.3 million in the consolidated financial statements (Baht 31.6 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 13.

AP ME 16 Co., Ltd.

On 26 November 2019, the Company sold investment in AP ME 16 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 5.4 million. The Company recognised gain from sales of investment of approximately Baht 3.0 million in the consolidated financial statements (Baht 4.4 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 13.

AP ME 17 Co., Ltd.

On 26 November 2019, the Company sold investment in AP ME 17 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 5.8 million. The Company recognised gain from sales of investment of approximately Baht 3.2 million in the consolidated financial statements (Baht 4.8 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 13.

13. Investments in joint ventures

13.1 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			
		2019	2018	2019	2018	2019	2018		
		(%)	(%)		(Restated)				
AP ME (Sukhumvit) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	21
AP ME (Krungthep) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	7
AP ME (Asoke) Co., Ltd.	Real estate development	-	-	-	-	-	-	-	24
AP (Ekkamai) Co., Ltd.	Real estate development	-	51	-	183	-	270	375	-
Premium Residence Co., Ltd. and its subsidiaries	Real estate development	51	51	5,822	4,582	5,453	4,227	570	936
Total				5,822	4,765	5,453	4,497	945	988

13.2 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:

Joint ventures	(Unit: Million Baht)	
	Consolidated	
	financial statements	
	For the years ended 31 December	
	2019	2018
		(Restated)
AP ME (Sukhumvit) Co., Ltd.	-	13
AP ME (Krungthep) Co., Ltd.	-	16
AP ME (Asoke) Co., Ltd.	-	29
AP (Ekkamai) Co., Ltd.	372	139
Premium Residence Co., Ltd. and its subsidiaries	637	1,020
Total	1,009	1,217

13.3 Summarised financial information about material joint ventures

Summarised information about financial position

	(Unit: Million Baht)	
	31 December	
	2019	
	Premium Residence Co., Ltd. and its subsidiaries	
Cash and cash equivalents	902	
Other current assets	28,356	
Non-current assets	890	
	30,148	
Short-term loans	1,668	
Current liabilities	5,111	
Long-term loans	12,053	
Other non-current liabilities	135	
	18,967	
Net assets	11,181	
Shareholding percentage (%)	51	
Share of net assets	5,702	
Elimination	(249)	
Carrying amounts of joint ventures based on equity method	5,453	

(Unit: Million Baht)
31 December 2018

	Premium Residence Co., Ltd. and its subsidiaries (Restated)	AP (Ekkamai) Co., Ltd. (Restated)
Cash and cash equivalents	1,331	125
Other current assets	19,863	773
Non-current assets	687	3
	<u>21,881</u>	<u>901</u>
Short-term loans	40	-
Current liabilities	4,085	368
Long-term loans	9,019	-
Other non-current liabilities	85	4
	<u>13,229</u>	<u>372</u>
Net assets	8,652	529
Shareholding percentage (%)	51	51
Share of net assets	4,412	270
Elimination	(185)	-
Carrying amounts of joint ventures based on equity method	<u>4,227</u>	<u>270</u>

These joint ventures have mortgaged their land, with a total net book value as at 31 December 2019 of approximately Baht 26,870 million (the Company's proportion: Baht 13,704 million), as collateral for credit facilities granted by the commercial banks (2018: Baht 17,387 million (the Company's proportion: Baht 8,867 million)).

Summarised information about comprehensive income

(Unit: Million Baht)
For the year ended 31 December 2019

	AP (Ekkamai) Co., Ltd. (Restated)	Premium Residence Co., Ltd. and its subsidiaries (Restated)
Revenues	1,877	6,773
Interest income	3	8
Interest expenses	-	(23)
Income tax expenses	(182)	(345)
Profit	729	1,218
Total comprehensive income	729	1,218

(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
	(Restated)	(Restated)	(Restated)	(Restated)	(Restated)
Revenues	23	220	209	847	8,940
Interest income	3	1	-	-	12
Interest expenses	-	-	-	(4)	(28)
Income tax expenses	(7)	(8)	(14)	(68)	(505)
Profit	26	32	56	272	1,984
Total comprehensive income	26	32	56	272	1,984

13.4 Changes in investments in joint ventures

Premium Residence Co., Ltd.

On 25 December 2017, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. approved to 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 12 July 2019, the forth call up of this additional registered share capital had been paid at 17.3 percent of additional registered share capital or equivalent to Baht 346 million.
- On 25 September 2019, the fifth call up of this additional registered share capital had been paid at 14.4 percent of additional registered share capital or equivalent to Baht 288.3 million.

As a result, the additional Baht 2,000 million share capital was paid up fully.

On 25 June 2019, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. approved to increase its registered share capital by Baht 1,000 million (100 million ordinary shares of Baht 10 each) from Baht 9,619.4 million (961.9 million ordinary shares of Baht 10 each) to Baht 10,619.4 million (1,061.9 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 26 June 2019. During the current year, the additional call up of registered share capital was made as follows:

- On 26 June 2019, the first call up of registered share capital had been paid at 35.1 percent of additional registered share capital or equivalent to Baht 351 million.
- On 15 October 2019, the second call up of registered share capital had been paid at 23 percent of additional registered share capital or equivalent to Baht 230 million.

- On 26 November 2019, the third call up of registered share capital had been paid at 31 percent of additional registered share capital or equivalent to Baht 310 million.

On 25 September 2019, the Extraordinary General Meeting of shareholders of Premium Residence Co., Ltd. additionally approved to increase its registered share capital by Baht 2,000 million (200 million ordinary shares of Baht 10 each) from Baht 10,619.4 million (1,061.9 million ordinary shares of Baht 10 each) to Baht 12,619.4 million (1,261.9 million ordinary shares of Baht 10 each). This company registered the increase of its share capital with the Ministry of Commerce on 26 September 2019 and the first call up was made at 45.2 percent of this additional registered share capital or equivalent to Baht 904.7 million.

14. Land and cost of project held for development

Land and cost of project held for development as at 31 December 2019 and 2018 consisted of the following:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Land	745,393	745,393	165,719	165,719
Land improvement	18,980	18,980	-	-
Construction	2,691	2,691	-	-
Infrastructure	13,036	13,036	-	-
Deferred interest expenses	239,153	239,153	-	-
Deferred expenses	18,434	18,434	-	-
Total	1,037,687	1,037,687	165,719	165,719
Less: Allowance for impairment loss	(358,614)	(358,614)	(18,963)	(18,963)
Land and cost of project held for development - net	<u>679,073</u>	<u>679,073</u>	<u>146,756</u>	<u>146,756</u>

15. Investment properties

The net book value of investment properties, representing condominium units for rent, as at 31 December 2019 and 2018 is presented below.

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Cost	99,727	97,258	67,378	67,378
Less: Accumulated depreciation	(27,099)	(22,432)	(21,706)	(18,337)
Net book value	<u>72,628</u>	<u>74,826</u>	<u>45,672</u>	<u>49,041</u>

A reconciliation of the net book value of investment properties for the years 2019 and 2018 is presented below.

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Net book value at beginning of year	74,826	70,648	49,041	52,410
Transfer from inventories	-	4,556	-	-
Increase from changing the status of joint ventures to subsidiaries	2,715	4,287	-	-
Depreciation charged during the year	<u>(4,913)</u>	<u>(4,665)</u>	<u>(3,369)</u>	<u>(3,369)</u>
Net book value at end of year	<u>72,628</u>	<u>74,826</u>	<u>45,672</u>	<u>49,041</u>

The fair value of the investment properties as at 31 December 2019 is approximately Baht 372 million (Separate financial statements: Baht 235 million) (2018: Baht 346 million (Separate financial statements: Baht 230 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.

16. Property, plant and equipment

Consolidated financial statements										(Unit: Thousand Baht)
	Land and land improvement	Buildings and constructions	Club houses, swimming pool and play ground	Sample houses and sales office	Furniture, fixtures and equipment	Motor vehicles	Mold	Other fixed assets	Assets under installation	Total
Cost										
1 January 2018	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
Additions	-	-	-	-	149,761	-	6,187	19,410	25,264	200,622
Increase from changing the status of joint ventures to subsidiaries	-	-	-	-	369	-	-	45	-	414
Disposals/write-off	-	-	-	-	(33,649)	-	(15,119)	(8,005)	(11,654)	(68,427)
Transfer to intangible asset	-	-	-	-	-	-	-	-	(37,731)	(37,731)
Transfer in (out)	-	-	-	-	35,540	-	-	-	(35,540)	-
31 December 2019	26,216	9,785	42,473	588	597,937	3,713	64,899	90,705	29,501	865,817
Accumulated depreciation										
1 January 2018	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
Depreciation for the year	331	295	-	-	61,266	334	11,661	12,703	-	86,590
Increase from changing the status of joint ventures to subsidiaries	-	-	-	-	280	-	-	34	-	314
Depreciation on disposals/write-off	-	-	-	-	(31,867)	-	(13,568)	(6,934)	-	(52,369)
31 December 2019	7,654	5,920	36,780	588	235,411	2,952	48,770	49,153	-	387,228

[illegible]

(Unit: Thousand Baht)

	Separate financial statements				
	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Other fixed assets	Assets under installation
Cost					Total
1 January 2018	22,907	4,085	220,578	35,491	605
Additions	-	-	21,897	9,219	85,102
Disposals/write-off	-	-	(44,425)	(10,059)	-
Transfer in (out)	-	-	34,330	9,925	(44,255)
31 December 2018	22,907	4,085	232,380	44,576	41,452
Additions	-	-	126,976	13,234	22,384
Disposals/write-off	-	-	(28,701)	(5,511)	-
Transfer to intangible asset	-	-	-	-	(15,870)
Transfer in (out)	-	-	19,807	-	(19,807)
31 December 2019	22,907	4,085	350,462	52,299	28,159
Accumulated depreciation					
1 January 2018	5,511	4,053	178,816	26,513	-
Depreciation for the year	-	21	21,297	4,491	-
Depreciation on disposals/write-off	-	-	(43,577)	(9,770)	-
31 December 2018	5,511	4,074	156,536	21,234	-
Depreciation for the year	-	11	31,800	8,586	-
Depreciation on disposals/write-off	-	-	(27,592)	(5,066)	-
31 December 2019	5,511	4,085	160,744	24,754	-
					195,094

Separate financial statements (continued)						(Unit: Thousand Baht)
	Land and land improvement	Buildings and constructions	Furniture, fixtures and equipment	Other fixed assets	Assets under installation	Total
Allowance for impairment loss						
31 December 2017	4,802	32	-	-	-	4,834
Reversal during the year	-	(21)	-	-	-	(21)
31 December 2018	4,802	11	-	-	-	4,813
Reversal during the year	-	(11)	-	-	-	(11)
31 December 2019	4,802	-	-	-	-	4,802
Net book value						
31 December 2018	12,594	-	75,844	23,342	41,452	153,232
31 December 2019	12,594	-	189,718	27,545	28,159	258,016
Depreciation for the year						
2018 (included in the administrative expenses)						25,809
2019 (included in the administrative expenses)						40,397

As at 31 December 2019 and 2018, certain plant and equipment items of the Group 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 360 million and Baht 235 million, respectively (Separate financial statements: Baht 254 million and Baht 129 million, respectively).

17. Intangible assets

The net book value of intangible asset, representing computer software, as at 31 December 2019 and 2018 is presented below.

	(Unit: Thousand Baht)	
	Consolidated financial statements	Separate financial statements
Cost		
1 January 2018	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
Additions	85,427	33,217
Transferred from asset under installation	37,731	15,870
31 December 2019	289,927	197,732
Accumulated amortisation		
1 January 2018	137,566	126,846
Amortisation for the year	15,880	14,025
Disposals	(4,020)	(3,874)
31 December 2018	149,426	136,997
Amortisation for the year	26,992	17,805
31 December 2019	176,418	154,802
Net book value		
31 December 2018	17,343	11,648
31 December 2019	113,509	42,930
Amortisation for the year		
2018 (included in the administrative expenses)	15,880	14,025
2019 (included in the administrative expenses)	26,992	17,805

18. Short-term loans from financial institutions

Short-term loans from financial institutions as at 31 December 2019 and 2018 comprised the following:

	Interest rate		Consolidated		(Unit: Thousand Baht)	
			financial statements		Separate	
	2019	2018	2019	2018	2019	2018
	(percent per annum)	(percent per annum)				
Bill of exchanges	1.50 - 2.70	1.88 - 2.78	8,213,550	3,190,000	7,405,000	2,480,000
Less: Prepaid interest expenses			(33,403)	(5,368)	(33,403)	(5,368)
Short-term loans from financial institutions			<u>8,180,147</u>	<u>3,184,632</u>	<u>7,371,597</u>	<u>2,474,632</u>

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

19. Trade and other payables

			(Unit: Thousand Baht)	
	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Trade accounts payable - related parties	-	-	1,916	62,760
Trade accounts payable - unrelated parties	1,531,452	1,416,645	522,958	620,671
Other payables - the Revenue Department	48,547	44,428	12,694	17,043
Other payables - related parties	-	-	5,349	14,849
Other payables - unrelated parties	173,494	156,080	18,531	55,735
Total trade and other payables	<u>1,753,493</u>	<u>1,617,153</u>	<u>561,448</u>	<u>771,058</u>

20. Long-term loans

Long-term loans from bank as at 31 December 2019 and 2018 can be summarised as follows:

Significant terms and conditions of loan agreement						(Unit: Thousand Baht)		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate	Outstanding long-term loan amount		
						Current portion	Non-current portion	Total
2019								
<u>The Company</u>								
1.	Bank	533,000	At 70 percent of selling price upon release of the mortgage and due within 2023	The mortgage of land and construction thereon	MLR-2.00	-	210,000	210,000
Total loans of the Company								
<u>Subsidiaries</u>								
<u>Asian Property Co., Ltd.</u>								
1.	Bank	4,156,000	At 60 percent of selling price upon release of the mortgage and due within 2023	The mortgage of land and construction thereon	MLR-2.15	-	220,000	220,000
<u>The Value Property Development Co., Ltd.</u>								
2.	Bank	2,121,000	At 50 percent of selling price upon release of the mortgage and due within 2023	The mortgage of land and construction thereon	MLR-2.125 to MLR-2.15	-	397,000	397,000
Total loans of the subsidiaries								
Total loans of the Group								
							617,000	617,000
							827,000	827,000

Significant terms and conditions of loan agreement						(Unit: Thousand Baht)		
No.	Lender	Credit facilities	Repayment term	Collateral	Interest rate (Percent per annum)	Outstanding long-term loan amount		
						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 70 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 Group								
						-	20,000	20,000
						-	140,000	140,000

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 2019, the long-term credit facilities of the Group which have not yet been drawn down amounted to Baht 6,296 million (Separate financial statements: Baht 323 million) (2018: Baht 4,617 million (Separate financial statements: Baht 1,314 million)).

21. Debentures

Debentures as at 31 December 2019 and 2018, which are unsubordinated, unsecured debentures with registered name, were summarised below.

Name of debenture	Fixed interest rate	Period	Maturity date	Consolidated and separate financial statements			
				Unit		Amount	
				2019	2018	2019	2018
				(Thousand units)	(Thousand units)	(Million Baht)	(Million Baht)
AP191A	4.50% p.a.	5 years	24 January 2019	-	350	-	350
AP197A	4.36% p.a.	5 years and 1 month	27 July 2019	-	1,000	-	1,000
AP201A	3.58% p.a.	5 years	22 January 2020	1,500	1,500	1,500	1,500
AP197B	3.04% p.a.	4 years	10 July 2019	-	1,000	-	1,000
AP191B	2.15% p.a.	2 years and 6 months	29 January 2019	-	1,000	-	1,000
AP191C	2.55% p.a.	2 years	19 January 2019	-	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	1,500	1,500
AP221A	2.40% p.a.	4 years	22 January 2022	1,500	1,500	1,500	1,500
AP222A	2.81% p.a.	3 years and 6 months	7 February 2022	500	500	500	500
AP228A	2.94% p.a.	4 years	7 August 2022	1,500	1,500	1,500	1,500
AP228B	2.94% p.a.	4 years	24 August 2022	500	500	500	500
AP218A	2.60% p.a.	2 years, 11 months and 24 days	17 August 2021	100	100	100	100
AP20DA	2.78% p.a.	2 years	25 December 2020	1,000	1,000	1,000	1,000
AP21DA	3.13% p.a.	3 years	25 December 2021	1,000	1,000	1,000	1,000
AP235A	3.17% p.a.	4 years	17 May 2023	3,000	-	3,000	-
AP227A	2.63% p.a.	3 years	11 July 2022	500	-	500	-
AP238A	2.42% p.a.	4 years	19 August 2023	1,230	-	1,230	-
AP248A	2.62% p.a.	5 years	19 August 2024	770	-	770	-
Total						18,600	16,950
Less: Current portion						(4,500)	(3,850)
Debentures - net of current portion						14,100	13,100

21.1 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.

- 21.2 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.
- 21.3 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.
- 21.4 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.
- 21.5 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.
- 21.6 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.

- 21.7 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.
- 21.8 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.
- 21.9 On 17 May 2019, 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 3.0 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 3,000 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 3.17% per annum. The interest payment is made every six months and the debentures are due for redemption on 17 May 2023.
- 21.10 On 11 July 2019, 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 not more than 10 investors. The debentures have 3-year term from the date of issuance and bear the fixed interest rate of 2.63% per annum. The interest payment is made every six months and the debentures are due for redemption on 11 July 2022.
- 21.11 On 19 August 2019, 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 1.23 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 1,230 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 2.42% per annum. The interest payment is made every six months and the debentures are due for redemption on 19 August 2023.

21.12 On 19 August 2019, 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 0.77 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 770 million, to private placement which is institutional. The debentures have 5-year term from the date of issuance and bear the fixed interest rate of 2.62% per annum. The interest payment is made every six months and the debentures are due for redemption on 19 August 2024.

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 2019, fair values of debentures are Baht 18,855 million (2018: Baht 16,920 million).

22. 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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Defined benefit obligation at beginning of year	175,929	129,854	102,093	108,688
Expenses recognised in profit or loss:				
Current service cost	34,615	31,475	16,567	15,883
Interest cost	6,319	5,593	3,302	3,389
Past service costs	6,208	-	-	-
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	-	(29,505)	-	(29,586)
Experience adjustments	-	15,378	-	2,239
Benefits paid during the year	(740)	(1,056)	(740)	(1,057)
Defined benefit obligation at end of year	<u>222,331</u>	<u>175,929</u>	<u>121,222</u>	<u>102,093</u>

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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Current service cost	34,615	31,475	16,567	15,883
Interest cost	6,319	5,593	3,302	3,389
Past service costs	6,208	-	-	-
Total expense recognised in profit or loss	47,142	37,068	19,869	19,272

The Group expects to pay Baht 1.4 million of long-term employee benefits during the next year (Separate financial statements: Baht 1.3 million) (2018: Baht 22.6 million of long-term employee benefits during the next year (Separate financial statements: Baht 22.5 million)).

As at 31 December 2019, the weighted average duration of the liabilities for long-term employee benefit is 17.00 - 25.49 years (Separate financial statements: 23.99 years) (2018: 17.00 - 26.33 years, separate financial statements: 24.83 years).

Key actuarial assumptions used for the valuation are as follows:

	Consolidated		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
	(% per annum)	(% per annum)	(% per annum)	(% per annum)
Discount rate	3.08 - 3.35	3.08 - 3.35	3.34	3.34
Future salary increase rate (depending on employee's age)	0 - 7	0 - 7	0 - 7	0 - 7
Staff turnover rate	0 - 28.57	0 - 28.57	0 - 28.57	0 - 28.57

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2019 and 2018 are summarised below:

(Unit: Million Baht)				
31 December 2019				
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(17)	36	(15)	18
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Salary increase rate	33	(15)	20	(17)
	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
Staff turnover rate	(16)	26	(11)	13

(Unit: Million Baht)				
31 December 2018				
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Discount rate	(15)	26	(5)	12
	Increase 1.0%	Decrease 1.0%	Increase 1.0%	Decrease 1.0%
Salary increase rate	25	(17)	13	(6)
	Increase 10.0%	Decrease 10.0%	Increase 10.0%	Decrease 10.0%
Staff turnover rate	(9)	24	(3)	9

On 5 April 2019, The Labor Protection Act (No. 7) B.E. 2562 was announced in the Royal Gazette. This stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more, with such employees entitled to receive not less than 400 days' compensation at the latest wage rate. The law was effective from 5 May 2019. 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 reflected the effect of the change by recognising past services costs as expenses in the profit or loss in comprehensive income statement of the current year.

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.

23. 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.

24. Revenue from contracts with customers

24.1 Revenue recognised in relation to contract balances

During the year 2019, the Group has recognised the items that was included in advance received from customers at the beginning of the year of Baht 166.8 million as the revenue in the statement of comprehensive income (Separate financial statements: Baht 20.2 million) (2018: Baht 111.8 million, Separate financial statements: Baht 24.2 million).

24.2 Revenue to be recognised for the remaining performance obligations

As at 31 December 2019, expected revenue to be recognised in the future relating to performance obligations that are unsatisfied (or partially unsatisfied) of contracts with customers are as follows:

	(Unit: Million Baht)			
	Consolidated financial statements		Separate financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Nature of business:				
Real estate development	8,966.2	6,839.4	1,460.7	2,531.6
Service	74.2	40.2	-	-

The Group expects to satisfy the performance obligations within 1- 5 years.

However, the revenue recognised in the future are subject to several internal and external factors including ability to make installment payments by customers and getting approved credit facilities from banks, the progression of projects construction of the Group and also economic and political conditions.

25. Expenses by nature

Significant expenses by nature are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
Construction and infrastructure costs	9,128,686	10,438,859	3,156,472	5,615,088
Land cost	5,569,129	5,627,867	2,112,467	3,628,604
Salary and wages and other employee benefits	1,787,515	1,603,619	697,029	780,373
Advertising and promotion expenses	1,253,387	1,082,223	527,255	639,412
Rental expenses from operating lease agreements	175,146	150,922	92,502	88,288
Allowance for diminution in value of inventory	-	50,997	-	-
Allowance for diminution in value of assets	-	16,579	-	-
Depreciation	91,503	69,893	43,766	29,179
Amortisation	26,992	15,880	17,805	14,025

26. Income tax

Income tax expenses for the years ended 31 December 2019 and 2018 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
Current income tax				
Current income tax charge	669,084	810,717	289,270	486,010
Adjustment in respect of current income tax of previous year	11,417	15,306	9,536	17,309
Deferred tax:				
Relating origination and reversal of temporary differences	(99,503)	(46,864)	16,181	(10,691)
Income tax expense reported in profit or loss	<u>580,998</u>	<u>779,159</u>	<u>314,987</u>	<u>492,628</u>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2019 and 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
Deferred tax relating to actuarial gain (loss)				
from prost-employment benefits	-	(1,269)	-	1,025

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2019</u>	<u>2018</u>	<u>2019</u>	<u>2018</u>
		(Restated)		(Restated)
Accounting profit before tax	3,644,961	4,732,151	2,925,354	4,026,326
Applicable tax rate	20%	20%	20%	20%
Accounting profit before tax multiplied by				
income tax rate	728,992	946,430	585,071	805,265
Adjustment in respect of income tax of				
previous year	11,417	15,306	9,536	17,309
Effect of non-taxable expenses (revenues) for				
tax purpose	13,954	17,968	633	(2,416)
Tax effect on tax-deductible more than 1 time	(6,393)	(9,072)	(2,191)	(5,109)
Tax effect of non-taxable dividend income	-	-	(278,911)	(324,383)
Share of profit from investments in joint				
ventures	(201,715)	(243,515)	-	-
Others	34,743	52,042	849	1,962
Income tax expenses reported in the				
statement of comprehensive income	<u>580,998</u>	<u>779,159</u>	<u>314,987</u>	<u>492,628</u>

The components of deferred tax assets are as follows:

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		As at 31 December	As at 31 December
		2019	2018
			(Restated)
Deferred tax assets			
Allowance for doubtful accounts	5	27	
The difference between book and tax accounting net revenue	580	1,236	
Allowance for asset impairment	39,649	46,249	
Profit in outstanding inventories	25,913	13,061	
Accumulated depreciation - plant and equipment	1,548	1,192	
Provision for long-term employee benefits	40,721	32,484	
Deferred sales and marketing expenses	132,340	122,601	
Unused tax loss	115,737	41,342	
Total	356,493	258,192	
Deferred tax liabilities			
Investment in subsidiaries and joint ventures	-	2,888	
Total	-	2,888	

		(Unit: Thousand Baht)	
		Separate financial statements	
		As at	As at
		31 December 2019	31 December 2018
Deferred tax assets			
Provision for long-term employee benefits	24,244	20,419	
Deferred sales and marketing expenses	55,681	75,687	
Total	79,925	96,106	

As at 31 December 2019 the subsidiaries have deductible temporary differences totaling Baht 3.8 million (2018: deductible temporary differences totaling Baht 2 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.

27. 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.

28. Dividends

Dividends paid for the years ended 31 December 2019 and 2018 are as follows:

Dividends	Approved by	Total dividends (Million Baht)	Dividend per share (Baht)
<u>2019</u>			
Final dividends for 2018	Annual General Meeting of the shareholders on 25 April 2019	1,258	0.40
<u>2018</u>			
Final dividends for 2017	Annual General Meeting of the shareholders on 26 April 2018	1,101	0.35

29. Provident fund

The Group and employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The Group 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 2019 and 2018 amounting to Baht 37 million and Baht 34 million, respectively were recognised as expenses in the consolidated financial statements (Separate financial statements: Baht 18 million and Baht 19 million, respectively).

30. 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 Group is 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.

(Unit: Million Baht)

As at 31 December

	Low - rise segment		High - rise segment		Other segments		Total segments		Unallocated assets		Consolidated financial statements	
	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018	2019	2018
Segment total assets	43,628	33,770	6,992	8,258	206	263	50,826	42,291	7,968	7,104	58,794	49,395
Investment in joint ventures accounted for by the equity method	-	-	-	-	-	-	-	-	5,453	4,497	5,453	4,497
Additions(decrease) to non-current assets other than financial investment and deferred tax assets	1	5	(3)	4	(52)	48	(54)	57	1,171	(220)	1,117	(163)
Segment total liabilities	-	-	-	-	-	-	-	-	32,498	24,904	32,498	24,904

Geographic information

The Group is 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 2019 and 2018, the Group has no major customer with revenue of 10 percent or more of an entity's revenues.

31. Commitments and contingent liabilities

31.1 Capital commitments

As at 31 December 2019, the Group had entered into agreements with third parties to purchase land with the amount payable in the future of approximately Baht 3,246 million (Separate financial statements: nil) (2018: Baht 3,267 million (Separate financial statements: nil)).

31.2 Operating lease commitments

The Group 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		Separate	
	financial statements		financial statements	
	2019	2018	2019	2018
Payable within:				
Less than 1 year	109	161	61	72
1 to 5 years	81	82	64	62

31.3 Commitments under contracts for project developments

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

Company's name	(Unit: Million Baht)	
	2019	2018
<u>The Company</u>		
AP (Thailand) Plc.	658	1,444
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	383	662
Asian Property Co., Ltd.	3,389	2,350
The Value Property Development Co., Ltd.	3,224	887
Asian Property (2012) Co., Ltd.	11	18
AP ME (Krungthep) Co., Ltd.	-	4
AP (Ekkamai) Co., Ltd.	4	-
Asian Property (2014) Co., Ltd.	10	15
Thai Big Belly Co., Ltd.	1	2
Asian Property (2017) Co., Ltd.	-	107
Asian Property (2018) Co., Ltd.	76	31

Company's name	(Unit: Million Baht)	
	2019	2018
<u>Joint ventures</u>		
AP (Ekkamai) Co., Ltd.	-	27
Premium Residence Co., Ltd. and its subsidiaries	8,390	5,662
Total	16,146	11,209

31.4 Guarantees

- a) As at 31 December 2019 and 2018, contingent liabilities in respect of guarantees provided by the Group's loans and credit facilities from banks were as follows:

Guarantees	(Unit: Million Baht)	
	2019	2018
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	1,540	1,975
Asian Property Co., Ltd.	8,960	6,971
The Value Property Development Co., Ltd.	5,915	2,093
Asian Property (2012) Co., Ltd.	330	330
Asian Property (2014) Co., Ltd.	210	230
Thai Big Belly Co., Ltd.	25	25
Asian Property (2017) Co., Ltd.	780	412
Asian Property (2018) Co., Ltd.	345	-
Total	18,105	12,036

- b) The Group 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:

Company's name	(Unit: Million Baht)	
	2019	2018
<u>The Company</u>		
AP (Thailand) Plc.	1,144	1,235
<u>Subsidiaries</u>		
Asian Property (Krungthep) Co., Ltd.	449	495
Asian Property Co., Ltd. and its subsidiary	1,692	1,269
The Value Property Development Co., Ltd.	1,120	354
Asian Property (2012) Co., Ltd.	1	1
Asian Property (2014) Co., Ltd.	5	5
Asian Property (2017) Co., Ltd.	124	-
Asian Property (2018) Co., Ltd.	7	-
Total	4,542	3,359

31.5 Litigation

- a) In 2016, the Company and a 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 of the Company and this subsidiary believe that there will be no material impact to the Company and this subsidiary. Therefore, no provision has been set aside.
- b) As at 31 December 2019, the Group has been sued for a breach of agreements with an amount in dispute totaling Baht 331 million. The management of the Group 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.

32. Fair value hierarchy

As at 31 December 2019, the Group 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	372	235
Liabilities for which fair value are disclosed		
Debentures	18,855	18,855

33. Financial instruments

33.1 Financial risk management

The Group's 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 Group is exposed to credit risk primarily with respect to trade accounts receivable and loans. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. In addition, the Group does 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 Group's exposure to interest rate risk relates primarily to its 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 2019						
	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	-	-	520	50	570	0.10 to 1.50
Trade and other receivables	-	-	-	169	169	-
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	521	219	740	
Financial liabilities						
Short-term loans from financial institutions	8,180	-	-	-	8,180	1.50 to 2.70
Trade and other payables	-	-	-	1,753	1,753	-
Long-term loans	-	-	827	-	827	MLR-2.00 to MLR-2.15
Debentures	-	18,600	-	-	18,600	2.32 to 3.58
Retention payable	-	-	-	292	292	-
	8,180	18,600	827	2,045	29,652	

(Unit: Million Baht)

Consolidated financial statements						
31 December 2018						
	Fixed interest rate		Floating	Non-interest	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	interest rate	bearing		
Financial assets						
Cash and cash equivalents	-	-	912	39	951	0.10 to 1.05
Trade and other receivables	-	-	-	142	142	-
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	913	181	1,094	
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)

Separate financial statements						
31 December 2019						
	Fixed interest rate		Floating	Non-	Total	Interest rate (% p.a.)
	Within 1 year	1-5 years	interest rate	interest bearing		
Financial assets						
Cash and cash equivalents	-	-	113	24	137	0.10 to 0.85
Trade and other receivables	-	-	-	77	77	-
Short-term loans to related parties	-	-	33,788	-	33,788	3.30
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	33,902	101	34,003	
Financial liabilities						
Short-term loans from financial institutions	7,372	-	-	-	7,372	1.50 to 2.59
Trade and other payables	-	-	-	561	561	-
Short-term loans from related parties	-	-	1,079	-	1,079	3.30
Long-term loans	-	-	210	-	210	MLR-2.0
Debentures	-	18,600	-	-	18,600	2.32 to 3.58
Retention payable	-	-	-	57	57	-
	7,372	18,600	1,289	618	27,879	

(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	-	-	-	79	79	-
Short-term loans to related parties	-	-	26,724	-	26,724	3.10
Restricted bank deposits	-	-	1	-	1	0.50
	-	-	26,923	98	27,021	
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	

33.2 Fair values of financial instruments

Since the majority of the Group's 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 32.

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 Group 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.

34. 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 2019 and 2018.

35. Events after the reporting period

- 35.1 On 29 January 2020, the meeting of the Company's Board of Directors passed the resolutions to approved issuing and offering of 2.5 million units of named, unsubordinated, unsecured debentures, without debenture holder's representative, at the offering price of Baht 1,000 each, amounting to Baht 2,500 million, to private placement which is institutional, according to the resolution of Annual General Meeting of the Company's shareholders held on 30 April 2015. The debentures have 4-year term from the date of issuance and bear the fixed interest rate of 2.35% per annum. The interest payment is made every six months.

35.2 On 25 February 2020, the meeting of the Company's Board of Directors passed the resolutions to approve the payment of dividend for 2019 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.

36. Approval of financial statements

These financial statements were authorised for issue by the Board of Directors of the Company on 25 February 2020.

**CORPORATE
GOVERNANCE
AND SUSTAINABLE
DEVELOPMENT**

NAVIGATING HAPPINESS

THE BEST SPACE IS ONE WE SHARE.



THE WORLD WITHOUT SKY

โลกของหนูไม่มีท้องฟ้า

ภาพยนตร์สั้น จากเรื่องจริงของชีวิตเด็กใบพัดที่เสี่ยง อำนวยการสร้าง : เหวพี ไทยแลนด์ และ บูลมิชิสดี
นักแสดง : บ้องตอง, บ้องโบว์, บ้องโด่ง, บ้องย้อย (นามสมมติ) นักแสดงสมทบ : ครูเปี๋ MVL, ครูซิช, ครูอู๋ D-Dance, ครูตบ Top Chef Thailand



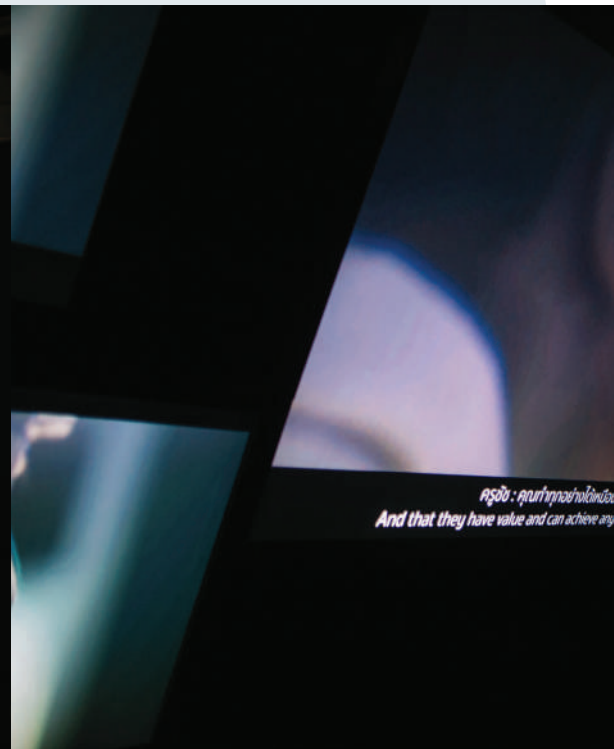
NAVIGATING HAPPINESS THE BEST SPACE IS ONE WE SHARE

During the past year, AP Thailand joined with SATI Foundation to build an opportunity space for at-risk youth and help them find the spark of a purposeful life through the 'Navigating Happiness' project, enabling these youth to discover themselves and their worth as human beings.

The project has culminated in 'SATI x AP Cinema', where every detail from the contents of the film being screened to the movie poster, from popcorn to music, is a result of the collaboration between the selected children and their volunteer teachers.







With its tales of tears, smiles, and dreams, of being without, generosity of spirit and opportunity, the short film **'THE WORLD WITHOUT SKY'** captures the realities of real-life in real places, a parallel world existing in the city we live in but which many may never have glimpsed.

The film shows the true stories of Tong, Yui, Toang and Bow, four children who refuse to bow to fate. Helping them build dreams and opportunities are four outstanding creative professionals: famed rapper Pae of MVL, Top Chef Thailand winner Chef Tam, young international photographer Chut and Khru Ou of D-Dance, choreographer to many famous singers of today.



Scan to watch short movies





AP hopes that the lessons these youth have learned about the purpose of life will empower them to keep going, even when they feel they have nothing left.

Corporate Governance

Corporate governance policy

The company recognizes that good corporate governance is the major factor that enables the organization to have the 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://investor.apthai.com/th/good-governance/good-governance>

Corporate governance report 2019

The implementation of the good corporate governance 2017

In 2019, the corporate governance and risk management committee was considered and reviewed the implementation of the good corporate governance 2017 to be in accordance with the context of company's business quarterly and proposed to the Board of Directors to reconsider once a year.

The Board of Directors will take note on some unimplemented issues with its developing plans, following up and prioritizing.

Furthermore, the company's corporate governance practices 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 2019, the company held its Annual General Meeting of Shareholders (AGM) on 25th April 2019, 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://investor.apthai.com/th/shareholder-info/document/shareholders-meeting?year=2019>) on 21st March 2019, 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 2019 Annual Report (QR code format) was sent via post by Thailand Security Depository Co., Ltd. (TSD) to shareholders on 9th April 2019, which was more than 14 days in advance of the meeting date. The Shareholders were entitled to receive the printed 2019 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 2019, 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 2019 was held on a working day - Thursday 25th April 2019 at 14.30 hrs, at easily accessible location, at Le Grand Ballroom, Sofitel Bangkok Sukhumvit, no. 189, Sukhumvit Road, Soi 13-15, Klongtan Nua sub-district, Wattana district, 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 bar code 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 2019, 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 2019, the company submitted the resolution of AGM's meeting on 25th April 2019 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 2019 in Thai and English were submitted to the Stock Exchange of Thailand on the website on 8th May 2019, 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 2019, 34 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 2020, the company disclosed the information of complete criteria proposal on 26th November 2019 through the Stock Exchange of Thailand's website and company's

website (<http://investor.apthai.com/th/shareholder-info/document/shareholders-meeting?year=2019>) Shareholders were welcomed to submit the agenda proposal and director nomination from 1st to 31st December 2019, but no agenda items and names 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 measures in the 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 the company's stock trading within 3 working days after changes to propose to the 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 2019, 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
			30 th December 2019	28 th December 2018	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	111,382,879	-	No trading transaction
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	Suchatlumpomg	300,000	400,000	(100,000)	Sold 100,000 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 transaction

including indirect shareholding (spouse)

Executives' ownership of AP shares

No.	Name-Surname		Number of shares			Remark
			30 th December 2019	28 th December 2018	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 transaction
5	Ms. Kamolthip	Bumrunchatudom	-	-	-	No ownership
6	Mr. Worrapong	Virojtananugoon	-	-	-	No ownership
7	Mr. Ratchayud	Nunthachotsophol	-	-	-	No ownership
8	Mr. Boonchai	Jankrajanglerd	-	-	-	No ownership
9	Mr. Songpon	Busparoek	-	-	-	No ownership
10	Mrs. Kultipa	Tinnakornsisupap	38,300	38,300	-	No trading transaction
11	Mr. Prajark	Prapamonthol	-	-	-	No ownership
	<i>(was appointed as an executive in July 2019)</i>					
12	Mr. Pongnalit	Chansanguan	-	-	-	No ownership
	<i>(was appointed as an executive in July 2019)</i>					

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 2019, the company had reported the acquisition or disposal of assets transaction of 13 items to the Stock Exchange of Thailand, which did not exceed the transaction size to get approval from shareholders. Also, the company informed the 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 resources are 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 considered as important issues according to their performances. That is, in short term, employees' performances, the capability to make a 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 2019 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 policies 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 the code of conduct of the 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 an e-mail to kosol.boardap@gmail.com or hotline@apthai.com. The company conducts procedures of investigation by setting

committees to determine complaints 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 behavior 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 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 authorized 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 organization 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 from another department.

2. WHISTLEBLOWING CHANNELS

The Company provides whistleblowing channels as follows:

- Email:
kosol.boardap@gmail.com; hotline@apthai.com
- Letter/Post
Head of Internal Audit
AP Thailand Public Company Limited
170/57 Ocean Tower 1, 18th Fl., Ratchadapisek Rd.,
Klongtoey Sub-District, Klongtoey 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 governmental unit or regulatory agency; or
 - Their provision of statements, documentation or assistance to the directors, the Management or any governmental 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 offense, 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 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 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 2019 training are shown in the topic of Corporate Social Responsibility (CSR).

From the previous year of 2019, accidental rate, leave of absence rate, and sickness rate was recorded as shown below:

1. Accidental rate during work: total 9 cases, details as follow;

No.	Month	Accident/Symptom
1	January	Blade injury
2	March	Ladder fall injury
3	May	Slipping
4	June	Hand pinched in the door
5		Hit by a car during site inspection.
6		Feet injury
7	November	Electric shock
8		Ladder fall injury
9		Feet injury

2. Leave rate:

Type	Total employees (person)	Total leaves (day)	Average (day/person)
Sick leave	1,713	2,209	6
Personal leave	289	570	2
Annual leave	2,209	19,274	9

3. Work related sick leaves

Total employees (person)	Total leaves (day)	Average (day/person)
10	22	2

For environmental conservation, the company enhances employees to operate works without causing any impact on the 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 a 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 Rights 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.

Consumers

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 consumers 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 <https://www.apthai.com/th/contact>, call center 1623, and special call service for AP's customers 0-2018-9999.

Furthermore, in 2019, various activities were continually held by AP Society as shown in details available on the company's website <https://www.apthai.com/th/ap-society> in the topic of CSR under the 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 the company's website <http://investor.apthai.com/th/good-governance/good-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 the 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, the 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 the 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 the 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 a 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 2019, 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 the 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 the Private Sector Collective Action Coalition Against Corruption (CAC) on February 26th, 2015. Later, AP was officially certified as a member of Private Sector Collective Action Coalition Against Corruption (CAC) by the 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, an 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 2019, 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 2019, 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 2019, the activities undertaken by Investor Relations are summarized as below:

Activities	times
Analyst meeting	4
Investor conferences	21
Roadshow	7
- Domestic	6
- Global	1

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 the 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 the 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 2019, the board comprised of 13 directors, as shown in the section of management structure.

- 1.1 The board comprises of directors with the 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 Assoc. Prof. Dr. Naris Chaiyasoot, who has no experiences in the property business. The profiles of each director are shown in the attachment.
- 1.2 There are 7 independent directors as follows: Assoc. 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 the audit committee as follows: Mr. Phanporn Dabbaransi, Mr. Nontachit Tulayanonda, Mr. Kosol Suriyaporn and Mr. Somyod Suteerapornchai. The independent directors are to review the company's operation and act as a 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 be 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 30th December 2019). 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 the board of directors and executives, the company sets up corporate governance policy and daily management policy separately that the chairman of the board, CEO, and managing director are not the same person. The chairman of the board performs the 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 persons, 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 the 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 an understanding of ethical standards for business operation. The details are available on the company's website <http://investor.apthai.com/th/good-governance/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 the decision making process and provides clear guidelines for the 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.
- In 2019, the audit committee conducted the assessment of adequacy of internal control systems in the audit committee meeting no.1/2020 held on 25th February 2020.
- 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 2019, 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 numbers of board meetings are appropriated with the duties and responsibilities of the board as well as the nature of business operation. In addition, the company held 11 board meetings in 2019.
- 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 the SEC of the storage place.
- 4.5 In 2019, 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 improvements to 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 2019 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 the CEO by dividing it 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 2019, the CEO assessment result indicated excellent performances.

6. Remuneration

The Compensation Committee considers the remuneration of directors by taking into account the 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 Directors for approval and propose to the shareholders for final approval. The details of directors and executives' remuneration in 2019 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 members, executives, corporate secretary, etc.) in order to keep developing the operations. In 2019, there are some director enrolled in the training programs, namely

Assoc. Prof. Dr. Naris Chaiyasoot had attended the training program,

■ Role of the Chairman Program (RCP) no. 45/2019

Mr. Kosol Suriyaporn had attended the training program,

■ Family Business Governance (FBG) no. 15/2019

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	FBG	ACP	RCL
1. Assoc. Prof. Dr. Naris Chaiyasoot	✓	✓	✓	✓	-	✓	✓	-	-	-
2. Mr. Anuphong Assavabhokhin	✓	-	-	-	-	-	-	-	-	-
3. Mr. Pichet Vipavasuphakom	✓	-	-	-	-	-	-	-	-	-
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 Suchatlumpom	✓	-	-	-	-	-	-	-	-	✓
13. Mr. Wason Naruenatpaisan	✓	-	-	-	-	-	-	-	-	✓

DAP = Director Accreditation Program

FBG = Family Business Governance

CDC = Chartered Director Class

ELP = Ethical Leadership Program

AACP = Advanced Audit Committee Program

DCP = Director Certification Program

FND = Finance for Non-Finance Director

RCP = Role of the Chairman Program

ACP = Audit Committee Program

RCL = Risk Management Program for Corporate Leaders

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 the 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 a 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 a majority or was a controlling person.
3. Independent directors shall not be 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 indiscretion 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 rendering company, unless such condition is terminated for at least 2 years.
7. Independent directors shall not be appointed as a director to represent company directors, major shareholders, or any shareholders related to 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 independence 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. Training 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 by 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 2018 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 2018 with the auditor's fees of Baht 2,100,000 per year without non-audit fee.

At the 2019 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 2019 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 2019 by Thai Institute of Directors (IOD), the CG score of the company was excellent. Nevertheless, some issues 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 in terms of the position of directors since the company believes that the company's directors with knowledge and capability would be beneficial. Long term experience of the director provides a 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 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 the company's performances. AP Academy was established as a center of a complete range of integrated learning in the 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 outsiders such as students, university students, and other people. As a result, it was successfully accepted with excellent feedbacks. In 2019, the company consecutively extended the operation and results on education and human resource development, which are as follows in this report.

Thus, the company aimed at an investment in education and human resource development is the key to 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 a long time accumulated knowledge to the whole staff and gives back to society to create a 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 2019 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 have been reviewed and approved by the board of directors of the company.

The overview of policy

The policy of the company's business operation and its subsidiary companies management is set by the 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 to make the revised version up-to-date. 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 the 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 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 the 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 is 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 qualification, educational background experience, and any important factor related to the job without depriving disable people of 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 tasks, job descriptions, performances, and the company's ability to pay.
- Workspaces 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 complaints 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 relationships 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, complaints and problems that 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 a good customer relationships and accept complaints. Complaints 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, these 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 2019, the Company received total of 67,631 calls from customers via Call Service. Consequently, the Call Service and Fix It unit worked together to follow up on the maintenance process and solution until the entire problems are resolved. The Call Service unit from categorizing issues based on the information given by customers. Main records from the customers included repair and maintenance requests of the house/condominium in the warranty period totaling 24,320 records. Fix It units had cleared and completed 99% of all records requested, while some were undergoing appointments with customers for inspection and preparation for resolving. Regarding complaints which include complaints on services and a request for the house/condominium in which the warranty are expired, the Company has the policy to mitigate impacts on 3,777 customers' residences. Meanwhile, the Customer Care unit has inspected and considered for further improvement 99% of total requests. For the complaints which have been received, but no action has proceeded, the Company never ignored, but monitored and seeking for a mutual solution among all parties including customers with an aim to resolve all issues and bring about the best satisfaction of using the Company's products. Furthermore, the after-sale service, the Company always ensure that the customers will have their personal right and personal information protection where all of these details will not be used without consent.

AP-Society

AP-Society is created to strengthen a good relationship among residents and the Company including the societies within villas and condominiums, as well as to highlight AP's vision in creating

a blueprint of the good life quality which is enriched with the ecosystem and covering all living experiences. AP-Society is ready to offer new services and innovation to leap into an ideal world of living combined with human innovation which encouraging people to get closers among others and reach out toward the world of sharing. The Company has arranged recreational activities in order to link between people, by hosting food stalls, the music show and activities that promote a good health. Under the project called AP-Society, there are total of 9 campaigns namely Happiness Day, Welcome Home Party, Chinese New year, Growing Love, Songkran Festival, Halloween World, New-year Celebration, The Picnic with Hay, etc. The Company granted to its residents under AP group benefits from major alliances to support the better living and enhance convenience of residents under AP-Society, such as delivery service of food, beverages from various partners, for example, Tops Online, Line Man, Fitness first, The Movement Playground, Siam Pic-Ganesha theatre, Grabfood with special prices throughout the year. In 2019, the Company arranged activities for housing development and condominium total of 74 projects based on the budget valued 16 million Baht, with 13,200 households attending.

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 rights 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 the Minimum Energy Performance Standard (MEPs), and wastewater 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 the environment and construction-related regulations to strengthen value, good attitude, and responsibility on the environment. The topic of the curriculars are given in details on the topic of AP Academy on page 212.

7. Society and Community Development

Corporate Social Responsibility (CSR) policy of the company in the past years was CSR In-process which integrated into the 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 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 of knowledge of 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 were satisfied as the company got CSR reward 4 years in a row in "human resource investment" prize from Asia Responsible Entrepreneurship Awards 2019

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 processes 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 consultants 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 covering 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 the 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 covering and delivery) for employees. It is operated with a concern to environmental impact, as well as with advice for residence maintenance service that suits the customers.

- (4) **Property Management Curriculum** : this curriculum aims at developing potential of Condominium and Housing Estate Management Team by providing education about property management starting from the step of the 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 skills development such as leadership, communication, problem solving, self and teamwork planning, along with good attitude and ethics (Code of Conduct). The Human Resource Development plan conforms to the company's goal in each year.

In the previous year, 8,126 employees had participated in this program and completed the 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.

In 2019, 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 understands the need of each other and help each other, the employees will unlock their existing potentiality and convert it into the desired outcome toward sustainability. In 2019, the Company arranged training courses to over 200 executives from a 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.

Believing in the goal to provide the best of live quality to AP residents or Quality of Life, AP employees have shifted their perspective and work procedures based on the Design Thinking Principle, the creative design thinking established by Standford University which is ranked the world' number 1 innovative university, USA. The idea is

to implement the principle to better understand customers. In 2019, over 200 employees attended the Design Thinking Program with SEAC which is accredited by Stanford University. In addition, to have a guideline for main thinking concept toward work procedures and to leverage well being among residents and customers, new 700 employees had an opportunity to learn basic procedures of Design Thinking from the first day of becoming AP family members.

Total number of participants in AP Property School's Classroom & Workshop Curriculum

Curriculum	Number of curriculum	Number of attendants	Budget	Total hours	Average hours per person
1 Sales and Services Curriculum	67	786	87,753.43	332	0.42
2 Construction Curriculum	12	117	5,699.20	62	0.53
3 Property Management Curriculum	119	1,315	144,761.34	438	0.33
4 Home Solution Curriculum	47	224	53,473.27	326	1.45
5 Development Program Curriculum	32	1,010	2,269,735.33	173	0.17
Total	277	3,452	2,561,422.57	1,331	2.9

Each program conducted in 2019, the company had spent 2,561,422.57 Baht in total. There were 3,452 participants.

AP Plearn — an online learning platform to enable limitless learning scope for AP members anywhere and any time. The learning platform include various curriculum from AP Academy and other leading curriculum covering 5 subjects of learning.

Total number of participants in AP Property School's Online Curriculum

Curriculum	Number of curriculum	Number of attendants	Budget	Total hours	Average hours per person
1 Sales and Services Curriculum	15	2,417	-	1,291.01	0.53
2 Construction Curriculum	7	712	-	483.58	0.68
3 Property Management Curriculum	7	706	-	274.45	0.39
4 Home Solution Curriculum	2	14	-	-	-
5 Development Program Curriculum	9	825	-	859.66	1.04
Total	40	4,674	3,000,000	2,908.7	2.64

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 graduation. The company realizes that learning from hand-on experience in a real situation would build efficient skills and support careers after graduation, as in the developed countries that emphasizing students' hand-on experiences in workplaces besides theories.

In the previous year, the project "AP Open House: Real Life Beyond the Theory" has continued for the fourth consecutive years. For the year 2019, AP Open House accepted students in third and fourth year from the Faculty of Engineering, Civil Engineering field as an internship for Civil Engineering, and students in third and fourth year from all faculties as an internship in Product & Design Program.

The Company has publicized projects in various approaches to reach out to students from all universities nationwide, such as social media, publicity in universities, including roadshows to introduce projects and provide a working knowledge in the civil engineering field, creation of products and services related to real estates.

After the application process, there are 3,147 students from universities nationwide submitting. Applicants must take an online test and attend the selection process at the Company's head office.

On 12th January 2019, the Company announced the list of 40 students who had been selected for the projects, dividing 20 students for Civil Engineering Project and 20 students for Product & Service Design Project as an internship. The internships experienced working in a real site with a team of specialists from various sources, including government, entrepreneurs, and business alliances who had given advice closely as a part of learning covering basic knowledge of civil engineering or real estate, design thinking, creation of products and services in real estate sector, market analysis, sales technique and negotiation with customers, construction standard and quality control. The internship who pass training courses will receive certificates from AP Academy and also have an opportunity to work with the Company. The total budget allocated for the Open House is approximately 2 million Baht.

Knowledge Transferring and Collaboration with Mitsubishi Estate Group

Apart from the 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 the property industry. It is much beneficial for society and customers in Thailand.

Last year, 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 effective working life after graduation.

This observation trip was held in Sendai, Japan, during 25th-31st August 2019. Four Students with high performances were selected namely Mr. Pasurat Trirat (a senior student from the faculty of Engineering, majoring Civil Engineer, Kasetsart University), Mr. Sataporn Wattanawatt (a senior student from the faculty of Engineering, majoring Civil Engineer, King Mongkut's Institute of Technology Ladkrabang), Mr. Thanawat Riengwaranon (a senior student from the faculty of Business Administration, Assumption University) and Ms. Thamoln Manaboon (a senior student from the faculty of Architecture, Chulalongkorn University)

AP ACADEMY LAB

The followings are educational institutes interested to visit AP ACADEMY LAB and AP Projects in 2019:

August - December 2019

Student Visit - Civil Engineering: 225 people including students and instructors from 3 institutions namely Kasetsart University-Bang Khen Campus, Kasetsart University - Kamphaeng Saen Campus, King Mongkut's University of Technology North Bangkok, visited the AP ACADEMY LAB model home to see and learn the working process in real estate business. Students were encouraged to try, test, and learn systems within the house, including experienced construction at the real site to enhance a vision on actual procedures and construction work. The site manager and the team of narrators from AP Academy supervised and gave advice closely to the visitors.

April - October 2019

Student Visit - Architecture: 232 people including students and instructors from 4 institutes namely Chulalongkorn University, Assumption University (ABAC), King Mongkut's Institute of Technology Ladkrabang, Rajamangala University of Technology Phra Nakhon visited AP ACADEMY LAB, an outdoor learning field which focuses on real experience on simulation of house structure and composition.

The concept is to enable those students to see the process of construction work, water work, power system and fire alarm system including material archive display showing materials that AP has selected for development projects. To enhance the best experience, knowledge, and understanding of the design of architecture and selection of the right materials for future residence, the visitor group also visited a real construction site.

Event	Segment	When	Register
1 Student Visit - Civil Engineering Kasetsart University, Bangkok Campus Kasetsart University, Kamphaeng Saen Campus King Mongkut's University of Technology North Bangkok	Civil Engineering Students Year 1-4	Aug - Dec 2019 27-Aug-2019 16,18-Sep-2019 17-Dec-2019	50 89 86
2 Student Visit - Architecture Chulalongkorn University Assumption University (ABAC) King Mongkut's Institute of Technology Ladkrabang Rajamangala University of Technology Phra Nakhon King Mongkut's Institute of Technology Ladkrabang	Architecture Students Year 1-5	Apr - Oct 2019 11-Apr-2019 24-Apr-2019 3-Sep-2019 25-Sep-2019 18-Oct-2019	49 51 87 26 19

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 programs.

In 2019, the Company has arranged 4 AP Public Course Training, details are as followed;

1. "Indoor Electrician for Labor Standard Testing"

Date: 29 June 2019 - the Indoor Electrician for Labor Standard Testing is a training course for electrician/building electrician to learn principles of an electrician, to provide intensive knowledge in preparation for labor standard testing by a curator from the Office of Knowledge Certification, Department of Labor Skill. The course is hosted at AP ACADEMY LAB with 575 attendants.

2. "Prepare for Associated Engineer Testing"

Date: 21 July 2019 - Prepare for COE Testing is a training project for civil engineers who need to prepare for testing to obtain Professional Engineer License, Associated Engineer (Civil Engineering). The project is hosted at AP ACADEMY LAB with 486 attendants in 2019.

3. "Basic Knowledge of High Rise Building"

Date: 24 August 2019 - Basic Knowledge of High Rise Building is a training project for the technician profession who wants to learn about a system of the high rise building. Lecturers are experts in construction and systems from AP Thailand Co., Ltd. The training receives 604 attendants.

4. "SALES FOR REAL"

Date: 17 September 2019 - Sales for Real is a training project arranged for the sales officer and an individual who would like to enhance their personality as a pro. The session provides learning and preparation for sales covering basic and master sales by Sales Consultant from AP Thailand Co., Ltd., with 313 attendants.

In conclusion, there are total 1,978 people attending the training sessions hosted by the Company, with a total budget of 57,707 Baht. According to the survey, attendants are very satisfied with the knowledge and participation in the session.

A table showing number of attendants of AP Public Course Training

Event	Segment	When	Register	Expense
1 Indoor Electrician for labor standard testing	An electrician who is required to take the test to obtain certificate	29 th Jun 2019	575	19,685
2 Prepare for Associated Engineer Testing	Civil engineers who preparing for the test to obtain Professional Engineer License, Associate Engineer Level (Civil Engineer)	21 st Jul 2019	486	22,960
3 Basic Knowledge of High Rise Building	Technicians who want to learn about systems in the high rise building	24 th Aug 2019	604	9,085
4 SALES FOR REAL	General individual interested in real estate sales career	17 th Sep 2019	313	5,977
Total			1,978	57,707

AP Knowledge Sharing

In 2019, AP Academy traveled to 5 educational institutions nationwide namely Kasetsart University-Kamphaeng Saen Campus, Suan Sunandha Rajabhat University, Kasetsart University- Bang Khen Campus, Siam Technology College (Siam Tech) and Rajamangala University of Technology Rattanakosin to share knowledge body about real estate as well as real estate management. The event had 310 attendants.

AP Academy also gave its financial support value 35,000 Baht to the C-Camp KMUTNB camp for 130 students from King Mongkut's University of Technology North Bangkok, Faculty of Civil Engineering on 19th March 2019, and 32,330 Baht to Voluntary Camp of Civil

Engineering comprising 48 civil engineering students from the College of Industrial Technology (CIT). AP Academy supported the Interior Design Contest: educational scholarship will award the winner among 186 students from the Faculty of Architecture nationwide.

8. Dissemination of innovation derived from the work that involved responsibility for society, environment, and stakeholders

Based on the concept 'AP WORLD' which focuses on creating the world of the good life quality, generating a brand new blueprint for the city enriched with ecosystem, AP has in place its philosophy to make a sustainable good life quality through the design of living that enhance mental and physical health, development of green areas, environment conservation and bring about benefit to surrounding societies to the maximum level.

1. Conservation of old trees in RHYTHM EKKAMAI ESTATE area

Considering that trees are a living history which reflects those memorable days and the bond between communities, AP has developed the green area in a city by conserving 3 giant trees grown over 50 years on the RHYTHM EKKAMAI ESTATE project with an aim to fulfill the quality of life among communities and urban society.

AP strongly determines to conserve these big trees forever with the communities in the Ekkamai area. To allocate and utilize every square inch within the project for the best outcome, AP under collaboration with Khun Tharadon Tanduan, the arborist who has skilled on tree surgeon, has relocated 3 big Rain trees which the height approximately 20 meters each or equal to 8 storey building. With the help and consultation from the specialist of the big tree maintenance, the trees have been moved successfully and continue to grow together with communities in the Ekkamai area.

AP, as a leader in landscape creation, has addressed the priority in listening to problems and public opinion, as well as to seek for the best solution in developing future residence which will not emphasize on creating a good residence, but also a new quality of life to residents and surrounding communities toward a satisfying future together.

2. AP GROW DAY

AP organized an activity to enhance knowledge about tree maintenance to a new generation population who live in the city, as well as AP residents and public, to highlight the importance of tree conservation and environmental

conservation in a wider scope. AP joined hand with the government sector, Big Tree Group, Trees in City Network to expand the circle of tree conservation group through fun and various activities full of knowledge. For example, the study on physical education of 25-meter big trees in Wachirabenchathat Park, learning earth-friendly innovation such as Bio-Char or the bio charcoal, a fertilizer generated by a natural process and free of chemical, coconut husk pot — a new choice for growing plants, plants that filtering air.

Furthermore, AP has continued providing accurate knowledge about trees within its organization through the collaboration with Big Tree Group and Trees in City Network by designing a special program related to the management of trees for residence. The program covers the selection of plants, observation on abnormal conditions of the plants in order to carry on adequate knowledge about trees to employees of AP Group and general personnel via AP Academy.

3. PARENTOGRAPHER Captured by Mom, captured by Dad

AP has created another activity to drive positive force to Thai society, by strengthening the relationship among family, promoting the happiness in families via ‘Relationship Zone’ for an area in an actual world and online world.

Nowadays, any activities are driven by technologies, where a relationship between things and persons occurred in the online network only. Many of us sometimes neglect the relationship with those around us, spending less time with parents, mainly in the cyber world. Parents feel the distance between them and their children. AP, as a residence developer, has carried on building happiness at home, with the belief that ‘just putting an effort, anywhere is home’ even it is in the social media. The worlds of a different generation can be connected together by sharing the memorable moment of the photo taken by parents. Any part of the house is for everyone, every age which will create warmth and love for the happy and amicable living of every family member.

AP has arranged a workshop focusing on taking a picture for parents of an adult group. In the workshop, famous photographers and lifestyle bloggers who have a cool view of taking picture shared their technique, tricks and method of photography, gave advice to parents how to take a shot that match teenager style, encouraging connection between family members when traveling together. Children would love to show brilliant pictures to the social network, taken by their own parents.

AP believes that the picture that can express its meaning the most is one that taken by a family member since each picture represents the memory of relationship happened in a certain moment. Photography is an activity that every age can participate, an activity that combines the 2 worlds — which are real world and an online world into one perfect world.

4. NAVIGATING HAPPINESS - the space we share opportunities with someone

AP and SATI Foundation jointly created the space of opportunities for at-risk youth, determining to guide the goal of life through Navigating Happiness. The program focuses on at-risk children in communities, enabling them to experience happiness in what they do, learning oneself identity and value. This is considered as a great chance for them to develop the special skill that can be carried on as a future career with the help of skilled coaches from 4 different professions. The program started in 2018 and continued since then. In Bangkok Design Festival 2019, AP built SATI&AP Cinema to show stories throughout the event, which telling ideas of the children and 4 voluntary teachers. The content of short movies, the design of posters, the making of popcorn and music played in the movies are all products of the children in the program.

The short movie called The World without Sky tells about tear, smile, dream, deficiency, kindness, and a chance through the truth, a real place and real life of another world hidden in the same city we live in which invisible to us, the story of these children who not surrender to their destiny. The 4 voluntary teachers famous for their profession and creative thinking namely Pe MVL — the popular rapper, Chef Tam — the winner of Top Chef Thailand, Chatch — a new-gen and international level photographer and Teach Uhh D-Dance — a choreographer for famous artists were a part of the team that help the children to pursue their dream and opportunity.

AP emphasizes creating awareness in the wider range regarding the problems of these children, with the hope that societies will see them from the different perspective. If society still judges them as a part of the problem, they will never realize the core value or find any inspiration to improve themselves. For this reason, AP targets to share happiness in our society, by adhering to AP principles to develop “human” in creative and sustainable way.

PREVENTIVE ANTI-CORRUPTION PRACTICE

AP Thailand conducts business adhering to honesty, transparency, integrity and fair treatment to stakeholders. The Board of Directors has encouraged corporate engagement in anti-corruption which will sustain business operation by establishing the Anti-Corruption policy, Whistleblower policy, Anti-Corruption measure, policy to forbid taking, accepting a gift or any other benefits including the banquet as a guidance for all employees.

In 2015, the Company declared to be the part of Private Sector Collective Action Coalition Against Corruption (CAC) and was officially certified as a member of the Private Sector Collective Action Coalition against Corruption (CAC) by CAC council on 9th March 2017. The certificate is valid for 3 years from the date approved by resolution. Later in 2019, under approval, revision of procedure adequacy of the committee, the Company has renewed the certificate as a member of Private Sector Collective Action Coalition Against Corruption (CAC) which is valid for another 3 years, emphasizing and representing the fact that AP has implemented the procedures and major practices of the Anti-Corruption to the entire organization.

Additional practices on engagement with the Anti-Corruption

Apart from the written anti-corruption policy, the Company has promoted all employees for participation and compliance with the policy related to the Anti-Corruption as follows.

1. The knowledge about anti-corruption is established via the corporate intranet system, including VDO learning for new employees during the primary orientation session.
2. The Company has developed the anti-corruption practice, which raises the knowledge and understanding thereof to employees periodically. In 2019, the anti-corruption activity was organized through the campaign "Decoding A Great Person" on a monthly basis where employees are encouraged to participate by playing games, answering questions about practice guidelines for anti-corruption.
3. For trading partners, the Company has provided them with the anti-corruption policy and request a signature to affirm the acknowledgment on business code of conduct of the Company which focuses on honesty, transparency, fairness to diminish the chance of corruption. The Company also publicizes the whistle-blowing channel for the third party via www.apthai.com as well as whistleblower and related witness protection measures.
4. The Company has communicated among its trading partners and all employees in the organization regarding the "No Gift Policy" through public relations and campaign to assure the acknowledgment.
5. The Company has set forth whistleblowing policy for the internal and external complainant that witnesses any action which may be against the law, code of conduct or committing to fraud, corruption, misconduct of any personnel of every level and other stakeholders. The Company issues precise, neutral and transparent procedures for complaint investigation and management in which whistleblowers and related witnesses are under protection measures of the Company.
6. The corruption risk is reviewed annually closely with revision (if any).

Further information about the policies and related procedures are disclosed on the Company's website (www.apthai.com) under the Corporate Governance title.

RELEVANT INFORMATION AND OTHER IMPORTANT INFORMATION

General information

Information of the Company

AP (Thailand) Public Company Limited

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok with the 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 2019, 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.

Subsidiaries which the Company holds more than 10% of total paid up shares*

1) Asian Property Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, Asian Property Co., Ltd. has a registered capital of Baht 2,000,000,000 consisting of 200,000,000 ordinary shares and a paid-up capital of Baht 2,000,000,000.

3) Asian Property (2012) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The 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 the 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 2019, 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.

5) Asian Property (2017) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, Asian Property (2017) 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.

8) Thonglor Residence Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, Thonglor Residence 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.

6) Asian Property (2018) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

9) Signature Advisory Partners Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, Signature Advisory Partners Co., Ltd. has a registered capital of Baht 41,000,000 consisting of 4,100,000 ordinary shares and a paid-up capital of Baht 41,000,000.

7) The Value Property Development Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, The Value Property Development Co., Ltd. has a registered capital of Baht 2,000,000,000 consisting of 200,000,000 ordinary shares and a paid-up capital of Baht 200,000,000.

10) AP (Ekkamai) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

11) AP (Phetchaburi) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

14) Smart Service and Management Co., Ltd.

The 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 the 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 2019, Smart Service and 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 (Ratchayothin) Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, AP (Ratchayothin) 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.

15) Bangkok CitiSmart Co., Ltd.

The head office is situated at 170/48 Ocean Tower 1 Building, 15th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property brokerage.

Registration number is 0105548123024.

Telephone number is +66 2261-8999 and facsimile is +66 2661-9748 and URL is www.apthai.com.

As of 31st December 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, Premium Residence Co., Ltd. has a registered capital of Baht 12,619,408,010 consisting of 1,261,940,801 ordinary shares and a paid-up capital of Baht 11,415,108,010.

16) SQE Construction Co., Ltd.

The head office is situated at 170/85 Ocean Tower 1 Building, 30th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The head office is situated at 170/64,66 Ocean Tower 1 Building, 21st Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105558109199

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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 1,060,000,000.

22) AP ME 5 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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) AP ME 6 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

26) AP ME 11 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

24) AP ME 8 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

27) AP ME 12 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, AP ME 12 Co., Ltd. has a registered capital of Baht 618,000,000 consisting of 61,800,000 ordinary shares and a paid-up capital of Baht 618,000,000.

25) AP ME 10 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, AP ME 10 Co., Ltd. has a registered capital of Baht 389,000,000 consisting of 38,900,000 ordinary shares and a paid-up capital of Baht 389,000,000.

28) AP ME 14 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, 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.

29) AP ME 15 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, AP ME 15 Co., Ltd. has a registered capital of Baht 694,000,000 consisting of 69,400,000 ordinary shares and a paid-up capital of Baht 694,000,000.

32) AP ME 18 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105562036818.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, AP ME 18 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.

30) AP ME 16 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105562036753.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, AP ME 16 Co., Ltd. has a registered capital of Baht 114,000,000 consisting of 11,400,000 ordinary shares and a paid-up capital of Baht 114,000,000.

33) AP ME 19 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105562169834.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, AP ME 19 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) AP ME 17 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105562036796.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, AP ME 17 Co., Ltd. has a registered capital of Baht 187,000,000 consisting of 18,700,000 ordinary shares and a paid-up capital of Baht 187,000,000.

34) AP ME 20 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of property development. Registration number is 0105562169842.

Telephone number is +66 2261-2518-22, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, AP ME 20 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) Clay More Innovation Lab Co., Ltd.

The 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 the business objective of service.

Registration number is 0105559148449.

Telephone number is +66 2408-5276, and facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, Clay More Innovation Lab Co., Ltd. has a registered capital of Baht 16,000,000 consisting of 1,600,000 ordinary shares and a paid-up capital of Baht 16,000,000

38) RC1 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, RC1 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.

36) SEAsia Leadavation Center Co., Ltd.

The 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 the business objective of training.

Registration number is 0105559106240.

Telephone number is +66 2261-2518-22, facsimile is +66 2261-2548-9 and URL is www.apthai.com.

As of 31st December 2019, SEAsia Leadavation Center 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.

39) RC2 Co., Ltd.

The head office is situated at 170/57 Ocean Tower 1 Building, 18th Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the 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 2019, RC2 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.

37) Vaari Digital Co., Ltd.

The head office is situated at 170/64, 170/66 Ocean Tower 1 Building, 21st Floor, New Ratchadapisek Road, Klongtoey Sub-district, Klongtoey District, Bangkok, with the business objective of service.

Registration number is 0105560178330.

Telephone number is +66 2028-9759, and URL is www.apthai.com.

As of 31st December 2019, 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.

40) SEAC (Singapore) Pte., Ltd.

The head office is situated at 50 Raffles Place #32-01 Singapore land tower, Singapore (048623), with the business objective of training. Registration number is 201729058D.

As of 31st December 2019, SEAC (Singapore) Pte., Ltd. has a registered capital of SGD 1 consisting of 1 ordinary shares and a paid-up capital of SGD 1.

Other references

Registrar

Thailand Securities Depository Co., Ltd.
93 The Stock Exchange of Thailand Building,
Ratchadapisek Road, Din Daeng,
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,
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