



Annual Report
2018

Energised to Succeed



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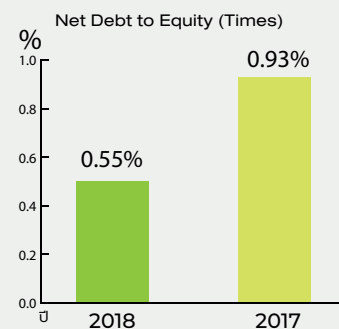
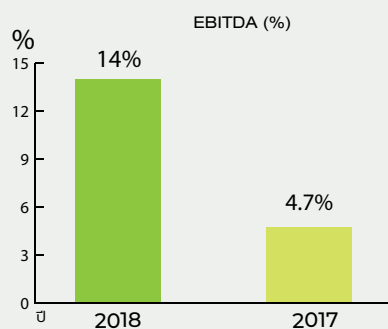
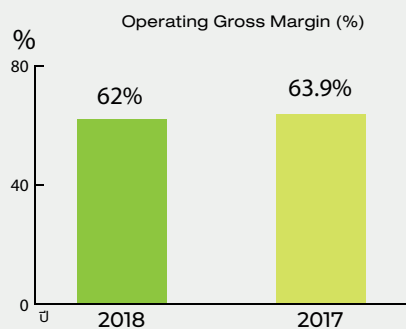


Introduction

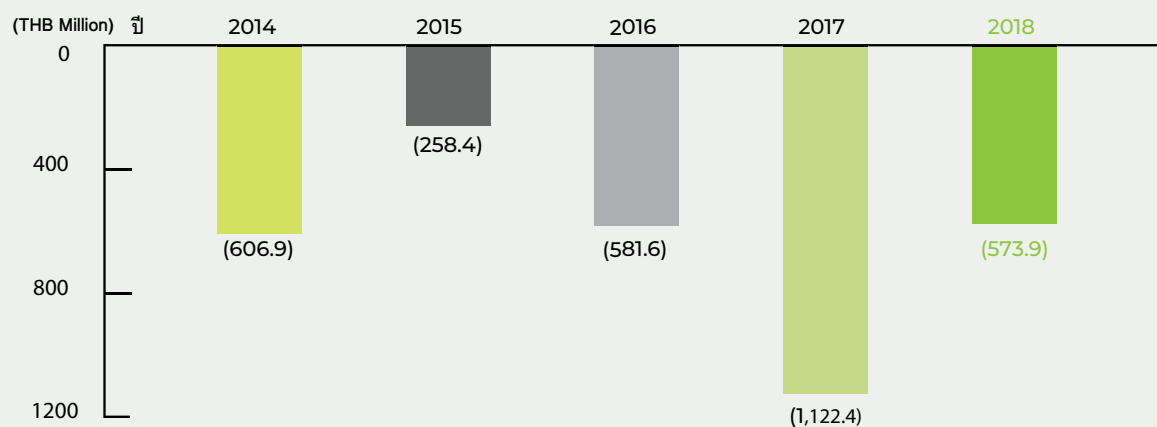
- 1.1 Financial Highlights
- 1.2 Important Events of the Company
- 1.3 Message from the Chairman
- 1.4 Message from the CEO
- 1.5 Assets Acquired During the year



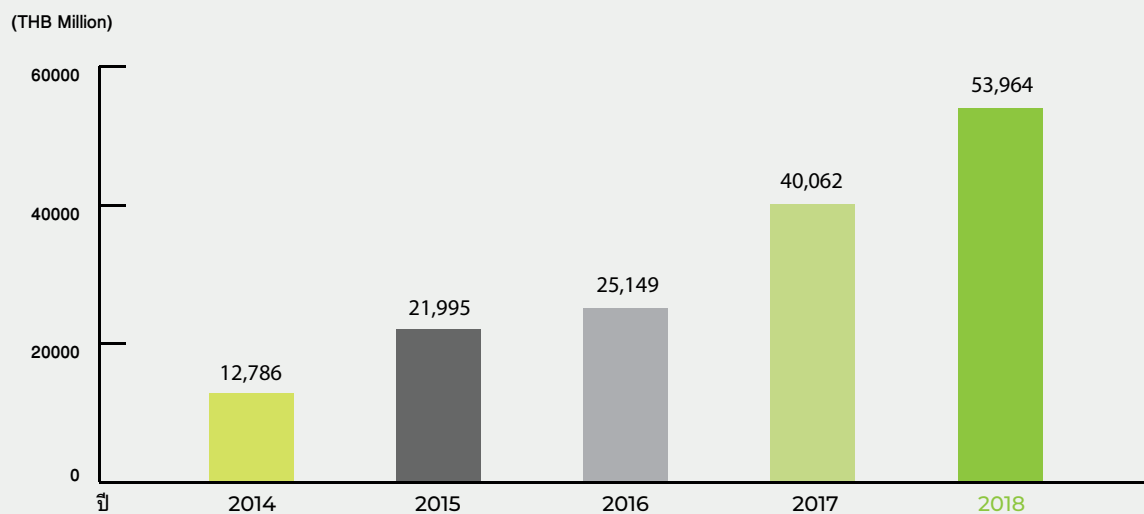
KEY RATIOS



STATEMENT OF COMPREHENSIVE INCOME (THB Million)



Total Assets (THB Million)



1.1 FINANCIAL HIGHLIGHTS

TATEMENT OF COMPREHENSIVE INCOME (THB Million)	2014	2015	2016	2017	2018
Operating Revenue	265.9	965.2	1,089.9	4,029.7	6,396.2
Total Revenue	338.6	1,258.2	1,164.8	4,454.0	6,976.2
Operating Gross Profit	69.5	581.5	723.3	2,563.4	3,965.1
EBITDA	(413.1)	48.1	54.3	209.1	976.5
EBIT	(527.8)	(148.5)	(150.6)	(244.6)	323.9
Recurring Net Profit	(328.8)	34.3	(321.6)	(62.1)	(250.4)
Net Profit	(607.7)	(277.1)	(321.6)	(983.2)	(628.9)
Total Comprehensive Income for the Year	(606.9)	(258.4)	(581.6)	1,122.4	(573.9)
STATEMENT OF FINANCIAL POSITION (THB Million)					
Total Assets	12,785.9	21,995.2	25,148.6	40,062.3	53,964.1
Net Debt	1,135.7	(2,717.1)	4,104.6	16,539.5	16,004.6
Shareholders' Equity	10,229.1	19,437.4	18,855.7	17,858.4	29,151.6
CASH FLOW (THB Million)					
Net Cash (used in) Operating Activities	(2,272.0)	630.7	(1,393.2)	110.1	(501.8)
Capital Expenditures	305.4	1,120.7	1,511.2	824.6	1,473.4
PER SHARE DATA (THB/Share)					
Earnings per Share (Basic)	(0.00288)	(0.00055)	(0.00057)	(0.17365)	(0.25880)
Book Value per Share	0.04841	0.03875	0.03359	0.03181	3.11639
KEY RATIOS					
Operating Gross Margin (%)	26.2%	60.2%	66.4%	63.6%	62.0%
EBITDA Margin (%)	(122.0%)	3.8%	4.7%	4.7%	14.0%
EBIT Margin (%)	(155.9%)	(11.8%)	(12.9%)	(5.5%)	4.6%
Net Debt to Equity (Times)	0.11	(0.14)	0.22	0.93	0.55
ROA (%)	(6.6%)	(0.9%)	(0.6%)	(0.8%)	0.7%
ROE (%)	(8.3%)	(1.9%)	(1.7%)	(5.3%)	(2.7%)
SHARE INFORMATION					
Par Value (THB/Share)	1.0	1.0	1.0	1.0	3.20
Share Price (THB)	0.05	0.03	0.03	0.03	2.56
Outstanding Shares (Million Shares)	361,275.4	561,362.3	561,362.3	561,362.3	5,613.7
Market Capitalization (THB Million)	18,063.8	16,840.9	16,840.9	16,840.9	14,371.1

1.2 IMPORTANT EVENTS OF THE COMPANY

4 January 2018:

EGM for capital increase and EBT of UE. U City's shareholders at the Extraordinary General Meeting (EGM) approved a number of simultaneous transactions which includes (i) the entire business transfer of Unicorn Enterprise Company Limited (EBT of UE), a wholly-owned subsidiary of BTS Group Public Company Limited (BTS) to U City, (ii) the issuance of preferred shares and warrants of U City via private placement and a rights offering and (iii) the disposal of certain non-core assets.

22 January 2018:

Private Placement as part of capital increase. The Company completed the private placement of 26,384mn preferred shares to Bangkok Bank Public Company Limited (BBL) at an offering price of THB 0.034, raising proceeds totaling THB 897mn.

28 February 2018:

Acquisition of a formerly managed hotel. VHE Bratislava Real Estate s.r.o., a wholly owned subsidiary of the Company, entered into the Real Estate Purchase Agreement with Hotel AVION s.r.o. (a non-related party) for the acquisition of the 176-key hotel Vienna House Easy Chopin Bratislava, which was formerly only managed by Vienna House for EUR 8.9mn (THB 347mn). On 1 March 2018, all economic benefits, risks, obligations, and rights attached to the hotel were transferred to the purchaser, while the legal ownership of the hotel was successfully transferred on 19 April 2018.

16 March 2018:

Completion of capital increase and EBT of UE. The Company completed (i) the private placement of 63,882.4mn preferred shares at an offering price of THB 0.034 or totaling THB 2,172.0mn to UE, as a partial component of the consideration for EBT of UE as well as issuing and offering up to 31,941mn U-W3 warrants to UE at no cost, (ii) a rights offering to existing shareholders, of which 283,791mn preferred shares were subscribed, raising proceeds totaling THB 8,798mn, (iii) issuing and offering to BBL 13,192mn in U-W3 warrants at no cost and

(iv) issuing and offering 141,896mn U-W4 warrants at no cost to existing shareholders who subscribed to the rights offering and (v) EBT of UE.

27 March 2018:

Disposal of non-core assets. The Company completed the disposal of land plots located on Charansanitwong Road for THB 510mn. The land plots were part of a certain number of assets to be disposed, which received shareholders' approval at the EGM held on 4 January 2018.

30 March 2018:

Disposal of non-core assets. The Company completed the disposal of units of a commercial building and accompanying land at Tambon Pa Rai, Amphoe Aranyaprathet, Sa Kaeo (Park Aran Boulevard) for THB 155mn. The units and land were part of a certain number of assets to be disposed, which received shareholders' approval at the EGM held on 4 January 2018.

27 April 2018:

Exploring further expansion opportunities. Vienna International Hotelmanagement AG (Vienna House) signed a non-binding letter of intent (LOI) with Nakheel PJSC, the largest property developer in Dubai, to jointly develop a new resort on Deira island, Dubai under Vienna House's brand. The expected total value of the project is up to THB 5,000mn. Should the project proceed to a stage where a binding agreement is to be signed, the Company will request approval from the Board of Directors or at a Shareholders' Meeting (as the case may be).

30 April 2018:

AGM held. The Company held the Annual General Meeting of Shareholders wherein all resolutions proposed were approved.

10 May 2018:

Creating a foundation for Vienna House Expansion in Thailand. Vienna International Hotelmanagement AG (Vienna House) acquired shares in Vienna House (Thailand) Company Limited,

a JV company between Vienna House and Absolute Hotel Services (AHS) with a 30:70 stake, respectively to facilitate the expansion of Vienna House management services in Thailand.

30 May 2018:

Creating a foundation for Vienna House Expansion in Asia.

Vienna House subscribed to shares in Vienna House Asia Limited, a JV company between Vienna House and Absolute Hotel Services Hong Kong with a 30:70 stake, respectively to facilitate the expansion of Vienna House management services in Asia (excluding Thailand).

1 June 2018:

Four additional Projects for Sansiri JV. The Company acquired 50% of the total ordinary shares in 4 subsidiaries of Sansiri Public Company Limited (Sansiri) at a total price of THB 75.5mn. As a result, (i) Siripat One Company Limited, (ii) Siripat Two Company Limited, (iii) Siripat Three Company Limited and (iv) Bangkok Sky Sukhumvit 34 Company Limited are now joint venture companies between the Company and Sansiri for the purpose of real estate development.

27 June 2018:

Spinning off Eastin Grand Sathorn to a new company. The Company established a new wholly-owned subsidiary, EGS Assets Company Limited to hold the land and building of Eastin Grand Sathorn Hotel, which was formerly held by BTS Assets Company Limited (BTS Assets). BTS Assets continues to hold landplots at Mochit.

6 July 2018:

Opening of a new Vienna House Hotel. The 205-key Vienna House Easy Leipzig (VHE Leipzig) hotel under Vienna House was fully launched.

4 September 2018:

Vienna House partners with major hotel developer. Vienna International hotelmanagement AG (Vienna House) has acquired a 50% stake in UBM+VH Hotels GmbH (UBM JV) for EUR 2.65mn or equivalent to THB 101.6mn for the purpose of carrying out hotel management services.

13 September 2018:

Vienna House establishes a new subsidiary and signs a new operating lease contract. REVO München Hotelbetriebs GmbH, with a registered capital of EUR 25,000 or equivalent to THB 0.96mn has been established by Vienna House for the purpose of investment in the assets business. Vienna House has also signed a new 20-year operating lease contract for a 607-key hotel under the newly launched R.evo brand located in Munich, Germany.

22 September 2018:

Sansiri JV launches 'THE BASE Saphanmai' project for presales. The second project launched this year under the Sansiri JV, with a total project value of THB 2.7bn, 820 units and an average selling price per unit of THB 3.3mn.

12 October 2018:

Extraordinary Shareholders' Meeting approves capital restructuring. The Extraordinary Shareholders' Meeting (EGM) approves a series of transactions, namely (i) a reverse stock split of ordinary and preferred shares at a ratio of 100:1, (ii) a minor capital increase through a private placement, for the purpose of facilitating the reverse stock split via a rounding of fractional shares and (iii) a capital reduction for the purpose of reducing the deficit in the separate financial statements of the Company.

5 November 2018:

U City's ordinary and preferred shares start trading at new par value. The reverse stock split which came into effect on 31 October 2018, adjusted the par value of both share types to THB 100 per share from THB 1 per share and the rights of U-W1 and U-W4 tradeable warrants to an exercise price of THB 6 per warrant and a conversion ratio of 1 warrant for 0.01 ordinary share (from THB 0.06 and 1 warrant for 1 ordinary share previously).

17 November 2018:

Sansiri JV launches 'THE LINE Phahonyothin Park' project for presales. The third project launched this year under the Sansiri JV, with a total project value of THB 4.9bn, 880 units and an average selling price per unit of THB 5.6mn.

1 December 2018:

Opening of 'Eastin Thana City Golf Resort'. The 194-key Eastin Thana City Golf Resort Bangkok (EHTCB), a hotel located within the Thana City Country Club, was fully launched as the first Eastin resort in Thailand.

18 December 2018:

Establishment of a new subsidiary as part of hospitality business restructuring. The Company established a new, wholly-owned subsidiary, U Global Hospitality Company Limited, with a registered capital of THB 300mn. The subsidiary will facilitate the planned restructuring of the holding structure of U City's hospitality business.

26 December 2018:

Par value and capital reduction. The Company registered the capital reduction of its registered and paid-up capital with the Department of Business Development, Ministry of Commerce. The par value of both the Company's ordinary and preferred shares have been reduced to THB 3.20 from THB 100.

18 January 2019.

Signing of first VH-AHS JV managed hotel, 'Vienna House Vung Tau'. Vienna House Asia Limited, 30:70 JV Company between Vienna House and Absolute Hotel Services Hong Kong, signed a new hotel management service agreement for 775-key Vienna House Vung Tau Hotel in Vietnam.





1.3 MESSAGE FROM THE CHAIRMAN

It has been over a year since I have taken the position of the Chairman of the Board of Director of U City, with the goal of rehabilitating the Company. Thereafter in 2018, we have seen significant changes in U City such as the capital restructuring and business operations. After we acquired Vienna House in Europe since May 2017, not only have we obtained additional hotels but also the brands and a hotel management platform which enables us to realise synergies from the cross-migration of brands with the hotel management platform in Asia for the rapid future growth. Besides this, we've acquired more properties to our portfolio from the Entire Business Transfer of Unicorn Enterprise Company Limited. The Company has recently restructured the capital for the purpose of reducing the deficit in order to pay dividends this is a significant factor in strengthening our business, sustainably.

For the next step, we are poised to invest in the property business that could generate revenue growth particularly in the overseas as well as searching for the new branded hotel or hotel management platform to expand from the current business. The Company has formed a team with local and international experts for investing and developing property in every region. We are also focusing on developing the property project on our own land or in a joint venture with partners such as Sansiri JV

project; a leading residential property developer possessing solid marketing expertise. I'm encouraged that with the strong strategic partners and sufficient source of funding we possess, U City is able to grow sustainably and be ready for a potential opportunities in the future for additional shareholder value.

Apart from future earnings enhancement, the Company also concentrates on operating its business responsibly with all stakeholders such as employees, business partners, our shareholders as well as communities. Our Board of Directors is focusing on good corporate governance and transparency, which in turn will bring U City towards strong and sustainable growth in the future.

On behalf of the Board of Directors, I would like to extend my appreciation to our shareholders, business partners, financial institutions and government agencies for their trust, support and confidence as well as to U City. Moreover, I would like to express my appreciation to our directors, management and employees for their indefatigability and dedication to the success of our business operations.



Mr. Keeree Kanjanapas
Chairman of the Board of Directors
U City Public Company Limited



1.4 MESSAGE FROM THE CEO

2018 has been a turning point for U City. With great support from our shareholders, we successfully raised capital for the rights offering in order to acquire assets through the Entire Business Transfer of Unicorn Enterprises Company Limited (EBT of UE). We've been focusing on cultivating the value of our investments through continuous expansion of our hotels in the form of management contracts and operating leases, which require minimal support from shareholders. In addition, our residential for sales segment through the Sansiri JV has completed construction of 4 projects this year. Their construction was faster than expected. Over the past couple of years, we've been diligently implementing a clearly defined, long-term strategy to invigorate the Company as well as investing in our people. This is an initial blossoming of more shareholder value to come.

Total asset value grew by 34.7% to 54.0bn. Total revenues of the Company grew 56.6% to THB 6,976mn and EBITDA increased to THB 977mn in 2018. Both are new record highs for the Company. U City is well underway on a sustainable growth trajectory, with a favourable net D/E ratio of 0.55x and sufficient cash balance of 2,797mn for future investment needs.

Within our hospitality business, which is a main source of income for the Company and contributed THB 6,009mn in revenue or 86.1% of the total. I'd like to draw your attention to the number of hotel keys in our portfolio, which grew from 8,275 keys in 2017 to 26,997 keys in 2018. Of this amount, 9,875 keys are currently operating, indicating a large pipeline of future revenue of 17,122 keys to come. One can clearly see the enviable growth of the Company, both in the past but also what is anticipated in the future. We've been assiduously exploring new approaches that aim to optimise our hospitality business and a series of these are in progress. These include treasury and tax solutions to ameliorate FX-related impact to our earnings and tightening tax efficiency. New partnerships have

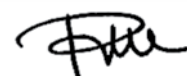
been formed between Vienna House and our associate, Absolute Hotel Services (AHS) to explore cross-migration of brands and drive synergies from deeper access to the Asian market; and between Vienna House and UBM, a leading hotel developer in order to tap into potential business expansion.

Within our office business, we continue to recognise steady revenues from our properties in the UK and Thailand. Altogether these have contributed THB 282mn or 4.0% of the Company's total revenue. With Underwood Street completing major renovations, we expect future earnings uplift in this segment, as it is located in rapidly developing tech and startup hub.

The Sansiri JV has a significant backlog of presales of THB 17,981mn to be transferred in the future and we've launched a total of 3 projects this year valued at THB 12.7bn. Many more exciting, new projects are in the offing, encouraged by the development of Bangkok's mass transit system.

We're on track with our development projects, Phayathai mixed-use building and Verso International School. At the time of this writing, construction progress stood at 8% and 25%, respectively.

On behalf of management, I would like to extend my sincere gratitude to our shareholders, business and financial partners, customers and employees. Your continued trust and support is instrumental in the successes we've achieved and realisation of our future goals.



Piyaporn Phanachet
Chief Executive Officer

U City Public Company Limited

1.5 ASSETS ACQUIRED DURING THE YEAR





July 2018

VIENNA HOUSE LEIPZIG
GERMANY

October 2018

EASTIN THANA CITY GOLF
RESORT BANGKOK

February 2019

VIENNA HOUSE MOKOTOW
WARSAW POLAND





CORPORATE INFORMATION

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- 2.2 Executive Management
- 2.3 Organisation Structure
- 2.4 General Information of the Company
- 2.5 Corporate Structure
- 2.6 Capital Structure
- 2.7 Relationship with Major Shareholders
- 2.8 Dividend Policy

2.1 BOARD OF DIRECTORS



1 MR. KEEREE KANJANAPAS
CHAIRMAN OF THE BOARD OF DIRECTORS

2 MR. RUNGSON SRIWORASAT
INDEPENDENT DIRECTOR,
CHAIRMAN OF THE AUDIT COMMITTEE
AND NOMINATION AND REMUNERATION
COMMITTEE

3 MR. CHAIWAT ATSAWINTARANGKUN
INDEPENDENT DIRECTOR, CHAIRMAN OF
THE NOMINATION AND REMUNERATION
COMMITTEE AND AUDIT COMMITTEE

4 MR. PLAKORN WANGLEE
INDEPENDENT DIRECTOR, AUDIT COMMITTEE
AND NOMINATION AND REMUNERATION
COMMITTEE

5 MR. PAISAL TARASANSOMBAT
INDEPENDENT DIRECTOR, AUDIT COMMITTEE
AND NOMINATION AND REMUNERATION
COMMITTEE



8

6 MR. KAVIN KANJANAPAS
DIRECTOR



7

7 MS. PIYAPORN PHANACHET
DIRECTOR, EXECUTIVE DIRECTOR
AND CHIEF EXECUTIVE OFFICER



6

10 MR. SAYAM SIWARAPORNSKUL
DIRECTOR, EXECUTIVE DIRECTOR,
CHIEF LEGAL OFFICER AND COMPANY
SECRETARY



9

9 MR. KONG CHI KEUNG
DIRECTOR



10

8 MR. SURAJIT GONGVATANA
INDEPENDENT DIRECTOR
AND CHAIRMAN OF EXECUTIVE
DIRECTOR COMMITTEE

2.2 EXECUTIVE MANAGEMENT



MR. SURAJIT GONGVATANA

Chairman of Executive Director Committee



MS. PIYAPORN PHANACHET

Chief Executive Officer
and Executive Director



MS. SORAYA SATIANGOSET

Chief Financial Officer
and Executive Director



MR. VEERAPONG RODJANAWARODOM

Chief Operating Officer
and Executive Director



MR. SAYAM SIWARAPORNSKUL

Chief Legal Officer
and Executive Director



MS. NUTTAPUN GIRAMETHAKUL

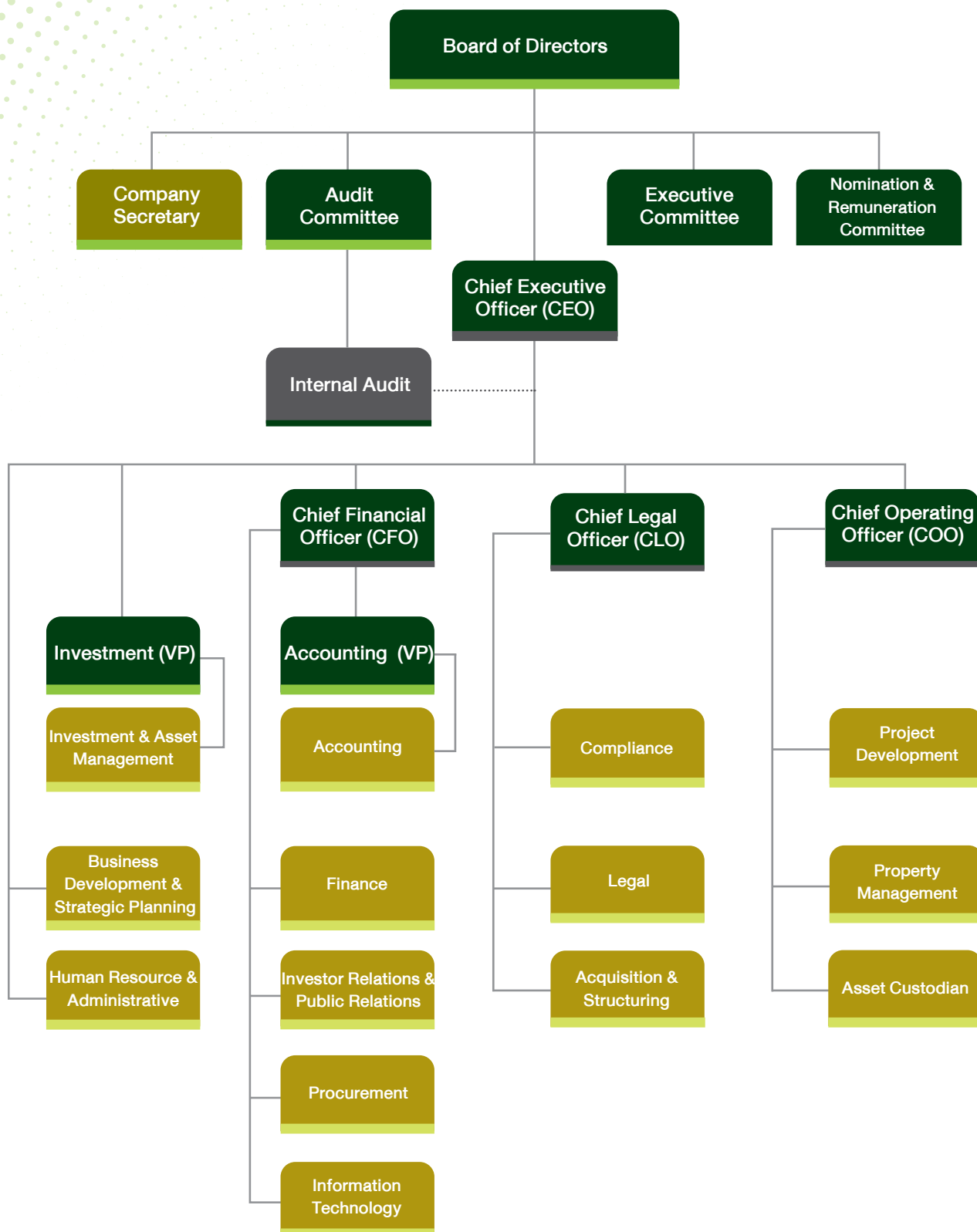
Vice President, Accounting Department



MR. LAPIKA SASANAVIN

Vice President, Investment Department

2.3 ORGANISATION STRUCTURE



2.4 GENERAL INFORMATION OF THE COMPANY

Company	U City Public Company Limited
Company Registration Number	0107537000459
Nature of Business	Real estate development for rent, service and sale
Head Office	21 TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon Sub-district, Chatuchak District, Bangkok 10900, Thailand
Telephone	0-2273-8838
Fax	0-2273-8858
Website	www.ucity.co.th
Registered Capital	THB 44,900,151,132.80
Paid-Up Registered Capital	THB 29,933,734,790.40
Number of Issued Shares	9,354,292,122 shares
Number of Issued Ordinary Shares	5,613,716,960 shares
Number of Issued Preferred Shares	3,740,575,162 shares
Par Value	THB 3.20 per share
The Other securities	Warrants (U-W1) - Totalling 180,628,313,882 units Warrants (U-W2) -Totalling 100,043,438,606 units Warrants (U-W3) — Totalling 45,133,272,059 units Warrants (U-W4) —Totaling 141,895,485,954 units

Auditors of the Company for Financial Statement Year 2018

Auditors' Names	Ms. Siraporn Ouannunkun, Certified Public Account No. 3844 and/or Mrs. Chonlaros Suntiasvaraporn, Certified Public Account No. 4523 and/or Mr. Chatchai Kasemsrithanawat, Certified Public Account No. 5813
Office Name	E Y Office Company Limited
Location	33rd Fl, Lake Rajada Office Complex, 193/136-137 Rajadapisek Rd, Klongtoey District, Bangkok 10110
Telephone	+66 2 264 0777
Fax	+66 2 264-0789-90

Legal Advisor for Year 2018

Office Name	The Capital Law Office Limited
Location	44 Smooth Life Tower 15th Fl., North Sathorn Rd., Bangrak, Bangkok 10500 Thailand.
Telephone	0-2633-9088
Fax	0-2633-9089

2.5 CORPORATE STRUCTURE

U CITY PLC.



Real Estate Development for Sale

100%	BTS Land Co., Ltd
100%	Tanayong Food and Beverage Co., Ltd
100%	Mak 8 Co., Ltd
100%	Nine Square Property Co., Ltd
100%	PrannaKiri Assets Co., Ltd
100%	100% Ratburana Property Co., Ltd
100%	Siam Paging Communication Co., Ltd
100%	Project Green Co., Ltd
100%	Npark Global Holding Co., Ltd
50%	MHG NPARK Development Co., Ltd
50%	BTS - Sansiri Holding one Co., Ltd
50%	BTS - Sansiri Holding Two Co., Ltd
50%	BTS - Sansiri Holding Three Co., Ltd
50%	BTS - Sansiri Holding Four Co., Ltd
50%	BTS - Sansiri Holding Five Co., Ltd
50%	BTS - Sansiri Holding Six Co., Ltd
50%	BTS - Sansiri Holding Seven Co., Ltd
50%	BTS - Sansiri Holding Eighth Co., Ltd
50%	BTS - Sansiri Holding Nine Co., Ltd
50%	Nuvo Line Agency Co., Ltd

Other Real Estate

50%	BTS - Sansiri Holding Eleven Limited	50%	Keystone Estate Co., Ltd
50%	BTS - Sansiri Holding Twelve Limited	50%	Keystone Management Co., Ltd
50%	BTS - Sansiri Holding Thirteen Limited	100%	Natural Panwa Hotel Co.,
50%	BTS - Sansiri Holding Fourteen Limited	71.57%	Natural Hotel Sukhumvit Co., Ltd*
50%	BTS - Sansiri Holding Fifteen Limited	100%	Natural Hotel Park Ville Co., Ltd
50%	BTS - Sansiri Holding Sixteen Limited	100%	Natural Real Estate Co., Ltd.
50%	BTS - Sansiri Holding Seventeen Limited	100%	Park Opera Co., Ltd.
50%	BTS - Sansiri Holding Eighteen Limited	100%	Richee Property Management Co., Ltd.
50%	BTS - Sansiri Holding Nineteen Limited	100%	Park Gourmet Co., Ltd.*
50%	BTS - Sansiri Holding Twenty Limited		
50%	BTS - Sansiri Holding Twenty One Limited		
50%	BTS - Sansiri Holding Twenty Two Limited		
50%	Sansiri Holding Twenty Three Limited ⁹		
50%	Sansiri Holding Twenty Four Limited ¹⁰		
50%	Sansiri Holding Twenty Five Limited ¹¹		
50%	Siripat Three Co., Ltd.		

GP = General Partnership
LP = Limited Partnership

*Inactive Subsidiaries

Remark:

- | | | |
|---|---|---|
| 1. VHE Cracow Sp. z o.o. SKA | = | Former name WX Krakow Sp. z o.o. SKA |
| 2. VHE Bratislava s.r.o. | = | Former name VI Bratislava s.r.o. |
| 3. Vienna House Cluster Deutschland GmbH | = | Former name Vienna International Deutschland GmbH |
| 4. Vienna House Cluster Polen Sp. z o.o. | = | Former name Employee Management Sp. z o.o. |
| 5. Vienna House Cluster Tschechien s.r.o. | = | Former name VI Travel Management s.r.o. |
| 6. VHE Raunheim Hotelbetriebs GmbH | = | Former name VHE Darmstadt Hotelbetriebs GmbH |
| 7. VHE Wroclaw Hotel sp. z o.o. | = | Former name Glamford Investments sp. z o.o. |
| 8. Sansiri Holding Thirteen Co., Ltd. | = | Former name Prime Area 38 Co., Ltd. |
| 9. Sansiri Holding Twenty Three | = | Former name Krungthep Sky Sukhumvit 34 Co., Ltd |
| 10. Sansiri Holding Twenty Four | = | Former name Siripat One Co., Ltd. |
| 11. VHE Raunheim Hotelbetriebs GmbH Five | = | Former name Siripat Two Co., Ltd. |
| 12. Mochit Land Co., Ltd. | = | BTS Asset Co., Ltd. |

General Information of Companies in which the Company holds more than 10% as of 28 February 2018

1. Subsidiaries Engaging in Real Estate Development for Rent, Service and Hotel Business

a) Real Estate Development for Rent, Service and Hotel Business (Overseas)

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
1	Lombard Estate Holdings Limited ("LEH")	Securities investment	Room 501, The Lucky Building, 39, Wellington Street, Central, Hong Kong	100.00	GBP 76,500,001 and EUR 27,400,000	GBP 76,500,001 and EUR 27,400,000	103,900,001	Ordinary Share
2	Thirty Three Gracechurch 1 Limited ("TTG1")	Investment in Unit Trust	26 New Street, St. Helier, Jersey, JE2 3RA, Jersey Tel. +44 (0)1534 507000 Fax +44 (0)1534 507001	100.00 (Hold by LEH)	GBP 15,140,001	GBP 15,150,000	15,140,001	Ordinary Share
3	Underwood Street Limited	Investment in long-term leasehold right of an office building	26 New Street, St. Helier, Jersey, JE2 3RA, Jersey Tel. +44 (0)1534 507000 Fax +44 (0)1534 507001	100.00 (Hold by LEH)	GBP 3,300,001	GBP 3,300,001	3,300,001	Ordinary Share
4	Vienna House Capital GmbH ("VHC")	Securities investment	Dresdner Straße 87, 1200 Vienna, Austria Tel. +43 1333 73 73-0 Fax+43 1333 73 73-13	100.00 (Hold by LEH)	EUR 35,000	EUR 35,000	-	Ordinary Share
5	Vienna House Real Estate GmbH ("VHRE")	Securities investment	Dresdner Straße 87, 1200 Vienna, Austria Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	100.00 (Hold by VHC)	EUR 17,500	EUR 35,000	-	Ordinary Share
6	Vienna International Hotelmanagement AG ("VI")	Hotel Management Service	Dresdner Straße 87, 1200 Vienna, Austria Tel. +43 1333 73 73-0 Fax+43 1333 73 73-13	100.00 (Hold by VHC)	EUR 3,375,000	EUR 3,375,000	22,500	Ordinary Share
7	KDAG Data GmbH	Non-operating	Dresdner Straße 87/5 Stock, 1200 Vienna, Austria Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	33.33 (Hold by VI) (The other 33.33% Hold by Amber Privatstiftung and 33.33% Hold by Bocca Privatstiftung)	EUR 3,140,000.01	EUR 3,140,000.01	-	Ordinary Share
8	VI Europäische Franchise GmbH	Non-operating	Dresdner Straße 87/5 Stock, 1200 Vienna, Austria Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	33.33 (Hold by VI) (The other 33.33% Hold by Dr.Franz Jurkowitzsch and 33.33% Hold by Dkfm. Georg Folian)	EUR 80,000	EUR 80,000	-	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
9	Andel's Berlin Hotelbetriebs GmbH	Asset owner and Hotel Business	Landsberger Allee 106, 10369 Berlin, Germany Tel. +49 30 453 053 2000 Fax +49 30 453 053 2099	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
10	VHE Berlin Hotelbetriebs GmbH	Asset owner and Hotel Business	Landsberger Allee 106, 10369 Berlin, Germany Tel. +49 30 666 4440 Fax +49 30 666 444 999	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
11	VH Dresden Hotelbetriebs GmbH	Asset owner and Hotel Business	Landsberger Allee 106, 10369 Berlin, Germany Tel. +49 351 563 3090 Fax +49 351 563 309911	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
12	VHE Leipzig Hotelbetriebs GmbH	Asset owner and Hotel Business	Goethestraße 11, 04109 Leipzig, Tel. +49 341 991 5390 Germany	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
13	VH Kronberg Hotelbetriebs GmbH	Asset owner and Hotel Business	c/o Hermann & Kollegen Rechtsanwälte PartG mbH, Hr. RA Dr. Wolfgang Hermann, Maximilianstr. 2, 80539 Munich, Germany	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
14	VHE Raunheim Hotelbetriebs GmbH ¹	Asset owner and Hotel Business	c/o Hermann & Kollegen Rechtsanwälte PartG mbH -Herr RA Dr. Wolfgang Hermann - Maximilianstraße 2, 80539 Munich, Germany	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
15	REVO München Hotelbetriebs GmbH	Asset owner and Hotel Business	Maximilianstr. 2, c/o Hermann & Kollegen Rechtsanwälte PartG mbB, 80539 Munich, Germany	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	25,000	Ordinary Share
16	UBM + VH Hotels GmbH	Hotel Management Service	Albert-Roßhaupter Straße 43, 81369 Munich, Germany	50.00 Hold by VI (The other 50.00% hold by UBM hotels München GmbH)	EUR 4,700,000	EUR 4,700,000	4,700,000	Ordinary Share
17	Vienna International Asset GmbH ("VI Asset")	Securities investment and Hotel Business	Leuchtenberggring 20 c/o Angelo Designhotel Munich, 81677 Munich, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.90 (Hold by VI) (The other 5.10% hold by Asia Hong Kong Engineering Limited)	EUR 25,000	EUR 25,000	1	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
18	CalvusGrundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG	Asset owner and Hotel Business	Emy-Roeder-Straße 2, 55129 Mainz, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.00 (Hold by VI Asset as a limited liability company) (The other 6.00% hold by Calvus Grundstücksverwaltungs-gesellschaft mbH as a unlimited liability company)	EUR 5,000	EUR 5,000	-	Ordinary Share
19	Enigma Grundstücksverwaltungs-gesellschaft mbH & Co. Objekt Wuppertal KG	Asset owner and Hotel Business	Emy-Roeder-Straße 2, 55129 Mainz, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.00 (Hold by VI as a limited liability company) (The other 6.00% hold by Enigma Grundstücksverwaltungs-gesellschaft mbH as a unlimited liability company)	EUR 5,000	EUR 5,000	-	Ordinary Share
20	Fabella Grundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG	Asset owner and Hotel Business	Emy-Roeder-Straße 2, 55129 Mainz, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.00 (Hold by VI Asset as a limited liability company) (The other 6.00% hold by Fabella Grundstücksverwaltungs-gesellschaft mbH as a unlimited liability company)	EUR 5,000	EUR 5,000	-	Ordinary Share
21	Fabio Grundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG	Asset owner and Hotel Business	Emy-Roeder-Straße 2, 55129 Mainz, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.00 (Hold by VI Asset as a limited liability company) (The other 6.00% hold by Fabio Grundstücksverwaltungs-gesellschaft mbH as a unlimited liability company)	EUR 5,000	EUR 5,000	-	Ordinary Share
22	Flora Grundstücksverwaltungs-gesellschaft mbH & Co. Vermietungs KG	Asset owner and Hotel Business	Emy-Roeder-Straße 2, 55129 Mainz, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	94.00 (Hold by VI Asset as a limited liability company) (The other 6.00% hold by Flora Grundstücksverwaltungs-gesellschaft mbH as a unlimited liability company)	EUR 5,000	EUR 5,000	-	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
23	Vienna House Cluster Deutschland GmbH ²	Business relate to Hotel Management Service	Leuchtenbergring 20, c/o Holiday Inn Munich-Leuchtenbergring, 81677 Munich, Germany Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	100.00 (Hold by VI)	EUR 25,000	EUR 25,000	1	Ordinary Share
24	Recoop Tour a.s.	Asset owner and Hotel Business	Evropská 370/15, Dejvice, 160 00 Praha 6, Czech Republic Tel. +420 296 559 111 Fax +420 296 559 207	100.00 (Hold by VHC)	CZK 24,000,000	CZK 24,000,000	160	Ordinary Share
25	UBX Plzen s.r.o.	Hotel Business	U Prazdroje 2720/6, Východní Předměstí, 301 00 Plzen, Czech Republic Tel. +420 378 016 111 Fax +420 378 016 016	100.00 (Hold by VHC)	CZK 200,000	CZK 200,000	-	Ordinary Share
26	UBX Plzen Real Estate s.r.o.	Asset owner	U Prazdroje 2720/6, Východní Předměstí, 301 00 Plzen, Czech Republic Tel. +420 378 016 111 Fax +420 378 016 016	100.00 (Hold by VHC)	CZK 200,000	CZK 200,000	-	Ordinary Share
27	Vienna House Cluster Tschechien s.r.o. ³	Business relate to Hotel Management Service	Praha 6 - Dejvice, Evropská 370/15, PSC 16041, Czech Republic Tel. +420 2963530 Fax +420 296353488	100.00 (Hold by VI)	CZK 200,000	CZK 200,000	-	Ordinary Share
28	Amber Baltic Sp. z o.o.	Asset owner and Hotel Business	ul. Promenada Gwiazd, nr 1, 72-500, Miedzyzdroje, Poland Tel. +48 91 3228 760 Fax +48 91 328 1022	100.00 (Hold by VHC)	PLN 38,325,000	PLN 38,325,000	76,650	Ordinary Share
29	Andels Lodz Sp. z o.o.	Asset owner and Hotel Business	ul. Ogrodowa, nr 17, 91-065, Lodz, Poland Tel. +48 4227 91000 Fax +48 4227 91001	(Hold by VHC)	PLN 5,208,000	PLN 5,208,000	5,208	Ordinary Share
30	UBX Krakow Sp. z o.o.	Asset owner and Hotel Business	ul. Pawia, nr 3, 31-154, Krakow, Poland Tel. +48 12 6600100 Fax +48 12 6600001	1100.00 (Hold by VHC)	PLN 50,000	PLN 50,000	50	Ordinary Share
31	UBX Katowice Sp. z o.o.	Asset owner	ul. Sokolska, nr 24, 40-086, Poland Katowice, Poland Tel. +48 3278 38100 Fax. +48 3278 38103	100.00 (Hold by VHC)	PLN 50,000	PLN 50,000	50	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
32	Hotel Management Angelo Katowice Sp. z o.o.	Hotel Business	ul. Sokolska, nr 24, 40-086, Katowice, Poland Tel. +48 3278 38100 Fax +48 3278 38103	100.00 (Hold by VHC)	PLN 202,400	PLN 202,400	4,048	Ordinary Share
33	VHE Cracow Sp. z o.o. (VHE Cracow)	Securities investment	ul. Przy Rondzie, 31-547, Krakow, Poland Tel. +48 12299 0000 Fax +48 12 2990 001	100.00 (Hold by VHC)	PLN 5,000	PLN 5,000	100	Ordinary Share
34	VHE Cracow Sp. z o.o. SKA ⁴	Asset owner and Hotel Business	ul. Przy Rondzie, nr 2, 31-547, Krakow, Poland Tel. +48 12299 0000 Fax +48 12 2990 001	100.00(99.99% hold by VHC as a limited liability company and 1% hold by VHE Cracow as a unlimited liability company)	PLN 11,206,950	PLN 11,206,950	224,139	Ordinary Share
35	VH Warsaw Hotel Sp. z o.o.	Asset owner and Hotel Business	ul. Postępu 4, 02-676 Warsaw, Poland	100.00 (Hold by VI)	PLN 5,000	PLN 5,000	100	Ordinary Share
36	VHE Wrocław Hotel sp. z o.o. ⁵	Asset owner and Hotel Business	Al. Jerozolimskie, nr 56C, 00-803 Warsaw, Poland	100.00 (Hold by VI)	PLN 40,000	PLN 40,000	400	Ordinary Share
37	Vienna House Cluster Polen Sp. z o.o. ⁶	Business relate to Hotel Management Service	ul. ALEJE JEROZOLIMSKIE, nr 65/79, lok., 00-697 Warsaw, Poland Tel. +43 1 333 73 73-0 Fax +43 1 333 73 73-13	100.00 (Hold by VI)	PLN 40,000	PLN 40,000	400	Ordinary Share
38	Comtel Focus S.A.	Asset owner and Hotel Business	Calea BUCURESTILOR, Nr. 283, Ilfov County, 075100 Otopeni, Romania Tel. +40 21 2036500 Fax +40 21 2036510	99.99% Hold by VHC (The other 0.0025% hold by SC.Nur Focus Advertising Products Ltd.)	RON 42,703,016	RON 42,703,016	111,788,000	Ordinary Share
39	VHE Bratislava s.r.o. ⁷	Hotel Business	Galvaniho 28 821 04, Bratislava, Slovakia Tel. +421 232299100 Fax +421 232299530	100.00 (Hold by VI)	EUR 6,638.78	EUR 6,638.78	-	Ordinary Share
40	VHE Bratislava Real Estate s.r.o.	Asset owner	Galvaniho 28 821 04, Bratislava, Slovakia Tel. +421 232299100 Fax +421 232299530	100.00 (85.00% hold by VHRE and 15.00% hold by VHC)	EUR 5,000	EUR 5,000	2	Ordinary Share
41	OOO Employ Management	Business relate to Hotel Management Service	2A, 2. Ulitsa Maryinoy Roschi, 129594, Moscow, Russia Tel. +7 495 646 2077	100.00 (Hold by VI)	RUB 231,948	RUB 231,948	-	Ordinary Share
42	Tanayony Hong Kong Limited	Securities investment	11th Floor, Malahon Centre, 10-12 Stanley Street Central, Hong Kong Tel. +852 9188 3886 Fax +852 2868 3626	100.00	HKD 10,000	HKD 10,000	10,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
43	Absolute Hotel Services Hong Kong Limited	Hotel Management Service	Flat/RM 908 Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong	87.73 (75.47% hold by Absolute Hotel Services Co., Ltd and 12.26% hold by Tanayong Hongkong Limited) (The other 9.82% hold by Mr. Jonathan Maxwell Wigley and 2.45% hold by Mr. John Mark Westoby)	HKD 6,930,687	HKD 6,930,687	6,930,687	Ordinary Share
44	Vienna House Asia Limited	Hotel Management Service	Suite D, 16/F., On Hing Bldg., 1-9 On Hing Terrace, Central Hong Kong	100.00 (30.00% hold by Vienna International Hotelmanagement AG and 70.00% hold by Absolute Hotel Services Hong Kong Limited)	HKD 156,000	HKD 156,000	156,000	Ordinary Share
45	Absolute Hotel Services Indochina Limited	Hotel Management Service	Flat/RM 908 Dominion Centre, 43-59 Queen's Road East, Wanchai, Hong Kong	60.00% (hold by Absolute Hotel Hong Kong Limited, 40.00% hold by Phany Hotel & Restaurants Service Co., Ltd.)	HKD 780,000	HKD 780,000	780,000	Ordinary Share
46	AHS Hospitality India Private Limited	Hotel Management Service	309, Atlanta Estate, Dr. Ambedkar Chowk, Off. W.E. Highway, Goregaon (East), Mumbai 400 063 India	58.43% (hold by Absolute Hotel Hong Kong Limited, 20.00% hold by Mr. Sameer Dharkar & Family, 20.00% hold by Mr. Subodh Dharkar and 1.96% hold by Mr. Jonathan Maxwell Wigley)	INR 43,052,400	INR 45,000,000	4,305,240	Ordinary Share

Remark

1. VHE Raunheim Hotelbetriebs GmbH = former name VHE Darmstadt Hotelbetriebs GmbH
2. Vienna House Cluster Deutschland GmbH = former name Vienna International Deutschland GmbH
3. Vienna House Cluster Tschechien s.r.o. = former name VI Travel Management s.r.o.
4. VHE Cracow Sp. z o.o. SKA = former name WX Krakow Sp. z o.o. SKA
5. VHE Wroclaw Hotel sp. z o.o. = former name Glamford Investments Sp. z o.o.
6. Vienna House Cluster Polen Sp. z o.o. = former name Employee Management Sp. z o.o.
7. VHE Bratislava s.r.o. = former name VI Bratislava s.r.o.

b) Real Estate Development for Rent, Service and Hotel Business (Domestic)

No.	Company	Business Type	Address	Sharehold- ing of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
1	Khon Kean Buri Company Limited (KK) ¹⁾	Hotel Business	999 Moo 4 Prachasamo- sorn Road, Tambon Nai Mueang, Amphoe Mueang Khon Kean, Khon Kean Tel. 043-209-888 Fax. 043-209-889	100.00	800,000,000	800,000,000	8,000,000	Ordinary Share
2	Boonbaramee Metta Property Company Limited (BMP) ¹⁾	Investment in Hotel and Real Estate Development Business	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	700,000,000	700,000,000	7,000,000	Ordinary Share
3	Pacific Chiangmai Company Limited (PC) ¹⁾	Land owner and Real Estate Development Business	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00 (hold by Boonbara- mee Metta Property Co., Ltd.)	200,000,000	200,000,000	2,000,000	Ordinary Share
4	Pacific Hotel Chiangmai Company Limited (PHC) ¹⁾	Hotel Business	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00 (hold by Boonbara- mee Metta Property Co., Ltd.)	600,000,000	600,000,000	6,000,000	Ordinary Share
5	Keystone Estate Co., Ltd.	Land Owner and Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	50.00 (The other 49.00 % hold by Gold Diamond Holding Limited and 1.00% hold by Mr. Prasert Arayakarnkul)	1,874,000,000	1,874,000,000	18,740,000	Ordinary Share
6	Kamkoong Property Company Limited (KKP)	Hotel and Real Estate Development Business	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	1,100,000,000	1,100,000,000	11,000,000	Ordinary Share
7	Unison One Co., Ltd	Office Building Rental	21, TST Tower, Soi Choei Phuang, Vipha- vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	340,000,000	340,000,000	3,400,000	Ordinary Share
8	Tanayong Property Property Management Co., Ltd	Property Management	100-100/1 Moo 4 KM. 14, Bangna-Trad Rd., Bang Chalong, Bang Phli, Samut Prakan Tel. 0-2273-8833 Fax 0-2273-8832	100.00	1,000,000	1,000,000	10,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
9	Thana City Golf and Sports Club Co., Ltd.	Golf course and sports club Management	100-100/1 Moo 4 KM. 14, Bangna-Trad Rd., Bang Chalong, Bang Phli, Samut Prakan Tel. 0-2336-2968-72 Fax 0-2336-2980	100.00	20,000,000	20,000,000	200,000	Ordinary Share
10	Absolute Hotel Services Co., Ltd.	Hotel Management Services	1091/343, 4th Floor, New Petchburi Road, Makasan, Ratchathewi, Bangkok Tel. 0-2255-9247 Fax. 02-255-9248	50.00 (hold by U Global Hospitality Co., Ltd.) (The other 35.00% hold by Mr. Jonathan Maxwell Wigley, 5.00% hold by Mr. John Mark Westoby, 5.00% hold by Mrs. Thitiya Westoby and 5.00% hold by)	8,000,000	25,000,000	2,500,000	Ordinary Share
11	Travelodge (Thailand) Co., Ltd.	Hotel Management and Development	1091/343, 4th Floor, New Petchburi Road, Makasan, Ratchathewi, Bangkok Tel. 0-2255-9247 Fax. 02-255-9248	80.00 (hold by Absolute Hotel Services Co., Ltd.)	500,000	2,000,000	400,000	Ordinary Share
12	Absolute Golf Services Co., Ltd.	Golf and sport club Management service	1091/343, 4th Floor, New Petchburi Road, Makasan, Ratchathewi, Bangkok Tel. 0-2255-9247 Fax. 02-255-9248	99.00 % (hold by Absolute Hotel Services Co., Ltd. and 0.99 % hold by Mr. Jonathan Maxwell Wigley and 0.01% hold by Ms. Nopparat Pong-watanakulsiri)	4,000,000	4,000,000	200,000	- Ordinary Share 98,800 shares - Preferred Shares 102,000 shares
13	EGS Assets Co., Ltd.	Hotel Business	21, TST Tower, Soi Choei Phuang, Vipavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	2,200,000,000	2,200,000,000	22,000,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
14	U Global Hospitality Co., Ltd	Securities investment	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	300,000,000	300,000,000	3,000,000	Ordinary Share
15	Vienna House (Thailand) Co., Ltd.	Hotel Management	1091/343, 4th Floor, New Petchburi Road, Makasan, Ratchathewi, Bangkok Tel. 0-2255-9247 Fax. 02-255-9248	30.00 hold by Vienna International Hotelmanagement AG (The other 69% hold by Absolute Hotel Services Co., Ltd. and 1% Mr. Jonathan Maxwell Wigley)	500,000	2,000,000	10,000	Ordinary Share
16	Muangthong Assets Co., Ltd.	Hotel Business	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	125,000,000	125,000,000	1,250,000	Ordinary Share
17	Mak 8 Co., Ltd.	Hotel Business	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	151,000,000	151,000,000	1,510,000	Ordinary Share
18	Nine Square Property Co., Ltd.	Hotel Business	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	10,000,000	10,000,000	100,000	Ordinary Share
19	BTS Land Co., Ltd.	Hotel Business	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	10,000,000	10,000,000	100,000	Ordinary Share
Joint-ventures								
No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital	Registered Capital	Issued Shares (Shares)	Type of Shares
1	Joint-venture between the Company, Amanresorts Services Limited and Silverlink Holdings Limited (JV)	Investment, Hotel and Property Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	-	-	-	-	-

C) Real Estate Development for Sale

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
1	Project Green Co., Ltd.	Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	100,000,000	100,000,000	1,000,000	Ordinary Share
2	NPARK Global Holding Company Limited ¹⁾	Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	100,000,000	100,000,000	1,000,000	Ordinary Share
3	Tanayong Food and Beverage Co., Ltd.	Land owner and Real Estate Development	100-100/1 Moo 4 KM. 14, Bangna-Trad Rd., Bang Chalong, Bang Phli, Samut Prakan Tel. 0-2336-2968-72 Fax 0-2336-2980	100.00	1,000,000	1,000,000	10,000	Ordinary Share
4	Ratburana Property Co., Ltd.	Land owner and Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858 100.00 (hold by PrannaKiri Assets Co., Ltd)	100.00 (hold by PrannaKiri Assets Co., Ltd)	10,000,000	10,000,000	100,000	Ordinary Share
5	PrannaKiri Assets Co., Ltd.	Land owner and Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	311,000,000	311,000,000	3,110,000	Ordinary Share
6	Siam Paging Communication Co., Ltd.	Land owner and Real Estate Development	21, TST Tower, Soi Choei Phuang, Vipha-vadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	5,000,000	5,000,000	50,000	Ordinary Share
7	MHG NPARK Development Company Limited ¹⁾	Real Estate Development	99, Berli Jucker House, 16/F, Soi Rubia, Sukhumvit 42 Road, Phra Khanong, Khlong Toei, Bangkok	50.00 (The other 50.00% hold by Hua-Hin Resources Limited)	100,000,000	100,000,000	10,000,000	Ordinary Share
8	Mochit Land Co., Ltd. ²⁾	Office Building Rental and Real Estate Development Business	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	27.25	805,237,500	805,237,500	29,550,000	Ordinary Share

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No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
9	BTS Sansiri Holding One Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
10	BTS Sansiri Holding Two Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
11	BTS Sansiri Holding Three Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
12	BTS Sansiri Holding Four Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
13	BTS Sansiri Holding Five Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share
14	BTS Sansiri Holding Six Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
15	BTS Sansiri Holding Seven Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
16	BTS Sansiri Holding Eight Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
17	BTS Sansiri Holding Nine Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
18	Nuvo Line Agency Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
19	BTS Sansiri Holding Eleven Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
20	BTS Sansiri Holding Twelve Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
21	BTS Sansiri Holding Thirteen Limited ³	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share
22	BTS Sansiri Holding Fourteen Limited ²	Land owner and Real Estate Development for Sale	4475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
23	BTS Sansiri Holding Fifteen Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
24	BTS Sansiri Holding Seventeen Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
25	BTS Sansiri Holding Eighteen Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share
26	BTS Sansiri Holding Nineteen Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
27	BTS Sansiri Holding Twenty Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
28	BTS Sansiri Holding Twenty One Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
29	BTS Sansiri Holding Twenty Two Limited	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	100,000,000	100,000,000	1,000,000	Ordinary Share
30	BTS Sansiri Holding Twenty Three Limited ⁴	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
31	BTS Sansiri Holding Twenty Four Limited ¹⁵	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share
32	TS Sansiri Holding Twenty Five Limited ¹⁶	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share
33	Siriphat Three Co., Ltd.	Land owner and Real Estate Development for Sale	475, 8th Floor, Siripinyo Building, Sri Ayutthaya Road, Tanon Phayathai, Ratchathewi, Bangkok Tel. 0-2202-3905-6 Tel. 0-2202-3904	50.00 (The other 50.00 % hold by Sansiri Plc.)	50,000,000	50,000,000	500,000	Ordinary Share

Remark

¹¹ Disposal 8 assets according to the resolution of Extraordinary General Meeting of Shareholders No. 1/2017 Hold on 4 January 2018.

¹² On 20 November 2018, BTS Assets Co., Ltd. has changed the company name to Mochit Land Co., Ltd

¹³ On 15 November 2017, the Company has disposed shares in Prime Area 38 Company Limited amounted to 50,000 shares which is a 50 percent of Prime-A's total share to Sansiri Public Company Limited and on 4 January 2018, company has changed the address to Siripinyo Building , Floor 8 , 475 Sri Ayutthaya Road, Ratchathewi, Bangkok. And on 2 August 2018, the company has changed the company name to BTS Sansiri Holding Thirteen Limited

¹⁴ On 2 August 2018, Krungthep Sky Sukhumvit 34 Co., Ltd has changed the company name to BTS Sansiri Holding Twenty Three.

¹⁵ On 2 August 2018, Siriphat One Co., Ltd has changed the company name to BTS Sansiri Holding Twenty Four.

¹⁶ On 2 August 2018, Siriphat Two Co., Ltd has changed the company name to BTS Sansiri Holding Twenty Five.

D) Others Real Estate Development

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
1	Keystone Management Co., Ltd.	International school Management	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	50.00 (The other 49.00 % hold by Fortune Hand Ventures Limited and 1.00 % hold by Mr. Prasert Arayakarnkul)	500,000,000	500,000,000	5,000,000	Ordinary Share

E) Inactive Company Subsidiaries

No.	Company	Business Type	Address	Shareholding of the Company (%)	Paid-up Capital (THB)	Registered Capital (THB)	Issued Shares (Shares)	Type of Shares
1	Natural Hotel Panwa Company Limited	Inactive Company	5/3 Moo 8, Ao Yon-Khao Khat Road, Tambon Wichit, Amphoe Mueang Phuket, Phuket Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	143,000,000	143,000,000	1,430,000	Ordinary Share
2	Natural Hotel Sukhumvit Company Limited	Inactive Company	555/5 Soi Sukhumvit 63 (Ekkamai), Sukhumvit Road, Khlong Ton Nuea, Watthana, Bangkok	71.57	41,352,750	1,500,000,000	1,500,000	Ordinary Share
3	Natural Park Ville Company Limited	Inactive Company	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	43,000,000	43,000,000	430,000	Ordinary Share
4	Natural Real Estate Company Limited	Inactive Company	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	33,000,000	33,000,000	330,000	Ordinary Share
5	Park Opera Company Limited	Inactive Company	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	22,555,000	50,000,000	5,000,000	Ordinary Share
6	Richee Property Management Company Limited	Inactive Company	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	1,000,000	1,000,000	10,000	Ordinary Share
7	Park Gourmet Company Limited	Inactive Company	21, TST Tower, Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Chatuchak, Bangkok Tel. 0-2273-8838 Fax. 0-2273-8858	100.00	25,000,000	50,000,000	500,000	Ordinary Share

2.6 CAPITAL STRUCTURE

Securities and shareholders information

Company's Securities

As of 31 December 2018, the Company's registered capital detail is as follows:

Registered Capital	44,900,151,132.80	Baht
Paid-Up Registered Capital	29,933,734,790.40	Baht
Number of Issued Shares	9,354,292,122	Shares
Number of Issued Common Shares	5,613,716,960	Shares
Number of Issued Preferred Shares	3,740,575,162	Shares
Par Value	3.20	Per Share

Shareholders

The first 10 shareholders of ordinary shares from the book closure as of 1 February 2019

Name of Shareholder	Number of Shares	% Shareholding
1. BTS Group Holding Public Company Limited	200,086,877,212	36.17
2. Trophy Capital Growth Fund	605,228,108	10.78
3. Mr. Vichit Chinwongvorakul	94,650,000	1.69
4. Mrs. Sukanya Thongphanh	91,513,757	1.63
5. Thailand Securities Depository Company Limited	86,269,787	1.54
6. Mr. Komol Jungrunreangkit	84,295,427	1.50
7. South East Asia UK (Type C) Nominees Limited	61,906,624	1.10
8. Mr. Chaiyan Chakarakul	49,004,896	0.87
9. Mr. Somkiat Chatsakulwilai	48,930,916	0.87
10. Mr. Thongplew Siripornpitak	44,958,542	0.80

The first 10 shareholders of preferred shares from the book closure as of 1 February 2019

Name of Shareholder	Number of Shares	% of listing preferred shares
1. BTS Group Holding Public Company Limited	1,474,296,729	39.4
2. Bangkok Bank Public Company Limited	903,841,912	24.2
3. Trophy Capital Growth Fund	494,182,486	13.2
4. Sahapat Inter Holding Public Company Limited	176,000,000	4.7
5. Miss Ho Liang Lok	96,000,000	2.6
6. Mr. Komol Jungrunruangkit	63,436,341	1.7
7. Thailand Securities Depository Company Limited (NVDR)	43,200,000	1.2

Name of Shareholder**Number of
Shares****% of listing
preferred
shares**

8. Mr. Chaiyan Chakarakul	39,616,005	1.1
9. Mr. Samroeng Manunphol	39,203,917	1.0
10. Intelligent Associates Limited	31,285,400	0.8

The Others securities**Warrants to purchase ordinary shares of U City Public Company Limited No.1 (U-W1)**

Type of Warrants	:	Warrants to purchase the ordinary shares of U City Public Company Limited No.1 (U-W1)
Allocation Method	:	he Company will allocate the U-W1 Warrants to the existing shareholders who have subscribed for the newly issued shares at no cost, according to the allocation ratio set forth. Every 1 newly issued ordinary share for 1 unit of U-W1 Warrant.
Category of Warrants	:	Named certificate and transferable
Number of Warrants Offered	:	Not exceeding 180,628,313,882 units
Number of Ordinary Shares Reserved for the Warrants	:	Not exceeding 1,806,283,139 shares, at the par value of THB 3.20 per share, representing 50 percent of the total issued shares of the Company. (after the issuance all of the newly issued shares to existing shareholders 361,275,421,764 shares
Offering Price per Unit	:	THB 0 per unit
Issued Date	:	7 November 2014
Term of the Warrants	:	5 years from the date of issuance
Exercise Ratio	:	1 unit of the Warrants to 0.01 ordinary share (unless it is adjusted otherwise according to the conditions concerning the rights adjustment)
Exercise Price	:	THB 6.00 per share at the par value of THB 3.20 (unless it is adjusted otherwise according to the conditions concerning the rights adjustment)
Exercise Period	:	The warrant holders shall be eligible to exercise their rights to purchase the Company's ordinary shares after 2 years from the Date of Issue of the Warrants in unlimited number on every last business day of each quarter in each calendar year (i.e. the last business day of March, June, September and December) after the first anniversary of the warrant issue date, and the last exercise date will be on the date falling the fifth anniversary of the warrant issue date. In case the last exercise date is not a business

		day, the last exercise date shall be postponed to the next business day. First Exercise Date is 30 December 2016 and last Exercise Date is 6 November 2019.
Secondary Market	:	The Company will submit an application for listing U-W1 as listed securities on the Stock Exchange of Thailand ("SET").
Secondary Market for the Ordinary Shares Issued Pursuant to the Exercising of the Right		The Company will list the ordinary shares issued, pursuant to its exercising of the right, as listed securities on the Stock Exchange of Thailand ("SET").

Warrants to purchase ordinary shares of U City Public Company Limited No.2 (U-W2)

Type of Warrants	:	Warrants to purchase the ordinary shares of U City Public Company Limited No.2 (U-W2)
Category of Warrants	:	Specified names of the holders - Transferable under the restriction that the Company shall not register any transfer of the warrants if such transfer may affect to nature of the Private Placement offering scheme.
Number of Warrants Offered	:	Not exceeding 100,043,438,606 units
Number of Ordinary Shares Reserved for the Warrants	:	Not exceeding 1,000,434,387 shares, at the par value of THB 3.20 per share, representing 50 percent of the total issued shares of the Company. (after the issuance of the newly issued shares to BTSG, the total of registered capital is THB 561,362,298,976)
Allocation Method	:	The Company will allocate the U-W2 Warrants to BTSG at no cost, according to the allocation ratio set forth. Every 2 newly issued ordinary share for 1 unit of U-W2 Warrant.
Issued Date	:	20 April 2015
Offering Price	:	THB 0 per unit
Term of the Warrants	:	The maturity date of the warrant is the same due date of U-W1 on 6 November 2019
Exercise Ratio	:	1 unit of the Warrants to 0.01 ordinary share (unless it is adjusted otherwise according to the conditions concerning the rights adjustment)
Exercise Price		The exercise price of the Warrant is THB 4.70 per share at the par value of THB 3.20 (unless it is adjusted otherwise according to the conditions concerning the rights adjustment) which is lower than the par value of the Company but not lower than 90 percent of the market price and the Company must comply with and obtain approval from a shareholders' meeting pursuant

		<p>Section 52 of the Public Limited Companies Act B.E. 2535 (as amended).</p> <p>The market price means the average weighted trading price of the shares of the Company on the Stock Exchange of Thailand for 7 consecutive business days before the date on which the Board of Directors resolved to propose the offering of the newly issued shares for approval at Extraordinary General Meeting of Shareholders No. 2/2014, being the period from 23 September 2014 to 2 October 2014, which is THB 0.052 (Information from SETSMART in www.setsmart.com of the Stock Exchange of Thailand)</p>
Exercise Period	:	<p>The holders of the Warrant are entitled to exercise the rights to purchase the Company's ordinary shares without any limitation on number of ordinary shares. The first exercise date for these Warrants is the same date as the first exercise date for U-W1 Warrants, on 30 December 2016. The holders of the Warrants are entitled to exercise their rights every three months, on the last business date of March, June, September, and December of each year throughout the term of the Warrants, whereby the last exercise date of the Warrants will be the same date as the last exercise date for the U-W1, on 6 November 2019.</p>
Secondary Market	:	<p>The Company will not submit an application for listing the Warrant as listed securities on the Stock Exchange of Thailand ("SET").</p>
Secondary Market for the Ordinary Shares Issued Pursuant to the Exercising of the Right	:	<p>The Company will list the ordinary shares issued, pursuant to its exercising of the right, as listed securities on the Stock Exchange of Thailand ("SET").</p>

Warrants to purchase the ordinary shares of U City Public Company Limited No.3 (U-W3)

Type of Warrants	:	Warrants to purchase the ordinary shares of U City Public Company Limited No.3 (U-W3).
Category of Warrants	:	In named certificate and transferable under the restriction that the Warrants shall not be transferable unless the Warrants are transferred by inheritance.
Number of Warrants Offered	:	Not exceeding 45,133,272,059 units.
Number of Ordinary Shares Reserved for the Warrants	:	Not exceeding 451,332,721 shares, at the par value of THB 3.20 per share, representing 50 percent of the total issued shares of the Company.
Allocation Method	:	The Company will allocate the Warrants to BBL 13,192,095,588 units and UE not exceeding 31,941,176,471 units for subscribing for the newly issued preferred shares via a private placement, at a ratio of 2 newly issued preferred shares to 1 unit of the Warrants. Any fractions derived from the calculation based on the allocation ratio set forth shall be rounded down.
Issued Date	:	16 March 2018
Offering Price	:	THB 0 per unit. where by the maturity date of the Warrants will be on 16 March 2023
Term of Warrants	:	5 years from the issuance date. The Company shall not extend the term of the Warrants after the issuance.
Exercise Ratio	:	1 unit of the Warrants to 0.01 ordinary share (unless it is adjusted otherwise according to the conditions concerning the rights adjustment).
Exercise Price	:	<p>The exercise price of the Warrant is THB 5.00 per share at the par value of THB 3.20 (unless it is adjusted otherwise according to the conditions concerning the rights adjustment) which is lower than the par value of the Company but not lower than 90 percent of the market price and the Company must comply with and obtain approval from a shareholders' meeting pursuant Section 52 of the Public Limited Companies Act B.E. 2535 (as amended).</p> <p>The market price means the average weighted trading price of the shares of the Company on the Stock Exchange of Thailand for 7 consecutive business days before the date on which the Board of Directors resolved to propose the offering of the newly issued shares for approval at Extraordinary General Meeting of Shareholders No. 1/2018, being the period from 17 October 2017 to 27 October 2017, which is THB 0.03 (Information from SETSMART in www.setsmart.com of the Stock Exchange of Thailand)</p>

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Exercise Period	:	The holders of the Warrant are entitled to exercise the rights to purchase the Company's ordinary shares without any limitation on number of ordinary shares. The holders of the Warrants are entitled to exercise their rights every three months, on the last business date of March, June, September, and December of each year throughout the term of the Warrants after the first anniversary from the issuance date. The first exercise date for these Warrants is on 29 March 2019, whereby the last exercise date of the Warrants will be on 16 March 2023. In the event that the last Exercise Date is not a business day, the last Exercise Date shall be postponed to the next business day.
Secondary Market	:	The Company will not submit an application for listing U-W3 as listed securities on the Stock Exchange of Thailand ("SET").
Secondary Market for the Ordinary Shares Issued Pursuant to the Exercising of the Right	:	The Company will list the ordinary shares issued, pursuant to its exercising of the right, as listed securities on the Stock Exchange of Thailand ("SET").
Warrant Registrar	:	Thailand Securities Depository Company Limited.

Warrants to purchase the ordinary shares of U City Public Company Limited No.4 (U-W4)

Type of Warrants	:	Warrants to purchase the ordinary shares of U City Public Company Limited No.4 (U-W4)
Category of Warrants	:	In named certificate and transferable under the restriction that the Warrant shall not be transferable unless the Warrants are transferred by inheritance.
Number of Warrants Offered	:	Not exceeding 141,895,485,954 units
Number of Ordinary Shares Reserved for the Warrants	:	Not exceeding 1,418,954,860 shares, at the par value of THB 3.20 per share, representing 50 percent of the total issued shares of the Company.
Allocation Method	:	The Warrants will be allocated to the existing shareholders who have subscribed for the newly issued preferred shares at no cost. Every 2 newly issued preferred share for 1 unit of the Warrants. Any fractions derived from the calculation based on the allocation ratio set forth shall be rounded down.
Issued Date	:	16 March 2018
Offering Price	:	THB 0 per unit

Term of Warrants	:	5 years from the issuance date. (From 16 March 2018 to 15 March 2023). The Company shall not extend the term of the Warrants after the issuance. After the last exercise date on 15 March 2023, the Warrants will be de-listed from listed securities on the Stock Exchange of Thailand.
Exercise Ratio	:	1 unit of the Warrants to 0.01 ordinary share (unless it is adjusted otherwise according to the conditions concerning the rights adjustment).
Exercise Price	:	<p>The exercise price of the Warrant is THB 6.00 per share, unless it is adjusted otherwise according to the conditions concerning the rights adjustment.</p> <p>In this regard, such exercise price is lower than the registered par value of the Company, which is practicable providing that the Company incurs a loss and approval of the meeting of shareholders is being granted according to Section 52 of the Public Limited Companies Act B.E. 2535 (as amended) and not lower than 90 percent of the market price and the Company.</p> <p>The market price means the average weighted trading price of the shares of the Company on the Stock Exchange of Thailand for 7 consecutive business days before the date on which the Board of Directors resolved to propose the offering of the newly issued shares for approval at Extraordinary General Meeting of Shareholders No. 1/2018, being the period from 17 October 2017 to 27 October 2017, which is THB 0.03 (Information from SETSMART in www.setsmart.com of the Stock Exchange of Thailand).</p>
Exercise Period	:	The holders of the Warrant are entitled to exercise the rights to purchase the Company's ordinary shares without any limitation on number of ordinary shares. The holders of the Warrants are entitled to exercise their rights every three months, on the last business date of March, June, September, and December of each year throughout the term of the Warrants after the first anniversary from the issuance date. The first exercise date for these Warrants is on 29 March 2019, whereby the last exercise date of the Warrants will be on 16 March 2023. In the event that the last Exercise Date is not a business day, the last Exercise Date shall be postponed to the next business day.
Secondary Market	:	The Stock Exchange of Thailand ("SET").
Secondary Market for the Ordinary Shares Issued Pursuant to the Exercising of the Right	:	The Stock Exchange of Thailand ("SET").
Warrant Registrar	:	Thailand Securities Depository Company Limited.



2.7 RELATIONSHIP WITH MAJOR SHAREHOLDERS

As at 28 April 2015, BTSG acquired 35.64% of the total issued shares of the Company and also directly or indirectly engages in the property business through its subsidiaries under Unicorn Enterprise Company Limited which is a subsidiary of BTSG. To eliminate the current business conflict of interest or overlap between the Company and BTSG, the Extraordinary General Meeting of Shareholders No. 1/2018 held on 4 January 2018, has approved the entire business transfer (Entire Business Transfer: EBT) of Unicorn Enterprise Company Limited ("UE"), a subsidiary in which BTS Group Holdings Public Company Limited ("BTSG") holds 100 percent of its total shares where UE engages in business through holding shares in 36 companies (Holding Company) which engage in the property business.

After entry into the Entire Business Transfer Transaction, BTSG will still hold some of the remaining property entities used in the property business directly or through its subsidiaries. Therefore, BTSG agreed to issue the letter of undertaking to the Company on the date of business transfer to manage conflicts of interest in the property development business between BTSG and the Company, so long as BTSG is a shareholder of the Company directly or indirectly holding not less than 10 percent of the total issued shares of the Company in aggregate. BTSG agrees to grant the Company the following three rights:

(A) Right of first refusal to purchase or to take on lease of land and/or buildings of BTSG and/or its subsidiaries and to purchase shares in BTSG's subsidiaries holding land and/or buildings ("ROFR").

In the event that BTSG or any of its subsidiaries wishes to (a) sell or lease out any land and/or buildings used in the property business, or (b) sell shares in any subsidiary holding land and/or buildings used in the property business which are currently held by or will be acquired in the future, to a third party, BTSG shall first offer, or shall cause its respective subsidiary to agree to first offer the right to purchase or to take on lease of the respective land and/or buildings, or to purchase shares in such subsidiary (as the case may be), to the Company and/or its subsidiaries subject to the conditions and at the price not less favorable than those offered by BTSG or its respective subsidiary to the third party.

ROFR granted for (a) the land and/or buildings used in the property business, or (b) the purchase of shares in BTSG's subsidiaries holding land and/or buildings used in the property business that BTSG or its subsidiaries currently hold (which will not be transferred to the Company in the Entire Business Transfer Transaction).

(B) Call option to purchase or to take on lease of land and/or buildings and to purchase shares in any subsidiary holding land and/or buildings (the "Call Option").

In the event that the Company and/or any of its subsidiaries wishes to (a) purchase or to take on lease of land and/or buildings used in the property business or (b) purchase shares in any subsidiary holding land and/or buildings used in the property business which are currently held by or will be acquired in the future by BTSG or its subsidiaries, BTSG undertakes to sell or lease or to cause its respective subsidiary to sell or lease, such land and/or buildings or shares in such subsidiary (as the case may be) to the Company and/or its subsidiaries, at a fair value appraised by an independent appraiser, whose name appears on the SEC's list, and whom the Company and BTSG jointly appoint, provided that Company must exercise the Call Option before BTSG or its respective subsidiary obtain an offer to purchase land and/or buildings or an offer to purchase shares in the subsidiary holding land and/or buildings from a third party. For example, if BTSG obtains an offer to purchase a land from a third party at a price higher than the appraised value, and has issued a letter to the Company inquiring whether the Company wishes to exercise ROFR as set out on clause 2 above, in such case, the Company will only be able to exercise ROFR to purchase the land and will not be able to exercise the Call Option to purchase the land at the appraised value.

The Call Option granted for (a) the land and/or buildings used in the property business, or (b) the purchase of shares in BTSG's subsidiaries holding land and/or buildings used in the property business that BTSG or its subsidiaries currently hold (which will not be transferred to the Company in the Entire Business Transfer Transaction).

(C) Right to be appointed as a property manager under a property management agreement and right to be appointed as

a real estate agent under a real estate agency agreement.

(1) For the property projects which are currently owned by BTSG or its subsidiaries (which will not be transferred to the Company in the Entire Business Transfer Transaction), BTSG shall appoint, or shall cause its respective subsidiary to appoint, the Company and/or its subsidiaries as a property manager of the relevant projects where BTSG or its respective subsidiary will enter into a property management agreement, whose terms and conditions will be agreed on an arm's length basis, with the Company and/ or its subsidiaries.

(2) In addition, for the land and/or buildings which are currently owned or will be acquired in the future by BTSG or its subsidiaries, including property projects which are currently for sale or lease and are owned by BTSG or its subsidiary (which will not be transferred to the Company in the Entire Business Transfer Transaction), BTSG shall appoint, or shall cause its respective subsidiary to appoint, the Company and/or its subsidiaries as a real estate agent to sell or lease such property where BTSG or its respective subsidiary will enter into a real estate agency agreement, whose terms and conditions will be agreed on an arm's length basis, with U City and/or its subsidiaries.

However, in the case that (a) the Company refuses the aforementioned appointment as the property manager or real estate agent to sell or lease such property or (b) the Company and/or its subsidiaries do not comply with the property management agreement, or the real estate agency agreement (as the case may be), giving rise to BTSG and/or its respective subsidiary to terminate such agreement, BTSG and/or its respective subsidiary shall have the right to manage and/or sell or lease such property on its own and/or to appoint a third party as a property manager or a real estate agent to sell or lease such property (as the case may be).

In addition to the foregoing, BTSG has set a policy

on its property business where BTSG will not engage in the property development business that competes with or overlaps or may compete with or overlap the property development business of the Company and/or its subsidiaries. However, BTSG and/or its subsidiaries will still be able to engage in land trade business and may invest in properties so long as the foregoing is not for the property development. However, BTSG and/ or its subsidiaries will still be able to engage in the following businesses:

(a) Land trade business and investment in properties so long as the foregoing is not for the development of property projects; and

(b) Investment in securities of any entities engaging in the property business in the proportion of not more than 10 percent of the total issued shares of such entity and BTSG must not have control in such entity, excluding BTSG's shareholdings in entities, which engage in the property business, acquired prior to the entire business transfer date.

Moreover, in consideration for the purchase or investment in the land or property, the management of the Company will preliminarily consider the appropriateness of the land or property in which the Company will purchase or invest before proposing the same to the Board of Directors for consideration and approval. In the invitation letter to the Board of Directors' meeting, the company secretary of the Company will specify the names of the directors having conflict of interest in each agenda where such directors shall not attend or vote in such agendas.

2.8 DIVIDEND POLICY

The Company's dividend policy is to pay to shareholders not less than 30 percent of net profit as stated in the separated financial statement of the Company after deduction of corporate income tax, legal reserves and other reserves, as determined in the Memorandum of Association of the Company and Thai law. Nonetheless, the dividend payment will incorporate the following factors such as the performance and financial position of the Company, liquidity of the Company in business expansion and other factors related to managing the Company. The dividend payment is subject to approval by the shareholders and the Board of Directors of the Company.

However, during 1 January 2018 to 31 December 2022, if the Company has a policy to pay dividends to preferred shareholders before ordinary shareholders. The details are as follows.

(a) When the Company pays dividends, holders of the preferred shares shall be entitled to receive dividends in each calendar year before holders of the ordinary shares at the rate of Baht 0.22 per preferred share and per calendar year. In distributing dividends, in case the total amount of dividends entitled to receive by any shareholder is less than 1 Satang (THB 0.01), such amount shall be discarded.

(b) In case, during any calendar year between 1 January 2018 and 31 December 2022, the Company pays no dividends or pays dividends less than the rate specified in (a), the holders of the preferred shares shall be entitled to cumulative dividends during such calendar year at the following rates:

1 At the rate of THB 0.22 per preferred share and per calendar year in the event that the Company pays no dividends in such calendar year; or

2 At the rate equal to the difference between the

actual dividends received per preferred share in that calendar year and the rate specified in (a) in case the Company pays dividends to the holders of the preferred shares at a rate lower than the rate specified in (a).

In this regard, the preferred shares' right to cumulative dividends during the calendar years between 1 January 2018 and 31 December 2022 as specified in (b) shall remain in full force until the cumulative dividends are paid to all holders of the preferred shares in full even though such payment is made after 31 December 2022.

(c) In case during any calendar year the Company pays dividends more than the rate specified in (a) and cumulative dividends as specified in (b) (if any), the holders of the preferred shares and the holders of the ordinary shares shall be entitled to receive such excess dividends per share at the same rate.

(d) In making each payment of dividends, the Company shall pay cumulative dividends as specified in (b) to the holders of the preferred shares in full first then pay dividends as specified in (a) to the holders of the preferred shares

In case the Company has fully paid dividends as specified in (a), then the Company can pay dividends to the holders of the preferred shares and the holders of the ordinary shares as specified in (c).

In this regard, after 31 December 2022, in making each payment of dividends. The preferred shares' right to dividends shall be the same as that of the ordinary shares except in the event that the Company has not paid the cumulative dividends as specified in (1)(b) where the preferred shares shall be entitled to receive the cumulative dividends as specified in (1)(b) in full.



BUSINESS OVERVIEW

- 3.1 Our Vision, Mission & Core Values
- 3.2 Corporate Policy and Nature of Business Operation
- 3.3 Industry and Business Overview
- 3.4 Business Target Assessment
- 3.5 Capital Markets Review
- 3.6 Business Outlook 2019
- 3.7 Risk Factors
- 3.8 Litigation

3.1 OUR VISION, MISSION & CORE VALUES

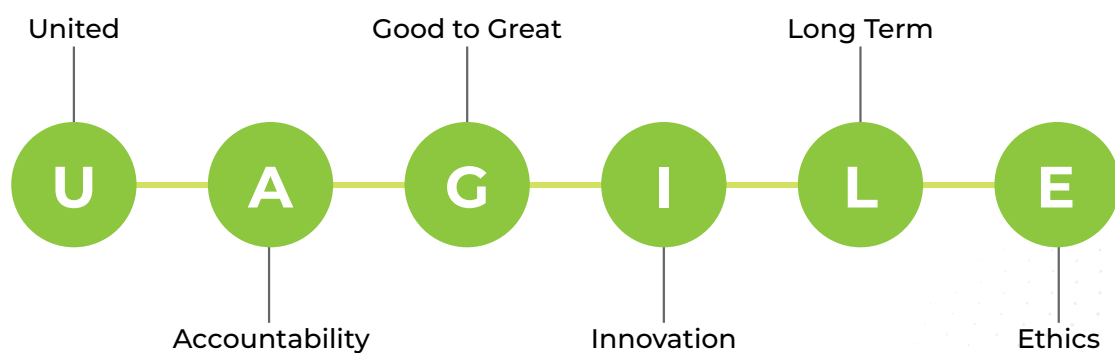
Our vision

“TO BE THE LEADING INVESTOR AND DEVELOPER OF
A WELL-DIVERSIFIED REAL ESTATE PORTFOLIO”

Our Mission

“TO ENGAGE IN SUSTAINABLE GROWTH THAT IS RESPONSIVE TO
CHANGING CONSUMER LIFESTYLES AND BEING CONSCIOUS
OF LOCAL ENVIRONMENTAL AND SOCIETAL NEEDS”

Our Core Values



3.2 CORPORATE POLICY AND NATURE OF BUSINESS OPERATION

The Company focuses on operating the business sustainably, accurately and transparently through the acquisition properties, real estate development as well as real estate-related investment. The Company has adopted an investment and development policy encompassing ‘five pillars of sustainable value accretion, which are detailed as follows:

1. Investment

- Growth via development of ‘greenfield’ projects and/or acquisitions of operating assets or businesses.
- Attain a diversified portfolio, which enables mitigation of business risks via different segments, geographies and income groups.
- Enhancing the potential and value of assets through effective, prudent management and realising and maximizing synergies of our assets.

2. Efficient use of capital

- Recycling capital for future investment through capital markets and/or potentially securitise assets for future reinvestment and potentially generate fee-based income.

3. Sustainability

- Respond to changes in consumer lifestyles and technological disruptions.
- Having environmental awareness and minimising environmental impact.
- Creating a positive impact to communities
- Generating corporate value and shareholder return

4. Partnerships

- To gain access to new expertise and business opportunities.
- Reducing development and investment risk
- Increasing long-term firm value and unlock synergies.

5. Mass Transit Link - benefiting from the ‘mass transit premium’

Nature of Business Operation Overview

U City Public Company Limited (“the Company”) engages in the business of investing and developing in real estate in Thailand and overseas, which can be divided into 4 types of business as follows:

1. Real Estate Development for Rent, Service and Hotel (Oversea) consisting of hotel business in overseas, hotel management business and office rental business in overseas.
2. Real Estate Development for Rent, Service and Hotel (Domestic) consisting of hotel business, office rental business, golf courses and sports club’s management and operation business, property management business, mixed-use development business, office rental and hotel business.

3 Real Estate Development for Sale

4. Other Real Estate i.e. International School

Details are as follows:

1. Real Estate Development for Rent, Service and Hotel (Oversea)

(a) Hotel Business in Overseas

The Company operates an overseas hotel business through several subsidiaries. (which are owned by the subsidiaries/affiliates of Vienna House Capital GmbH (VHC), a wholly owned subsidiary of the Company). As of 31 December 2018, the Company operates hotel business in many countries that are located in Europe, including Germany, Czech Republic, Romania and Poland, consisting of hotels that owned by the Company, under financial leases and under operating leases totaling 24 hotels and 4,216 keys and 4 hotels with 1,067 keys in future pipeline. The details are as follows.

No.	Hotel Name	Location	Brand	No. of Keys	Type
1	Vienna House Diplomat Prague	Prague, the Czech Republic	Vienna House	398	Freehold
2	Vienna House Easy Pilsen	Pilsen, the Czech Republic	Vienna House Easy	144	Freehold
3	Vienna House Easy Katowice	Katowice, Poland	Vienna House Easy	203	Freehold
4	Vienna House Easy Airport Bucharest	Bucharest, Romania	Vienna House Easy	176	Freehold
5	Vienna House Easy Amberg	Amberg, Germany	Vienna House Easy	110	Freehold
6	Vienna House Easy Bad Oeynhausen	Bad Oeynhausen, Germany	Vienna House Easy	146	Freehold
7	Vienna House Easy Braunschweig	Braunschweig, Germany	Vienna House Easy	176	Freehold
8	Vienna House Easy Castrop-Rauxel	Castrop-Rauxel, Germany	Vienna House Easy	84	Freehold
9	Vienna House Easy Coburg	Coburg, Germany	Vienna House Easy	123	Freehold
10	Vienna House Easy Günzburg	Günzburg Germany	Vienna House Easy	100	Freehold
11	Vienna House Easy Bratislava	Bratislava, Slovakia	Vienna House Easy	167	Freehold
12	Vienna House Amber Baltic Miedzyzdroje	Miedzyzdroje, Poland	Vienna House Easy	192	Financial Lease
13	Vienna House Easy Cracow	Cracow, Poland	Vienna House Easy	220	Freehold
14	Vienna House Andel's Lodz	Lodz, Poland	Vienna House Easy	277	Financial Lease
15	Vienna House Easy Landsberg	Landsberg, Germany	Vienna House Easy	103	Financial Lease
16	Vienna House Easy Limburg	Limburg, Germany	Vienna House Easy	99	Financial Lease
17	Vienna House Easy Neckarsulm	Neckarsulm, Germany	Vienna House Easy	95	Financial Lease
18	Vienna House Easy Trier	Trier, Germany	Vienna House Easy	105	Financial Lease

No.	Hotel Name	Location	Brand	No. of Keys	Type
19	Vienna House Easy Wuppertal	Wuppertal, Germany	Vienna House Easy	130	Financial Lease
20	Vienna House Andel's Cracow	Cracow, Poland	Vienna House	159	Operating Lease
21	Vienna House Easy Leipzig	Leipzig, Germany	Vienna House Easy	205	Operating Lease
22	Vienna House Andel's Berlin	Berlin, Germany	Vienna House	557	Operating Lease
23	Vienna House Easy Berlin	Berlin, Germany	Vienna House Easy	152	Operating Lease
24	Vienna House QF Dresden	Dresden Germany	Vienna House	95	Operating Lease

(b) Hotel Management Services

Hotel management services is another significant business that expands the brand of the Company without having our owned investment. The Company can make a higher profit and creating brand growth in the international market.

As of 31 December 2018, the Company operates an oversea hotel management business through its subsidiaries and affiliates as follows:

(1) Management of hotels in Europe - the Company operates hotel under the Vienna House brand, Vienna House Easy, Revo, Marriott and Liner through Vienna International Hotel Management AG, a wholly owned subsidiary of the Company, and under the Holiday Inn brand through UBM + VH Hotels GmbH, a joint venture of the Company. The current managed hotel portfolio consists of 11 hotels and 2,541 keys as follows:

No.	Hotel Name	Location	Brand	No. of Keys	Type
1	Vienna House Martinspark Dornbirn	Dornbirn, Austria	Vienna House	98	Managed
2	angelo by Vienna House Hotel Prague	Prague, Czech Republic	Vienna House	168	Managed
3	Vienna House Andel's Prague	Prague, Czech Republic	Vienna House	290	Managed
4	Vienna House Dvořák Hotel Karlovy Vary	Karlovy Vary, Czech Republic	Vienna House	126	Managed
5	Vienna House Dream Castle Hotel	Paris, France	Vienna House	397	Managed
6	Vienna House Magic Circus Hotel	Paris, France	Vienna House	396	Managed
7	Holiday Inn Munich Leuchtenbergring Hotel	Munich, Germany	Holiday Inn (white label)	279	Managed under JV
8	Holiday Inn Munich Westpark Hotel	Munich, Germany	Holiday Inn (white label)	207	Managed under JV

9	angelo by Vienna House Ekaterinburg	Ekaterinburg, Russia	Vienna House	211	Managed
10	Liner Airporthotel Ekaterinburg	Ekaterinburg, Russia	Liner (white label)	152	Managed
11	Marriott Minsk	Minsk, Belarus	Marriott (white label)	217	Managed

(2) Management of hotels in Asia - the Company operates hotel under the brand U, Eastin and Travel Lodge through Absolute Hotel Service ("AHS"), a joint venture of the Company (a company acquired through the EBT of UE transaction). The current managed hotel portfolio consists of 8 hotels and 832 keys as follows:

No.	Hotel Name	Location	Brand	No. of Keys	Type
1	U Janevalla Bandung	Bandung, Indonesia	U	119	Managed
2	U Paasha Seminyak Bali	Bali, Indonesia	U	99	Managed
3	U Tropicana Alibaug	Alibaug, India	U	32	Managed
4	Eastin Ashta Resort Canggu Bali	Bali, Indonesia	Eastin	130	Managed
5	Eastin Residences Muscat	Muscat, Oman	Eastin	50	Managed
6	Eastin Grand Hotel Saigon	Ho Chi Minh City, Vietnam	Eastin	268	Managed
7	Eastin Residences Vadodara	Vadodara, India	Eastin	44	Managed
8	Eastin Easy Aishwarya Talegaon	Talegaon, India	Eastin	90	Managed

(c) Overseas Office Rental Business

As of 31 December 2018, the Company has two office buildings for rent in London to diversify the risk of income, namely 33 Gracechurch Street and Underwood Street. The details are as follows:

(1) Office on 33 Gracechurch Street

Address	33 Gracechurch Street, City of London, the United Kingdom
Total Floor Area	Net floor area is 8,747 sq.m.
Building Details	A 6-storey grade A office building with 1 basement
Project Owner	Thirty Three Gracechurch 1 Limited through Lombard Estate Holdings Limited
Type	Operating Lease expiring on 18 January 2162

(2) Office Building on Underwood Street

Address	6-14 Underwood Street, City of London, United Kingdom
Total Floor Area	Net floor area is 2,370 sq.m.
Building Details	A 3-storey building with 2 basements
Project Owner	Underwood Street Limited
Type	Operating Lease expiring on 25 December 2055

2. Real Estate Development for Rent, Service and Hotel (Domestic)**(a) Hotel Business**

As of 31 December 2018, the Company has 7 operating hotels in Thailand including 4 hotels under the EBT of UE transaction, such as Eastin Thana City Golf Resort, U Inchantree Kanchanaburi, U Chiang Mai Hotel and U Sathorn Bangkok. The current hotel portfolio consists of:

(1) Avani Khon Kaen Hotel and Convention Center ¹

Location	999 Moo 4 Prachasamosorn Road, (Route 209), Tambon Nai Mueang, Amphoe Mueang, Khon Kaen 40000
Project Area	12-1-36.9 rai
Hotel Details	A 4-star hotel with a large meeting room that can accommodate up to 4,000 seats, located in downtown Khon Kean
Owner	Khon Kean Buri Company Limited
Management	Minor Hotel Group
No. of Keys	195 keys
Type	Freehold

(2) Anantara Chiang Mai Resort and Spa ²

Location	123 Charoen Prathet Road, Tambon Chang Khlan, Amphoe Mueang Chiang Mai, Chiang Mai 50100
Project Area	7-0-91 rai
Hotel Details	A resort and spa style hotel surrounded by a lawn and garden facing the Ping River
Owner	Pacific Hotel Chiang Mai Company Limited
Management	Minor Hotel Group
No. of Keys	84 keys
Type	Freehold

¹ The Extraordinary General Meeting of Shareholders No. 1/2018 held on January 4, 2018, approved the sale of all ordinary shares of Khon Kean Buri Company Limited, which is the owner of Avani Khon Kaen Hotel and Convention Center. The Company is currently in process of disposing the asset

² The Extraordinary General Meeting of Shareholders No. 1/2018 held on January 4, 2018, approved the sale of (a) all ordinary shares of Boonbaramet Metta Property Company Limited or (b) all ordinary shares of Pacific Chiangmai Company Limited and Pacific Hotel Chiangmai Company Limited, which are the owners of Anantara Chiang Mai Resort and Spa. The Company is currently in process of disposing the asset

(3) Eastin Grand Sathorn Bangkok

Location	33/1 South Sathorn Road, Yannawa, Sathorn, Bangkok 10120
Project Area	2-1-57 rai
Hotel Details	A 5-star 33-storey city hotel
Owner	EGS Assets Company Limited
Management	Absolute Hotel Services
No. of Keys	390 keys
Type	Freehold

(4) Eastin Thana City Golf Resort

Location	Thana City, Bangna Trad KM14, Bangchalong, Bangpli, Samutprakarn
Project Area	8-0-18 rai
Hotel Details	4-star resort conveniently located near a golf and sports club
Owner	Mak8 Company Limited Nine Square Company Limited BTS Land Company Limited
Management	Absolute Hotel Services
No. of Keys	194 keys
Type	Freehold

(5) U Inchantree Kanchanaburi

Location	443 Mae Nam Kwai Road, Thamakhom Sub-district, Muang Kanchanaburi District, Kanchanaburi 71000, Thailand
Project Area	5-1-30 rai
Hotel Details	A riverfront 5-star resort on the Khwae Yai river
Owner	Muangthong Assets Company Limited
Management	Absolute Hotel Services
No. of Keys	50 keys
Type	Freehold

(6) U Chiang Mai Hotel

Location	70 Ratchadamnoen Road, Sri-Poom, Muang District, Chiang Mai 50200 Thailand
Project Area	1-1-38 rai
Hotel Details	A boutique 5-star hotel located within the 'Old City' of Chiang Mai
Owner	Muangthong Assets Company Limited
Management	Absolute Hotel Services
No. of Keys	41 keys
Type	Leasehold

58

59

(7) U Sathorn Bangkok

Location	105, 105/1 Soi Ngam Duphli, Thung Maha Mek Sub-district, Sathorn District, Bangkok 10120, Thailand
Project Area	9-0-40 rai
Hotel Details	A 5-star resort located in the heart of Bangkok's business district
Owner	Muangthong Assets Company Limited
Management	Absolute Hotel Services
No. of Keys	86 keys
Type	Operating Lease

(b) Domestic Office Building

As of 31 December 2018, the Company has 1 office building namely, TST Tower. Details are as follows:

Address	Soi Choei Phuang, Viphavadi-Rangsit Road, Chomphon, Bangkok, Thailand
Total Floor Area	Net floor area is 16,067 sq.m.
Building Details	A 24-storey building with multi-floor parking
Project Owner	Unison One Company Limited
Type	Freehold

(c) Hotel Management Services

As of 31 December 2018, the Company provides hotel management services in Thailand, under its own brands U, Eastin and Travelodge managed by AHS. The current managed hotel portfolio consists of 11 hotels and 1,246 keys as follows:

No.	Hotel Name	Location	Brand	No. of Keys	Type
1	Mountain Lodge by U	Khao Yai, Thailand	U	7	Managed
2	U Sukhumvit	Bangkok, Thailand	U	82	Managed
3	U Zenmaya Phuket	Phuket, Thailand	U	50	Managed
4	U Pattaya	Bang Saray, Thailand	U	44	Managed
5	U Nimman Chiang Mai	Chiang Mai, Thailand	U	150	Managed
6	U Khao Yai	Khay Yai, Thailand	U	63	Managed
7	U Jomtien	Jomtien, Thailand	U	63	Managed
8	Eastin Hotel Makkasan	Bangkok, Thailand	Eastin	280	Managed
9	Eastin Hotel Tan Chiang Mai	Chiang Mai, Thailand	Eastin	119	Managed
10	Travelodge Sukhumvit 11	Bangkok, Thailand	Travelodge	224	Managed under JV
11	Travelodge Pattaya Central	Pattaya, Thailand	Travelodge	164	Managed under JV

(d) Management and Operation of Golf Clubs and Sports Clubs Service

As of 31 December 2018, the Company operates the business of managing golf and sports clubs service through Thana City Golf and Sports Club, a subsidiary under the EBT of UE transaction ("TGC"). Currently, TGC manages Thana City Golf and Country Club, an 18-hole golf course designed by Greg Norman, and a fully-serviced sports club located at Km 14, Bangna-Trad Road, Bang Phli District, Samut Prakan.

(e) Property Management Service

As of 31 December 2018, the Company operates a property management business through Tanayong Property Management Company Limited, a subsidiary under the EBT of UE transaction ("TPM"). Currently, TPM manages many properties such as The Royal Place 1, The Royal Place 2, The Grand, land and public utilities in Thana City project.

(f) Real Estate Development

As of 31 December 2018, the Company has new development projects as follows:

(1) 'The Unicorn' at Phayathai project

Project Location	At the intersection of two currently operating mass transit lines (BTS Skytrain and Airport Link), as well as future Red Line station on Phayathai road. The project is located in Bangkok's CBD a few minutes away from Siam - major shopping and entertainment area
Project Area	6-2-31.4 rai
Project Details	The project will be a 51-storey mixed-use complex building with over 53,000 sq.m. of total usable area, which shall include: <ul style="list-style-type: none">• Retail space for rent• Grade A office space for rent• A 5-star hotel• Parking space.
Construction Area	Around 120,000 sq.m.
Project Value	Around THB 9,500mn
Project Status	The project is currently under construction
Project Schedule	The project is expected to complete in 2021
Project Owner	Kamkoong Property Company Limited.

(2) Mochit Land project

Project Location	Close to the mass transit lines (BTS Green line north) and Phaholyothin Road and connected to the BTS Mo Chit station
Project Area	11-0-44.8 rai
Project Details	The project will be a 36-storey mixed-use complex building with over 75,289 sqm of total usable area, which shall include: <ul style="list-style-type: none">• Retail space for rent• Grade A office space for rent• Parking space.
Construction Area	Around 170,000 sq.m.
Project Value	Around THB 9,500mn
Project Status	The project is currently under developing the design
Project Schedule	The project is expected to start construction in late 2019
Project Owner	Mochit Land Company Limited

(3) Roi Chak Sam project

Project Location	Located opposite the Icon Siam along the Chao Phraya River, Soi Charoen Krung 36, Bang Rak District, Bangkok.
Project Area	5-0-60 rai
Project Details	The project will be a 5-star boutique hotel designed under the Heritage Development concept focusing on the harmony between the ancient building - Neo-Classical Style- which had a long history more than 130 years with new buildings and the new buildings which have carefully been designed to enhance the magnificence of the ancient site.
Construction Area	Around 16,000 sq.m.
Project Value	Around THB 3,000mn
Project Status	The project is currently in the process of negotiating proposals and amendments with the Treasury Department.
Project Schedule	The project is expected to start construction in 2020

3. Real Estate Development for Sale

(a) Sansiri Joint Venture Companies

The Company has Real Estate Development for Sale through the joint venture project (50:50) with Sansiri to develop condominium projects in close proximity to mass transit stations. The Sansiri JV contributes equity income or a share of profit/loss to the Company. The Sansiri JV consists of a total of 26 projects of which 2 have been completely transferred, 4 are currently under transfer, 10 are under construction and 10 are awaiting development. Details are as follows:

No.	Name	Ownership	Status
1	BTS-Sansiri Holding One Company Limited	50%	Completely Transferred
2	BTS-Sansiri Holding Two Company Limited	50%	Awaiting Development
3	BTS-Sansiri Holding Three Company Limited	50%	Completely Transferred
4	BTS-Sansiri Holding Four Company Limited	50%	Under Construction
5	BTS-Sansiri Holding Five Company Limited	50%	Awaiting Development
6	BTS-Sansiri Holding Six Company Limited	50%	Being Transferred
7	BTS-Sansiri Holding Seven Company Limited	50%	Being Transferred
8	BTS-Sansiri Holding Eight Company Limited	50%	Being Transferred
9	BTS-Sansiri Holding Nine Company Limited	50%	Being Transferred
10	Nuvo Line Agency Company Limited	50%	Under Construction
11	BTS-Sansiri Holding Eleven Company Limited	50%	Under Construction
12	BTS-Sansiri Holding Twelve Company Limited	50%	Awaiting Development
13	BTS-Sansiri Holding Thirteen Company Limited	50%	Under Construction
14	BTS-Sansiri Holding Fourteen Company Limited	50%	Under Construction
15	BTS-Sansiri Holding Fifteen Company Limited	50%	Under Construction

16	BTS-Sansiri Holding Sixteen Company Limited	50%	Under Construction
17	BTS-Sansiri Holding Seventeen Company Limited	50%	Awaiting Development
18	BTS-Sansiri Holding Eighteen Company Limited	50%	Awaiting Development
19	BTS-Sansiri Holding Nineteen Company Limited	50%	Under Construction
20	BTS-Sansiri Holding Twenty Company Limited	50%	Awaiting Development
21	BTS-Sansiri Holding Twenty One Company Limited	50%	Awaiting Development
22	BTS-Sansiri Holding Twenty Two Company Limited	50%	Under Construction
23	BTS-Sansiri Holding Twenty Three Company Limited	50%	Under Construction
24	BTS-Sansiri Holding Twenty Four Company Limited	50%	Awaiting Development
25	BTS-Sansiri Holding Twenty Five Company Limited	50%	Awaiting Development
26	Siripat Three Company Limited	50%	Awaiting Development

(b) PARK Ramindra Project³

Project Location	Ram Inthra Road, Soi 47, Tha Raeng, Bang Khen, Bangkok
Project Area	2-1-14.2 rai
Project Type	A low-rise 8-storey condominium with 206 units and parking space for 86 vehicles, accounting for 41percent of the total units
Room Type	1-bedroom and 1-bathroom studios whose usable area is around 29.45-36.50 sq.m per unit

4. Other Real Estate Business

As of 31 December 2018, the Company operates an international school under the name Vero International School through Keystone Management Co., Ltd., a 50:50 joint venture company with the American International School Management Group in Hong Kong. The objective is to develop a new international school that offers curriculum from pre-school to grade 12 under a unique curriculum and encourage children to develop to achieve their goals (Personal Mastery Learning).

‘Verso’ International School project

Project Location	The project is located within Thana City and is conveniently located near a planned station of the future LRT line and Suvarnabhumi Airport. Thana City currently includes landed housing and condominiums, a golf and sports club and a hotel and extensive land bank to accommodate mixed future development
Project Area	167-3-61 rai
Project Details	An international school that offers curriculum from pre-school to grade 12
Construction Area	Around 40,000 sq.m.
Project Value	Around THB 4,500mn
Project Status	The project is currently under construction
Project Schedule	The project is expected to complete in 2020

³ The Extraordinary General Meeting of Shareholders No. 1/2018 held on January 4, 2018, approved the sale of the PARK Ramindra project. The Company is currently in the process of disposing the asset

OUR PORTFOLIO

WE ARE A GLOBAL CAPITAL ALLOCATOR
Investing in Diversified Assets Globally

72%

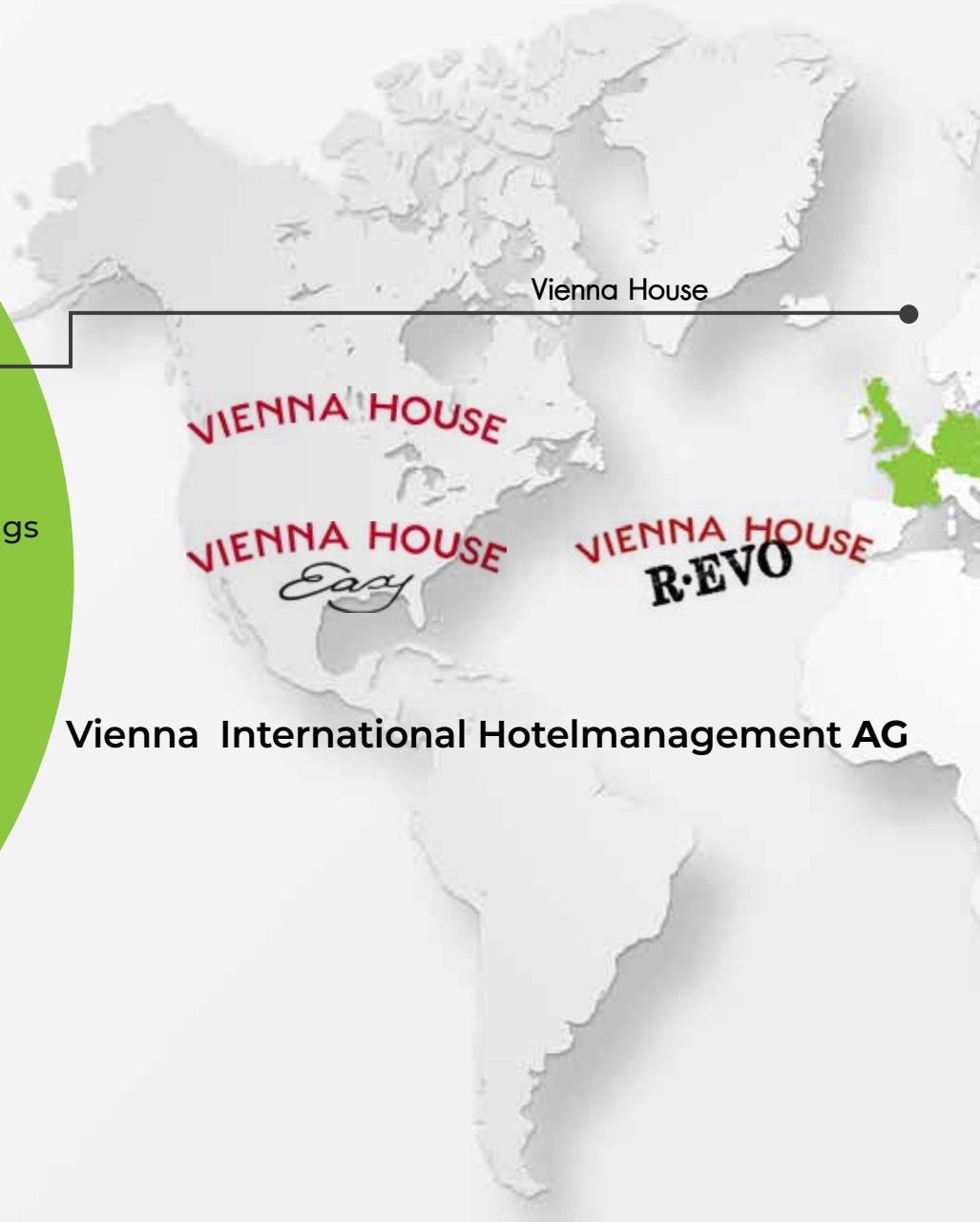
of total revenue
from overseas

PRESENCE IN 10 EUROPEAN COUNTRIES

Hotels, Hotel Management
Platform and Office Buildings

- Austria
- Belarus
- Czech Republic
- France
- Germany
- Poland
- Romania
- Russia
- Slovakia
- United Kingdom

Vienna International Hotelmanagement AG



Absolute Hotel Services (AHS)



28%

of total revenue from Thailand and Asian

Hotels, Office Building, Real Estate
Development Business and Hotel
Management Platform

- Thailand
- Vietnam
- Indonesia
- India
- Oman

● Absolute Hotel Services (AHS)

THB

54.0bn

Total Asset Value (31 Dec 2018)



3.3 INDUSTRY AND BUSINESS OVERVIEW

Overview of the Thai Economy in 2018

According to the NESDC Economic report¹, GDP growth in 2018 stood at 4.1%, representing a slight increase from the previous year of 3.9%. Key growth factors were chiefly from the pickup in private consumption of 4.6%, an improvement of goods and services exportation of 4.2% as well as growth in private investment of 3.9%. An increase in private consumption was supported by (i) an improvement in the overall income as well as a decline in the unemployment rate (ii) the more broad-based expansion from the overall economic activities (iii) consistently low inflation and interest rates and (iv) government measures to support low-income group. Headline inflation for the year slightly grew to 1.1%. Thai Baht was at an average of THB 32.32 per US Dollar in 2018, appreciated by 4.7% from the previous year. The appreciation was aligned with the regional countries that have stronger economic fundamentals, such as Japan, South Korea, and Malaysia. Moreover, the main supporting factors of Thai Baht appreciation were a foreign inflow in Thai Bond market and a current account surplus which recorded at 7.4% of GDP.

¹ NESDC (2019); *Economic Report of Thai Economic Performance in Q4 and 2018 and Outlook for 2019*. Retrieved from [https://www.nesdb.go.th/nesdb_en/article_attach/Economic%20Report%20Q4-18%20\(18-02-2019\)_Edit1.pdf](https://www.nesdb.go.th/nesdb_en/article_attach/Economic%20Report%20Q4-18%20(18-02-2019)_Edit1.pdf)

Overview of the Hotel Business in Thailand in 2018

According to International Tourist Arrivals to Thailand 2018² by the Ministry of Tourism and Sports, total international arrivals were 38.3mn in 2018, an increase of 8.2% from the previous year. Total tourism receipts stood at THB 2.0tn, surging 9.6% from last year in tandem with total international arrivals according to data from the Ministry of Tourism and Sports. The top three tourists' nationalities were Chinese, Malaysian and South Korean. From Industry Outlook Analysis from Kasikorn research³, the growth in the number of Chinese tourists was mainly from the private and public authorities' policy on accelerating Thailand's tourism sector by exempting visa-on-arrival fee for citizens of 20 countries, including China¹. Moreover, the government also encourage domestic tourism which resulted in the Thais domestic tourism spending increased from the prior year of THB 989.6bn to stand at THB 1.1tn in 2018⁴. This benefits to travel service agent and hotel business which the majority of tourist spending is made.

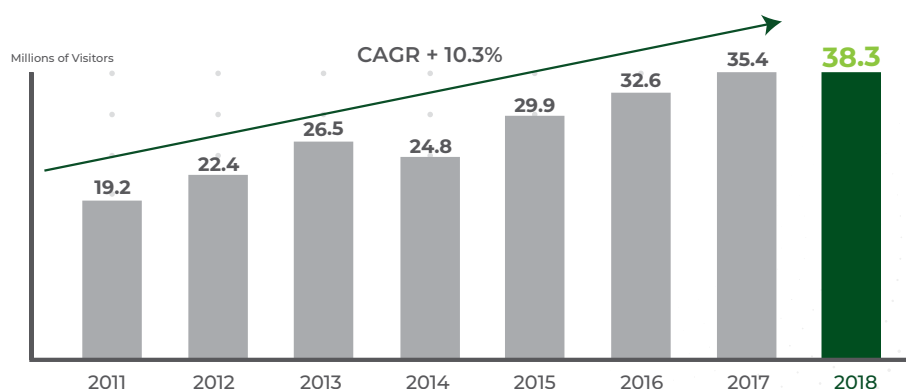
² Ministry of Tourism and Sports (2019); *International Tourist Arrivals to Thailand 2018 Report*. Retrieved from https://www.mots.go.th/more_news.php?cid=502&filename=index

³ Kasikorn Research (2019); *Industry Outlook Analysis*. Retrieved from <https://kasikornresearch.com/en/analysis/k-econ/business/Pages/z2963.aspx>

⁴ Ministry of Tourism and Sports (2019); *Domestic Tourism Statistics (Classify by region and province 2018)*. Retrieved from https://www.mots.go.th/more_news.php?cid=509&filename=index



Tourist Statistics 2011-2018



However, there are certain challenges remaining in the industry. As tourism activity is greatly concentrated, 5% of total provinces in Thailand according to the Tourism Authority of Thailand have enjoyed the vast majority of interest, development, and investment. Such concentrated development places a strain on the environment, the local infrastructure, inequity and distortions to local market conditions. Despite pushback from the government, hotel associations and other interest groups, online marketplaces for lodging such as 'Airbnb' remains a major supplier of rooms for the market at often very competitive prices. Hotels have responded with offering its guests more personalised services, technology, big data and conveniences. Online Travel Agencies (OTAs) dominate in the way people find, compare and book their lodging. Hotel operators need to bear considerable commissions expenses which often undermine their margins. Hotels have put considerable effort and investment in loyalty programs, direct bookings or increasing their bargaining power to mitigate these costs.

Overview of European Hotel Business in 2018

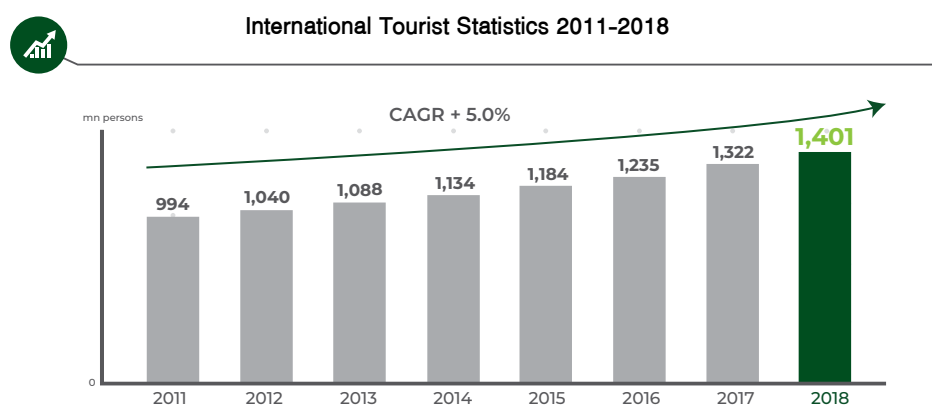
The press release from the UN World Tourism Organisation (UNWTO)⁵ claimed that international tourist arrivals increased by approximately 5.6% in 2018 to reach 1,403mn. The healthy

growth in the overall world regions was chiefly driven by stronger demand from major tourism source markets as well as a global economic upswing. Europe in particular recorded a growth of 5.7% while Asia-Pacific rose 6.1%, Middle East grew 10.3% and the Americas grew 2.9%. Within Europe, international tourist arrivals to Southern Europe and the Mediterranean rose by 7.0%, Central and Eastern Europe by 6.2%, Western Europe by 5.6% and Northern Europe by 0.2%.

From quarterly report prepared by the European Travel Commission Report⁶, our key markets in Europe, namely Germany — which is considered a developed tourist destination — and Poland and the Czech Republic, which are considered emerging destinations, all enjoyed robust tailwinds with the growth in international arrivals recorded at 3.9%, 4.21% and 4.1%, respectively. International overnights also increased 4.5%, 6.1% and 1.9%, respectively.

⁵ UN World Tourism Organisation's (UNWTO) (2019); Press Release of International Tourist Arrivals Reach 1.4 billion Two Years Ahead of Forecasts. Retrieved from <http://www2.unwto.org/press-release/2019-01-21/international-tourist-arrivals-reach-14-billion-two-years-ahead-forecasts>

⁶ European Travel Commission (2019); Quarterly Report of European Tourism 2018 - Trends & Prospects (Q4/2018). Retrieved from [http://www.etc-corporate.org/reports/european-tourism-2018-trends-and-prospects-\(q4-2018\)](http://www.etc-corporate.org/reports/european-tourism-2018-trends-and-prospects-(q4-2018))



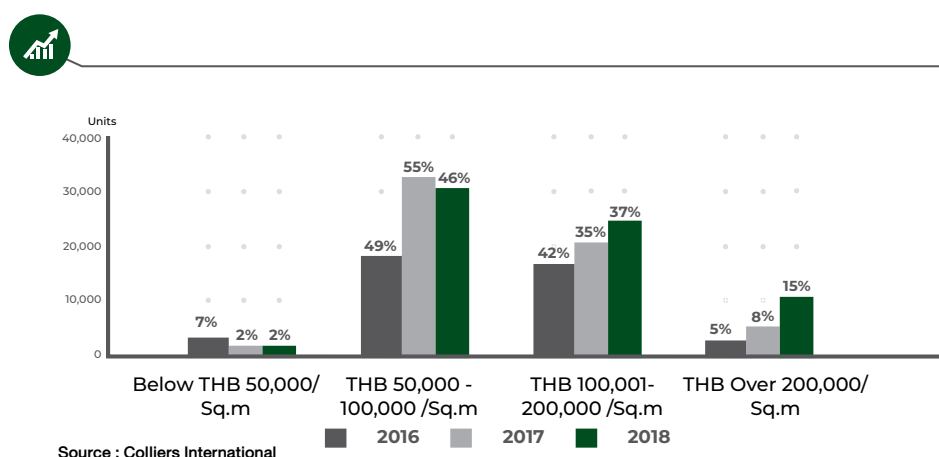
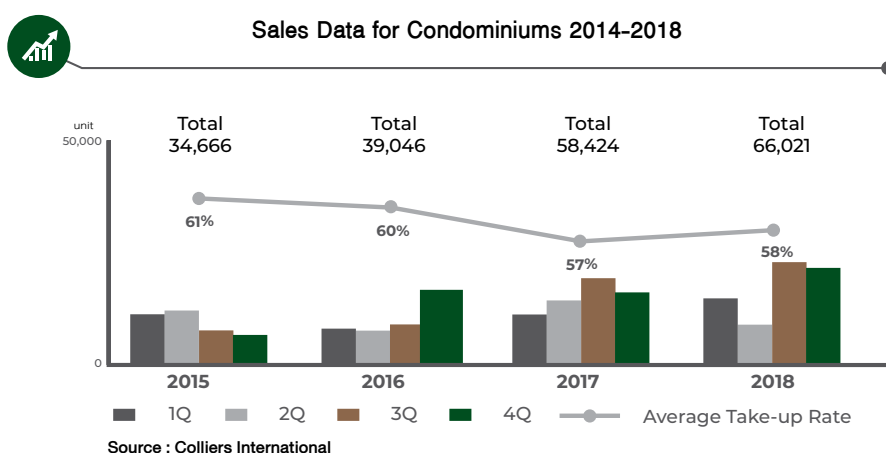
Europe itself faces its own set of challenges in sustaining its tourism industry. Crime and terrorism have risen over the last few years, causing significant anxiety among travellers and disrupting the traditional image of many major European capitals as safe and stable as well as increasing competition from non-European countries for tourism, which often has less stringent visa requirements.

Overview of Thailand Condominium Business in 2018

The Market Report from Colliers International⁷ stated that 2018 was the record-breaking in total number of newly launched condominium in Bangkok condominium market (around 66,021 units) which increased by 12.4% from the previous year. Average take-up rate remains flat at 58%. From total condominiums launched of 66,021 units, 52% of total launches were in the 'Upper-end' segment or higher where prices go for over THB 100,000/sqm and above. For the remaining condominium

launches, 46% of that amount were priced between THB 50,000-100,000/sqm - otherwise known as the 'Mid-level' segment. Developers continue to focus on developing near existing mass transit stations or along mass transit lines currently under construction. Although the average selling price of newly launched units was higher than last year, some projects from listed developers in good locations were almost sold out 100% within a few days after launched. Condominiums located within 200m or less from mass transit stations, take-up rates decreased significantly by 29% from previous year was potentially due to the impact of the new policies from The Bank of Thailand (BOT) in attempting to reduce housing loans for the high-price condominiums. For condominiums located between 500 to 1,000m from mass transit stations are still on a positive trend. The take-up rates slightly increased to 63%.

⁷ Colliers International (2019); Market report of Bangkok Condominium 4Q 2018. Retrieved from https://www.colliers.com/-/media/files/apac/thailand/market-reports/q4-2018/bangkok-condominium-4q-2018_en.pdf



Overview of UK Office Business in 2018

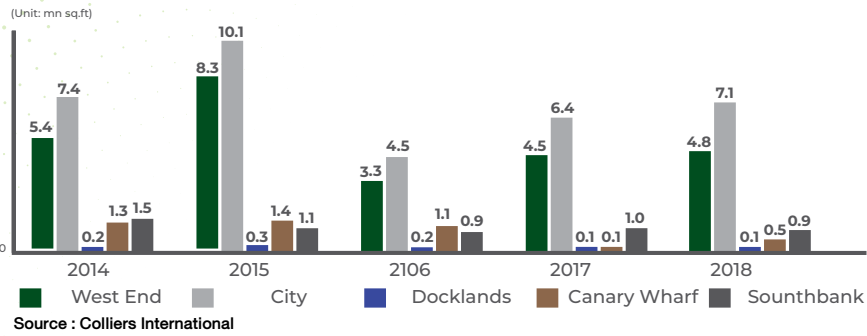
According to Colliers International Research⁸, despite the spectre of Brexit uncertainty, the London office market confounded expectations in 2018 with transaction levels rising 10% YoY. The key trend has been a surge in second-hand take-up, rising by 26% YoY and influenced by a now unprecedented shortage of new/refurbished office space. The City office market saw healthy demand for throughout 2018.

Demand by the business sector in the City remains

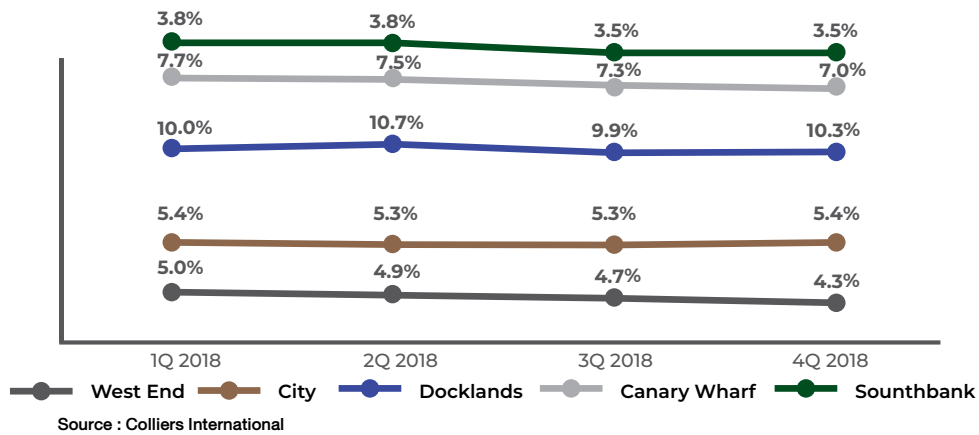
spread across a number of groupings. Media and Tech is still the largest component of demand, but Financials grew once more after declining in 2017. The flexible offices' sector showed no signs of cooling during 2018, increasing 19%, YoY and is likely to remain a key component of leasing demand throughout 2019.

⁸ Colliers International (2019); UK Research Forecast Report; London Offices Snapshot Q4 2018. Retrieved from https://www.colliers.com/-/media/files/emea/uk/research/offices/colliers_international_central_london_offices_snapshot_q42018.pdf?la=en-GB

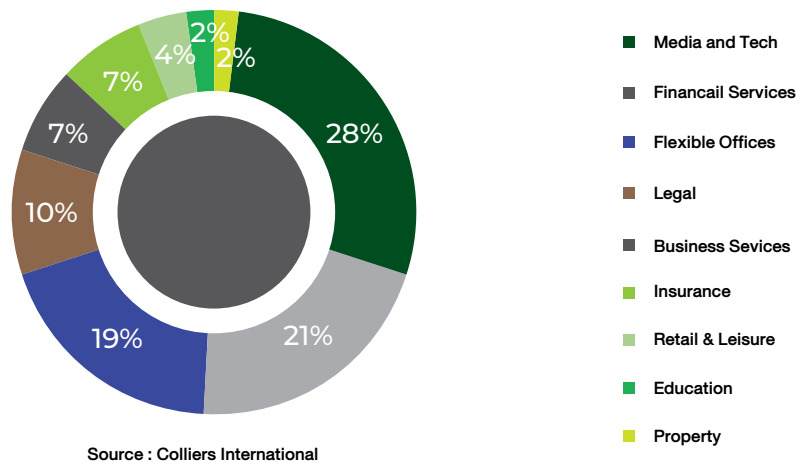
London Offices Take-Up Rate (2014-2018)



London Offices Vacancy Rates 2018



City Take-up by Business Sector 2018



City investment volumes in 2018 were robust, reaching GBP 11.7bn, the highest annual total since 2014. Transaction totals have risen in each of the past three quarters and 4Q 2018 was the highest three-month figure since 4Q 2015. Overseas purchasers ended the year accounting for 79% of investment volumes, with 67% deriving from the Asia Pacific. UK Institutions, while still below trend, rose from GBP 391mn in 2017 to GBP 624mn in 2018.

Looking ahead, the London office market's health in 2019 is set to be closely correlated to the nation's immediate political and economic future while uncertainty may be prolonged.

Overview of Thailand Office Business in 2018

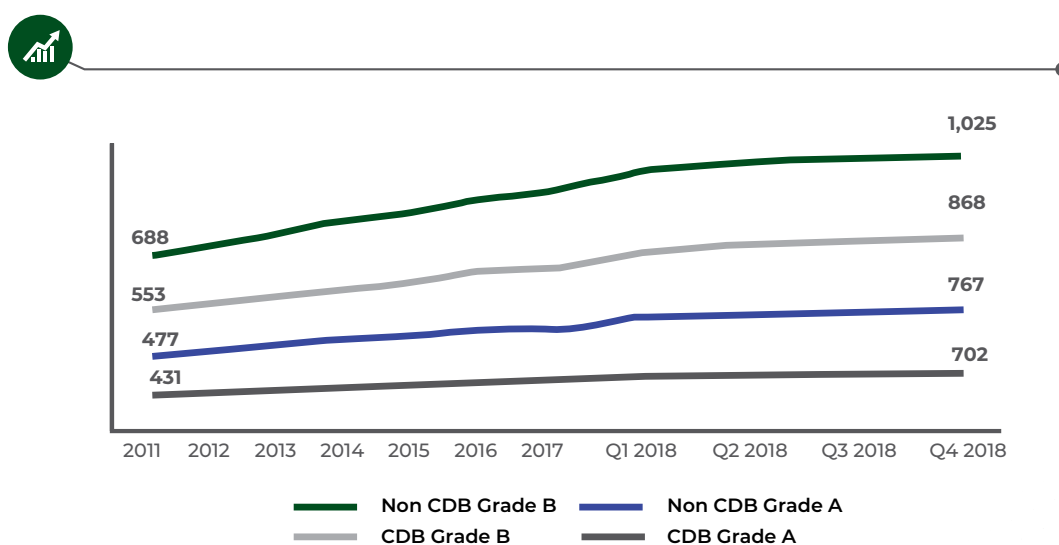
Thailand's office building market continues to expand steadily. Colliers International mentioned in its report⁹ that the increase in demand during the last couple years and limited new supply due to the lack of new offices launch especially Grade A buildings in the CBD area, were beneficiary factors that led to higher

occupancy rates of Bangkok offices which was higher than 87.5%. According to CBRE Research¹⁰, in 2018, the rents for Grade A and B buildings in the CBD and non-CBD areas continue to rise, particularly for those with direct access to mass transit. Even though the office supply continued to grow, there was still a limited in available space. As a result, the trend of average rental office space in Bangkok has grown steadily from 2011 onwards as shown in the Average achieved Rent figure. The majority of office space supply was located in these areas where strong demand for quality office space allowed landlords to retain strong asking power.

⁹ Colliers International (2019); Market Report of Bangkok Office 4Q 2018. Retrieved from https://www.colliers.com/-/media/files/apac/thailand/market-reports/q4-2018/bangkok-office-4q-2018_eng.pdf

¹⁰ CBRE (2019); Real Estate Market Outlook 2019 Thailand. Retrieved from <https://www.cbre.co.th/en/ResearchCentre/Research/Thailand-Real-Estate-Market-Outlook-2019>

Average Achieved Rents for Bangkok office Space from 2006 - 4Q 2018



Overview of our residential property development business

JV with SANSIRI Projects

As of 31 December 2018, the Company has total cumulative, non-equity stake-adjusted, presales backlog of THB 17,981mn to be transferred by 2021.

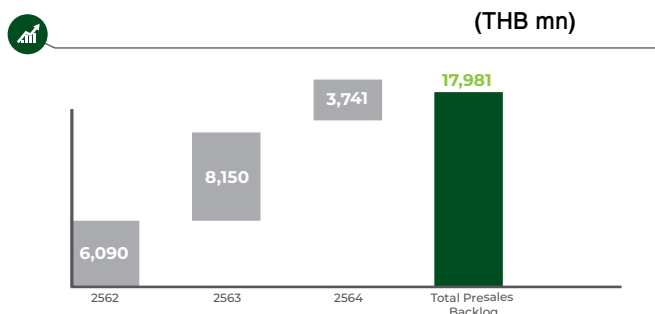
During the year, the Sansiri JV transferred units of the

ready-to-move-in The Line Wongsawang, The Line Ratchathewi, The Line Asoke-Ratchada and Base Garden Rama 9 projects and launched presales of The Line Wongsawang, The Base Saphanmai and The Line Phahonyothin Park projects for a total of 2,988 condominium units and a total project value of approximately THB 12.7bn.

JV WITH SANSIRI PROJECTS EXPECTED TO TRANSFER IN 2019

PROJECT	PRESALES BACKLOG (THB mn)
The LINE Ratchathewi	40
The LINE Asoke-Ratchada	781
The BASE Garden Rama 9	561
The LINE Wongsawang	42
The MONUMENT Thonglor	1,191
The LINE Sukhumvit 101	2,158
The LINE Phahon-Pradipat	588
THE BASE Phetchkasem 29	196
KHUN BY YOO Thonglor	532
Total	6,090

JV WITH SANSIRI TOTAL PRESALES BACKLOG



3.4 BUSINESS TARGET ASSESSMENT

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	Target	Results
Total Revenue		
Target revenue surpassed expectations due primarily from higher than expected other and management income	THB 6,000 — 6,700mn +35 — 50% YoY	THB 6,976mn
Hospitality Revenue		
Target revenue achieved	THB 5,800 — 6,300mn +50 - 63% YoY	THB 6,009mn
Office Revenue		
Target revenue was surpassed due to better than expected rental income from 33 Gracechurch and TST Tower office buildings	THB 200 — 270mn + 24 - 67% YoY	THB 282mn
EBITDA Margin		
Target was missed, mainly due to unexpected impairment loss of THB 355mn, FX-loss of THB 168mn and slower than expected progress of remaining THB 2.3bn in assets to be disposed	≥ 25%	EBITDA margin of 14.0%

3.5 CAPITAL MARKETS REVIEW

Capital Markets Activity

Issuance of U City Preferred Shares

On 4 January 2018, U City's shareholders approved a capital increase via issuance of preferred shares (ticker: U-P) through (i) a rights offering at a ratio 4 new preference shares for every 5 existing ordinary shares, for a total of up to 470.2bn shares at a subscription price of THB 0.031 per share, (ii) a private placement of 63.8bn preferred shares at a subscription price of THB 0.034 per share to Unicorn Enterprises Company Limited (UE) as part consideration for its acquisition by the Company in the amount of THB 2,172.0mn and (iii) a private placement of 26.4bn preferred shares at a subscription price of THB 0.034 per share to Bangkok Bank Public Company Limited (BBL), raising THB 897.1mn.

The private placement to BBL was completed on 24 January. The rights offering and private placement to UE were simultaneously completed on 16 March 2018. Of the 470.2bn offered in the rights offering, 283.8bn or 60.4% of the total issued were subscribed, raising THB 8,797.5mn. U-P shares commenced trading on 23 March 2018. As a result of these transactions, total capital raised amounted to THB 11,866.6mn of which THB 9,694.6mn was in cash.

Issuance of U-W3 and U-W4 Warrants

In tandem with the abovementioned capital increase, two types of associated warrants (U-W3 and U-W4) were issued at no cost to shareholders with a maturity of 5 years, exercisable on a quarterly basis from 15 March 2019 onwards. U-W3 warrants

are non-tradeable with an exercise price of THB 0.05 and were issued to UE and BBL. U-W4 warrants are tradeable with an exercise price of THB 0.06 and were issued to subscribers of the rights offering. On 20 April 2018, U-W4 warrants began trading.

For further information or details on the terms of U-P shares and U-W3 and U-W4 warrants, please refer to the Capital Structure section in the Annual Report.

Reverse Stock Split

On 12 October 2018, U City's shareholders approved a series of transactions that included (i) a reverse stock split transaction at a ratio of 100 existing shares for every 1 new share for both ordinary and preferred shares of U City, (ii) a private placement to facilitate the elimination of fractional shares as a result of the aforementioned reverse stock split and (iii) a capital reduction for the clearance of the Company's deficit and share discount. The reverse stock split also necessitated a pari-passu adjustment to the warrants. The three transaction's primary goal is to facilitate the Company's ability to pay dividends in the future and as a byproduct of the reverse stock split, to enhance the trading liquidity of the Company's securities. Altogether, the Company believes that these will be conducive to long-term shareholder value and boost the Company's attractiveness to investors.

The table below is an overview of the key changes to the Company's securities as a result of the reverse stock split:

Security	Prior to Reverse Stock Split	Post-Reverse Stock Split
Price of ordinary shares	THB 0.04	THB 4.00 (theoretical)
Price of preferred shares	THB 0.04	THB 4.00 (theoretical)
Preferred shares' (U-P) dividend payable per share per year	THB 0.0022	THB 0.22
No. of ordinary shares outstanding	561,371,696,000	5,613,716,960
No. of preferred shares outstanding	374,057,516,200	3,740,575,162
U-W1 warrants exercise price	THB 0.06	THB 6.00
U-W1 warrants exercise ratio	1 warrant : 1 ordinary share	1 warrant: 0.01 ordinary share
U-W2 warrants exercise price	THB 0.047	THB 4.70
U-W2 warrants exercise ratio	1 warrant : 1 ordinary share	1 warrant: 0.01 ordinary share
U-W3 warrants exercise price	THB 0.05	THB 5.00
U-W3 warrants exercise ratio	1 warrant : 1 ordinary share	1 warrant: 0.01 ordinary share
U-W4 warrants exercise price	THB 0.06	THB 6.00
U-W4 warrants exercise ratio	1 warrant : 1 ordinary share	1 warrant: 0.01 ordinary share

Historical Share Price Analysis

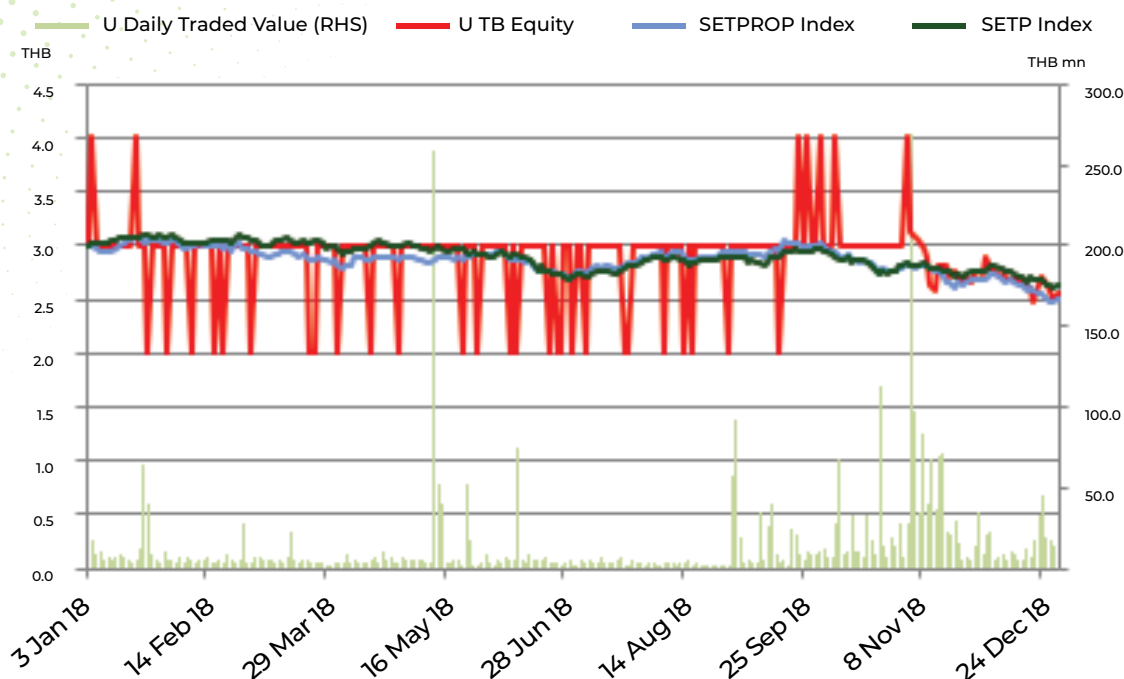
Prior to the commencement of trading post-reverse stock split, the Company's shares were largely range-bound, narrowly trading between THB 0.04 and THB 0.02. In absolute movement terms, the Company's shares were trading THB ± 0.01 , but fluctuating considerably in relative percentage terms (+50% to -50%). As a result of the large relative bid-ask spread, trading liquidity was low. The large swing in percentage terms is believed to be a deterrent from a risk management standpoint for many institutional investors.

The reverse stock split transaction, which was effective at the start of the trading day on 5 November 2018, had a significant impact on the trading pattern of the stock. This has allowed for a closer and more meaningful examination of the share price movement. Henceforth, the following analysis of share price movement will cover only the period of nearly 2 months following the reverse stock split. Relative comparisons, graphs and commentaries will be based on the retroactive adjustment to the stock price and volume according to the reverse stock split ratio of 100:1 for a better like-for-like comparison.

U City Ordinary Shares (U)

After being adjusted from THB 0.04 to THB 4.00 from the reverse stock split transaction, the first day of trading saw considerable trading turnover of THB 269.0mn from heavy selling activity, taking advantage of the improved bid-ask spread. The share price from the first day of trading at the adjusted price closed at THB 3.12. From 5 November 2018 onwards, U City's ordinary shares declined steadily, reaching a low on 13 November 2018 at THB 2.58. Average daily traded value was relatively high, averaging THB 90.1mn over the same period, compared to an average of THB 22.9mn in the prior month. The share price began to recover some of its losses to THB 2.70 since the 14 November 2018 when the Company released its 3Q financial results and closed flat over the next couple of days. From 19 November 2018 until 26 November 2018, the share price fluctuated slightly on a minor decline trend to THB 2.66 and with significantly lower average daily traded value of THB 14.1mn. In the final days of November, the stock appreciated notably ending the month at THB 2.90 on higher daily trading volume.

In December 2018, U City's stock reversed direction and declined until the middle of the month, resting at THB 2.60 by 19 December 2018. Trading volume, was low and daily traded valued averaged around THB 8.8mn over the same period. Over the next 8 days, the stock fluctuated between THB 2.48 — 2.70 before ending the year at THB 2.56, down 14.7% compared to the previous year's closing price.

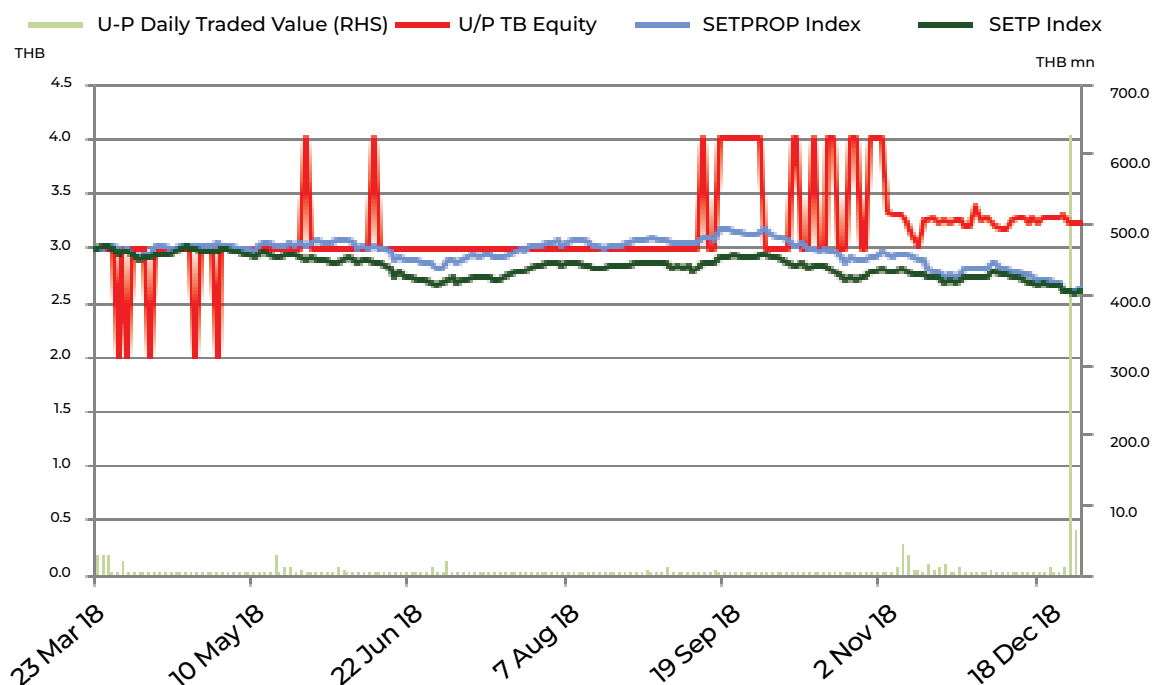


U City Preferred Shares (U-P)

After the reverse stock split transaction, the first day of trading for U-P shares saw high trading turnover of THB 44.7mn from heavy selling activity, taking advantage of the improved bid-ask spread. U-P closed at THB 3.34 at the end of the first day of trading. U-P shares began to stabilise at THB 3.32 as daily traded value averaged THB 17.3mn over the next 2 days. Between 8–13 November 2018, the stock price declined significantly on lower average daily traded value of THB 9.7mn to a floor of THB 3.02. From 14 November 2018 (3Q 2018 financial results were released) the share price recovered to THB 3.26, and until 30 November 2018 the share price was largely range-bound, trading between THB 3.20 — 3.28 (save

for a spike to THB 3.40 on 28 November 2018) at an average daily traded value of THB 6.0mn.

In December 2018, U-P shares traded on a downward trend, closing at THB 3.18 by 7 December 2018. The SETPROP index covering property stocks also underwent a period of decline as well as the broader SET index. The share price moved upwards again to THB 3.26 before trading sideways between THB 3.22–3.28 on average daily traded value of THB 5.0mn by 19 December 2018. In the remaining weeks of December U-P shares traded in a narrow range of between THB 3.24–3.30, before closing out the year at THB 3.22. Compared to the first trading date on 23 March 2018, U-P shares ended the year up 7.3%.



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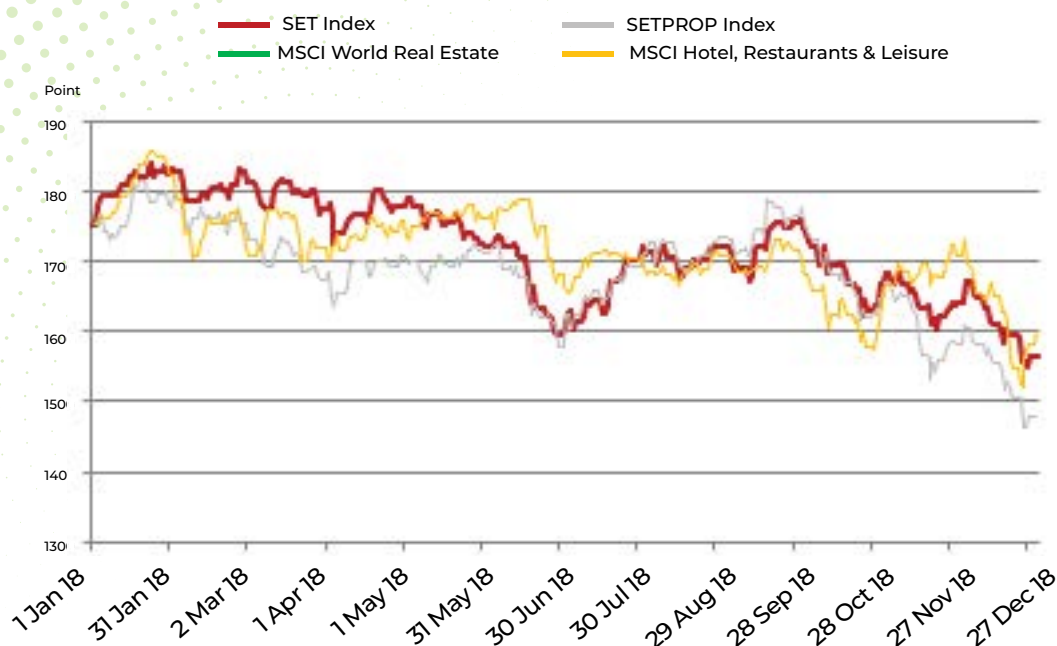
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SET Index Performance

The SET Index commenced trading strongly and hit a new historical high on 24 January 2018 at 1,838.96 points. From the latter part of January until end February period, the share price consolidated between 1,787 and 1,837 range and in-line with the majority of major Asian indices. The final month of 1Q 2018 was the start of general decline in the index that continued until mid-year. During this period, the United States and China began to impose a series of retaliatory trade tariffs, which soon spread to the EU and fellow US NAFTA trade partners, Canada and Mexico. This exacerbated bearish sentiment and concerns of a potential slowdown in global growth, a more hawkish interest rate environment among the major central banks and steadily higher oil prices. By end 2Q 2018, the SET index stood at 1,595.58 points, down 9.0% YTD.

Between 1 July and 1 October 2018, the SET index pared back most of its losses in the 1st half, reaching 1,760.47 points as buying activity stepped up, GDP growth figures proved encouraging and the Thai Baht softened against the USD. In

August the Bank of Thailand governor signaled a hike in interest rates, which have remained unchanged since March 2015 at 1.5%. From 2 October — 24 October 2018, selling activity resumed not only in Thailand but also throughout Asia, taking the SET Index to 1,623.37 points. From 25 October until December, the SET index traded on a steady downward slope, hitting lower lows and lower peaks on the rebound. On 19 December the Bank of Thailand Monetary Policy Committee voted to raise the policy interest rate from 1.5% to 1.75%. Between 20-27 December 2018, the SET Index underwent a period of continuous decline as overall selling activity resumed, hitting the year's low at 1,548.37 points. The index bounced back to 1,563.88 on the final trading day of the year, down 10.8% for the year and interrupting the last 3 years of continuous YoY growth.



Share Performance and Liquidity

Key Share Data	2016	2017	2018*
U Share price (THB)			
Year-end	0.03	0.03	2.56
Year-high	0.04	0.04	4.00
Year-low	0.02	0.02	2.00
Average daily traded value (THB mn)	9.1	8.6	14.4
Average daily traded volume (mn shares)	2.8	2.9	4.5
Number of shares outstanding at year-end (mn)	561,362.3	561,362.3	5,613.7
Market capitalisation at year-end (THBmn)	16,840.9	16,840.9	14,371.1
U-P Share price (THB)			
Year-end	N/A	N/A	3.22
Year-high	N/A	N/A	4.00
Year-low	N/A	N/A	2.00
Average daily traded value (THB mn)	N/A	N/A	6.8
Average daily traded volume (mn shares)	N/A	N/A	2.1
Number of shares outstanding at year-end (mn)	N/A	N/A	3,740.6
Market capitalisation at year-end (THBmn)	N/A	N/A	12,044.7
Change (YoY)			
U	0.0%	0.0%	-14.7%
U-P	N/A	N/A	7.3%
SET Index	19.8%	13.7%	-10.8%
SETPROP Index	5.1%	22.6%	-15.6%
MSCI World Real Estate Index	0.1%	11.6%	-9.0%
MSCI World Hotels, Restaurants & Leisure Index	3.1%	30.7%	-9.8%

2018 figures are adjusted for the reverse stock split transaction

Investor Relations

As a publicly listed company on the stock market of Thailand, the Company has continuously provided an accessible and professional Investor Relations (IR) function to facilitate the dissemination of relevant, accurate, open and timely communications with existing and future investors and shareholders. During the year the Company has expanded the breadth and depth of its IR products, including Quarterly Management Discussion and Analysis, Analyst Presentations & Webcasts, General Presentations, Factsheets and other ad-hoc presentations as and when relevant. These products are publicly available on the SET website, the Company's website and

distributed to the investment community upon request. The IR department reports directly to the Chief Financial Officer. As part of its working process, the IR department works closely in support of, or receives information from, other departments or other executive management. The IR department also relays feedback or concerns from the investment community to the Company's management. The IR department measures its performance on visibility and accessibility to the investment community, on the quality and timeliness of its products and its response times to enquiries or requests for information from the investment community.

Investor Relations Contact Details

Head of Investor Relations	Ms. Soraya Satiangoset (Chief Financial Officer, Executive Director)
Investor Relations	Ms. Thitaya Dhewongraksa
Contact Telephone	+66 (0) 2273 8838
Email	ir@ucity.co.th
Website	www.ucity.co.th
SET Share Ticker	U, U-P
SET Traded Warrant Ticker	U-W1, U-W4
Shareholder Registrar	Thailand Securities Depository Co., Ltd. 93 Ratchadaphisek Road, Dindaeng, Bangkok 10400, Thailand Tel: +66 (0) 2009 9000 Fax: +66 (0) 2009 9991 SET Contact Center: +66 (0) 2009 9999 Website: www.set.or.th/tsd Email: SETContactCenter@set.or.th



3.6 BUSINESS OUTLOOK 2019

Thailand Overall Outlook for 2019

GDP growth in Thailand is expected to pare down from the previous year to 4.2% in 2019¹, mainly from softening export growth of 4.3% and a slowdown in public spending. Global export markets are anticipated to continue to experience certain levels of anxiety from a diverse array of geopolitical factors. These include the imposition of a series of retaliatory trade barriers between USA and China, in particular, and elevating levels of instability within the EU and Middle-East, all of which are depressing global growth potential and hence, Thailand's biggest growth engine, the export industry. According to the World Bank, growth in major global economies and major trading partners of Thailand such as USA, China, Japan and Eurozone is expected to abate in 2019 from the previous year with GDP growth forecast at 2.5%, 6.3%, 0.8% and 1.7%, respectively².

Furthermore, headline inflation in Thailand is forecast to remain favourable at 1.1% on an annualised basis. Some financial institutions, however, anticipate a raising of the policy rates to 2.25% from 1.50%, to potentially reign in inflationary pressure, stabilise potential Baht value fluctuation and also to moderate risk of over-lending by financial institutions. Private investment and consumption is anticipated to gain traction from a combination of steady income growth and government support policies, higher investment on improving capacity utilisation, incentives and promotional policies in infrastructure and the Eastern Economic Corridor (EEC).

Europe Overall Outlook for 2019

GDP growth for the core countries of the Eurozone such as Germany, France, Italy and the Benelux countries is expected at 2.0%, whilst periphery countries such as Spain, Portugal, Ireland and Greece are expected to grow at 2.5%. The U.K. is expected to lag behind Eurozone countries on account of continued uncertainty regarding 'Brexit' negotiations with growth forecast at 1.5%. The European Central Bank (ECB) has stopped its quantitative easing (QE) programme of purchasing bonds in the open market since December 2018, halting the injection of

some EUR 15bn in liquidity to capital markets each month, but has kept its policy rate at 0.0%. Since 2015, the ECB has accumulated EUR 2.4tn in assets since 2015 with the aim driving up inflation near to its 2% target level, the termination of the ECB QE programme marks the start of a gradual tightening of liquidity and normalisation of monetary policy.

¹ https://www.bot.or.th/English/MonetaryPolicy/MonetPolicyCommittee/MPR/Monetary%20Policy%20Report/MPRPress_October2018_4WISE39.pdf (accessed 25 October 2018)

² <http://www.worldbank.org/en/publication/global-economic-prospects> (accessed 25 October 2018)

³ <https://www.pwc.com/gx/en/hospitality-leisure/assets/european-cities-hotels-forecast-2018-2019.pdf> (accessed 28 January 2019)

As the economic outlook of Eurozone countries gradually improves and unemployment continues to fall, holiday, business demand and investment is anticipated to grow. Though with the tightening of monetary policy, growth may be slightly offset by a stronger Euro. This may subdue export growth – especially from key exporting countries such as Germany – and inbound visits to Eurozone countries, along with higher air fares from higher oil prices.

Hotel Business Outlook in Thailand for 2019

As Thailand has been one of the most popular travel destinations in Southeast Asia. The tourism sector has been playing an ever more vital role in the Thai economy, thanks to many factors including its diversified scenic cities, benign climate, rich history and culture as well as its various choices of hotels. The hotel industry and retail industry both bloomed swiftly in tandem to tourist demand. The Tourism Authority of Thailand (TAT) targets 40mn in foreign tourist arrivals, which is forecasted to generate income of THB 2.28tn⁴. Furthermore domestic tourism is also expected to grow, generating THB 1.12tn in income. As a result total expected income from tourism in 2019 is anticipated at THB 3.4tn, an increase of roughly 10% from the previous year.

Contributing approximately 18-19% to GDP, the sector is a key tool in driving economic growth in Thailand. As such, the government continues to actively facilitate sustainable development and is attempting to raise the quality of tourists arriving into the country.

Strategies under consideration include promotion of medical tourism from the Middle East – a segment which spends significantly higher than the average per capita and where the high season coincides with the low season in Thailand – to first time visitors and millennials who increasingly favour outdoor activities where less popular, secondary tourist destinations could meet such demand. Travelers from China will continue to contribute the bulk of this growth. The Chinese market remains underdeveloped as approximately 10% of the Chinese population has passports, representing considerable untapped demand, whilst new opportunities for hoteliers from changing travel habits and maturing demands arise.

Hotel Business Outlook in Europe for 2019

The IMF forecasts global GDP growth of 3.7% for 2019, which is largely in-line with growth over the previous couple of years⁵. This aggregate however, masks a number of growth imbalances among major economies. For this reason, as well as from policy risks such as trade protectionism, capital outflows from weaker emerging markets with weaker fundamentals and higher political risks, downside risk has picked up vis-a-vis upside surprises. Current outcomes within EU countries have fallen short of projections – both from a growth and inflation perspective – which when combined with political uncertainties are moderating expectations of growth acceleration. In 2018, European tourism has obtained positive sign from the Chinese travelers. According to the European Travel Commission (ETC), Chinese tourists visiting in Central and Eastern Europe grew by 10.3%⁶ in May-August 2018. The growth was primarily from an aim of ETC to promote Europe as a destination for the growing Chinese tourism market, following the aforesaid extensive potential demand in China.

⁴ <https://www.bangkokpost.com/business/tourism-and-transport/1496418/tat-forecasts-40m-tourists-next-year> (accessed 25 October 2018)

⁵ <https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018> (accessed 30 November 2018)

⁶ <http://www.chinadaily.com.cn/a/201810/10/WS5bbcd417a310eff30328167e.html> (accessed 26 February 2018)

According to PwC⁷, RevPAR growth is expected in all European cities in 2019, especially in Paris. The hospitality business in Germany is characteristically and considerably influenced by business and cultural fairs and congresses, where multi-year cyclicalities are prevalent. 2019 will be the next upcoming 11-day International Automobile Fair in Frankfurt which drew 800,000 visitors, when it was last held in 2017. In Prague, lack of new supply is expected to boost hotels. Hotel disruptors such as Airbnb will continue to act as both opportunity and threat by both encouraging travel and adding unofficial room supply.

Office Space Outlook in Thailand for 2019

The land market dominates the office outlook in 2019. Office supply is expected to remain steady with demand growing 200,000sqm per year according to CBRE⁸. Due to limited additional supply, vacancy rates remain at historical lows of around 7% and are expected to continue to do so in the short term. Given the relatively attractive dynamics of this segment and property developer's increasing interest in recurring income properties, a number of large projects are in the pipeline such as Samyarn Mitrtown, The Parq and One Bangkok, which will gradually be launched into the market, adding up to 314,000 sqm of office space supply by 2022 from a total of 870,000 sqm expected over the same period. Half of this supply is expected to be grade A offices in CBD areas. Digital disruption changes the lifestyle of office workers that is being proven through steady demand growth for co-working space over the last 2 years. The increasing difficulties in attracting young talent is changing traditional usage of office space of high density to lower density spaces and more amenities. Newer office spaces are likely to have more advantages than older ones, which makes adaptation to trends increasingly important.

Office Space Outlook in U.K. for 2019

According to the IMF, U.K. GDP is expected to grow by 1.5%⁹. The lengthy process of Brexit has – contrary to popular perception – been less disruptive to the office market than anticipated. Whilst certain key financial services providers in particular have publicly announced a scaling down of operations in the U.K., tech, media and professional services office demand remains healthy and new supply has been limited as developers 'wait and see'. London continues to be the dominant destination for VC funding in Europe and a vibrant, entrepreneurial hotspot¹⁰. These factors aren't only driving office space take-up from

start-ups and scale-ups, but are uncovering new opportunities and innovative approaches for investors. Co-working space operators have become increasingly influential in driving demand growth for office space and this segment is anticipated to continue to swell. Prime yields and investment flows have been resilient are expected to remain stable over the long-term, though short term downside may be expected, the scale of which is dependent on the form in which Brexit takes place.

Condominium Sector Outlook in Thailand for 2019

Demand for condominiums is expected to remain stable but on a historically and relatively soft aggregate basis¹¹. Prices of condominiums have also seen slight decreases, particularly in mid-town and suburban areas where softer local demand and greater sensitivity to tighter lending standards by banks, prevails. Foreigners remain a significant contributor to overall buying and renting activity, particularly in the upper-end segments, but their scope remains largely limited to downtown Sukhumvit and Rama 9 area. Overall projects launched in the Sukhumvit area has also seen a slowdown in sales rate as increasing land prices force condominium developers to raise prices and shrinking the breadth of their target market. As a result, developers have been postponing condominium launches or shifting their focus on landed housing and it is expected that this will continue into 2019.

Chinese buying and renting, which has been a considerable force in the real estate market over the last 4 years, is expected to continue. A catalyst for Chinese demand may be the prolonged effect of trade barriers imposed by the US on China, which Chinese companies may look to bypass by relocating to Thailand and ASEAN or easing of capital controls. Property developers will continue to be challenged to offer projects that balance desirable and highly accessible locations (near mass transit) with competitive pricing or high perceived value-for-money to stand out among competitors.

⁷ <https://www.hospitalitynet.org/file/152008396.pdf> (accessed 30 November 2018)

⁸ https://cdn.cbcre.co.th/media/research_lang_file/2718/Bangkok_Office_MarketView_Q3_2018.pdf (accessed 3 December 2018)

⁹ <https://www.imf.org/en/Publications/WEO/Issues/2018/09/24/world-economic-outlook-october-2018> (accessed 30 November 2018)

¹⁰ *Central London Marketbeat 3Q 2019 Report by Cushman & Wakefield* (accessed 30 November 2018)

¹¹ https://cdn.cbcre.co.th/media/research_lang_file/2708/Bangkok_Residential_MarketView_Q2_2018.pdf (accessed 3 December 2018)

3.7 RISK FACTORS

Conducting businesses carries a level of risks and uncertainties. Such risks may lead to fluctuation in revenues, profits, asset values, liquidity, share price, and potential impact to the Company's reputation. Therefore, risk management is an important factor that leads to success and sustainability for the business of the Company.

Risk factors listed below have taken into account both the Company's existing and emerging risks. All stakeholders should acknowledge the impact and the likelihood of occurrence and carefully consider all other associated factors not limited to general and the specific risks listed herein.

RISK FACTORS

Economic Fluctuation, Economic and Political Policies

The performance of the Company, either from the recurring income business of our hotels and office buildings for rent or real estate projects for sale, are all affected by fluctuations or changes in the economic and political situation, as well as government policies, both domestically and internationally. A contemporary example is the continuing ambiguity of the 'Brexit' process between the U.K. and EU has resulted in the British Pound's continued weakness and delayed both domestic and foreign direct investment plans to the detriment of short-term GDP growth. Some financial services firms have announced their intention to relocate or downsize their offices outside the country. Political instability and terrorism in Europe have also affected confidence and raised security concerns, which has impacted the tourism sector. Such incidents may affect the business operation of the Company in the short- and/or long-term.

Mitigation

The Company continuously monitors and is vigilant of situations or incidents that may arise so that it can take steps to mitigate the impact to its business plans. Moreover, the Company considers carefully, the quality of the assets to be invested, developed or acquired. These considerations take into account accessibility – especially to mass transit, local attractions, positioning within urban areas, local trends and communities. By applying these considerations in its decision-making process, the Company believes it has inherently resilient assets to external detrimental factors.

Readiness to support business expansion

As part of its investment strategy, the Company aims to acquire, invest or develop assets, which will facilitate its business expansion. The Company owns significant land bank for future development. In the past several years, land prices have increased significantly, especially along the mass transit routes. This has created challenges to find land with high potential while maintaining a sufficient return and keeping investment costs under control.

Mitigation

The Company has established operational business plans for the short-, medium- and long-term with a focus on expanding its business. In order to draft these plans, the Company conducts analyses of the industry outlook, the economic situation, the political situation and the feasibility of investment of each project in accordance with its risk appetite and availability of capital and human resources as a standard process.

On a broader view, the Company closely monitors market movements, studies and analyses the expansion of major cities in each region for business opportunities. As part of its strategy the Company also pursues partnerships with reputable market leaders as a means to access expertise, new business opportunities, moderate risk and add value in development projects as a factor to strengthening our long-term business.

OPERATIONAL

Human Resource Procurement for Business Expansion

To achieve the Company's business goals, a key factor is having human resources with sufficient competence and expertise that is able to support the growth of the business in the short- and long-term. However, in a highly competitive business environment and a shortage of experienced personnel and expertise in business operations, it may cause the Company to experience business disruption. Since 2016, the Company started to invest abroad and launch new development projects. These foreign countries have different labor laws and regulations that may be subject to change. Though the Company has experienced no collective work stoppages or disruptions, there is no assurance that the Company will not experience these in the future.

Mitigation

To ensure that the Company has the necessary human resources to support this expansion, the Company provides staff training to promote new ideas, knowledge sharing, skills enhancement and operational improvements in order to attract and retain talent. After each acquisition, the management restructures the organisation and administration in order to support and remain aligned with the Company's current and future business expansion plans. The Company continuously offers competitive remuneration and benefits packages that include monetary and non-monetary components related to the performance and ability of the employees to be at the motivation level and in the standard criteria according to market conditions to create security and work stability of employees which will help reduce the risk of losing teams and personnel.

Cost Controlling in Business Operation and Project Development

The Company acknowledges that changes in commodities prices such as oil prices, or the activities of external forces such as mega projects by the government or the ongoing construction projects of other developers, may affect the price of raw and construction materials and/or create labor shortages, which will directly impact the cost and duration of the Company's projects under development, cash flows and profitability.

Mitigation

The Company manages these risks through a thorough procurement process to obtain the most competitive offered prices and conditions for each project. Contractors shall be responsible for procurement of materials and costs pre-agreed in the contract between the contractor and the Company. In other cases, some materials may be ordered directly from the manufacturer to obtain the best price, best quality and best conditions.

Compliance and Law

The government has issued rules and regulations regarding new development projects to minimise their effect to surrounding communities, such as the City Planning Law and conducting an Environmental Impact Assessment (EIA). In compliance with these regulations, the Company may be affected by higher costs or longer development times. Moreover, said rules and regulations may change.

Mitigation

The Company is strictly committed to adhering to the aforementioned rules and regulations. The Company takes into account environmental and community concerns of new development projects throughout the entire development cycle from land acquisition, design, construction and operation. The Company also applies high standard designs and processes with the aim of being certified by globally recognised certification bodies such as Leadership in Energy and Environmental Design (LEED).

Reputation

The Company's performance is dependent on a good reputation. As such, the Company is exposed to reputation risk from customer dissatisfaction and impact on local communities of development projects.

Mitigation

As part of standard process, the Company's businesses assess customer satisfaction levels and feedback. Any issues of concern are reported to management for action.

FINANCIAL RISKS**Source of fund, Liquidity and Cost of fund**

As real estate business is a business that uses investment and is highly competitive. To support the business growth and continuously develop new projects as planned, the Company needs various funding sources from both financial institutions and the capital markets. To successfully access these sources and maintain sufficient financing at the right cost for business growth, the Company is affected by several factors such as the fluctuation in interest rate, the capital market situation, confidence of financial institutions, investors and stakeholders of the Company. The Company's international operation also entails cash flow management risks, if the Company has high funding costs or there is a loan that exceeds the industry average, it will ultimately affect the confidence of financial institutions and shareholders.

Mitigation

The Company must manage the debt to equity ratio at an appropriate level and able to maintain liquidity in order to support the business of debt management effectively. The Company can further use appropriate financial tools to raise funds and monitor the economic situation both at home and abroad,

including forecasting trends and future interest rate trends. These factors will help increase the flexibility of the Company in business expansion and risk reduction.

Fluctuation in exchange rate

The Company has businesses and investments overseas. Any changes in exchange rates may cause foreign exchange losses that result in business experiencing financial difficulties.

Mitigation

The Company monitors FX rate movements and has developed policies and best practice guidelines to manage exchange rate risk by adopting Natural Hedge which is creating a 'balance' between income and expenses or assets and liabilities in foreign currencies to have similar proportions. And the use of appropriate financial instruments such as Forward Contracts, Futures Contracts and Swap Options.

EMERGING RISKS

Cyber security

The Company relies on technology to collect internal and external information as part of its normal business operations. The security of this information is important as security breaches may cause the Company disruptions, or loss of data that may impact the Company's operation and reputation, as well as legal or regulatory liabilities.

Mitigation

The Company maintains or implements up-to-date hardware and software controls, policies and conducts regular assessments to mitigate risks. Such steps include firewalls, network port security, encryption, anti-virus software and operational guidelines. Regular update of hardware and software and audits are carried out to keep abreast of technological advancements.

3.8 LITIGATION

As of 31 December 2016, the Company and / or its subsidiaries have no lawsuits that may have an effect on the Company's and its subsidiaries' assets of more than 5% of shareholders' equity. Below this threshold, there is one legal disputes, which are either unresolved cases or disputes that may affect the Company's business or its subsidiaries significantly as follows:

On 18 December 2015, the Company affiliated with Aman Resorts Services Limited and SilverLink Holdings Limited ("Joint Venture") filed a lawsuit against the Treasury Department, as first defendant, and the Supervising Committee for the Ratchaphatsadu land at Rong Pasee Roi Chak Sam Development Project, as the second defendant, with the Central Administrative Court; asking the Central Administrative Court to issue a judgment or order which compels both defendants to comply with the Cabinet Resolution dated 26 August 2003, which set out a project construction period of 36 months and a project utilization period of 30 years after construction was completed and compels the Treasury Department to exercise its authority under Section 10 of the Act on the Private Participation in the Affairs of the

State of 1992, Article 34, paragraph 1 (7) and paragraph 4 of the Ministerial Regulation relating to rules and methods for administration, maintenance, utilisation and benefit arrangement on State Land B.E. 2545.

On 8 July 2013, the Cabinet ordered the Bangkok Metropolitan to return the Ratchaphatsadu land and expel the Bangruk Fire Station and fire officers from the site of the Ratchaphatsadu land at Rong Pasee Roi Chak Sam Development Project and to demarcate an area for the subsidiary to proceed with project construction as scheduled, within 30 days following the date the Court issued final judgment or within the period specified by the Court.

And on 13 July 2017, the Central Administrative Court issued a judgment compelling both defendants to extend the project utilisation period of the land in dispute for another 30 years, from the handover date or the date the Court issued the final judgment, as the case may be. Subsequently, on 15 August 2017, the Joint Venture has submitted an appeal to the Supreme Administrative Court. The case is in the process of being considered by the Court.



Corporate Governance Report

- 4.1 Corporate Governance Structure
- 4.2 Governing Relationship with Subsidiaries and Associated Companies
- 4.3 Corporate Governance Policy
- 4.4 Selection, Appointment and Remuneration of Directors and the Chief Executive
- 4.5 Internal Control and Risk Management
- 4.6 Related Party Transactions
- 4.7 Audit Fees
- 4.8 Human Resources Policy
- 4.9 Corporate Social Responsibility Policy

4.1 CORPORATE GOVERNANCE STRUCTURE

THE BOARD OF DIRECTORS

The structure of the Board of Directors possesses qualifications that are suitable for and consistent with the business strategy of the Company, as well as having diversified knowledge, capability, skills, experience and expertise beneficial to the Company's business operations. The Board of Directors consists of members shall not less than 5 members and at least half of the members shall have their residence in the Kingdom of Thailand. In addition, at least one-third (1/3) of the members shall be independent directors and in any case the independent directors shall not be less than 3 members. The Board of Directors will have more than 4 meetings in each fiscal year.

As of 31 December 2018, the Board of Directors consisted of 10 members, one of which is female (or equivalent to 10% of total directors) divided into:

- 3 members as executive directors (or equivalent to 30% of total directors); and
- 7 members as non-executive directors (or equivalent to 70% of total directors), 4 of which were independent directors which is greater than 1/3 of the members.

List of Directors are as follows:

No.	Name of Directors	Position	Date of Registration as Directors	Number of years in office
1	Mr. Keeree Kanjanapas	Chairman of the Board of Directors	7 July 2017	1 year 5 months
2	Mr. Rungson Sriworasat	Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee	19 December 2017	1 year
3	Mr. Chaiwat Atsawintarangkun	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Committee	28 April 2005	13 years 8 months
4	Mr. Plakorn Wanglee	Independent Director, Audit Committee and Nomination and Remuneration Committee	7 July 2017	1 year 5 months
5	Mr. Paisal Tarasansombat ¹⁾	Independent Director, Audit Committee and Nomination and Remuneration Committee	15 June 2018	6 months
6	Mr. Surajit Gongvatana	Independent Director and Chairman of Executive Director Committee	7 July 2017	1 year 5 months
7	Mr. Kavin Kanjanapas	Director	7 July 2017	1 year 5 months
8	Mr. Kong Chi Keung	Director	7 July 2017	1 year 5 months
9	Ms. Piyaporn Phanachet	Director, Executive Director and Chief Executive Officer	14 February 2018	10 months
10	Mr. Sayam Siwarapornskul	Director, Executive Director and Chief Legal Officer and the Company Secretary	30 April 2018	30 April 2018
Average years of office of all directors				2 years 3 months

Mr. Sayam Siwarapornskul as the Company Secretary

Note:

¹⁾On 15 June 2018, the Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanachariya who have resigned from the Company's director and Executive director.

AUTHORIZED DIRECTORS

As of 31 December 2018, there are 6 authorized directors as follows:

"The authorized directors to sign on behalf of the Company is any one of Mr. Surajit Gongvatana or Ms. Piyaporn Phanachet or Mr. Sayam Siwarapornskul to be signing jointly with Mr. Keeree Kanjanapas or Mr. Kavin Kanjanapas or Mr. Kong Chi Keung, totaling two directors, with the Company's seal affixed."

DUTIES AND RESPONSIBILITIES OF THE BOARD OF DIRECTORS

- (1) To perform their duties in accordance with the laws, the objectives and the Articles of Association of the Company as well as the resolutions of the shareholders' meeting with honesty, responsibility, and due care for the utmost benefits of the Company;
- (2) The directors are prohibited to enter businesses or become partners or directors of juristic persons, which have the same conditions and is in competition with the Company's business unless otherwise notified at the Shareholders Meeting before the appointment resolution is made;
- (3) To consider all the Company's affairs by taking into account the benefits of the shareholders and all groups of stakeholders equitably. The director shall report to the Company, without delay, if he has any conflict of interests in a contract to be entered into with the Company or an increase or decrease of his shareholding in the Company or its subsidiaries. Hence, for any transaction with the director or a person having a conflict of interests or a conflict of any kinds with the Company or its subsidiaries, the director in conflict shall have no right to vote to approve such transaction;
- (4) To appoint the Chairman and a sub-committees to assist and monitor the management system and the internal control system to ensure the compliance with the Company's policies, such as the Executive Committee, the Audit Committee, the Nomination and Remuneration Committee, and the Corporate Governance Committee, and to assign the annual performance evaluation and review the duties and responsibilities in the charter of all sub-committees;
- (5) To designate the name of authorized persons to sign on behalf of the Company with the Company's seal

affixed;

- (6) To determine the Company's policy, vision, mission, values, strategy and goals, both in terms of monetary and non-monetary as well as supervising and monitoring the Management to ensure the implementation of those policies effectively and monitor the implementation of the business strategy as well as reviewing the business strategy of the Company in the past fiscal year in order to set the business strategy of the next fiscal year;
- (7) To delegate the authorities, duties, and responsibilities to the Management in order to clearly separate the roles, duties and responsibilities between the Board of Directors and the Management as well as reviewing such separation of roles, duties and responsibilities, and to regularly monitor and evaluate the performance of the Management in order to maintain the balance of power, enhance the independence in performing duties and increase the operational efficiency;
- (8) To govern the business operations with business ethics and conducts as well as promoting the creation of corporate culture for all employees to adhere and perform their duties with ethics and integrity, and to regularly review the corporate governance policy and code of business conduct on an annual basis as well as evaluating the implementation of such policies at least once a year;
- (9) To determine the Company's business plan and annual budget, as well as considering and reviewing the progress of the monthly and quarterly performance of the Company, in comparison with the business plan and budget, and to consider the trends for the next periods;
- (10) To monitor and prevent a conflict of interests among the stakeholders of the Company;
- (11) To consider and approve the acquisition and disposal of assets, investment in new businesses and any matters as required by the laws, save for the matters that the resolutions of the shareholders' meeting are required under the laws;
- (12) To consider and/or provide an opinion on the connected transactions of the Company and its subsidiaries and to ensure the compliance with the laws, notifications, regulations and relevant rules;
- (13) To supervise the Management to ensure that the accounting system, financial reports and accounting audit system are accountable, and to monitor the

sufficient of cash flow liquidity, as well as ensuring that the Company has a good internal control system that is sufficient and appropriate;

- (14) To establish the risk policy and framework, to review and evaluate the appropriateness of the policy and framework on an ongoing basis and to ensure that enterprise risk management policy and internal controls system are implemented in order to effectively achieve the objectives;
- (15) To establish a corporate social responsibility (CSR) policy and to monitor the implementation of such CSR policy;
- (16) To determine and review the business organization chart and to appoint the Advisory Board which consists of a group of individual advisors who are knowledgeable and being the experts who can provide the strategic and useful advice to the business affairs of the Company and subsidiaries. The opinion or advice from the Advisory Board will be the opinion/advice from a person who is not involved in the business management of the Company and this would assist the Company to gain benefits from the viewpoint of a third party. Nonetheless, the advice, opinion or suggestion from the Advisory Board has no legal binding effect over the Company;
- (17) To delegate one or more directors or other persons to perform any task on behalf of the Board of Directors. However, such delegation shall not be the authorisation or sub-authorisation that allows the director or any designated person, who has a conflict of interests or a conflict of any kinds with the Company or its subsidiaries, to approve such transaction;
- (18) To prepare and review the succession plan in order to determine the succession process for the position of the Chairman of the Executive Committee, Chief Executive Officer and other senior executive positions;
- (19) To evaluate the performance of the Board of Directors on an annual basis, both group evaluation and individual evaluation, in order to use as a guideline for the review of the Board of Directors' performance, as well as reviewing their duties and responsibilities in the Board of Directors' Charter on an annual basis; and
- (20) To appoint the Company Secretary to ensure that the Board of Directors and the Company comply with the laws and relevant regulations.

ROLES AND DUTIES OF THE CHAIRMAN OF THE BOARD OF DIRECTORS

- (1) The Chairman has the duties and responsibilities to supervise and monitor the due performance of the Board of Directors and other sub-committees to efficiently achieve the business objectives and plans, as well as to ensure that all directors contribute to the promotion of ethical culture and good corporate governance;
- (2) The Chairman is the person who calls the meetings of the Board of Directors. In calling a meeting, the Chairman or a person assigned by him shall send out the meeting invitation to all directors at least 7 days prior to the meeting date. However, in necessary and emergency case and in order to preserve the rights or benefits of the Company, the meeting invitation may be sent by other means within a shorter timeframe. Such invitation may be served by hand to each director, or transmitted by facsimile transmission to every director specifying the place, date and time of the meeting and the nature of the businesses to be transacted.
- (3) To act as the chairman at the meetings of the Board of Directors and to cast the casting vote in case of an equality of votes;
- (4) To act as the chairman at the shareholders' meetings of the Company and to conduct the meeting in compliance with the Company's Articles of Association and the meeting agenda and to cast the casting vote in case of an equality of votes; and
- (5) To perform other duties as specified by laws particularly as the duties of the Chairman.

AUDIT COMMITTEE

As of 31 December 2018, the Audit Committee consisted of 4 members.

- | | |
|---|---------------------------------|
| 1) Mr. Rungson Sriworasat | Chairman of the Audit Committee |
| 2) Mr. Chaiwat Atsawintarangkun | Audit Committee |
| 3) Mr. Plakorn Wanglee | Audit Committee |
| 4) Mr. Paisal Tarasansombat ^{1/} | Audit Committee |

Note :

^{1/} On 15 June 2018, the Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanachariya who have resigned from the Company's director and Executive director.

DUTIES AND AUTHORITIES OF THE AUDIT COMMITTEE

The Audit Committee shall report directly to the Board of Directors. The scope of duties and responsibilities of the Audit Committee shall be:

- (1) To review the Company's financial reporting process to ensure that it is accurate and in accordance with the generally accepted accounting principles and that there is adequate disclosure;
- (2) To review the Company's internal control system, internal audit system, and risk assessment policy to ensure their appropriateness and efficiency, to review the independence of the Internal Audit Office;
- (3) To approve, the appointment, transfer and dismissal of the head of the Internal Audit Office or the head of any other units in charge of internal audit;
- (4) To review to ensure that the Company is in compliance with the securities and exchange laws, the regulations of the SET, and the laws relevant to the Company's businesses;
- (5) To consider, select, and nominate independent person(s) to be elected as the Company's external auditor(s), to terminate the Company's external auditor(s), to propose their remuneration, and to attend a meeting with the external auditor(s) without the Management at least once a year, and the external auditor(s) will be discharged in the following events:
 - (a) The external auditor(s) violates and/or fails to comply with Section 89/25 of the Securities and Exchange Act B.E. 2535 (1992) (as amended);
 - (b) The license of the external auditor(s) is not valid under the professional accounting laws;
 - (c) The external auditor(s) commits a misconduct, violates or fails to comply with the rules and ethics of professional auditors in a material manner and is suspended from practicing or de-licensed under the professional accounting laws; or
 - (d) The Federation of Accounting Professions Committee considers the behavior of the external auditor(s) to be damaging to the honor of the accounting profession.
- (6) To consider connected transactions or transactions that may lead to a conflict of interest to ensure that those transactions are in compliance with the laws and regulations of the SET, are justifiable, and are transacted in the best interest of the Company;
- (7) To prepare the Audit Committee's report and disclose the same in the Company's annual report where the Audit Committee's report must be signed by the Chairman of the Audit Committee and must consist of at least the following information:
 - (a) An opinion on the accuracy, the completeness, and the creditability of the Company's financial report;
 - (b) An opinion on the adequacy of the Company's internal control system;
 - (c) An opinion on the compliance with the securities and exchange laws, the regulations of the SET, or the laws relevant to the Company's businesses;
 - (d) An opinion on the suitability of the external auditor(s);
 - (e) An opinion on the transactions that may lead to a conflict of interest;
 - (f) The number of the Audit Committee's meetings, and the meeting attendance by each member;
 - (g) An opinion or overview observation the Audit Committee has obtained from performing duties under the scope of the Audit Committee Charter;
 - (h) Other transactions which, according to the Audit Committee's opinion, should be made known to the shareholders and general investors, and are in the scope of the duties and responsibilities assigned by the Board of Directors;
- (8) To perform any other duties as assigned by the Board of Directors as the Audit Committee may agree.
- (9) For the purpose of considering and advising on the various operations of the Company, the Audit Committee may seek independent opinions from other professional consultants and the Company is responsible for the expenses incurred , If any;
- (10) The Audit Committee is responsible for assessing the adequacy and effectiveness of the antifraudulent risk policy and the risk management measures in countering fraud. The main functions of risk management are as follows:
 - (a) Review the internal audit plan of the Internal Audit Office to determine if the internal controls cover the implementation of Anti-Fraud & Corruption Policy and other related policies which may be

exposed to fraudulent business practices;

- (b) Acknowledge reports of fraudulent incidents during regular scheduled periods. Contents should provide detailed information on fraudulent risk management and fraudulent incidents. For serious fraudulent incidents, the report should cover results of the investigations, measures taken and penalties, if any;
- (c) Consult with the external auditor in the event of a significant fraud;
- (11) If the Board of Directors or executives should fail to rectify within the period that the Audit Committee deems appropriate, any member of the Audit Committee may report such transaction or act to the SEC Office or the SET;
- (12) To review and provide an opinion on the internal audit plan and the performance of the Internal Audit Office;
- (13) The Audit Committee has the authority to invite the relevant Management, executives, or employees to provide their opinions, attend meetings, or submit any relevant and necessary documents; and
- (14) To review and update the Audit Committee Charter and present the same to the Board of Directors for consideration and approval;

THE NOMINATION AND REMUNERATION COMMITTEE

As of 31 December 2018, the structure of the Nomination and Remuneration Committee consisted of 4 Independent Directors.

1)	Mr. Chaiwat Atsawintarangkun	Chairman of Nomination and Remuneration Committee
2)	Mr. Rungson Sriworasat	Nomination and Remuneration Committee
3)	Mr. Plakorn Wanglee	Nomination and Remuneration Committee
4)	Mr. Paisal Tarasansombat ^{1/}	Nomination and Remuneration Committee

Note:

^{1/} On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee. The Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanachariya who have resigned from the Company's director and Executive director.

DUTIES AND AUTHORITIES OF THE NOMINATION AND REMUNERATION COMMITTEE

- (1) To consider and provide an opinion on the Board of Directors' structure, such as the appropriate size and composition of the Board of Directors, taking into consideration the Company's size and business strategy in comparison with the current size and composition of the Board of Directors as well as to review the independency of each independent director, for the adjustment of the Board of Directors' structure to correspond with the Company's strategy;
- (2) To determine the criteria and process in selecting a person for the position of director, by considering:
 - Qualifications of a director which correspond with the Company's business strategy, structure, size and composition of the Board of Directors as determined by the Board of Directors, including the diversity in the structure (Board Diversity) and other qualifications being required and inadequate in the Board of Directors (Board Skill Matrix);
 - The appropriateness of their knowledge, experience, expertise and time availability as well as other requirements as stipulated by the laws or regulations of the government authorities;
- (3) To select candidates for the position of director(s) of the Company from the recommendation of other directors, nominations by the shareholders of the Company, the service of external professional search firms, or the directors' pools of various agencies, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate. This includes vacant or expired terms of office for the positions of Chairman of Nomination and Remuneration Committee, Chairman of Executive Committee and Chief Executive Officer. In case of required appointment of new directors to be in line with the structure of the Board of Directors, the Nomination and Remuneration Committee shall nominate new directors to the Board of Directors and the Company will propose to the shareholders' meeting to approve the appointment;
- (4) To select the senior executives (i.e. Chairman of the Executive Committee, Chief Executive Officer) who shall have at least the following qualifications:

- Possessing all qualifications under the securities and exchange law, rules and regulations of the Company and relevant supervisory agencies and the good corporate governance of the Company; and
 - Possessing the qualifications which are appropriate and in accordance with the business strategy of the Company, as well as having vision for managing big-size organisation, leadership skill, appropriate knowledge, experience, expertise and ability to contribute and dedicate time for the Company's business affairs both in the domestic and international levels as the senior executives of the Company;
- (5) To consider the structure, amount, form and criteria for all types of appropriate remuneration (monetary and non-monetary) for the Chairman of the Board of Directors, directors and members of the sub-n committees, taking into account the remuneration of other companies in the same industry and other listed companies on the SET in the same range of market capitalisation. This is in order to motivate and maintain the valuable directors with the Company and to propose to the Board of Directors for approval and to further propose to the shareholders' meeting for consideration and approval;
 - (6) To consider the performance evaluation criteria of the Chairman of the Executive Committee and the Chief Executive Officer and propose the result of such evaluation to the Board of Directors for approval, to propose the structure, amount and form of remuneration of the Chairman of the Executive Committee and the Chief Executive Officer, both short-term and long-term remuneration, in correspondence with the result of the performance evaluation to the Board of Directors for approval, as well as determining and governing the performance evaluation, remuneration mechanism and welfare for all employees pursuant to the remuneration structure as determined by the Board of Directors;
 - 7) To prepare the director development plan in order to develop the knowledge of the existing directors and the new directors to understand the business of the Company, the roles and duties of the directors, and other significant developments, including determining a guideline for new director orientations;

- 8) To prepare and review the succession plan in order to determine the succession procedure for the positions of Chairman of the Executive Committee, Chief Executive Officer and other senior executive positions in the organization and present to the Board of Directors every year;
- 9) To consider the appropriateness and conditions for offering new shares, warrants, or other securities to the directors and employees as motivation for the directors and employees to perform their duties and build long-term shareholder value, as well as retaining qualified personnel with the Company, whereas such conditions must be fair to the shareholders;
- (10) To perform any other acts in relation to the nomination and determination of remuneration as assigned by the Board of Directors and to perform any other acts as stipulated by the laws or regulations of the government authorities;
- (11) To conduct an evaluation of the performance of the Nomination and Remuneration Committee on an annual basis and report the evaluation results to the Board of Directors;
- (12) To report its performance of duties to the Board of Directors and determination of remuneration and report in annual report;
- (13) To review and update the Nomination and Remuneration Committee Charter and present to the Board of Directors for consideration and approval;

THE EXECUTIVE COMMITTEE

As of 31 December 2018, the structure of the Executive Committee consisted of 5 members as follows:

- | | |
|---|--|
| 1) 1) Mr. Surajit Gongvatana ¹⁽²⁾ | Chairman of Executive Director Committee |
| 2) Ms. Piyaporn Phanachet | Executive Director |
| 3) Mr. Veerapong Rodjanawarodom ^{2/} | Executive Director |
| 4) Mr. Sayam Siwarapornskul ^{2/} | Executive Director |
| 5) Ms. Soraya Satiangoset ^{2/} | Executive Director |

Note:

^{1/}On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee.

^{2/}On 15 June 2018, The Board of Directors appointed 4 new Executive committee members consisted of 1) Mr. Surajit Gongvatana 2) Mr. Veerapong Rodjanawarodom

3) Ms. Soraya Satiangoset and 4) Mr. Sayam Siwarapornskul

DUTIES AND AUTHORITIES OF THE EXECUTIVE COMMITTEE

- (1) To determine business policy, vision, mission, values, strategy and goals, including the management structure, to correspond with the economy and competitive environment.
- (2) To prepare a business plan, budget, set the management authorities of the Company and to propose the same for consideration and approval by the Board of Directors;
- (3) To govern, review and monitor the Company's performance result in compliance with the policy and in order to ensure that the Company's performance result is efficient and effective;
- (4) To monitor the performance of the Company's and subsidiaries' projects to be in accordance with the approved business plan;
- (5) To manage the overall risk of the organisation, to evaluate such risk and plan the Company's risk management structure and to monitor and control key risks and any conditions that may have a material impact on the business operations of the Company;
- (6) To authorise the execution or termination of any contracts (which have not been included in the approved annual budget) relating to normal business operations or supporting the normal business of the Company and / or subsidiaries in the country and abroad where the aggregate value of each contract does not exceed THB100 per transaction or not exceed THB 500 million per year;
- (7) To authorise approval for the investment and the transactions related to the acquisition or lease of assets in abroad to the extent approved by the Board of Directors which includes entering and terminating the relevant contract and the establishment of a subsidiary (Only with a registered capital of not more than THB 5 million), in order to successfully complete the investment and transactions;
- (8) To have the authority to approve transactions between the Company and / or subsidiaries with Directors, Executives or related party which is a normal trade transaction agreement with a general contractor in the same situation with the bargaining power of trade without influence in the status of being a Director, an Executive or a related party. However, only those that are related transactions, type (a) normal business transactions and general commercial conditions or (b) normal business support transactions with general commercial conditions;
- (9) To approve opening or closing deposit accounts and financial services including determining the authority to pay for the company's bank account And / or subsidiaries with financial institutions;
- (10) To have the authority to approve coordination and registration with government agencies such as land allocation Land surveying Land consolidation and separation Requesting construction permission etc.

- (11) To appoint the working group to assist the Executive Committee in performing their duties as well as to appoint the independent expert consultants for providing advice and assistance for the performance of duties by the Executive Committee;
- (12) Having the power to authorize one person or many persons to perform any other acts as stipulated by laws or regulations of the authorities, which the Executive Committee may cancel, revoke, change or amend the authorized person or delegate such authority as reasonably;
- (13) To perform other tasks as assigned by the Board of Directors and/or the shareholders' meeting;
- (14) To conduct an evaluation of the performance of the Executive Committee on an annual basis and report the evaluation result to the Board of Directors; and
- (15) To report their performance to the Board of Directors.

The Board of Directors has delegated the authority to the Executive Committee to whatever operations fall within the duties and authorities of the Executive Committee. This said delegation is not in form of the delegation or sub-delegation, which involves cases when the Executive Committee or persons assigned by the Executive Committee can approve transactions with an interest in or a conflict of interest (as defined by a notification of the Office of the Securities and Exchange Commission and/or the Stock Exchange of Thailand) with the Company or its subsidiaries.

INVESTMENT COMMITTEE

As of 31 December 2018, the structure of Investment Committee comprising 2 members from management of the Company as follows:

- | | |
|-----------------------------|---|
| 1) Mr. Sayam Siwarapornskul | Director, Executive Director,
Chief Legal Officer and
Company Secretary |
| 2) Ms. Pakamas Sirianuwat | Finance Director |

DUTIES AND AUTHORITIES OF THE INVESTMENT COMMITTEE

- (1) To consider and make investment decisions, including to determine the period of investment under the investment policies and principles approved by the Board of Directors' Meeting of the Company by taking into account risk management, prevention of conflicts of interests, and the relevant notifications and regulations;
- (2) To convene a meeting at least once a month, whereby the constitution of the quorum of such meeting requires no less than one-half of the total number of members to attend the

- meeting, in order to determine the management of the investment fund, as well as to inspect and review the investment to be in line with the current situation;
- 3) To be authorized to carry out and execute documentation regarding securities trading, as well as to appoint other persons to order the purchase or sale of the securities

under the investment policies and principles delegated by the Investment Committee; and

- 4) To report the summary of investment to the Board of Directors from time to time, as deemed appropriate;

Summary of Directors held the position in Board of Directors and Sub-Committee as of 31 December 2018

Name	Director	Audit Committee	Independent Director	Nomination and Remuneration Committee	The Executive Committee	Authorized Director
1) Mr. Keeree Kanjanapas	✓					✓
2) Mr. Rungson Sriworasat	✓	✓	✓	✓		
3) Mr. Chaiwat Atsawintarangkun	✓	✓	✓	✓		
4) Mr. Plakorn Wanglee	✓	✓	✓	✓		
5) Mr. Paisal Tarasansombat	✓	✓	✓	✓		
6) Mr. Surajit Gongvatana	✓				✓	✓
7) Mr. Kavin Kanjanapas	✓					✓
8) Mr. Kong Chi Keung	✓					✓
9) Ms. Piyaporn Phanachet	✓				✓	✓
10) Mr. Sayam Siwarapornskul	✓				✓	✓

Meeting of Board of Directors

During the year 2018, the Board of Directors held 8 meetings with details as follows:

Name	The Board of Directors Meeting	The Board of Audit Committee	The Board of Nomination and Remuneration Committee
1. Mr. Keeree Kanjanapas	8/8		
2. Mr. Rungson Sriworasat	6/8	7/7	3/3
3. Mr. Chaiwat Atsawintarangkun	7/8	7/7	3/3
4. Mr. Voraphot Chanyakomol ¹⁾	1/8		
5. Mr. Burin Pusiri ²⁾	1/8		
6. Mr. Plakorn Wanglee	8/8	7/7	3/3

7. Mr. Paisal Tarasansombat	4/8	4/7	-
8. Mr. Surajit Gongvatana ³⁾	8/8	3/7	2/3
9. Mr. Kavin Kanjanapas	8/8		
10. Mr. Kong Chi Keung	8/8		
11. Mr. Weerawat Wattanatchariya ³⁾	3/8		
12. Ms. Piyaporn Phanachet ¹⁾	7/8		
13. Mr. Sayam Siwarapornskul ²⁾	6/8		

Note:

¹⁾ On 14 February 2018, the Board of Director appointed Ms. Piyaporn Phanachet as the Company's director in replacement of Mr. Voraphot Chanyakomol.

²⁾ On 21 March 2018, 5) Mr. Burin Pusiri has resigned from the Board of Directors of the Company and Executive Director. The Nomination and Remuneration committees proposed Mr. Sayam Siwarapornskul and the resolution of Annual General Meeting of Shareholders Year 2018 hold on 30 April 2018 appointed Mr. Sayam Siwarapornskul as the Company's director.

³⁾ On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee. And the Board of Director appointed Mr. Paisal Tarasansombat as the Company's director in replacement of Mr. Surajit Gongvatana.

THE EXECUTIVE MANAGEMENT

As of 31 December 2018, the structure of the Executive Management comprising the following members.

- | | |
|--|---|
| 1) Ms. Piyaporn Phanachet | Chief Executive Officer |
| 2) Mr. Veerapong Rodjanawarodom | Chief Operating Officer |
| 3) Ms. Soraya Satiangoset ¹⁾ | Chief Financial Officer |
| 4) Mr. Sayam Siwarapornskul | Chief Legal Officer and Company's Secretary |
| 5) Ms. Nuttapun Giramethakul ²⁾ | Vice President, Accounting Department |
| 6) Ms. Lapika Sasanavin ²⁾ | Vice President, Investment Department |

note

¹⁾ On 1 March 2018, the Company appointed Ms. Soraya Satiangoset as Chief Financial Officer in replacement of Mr. Voraphot Chanyakomol.

²⁾ On 15 June 2018, the Company adjusted the organization of the Company which resulted in the change of the first 4 executive positions of the Company with the effective from 16 June 2018.

DUTIES AND AUTHORITIES OF CHIEF EXECUTIVE OFFICER

- (1) 1) To be in charge of the day-to-day business operations of the Company, supervise and manage the works and operations of the Company to comply with the policy, vision,

mission, values, strategy and goals, both in terms of monetary and non-monetary, as well as the business plan and financial budget as approved by the Board of Directors and/or the Executive Committee;

- (2) To issue internal order, policy, announcement and memo of the Company in order to ensure that the operations of the Company are in compliance with the policy and the interest of the Company, including to maintain the organisational disciplinary;
- (3) To perform other tasks as assigned by the Board of Directors and/or the Executive Committee and to perform any other acts as stipulated by laws or regulations of the authorities;
- (4) To delegate one or more persons to perform any task on his behalf. However, such delegation shall not be the authorisation that allows any designated person, who has a conflict of interests or a conflict of any kinds with the Company or its subsidiaries, to approve such transaction; and
- (5) Nonetheless, the power of the Chief Executive Officer shall not allow him to approve a transaction that he or his related person(s) is in conflict of interests or conflict of any kinds with the Company or its subsidiaries.

DUTIES AND RESPONSIBILITIES OF THE EXECUTIVES

- (1) To efficiently and effectively manage the business operations in accordance with the Company's policies, direction, strategy and operational structure;
- (2) To prepare the business plan, budget, and management authorities of the Company for the Executive Committee's approval and / or the Board of Directors approval;
- (3) To manage the Company's business operations to be in line with the business plan and the budget as approved by the Executive Committee with loyalty, honesty, and due care in the best interest of the Company and the shareholders;

- (4) To regularly report the Company's performance results to the Executive Committee and / or the Board of Directors;
- (5) To supervise general business operations as provided under the Company's rules and regulations;
- (6) To consider and approve the Company and/or the subsidiary of the Company on any transaction at an amount not exceeding THB 10mn per transaction or not exceeding THB 100mn per year;
- (7) To consider and jointly approve with Chief Financial Officer and at least 1 of Chief Officer of the Company to do any transaction of the Company and/or the subsidiary of the Company at an amount not exceeding THB 50mn per transaction or not exceeding THB 200mn per year;

- (8) To perform other tasks as assigned by the Executive Committee and/or the Board of Directors.

REPORT OF SECURITIES HOLDING OF DIRECTORS AND EXECUTIVES

The Company has set the policy for directors and executives of the Company to report on changes in shareholding of "U", "U-P" and warrants "U-W1", "U-W4" to the board meeting quarterly by submitting a copy of the change of securities holding (Form 59-2) to Company's Secretary on the same day as the date on which the directors and executives have filed Form 59-2 and Company's Secretary shall summarize and submit report to the Board of Directors meeting quarterly.

Summary in Securities Holding of Directors and Executives as of 31 December 2018

Name	Position	Number of Securities Holding (Share / Unit)				
		Ordinary Share (U)	Preferred Share (U-P)	Shareholding (%)	Warrant (U-W1)	Warrant (U-W4)
1. Ms. Nuttapun Giramethakul	Vice President, Accounting Department	20	-	0.000	-	-

COMPANY SECRETARY

Mr. Sayam Siwarapornskul was appointed to be the Company's Secretary on 21 September 2016 to present. The duty of the Company's secretary is to facilitate the Company's business management to effectively comply with the principal of Good Corporate Governance. The main duties and responsibilities are as follows:

- 1) To perform duties with responsibility, care and honesty in accordance with legal and other relevant regulations;
- 2) To provide advice to the Directors as regards the laws and regulations in relation to good corporate governance;
- 3) To organise the Board of Directors' meetings, sub-committees' meeting and shareholders' meetings in accordance with the applicable laws and regulations, including ensuring that such resolutions are fully complied with;

- 4) To prepare and keep a register of directors, invitations to the Board of Directors' meetings, minutes of the Board of Directors' meetings, invitations to the shareholders' meetings, and minutes of the shareholders' meetings;
- 5) To conduct any other affairs of the Board of Directors;
- 6) To maintain a transaction report, reported by directors or executives;
- 7) To keep a copy of the reports on the change of securities holding of the directors or the executives;
- 8) To ensure that information is disclosed in accordance with the regulations of the SET, the SEC Office, and other relevant authorities, as well as the principles of good corporate governance.

4.2 GOVERNING RELATIONSHIP WITH SUBSIDIARIES AND ASSOCIATED COMPANIES

OVERSEEING MECHANISM

The Company, as the parent company, is responsible for governing and overseeing the business operations of the companies within the Group, sets out governing policies and standards, defines directions and business goals for the Group, as well as follow up on the implementation and compliance thereof on a regular basis. In this regard, the Board of Directors has the authority to define the overall directions, business model, strategies, business plans, and financial budgets, as well as resources allocation, which are applied to the Group on a consolidated basis. The Board of Directors also makes decisions on matters which are of major significance to the Group, for example, investment or divestment, asset acquisition or disposal, business joint venture or termination thereof.

INVESTMENT POLICIES IN THE COMPANY'S SUBSIDIARIES AND ASSOCIATED COMPANIES

The investment policies in the Company's subsidiaries and associated companies are as follows:

Investment Policy in Subsidiaries

The Company has a policy to invest in businesses that support or align with the core businesses of the Company, as well as maximise operational efficiency and increase flexibility for growth.

The Company will define business policies, directions and business goals that the Company considers to be conducive to the achievement of the Group's corporate objectives and long-term goals for the subsidiaries through (i) the subsidiaries' general meeting of shareholders, where the Chief Executive Officer or any person authorised by the Company to attend such general meeting of shareholders shall vote in accordance with the instructions of the Company; and (ii) the subsidiaries' board of directors, by nominating the Company's executive directors or senior executives or any persons designated by the Board of Directors as the Company's representatives to take the positions in the subsidiaries' board of directors (or management), in order to set the strategies, business plans, and financial

budgets, as well as follow up on the subsidiaries' performance. The Company's representatives shall be appointed by the Board of Directors or the Executive Committee (as the case maybe).

The Company's representative shall perform his or her duties in the capacity as the subsidiaries' director (or executive) in a responsible manner. The Company's representative shall oversee and monitor the subsidiaries' business operations to be in compliance with the relevant laws and regulations, as well as this Corporate Governance Policy and Code of Business Conduct and the Policy on Delegation of Authority and exercise his or her discretion in decision-making of any matters for the interest of the subsidiaries and in line with the Company's policies. The Company's representative shall report the subsidiaries' financial status and performance and propose any matters which are of major significance to the subsidiaries, to the Board of Directors or the Executive Committee (as the case may be).

Investment Policy in Associated Companies

The Company's policy is to invest not less than 25 percent in associated companies with business partners and/or companies having expertise in a particular area in order to supplement the core businesses of the Company unless there are appropriate or reasonable grounds to invest less than 25 percent.

The Company shall review and monitor the associated companies' performance, as well as actively pursue the associated companies to comply with the principles of good corporate governance and business ethics that are in line with the Company or the international recognised standards. In this regard, the Company shall nominate the Company's executive directors or senior executives or any persons designated by the Board of Directors as the Company's representatives to take the positions in the associated companies' board of directors. The Company's representatives shall be appointed by the Chief Executive Officer, except in the case of associated companies in which the Company has a significant but non-controlling shareholding, the Board of Directors or the Executive Committee (as the case may be) shall appoint the Company's representatives to take the positions in such associated companies' board of directors. In addition, the Company may enter into a shareholders' agreement or any other agreements in order to define the management framework and the participation in the decision-making of any matters that are of major significance to the associated companies, as well as to ensure that the investments in such

associated companies will generate returns and are for the best interest of the Company.

The Company's representative shall perform his or her duties in the capacity as the associated companies' director in a responsible manner for the interest of the associated companies and in line with the Group's policies. The Company's representative shall report the associated companies' financial status and performance, and propose any matters which are of major significance to the associated companies, to the Board of Directors or the Executive Committee (as the case may be) for consideration. The Company's representative shall manage any potential conflict of interest between the Company and the associated companies in an appropriate manner (at arm's length basis), and ensure that the resolutions of the board of directors' meetings are complete and duly documented, including any minority dissents or considerations.

Agreement between the Company and other shareholders in management of subsidiaries and joint venture

The Company has joint investment with Hua-Hin Resources Company Limited, a subsidiary of Minor International Public Company Limited, for management and development of Anantara Services Suite Project. Presently, the joint venture company named "MHG NPARK DEVELOPMENT COMPANY LIMITED" has been established for developing and operating this project.

In addition, the Company has entered into an agreement with Fortune Hand Ventures Limited to jointly invest in the management and development of international schools through Keystone Management Company Limited and has an agreement with Gold Diamond Holding Limited to jointly invest in land holdings on Bangna-Trad Road (Some parts of the said land used as the location of the international school project) through Key Stone Estate Company Limited.

4.3 CORPORATE GOVERNANCE POLICY

The Board of Directors has emphasize the importance of Good Corporate Governance which is considered to support and promote the sustainable development of the Company's business. Therefore, the Company has determined the structure of management governance system in accordance with the principles of good corporate governance contain with shareholders meeting, board of directors, sub-committees, Chief Executive Officer and management committee with responsibility and clearly defines the separation of power, duties and responsibilities of the key governing bodies, as well as creating a balances mechanism, in order to ensure transparency and verifiability, and respecting the equality of shareholders and have responsibility to all groups of stakeholders which is an important factor in maximizing the value and maximum return to the shareholders of the Company in the long term as well as enabling the Company has an effective management system which is considered an important factor in driving the Company's business expansion and secure the confidence of shareholders, investors, and related parties.

The Company has established the "Good Corporate Governance Policy" in written base one the principles of good corporate governance of the SET, the SEC and the recommendations of the Thai Institute of Directors for the Group's personnel, including directors, executives and employees of the Company to acknowledge and strictly adhere to as well as the dissemination of the full corporate governance policy via the Company's website. In addition, the Company has also provided anti-corruption measures in order to show the intention of the Company to conduct business with integrity, transparency and fairness.

As a result of the Company's continuing determination and priority to develop the Company's operation in accordance with the principles of good corporate governance, focusing on organisational development through good management and corporate governance systems in 5 areas, i.e., rights of shareholders, equitable treatment of shareholders, roles of stakeholders, disclosure and transparency, and board responsibilities, the Company received the following assessment results and awards in the previous year as follows:

Result of the Annual General Meeting of Shareholders (AGM) Quality Assessment Conducted by Thai Investors Association (TIA): This assessment aims to evaluate the quality of the

annual general meeting of shareholders held by listed companies based on what the listed companies should do before the meeting, on the day of the meeting, and after the meeting. Because the Company has given importance and has striven to improve the quality of the organisation of the annual general meeting of shareholders continuously and regularly, the Company received 98 out of 100 scores for the quality of the 2017 Annual General Meeting of Shareholders.

Result of the Corporate Governance Report of Thai Listed Companies Conducted by Thai Institute of Directors (IOD): The Company was ranked in the 4-star group (assessment scores of 80%-89%) of the 620 companies. This is the second consecutive year that the since 2017, which is an affirmation that the Company has stood by its principles of good corporate governance for the sustainable development of the organisation.

Corporate Governance Policy of the Company covers the following major aspects.

- To Treat all shareholders and stakeholders Equally And fair to all parties
- The Board of Directors has a commitment on long-term value added to the business, managing the business prudently and carefully, responsibly performing duties with sufficient ability and efficiency in order to maximise benefit to shareholders, control conflict of interests.
- To conduct business ethically with integrity, with transparency and adequately disclose information to all related parties.
- To conduct business prudently with adequate risk management policies by assessing and establishing strategies and instruments that continuously monitor risk appropriately and consistently.
- The Board of Directors has established the business ethics of the Company in order for the directors, management and all employees to comply. As well as in accordance with the guidelines of the Stock Exchange of Thailand. Therefore, the Board of Directors has established policies and directions for good corporate governance of the Company that include an internal control and audit system to monitor ensure that they effectively implement the policies for the long term benefit of shareholders.
- To promote and encourage all directors and

managements participate in training programs held by Thai Institute of Directors Association (IOD) and other institutes offering related programs to continuously improve and refresh knowledge about roles and responsibilities of directors and executives.

In order to emphasize the intention of the Company in promoting good corporate governance. On 18 December 2015, the Company announced its intention to join Thailand's Private Sector Collective Action Coalition Against Corruption: CAC. And later on 18 August 2017, the Company was certified as a member of the Thai Private Sector Collective Action Coalition Against Corruption which reflects the clear guidelines of the Company in the determination to continue to fully fight against the corruption

Corporate Governance Policy of the Company covers the principles of good corporate governance, divided into 5 aspects as follows:

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

Further details are published on the Company's website at: www.ucity.co.th

Section 1 Rights of Shareholders

The Company places emphasis on the rights of shareholders as the owners of the Company. All shareholders, whether retail investors or institutional investors, are encouraged to exercise their fundamental rights, e.g., trading or transferring of shares, sharing of profits, receiving adequate information, whether via the Company's website, the SET's website or through other channels, attending shareholders' meetings to acknowledge the Company's annual performance, and casting votes at the shareholders' meetings to approve significant matters as specified by laws, such as the appointment or removal of directors, the determination of directors' remuneration, the appointment of auditor and the determination of audit fee, the dividend payment or suspension of dividend payment, and the capital increase and the issuance of new securities, including making enquiries or comments on matters that the Board of Directors presents to or requests for approval at the shareholders' meetings.

• Invitations and Facilities for Shareholders

To protect rights of all shareholders equally and do not restrict rights to access to shareholders' information and, either Thai shareholders or foreign shareholders, the Company prepares and provides the invitation to shareholders' meeting and supporting documents, both Thai and English version, and engages Thailand Securities Depository Co., Ltd., its securities registrar, to undertake the delivery of the invitation thereof to all shareholders. The invitation will provide adequate information regarding the place, date and time of the meeting, meeting agenda, objectives and rationale of each agenda item together with the opinion of the Board of Directors, number of votes required for each agenda item, and other supporting documents. This is to allow the shareholders to have sufficient time to study the documents beforehand. There will be no hidden agenda items or addition of other agenda items that are not stated in the invitation, except for urgent matters. Besides, the Company will also publicise the invitation together with the supporting documents on the Company's website and allows the shareholders to submit their inquiries at least 30 days in advance and make an announcement of the same in the newspaper for 3 consecutive days, at least 3 days prior to the meeting date.

Moreover, the Company will arrange the shareholders' meeting at the appropriate venue that can accommodate all shareholders, having a good security system and being conveniently accessible for shareholders. The Company uses the barcode system for the registration and vote count to enhance transparency and provide convenience to the shareholders. The registration opens at least two hours prior to the meeting. In addition, the Company arranges for its officers to welcome and provide convenience and also sets up an Investor Relations desk where investor relations officers who have the knowledge and expertise in giving information will answer shareholders' questions in relation to the Company's businesses. The Company also provides stamp duties for attendees by proxy. To provide convenience to the shareholders who are institutional investors and the shareholders who hold shares through custodians, the Company gives an opportunity to such shareholders to verify their names, information, and supporting documents before the meeting date to reduce the time and procedures for verifying information and documents on the meeting date.

In addition, for the shareholders' meeting in 2018, the

Company held 1 shareholders meeting which is the Annual General Meeting of Shareholders 2018 on 30 April 2018 to allow shareholders to consider and vote in various issues of the Company as required by law. The Company sent the meeting invitation letter, proxy and related documents to all shareholder as shown in closing registration book in advance at least 7 days or 14 days (in some case) prior to the meeting to allow shareholders to have sufficient time to study the information beforehand. This is to comply with Section 225 of the Securities and Exchange Act B.E. 2535 (1992) (as amended) and the Company has disseminated the information of the meeting on the Company's website at www.ucity.co.th. in advance prior to the meeting to allow shareholders to have sufficient time to study the information beforehand.

- **Shareholders' Meetings**

The Company must hold an annual general meeting of shareholders within 4 months from the end of the Company's fiscal year. Other shareholders' meetings, i.e., extraordinary general meetings of shareholders, are to be called when it is deemed necessary and appropriate. The Company has set up a Company Secretary Office to ensure that the shareholders' meetings are held as required by law and in accordance with the principles of good corporate governance. In the shareholders' meetings, the Company will arrange for a legal advisor to attend the meeting to provide legal advice and witness the vote count throughout the meeting and give the minority shareholders an opportunity to nominate a representative to witness the vote count. In the case where an agenda item of the meeting concerns a transaction that is complicated and significant to the decision making of the shareholders' meetings, the Company will also arrange for a financial advisor as well as a legal advisor to provide answers and explanations at the meeting. As for the annual general meeting of shareholders where financial statements will be considered for approval, the Company will arrange for its auditor to be present at such meeting every time. In addition, the Company encourages all directors, members of the sub-committees, senior executives and company secretary to attend the every shareholders' meeting, except in case of necessity or emergency.

- **Procedures of the Shareholders' Meetings**

The Company has adopted the following procedures as its practices of good corporate governance. Prior to the commencement

of the shareholders' meeting, the secretary to the meeting will introduce to the shareholder's meeting the members of the Board of Directors, the executives, and the Company's auditor and legal advisor, who are present. The secretary to the meeting will also inform the shareholders' meeting about the voting procedures and the vote count method in the meeting. After providing information in each agenda item, the chairman of the meeting will grant equal opportunities to all attendees to make their comments or enquiries relevant to the agenda item. The enquiries will be answered and adequate time will be given for discussion as appropriate. As for the agenda item on the appointment of directors, the shareholders will cast their votes to appoint each director individually. In addition, in order to promote compliance with the principles of good corporate governance, a director who is due to retire by rotation and is nominated for election as director of the Company for another term will leave the meeting room temporarily during the consideration of such agenda item.

The Company arranges for minutes of meetings to be recorded correctly and completely so that the shareholders can inspect the same. Resolutions of the meeting are to be clearly recorded with details of the quorum; the list of present directors, executives, and advisors; the vote count method; the witness(es) to the vote count; the voting results, i.e., approvals, disapprovals, and abstentions. Furthermore, comments, suggestions, questions, and answers which are significant and relevant to each agenda item will be recorded in the minutes. The Company will report a summary on significant meeting resolutions through the SET's website within the meeting date or no later than 9.00 a.m. of the following business day. The minutes of the shareholders' meeting will be submitted to the SET within 14 days from the meeting date and publicised on the Company's website.

Section 2 Equitable Treatment of Shareholders

The Company shall treat each and every one equally, whether they are minority shareholders, major shareholders or institutional investors.

- **Access to Information**

The Company favors no particular group of shareholders. All disclosed information is accessible to the shareholders and the public equally through the channels of the Stock Exchange

of Thailand or the Company's website at www.ucity.co.th, or through Investor Relations at telephone no. +66 (0) 2-273-8838 or email: ir@ucity.co.th

The Company prohibits the directors, executives and employees of the Group, as well as other relevant persons who are in charge of or have access to inside information, from using inside information for the benefit of trading the securities of the Company, subsidiaries, and associated companies, and also forbid the disclosure of inside information to outsiders or nonrelevant persons before disclosing the same through the SET pursuant to the criteria and procedures specified in the policy on the protection of inside information.

- **Voting rights**

The Company determines shareholders of the Company to have the right to vote to express opinions equally as specified in the Company regulations. At the present, ordinary shareholders and preferred shareholders has the right to vote 1 share per 1 vote.

- **Proposing Agenda Items and Nominating Director Candidates**

The Company provides the shareholders an opportunity to exercise their rights to propose agenda items and/or nominate candidates to be elected as directors in advance in order to promote equitable treatment of shareholders. The shareholders are entitled to propose agenda items and/or nominate candidates to be elected as directors at the annual general meeting of shareholders in accordance with the criteria publicised on the Company's website. The Company will make an announcement of the same through the SET's website. In this regard, the shareholders who have the following qualifications are entitled to nominate candidates to be elected as directors at the annual general meeting of shareholders: (1) being the shareholder(s) of the Company, individually or collectively, holding shares not less than 5% of the total voting rights of the Company; or (2) being the shareholder(s) of the Company, individually or collectively, holding shares not less than 3% of the total voting rights of the Company; whereby the shareholders shall continuously hold such shares for at least 6 months from the date of acquisition to the date of nominating candidates to be elected as directors.

In the year 2018, the Company invited shareholders to

exercise their rights by proposing matters that are beneficial to the Company as the agenda of the Annual General Meeting of Shareholders for 2018 and nominating candidates to be elected as director in advance in accordance with the criteria and mechanism set by the Company and published on the Company's website between 13 February to 12 March 2018 but no share

- **Rights to study the Company's information**

The Company never deprive the shareholders' rights to access to all disclosed information of the Company according to requirements and attending shareholders' meetings, such as distribution of documents that contain additional important information at the shareholders' meeting, adding agenda or change important information without notifying the shareholders or restrict the right to attend meetings of shareholders who come late etc.

The Company disclosed all information of business transactions correspond to relevant laws and disclose to the shareholders and the public equally through different disclosure channels and medium of the SET, as well as the Company's website at www.ucity.co.th

- **Appointment of Proxies**

To protect the rights of the shareholders who cannot attend the shareholders' meeting in person, the Company encloses a proxy form (Form B) to the invitation together with the list of documents and evidence required for the appointment of a proxy. The shareholders may appoint his/her representative or the independent director of the Company as his/her proxy to attend the meeting and cast votes on his/her behalf. The Company will provide in the invitation at least the name of one independent director whom a shareholder can appoint as his/her proxy. In addition, the shareholders of the Company can download Proxy Form A and Form B from the Company's website and proposing a list of independent directors of the Company at least 1 person, allowing shareholders to appoint a proxy to attend the meeting. The Company also provide stamp duty for those attending the meeting by proxy for the shareholders.

Section 3 Roles of Stakeholders

The Company pays close attention to equitable treatment of the rights of all groups of stakeholders who are related to

business operation of the Company. The Board of Directors is aware of the rights and appropriate treatment of stakeholders in compliance with relevant rights, conditions, laws, and regulations and has consequently set the following policies:

Shareholders : The Company shall operate the business in the manner that creates the most value and benefit to shareholders by considering the Company's long-term direction, operating transparently and disclosing reliable information.

Employees : The Company places emphasis on the importance of employees as they support the Company's plans and enable the Company to meet its targets. Therefore, the Company maintains a policy to treat its employees decently and equally as follows:

1. The Company shall adhere to the principle of fair and just compensation that is suitable and satisfactory. The Company therefore offers fixed compensation rates in compliance with the law and taking into account comparable compensation rates, cost of living and economic conditions.
2. The Company shall protect human dignity, rights and freedoms of persons by operating the Company's business in a manner that does not violate human rights and protects the personal information and privacy of its employees. Every employee is to be treated equally, given an opportunity to lodge complaints in written format to persons responsible.
3. Offer working hours, holidays, annual leave and compensation for overtime work according to applicable laws and regulations.
4. The Company shall not hire or benefit from businesses or partners who treats its labor inequitably, unethically and without integrity.
5. The Company arranges various welfare

schemes to employees as prescribed by the law, such as social security and welfare for employees' medical care.

Executives : The Company pays close attention to executives are persons who have a significant role in establishing the Company's strategies and business plans, execution of the Company's business in compliance with business outline, direction and target set by the Board of Directors. Therefore, the Company offers appropriate remuneration that incentivises executives to meet them

Business Partner : The Company places emphasis the importance of the Company's partners in supporting and enhancing the Company's business operation. Therefore the Company shall treat its partners with respect, fairly, for the benefit of both sides and shall strictly follow the conditions set in business agreement between them.

Customers : The Company focus on providing services that treats customers with importance, priority and strives to maintain good relationships with customer continuously.

Competitors : The Company shall operate business competitively yet fairly. In its efforts to be efficient, develop and improve service quality, the Company shall not engage in policies that damage the competitor or act dishonestly.

Environment : The importance of environmental issues is not understated. The Company shall take steps that minimise or mitigate its environmental footprint such as saving electricity and water, and promote non-smoking in the work place.

Community/society : The Company engages in social activities to support and facilitate improving quality of life to people in our society and community. It shall promote and cultivate responsibility and social consciousness among all directors, executives and employees.

Government authorities and other related : The Company shall cooperate in complying with rules, regulations, provisions and laws concerning the business operation of

supervisory authorities: the Company. Its internal audit department reviews the Company's business operation's compliance and reports the result of its review to the committee for examination and potential adjustment annually.

Respect and non-violation of human rightsb : The Company shall respect a persons' individualism and human rights, such as equal treatment and consideration without discrimination on the grounds of race, religion, belief, gender, marital status, physical ability, education or position. It shall treat persons with dignity in line with the international norms and standards, such as policies and guidelines on sustainable management of human resources that offer protection of human rights and labor rights.

Respect and non-violation of human rights : The Company shall respect a persons' individualism and human rights, such as equal The Company shall respect a persons' individualism and human rights, such as equal treatment and consideration without discrimination on the grounds of race, religion, belief, gender, marital status, physical ability, education or position. It shall treat persons with dignity in line with the international norms and standards, such as policies and guidelines on sustainable management of human resources that offer protection of human rights and labor rights.

Non-infringement of intellectual property or copyright : The Company has established a policy against infringement on intellectual property or copy right by prohibiting all directors, executives and employees to install and use programs that violate copyright and be ready to be able to check to prevent computer software piracy.

In the event that a stakeholder wishes to report a complaint, suggestion or have any questions about the violation or ethics, inaccurate financial reports or defective internal control system. The Company has defined the main channels for reporting misconduct or complaints to the Audit Committee through the Secretary of Internal Audit Committee as follows:

- (1) Company website at <http://www.ucity.co.th/eng/index.php/corporate-governance/>

- (2) Comment box
- (3) Email of Audit Committee: Auditcommittee@ucity.co.th
- (4) Email of Internal Audit Department: InternalAudit@ucity.co.th
- (5) By Mail : Audit Committee

U City Public Company Limited
21 TST tower, Soi Choei Phuang,
Viphavadi-Rangsit Road,
Chomphon, Chatuchak, Bangkok 10900.

The information will be sent directly to the responsible person in this matter, which is the Chairman of the Audit Committee and head of the internal audit department to take the appropriate action will keep such information confidential.

In addition, the Company has set up a mechanism to protect whistleblowers, who monitored the interests of the Company which will not reduce the position, punish or give negative effects to employees who reject corruption although that action will make the Company lose the business opportunities.

Section 4 Disclosure and Transparency

The Company always discloses significant information, which affects the decision of shareholders and stakeholders such as financial information and non-financial information that is accurate, complete, in a timely manner in accordance with the regulations prescribed by the Stock Exchange of Thailand and the Securities Exchange Commission through the Stock Exchange of Thailand, print media, an annual information disclosure report (form 56-1) and the annual report and the website of the Company.

• Policy on Disclosure of Significant Information

The Company has a policy to disclose significant information to the public, namely the Company's objectives; the financial position and business performance; the organisation chart; the business organisation and shareholding structure of the Company; the Corporate Governance Policy and Code of Business Conduct; the duties and responsibilities of the Board of Directors and subcommittees; the responsibilities of the Board of Directors to prepare the financial report and the report of subcommittees; information on the meetings attendance of the directors and the members of the subcommittees; the criteria for determining the remuneration of the Board of Directors and

the executives, including the remuneration of each director; and other information having an impact on the Company's share price, investment decisions, or other rights and benefits of the shareholders pursuant to the notifications of the SET and relevant laws and regulations, including the disclosure of the Articles of Association, the Minutes of the Shareholders' Meetings, the Annual Registration Statement Disclosure Form (Form 56-1), report and business ethics and working practices of the Company, through different disclosure channels and medium of the SET, as well as the Company's website, so that the investors and other relevant parties, e.g., the shareholders and those who are interested to invest in the Company's shares in the future, can use the same to support their investment decisions.

- **Investor Relations**

The Board of Directors places high importance on the Investor Relations (IR) Department. The duty of the IR Department is to establish and maintain accurate, complete, and timely communications with the existing and potential investors of the Company in various forms, including Management Discussion and Analysis (MD&A) as well as the Company's presentation documents via the website of the Stock Exchange of Thailand and the Company website.

The Company website represents one of the key communications channels with the investment community. The website is the definitive source of information on the Group and has been designed based on Best Corporate Governance Practices. Its contents include live share price feeds, download versions of publications (including annual reports, Form 56-1, financial statements and MD&A etc.)

Section 5 Board Responsibilities

The duties and responsibilities of the Board of Directors include the determination of the Company's policy, vision, mission, values, strategy and goals. In addition, the Board of Directors also supervises and assesses the management and operation with an objective to increase shareholder value in the long run. In order to achieve this, the Board of Directors must ensure that its duties are carried out in compliance with the laws, objectives, and the Company's Articles of Association. Moreover, the Board of Directors and the managements must be mindful of corporate governance, conflicts of interest, code of conduct, and business ethics in order to fully effective administration. These principles were written in the corporate

governance policy and business ethics of the Company.

In addition, the Board of Directors has a duty to comply with the law, the Company objectives and regulations including any other duties of the directors as specified in the Act or any other law relating to the supervision of the Company.

In 2018, the Board of Directors' Meeting No. 2/2018 held on March 21, 2018, resolved to approve the strategy, the business plan and policies of the Company. In this regard, the Board of Directors reviewed the vision, mission, values, strategy, long-term goals and core businesses of the Company. In addition, the Board of Director place the focus to monitor the implementation of such strategy and business plan of the Company by taking into consideration the best interest of the Company and its shareholders.

- **Business Ethics**

The Company has established Code of Conduct which is strictly applicable to directors, executives and employees at all levels, regardless of whether the person has signed, acknowledged or not. The principles of business operation of the Company, honesty is very valuable to the success of the Company which affects advancement and profit of business as well as the reputation and goodness of the executives and employees with the following main policies:

- **Adherence to the Law**

The Company shall adhere to the rule of law in conducting its business. It is also the duty of directors, executives and employees to know the Company's regulations. Relevant laws and regulations, which affect or are relevant during work, shall be followed.

- **Being Transparent**

The Company's decisions and procedures must be transparent, free of corruption and disclosed to stakeholders. Simultaneously, laws, regulations and procedures relevant to the prevention of information leakage of trade secrets by any person or entity shall be applied.

- **Non-discrimination and Fair Treatment**

The Company is committed to treating its stakeholders with fairness and integrity in order to build good relationships during the course of business operations. The Company prohibits

discrimination against anyone, the unfair treatment through arbitrary judgments or personal relationships. The Company promotes equal opportunity without discrimination of race, nationality, religion or gender.

- **Focus on Customers**

The Company focuses on customer satisfaction and confidence in the course of developing real estate and providing efficient services. The Company is committed to meeting customers' needs and maintaining long-term relationships. The Company provides training and personal development opportunities for employees to assist them in performing their duties, as well as continuously improving their skills to provide the best service to customers.

- **Being Socially Responsible**

The Company is committed to sustainable growth and being socially responsible. The Company supports and shall contribute to the preservation of natural resources and the environment, minimising or mitigating its environmental footprint. The Company believes that doing business in an environmentally and socially responsible manner is an important contributor to sustainable development of communities and countries that we operate in

- **Anti-Corruption Policy**

The Company has an Anti-Corruption Policy for all personnel in the organisation, adherent to the laws of Thailand and is committed to combating corruption and bribery to promote business or personal interests. On 18 December 2017, the Thai CAC has approved the Company as a member of Thailand's Private Sector Collective Action Coalition Against Corruption. In addition, the Company has added reinforced its Code of Business Ethics and Code of Conduct for Directors, management and staff to perform their duties with transparency, honesty and integrity according to good corporate governance practices.

Further details about anti-corruption measures (Complete version) can be obtained from the Business Ethics Guide and Working Code of Conduct on the Company's website at www.ucity.co.th.

The Company requires all personnel of the Company to acknowledge, understand and comply with anti-corruption and good corporate governance policies. Directors, executives and

employees of the Company are prohibited from being party to or accepting any kind of corrupt practices, either directly or indirectly, for the benefit of the Company or personally. Unethical conduct includes: receiving gifts, raising money, soliciting donations and other benefits from people who have business with the Company. The Company regularly reviews the implementation of the Anti-Corruption Policy on an annual basis.

In addition, the Company has defined the main channels for reporting misconduct as follows:

- (1) Company website at <http://www.ucity.co.th/eng/index.php/corporate-governance/>
- (2) Comment box
- (3) Email of Audit Committee: Auditcommittee@ucity.co.th
- (4) Email of Internal Audit Department: InternalAudit@ucity.co.th
- (5) By Mail : Audit Committee
U City Public Company Limited
21 TST tower, Soi Choei Phuang,
Viphavadi-Rangsit Road,
Chomphon, Chatuchak, Bangkok 10900.

The Chairman of the Audit Committee and the head of the Internal Audit Department shall directly take appropriate action. Said whistleblower shall be kept confidential and protected. The Company has established mechanisms to protect whistleblowers against retribution or intimidation.

In addition, the Company has set up a mechanism to protect whistleblowers which will not down grade the position, punishment or give negative effects to employees who reject the corruption. Although that the action will make the Company will lose business opportunities.

- **Structure of the Board of Directors and Sub-committees**

- The structure of the Board of Directors possesses qualifications that are suitable for and consistent with the business strategy of the Company, as well as having diversified knowledge, capability, skills, experience and expertise beneficial to the Company's business operations. The Board of Directors consists of members shall not less than 5 members to determine the Company's policy, vision, mission, values, strategy and goals of the Company by collaborating with executives management to plan short-term and long-term operations as well as formu

lating monetary policy, overseeing, monitoring and evaluating the performance of the Company and the performance of the senior management to be in accordance with the plan independently. In addition, the Board of Directors shall supervise and monitoring the Management to ensure the implementation of those policies effectively and efficiently under the framework of laws, objectives, regulations of the Company and the resolution of the shareholders' meeting with responsibility, honesty, and be careful in accordance with good practices for the maximum benefit of the Company and create confidence to shareholders. In addition, the Company also places focus on the importance of internal control system, Internal auditing, strong assessment and effective management including regularly following up through the internal auditor of the Company and present to the Audit Committee meeting.

- The Board of Director shall be no less than 5 members and at least one-third (1/3) of the members shall be independent directors but at shall be no less than 3 members. In addition, at least half of the members shall have their residence in the Kingdom of Thailand and must be qualified as required by law.

- The Board of Directors shall elect the Chairman of the Board. In this regard, the Board of Directors shall consider the appointment of senior management positions, which consists of the Chairman of the Executive Committee, Chief Executive Officer and Deputy Chief Executive Officer according to the nomination of the Nomination and Remuneration Committee. The Chief Executive Officer is in charge of the day-to-day business operations of the Company. The structure, duties and responsibilities of the Executive Committee and the Chief Executive Officer shall be as stipulated in the Executive Committee Charter.

- The Board of Directors has determined the proportion of non-executive directors to executive directors more than half of member of the Board of Directors to balance between controlling and managing.

- The Board of Directors has a term of office as specified in the Company's regulations. However, the directors who have been retired by rotation are eligible to be re-elected. In addition, the nomination or appointment of the directors will be based on the educational background and professional experience of that person with sufficient details, transparent and clear for the benefit of the Board of Directors and shareholders.

- The Company has defined the definition "Independent Director" of the Company which is "more stringent" than the minimum requirement of the notifications of the Capital Market Supervisory Board as follows:

- (1) Must not hold more than 0.75% of the total number of shares having voting rights of the Company, its parent company, Subsidiary, associated company, major shareholder, or controlling person, and, for the purpose of calculation, the number of shares held by a related person of such independent director shall also be included (Remark: The Company's criterion on this matter is more stringent than the minimum requirement of the notifications of the Capital Market Supervisory Board, which limits a holding of not more than 1%);

- (2) Must not be or have been an executive director, an employee, a member of staff, an advisor who receives a regular salary, or a controlling person of the Company, its parent company, subsidiary, associated company, subsidiary of the same level, major shareholder, or controlling person, unless such status has ceased for at least 2 years;

- (3) Must not be a person who is related by blood or law as the father, mother, spouse, sibling, and child, including being the spouse of a child, of any other Director, executive, major shareholder, controlling person, or any person who is to be nominated as a Director, an executive, or a controlling person of the Company or its subsidiary;

- (4) Must not have or have had any business relationship with the Company, its parent company, Subsidiary, associated company, major shareholder, or controlling person in the manner that may obstruct the exercise of his/her independent judgment, and must not be or have been a key shareholder or a controlling person of any entity having a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, unless such status has ceased for at least 2 years;

The "business relationship" as stated in the first paragraph shall include conducting ordinary business transactions, offering or taking on leases of any immovable properties, conducting transactions relating to assets or services, or granting or accepting any financial supports by way of offering or taking on loans, guarantees, asset-based collaterals, including any other similar actions, which result in the Company or the counterparty being indebted to the other party in the amount of 3% or more of the net tangible assets of the Company or THB 20 million or

more, whichever is lesser, where the consideration of such indebtedness shall include any indebtedness taking place during a period of 1 year prior to the commencement date of the business relationship with such person;

(5) Must not be or have been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, and must not be a key shareholder, a controlling person, or a partner of any audit firm of which the auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, is a member, unless such status has ceased for at least 2 years;

(6) Must not be or have been a provider of any professional services, including a legal advisor or a financial advisor who receives or has received service fees in the amount of more than THB 2 million per year from the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, and must not be a key shareholder, a controlling person, or a partner of such professional services provider, unless such status has ceased for at least 2 years;

(7) Must not be a director who has been appointed as a representative of a director of the Company, a major shareholder, or a shareholder who is a related person of the major shareholder;

(8) Must not engage in the business of the same nature as and in significant competition with the business of the Company or its subsidiaries, and must not be a key partner in a partnership, an executive director, an employee, a member of staff, or an advisor who receives a regular salary, or hold more than 1% of the total number of shares having voting rights of a company that engages in the business of the same nature as and in significant competition with the business of the Company or its subsidiaries; and

(9) Must not have any other characteristics that may obstruct his/her ability to give independent opinion on the Company's operation.

After being appointed as an independent director, such independent director may be assigned by the Board of Directors to make a decision with regard to the business operations of the Company, its parent company, subsidiary, associated company, subsidiary of the same level, major shareholder or controlling person, provided that such decision shall be a collective decision.

• **Board of Directors Meeting**

The Board of Directors will hold more than 4 meetings in each fiscal year pursuant to the annual meeting schedule set in advance. The Company promotes and encourages each director to attend the Board of Directors' meeting at least 75% of the total number of meetings in each fiscal year, except in case of necessity and emergency. The Company will provide the meeting materials to the directors in advance at least 5 business days prior to the meeting to allow the directors to have sufficient time to study the information beforehand. Normally, the Board of Directors will hold a meeting on a quarterly basis and may call additional meetings as necessary and appropriate. In calling the meeting, the Chairman of the Board of Directors or a person assigned by him shall send out the meeting invitation to all directors at least 7 days prior to the meeting date. However, in necessary and emergency case and in order to preserve the rights or benefits of the Company, the meeting invitation may be sent by other means within a shorter timeframe. In the case that 2 or more directors request to have a meeting, the Chairman of the Board of Directors shall set the meeting date within fourteen days from the date of receiving the request.

To establish the meeting agenda, the Chairman of the Board of Directors and Chief Executive Director shall jointly consider the meeting agenda and allow 2 or more directors to propose the agenda to call the meeting. The procedure for arranging meetings of the Board of Directors shall be defined as follows:

(1) Preliminary Procedure before the Meeting:

Each director is free to propose the agenda to the Company's Board of Directors Meeting by indicating the reason and necessity of such matters. The Chairman of Board of Directors will consider the meeting agenda before preparing the meeting notice. Notice of the meeting together with the meeting materials of each agenda shall be delivered to each director prior to the meeting date to allow the directors to have sufficient time to study the information beforehand. In case any director requires additional information to support the consideration in each agenda, the directors can coordinate with the Company's secretary to facilitate.

(2) Procedure during Meeting:

During the Board of Directors' Meeting, the Chairman of the Board of Directors shall be responsible for the meeting procedure

by organising the agenda in sequence, in accordance with the notice of the meeting and provide opportunities for directors to enquire and express their opinion to each topic independently and adequately.

(3) Procedure after the Meeting:

The Company places emphasis the importance of Minutes of the Board of Directors' meeting. The Company's secretary is responsible for recording the Board of Directors' meeting. The minutes shall be prepared accurately, cover substantive information relevant to the meeting such as the date, time, and place of the meeting, starting and adjourning time of the meeting, list of the name of directors who attended/didn't attend, details of the enquiries and discussion of each agenda and the resolution of the Board of Directors for each agenda. The minutes of Board of Directors' meeting and any document used during the meeting shall be kept by the secretary of the Company for future review.

According to the articles of association of the Company, in the meeting of the Board of Directors, the presence of no less than one half of the total number of directors is required to constitute a quorum. In the case where the Chairman of the Board is not present at the meeting or is unable to perform his or her duty and there is a Vice-Chairman, the Vice-Chairman present at the meeting shall preside over the meeting. Or in case the Vice-Chairman cannot perform their duties, the directors attending the meeting shall elect one director to be the Chairman of the meeting. The decisions at the meeting shall be by a majority of votes. Each director shall have one vote, but a director who has an interest in any matter shall not be entitled to vote on such matters. In the case of tie, the Chairman of the meeting shall have an additional vote as a casting vote.

- **Audit Committee's Meeting**

The Company shall arrange the Audit Committee's meeting at least once on a quarterly basis and may arrange additional meetings as necessary and appropriate. In calling the meeting, the Company shall send the invitation to the directors in advance at least 7 business days prior to the meeting with relevant documents for each agenda prior to the date of the meeting. The Company shall record the minutes accurately and cover relevant substantive information.

- **Nomination and Remuneration Committee's Meeting**

The Company shall arrange the Nomination and Remuneration Committee's meeting at least once a year and may arrange additional meetings as necessary and appropriate by send the invitation letter to the directors in advance at least 7 business days prior to the meeting with relevant documents for each agenda prior to the date of the meeting. The Company shall record the minutes accurately and cover relevant substantive information.

- **Knowledge and Skill Development of Board of Directors**

The Company has a policy to encourages the directors to develop knowledge and understanding of the principals of Good Corporate Governance, roles, duties and responsibilities of directors of the Company by recommending and supporting all directors to attend training courses arranged by the Thai Institute of Directors Association (IOD), the Director Accreditation Program (DAP) and other relevant training programs arranged by other institutions. The Company encourages and supports executives of the Company to attend programs in related to areas of the business operation to foster skill and knowledge development.

In addition, in order to allow new directors to have knowledge and understanding of the business nature of the Company and able to apply existing knowledge and capabilities for the maximum benefit of the Company and shareholders. Therefore, the Company provides a guide book for directors, which collects useful information for being a director of listed company, rules of the acquisition and disposal of assets, rules of connected transactions, relevant laws and regulations etc. It also includes reports and other documents for directors such as Form to report the interest of directors and executives, Form to report names and scope of work of the Audit Committee (F 24-1), Certificate and biography of the director / audit committee (F 24-2), Report on securities holding (Form 59-1), Report form Changes in securities holdings (Form 59-2) and Form for informing the testimonials and Consent of the directors and executives of the Company (Form 35-E1) etc. by keeping update the information for new directors.

Name of Director	Position	Program
1) Mr. Chaiwat Atsawintarakun	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Committee	Board Nomination and Compensation Program
2) Mr. Surajit Gongvatana	Independent Director and Chairman of Executive Director Committee	Director Accreditation Program (DAP)
3) Ms. Piyaporn Phanachet	Director, Executive Director and Chief Executive Officer	Role of The Chairman Program
4) Mr. Sayam Siwarapornskul	Director, Executive Director and Chief Legal Officer and the Company's Secretary	Boardroom Success through Financing & Investment
5) Mr. Veerapong Rodjanawarodom	Executive Director and Chief Operation Officer	Director Accreditation Program (DAP)
6) Ms. Soraya Satiangoset	Executive Director and Chief Financial Officer	Director Accreditation Program (DAP)

- Assessment of the Performance of the Board of Directors, Sub-Committees and the Executive Management**

The Board of Directors conducts an assessment of its annual performance through both group evaluation and individual evaluation and all group of subcommittees, namely the Audit Committee, the Nomination and Remuneration Committee, the Investment Committee and the Executive Committee to assess their performance and report the assessment result to the Board of Directors on an annual basis. The purpose is to review the performance, detect problems and obstacles in the business operation in the past year so as to improve.

- Assessment of the Annual Performance of the Board of Directors (Group Evaluation)**

The Board of Directors uses an assessment criterion, which covers 6 assessment subjects: 1) Structure and Characteristics of the Board of Directors, 2) Roles, Duties and Responsibilities of the Board of Directors, 3) Board of Directors' Meetings, 4) Performance of the Board of Directors' Duties, 5) Relationship with the Management, and 6) Personal Development of Directors and Executives. After each director completes the Self-Assessment Form of the Board of Directors (Group Evaluation), the Company Secretary Office will calculate the scores and

provide a summary of the scores of the group assessment of the Board of Directors to the Board of Directors' meeting in order for them to jointly consider, find a solution to improve unsatisfactory scores, use as a guideline for their performance in the following year, including considering and reviewing the comments and suggestions raised by each director in the past year and whether such comments and suggestions have been applied or taken onboard. In 2018, the average score result was 96.60%, decrease from 2016 at 96.68% (90—100% means excellent, 76—89% means very good, 66—75% means good, 50—65% means fair, and below 50% means improvement needed).

- Assessment of the Annual Performance of the Board of Directors (Individual Evaluation)**

The Board of Directors uses a number of assessment criteria grading the individual performance of directors in carrying out their fiduciary duty to manage the Company's business operations in the best interest of the shareholders, attendance and preparedness at the Board of Directors' meetings and the Shareholders' Meetings, their contribution through opinions, suggestions, or other guidelines to Management, the independence of opinions, compliance with the principles of good cor-

porate governance of listed companies, and attendance of training and personal development programs necessary for performing their functions as directors of listed companies. After each director has completed their Self-Assessment Form of the Board of Directors (Individual Evaluation), the Company Secretary Office would calculate the scores and provide a summary of the scores of each director to the Board of Directors' meeting for acknowledgement. In 2018, the average score result was 4.9, equal to the score in 2017 (5 means very good, 4 means good, 3 means fair, 2 means lower than standard, and 1 means improvement needed).

- **Assessment of the Annual Performance of the Audit Committee**

The Audit Committee used assessment criteria, which cover 6 assessment subjects: 1) Composition of the Audit Committee, 2) Independence of the Audit Committee Members, 3) Training and Source of Information, 4) Meetings, 5) Activities of the Audit Committee and 6) Relationship with the Chief of the Internal Audit Office, the Company's Auditors, and Management. After each member of the Audit Committee has completed the Self-Assessment Form of the Audit Committee, the Internal Audit Office would calculate the scores and provide a summary of the scores to the Audit Committee's meeting in order for them to jointly consider, find a solution to or improve unsatisfactory scores, use as a guideline for their performance in the following year, considering and reviewing the comments and suggestions raised by each member of the Audit Committee in the past year and whether such comments and suggestions have been taken onboard. Thereafter, the result of the assessment would be proposed for consideration at the Board of Directors' meeting where the Board of Directors may provide comments or request the Audit Committee to improve in certain areas as deemed appropriate. In 2018, the average score result was 4.9, higher than the score of 4.8 in 2017 (5 means very good, 4 means good, 3 means fair, 2 means lower than standard, and 1 means improvement needed).

- **Assessment of the Annual Performance of the Nomination and Remuneration Committee, Investment Committee, and the Executive Committee**

The assessment criteria were used covered 5 assessment subjects: 1) Structure and Qualification, 2) Performance of Duties, 3) Training/Source of Information, 4) Meetings, and 5)

Duties and Responsibilities. After the Self-Assessment Forms (Group Evaluation) of each subcommittee are completed, the Company Secretary Office would calculate the scores and provide a summary of the scores to the relevant subcommittee's meeting in order for them to jointly consider, find a solution to improve unsatisfactory scores, use as a guideline for their performance in the following year, considering and reviewing the comments and suggestions raised by each member of the subcommittee in the past year whether such comments and suggestions have been taken onboard. Thereafter, the result of the assessment would be proposed for consideration at the Board of Directors' meeting where the Board of Directors may provide comments or request relevant subcommittees to improve in certain areas as appropriate. In 2018, the average score result of the Nomination and Remuneration Committee was 95.28%, higher than the score of 92.77% in 2017; the average score result of the Investment Committee was 87.65%, higher than the score of 87.45% in 2017; and the average score result of the Executive Committee was 92.00%, lower than the score of 94.07% in 2017 (90—100% means excellent, 76—89% means very good, 66—75% means good, 50—65% means fair, and below 50% means improvement needed).

- **Assessment of the Annual Performance of the Chief Executive Officer**

The Nomination and Remuneration Committee used assessment criteria, which cover 3 assessment subjects: 1) Success of business and projects in the past fiscal year 2) Performance of Duties and 3) Personal Development of Chief Executive Officer. In 2018, the average score result was 94.07%, higher than the score of 89.26% in 2017. (90—100% means excellent, 76—89% means very good, 66—75% means good, 50—65% means fair, and below 50% means improvement needed).

- **Directorship of Senior Executive in Other Company outside the Group**

The Chief Executive Officer should not hold any directorship position in non-BTS Group companies, save for the exceptions stipulated by the Board of Directors. Furthermore, the Company has determined a policy on the number of directorship positions that a senior executive of the Company may hold in non-group companies to not exceed 5 companies, unless a consent has been obtained from the Chief Executive Officer.

- **Proportion of Non-Executive Directors**

The Company has determined the proportion of non-executive directors to executive directors more than half of member of the Board of Directors to balance between controlling and managing. Three independent directors shall hold position of audit directors. Those directors shall meet the qualifications prescribed in the Notification of Stock Exchange of Thailand regarding the qualification and scope of work of the audit director.

As of 31 December 2018, the Board of Directors consisted of 10 members as follows:

Non-executive Director	7 persons (4 of which were independent directors)
Executive Director	3 persons

- **Separation of Roles**

The Chairman of the Company shall not be the same person as the Chief Executive Officer for the purpose of separating duties between establishing policy and managing day-to-day operations. The Company has clearly set the scope of duty of the Management at each level by written announcement of the authority of each position, which shall be approved by the Board of Directors. For the purpose of cross examination, the Company has strictly separated the responsibility between approval authority, recording of accounting transactions and monitoring of assets.

The Company has clearly separated the roles and responsibilities between the Board of Directors and the Management of the Company. The Board of Directors shall perform the duty of establishing policies and supervising the operation of the management while the Management shall perform the duty to manage the Company according to policies established. Therefore, the Chairman of the Board of Directors and the Chief Executive Officer shall be different persons and both positions are selected by the Board of Directors in order to obtain the most suitable person.

- **Directors' and Executives' Remuneration**

The Nomination and Remuneration Committee will consider and determine the remuneration of the directors by taking into account the Company's operating results, the size of the business, and the responsibilities of the Board of Directors and making a comparison with the remuneration paid by other

companies that are listed on the SET with a similar market capitalization and other listed companies within the same industry, and further proposes the same to the Board of Directors' meeting and the shareholders' meeting for consideration and approval on an annual basis.

The Nomination and Remuneration Committee considers and determines the amount and form of the remuneration of the Chief Executive Officer by taking into account various key performance indicators (KPI), including but not limited to the following indicators, and also a comparison with other listed companies on the SET. The remuneration for directors and chief executive officers are disclosed in the Company Annual Report and Annual Information Disclosure Form (Form 56-1).

- **Sub-Committee**

The Company has appointed sub-committees to assist in overseeing the Company's business, and increase operational efficiency as well as establish confidence in the prudent operation of the Company. The Board of Directors has clearly approved the scope of duties and responsibilities of the sub-committees. There are 4 sub-committees such as the Audit Committee, the Executive Committee, the Nomination and Remuneration Committee, and the Investment Committee.

(1) The Audit Committee consists of at least 3 independent directors who possess the qualifications in accordance with the charter of the Audit Committee and at least one member must be knowledgeable and experienced in accounting

(2) The Executive Committee consists of 3 directors, who have the scope of authority and responsibilities outlined in accordance with the Board of Director's appointment.

(3) The Nomination and Remuneration Committee consists of at least 3 directors, who are not the Chairman of the Company and at least 2 of which are independent directors. The Nomination and Remuneration Committee holds responsibilities in compliance with the charter of Nomination and Remuneration Committee. In this regard, 1 member of the Nomination and Remuneration Committee who is an independent director serves as the Chairman of the Nomination and Remuneration Committee.

(4) Investment Committee consists of director, executive or employee of the Company. At present 2 members of the committee consists of, Chief Legal Officer and Director of Finance. The Investment Committee's duty and responsibility is to consider and make decisions on investments, as well as

to determine the period of investment under the investment policy and principles approved by the Board of Directors' Meeting of the Company.

- **Internal Control and Audit Systems**

The Company is aware of the importance of having a good internal control system in order to ensure that the management and operational control level. The Executives are clearly defined in the procedure manual and the power of authorities chart in order to monitor the internal control systems and regularly examine significant transactions. The audit committee shall review internal control systems once to ensure that it is at an effective level as well as determine and assess the risks of the business, establish measures to prevent and manage risks and supervising compliance with relevant laws and regulations. The system should separate duties for workers, controllers and evaluation in order to ensure proper check and balance between each other.

Internal Auditors independently perform their duties by directly reporting to the Audit Committee. They are responsible for assisting the Audit Committee in examining the Company's operation in order to help improve its effectiveness. Internal auditor is required to report the audit results directly to the Audit Committee.

In addition, the Audit Committee reviewed the appropriateness and adequacy of the internal control system at least once a year and proposed to the Board of Directors for consideration. Details of the Audit Committee's opinion on the sufficiency of internal control systems of the Company are included in Annual Report and Annual Information Disclosure Form (Form 56-1).

- **Report of the Board of Director**

The Board of Director has assigned the Audit Committee to supervise on financial information arrangement procedure and disclosure, internal control system, internal audit in order to consider the efficiency and appropriation of internal control system and financial statement producing to ensure the correct, adequate, reliable, and effective provided that the Company's secretary shall maintain the minutes of the Board of Directors Meeting.

- **Director's Orientation**

For new directors, the Company has orientation program and encourages the new directors to acknowledge the Company's

business policy including relevant information such as capital structure, shareholders, operation results as well as laws and regulations and delivering manuals for directors of the Company. Details of the information contained in the handbook are given below:

Handbook for Directors :

1. Pubic Company Limited Act B.E. 2535 (as amended);
2. Securities and Exchange Act B.E. 2535 (as amended);
3. Affidavit of the Company
4. Objects of the Company
5. Articles of Association
6. Guidelines for Good Corporate Governance
7. Directors' Handbook for listed company of SEC

Information for Directors :

1. Recommendation for ECID for executives of listed company
2. Connected transaction of Listed Company Book
3. Principles of Good Corporate Governance for listed company 2017
4. Company's Profile
5. The latest Annual Report

- **The Company Secretary**

The Board of Directors places emphasis on the importance of role and duty of the Company secretary. Therefore, an appropriate permanent employee is assigned to perform the duty of the Company secretary, to facilitate the Company's business management and to effectively comply with the principals of Good Corporate Governance. The main duties and responsibilities are as follows :

- 1) To perform duties with responsibility, care and honesty in accordance to legal and other relevant regulations
- 2) To provide advice on laws and regulations which the Board of Director must know and practice
- 3) To oversee and coordinate activities of the Board of Directors, Sub-committee and Shareholders' meeting to ensure the resolution of the Board of Directors and Shareholders has been effectively complied
- 4) To produce and possess documents such as the Director Register, Notice of the Board of Directors Meeting, Minutes the Board of Director Meeting, Notice of Shareholders Meeting and Minutes the Shareholders Meeting
- 5) To oversee activities of the Board of Directors
- 6) To maintain an interest transaction report, reported by

directors or executives.

7) To record changes in the holding of securities of directors or executives.

8) To ensure disclosure of information in accordance to the regulation of SET, SEC and other relevant regulators as well as in accordance with the principles of good corporate governance.

9) To conduct any other affairs occasionally assigned by the Board of Directors.

- **Oversight of the use of inside information**

The Company has established a policy on the protection of inside information by prohibiting the directors, executives, and employees of the Company, as well as their related persons, from using inside information for the benefit of trading the securities of the Company by notifying the directors, the executives and employees of the company to acknowledge as follows :

- The directors, executives, and employees of the Company shall not disclose inside information, confidential information and/or internal information of the Company or for personal benefit or outsiders except that information has been

disclosed to the public.

- If the directors, executives and employees of the Company get the financial information of the Company and / or insider information that is important and affecting to the price of securities. They should avoid trading the Company's securities especially before the financial statements or internal information are publicly disclosed and do not disclose such material information to other persons. This includes spouses and minor children of directors, executives and employees of the Company. If the directors, executives or employees of the Company violate and / or fails to comply with the Company's policy in the trading of securities by using inside information, they will be considered according to disciplinary measures by warning in verbal, warning as a book, suspend work, lay off by receiving compensation or terminate employment without compensation, depending on the circumstances, the seriousness and the consequences of the offense.

In addition, the Company also ask for cooperation from directors, executives and employees of the Company to avoid trading securities in the last 1 month before the financial statements or other information that affects the trading price of the securities will be publicized

Summary in Securities Holding of Directors and Executives as of 31 December 2018

Name	Position	Number of Securities Holding (Share / Unit)				
		Ordinary Share (U)	Preferred Share (U-P)	Share-holding (%)	Warrant (U-W1)	Warrant (U-W4)
1. Ms. Nuttapun Giramethakul	Vice President, Accounting Department	20	-	0.000	-	-

- **Conflicts of Interest**

The Board of Directors and the Management intend to careful operate business by elimination of conflicts of interest with honesty, reasonableness and independence under the framework of good business ethics for the benefit of the Company.

Therefore, in order to achieve transparency and protection of personal interests, the Company requires directors, executives and related persons disclose the equity information to the Board of Directors by inform to the Company secretary and has a duty to report the holding of the Company's securities according to the requirements of the SEC. Also, in the executive committee meeting and the board of directors require the person who has a stake in any transaction or may have conflicts of interest with

the Company. Those persons are refrained to give comments and abstained to vote on such items.

In addition, the Company has established policies and procedures for approving transactions that may have conflicts of interest or connected transactions, which discloses information about the names and relationships of connected persons, pricing policy and transaction value including the opinion of the Board of Directors regarding the above transaction. The Company shall comply with the Notification of the SEC and the Stock Exchange of Thailand for the benefit of all shareholders equally.

For any connected transactions between the Company or its subsidiaries and directors, executives, or any related persons, the Board of Directors have the authority to approve transactions

between the Company and / or subsidiaries with Directors, Executives or related party which is a normal trade transaction agreement with a general contractor in the same situation with the bargaining power of trade without influence in the status of being a Director, an Executive or a related party. However, only those that are related transactions, type (a) normal business transactions and general commercial conditions or (b) normal business support transactions with general commercial conditions as stipulated in Section 89/12 of the Securities and Exchange Act B.E. 2551 (as amended) for the benefit and appropriateness of the business of the Company.

The Board of Directors places importance on entering into connected transactions of the Company and take into account the maximum benefit of the Company and shareholders as important and must be made on reasonable terms or general commercial conditions or in line with the market price. In addition, the transactions shall be transacted at arm's length basis and the related party transactions shall be presented to the Audit Committee which consisting of all independent directors. The Audit Committee has proposed the Board of Directors to acknowledge the connected transactions and transactions with conflicts of interest which has been appropriately considered and complied with the regulations set by the Stock Exchange of Thailand. The report were disclosed such information every quarter and including the disclosure in the annual report and annual registration statement (Form 56-1).

• Succession Plan

The Board of Directors places importance on having an effective and efficient management as well as the continuance of its business operations, which are essential factors to the sustainable growth of the organisation. Thus, the Company is required to prepare a succession plan for the positions of the Chairman of the Executive Committee, Chief Executive Officer, Deputy Chief Executive Officer, and other senior executive positions, and to review the same from time to time in order to ensure that there will be competent senior executives for the succession of these key positions in the organisation.

SUB-COMMITTEES

Structure of the Board of Directors

The structure of the Board of Directors consists of the Board of Directors, the Audit Committee, the Nomination and Remuneration Committee, and the Executive Committee. Details

as follows:

As of 31 December 2018, the Board of Directors consisted of 10 members as follows:

1. Mr. Keeree Kanjanapas	Chairman of the Board of Directors
2. Mr. Rungson Sriworasat	Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee
3. Mr. Chaiwat Atsawintarakun	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Committee
4. Mr. Plakorn Wanglee	Independent Director, Audit Committee and Nomination and Remuneration Committee
5. Mr. Paisal Tarasansombat ¹⁾	Independent Director, Audit Committee and Nomination and Remuneration Committee
6. Mr. Surajit Gongvatana	Independent Director and Chairman of Executive Director Committee
7. Mr. Kavin Kanjanapas	Director
8. Mr. Kong Chi Keung	Director
9. Ms. Piyaporn Phanachet	Director, Executive Director and Chief Executive Officer
10. Mr. Sayam Siwarapornskul	Director, Executive Director and Chief Legal Officer and the Company Secretary
Mr. Sayam Siwarapornskul as the Company Secretary	

Note :

¹⁾On 15 June 2018, the Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanachariya who have resigned from the Company's director and Executive director.

The Audit Committee

As of 31 December 2018, the Audit Committee consisted of 4 members:

- 1) Mr. Rungson Sriworasat Chairman of the Audit Committee
- 2) Mr. Chaiwat Atsawintarangkun Audit Committee
- 3) Mr. Plakorn Wanglee Audit Committee
- 4) Mr. Paisal Tarasansombat^{1/} Audit Committee

Note

^{1/}On 15 June 2018, the Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanatchariya who have resigned from the Company's director and Executive director.

The Executive Committee

As of 31 December 2018, the structure of the Executive Committee consisted of 5 members as follows:

- 1) Mr. Surajit Gongvatana^{1/2} Chairman of Executive Director Committee
- 2) Ms. Piyaporn Phanachet Executive Director
- 3) Mr. Veerapong Rodjanawarodom^{2/} Executive Director
- 4) Mr. Sayam Siwarapornskul^{2/} Executive Director
- 5) Ms. Soraya Satiangoset^{2/} Executive Director

Note :

^{1/} O1/ On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee.

^{2/} On 15 June 2018, The Board of Directors appointed 4 new Executive committee members consisted of

^{1/} Mr. Surajit Gongvatana 2) Mr. Veerapong Rodjanawarodom 3) Ms. Soraya Satiangoset and 4) Mr. Sayam Siwarapornskul

The Nomination and Remuneration Committee

As of 31 December 2018, the structure of the Nomination and Remuneration Committee consisted of 4 Independent Directors.

- 1) Mr. Chaiwat Atsawintarangkun Chairman of Nomination and Remuneration Committee
- 2) Mr. Rungson Sriworasat Nomination and Remuneration Committee
- 3) Mr. Plakorn Wanglee Nomination and Remuneration Committee
- 4) Mr. Paisal Tarasansombat^{1/} Nomination and Remuneration Committee

Note :

^{1/} On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee. The Board

of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanatchariya who have resigned from the Company's director and Executive director

The Investment Committee

As of 31 December 2018, the structure of Investment Committee comprising 2 members from management of the Company as follows:

- 1) Mr. Sayam Siwarapornskul Director, Executive Director, Chief Legal Officer and Company Secretary
- 2) Ms. Pakamas Sirianuwat Finance Director

As of 31 December 2018, the structure of the Nomination and Remuneration Committee consisted of 4 Independent Directors.

Mr. Rungson Sriworasat, Chairman of the Audit Committee, is a director with knowledge and experience in reviewing financial statements. His experience includes holding the positions of Permanent Secretary of the Ministry of Finance, Deputy Permanent Secretary for Finance and Director General of the Comptroller General's Department. He also holds the position of Audit Committee member the following listed companies: Charoen Pokphand Foods Public Company Limited and Internal Audit Committee of the Bar Association.

Mr. Chaiwat Atsawintarangkun is a director with knowledge and experience in reviewing financial statements. He also holds a member of the Audit Committee in the following listed companies: Krungthai Car Rent and Leasing Public Company Limited, Eastern Printing Company Limited, Merchant Partners Securities Public Company Limited, AQ Estate Public Company Limited, and Eastern Polymer Group Public Company Limited.

Mr. Plakorn Wanglee is a director with knowledge and experience in reviewing financial statements. He graduated with a bachelor's degree in Accounting from Chulalongkorn University and previously served as an independent director and audit committee of the Expressway Authority of Thailand.

Mr. Paisal Tarasansombat is a director with knowledge and experience in reviewing financial statements. He also holds the positions Chairman of the Audit Committee of Master Ad Public Company Limited and director of the financial statement review.

4.4 SELECTION, APPOINTMENT AND REMUNERATION OF DIRECTORS AND THE CHIEF EXECUTIVE

APPOINTMENT AND REMOVAL OF DIRECTORS

The appointment and removal of directors of the Company are in accordance with the criteria and procedures as stipulated in the laws and the Company's Articles of Association, which can be summarised as follows:

- (1) In every Annual General Meeting of Shareholders, at least one-third (1/3) of the directors shall retire by rotation. If the number of the directors who must retire by rotation is not divisible by three, the number of directors closest to one-third (1/3) of all directors shall retire. The directors who retire by rotation are eligible for re-election;
- (2) The election of the directors at the shareholders' meeting shall be in accordance with the following rules and procedures:
 - Each shareholder shall have one vote for one share;
 - Each shareholder shall use all of his or her votes to elect one or several persons as the director(s). However, he or she may not divide his or her votes among the candidates; and
 - The candidates who receive the most votes in descending order will be elected as the director(s) up to the number of the directors required to be elected at such meeting. In the event that the candidates have equal votes and their election would exceed the number of directors required to be elected at such meeting, the Chairman of the meeting shall have a casting vote;
- (3) Apart from retirement by rotation, the directors shall cease to hold office upon death, resignation, lack of qualifications or possession of prohibited characteristics according to the Public Limited Companies Act B.E. 2535 (1992) (as amended), removal by a resolution of the shareholders' meeting, or removal by a court's order;
- (4) In case of a vacancy in the membership of the Board of Directors for reasons other than retirement by rotation, the Board of Directors shall pass a resolution by affirmative votes of not less than three-quarters (3/4) of the number

of the directors remaining in office to elect a person who has the qualifications and possesses no prohibited characteristics under the Public Limited Companies Act B.E. 2535 (1992) (as amended) as a substitute director at the next meeting of the Board of Directors, unless the remaining term of office of the said director is less than two months; and

- (5) The shareholders' meeting may pass a resolution to remove any director from his/her office prior to the expiration of his/her term by affirmative votes of not less than three-quarters (3/4) of the number of the shareholders attending the meeting, having the right to vote, and holding shares not less than one-half (1/2) of the total number of shares held by the shareholders attending the meeting and having the right to vote.

The Nomination and Remuneration Committee will select candidates for the position of director(s) of the Company from the recommendation of other directors, the nomination by the shareholders of the Company, the service of external professional search firms, or the directors' pools of various agencies, or other nomination procedures as the Nomination and Remuneration Committee considers appropriate.

NOMINATION OF NEW DIRECTORS

The Nomination and Remuneration Committee will be responsible for the nomination of new directors. The Nomination and Remuneration Committee will search for potential candidates and propose the same to the Board of Directors' or the shareholders' meeting (as the case may be) for consideration and appointment. The following matters will be taken into consideration as part of the selection criteria: the structure of the Board of Directors, which shall consist of members in the number that is suitable for the size and business strategy of the Company, the diversity in the structure of the Board of Directors (Board Diversity), including but not limited to, race, religion, national origin and gender, the appropriateness of the qualifications and skills of the director(s) that are necessary but lacking in the Board of Directors. The Board Skill Matrix will be used to identify the required qualifications.

Qualification of Directors

- Must possess qualifications and must not have any prohibited characteristics under the public limited companies law, securities and exchange law, rules and regulations of the Company and the relevant supervisory agencies, and

the Company's good corporate governance. In case of nomination of an independent director, such nominated person shall possess the qualifications as specified in the Company's Definition of Independent Director. In case of nomination of a member of the Audit Committee, such nominated person shall possess additional qualifications in accordance with the laws;

- Must have knowledge, capability, skills, experience, and diversified expertise beneficial to the Company's businesses;
- Must be independent, perform the director's duty with due care, be honest, be mentally and physically healthy, and be able to fully commit to work for the Company; and
- Must have a good work profile and must not engage in a business or be a partner in a general partnership or be a partner having unlimited liability in a limited partnership or a director in other private or public company which carries on businesses of the same nature as and in competition with the Company's businesses, except the shareholders' meeting is advised before a resolution is passed to elect such person and other relevant laws are complied with.

ADDITIONAL QUALIFICATION OF INDEPENDENT DIRECTORS

In case of nomination of an independent director, such nominated person shall possess the qualifications under the Definition of Independent Director of the Company, which is "more stringent" than the minimum requirement of the notifications of the Capital Market Supervisory Board as follows:

- (1) Must not hold more than 0.75% of the total number of shares having voting rights of the Company, its parent company, Subsidiary, associated company, major shareholder, or controlling person, and, for the purpose of calculation, the number of shares held by a related person of such independent director shall also be included (Remark: The Company's criterion on this matter is more stringent than the minimum requirement of the notifications of the Capital Market Supervisory Board, which limits a holding of not more than 1%.);
2. Must not be or have been an executive director, an employee, a member of staff, an advisor who receives a regular salary, or a controlling person of the Company, its parent company, subsidiary, associated company, subsidiary of the same level, major shareholder, or controlling person,

unless such status has ceased for at least 2 years;

3. Must not be a person who is related by blood or law as the father, mother, spouse, sibling, and child, including being the spouse of a child, of any other Director, executive, major shareholder, controlling person, or any person who is to be nominated as a Director, an executive, or a controlling person of the Company or its subsidiary;
4. Must not have or have had any business relationship with the Company, its parent company, Subsidiary, associated company, major shareholder, or controlling person in the manner that may obstruct the exercise of his/her independent judgment, and must not be or have been a key shareholder or a controlling person of any entity having a business relationship with the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, unless such status has ceased for at least 2 years;

The "business relationship" as stated in the first paragraph shall include conducting ordinary business transactions, offering or taking on leases of any immovable properties, conducting transactions relating to assets or services, or granting or accepting any financial supports by way of offering or taking on loans, guarantees, asset-based collaterals, including any other similar actions, which result in the Company or the counterparty being indebted to the other party in the amount of 3% or more of the net tangible assets of the Company or THB 20 million or more, whichever is lesser, where the consideration of such indebtedness shall include any indebtedness taking place during a period of 1 year prior to the commencement date of the business relationship with such person;

5. Must not be or have been an auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, and must not be a key shareholder, a controlling person, or a partner of any audit firm of which the auditor of the Company, its parent company, subsidiary, associated company, major shareholder, or controlling person, is a member, unless such status has ceased for at least 2 years;
6. Must not be or have been a provider of any professional services, including a legal advisor or a financial advisor who receives or has received service fees in the amount of more than THB 2 million per year from the Company, its parent company, subsidiary, associated company, major

shareholder, or controlling person, and must not be a key shareholder, a controlling person, or a partner of such professional services provider, unless such status has ceased for at least 2 years;

7. Must not be a director who has been appointed as a representative of a director of the Company, a major shareholder, or a shareholder who is a related person of the major shareholder;
8. Must not engage in the business of the same nature as and in significant competition with the business of the Company or its subsidiaries, and must not be a key partner in a partnership, an executive director, an employee, a member of staff, or an advisor who receives a regular salary, or hold more than 1% of the total number of shares having voting rights of a company that engages in the business of the same nature as and in significant competition with the business of the Company or its subsidiaries; and
9. Must not have any other characteristics that may obstruct his/her ability to give independent opinion on the Company's operation.

After being appointed as an independent director, such independent director may be assigned by the Board of Directors to make a decision with regard to the business operations of the Company, its parent company, subsidiary, associated company, subsidiary of the same level, major shareholder or controlling person, provided that such

decision shall be a collective decision.

Additional Qualifications of Members of the Audit Committee

Apart from possessing the qualifications of independent directors, the members of the Audit Committee shall possess the following additional qualifications:

- (1) Must be appointed by the Board of Directors to be a member of the Audit Committee;
2. Must not be a director who has been assigned by the Board of Directors to make decisions in the business operations of the Company, the parent company, the subsidiaries, the associated companies, the subsidiaries of the same level, the major shareholders, or the controlling person of the Company and must not be a director of the parent company, the subsidiaries, or the subsidiaries of the same level that are listed companies;
3. Must be knowledgeable and experienced in performing his/her duty as a member of the Audit Committee where at least one member must be knowledgeable and experienced in reviewing the accountability of financial statements; and
4. Must have full and proper qualifications in accordance with the laws and regulations of the government authorities.

REMUNERATION OF DIRECTORS AND EXECUTIVES

DIRECTOR'S REMUNERATION

a) Monetary Remuneration

Monthly Remuneration	2018	2017
Chairman of the Board of Directors	THB 50,000 / month	THB 50,000 / month
Directors	THB 30,000 / month	THB 30,000 / month
Meeting Allowance	2018	2017
Board of Directors	THB 20,000 /attendance	THB 20,000 /attendance
Audit Committee Member	THB 10,000 /attendance	THB 10,000 /attendance
Nomination and Remuneration Committee Member	THB 10,000 /attendance	THB 10,000 /attendance
Other Subcommittees	None	None

In 2018, the Company paid remuneration for all directors in the total amount of THB 5,360,000 as follows:

Name of Director		Annual Remuneration (THB)	Meeting allowance (THB)	Total Amount (THB)
1. Mr. Keeree Kanjanapas	Chairman of the Board of Directors	600,000	160,000	760,000
2. Mr. Rungson Sriworasat	Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee	360,000	210,000	570,000
3. Mr. Chaiwat Atsawintarangkun	Independent Director, Chairman of Nomination and Remuneration Committee and Audit Committee	360,000	240,000	600,000
4. Mr. Voraphot Chanyakomol ^{1/}	Director and Executive Director and Chief Financial Officer	-	20,000	20,000
5. Mr. Burin Pusiri ^{2/}	Director and Executive Director	-	20,000	20,000
6. Mr. Plakorn Wanglee	Independent Director, Audit Committee and Nomination and Remuneration Committee	360,000	260,000	620,000
7. Mr. Paisal Tarasansombat ^{3/}	Independent Director, Audit Committee and Nomination and Remuneration Committee	196,000	120,000	316,000
8. Mr. Surajit Gongvatana ^{3/}	Independent Director and Chairman of Executive Director Committee	360,000	210,000	570,000
9. Mr. Kavin Kanjanapas	Director	360,000	160,000	520,000
10. Mr. Kong Chi Keung	Director	360,000	160,000	520,000
11. Mr. Weerawat Wattanatchariya ^{3/}	Director and Executive Director	44,000	60,000	104,000
12. Ms. Piyaporn Phanachet ^{1/}	Director, Executive Director and Chief Executive Officer	240,000	140,000	380,000

13. Mr. Sayam Siwarapornskul ^{2/}	Director, Executive Director and Chief Legal Officer and the Company's Secretary	240,000	120,000	360,000
Total amount		3,480,000	1,880,000	5,360,000

All independent directors do not hold any independent director position in the subsidiaries, or other subsidiary-equivalents. Therefore, independent directors do not receive any remuneration from the subsidiaries, or other subsidiary-equivalents.

nomination and remuneration committee and member of the audit committee to replace Mr. Weerawat Wattanatchariya who have resigned from the Company's director and Executive director.

b) Non-monetary remuneration and other benefits

-None-

EXECUTIVES' REMUNERATION

The Nomination and Remuneration Committee considers and determines the amount and form of the remuneration of the Chairman of the Executive Committee and the Chief Executive Officer on both short-term and long-term bases and proposes the same to the Board of Directors for consideration and approval, taking into account various key performance indicators (KPI), including but not limited to the following indicators as follows:

Note :

^{1/}On 14 February 2018, the Board of Directors appointed Ms. Piyaporn Phanachet as the Company's director to replace Mr. Voraphot Chanyakomol.

^{2/}On 21 March 2018, 5) Mr. Burin Pusiri has resigned from the Board of Directors of the Company and Executive Director. The Nomination and Remuneration committees proposed Mr. Sayam Siwarapornskul and the resolution of Annual General Meeting of Shareholders Year 2018 hold on 30 April 2018 appointed Mr. Sayam Siwarapornskul as the Company's director.

^{3/}On 15 June 2018, Mr. Surajit Gongvatana has resigned as audit committee and the nomination and remuneration committee. The Board of Directors appointed Mr. Paisal Tarasansombat as the Company's director, member of the

Chairman of the Executive Committee	<ul style="list-style-type: none"> Duties, Responsibilities and Results of the Annual Performance Assessment Corporate Governance Social and Environmental Responsibilities
Chief Executive Officer	<ul style="list-style-type: none"> Duties, Responsibilities and Results of the Annual Performance Assessment Operational Excellence Leadership, Create Strategy and Implementation Financial Performance People Development and Employees Engagement

The Chief Executive Officer shall consider and determine the executives' remuneration individually based on their performance by using various indicators. The Company will provide short-term incentives through the promotion of salary and annual bonus in line with the economy and the Company's operating results.

(a) Monetary Remuneration

In 2018, the monetary remuneration of executives which include the first four persons down from the Chief Executive Officer and every person at the same level of the fourth person equal to 6 persons, was in the aggregate amount of THB 37,161,432

(b) Non-Monetary Remuneration

The Company provides health insurance or group insurance as well as annual health check-ups to all executives and employees.

4.5 INTERNAL CONTROL AND RISK MANAGEMENT

Summary of the Board of Directors' Opinion

The Board of Directors has set up the Internal Audit Division, which directly reports to the Audit Committee and has the duty to audit the internal control system in relation to operating processes of various units in all 5 areas such as 1) Environmental Control, 2) Risk Assessment, 3) Control Activities, 4) Information and Communication, 5) and Monitoring Activities. This allows the Board of Directors to effectively follow up on the Company's operations and ensure that the execution of the main tasks and key financial activities of the Company and its subsidiaries are effective and in compliance with the set guidelines and achieves the policies and objectives as prescribed by the management. This also ensures that the Company abides by relevant laws and requirements.

In the Board of Directors' Meeting No. 1/2019 on 16 January 2019, four members of the Audit Committee were also present. The Audit Committee members have accounting and financial knowledge. The Board of Directors assessed the internal control and internal audit systems using the Securities and Exchange Commission's assessment form. The Board of Directors has considered and assessed the Company's internal control system in all 5 areas, namely Control Environment, Risk Assessment, Control Activities, Information and Communication, and Monitoring Activities. The Board of Directors has the opinion that the Company has adequate internal control systems suitable for the business operation and capable of monitoring operations to effectively meet targets, objectives and relevant laws and requirements; and are able to prevent property from fraud and damage. In addition, accounting and reporting processes have been conducted correctly and credibly. The results of the assessment of the adequacy of the Company's internal control system in each aspect are summarised below:

Control Environment

The Company has an appropriate internal control environment and sufficient for doing business. The Board of Directors and sub-committees perform their duties under the charter of their committees which clearly defines the scope and responsibility. In addition, the Company also emphasizes on the Code of Conduct to allow the Board of Directors, executives

and employees to realize the business operation and work in accordance with such guidelines. In order to create a good corporate culture with integrity, the Company is committed to the value of integrity and ethics. The Board of Directors which is independent from the management have their duty supervise and develop internal control activities. In addition, the Company realize that the organization structure and good environment will enhance the internal control system to be more effective. Therefore, the Company encourages our employee to realize the necessity of the internal control system by establish appropriate organizational structure and clearly job descriptions.

Risk Assessment

Investment in real estate development in various formats has been the Company's core business. The Company has therefore mapped out the policy for every person in the organisation to be aware of and comply with. The policy identifies the investment decision factors and relevant risk factors, both internal and external which might affect business operations, rate of return that the Company should receive, and the opportunity of return will not be as expected, including determining measures and operational plans to manage such risks and regularly reporting the progress of the project to the Board of Directors.

Control Activities

The Company has put in place control measures, minimise the risks of not achieving organisational objectives to an acceptable level. Scope, power, duties and approval limit of high-level executives are fixed in writing. Duties are clearly segregated to provide a cross-check. The Company has prescribed the policy on execution of transactions with related persons in order to prevent conflict of interest as per the requirements of the Securities and Exchange Commission and the Stock Exchange of Thailand. Information systems has been employed to assist in achieving targets. Infrastructure of the information system was upgraded and standardised. Security controls were provided for information systems as well as the process for proper acquisition, development and maintenance of the information system.

Information & Communication

Internal and external data used in operations are extensive and relevant, thus giving the Board of Directors adequate data,

which is crucial and supportive to their decision-making process. Invitations and supporting documents are sent out on average 7 days ahead of a meeting, giving directors sufficient time to review them. At each meeting, minutes of the meeting are prepared and completely contain opinions and resolutions of a meeting. Key information is reported to the Board of Directors regularly and the Board of Directors can access information sources necessary for carrying out their duties.

The Company collects sufficient data and information for business operations. Documents are stored by category, particularly accounting documents which are crucial for the preparation of financial reports. Moreover, the Company opens a special communications channel on its website for internal and external persons to report instances of fraud or corruption. Investor relations department communicates key and beneficial data to external interested persons.

Monitoring Activities

The Company has an Internal Audit Division and requires that internal control systems be assessed on a regular basis. Internal auditors are to report their audit findings directly to the Audit Committee and to monitor progress of defect improvement and rectification. In particular, any material defects discovered must be reported for consideration and rectification instructed in due course. For quality internal audit work to international standards, the Company encourages internal auditors to attend internal audit professional training.

Internal Audit Department

Internal Audit Department is an independent unit within the company which directly report to the Audit Committee which responsibilities in monitoring and evaluating the adequacy of the Company's internal control system both financial and non-financial information, including review the compliance with the Company's policies and procedures and provide recommendations to develop and improve the operations of the Company. This is to ensure that the Company has completely complied with the rules and regulations of the relevant laws, good corporate governance and internal control would help the Company to achieve the objectives.

Internal Audit Department has an annual audit plan and a 3-year audit plan. The audit plan is prepared in accordance with of risk assessment that affect the operations of the Company and covers operation procedures of the organization which has

been approved by the Audit Committee. The scope of work of the Internal Audit Department includes audit, monitor, control, test, review, and evaluate the adequacy and efficiency of the internal control system of the Company, including the quality of performance in the following matters:

- The reliability of the internal control system in the administration and operation of the organization is in line with the policy, plan and compliance with the laws, rules and regulations of the governmental and regulators as well as the regulations of the Company which cover activities such as management, operations, procurement, finance, accounting and human resources, etc
- The reliability of the internal control system which includes the compliance with finance and accounting standards and policies to ensure that the finance and accounting information is accurate, reliable and has the organizational structure, methods and measures to protect assets from misuse and corruption.
- The reliability of the internal control system on anti-corruption is in line with the anti-corruption policy of the Company which will support the operation of the Company to run with morality and sustainability. Then policy consists of guidelines for receiving complaints, complaint handling by coordinating with relevant units to solve problems and seek preventive method to ensure that employee and other stakeholders have a channel to submit complaints or clues, which the Internal Audit Department is one of the channels of receiving complaints. In case of the complaints have a significant impact and such complaint may occurred by corruption, the Internal Audit Department will continuously monitor the progression and follow up on such complaints and report to the Audit Committee continuously.

The Internal Audit Department will report the auditing results to the Audit Committee on a quarterly basis as well as monitor the progression of resolving deficiencies on a regular basis. The Internal Audit Department is independent from other departments of the Company, therefore they can access to information and assets of the Company in parts that related to auditing process, including the rights to request for information and clarification from the relevant person in the matters that assigned by the Audit Committee to verify.

In addition, the Internal Audit Department has encouraged personnel to develop by continuously training in order to enrich knowledge and skill to proficiency in the auditing as well as other skills needed to perform their job.

Information of Head of Internal Audit

Any appointment, removal or transfer of the Company's Head of Internal Audit must be approved by the Audit Committee
Details about Head of Internal Audit of the Company

Name: Ms. Ratkamol Temkasem

Position: Director — Internal Audit

The qualification of Head of Internal Audit

- **Educational**

Degree	Name of Institute	Major Subject
Bachelor's degree	Thammasat University	Accounting
Master's degree	Chulalongkorn University	Financial Accounting

Diploma and Certificates

- Certified Public Accountant of Thailand (CPA)

- **Work Experience and Training Involved**

Work Experience

Training Experience

<u>Company</u>	<u>Courses and Seminars</u>
Ernst & Young Office Limited	Deferred Tax 2018 : Principles, problems and practices
Fabrinet Company Limited	Fully integrated accounting and control system in hotels, resorts, Bangalow, Serviced Apartment, Condotel
Thoresen Thai Agencies Public Company Limited	Accounting for investments in subsidiaries, associates and joint ventures
Raimon Land Public Company Limited	Draft TFRS 15 Revenue from Contracts with Customers
Berli Jucker Public Company Limited	
Laguna Resorts and Hotels Public Company Limited	

4.6 RELATED TRANSACTIONS

Related party transactions or transactions with a conflict of interest over the past year and the rationale for such transactions.

In 2018, the Company and its subsidiaries had related transactions with natural and/or juristic persons who may have a conflict of interest with the Company. The auditor is listed in the Notes to the Consolidated Financial Statements for the year ended 31 December 2018 with the following details:

1) BTS Group Holdings Public Company Limited

Description of the relation : The major shareholder of the Company.

Description of transaction	Transaction type	Transaction value (THB)				Rationale of the transaction
		Transaction value in 2017	Outstanding balance as of 31 Dec. 2017	Transaction value in 2018	Outstanding balance as of 31 Dec. 2018 (Included VAT)	
U City Public Company Limited has entered into an investor relations service agreement with BTS Group Holdings Limited, which is the major shareholder of the Company.	Services purchase transaction	-	-	1,386,584.50	211,539.00	The employment of such services is under the contract, which is beneficial to the business of the Company

2) Rabbit Rewards Company Limited

Description of the relation : A subsidiary of BTS Group Holdings Public Company Limited, which is the major shareholder of the Company.

Description of transaction	Transaction type	Transaction value (THB)				Rationale of the transaction
		Transaction value in 2017	Outstanding balance as of 31 Dec. 2017	Transaction value in 2018	Outstanding balance as of 31 Dec. 2018 (Included VAT)	
U City Public Company Limited entered into an agreement to purchase advertising media with Rabbit Rewards Company Limited, which BTS Group Holdings Public Company Limited, which is the major shareholder of the Company, indirectly holds shares.	Services purchase transaction	-	-	1,000,000.00	1,070,000.00	The purchase of such advertising media is under the contract, which is beneficial to the business of the Company.

In addition, the Company also has transactions with related parties as stated in the notes to the consolidated financial statements of the Company.

Measure or process in approving related transaction

Whereas the Securities and Exchange Act (No. 4) B.E. 2551, which came into force on 31 August 2008, adds provisions under Chapter 3/1, Re: Governance of Publicly Traded Company. Section 89/12(1) provides that a director, an executive or a related person may enter into any transaction with the company or the subsidiary only after obtaining approval from the shareholders' meeting, unless such transaction is with the same commercial terms as those an ordinary person would agree with any counterparty under the similar circumstances, on the basis of commercial negotiation and without any influence resulting from the status of the director, executive or related person, as the case may be, provided further that the said commercial terms have been approved by the board of directors or in compliance with the principle approved by the board of directors.

For the benefit and appropriateness of the Company's operation, the Board's Meeting No. 6/2551 on 14 August 2008 (Amended in the Board of Directors Meeting No. 5/2561 on 14 August 2018) passed an approval for an executive director to execute a transaction between the Company and its subsidiary, and a director, an executive or a related person, if such transaction is with the same commercial terms as those an ordinary person would agree with any counterparty under the similar circumstances, on the basis of commercial negotiation and without any influence resulted from the status of the director, executive or related person. However, only those that are related transactions, type (a) normal business transactions and general commercial conditions or (b) normal business support transactions with general commercial conditions. For related transactions in

another manner, the Company shall abide by the Securities and Exchange Act (No. 4) B.E. 2551 and the notifications of the Capital Market Supervisory Board, provided that the Company shall present the same to the Board's meeting for joint consideration with the Audit Committee for approval or propose the same to the shareholders' meeting for consideration and approval, as the case may be.

The Company gives importance to consideration of related transactions, thereby prescribing transaction approval measures in strict compliance with the criteria and notification requirements of the Stock Exchange of Thailand. Such transactions must be considered and approved by the Board and the Audit Committee. For the Board's meeting in the agenda in which a director has any interest, such director shall not attend the meeting so that the meeting can be freely discussed.

In the execution of related transactions, the Company gives importance to the rationale of the transactions and the utmost benefit to the Company.

Policy and trend of related transactions in the future

The Company has a policy to execute related transactions in the future in accordance with the Company's normal operations and with key attention to the Company's utmost benefits, provided that the prices and conditions are fair. However, in the case where the Company or subsidiary (the company in which the Company holds shares either directly or indirectly, over 50 percent of its paid-up capital) has related transaction, the Company must comply with the Securities and Exchange Act (No. 4) B.E. 2551 together with its amendments and relevant notifications of the Capital Market Supervisory Board.

4.7 AUDIT FEE

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Annual Audit fee

In the previous accounting period, the Company paid audit fees to the auditor of the Company in the amount of THB 3,500,000 and the audit fee of its subsidiaries In Thailand in the amount not exceeding of THB 8,260,000.

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Non-Audit Fee

The Company paid EY Corporate Services Co., Ltd. for the advisory on the application of accounting standards related to the merger in the amount of THB 4,352,852.67.

4.8 HUMAN RESOURCE POLICY

As of 31 December 2018, the Company has a total of 115 employees. The Company has policy to reward the employees according to the Company's performance. For the year 2018, the Company paid remuneration to the employees totaling amount of THB 148,250,510 with details as follows:

Type of remuneration	2018	2017
1) Salary	119,694,111	85,299,258
2) Bonus	20,932,250	10,648,641
3) Overtime pay	1,126,300	867,756
4) Incentive	73,050	88,650
5) Per Diem	369,342	238,551
6) Social Security	966,681	770,321
7) Provident fund contributions	5,088,776	3,756,814
Total	148,250,510	101,669,991

Employee Benefit

In addition to remuneration in the form of salary and bonus, the Company has provided benefits and rewards to the employees in other forms as follows:

- Arrangement of life insurance, group health insurance and group personal accident insurance to provide convenience to the employees when there is a need for medical treatment and creating stability for employees and families of employees.
- Establishment of a provident fund as a form of security for the employees and their family by contributing another portion to the provident fund for employees.

Labor disputes in the past year

- None -

Human Resource Management Policy

The Company believes that the operation of the Company will be carried out and accomplished well; one crucial part is the driving force of employee. Therefore, the Company supports the employees with knowledge, ability, as well as excellent skills and flair, coupled with good health. In addition, the Company also instills the employees to be responsible for both personal and public including moral principles, discipline and unity.

To operate according to the goal set, the Company, therefore, focuses on training for the employees to promote knowledge and skills for all in the organization and organize activities to strengthen good relationships within the organization. To provide communication of the policies for employees at all levels to understand and thoroughly acknowledged, especially the policy

on anti-corruption and different practices according to the Good corporate governance.

Meanwhile, to support the growth, the Company added manpower by considering the necessity and appropriateness according to the organizational structure and considering the skills of those who will join the Company to match the job position and meet the needs of the organization.

Recruitment and career advancement of employees

The aim of the human resource management of the Company is to select, develop, promote and maintain employees with skills, knowledge, capabilities, as well as creating incentives for such employees to use their knowledge and ability to work for maximum effectiveness by setting policies to be guidelines for human resource management as follows.

- All employees will be treated fairly and with dignity as part of the Company.
- The selection and recruitment of employees will be done fairly.
- The Company will continue to support and develop employees.
- The Company will arrange for employees to work in a safe workplace.
- Determination of remuneration for employees will consider doing fairly.
- Communicate to employees to receive news related to the company regularly according to the opportunity.

Employee Development

Company has a policy to provide training & development for employees to develop and improve on skills and knowledge to fulfill on competency requirement and ready for career promotion.

Internal Training Program

The Company provides various training courses that are beneficial to employees by organizing internal training for employees to obtain knowledge that meets their needs as follows.

- Design Thinking - 8 March 2018, no. of participant - 28
- New IFRS standard — 24 May 2018, no. of participant - 18
- Environmental practices course — 31 May 2018, no. of participant - 85
- Story Telling Workshop -18 August 2018, no. of participant - 28
- Compliance guidelines for Building control laws and the design of legitimate buildings - 9 November 2018, no. of participant — 23
- Anti- Corruption — 20 December 2018, no. of participant - 79

External Training Program

The Company provides various training courses that are beneficial to employees by sending employees to external training to increase learning opportunities and create a more extensive network

- Company Secretary Program
- Human Resources Management Programs
- Accounting, Financial and Tax Programs
- Programs Related to Purchasing work
- Programs Related to Legal work
- Information Technology Management Programs
- Environmental Programs
- Marketing Practices Programs
- Secretarial Program
- Investment and Real Estate Development Programs
- Risk Management Programs
- Quality and Safety System Management Program
- Other Programs

Total training hours for employees of the Company and subsidiaries, both courses in the organization and external programs for the year 2018 can be summarized as follows:

Company / BU	Number of employee	Number of training hours	Average training hours per employee
U City PLC	115	549	4.8

Performance Management and Development

The Company has provided an evaluation of the performance of employees by adhering to the evaluation topic and describing ratings. The assessment system is two-way. Staff and supervisor will have the opportunity to discuss and discuss the scoring of various issues to obtain the agreement agreed to both sides.

In this regard, the Company will consider the remuneration of employees equally and fairly without discrimination which the assessment result is an essential part in determining the remuneration of employees on an individual basis. Employee performance evaluation system and fair compensation based on the evaluation results will drive employees to devote their ability to

work and strive to fully develop themselves.

Impartiality

The Company sees the importance of equality. Selection of employees to join the Company, therefore, considering the knowledge and ability of the applicant that is appropriate promoting and adjusting internal work is also the same. Gender, age, religion, ethnicity do not affect consideration. The Company will provide opportunities for all employees equally.

Employee Suggestion

The Company arranges for staff meetings every quarter to inform news and changes. Including providing knowledge to

employees thoroughly and also providing a box for comments for employees, there will be representatives of employees as agents to open this comment box. The questions received from the comments box will be considered and communicated to employees in the appropriate channels.

Absenteeism Rate in 2018

Company / BU	Number of Employees	Average Leave Taken			
		Sick Leave	Business Leave	Vacation Leave	Others
U City PLC	115	3	1	6	0.5

Remark :

¹⁾ Sick leave according to accident is 0 and no employees who have injured, seriously injured or damaged due to work

²⁾ Other types of leave, such as maternity leave, ordination leave, and sterilization leave

Safety in the work place

Safety is critical for every employee. The Company provides support for emergency evacuation drills in conjunction with the buildings in which the Company is located and establishes a workplace safety policy for employees to guide. The Company has a system for employees to work safely by strictly complying with safety regulations as follows:

- Strictly follow the instructions of the supervisor.
- Always Control the machinery and/or equipment according to the guidelines .
- Do not stop machinery and/or equipment without permission.
- If found unsafe in work, report the supervisor to order the solution immediately.
- Considering, the safety of colleagues as well as your own to avoid the cause of injuries.
- If feeling unwell or injured, must notify the supervisor and immediately receive medical treatment.
- Wear personal protective equipment according to standards. Usage in each area and / or nature of work, including clean, always maintain and store personal protective equipment in good condition for using.
- Participate in proposing opinions to prevent and

Work & Life Balance

The Company is aware of the excellent quality of life for employees so that employees can have time apart from working with personal activities or with family Therefore, the Company tried to find ways to encourage employees to improve their work more efficiently, reduce work time while at the same time providing a relaxing corner for employees to relax During working hours.

control hazards that may arise from work.

- Do not smoke in the non-smoking area and follow the instruction sign in each area.
- If there is a fire, the employee who sees the event must immediately notify other employees and supervisors. Employees who do not have the duty to assist in the fire extinguishing must leave the area immediately.

Emphasizing the importance of anti-corruption

The Company is well aware that the current business operation needs to be transparently, can be checked at every step of the process. Providing employees with awareness and compliance with transparent work procedures, therefore, must emphasize and continuously create activities that are provided to support.

Building good relationships between employees

The Company places the emphasize on the important to creating good relationships in working together so, the Company has organized activities between employees such as Sports Day and Outing Party etc., which is the main factor to develop a good relationship between employees and happy to work as well as having more work efficiency.

Encouraging employees to focus on the environment

The Company is aware of the environmental impacts that are more and more broadly and therefore encourages employees to understand and give importance to being a part in environmental conservation such as encourage employees to use cloth shopping bag and a campaign Waste management and providing relevant knowledge etc.

4.9 CORPORATE SOCIAL RESPONSIBILITY POLICY

U City Public Company Limited intends to operate the business in accordance with the principles good corporate governance along with the implementation of social responsibility by adhering to the ethics and business ethics and good corporate governance in response to the equal satisfaction of stakeholders in all dimensions. With the awareness that the business will grow sustainably, must consist of business operations with a vision and having the ability to manage the business to achieve the mission including the morality and ethics participation in social responsibility operations. The Company has set up a social responsibility policy for sustainable business development in accordance with the Corporate Social Responsibility Institute, the Securities and Exchange Commission and the Stock Exchange of Thailand.

The Company also encourages its employees to be ethical and moral to the Company and all stakeholders. The Company has set a policy as a guideline for environmental and social responsibility to be part of business process management leading to sustainable development including has transparent business practices, and disclose sensitive information in accordance with applicable laws and regulations. We also concern about the benefits to all stakeholders in order to sustainable success together. The guideline as follows:

Practice guideline on social responsibility

(1) Fair business conduct

In order to carry out the Company's businesses smoothly, sustainably and to achieve the objective/strategy of the Company, the Company emphasizes fair business engagement with its clients under the business conditions mutually agreed and strictly in accordance with the customaries of business practices. We also fairly act to all concerned stakeholders, such as our shareholders, employees, community and society, clients, media, customers, general people, business competitors, creditors, government agencies and interested parties and we avoid taking actions, which may cause conflict of interest and infringement of intellectual property. Through these commitments the Company will be able to establish fruitful and long-term relationships with stakeholders.

(2) Anti-corruption

The Company adopts the moral and legal principle to carry out the businesses ethically by being transparent and verifiable. The Company has established accounting procedures and standards, including operation systems with clearly separated authorities. In addition, the Company prohibits its directors, executive officers and employees from accepting all forms of dishonest acts or favours, either directly or indirectly, which includes receiving and giving gifts, entertainment, monetary contributions and other benefits from any person or counterparty having business or relations with the Company. Since 2015, the Company announced to be a counterpart of Thailand's Private Sector Collective Action Coalition Against Corruption which reflects the Company's clear approach to combating corruption.

(3) Human right respect

The Company emphasizes its directors, executive officers and employees within the extent permitted by the law without impairing other people's rights. The Company is committed to protect and respect rights and freedoms as prescribed by the Constitution of the Kingdom of Thailand of all stakeholders.

(4) Fairness to employees

The Company is committed to treating its employees on a fair and equal basis. The Company adheres to remuneration principles which are fair and proper. The Company arranges for a safe and sanitary environment for the welfare of employees in the workplace, and to provide care and protection to its employees within the extent of the law. While the Company is able to take care employee protection at the level that can be implemented which is both mutual benefit by taking into account the economic conditions of the country and can compete with the labor market.

(5) Responsibility to consumers

The Company focuses on establishing good relationships with our customers. The Company shall accomplish this by providing property products and services as agreed and expected while not causing any harm to our customers. The Company also gives information on our products and services which are correct, sufficient and not over-stated. We shall keep confidential customer information and shall not illegally use it

for our own benefit or other relevant parties.

(6) Environment protection

The Company is dedicated to the responsible and efficient use of resources and protection of the environment. The Company has created procedures for the analysis of risks and the impact to the environment. By doing so, we are aware of and can address potential environmental issues that may arise. The Company includes processes that reduce electricity consumption, promoting economical electricity usage, recycling or reusing what would normally be disposed such as office paper and promoting good hygiene in the workplace. etc.

(7) Taking part in community and social development

It is essential for businesses to contribute to the improvement of the quality of life, economic welfare and sense of community and society. The Company is determined to be actively involved projects and activities being beneficial to society and community development, whilst encouraging, supporting and organizing employees to participate in charitable and CSR activities.

(8) Development and publication of innovation for socially responsible actions

The Company believes in publishing and informing its aforementioned values, practices and policies to positively influence stakeholders. This includes sharing innovative practices and lessons that would allow others to adopt or follow.

Guidelines and activities for implementing CSR activities

The Company has established a social responsibility policy for sustainable business development to allow directors, executives and employees at all levels to adhere to the following guidelines.

(1) Responsibility for the operation

The Company is committed to corporate social responsibility, which is reflexed from what the Company concerning on effect to all stakeholders such as investors, employees, customers, suppliers, business partners, government officials and others related to the company by

1.1 Establish ethical values of fair business in accordance with the Code of conduct.

1.2 Taking into account of the safety and health of employees including loyalty, trust, and work in harmony.

1.3 Transparency disclosure by providing that is reliable and verifiable information which are committed to the best interests to all stakeholders.

(2) Environmental care practices

The Company encourages and creates good habits for its employees to use material and equipment with care and realization of the best benefit by taking into account on sustainable resources and creates less damage both direct and indirect to the environment as follows:

1.1 To encourage employees to be conscious social and environment.

1.2 To create "Sufficiency Economy Values" to employees and to use resources economically.

1.3 Reduce the amount of paper purchased in the office by encourage to reuse the paper

(3) Practice for community and social development

The Company encourages employees to do volunteer and allow employees to contribute, donate, help the community and society, regardless of the day they are absent. To raise awareness of community and social development. In addition to working within the organization by organizing community development activities.

CSR Activities in 2018



Supporting Children's Day activities, 2018, Wat Muang Khae community and Haroon Mosque, Bang Rak District



Executives and employees donated items to help the poor and the elderly in the area of Bang Chalong District



Supporting Sports day activities of Khlong Toei Wittaya School, Khlong Toei District



Financial Report

- 5.1 Report of the Board of Directors' Responsibilities for Financial Statement
- 5.2 Report of the Audit Committee
- 5.3 Independent Auditor's Report
- 5.4 Management Discussion & Analysis
- 5.5 Audited Financial Statements
- 5.6 Notes to the Consolidated Financial Statements

5.1 REPORT OF THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL STATEMENT

The Board of Directors is responsible for the financial statements of U City Public Company Limited and its subsidiaries which have been prepared in accordance with generally accepted accounting standards in Thailand. The appropriate accounting policies are pursued and applied consistently with adequate disclosure of important information in the Notes of Financial Statements. The Board of Directors has prepared the internal control system in order to prevent any dishonest or irregular activities. Also this is to ensure reasonably conducted in normal business practices and will make most benefits. The opinion of the Audit Committee is reported in the Report of the Audit Committee in this annual report.

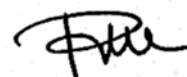
Therefore, the Board of Directors considered the overall internal control system of the Company and its subsidiaries was at satisfactory level and believed the financial statements of the Company and its subsidiaries as of 31 December 2018 have been prepared in accordance with generally accepted accounting standards and related laws and regulations. The audit has given an unconditional opinion on this matter as shown in auditor report as the following matters:

- a) As discussed in Note 13.2.1 to the financial statements regarding the acquisition of hotel business in Europe, the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill have been completed during the second quarter of 2018.
- b) As discussed in Note 13.1.1 and Note 15.1.4 to the interim financial statements regarding the entire business transfer of Unicorn Enterprise Company Limited and the acquisition of a joint venture, respectively, during the year 2018 of which the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill have not yet been completed.
- c) As discussed in Note 38.2 c) to the financial statements regarding litigation, a subsidiary filed a lawsuit against the government agency with the Central Administrative Court in order to request the government agency to deliver the construction site on royal land under the Rong Pasee Roi Chak Sam Land Development Project, and to approve extensions of the "project management period" and "rental period" as specified in the agreement. On 13 July 2017, the Central Administrative Court issued a judgment to extend the project utilisation period of the land in dispute for another 30 years, from the handover date or the date the Court issued the final judgment, as the case may be. The subsidiary has appealed to the Supreme Administrative Court and currently, the case is in the process of being considered by the Court

In addition, the auditors also give importance to the examination of significant issues such as: **Business combination**

- As discussed in Note 13.2.1 to the financial statements regarding the acquisition of investments in subsidiaries in the year 2017, the fair value measurement of the identifiable assets acquired and the liabilities assumed as the acquisition date, and the measurement of goodwill were completed during the second quarter of the year 2018. Accordingly, the Group has restated the values of the identifiable assets acquired and the liabilities assumed, and has recorded goodwill in the financial statements of the year 2017. Moreover, as discussed in Note 13.1.1 and Note 15.1.4 to the financial statements regarding the acquisition of investments in subsidiaries and a joint venture, respectively, **Revenue recognition** - Revenue is one of the Group's significant accounts because the amounts of revenue recorded would directly affect the Group's profit or loss for the year. Moreover, the Group has a large number of customers and revenue is recurring daily with a variety of different type including revenue from hotel operation, rental and management income, dividend income, interest income and etc. There are therefore risks with respect to the amount and timing of revenue recognition, **Impairment of goodwill** - As discussed in Note 22 to the financial statements, impairment assessment on goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating unit, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill, **Impairment of investment properties and property, plant and equipment** - As discussed in Note 18 and Note 19 to the financial statements, the balances of the investment properties and the property, plant and equipment used in the business operations are material to the financial statements of the Group, representing 16% and 35% of total assets, respectively. and **Impairment of investments in subsidiaries** - As discussed in Note 13 to the financial statements, the balance of investments in subsidiaries representing 38% of total assets, which is significant to the statement of financial position. In considering the impairment loss, the management had to exercise significant judgment with respect to the subsidiaries' projections of future operating performance and the determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of provision for impairment of investments in subsidiaries.

The Company aims to operate prudently and transparently by focusing on investing and developing real estate as well as other related businesses to generate sustainable revenue growth and profitability over a long run.



(Ms.Piyaporn Phanachet)
Executive Director

5.2 REPORT OF THE AUDIT COMMITTEE

To the Shareholders of U City Public Company Limited

The Audit Committee of U City Public Company Limited comprises 4 independent directors: Mr.Rungson Sriworasat as Chairman of the Audit Committee, Mr.Chaiwat Atsawintarangkun, Mr.Plakorn Wanglee and Mr.Paisal Tarasansombat as Audit Committee Members. At least one member of the Audit Committee is required to have knowledge and experience in reviewing financial statements.

The Audit Committee has performed its work under the scope of duties and responsibilities as entrusted by the Company's Board of Directors and in compliance with the requirements stipulated by the Office of the Securities and Exchange Commission and the Stock Exchange of Thailand. In 2018, the Audit Committee held 7 meetings with management, external and internal auditors, including a meeting with external auditors without management, which can be summarised as follows:

1. **Review the Company's financial statements:** The Audit Committee reviewed U City Public Company Limited's quarterly and annual financial statements as well as the consolidated financial statements for 2018, which includes inquires to management and the external auditor about the accuracy and completeness of the financial statements and the adequacy of financial disclosure. The Committee agreed with the external auditor that the financial statements were in accordance with all legally defined accounting principles and were adequately and promptly disclosed for the benefit of shareholders, investors and users of such statements for the purposes of making informed investment decisions.
2. **Review the adequacy of internal control systems:** The Audit Committee reviewed internal control systems from the internal audit report and consulted with the external auditor to evaluate internal control systems based on guidelines from the office of the Securities and Exchange Commission. The Committee concluded with the external auditor that there were no concerns

or significant errors discovered.

3. **Overseeing the Internal Audit Department:** The Audit Committee has reviewed and approved the annual audit plan, follow-up audit plan, reviewed the audit report and suggested improvements to any areas of concern in accordance with good corporate governance and efficient internal controls and reviewed training plans for staff. The Committee concluded that internal control systems were adequate, as well as proposed improvements to audit performance for both internal auditor and audit methods. Moreover, The Audit Committee also advised training to improve internal audit performance, especially in business knowledge areas.
4. **Adherence to legal and regulations:** The Audit Committee determined that the Company's operations were in compliance with regulations of The Securities and Exchange Commission, The Stock Exchange of Thailand and other relevant laws that concerns the Company's business. Moreover, there were no significant issues regarding non-compliance of the law or with terms and obligations that the Company has with external parties.
5. **Conclude the related transaction or conflict of interest transactions:** The Audit Committee concluded that the quarterly and annual period, related transactions were fair and without conflict of interest. The Audit Committee is of the view that the transactions were reasonable and beneficial to the Company overall and were adequately and promptly disclosed to the public.
6. **Consideration to nominate the external auditor for 2019:** The Audit Committee concluded that Ms.Siraporn Auyanunkul, external auditor license number 3844 and/or Mrs. Chonlaros Suntiasvaraporn, external auditor license number 4523 and/or Mr. Chatchai Kasemsrithanawat, external auditor license number 5813, from EY Company Limited to be appointed as the official company's external auditor for 2019 and has proposed to Board of Directors for consideration to nominate and approve the annual audit fee at the general shareholders meeting of 2019.

The Audit Committee has performed its work under the scope of duties and responsibilities as entrusted by the Company's Board of Directors with knowledge and independence in reviewing financial statements and with no restriction to information from management, employees and concerned parties.

In summary, the Audit Committee has considered and given the opinion that the financial statement of the Company

was prepared in conformity with generally accepted accounting principles and with complete Information disclosure, under effective and adequate internal control and risk management systems and any action taken by the Company complies with relevant laws, rules and regulations to the Company's business and in compliance with good corporate governance principles.

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On behalf of Audit Committee



Mr. Rungson Sriworasat)

Chairman of the Audit Committee

13 February 2019

5.3 INDEPENDENT AUDITOR'S REPORT

To the Shareholders of U City Public Company Limited

Opinion

I have audited the accompanying consolidated financial statements of U City Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2018, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of U City 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 U City Public Company Limited and its subsidiaries and of U City Public Company Limited as at 31 December 2018, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

Basis for Opinion

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

Emphasis of matter

I draw attention to the following matters:

- a) As discussed in Note 13.2.1 to the financial statements regarding the acquisition of hotel business in Europe, the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill have been completed during the second quarter of 2018.
- b) As discussed in Note 13.1.1 and Note 15.1.4 to the interim financial statements regarding the entire business transfer of Unicorn Enterprise Company Limited and the acquisition of a joint venture, respectively, during the year 2018 of which the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill have not yet been completed.
- c) As discussed in Note 38.2 c) to the financial statements regarding litigation, a subsidiary filed a lawsuit against the government agency with the Central Administrative Court in order to request the government agency to deliver the construction site on royal land under the Rong Pasee Roi Chak Sam Land Development Project, and to approve extensions of the "project management period" and "rental period" as specified in the agreement. On 13 July 2017, the Central Administrative Court issued a judgment to extend the project utilisation period of the land in dispute for another 30 years, from the handover date or the date the Court issued the final judgment, as the case may be. The subsidiary has appealed to the Supreme Administrative Court and currently, the case is in the process of being considered by the Court

My opinion is not qualified in respect of these matters.

Key Audit Matters

Key audit matters are those matters that, in my professional judgment, 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 for each matter are described below.

Business combination

As discussed in Note 13.2.1 to the financial statements regarding the acquisition of investments in subsidiaries in the year 2017, the fair value measurement of the identifiable assets acquired and the liabilities assumed as the acquisition date, and the measurement of goodwill were completed during the second quarter of the year 2018. Accordingly, the Group has restated the values of the identifiable assets acquired and the liabilities assumed, and has recorded goodwill in the financial statements of the year 2017. Moreover, as discussed in Note 13.1.1 and Note 15.1.4 to the financial statements regarding the acquisition of investments in subsidiaries and a joint venture, respectively, in 2018, as at 31 December 2018, the Group provisionally recorded the acquisition using a best estimate of the values of the assets acquired and liabilities assumed, determined by applying the acquisition method. The Group will complete summarising the results of account recording to the acquisitions within 2019, and the transaction amounts recorded as at 31 December 2018 may need to be changed. I have focused on these business acquisitions since they are material to the financial statements as a whole. In addition, given the nature of the real estate development and hotel businesses, the management need to exercise substantial judgment to determine the assumptions used as a basis for provisional recognition of the acquisitions. Therefore, there is a risk with respect to the recognition and measurement of the assets acquired and liabilities assumed, including goodwill and initial differences arising from the acquisitions.

I reviewed the terms and conditions of the agreements and inquired with management as to the nature and objectives of the acquisitions in order to assess whether the acquisitions met the definition of a business combination under Thai Financial Reporting Standard No.3 (Revised 2017) Business combinations. I checked the value of the acquisitions against supporting documents and related payments to assess whether they reflected the fair value of the consideration transferred and did not include acquisition-related costs, taking into account the method and significant assumptions used in measurement of fair value. I also, tested the calculations and considered the reason for the goodwill and the initial differences arising from the acquisitions recognised by the Group, and reviewed the disclosures related to the acquisitions in the notes to financial statements.

Revenue recognition

Revenue is one of the Group's significant accounts because the amounts of revenue recorded would directly affect the Group's profit or loss for the year. Moreover, the Group has a large number of customers and revenue is recurring daily with a variety of different type including revenue from hotel operation, rental and management income, dividend income, interest income and etc. There are therefore risks with respect to the amount and timing of revenue recognition.

I have examined the revenue recognition of the Group by

- Assessing and testing the Group's internal controls with respect to the accuracy and timing of revenue recognition in the Group's financial statements by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls.
- On a sampling basis, examining supporting documents for actual revenues transactions occurring during the year and near the end of the accounting period.
- Reviewing credit notes that the Group issued after the period-end.
- Performing analytical procedures on disaggregated data to detect possible irregularities in revenues transactions throughout the period.
- On a sampling basis, examining revenue transactions made through journal vouchers.

Impairment of goodwill

As discussed in Note 22 to the financial statements, impairment assessment on goodwill is a significant accounting estimate requiring management to exercise a high degree of judgment in identifying the cash generating unit, estimating the cash inflows that are expected to be generated from that group of assets in the future, and setting an appropriate discount rate and long-term growth rate. There are thus risks with respect to the amount of goodwill.

I assessed the identification of cash generating units and the financial models selected by the Group's management by gaining an understanding of management's decision-making process and assessing whether the decisions made were consistent with how assets are utilised. In addition, I tested the significant assumptions applied by management in preparing estimates of the cash flows expected to be realised from the assets, by comparing those assumptions with information from both internal and external sources and comparing past cash flow projections to actual operating results in order to evaluate the exercise of management judgment in estimating the cash flow projections. I also evaluated the discount rate applied by management through analysis of the average costs of the Group and of the industry, tested the calculation of the realisable values of the assets using the selected financial model and considered the impact of changes in key assumptions on those realisable values, especially changes in the discount rate and long-term revenue growth rates. In addition, I assessed the adequacy and the appropriateness of the disclosure of information relating to impairment assessment on goodwill in the notes to the financial statements.

Impairment of investment properties and property, plant and equipment

As discussed in Note 18 and Note 19 to the financial statements, the balances of the investment properties and the property, plant and equipment used in the business operations are material to the financial statements of the Group, representing 16% and 35% of total assets, respectively. I therefore focused on auditing and considering the impairment of such assets to ensure that the book values of the assets do not exceed their recoverable amounts. The determination of the provision for

impairment of assets requires management to exercise significant judgment with respect to the projections of future operating performance and the assessment of future plans, including the determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of impairment loss recorded on the assets.

I assessed the management's identification of cash generating units and selection of a financial model, according to the type of asset, by gaining an understanding of management's decision-making process and evaluating whether the decisions were consistent with how assets are utilised. In addition, I gained an understanding of and assessed the following items.

- The assumptions applied in preparing 5-year plans and cash flow projections of the Group, based on the understanding I gained of the process by which the figures were arrived at, comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections, and comparison of the long-term growth rate of the Group with economic and industry forecasts.
- The discount rate, based on comparison of the average cost of capital and other data with those used by comparable organisations.
- The assumptions and approaches used by the independent valuer or the Group's management in calculating the fair value of assets.

I considered the scope and probability of potential changes in the key assumptions (both individually and collectively as a group) and in particular the growth rates applied in preparing the cash flow projections, by comparing them to economic and industry forecast. In addition, I reviewed the disclosure of information relating to the estimation of impairment of the assets in the notes to the financial statements.

Impairment of investments in subsidiaries

As discussed in Note 13 to the financial statements, the balance of investments in subsidiaries representing 38% of total assets, which is significant to the statement of financial position. In considering the impairment loss, the management

had to exercise significant judgment with respect to the subsidiaries' projections of future operating performance and the determination of an appropriate discount rate and key assumptions. There is thus a risk with respect to the amount of provision for impairment of investments in subsidiaries.

I assessed the subsidiaries' projections of future operating performance and the financial model prepared by the management and evaluated whether they were consistent with the nature of business operations of the subsidiaries. In addition, I gained an understanding of and assessed the following matters.

- The assumptions applied in preparing 5-year plans and cash flow projections for the subsidiaries, based on the understanding I gained of the process by which the figures were arrived at; comparison of the assumptions with external and internal sources of information and comparison of past cash flow projections with actual operating results in order to assess the exercise of management judgment in estimating cash flow projections, and comparison of the long-term growth rate of subsidiaries with economic and industry forecasts.
- The discount rate, based on comparison of the average cost of capital and other data with those used by comparable organisations.
- The assumptions and approaches used by the independent valuer or management in calculating the fair value of investments.

I considered the scope and probability of potential changes in the key assumptions (both individually and collectively as a group) and in particular the growth rates applied in preparing the cash flow projections, by comparing them to economic and industry forecasts. In addition, I reviewed the disclosure of information relating to the estimation of impairment of the investments in subsidiaries in the notes to the financial statements.

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 judgment 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.

Siraporn Ouankun

Certified Public Accountant (Thailand) No. 3844

EY Office Limited

Bangkok: 14 February 2019

5.4 MANAGEMENT DISCUSSION & ANALYSIS

REVENUE STRUCTURE

Business Types	Operated by	2018		2017		2016	
		Revenue (THB mn)	%	Revenue (THB mn)	%	Revenue (THB mn)	%
<u>Real Estate Development for Rent, Service and Hotel</u>							
Office Building Segment		282.18	4.04	161.98	3.64	62.79	5.39
33 Gracechurch Street	Thirty Three Gracechurch 1 Limited	176.00	2.52	155.74	3.50	62.79	5.39
6-14 Underwood Street	Underwood Street Limited	2.06	0.03	6.24	0.14	-	-
TST Tower	Unison One Co., Ltd.	95.81	1.37	-	-	-	-
Group under Vienna House	VHC	8.31	0.12	-	-	-	-
Property Management Segment		105.12	1.51	-	-	-	-
Property Management	Thanacity Golf and Sport Club	71.14	1.02	-	-	-	-
Property Management	Tanayong Property Management	33.98	0.49	-	-	-	-
Hospitality Segment		6,008.95	86.14	3,867.71	86.84	1,027.06	88.18
Avani Khon Kaen Hotel and Convention Center	Khon Kaen Buri Co., Ltd.	197.08	2.82	181.27	4.07	156.39	13.43
Anantara Chiangmai Resort and Spa	Pacific Hotel Chiangmai Co, Ltd.	363.31	5.21	345.40	7.75	299.55	25.72
Eastin Grand Sathorn	EGS Assets Co.,	626.71	8.98	593.74	13.33	571.12	49.03
Vienna House Group	VHC	4,599.65	65.93	2,747.30	61.68	-	-
U Inchantree Kanchanaburi	Muangthong Assets Co., Ltd	33.47	0.48	-	-	-	-
U Sathorn	Muangthong Assets Co., Ltd	146.72	2.10	-	-	-	-
U Chiangmai	Muangthong Assets Co., Ltd	38.61	0.55	-	-	-	-
Eastin Thanacity	BTS Land Co., Ltd, Muk 8 Co., Ltd, , Nine Square Property Co., Ltd	3.41	0.05	-	-	-	-
Other income		579.94	8.31	424.32	9.53	74.91	6.43
Dividend income		0.45	0.01	5.97	0.13	22.19	1.90
Interest income		299.18	4.29	59.84	1.34	6.22	0.53
Gain on sales of assets		53.87	0.77	47.86	1.07	0.45	0.04
Gain on sales of investments in subsidiaries		-	-	184.63	4.15	-	-
Gain from acquisition of business at a price lower than fair value		29.67	0.43	-	-	-	-
Others		196.77	2.82	126.03	2.83	46.06	3.95
Total Revenues		6,976.19	100.00	4,454.02	100.00	1,164.76	100.00

OPERATING PERFORMANCE AND FINANCIAL STATUS

CONSOLIDATED OPERATING PERFORMANCE

U City reported total consolidated revenue of THB 6,976mn in 2018. This represented an increase of 56.6% YoY or THB 2,522mn from THB 4,454mn in 2017. Please note, that the Company has restated its financial statements for the same period of the previous year after the fair value measurement of the identifiable assets acquired and the liabilities assumed at the acquisition date, and the measurement of goodwill of the hotel business in Europe was completed in the second quarter of 2018. The revenue growth was chiefly attributed to (i) higher operating revenue from the hotel business in Europe, which contributed operating revenue of THB 4,600mn, an increase of 67.4%YoY or THB 1,852mn; (ii) consolidation of income generating assets and management income from the EBT of UE since 16 March 2018, whose revenue contribution for the year amounted to THB 423mn and (iii) an increase of 36.7% YoY or THB 156mn of other revenue to THB 580mn.

Total consolidated expenses amounted to THB 6,683mn in 2018. During the year the Company recorded a loss on impairment of assets of THB 355mn, from a revaluation of an equity investment. The YoY increase in total consolidated expenses was largely as a result of (i) the full year consolidation of the hotel business in Europe (compared to 7 months in 2017), (ii) consolidation of expenses from the EBT of UE and (iii) expenses related to the restructuring of the holding structure of the Company, being partially offset by (iv) lower loss on impairment of assets, which decreased by THB 426mn.

Reported share of profit from associates/JVs was THB 31mn, compared to a loss of THB 1.1mn last year. The increase in share of profit from associates/JVs was primarily from (i) a THB 27mn share of profit from Vienna House, derived largely

from the UBM JV that was acquired on 4 September 2018 to lease and manage two hotels in Munich, Germany, (ii) a share of profit of THB 11mn from Absolute Hotel Services (AHS), (iii) a share of profit from an associate company, MHG, which manages serviced apartments adjoining Anantara Chiang Mai Hotel, being partially offset by a share of loss from Sansiri and Keystone JVs that are bearing costs associated with sales, marketing and/or project development.

Finance costs were THB 910mn in 2018. The increase was mainly from (i) full year recognition of finance expenses related to the hotel business in Europe and (ii) recognition of finance costs associated with liabilities assumed from the EBT of UE.

REAL ESTATE DEVELOPMENT FOR RENT, SERVICE AND HOTEL

HOSPITALITY SEGMENT

Revenue from hospitality segment accounted for 86.1% of total revenue

In 2018, the hospitality segment contributed the lion's share of total revenue at 86.1%. Within the hospitality segment, revenue grew by THB 2,141mn or 55.4% YoY to THB 6,009mn, chiefly from (i) higher operating revenues and full year consolidation of the hotel business in Europe, which grew 67.4% YoY or THB 1,852mn to THB 4,600mn, (ii) the consolidation of 4 additional hotels from the EBT of UE (U Sathorn, U Chiang Mai, U Inchantree Kanchanaburi and since December 2018, Eastin Thana City Golf Resort), which contributed THB 222mn and (iii) the improving overall operating performance of all 3 of our hotels in Thailand, Eastin Grand Sathorn, Anantara Chiang Mai and Avani Khon Kaen hotels, which grew by 5.9% YoY or THB 67mn to THB 1,187mn.

HOTEL PORTFOLIO & PERFORMANCE SNAPSHOT

	No. of Keys			ADR (THB/night)			Occupancy			RevPAR (THB/night)		
	2018	2017	+/-	2018	2017	+/-	2018	2017	+/-	2018	2017	+/-
Owned	3,961	3,550	411	2,788	2,878	(90)	66.3%	72.9%	(6.6)	1,850	2,098	(248)
Operating Leased	1,295	963	332	3,430	3,594	(164)	74.1%	80.0%	(5.9)	2,542	2,744	(202)
Managed*	4,619	2,509	2,110	3,420	3,039	381	74.2%	72.7%	1.5	2,536	2,209	327
Total Operational	9,875	7,022	2,853	3,001	3,096	(95)	68.8%	75.3%	(6.5)	2,065	2,331	(266)
Hotels in Pipeline	17,122	1,253	15,869									
Grand Total	26,997	8,275	18,722									

* Includes JV hotels with UBM, excludes ADR, Occupancy and RevPAR of AHS managed hotels

By end 2018, total number of operational keys stood at 9,875, an increase of 2,853 keys YoY. The increase in operational owned keys by 411 keys to 3,961 keys was largely as a result of the EBT of UE, in which the Company added 2 hotels, Eastin Thana City Golf Resort (which was under construction at the time of the aforesaid transaction and has been open since December 2018) and U Inchantree Kanchanaburi. The number of operational operating leased keys increased by 332 keys due to the EBT of UE (U Sathorn and U Chiang Mai hotels) and the opening of the VHE Leipzig hotel. The number of managed keys increased by 2,110 keys as a result of EBT of UE, which included the acquisition of 50% of AHS.

The number of keys in our future pipeline stands at 17,122, an increase of 15,869 keys YoY, largely as a result of the AHS' contribution and new operating leases signed under Vienna House. All-in-all, total number of keys under U City stood at 26,997 keys.

Overall ADR, Occupancy rate and RevPAR of our hotels stood at THB 3,001, 68.8% and THB 2,065, respectively. Overall RevPAR decreased by THB 266 YoY, from THB 2,331, chiefly as a result of full year consolidation of the hotel business in Europe (1Q 2017 low season wasn't consolidated last year), renovation impact of key hotels located in Czech Republic and Poland and softer MICE business in Poland.

OFFICE BUILDING SEGMENT

Revenue from office building business for rent accounted for 4% of total revenue

In 2018, the Company acquired one more office building (TST Tower) in Bangkok during the second quarter.

For the office segment, revenue grew by THB 120mn or 74.2% YoY to THB 282mn, largely as a result of (i) the contribution of TST Tower of THB 96mn and (ii) rental income growth of 13% YoY or THB 20mn from 33 Gracechurch Street office building, being partially offset by lower revenue of THB 4mn from Underwood Street office building (THB 6mn in the previous year) as the building was under renovation for the majority of the year. Renovation of Underwood Street office building was completed in early February 2019 and we're currently in negotiations with potential new tenants for Underwood Street. As such, Underwood Street was still excluded from the occupancy rate calculation during this period (but shall be included from 1Q 2019 onwards). As of 4Q 2018, U City's office building portfolio was 99% occupied on a blended basis, down slightly from the previous year on tenant turnover at TST Tower.

Revenue from management and services

In 2018, the Company had revenue from management income of THB 105mn for property management and administration services rendered.

RESIDENTIAL SEGMENT

JV WITH SANSIRI PROJECTS

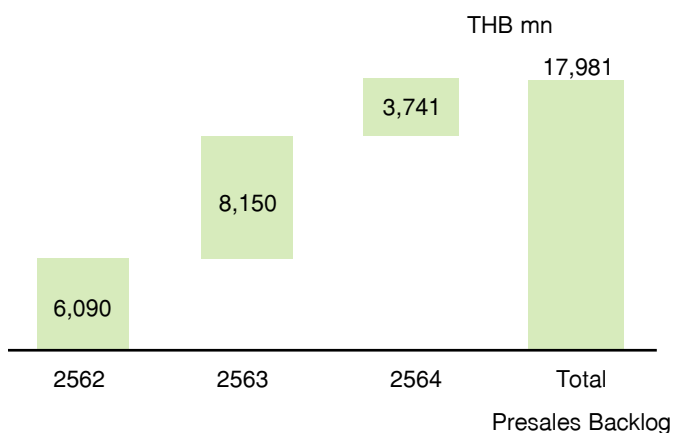
As of 31 December 2018, the Company has total cumulative, non-equity stake-adjusted, presales backlog of THB 17,981mn to be transferred by 2021.

During the year, the Sansiri JV transferred units of the ready-to-move-in The Line Wongsawang, The Line Ratchathewi, The Line Asoke-Ratchada and Base Garden Rama 9 projects and launched presales of The Line Wongsawang, The Base Saphanmai and The Line Phahonyothin Park projects for a total of 2,988 condominium units and a total project value of approximately THB 12.7bn.

JV WITH SANSIRI PROJECTS EXPECTED TO TRANSFER IN 2019

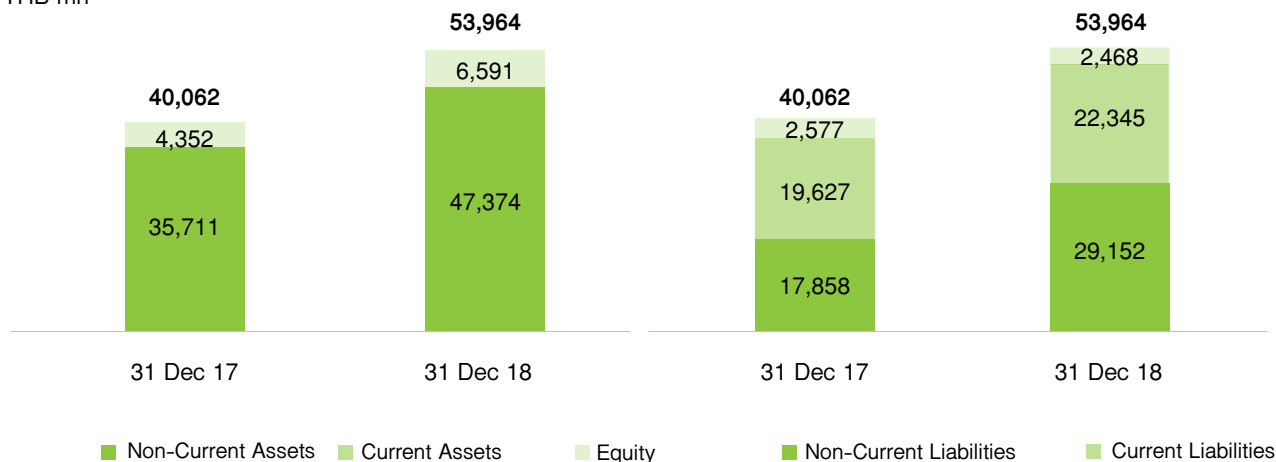
PROJECT	PRESALES BACKLOG (THB mn)
The LINE Ratchathewi	40
The LINE Asoke-Ratchada	781
The BASE Garden Rama 9	561
The LINE Wongsawang	42
The MONUMENT Thonglor	1,191
The LINE Sukhumvit 101	2,158
The LINE Phahon-Pradipat	588
THE BASE Phetchkasem 29	196
KHUN BY YOO Thonglor	532
Total	6,090

JV WITH SANSIRI TOTAL PRESALES BACKLOG (THB mn)



FINANCIAL POSITION

THB mn



TOTAL ASSETS

Total assets as of 31 December 2018 stood at THB 53,964mn, an increase of 34.7% or THB 13,902mn from 31 December 2017. The increase was primarily attributed to the following below:

Mainly due to the EBT of UE:

- (i) an increase in long-term loans to related parties and interest receivables of THB 5,050mn
- (ii) an increase in investments to joint-ventures of THB 3,047mn (Sansiri JVs, AHS and Keystone JVs acquired)
- (iii) an increase in land and project awaiting development of THB 1,921mn (largely from land plots acquired)
- (iv) an increase in investment properties of THB 1,165mn (chiefly from buildings acquired)
- (v) an increase in property, plant and equipment of THB 835mn
- (vi) an increase in leasehold rights of THB 361mn (leasehold hotels acquired)

Mostly due to the capital increase in the first quarter:

- (vii) an increase in cash and cash equivalents of THB 1,414mn
- (viii) an increase in current investments of THB 1,379mn (treasury operations)

Predominantly for other reasons:

- (ix) an increase in trade and other receivables of THB 170mn, chiefly from a Thai hotel and the EBT of UE, being partially offset by:
- (x) a decrease in current and non-current portion of receivables from sales of investments in subsidiaries totaling THB 996mn from the settlement of receivables of last year's disposal of subsidiaries owning land plots at Bangkrachao;
- (xi) a decrease in real estate projects under development of THB 620mn.

TOTAL LIABILITIES

Total liabilities as of 31 December 2018 was THB 24,813mn, increasing by 11.7% or THB 2,609mn from 31 December 2017. This was largely due to (i) long-term loans from related parties and interest payables of THB 5,027mn, or the outstanding debt assumed from the EBT of UE, (ii) an increase in trade and other payables of THB 171mn, being partially offset by, predominantly (iii) a decrease in current and non-current portion of long-term loans from financial institutions of THB 1,902mn, (iv) a decrease in current and non-current portion of liabilities under finance lease agreements of THB 619mn and (v) a decrease in bank overdrafts and short-term loans from financial institutions of THB 216mn.

TOTAL EQUITY

Total equity as at 31 December 2018 amounted to THB 29,152mn, growing by 63.2% or THB 11,294 mn. We draw attention to the fact that in the 4th quarter of the year, the Company undertook a series of shareholder-approved transactions that include, a minor capital increase for the elimination of fractional shares, a reverse stock split and a capital reduction. These transactions concluded on 26 December 2018 with the capital reduction to reduce the Company's deficit and eliminate the share discount, prompting a final adjustment to the par value of the Company's ordinary and preferred shares to THB 3.20 per share. As a result of the aforesaid transactions, a year-on-year comparison of the changes of specific components of equity attributable to owners of the Company are less meaningful. That being said, key drivers of total equity growth were (i) issued and fully paid-up capital, net of share discount, deficit and other components of shareholders' equity increasing by THB 11,293mn and non-controlling interests of the subsidiaries growing by THB 1mn.

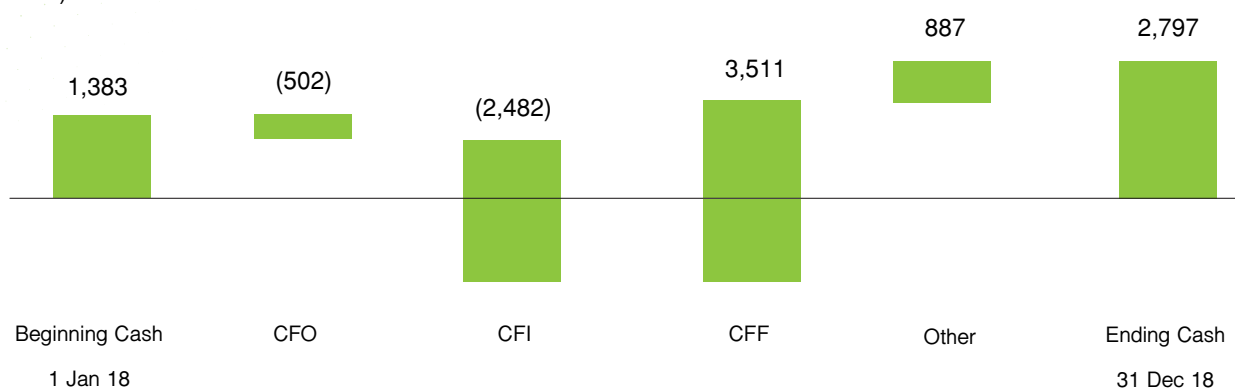
CAPITAL STRUCTURE

As of 31 December 2018, U City's total interest-bearing debt was THB 20,344mn, an increase of 12.5% or THB 2,257mn from the balance as of 31 December 2017. This was mainly due to the assumption of outstanding debt from EBT of UE. Net interest-bearing debt to equity ratio stood at 0.55 times, an improvement from 0.93 times at the end of last year, chiefly due an increase in shareholder equity from the capital increase in the first quarter more than offsetting the abovementioned.

CASH FLOW

TWELVE-MONTHS CASH FLOW SNAPSHOT

(THB mn)



For the 12 months ended 31 December 2018, cash and cash equivalents stood at THB 2,797mn, an increase of 102.2% or THB 1,414mn. Cash used in operating activities was THB 502mn. This was derived from loss before tax of THB 586mn, being partially offset by (i) non-cash reconciling items of THB 1,269mn and (ii) changes in net working capital of THB (90)mn. After deducting cash paid for interest expenses of THB 922mn and cash paid for income tax of THB 173mn, net cash used in operating activities was THB 502mn.

For the 12 months ended 31 December 2018, capital expenditure for U City was THB 1,473.4mn, (excluded intangible assets), primarily from an increase in cash paid for property, plant and equipment. Capital expenditure excludes investments or long-term loans to related parties, which is classified as an investment.

Net cash used in investing activities was THB 2,482mn. The key components were (i) increase in current investments of THB 1,322mn, (ii) cash paid for purchases of property, plant and equipment of THB 1,113mn, (iii) increase in long-term loans to related parties of THB 773mn, (iv) cash paid for purchases of investment properties of THB 344mn and (v) cash paid for purchases of investments in joint ventures of THB 120mn, being partially offset by (vi) cash received from sales of assets of THB 665mn, (vii) dividend received of THB 283mn and (viii) cash received from interest of THB 263mn.

Net cash from financing activities was THB 3,511mn. The key components were (i) cash received from issuance of preference shares of THB 9,695mn, (ii) cash received from long-term loans from financial institutions of THB 1,061mn and (iii) cash received from receivable of sales of investments in subsidiaries of THB 1,058mn, being partially offset by (iv) repayment of long-term loans from related party of THB 5,050mn and (v) repayment of long-term loans from financial institutions of THB 2,643mn and (vi) repayment of liabilities under finance lease agreements of THB 533mn.

FINANCING CAPABILITY

Net debt to equity was 0.7 times whereas current, quick and cash flow ratio stood at 2.67, 2.10 and -0.20 times, respectively.

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FINANCIAL RATIO

Liquidity Ratios

			2017	2016	2015
Current Ratio	Current assets / current liabilities	Time	2.67	1.69	1.10
Quick Ratio	(Cash, bank deposits + short-term investments + accounts receivable) / current liabilities	Time	2.10	0.88	0.20
Cash flow ratio	Cash flow from operations / average current liabilities	Time	(0.20)	0.03	(0.67)
Account Receivable Turnover	Total sales / average debtors	Time	12.39	14.75	20.63
Average Collection Period	365 days / accounts receivable turnover	Day	29.46	24.75	17.69
Inventory Turnover	Average cost of sales / inventories	Time	n.a.	n.a.	n.a.
Average Sale (Inventory) Period	365 days / inventory turnover rate	Day	n.a.	n.a.	n.a.
Account Payable Turnover	Cost of sales / average trade payable	Time	7.01	6.46	6.05
Average Payment Period	365 days / payable turnover rate	Day	52.06	56.53	60.28
Cash Cycle	Average collection period - Average repayment period	Day	(22.61)	(31.79)	(42.59)

Profitability Ratios

Gross Profit Margin	Gross profit / net sales	%	61.99	63.61	66.37
Operating Profit Margin	Operating profit / net sales	%	1.06	2.82	(21.54)
Other profit margins	Other income / total income	%	8.31	9.53	6.43
Cash ratio to profitability	Operating cash flow / Operating profit	%	(739.92)	96.90	n.a.
Net Profit Margin	Net Profit / Total Revenue	%	(9.02)	(22.07)	(27.61)
Return On Equity	Profit (loss) attributable to shareholders of the Company / Total shareholders' equity of the parent company (average	%	(2.69)	(5.33)	(1.68)

Asset Management Ratios

Return On Asset	Profit (loss) before interest expenses and income tax / average total assets	%	0.69	(0.75)	(0.64)
Return On Fixed Asset	(Net profit + depreciation and amortization) / average net fixed assets	%	0.18	(2.38)	(0.76)
Total Asset Turnover	Total revenue / average total assets	Time	0.15	0.14	0.05

Leverage Ratios

D/E Ratio	Total liabilities / total equity of major shareholders	Time	0.85	1.25	0.33
Interest Coverage Ratio	Profit (loss) before interest expenses and income tax / interest expenses	Time	0.36	(0.39)	(1.15)
Commitment ability payment ratio (cash basis)	Cash flow from operation / (payment of debt + capital expenditure, stock purchase + asset acquisition + dividend payment)	Time	(0.05)	0.01	(0.28)
Dividend Payout Ratio	Dividend / net profit	Time	-	-	-

5.5 AUDITED FINANCIAL STATEMENTS

U City Public Company Limited and its subsidiaries

Statement of financial position

As at 31 December 2018

(Unit: Baht)

	Note	Consolidated financial statements		Separate financial statements	
		2017	2018	2018	2017
		(Restated)			
Assets					
Current assets					
Cash and cash equivalents	7	2,796,805,073	1,383,008,369	1,154,672,545	330,058,529
Current investments	8	1,542,562,477	163,974,998	1,428,615,892	51,110,025
Trade and other receivables	9	830,890,037	709,219,012	281,102,761	1,914,580
Unbilled receivables		47,984,549	-	-	-
Current portion of receivable from sales of					
investments in subsidiaries	10	-	276,994,796	-	276,994,796
Inventories		51,664,200	47,936,279	-	-
Real estate projects under development	11	991,679,500	1,611,503,736	302,600,000	922,424,236
Other current assets		329,007,558	158,945,621	23,056,559	17,651,078
Total current assets		6,590,593,394	4,351,582,811	3,190,047,757	1,600,153,244
Non-current assets					
Restricted deposits	12	194,133,790	70,794,546	27,047,002	823,288
Long-term loans to related parties and					
interest receivables	6	5,905,802,422	855,416,315	19,220,914,147	10,579,189,280
Receivable from sales of investments in subsidiaries - net					
of current portion	10	110,798,329	829,423,510	110,798,329	829,423,510
Investments in subsidiaries	13	-	-	16,340,713,306	14,389,630,421
Investments in associates	14	64,355,939	60,667,290	49,999,970	49,999,970
Investments in joint ventures	15	3,047,136,282	-	2,686,082,000	5,000,000
Other long-term investments	16	154,568,425	193,422,050	154,568,425	193,422,050
Land and project awaiting development	17	3,969,759,644	2,049,155,501	953,242,669	937,572,700
Investment properties	18	8,792,125,664	7,626,643,386	157,281,342	157,040,592
Property, plant and equipment	19	19,141,449,132	18,306,070,243	17,787,026	24,165,551
Leasehold rights	20	2,319,412,983	1,958,039,003	-	-
Intangible assets	21	791,191,431	870,319,312	7,963,451	7,872,518
Goodwill	22	2,736,999,315	2,820,270,368	-	-
Estimated amount by which the purchase cost exceeds					
interest in net asset value	13.1.1	46,784,975	-	-	-
Deferred tax assets	34	81,206,911	44,006,015	-	-
Other non-current assets		17,783,692	26,538,271	3,196,478	3,698,758
Total non-current assets		47,373,508,934	35,710,765,810	39,729,594,145	27,177,838,638
Total assets		53,964,102,328	40,062,348,621	42,919,641,902	28,777,991,882

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

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Statement of financial position (continued)

As at 31 December 2018

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Note:	2018	2017	2018	2017
			(Restated)		
Liabilities and shareholders' equity					
Current liabilities					
Bank overdrafts and short-term loans from financial institution	23	36,610,048	252,976,145	-	-
Short-term loans from related party and interest payables	6	-	-	-	306,795,254
Trade and other payables	24	1,006,284,199	834,966,672	40,454,059	36,962,905
Current portions of the long-term liabilities					
Liabilities under debt restructuring agreements	25	34,023,746	31,890,060	-	-
Long-term loans from financial institutions	26	870,377,661	569,530,790	512,010,667	188,018,453
Liabilities under finance lease agreements	27	77,659,722	522,202,796	2,233,235	-
Deposits and advances received		180,942,795	158,171,972	5,443,700	6,552,225
Income tax payable		69,801,757	38,600,097	-	-
Other current liabilities		192,200,372	168,931,102	12,081,971	2,662,280
Total current liabilities		2,467,900,300	2,577,269,634	572,223,632	540,991,117
Non-current liabilities					
Long-term loan from related party and interest payables	6	5,026,890,520	-	5,026,890,520	
Long-term liabilities - net of current portions					
Liabilities under debt restructuring agreements	25	1,102,067,359	1,136,091,106	-	-
Long-term loans from financial institutions	26	11,408,973,731	13,611,967,671	7,071,962,191	10,058,388,541
Liabilities under finance lease agreements	27	1,787,411,366	1,961,858,090	7,529,942	-
Provision for transaction under equity method of investments					
in joint ventures	15	45,259,283	38,282,248	-	-
Provision for long-term employee benefits	28	115,926,864	64,828,048	24,921,025	23,152,817
Deferred tax liabilities	34	2,360,895,901	2,345,835,049	1,871,564	117,806
Long-term provisions	29	270,542,559	313,251,442	-	-
Other non-current liabilities		226,604,134	154,532,546	-	-
Total non-current liabilities		22,344,571,717	19,626,646,200	12,133,175,242	10,081,659,164
Total liabilities		24,812,472,017	22,203,915,834	12,705,398,874	10,622,650,281

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

Statement of financial position (continued)

As at 31 December 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Shareholders' equity				
Share capital 30				
Registered				
3,740,575,162 preference shares of Baht 3.20 each	11,969,840,518	-	11,969,840,518	-
10,290,722,067 ordinary shares of Baht 3.20 each				
(31 December 2017: 861,413,132,646 ordinary shares of Baht 1 each)	32,930,310,615	861,413,132,646	32,930,310,615	861,413,132,646
	44,900,151,133	861,413,132,646	44,900,151,133	861,413,132,646
Issued and fully paid-up				
3,740,575,162 preference shares of Baht 3.20 each	11,969,840,518	-	11,969,840,518	-
5,613,716,960 ordinary shares of Baht 3.20 each				
(31 December 2017: 561,362,298,976 ordinary shares of Baht 1 each)	17,963,894,272	561,362,298,976	17,963,894,272	561,362,298,976
Share discount on ordinary shares 30	-	(533,401,378,585)	-	(533,401,378,585)
Retained earnings (deficit)	(560,893,979)	(9,830,460,999)	273,021,984	(9,493,339,516)
Other components of shareholders' equity	(339,233,107)	(389,086,589)	7,486,254	(312,239,274)
Equity attributable to owners of the Company	29,033,607,704	17,741,372,803	30,214,243,028	18,155,341,601
Non-controlling interests of the subsidiaries	118,022,607	117,059,984	-	-
Total shareholders' equity	29,151,630,311	17,858,432,787	30,214,243,028	18,155,341,601
Total liabilities and shareholders' equity	53,964,102,328	40,062,348,621	42,919,641,902	28,777,991,882

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

Statement of changes in shareholders' equity

For the year ended 31 December 2018

(Unit: Baht)

For the year ended 31 December 2018

	Consolidated financial statements										
	Equity attributable to owners of the Company										
	Other components of equity										
	Other comprehensive income										
	Issued and fully paid-up	Share discount		Translation adjustment	Surplus (deficit) on changes in value of investments	Total other components of shareholders' equity	Total equity attributable to owners of the Company	Equity attributable to non-controlling interests of the subsidiaries	Total shareholders' equity		
	Preference shares	Ordinary shares	Preference shares								Ordinary shares
Balance as at 1 January 2017	-	561,362,298,976	-	(533,401,378,585)	(8,848,018,929)	(168,427,819)	(89,109,514)	(257,537,336)	18,855,364,126	383,330	18,855,747,456
Loss for the year - restated	-	-	-	-	(974,827,390)	-	-	-	(974,827,390)	(8,386,842)	(983,214,232)
Other comprehensive income for the year - restated	-	-	-	-	(7,614,680)	90,914,074	(222,463,327)	(131,549,253)	(139,163,933)	-	(139,163,933)
Total comprehensive income for the year - restated	-	-	-	-	(982,442,070)	90,914,074	(222,463,327)	(131,549,253)	(1,113,991,323)	(8,386,842)	(1,122,378,165)
Increase from acquisition of subsidiaries - restated	-	-	-	-	-	-	-	-	-	125,063,496	125,063,496
Balance as at 31 December 2017 - as restated	-	561,362,298,976	-	(533,401,378,585)	(9,830,460,999)	(77,513,745)	(311,572,844)	(389,086,589)	17,741,372,803	117,059,984	17,858,432,787
Balance as at 31 December 2017 - as previously reported	-	561,362,298,976	-	(533,401,378,585)	(9,905,027,330)	(74,774,763)	(311,572,844)	(386,347,607)	17,669,545,454	126,140,374	17,795,685,828
Fair value adjustment of assets acquired and liabilities assumed of subsidiary (Note 13.2.1)	-	-	-	-	74,566,331	(2,738,982)	-	(2,738,982)	71,827,349	(9,080,390)	62,746,959
Balance as at 31 December 2017 - as restated	-	561,362,298,976	-	(533,401,378,585)	(9,830,460,999)	(77,513,745)	(311,572,844)	(389,086,589)	17,741,372,803	117,059,984	17,858,432,787
Loss for the year	-	-	-	-	(629,909,409)	-	-	-	(629,909,409)	962,623	(628,946,786)
Other comprehensive income for the year	-	-	-	-	5,144,291	(271,009,665)	320,863,147	49,853,482	54,997,773	-	54,997,773
Total comprehensive income for the year	-	-	-	-	(624,765,118)	(271,009,665)	320,863,147	49,853,482	(574,911,636)	962,623	(573,949,013)
Issuance of preference shares (Note 30)	374,057,516,200	-	(362,190,933,507)	-	-	-	-	-	11,866,582,693	-	11,866,582,693
Issuance of ordinary shares (Note 30)	-	24	-	-	-	-	-	-	24	-	24
Exercised warrants (Note 30)	-	9,397,000	-	(8,833,180)	-	-	-	-	563,820	-	563,820
Reduction of the registered capital (Note 30)	(362,087,675,682)	(543,407,801,728)	362,190,933,507	533,410,211,765	9,894,332,138	-	-	-	-	-	-
Balance as at 31 December 2018	11,969,840,518	17,963,894,272	-	-	(560,893,979)	(348,523,410)	9,290,303	(339,233,107)	29,033,607,704	118,022,607	29,151,630,311

Statement of changes in shareholders' equity (continued)
For the year ended 31 December 2018

(Unit: Baht)

	Separate financial statements									
	Issued and fully paid-up					Share discount				
	Preference shares	Ordinary shares	Preference shares	Ordinary shares	Retained earnings (deficit)	Surplus (deficit) on changes in value of investments	Total other components of shareholders' equity	Other components of equity		
								Other comprehensive income		
Balance as at 1 January 2017	-	561,362,298,976	-	(533,401,378,585)	(7,763,613,113)	(89,306,756)	(89,306,756)			20,108,000,522
Loss for the year	-	-	-	-	(1,728,627,634)	-	-			(1,728,627,634)
Other comprehensive income for the year	-	-	-	-	(1,098,769)	(222,932,518)	(222,932,518)			(224,031,287)
Total comprehensive income for the year	-	-	-	-	(1,729,726,403)	(222,932,518)	(222,932,518)			(1,952,658,921)
Balance as at 31 December 2017	-	561,362,298,976	-	(533,401,378,585)	(9,493,339,516)	(312,239,274)	(312,239,274)			18,155,341,601
Balance as at 1 January 2018	-	561,362,298,976	-	(533,401,378,585)	(9,493,339,516)	(312,239,274)	(312,239,274)			-
Loss for the year	-	-	-	-	(129,465,983)	-	-			(129,465,983)
Other comprehensive income for the year	-	-	-	-	1,495,345	319,725,528	319,725,528			321,220,873
Total comprehensive income for the year	-	-	-	-	(127,970,638)	319,725,528	319,725,528			191,754,890
Issuance of preference shares (Note 30)	374,057,516,200	-	(362,190,933,507)	-	-	-	-			11,866,582,693
Issuance of ordinary shares (Note 30)	-	24	-	-	-	-	-			24
Exercised warrants (Note 30)	-	9,397,000	-	(8,833,180)	-	-	-			563,820
Reduction of the registered capital (Note 30)	(362,087,675,662)	(543,407,801,728)	362,190,933,507	533,410,211,765	9,894,332,138	-	-			-
Balance as at 31 December 2018	11,969,840,518	17,963,894,272	-	-	273,021,984	7,486,254	7,486,254			30,214,243,028

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

Statement of comprehensive income

For the year ended 31 December 2018

(Unit : Baht)

		Consolidated financial statements		Separate financial statements	
	Note:	2018	2017 (Restated)	2018	2017
Continued operation					
Profit or loss:					
Revenues					
Revenue from hotel operation		6,008,947,053	3,867,713,574	-	-
Rental and management income		387,302,505	161,984,559	127,729,626	-
Other income					
Dividend income		449,863	5,966,375	218,454,863	5,966,375
Interest income		299,175,258	59,842,129	763,633,314	318,999,808
Gain on sales of assets		53,869,291	47,860,558	52,224,942	46,856,041
Gain on sales of investments in subsidiary and joint venture		-	184,626,275	52,617,651	-
Gain on bargain price from business acquisition 13.1.1		29,671,502	-	-	-
Others		196,771,572	126,030,701	24,198,720	675,832
Total revenues		6,976,187,044	4,454,024,171	1,238,859,116	372,498,056
Expenses					
Cost of hotel operation		2,247,590,586	1,436,813,950	-	-
Cost of rental and management		183,546,420	29,511,818	-	-
Selling and servicing expenses		466,903,320	321,920,737	-	-
Administrative expenses		2,746,636,802	1,675,209,800	353,244,571	366,972,618
Depreciation and amortisation		683,754,002	452,578,529	6,181,349	3,997,105
Loss on impairment of investments in subsidiaries		-	-	12,001,025	247,912,681
Loss on impairment of assets		355,003,946	781,474,278	368,505,350	708,403,940
Loss on sales of investments in subsidiaries		-	-	-	421,248,720
Total expenses		6,683,435,076	4,697,509,112	739,932,295	1,748,535,064
Profit (loss) before share of profit (loss) from investments in associates and joint ventures,					
finance cost and income tax		292,751,968	(243,484,941)	498,926,821	(1,376,037,008)
Share of profit from investments in associates	14	3,523,591	2,842,159	-	-
Share of profit (loss) from investments in joint ventures	15	27,616,515	(3,980,923)	-	-
Loss before finance cost and income tax		323,892,074	(244,623,705)	498,926,821	(1,376,037,008)
Finance cost		(909,831,432)	(621,332,977)	(628,392,804)	(352,590,626)
Loss before income tax		(585,939,358)	(865,956,682)	(129,465,983)	(1,728,627,634)
Income tax	34	(43,007,428)	(99,894,997)	-	-
Loss from continued operation for the year		(628,946,786)	(965,851,679)	(129,465,983)	(1,728,627,634)
Discontinued operation					
Loss from discontinued operation for the year		-	(17,362,553)	-	-
Loss for the year		(628,946,786)	(983,214,232)	(129,465,983)	(1,728,627,634)

Statement of comprehensive income (Continued)

For the year ended 31 December 2018

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(Unit : Baht)

Note:	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Other comprehensive income:				
Other comprehensive income to be reclassified to profit or loss in subsequent years				
Exchange differences on translation of financial statements in foreign currency	(271,009,665)	90,914,074	-	-
Gain (loss) on changes in value of available-for-sale investments, net of income tax	320,863,147	(222,463,327)	319,725,528	(222,932,518)
Other comprehensive income to be reclassified to profit or loss in subsequent years	49,853,482	(131,549,253)	319,725,528	(222,932,518)
Other comprehensive income not to be reclassified to profit or loss in subsequent years				
Actuarial gain (loss), net of income tax	5,144,291	(7,614,680)	1,495,345	(1,098,769)
Other comprehensive income not to be reclassified to profit or loss in subsequent years	5,144,291	(7,614,680)	1,495,345	(1,098,769)
Other comprehensive income for the year	54,997,773	(139,163,933)	321,220,873	(224,031,287)
Total comprehensive income for the year	(573,949,013)	(1,122,378,165)	191,754,890	(1,952,658,921)

Statement of comprehensive income (continued)

For the year ended 31 December 2018

		(Unit : Baht)			
		Consolidated financial statements		Separate financial statements	
	<u>Note:</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		(Restated)			
Profit attributable to					
Equity holders of the Company					
Loss from continued operation		(629,909,409)	(957,464,837)	(129,465,983)	(1,728,627,634)
Loss from discontinued operation		-	(17,362,553)	-	-
		<u>(629,909,409)</u>	<u>(974,827,390)</u>	<u>(129,465,983)</u>	<u>(1,728,627,634)</u>
Non-controlling interests of the subsidiaries					
Profit (loss) from continued operation		962,623	(8,386,842)		
Loss from discontinued operation		-	-		
		<u>962,623</u>	<u>(8,386,842)</u>		
		<u>(628,946,786)</u>	<u>(983,214,232)</u>		
Total comprehensive income attributable to					
Equity holders of the Company					
Total comprehensive income from continued operation		(574,911,636)	(1,096,628,770)	191,754,890	(1,952,658,921)
Total comprehensive income from discontinued operation		-	(17,362,553)	-	-
		<u>(574,911,636)</u>	<u>(1,113,991,323)</u>	<u>191,754,890</u>	<u>(1,952,658,921)</u>
Non-controlling interests of the subsidiaries					
Total comprehensive income from continued operation		962,623	(8,386,842)		
Total comprehensive income from discontinued operation		-	-		
		<u>962,623</u>	<u>(8,386,842)</u>		
		<u>(573,949,013)</u>	<u>(1,122,378,165)</u>		
Earnings per share	35				
Basic earnings per share					
Loss attributable to equity holders of the Company		<u>(0.258801)</u>	<u>(0.173654)</u>	<u>(0.169655)</u>	<u>(0.307934)</u>
Earnings per share from continued operation	35				
Basic earnings per share					
Loss attributable to equity holders of the Company		<u>(0.258801)</u>	<u>(0.170561)</u>	<u>(0.169655)</u>	<u>(0.307934)</u>

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

Cash flow statements

For the year ended 31 December 2018

(Unit : Baht)

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Note:	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Cash flows from operating activities				
Loss before tax	(585,939,358)	(865,956,682)	(129,465,983)	(1,728,627,634)
Plus loss before tax from discontinued operation	-	(17,362,553)	-	-
Loss before tax	(585,939,358)	(883,319,235)	(129,465,983)	(1,728,627,634)
Adjustments to reconcile loss before tax to net cash provided by (paid from) operating activities				
Share of profit from investments in associates	(3,523,591)	(2,842,159)	-	-
Share of (profit) loss from investments in joint ventures	(27,616,515)	3,980,923	-	-
Depreciation and amortisation	683,754,002	452,587,815	6,181,349	3,997,105
Allowance for long-term provision	800,000	1,000,000	-	-
Allowance for doubtful account	1,677,768	-	-	-
Unrealised loss (gain) on exchange rate	(267,069,251)	240,658,291	29,690,097	36,016,796
Provision for long-term employee benefits	15,768,015	10,820,778	3,311,703	5,498,401
Allowance for impairment of investments in subsidiaries	-	-	12,001,025	247,912,681
Allowance for impairment of loans to related parties	-	-	13,501,404	705,531,277
Allowance for impairment of long-term investments	355,003,946	-	355,003,946	-
Allowance for impairment of property, plant and equipment	-	781,474,278	-	2,872,663
Gain on sales of assets	(31,679,447)	(1,428,397)	(30,047,400)	(1,291,281)
Loss (gain) on sales of investments in subsidiaries	-	(184,626,275)	(27,827,651)	421,248,720
Gain on sales of investments in joint venture	-	-	(24,790,000)	-
Gain on bargain price from business acquisition	(29,671,502)	-	-	-
Gain on sales of current investments	(22,177,941)	(1,387,358)	(22,177,941)	(519,957)
Gain on sales of other long-term investments	-	(45,044,803)	-	(45,044,803)
Loss on write-off of investment properties and property, plant and equipment	6,375,394	2,004,605	-	-
Dividend income	(449,863)	(5,966,375)	(218,454,863)	(5,966,375)
Interest income	(299,175,258)	(59,842,129)	(763,633,314)	(318,999,807)
Interest expenses	887,261,054	618,834,915	605,822,426	341,594,390
Profit (loss) from operating activities before changes in operating assets and liabilities	683,337,453	926,904,874	(190,885,202)	(335,777,824)
Decrease (increase) in operating assets				
Trade and other receivables	(116,645,529)	(60,526,509)	(9,400,625)	(407,365)
Unbilled receivables	(42,546,746)	-	-	-
Inventories	(1,037,396)	3,221,310	-	-
Real estate projects under development	-	(38,306,474)	-	(3,850,398)
Other current assets	(118,293,104)	(128,480,051)	(5,405,481)	261,500
Other non-current assets	14,933,965	(6,540,878)	502,280	(179,143)

Cash flow statements (continued)
For the year ended 31 December 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2560</u>
Increase (decrease) in operating liabilities		(Restated)		
Trade and other payables	93,829,545	255,835,632	3,491,154	(38,728,952)
Deposits and advances received	18,410,691	14,692,086	(1,108,525)	(118,028)
Other current liabilities	(24,966,242)	(112,176,779)	9,419,700	(996,707)
Provision for long-term employee benefits	(2,369,949)	-	-	(48,150)
Other non-current liabilities	88,814,630	(17,344,318)	-	-
Cash from (used in) operating activities	593,467,318	837,278,893	(193,434,849)	(379,796,917)
Cash paid for interest expenses	(921,846,510)	(631,166,234)	(607,727,159)	(348,428,376)
Cash paid for income tax	(173,421,773)	(96,666,008)	-	-
Cash received from withholding tax refund	-	690,450	-	-
Net cash from (used in) operating activities	(501,800,965)	110,137,101	(801,162,008)	(728,225,293)

Cash flows from investing activities

Decrease (increase) in current investments	(1,321,635,101)	148,398,874	(1,349,998,961)	(36,319,857)
Increase in restricted deposits	(40,636,201)	(4,112,119)	(26,223,714)	(495,513)
Increase in long-term loans to related parties	(773,429,518)	(2,123,815)	(2,120,001,116)	(6,113,916,970)
Cash received from interest	263,195,833	23,884,826	643,507,668	57,289,230
Cash paid for purchases of investments in subsidiaries	-	(6,415,510,554)	(2,500,000,000)	(1,030,171,500)
Cash paid for purchases of investments in associates	(349,016)	-	-	-
Cash paid for purchases of investments in joint ventures	(120,000,000)	-	(120,000,000)	-
Cash received from decrease of capital of subsidiary and joint ventures	50,000,000	-	2,199,762,500	-
Cash received from sales of investments in subsidiaries	-	1,285,475,473	757,500,000	1,285,475,473
Cash received from sales of other long-term investments	-	130,105,823	-	130,105,823
Cash received from sales of assets	664,600,400	-	664,600,400	-
Cash paid for purchases of land and project awaiting development	(16,260,717)	(1,514,875)	(15,669,969)	(1,073,500)
Cash paid for purchases of investment properties	(344,177,525)	(313,055,431)	(240,750)	(157,040,592)
Cash paid for purchases of property, plant and equipment	(1,112,914,746)	(194,736,970)	(2,201,131)	(7,091,352)
Cash received from sales of property, plant and equipment	36,816,608	6,828,358	506,327	1,598,131
Cash paid for purchase of leasehold rights	-	(315,274,955)	-	-
Cash paid for purchases of intangible assets	(7,219,338)	(2,849,688)	(562,517)	(155,792)
Cash paid for long-term provisions	(43,508,883)	(10,579,398)	-	-
Dividend received	283,449,863	5,966,375	488,454,863	5,966,375
Net cash used in investing activities	(2,482,068,341)	(5,659,098,076)	(1,380,566,400)	(5,865,830,044)

Cash flows from financing activities

Cash received from receivable of sales of investments in subsidiaries	1,058,000,000	-	1,058,000,000	-
Increase (decrease) in bank overdrafts and short-term loans from financial institutions	(43,819,365)	147,905,000	-	-
Increase (decrease) in short-term loans from related party	-	-	(302,000,000)	302,000,000

Cash flow statements (continued)

For the year ended 31 December 2018

(Unit : Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (Restated)	2018	2017
Repayment of long-term loan from related party	(5,050,360,695)	-	(5,050,360,695)	-
Repayment of liabilities under debt restructuring agreements	(31,890,061)	(18,928,738)	-	-
Cash received from long-term loans from financial institutions	1,060,952,564	6,522,411,544	-	6,478,750,029
Repayment of long-term loans from financial institutions	(2,643,216,785)	(189,935,180)	(2,391,841,395)	-
Repayment of liabilities under finance lease agreements	(533,445,058)	(43,492,259)	(2,602,023)	(225,328)
Cash received from issuance of ordinary shares and exercised warrants	563,844	-	563,844	-
Cash received from issuance of preference shares	9,694,582,693	-	9,694,582,693	-
Net cash from financing activities	3,511,367,137	6,417,960,367	3,006,342,424	6,780,524,701
Increase (decrease) in translation adjustment	510,754,830	(77,591,613)	-	-
Net increase cash and cash equivalents	1,038,252,661	791,407,779	824,614,016	186,469,364
Cash and cash equivalents - beginning of the year	1,383,008,369	310,467,372	330,058,529	143,589,165
Cash and cash equivalents of subsidiaries at acquisition date	375,544,043	281,709,270	-	-
Cash and cash equivalents of subsidiaries at selling date	-	(576,052)	-	-
Cash and cash equivalents - end of the year	2,796,805,073	1,383,008,369	1,154,672,545	330,058,529

Supplemental disclosures of cash flows information

Non-cash item

Settle purchases of investment in joint venture with account receivables	101,601,000	-	-	-
Transfer real estate projects under development to investment properties	-	157,277,242	-	-
Transfer land and project awaiting development to property, plant and equipment	19,508,131	-	-	-
Transfer investment properties to property, plant and equipment	29,270,159	-	-	-
Equipment acquired under finance lease agreement	18,000,926	-	12,365,200	-
Increase in investment properties from change in assumptions adjustment of long-term provision	-	2,325,880	-	-
Transfer investment in subsidiary to investment in joint venture	-	-	-	5,000,000
Receivable from sales of investments in subsidiaries	-	1,071,914,446	-	1,071,914,446
Receivable from sales of investments in joint venture	-	-	254,000,000	-
Transfer short-term loan from financial institution to long-term loan from financial institution	172,546,732	3,537,736,105	-	3,537,736,105
Issuance of preference shares for the entire business transfer of Unicorn Enterprise Company Limited	2,172,000,000	-	2,172,000,000	-
Repayment of the entire business transfer of Unicorn Enterprise Company Limited by accepting loans from related party	10,074,360,694	-	10,074,360,694	-

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

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5.6 NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

U City Public Company Limited and its subsidiaries

Notes to consolidated financial statements

For the year ended 31 December 2018

1. General information

U City Public Company Limited ("the Company") is a public company incorporated and domiciled in Thailand. The Company is principally engaged in real estate development business. The registered office of the Company is at 21, TST Tower, Soi Choei Phuang, Vibhavadi-Rangsit Road, Chomphon, Chatuchak, 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) The consolidated financial statements include the financial statements of the Company and the following subsidiary companies:

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018 Percent	2017 Percent
Park Opera Company Limited	Dormancy	Thailand	100.0	100.0
Natural Real Estate Company Limited	Dormancy	Thailand	100.0	100.0
Natural Park Ville Company Limited	Dormancy	Thailand	100.0	100.0
Richee Property Management Company Limited	Dormancy	Thailand	99.9	99.9
Natural Hotel Sukhumvit Company Limited	Dormancy	Thailand	64.9	64.9
Park Gourmet Company Limited	Dormancy	Thailand	100.0	100.0
Natural Hotel Panwa Company Limited	Dormancy	Thailand	100.0	100.0
Khon Kaen Buri Company Limited	Hotel operation	Thailand	100.0	100.0
The Joint Venture of U City Public Company Limited, Amanresorts Services Limited and Silverlink Holdings Limited	Hotel operation	Thailand	-	-
N Park Global Holding Company Limited	Property development	Thailand	100.0	100.0
Boonbaramee Metta Property Company Limited	Investment in securities	Thailand	100.0	100.0
Mo Chit Land Company Limited (formerly known as	Hotel operation/Property development	Thailand	100.0	100.0
Kamkoong Property Company Limited	Property development	Thailand	100.0	100.0
Project Green Company Limited	Property development	Thailand	100.0	100.0
Lombard Estate Holdings Limited	Investment in securities	Hong Kong	100.0	100.0

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018 Percent	2017 Percent
Muangthong Assets Company Limited	Hotel operation	Thailand	100.0	-
UNISON One Company Limited	Office rental	Thailand	100.0	-
Thana City Golf & Sports Club Company Limited	Management of golf course and club house	Thailand	100.0	-
Tanayong Property Management Company Limited	Property management	Thailand	100.0	-
PrannaKiri Assets Company Limited	Property development	Thailand	100.0	-
Siam Paging and Communication Company Limited	Property development	Thailand	100.0	-
Tanayong Food and Beverage Company Limited	Property development	Thailand	100.0	-
BTS Land Company Limited	Hotel operation	Thailand	100.0	-
Nine Square Property Company Limited	Hotel operation	Thailand	100.0	-
Mak8 Company Limited	Hotel operation	Thailand	100.0	-
Tanayong Hong Kong Limited (HKD 10,000 paid-up capital)	Securities investment	Hong Kong	100.0	-
EGS Assets Company Limited	Hotel operation/Property development	Thailand	100.0	-
U Global Hospitality Company Limited	Hotel operation/Investment in securities	Thailand	100.0	-
<u>Subsidiaries indirectly owned by the Company</u>				
Held by Boonbaramee Metta Property Company Limited				
Pacific Chiangmai Company Limited	Leasing land and structures	Thailand	100.0	100.0
Pacific Hotel Chiangmai Company Limited	Hotel operation	Thailand	100.0	100.0
Held by PrannaKiri Assets Company Limited				
Ratburana Property Company Limited	Property development	Thailand	100.0	-
Held by Lombard Estate Holdings Limited				
Thirty Three Gracechurch 1 Limited	Investment in securities/ Property development	Jersey	100.0	100.0
Thirty Three Gracechurch 2 Limited	Investment in securities	Jersey	-	100.0
Underwood Street Limited	Property development	Jersey	100.0	100.0
Vienna House Capital GmbH	Investment in securities	Austria	100.0	100.0
Held by Thirty Three Gracechurch 1 Limited				
LH Unit Trust (Held by Thirty Three Gracechurch 1 Limited 99 percent and Thirty Three Gracechurch 2 Limited 1 percent)	Property development	Jersey	-	100.0
Held by Vienna House Capital GmbH				
Vienna International Hotel Management AG	Hotel management services	Austria	100.0	100.0
Vienna International Asset GmbH	Hotel operation	Germany	94.9	94.9
Vienna House Cluster Deutschland GmbH (formerly know as "Vienna International Deutschland GmbH:")	Hotel management services	Germany	100.0	100.0
Andel's Berlin Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
VHE Berlin Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
VH Dresden Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
VHE Leipzig Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
VH Kronberg Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
VHE Darmstadt Hotelbetriebs GmbH	Hotel operation	Germany	100.0	100.0
Vienna House Cluster Sp. z.o.o.	Hotel management services	Poland	100.0	100.0
VHE Bratislava s.r.o. (formerly know as "VI Bratislava s.r.o.")	Hotel management services	Slovakia	100.0	100.0

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2018	2017
			Percent	Percent
Vienna House Cluster Tschechien s.r.o. (formerly know as "VI Travel Management s.r.o.")	Hotel management services	Czech Republic	100.0	100.0
OOO Employ Management RUS	Hotel management services	Russia	100.0	100.0
Calvus GmbH & Co. Vermietungs KG	Hotel operation	Germany	94.0	94.0
Enigma GmbH & Co. Objekt Wuppertal KG	Hotel operation	Germany	94.0	94.0
Fabella GmbH & Co. Vermietungs KG	Hotel operation	Germany	94.0	94.0
Fabio GmbH & Co. Vermietungs KG	Hotel operation	Germany	94.0	94.0
Fiora GmbH & Co. Vermietungs KG	Hotel operation	Germany	94.0	94.0
Recoop Tour a.s.	Hotel operation	Czech Republic	100.0	100.0
UBX Plzen s.r.o.	Hotel operation	Czech Republic	100.0	100.0
UBX Plzen Real Estate s.r.o.	Hotel operation	Czech Republic	100.0	100.0
Amber Baltic Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
VHE Cracow Sp.z.o.o. SKA (formerly know as "Krakow Sp. z.o.o. SKA")	WX Hotel operation	Poland	100.0	100.0
Andels Lodz Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
UBX Katowice Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
Hotel Management Angelo Katowice Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
Comtel Focus S.A.	Hotel operation	Romania	99.9	99.9
UBX Krakow Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
VHE Cracow Sp. z.o.o.	Property development	Poland	100.0	100.0
VHE Warsaw Sp. z.o.o.	Hotel operation	Poland	100.0	100.0
Vienna House Real Estate GmbH	Property development	Austria	100.0	-
VHE Bratislava Real Estate s.r.o	Property development	Slovakia	99.0	-
REVO Munchen Hotel betriebs GmbH	Investment in securities	Germany	100.0	-

- 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) The assets and liabilities in the financial statements of overseas subsidiary companies 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.
- f) Material balances and transactions between the Company and its subsidiary companies ("the Group") have been eliminated from the consolidated financial statements.
- g) 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, joint ventures and associates under the cost method.

3. New financial reporting standards

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

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

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

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

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

IFRS 15 Revenue from Contracts with Customers

IFRS 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
IFRIC 13 (revised 2017)	Customer Loyalty Programmes
IFRIC 15 (revised 2017)	Agreements for the Construction of Real Estate
IFRIC 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 recognized at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The standard requires entities to exercise judgement, taking into consideration all of the relevant facts and circumstances when applying each step of the model.

The management of the Company and its subsidiaries believe that this standard will not have any significant impact on the financial statements when it is initially applied.

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

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

Financial reporting standards:

IFRS 7	Financial Instruments: Disclosures
IFRS 9	Financial Instruments

Accounting standard:

TAS 32	Financial Instruments: Presentation
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Financial Reporting Standard Interpretations:

IFRIC 16	Hedges of a Net Investment in a Foreign Operation
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments

These IFRSs 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 IFRSs related to financial instruments are effective, some accounting standards, interpretations and guidance which are currently effective will be cancelled.

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

4. Significant accounting policies

4.1 Revenue recognition

Revenue from hotel operation

Revenues from hotel operations mainly comprise of room sales, food and beverage sales and revenues from auxiliary activities and represent the invoiced value (excluding value added tax) of goods delivered and services rendered after deducting service charges and discount.

Rental income

Rental income is recognised on a straight-line basis over the lease term. The rental charge depends on the area rented, the rental rate charged and the rental period stipulated in the contract.

Management income

Management income is recognised when services have been rendered, with reference to the term of the contract, excluding value added tax.

Other service income

Service revenue is recognised when services have been rendered taking into account the stage of completion, excluding value added tax.

Revenues from utility services are recognised when services have been rendered and represent the invoiced value (excluding value added tax) of services rendered after deducting discounts and service charges reference to the term of the contract.

Other income

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

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

4.2 Cash and cash equivalents

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

4.3 Trade and other receivables

Trade and other receivables 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 experience and analysis of debt aging.

4.4 Inventories

Inventories are valued at the lower of weighted average cost and net realisable value.

4.5 Real estate projects under development

Real estate projects under development are stated at the lower of cost and estimated net realisable value. The cost of real estate projects under development consist of the costs of land, land development, design and construction cost.

4.6 Investments

- a) Investments in available-for-sale securities are stated at fair value. Changes in the fair value of these securities are recorded in other comprehensive income, and will be recorded in profit or loss when the securities are sold.
- b) Investments in non-marketable equity securities, which the Group classifies as other investments, are stated at cost net of allowance for impairment loss (if any).
- c) Investments in joint ventures and associates are accounted for in the consolidated financial statements using the equity method.
- d) Investments in subsidiaries, joint ventures and associates are accounted for in the separate financial statements using the cost method.

The fair value of marketable securities is based on the latest bid price of the last working day of the year. The fair value of unit trusts is determined from their net asset value.

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 in profit or loss.

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4.7 Land and project awaiting development

Land held for future development is stated at the lower of cost and estimated net realisable value. The cost of land and project awaiting development consists of the cost of land and other related acquisition costs incurred.

4.8 Investment properties

Investment properties are measured initially 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 are calculated by reference to their costs or the revalued amounts on the straight-line basis over the following estimated useful lives:

Buildings and building improvement	41 - 51 years
Furniture, fixture and equipment	16 years

Depreciation of the investment properties is included in determining income.

No depreciation is provided on land and construction in process.

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

4.9 Property, plant and equipment/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).

Buildings are initially recorded at cost on the acquisition date.

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

Buildings, land and building improvement	5 - 50 years
Furniture, fixture and equipment	1 - 20 years
Hotel operating equipment	2 - 10 years
Vehicles	3 - 8 years

Depreciation is included in determining income.

No depreciation is provided on land and construction in progress.

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

4.10 Borrowing costs

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

4.11 Leasehold rights and amortisation

Leasehold rights are stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of leasehold rights is calculated by reference to their cost on a straight-line basis over the leasehold period.

Amortisation is included in determining income.

4.12 Intangible assets

Intangible assets acquired through business combination are initially recognised at their fair value on the date of business acquisition while intangible assets acquired in other cases are 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>
Intangible assets acquired through business combination	11 - 24 years
Heritable building rights	38 - 78 years
Computer software	2 - 20 years

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

4.14 Related party transactions

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

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

4.15 Long-term leases

Leases of property, plant or 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 long-term payables, while the interest element is charged to profit or loss over the lease period. The assets acquired under finance leases is depreciated over the shorter of the useful life of the asset and the lease period.

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

4.16 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Group's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period.

Gains and losses on exchange are included in determining income.

4.17 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 unless the asset is carried at a revalued amount, in which case the reversal, which exceeds the carrying amount that would have been determined, is treated as a revaluation increase.

4.18 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

The Group and its 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 it 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 benefit plans are recognised immediately in other comprehensive income.

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

4.19 Assets held for sale and discontinued operations

The Group classifies disposal assets as held for sale if their carrying amounts will be recovered principally through a sale transaction rather than through continuing use. The criteria for held for sale classification is regarded as met only when the sale is highly probable and the disposal assets are available for immediate sale in its present condition. Management must be committed to the sale, which should be expected to qualify for recognition as a completed sale within one year from the date of classification.

Disposal assets classified as held for sale are measured at the lower of their carrying amount and fair value less costs to sell.

Gain or loss from discontinued operations are excluded from the results of continuing operations and are presented as a single amount in the profit or loss.

4.20 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.

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

At each reporting date, the Group review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Group record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.22 Derivatives

Interest rate swap contracts

The net amount of interest to be paid to the counterparty under an interest rate swap contract is recognised as expenses on an accrual basis.

4.23 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 apply a quoted market price in an active market to measure their assets and liabilities that are required to be measured at fair value by relevant financial reporting standards. Except in case of no active market of an identical asset or liability or when a quoted market price is not available, the Group measure fair value using valuation technique that are appropriate in the circumstances and maximises the use of relevant observable inputs related to assets and liabilities that are required to be measured at fair value.

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

Level 1 - Use of quoted market prices in an observable active market for such assets or liabilities

Level 2 - Use of other observable inputs for such assets or liabilities, whether directly or indirectly

Level 3- Use of unobservable inputs such as estimates of future cash flows

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

5. Significant accounting judgments and estimates

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

Leases

In determining whether a lease is to be classified as an operating lease or finance lease, the management is required to use judgment regarding whether significant risk and rewards of ownership of the leased asset has been transferred, taking into consideration terms and conditions of the arrangement.

Impairment of equity investments

The Group treats available-for-sale investments and other investments as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Property plant and equipment/Depreciation

In determining depreciation of plant and equipment, the management is required to make estimates of the useful lives and residual values of the plant and equipment and to review estimate useful lives and residual values when there are any changes.

In addition, the management is required to review property, plant and equipment for impairment on a periodical basis and record impairment losses when it is determined that their recoverable amount is lower than the carrying amount. This requires judgments regarding forecast of future revenues and expenses relating to the assets subject to the review.

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.

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.

Provisions

The subsidiaries determined the provisions using various assumptions relevant to each provision. Estimates are reviewed whenever circumstances change.

Litigation

The Group has contingent liabilities as a result of litigation. The Group's management has used judgment to assess of the results of the litigation and believes that no loss will result. Therefore no contingent liabilities are recorded as at the end of reporting period.

6. Related party transactions

During the year, 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 Group and those related parties.

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	2018	2017	2018	2017	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Management income	-	-	128	-	Contract price
Dividend income	-	-	218	-	As announcement
Interest income	-	-	474	277	0.58 to 7.00 percent per annum
Rental and service expenses	-	-	6	1	Contract price
Other expenses	-	-	1	-	With reference to market price

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Pricing policy
	2018	2017	2018	2017	
Interest expenses	-	-	5	5	Reference rate of commercial bank deposit plus 0.25 percent per annum
Sales of investment in subsidiary and joint venture	-	-	1,012	-	Contract price
<u>Transactions with associates</u>					
Interest income	2	3	2	2	MLR minus 1.25 percent per annum
Cost of hotel operation	3	6	-	-	With reference to market price and contract price
<u>Transactions with joint ventures</u>					
Revenue from hotel operation	1	-	-	-	With reference to market price and contract price
Dividend income	270	-	270	-	As announcement
Interest income	212	4	212	4	4.95 percent per annum
Management fee	41	-	-	-	Contract price
Other expenses	11	-	11	-	With reference to market price
<u>Transactions with related parties</u>					
Revenue from hotel operation	17	15	-	-	With reference to market price and contract price
Rental and management income	40	-	-	-	Contract price
Interest income	-	2	-	-	5.00 percent per annum
Other income	112	4	-	-	Contract price
Cost of hotel operation	4	6	-	-	With reference to market price
Rental and service expenses	-	7	2	7	Contract price
Management fee	41	55	-	-	Contract price
Other expenses	8	2	4	2	With reference to market price
Interest expenses	210	-	210	-	MLR minus 1.00 percent per annum
Purchase of fixed assets	323	-	-	-	Contract price

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

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017 (restated)	2018	2017
<u>Trade and other receivables - related parties (Note 9)</u>				
Subsidiaries	-	-	277,093	-
Associate	314	-	-	-
Related companies	78,874	9,548	2,628	128
Total trade and other receivables - related parties	79,188	9,548	279,721	128
<u>Rental deposit - related party</u>				
Subsidiary	-	-	1,741	-
Related company	-	1,779	-	1,779
Total rental deposit - related party	-	1,779	1,741	1,779

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
			financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
		(restated)		
<u>Trade and other payables - related parties (Note 24)</u>				
Subsidiaries	-	-	363	373
Associate	14,919	11,459	-	-
Joint ventures	2,408	-	-	-
Related companies	34,900	14,633	1,406	1,028
Total trade and other payables - related parties	<u>52,227</u>	<u>26,092</u>	<u>1,769</u>	<u>1,401</u>
<u>Rental deposit payables - related party</u>				
Related company	<u>7,775</u>	-	-	-
Total rental deposit payables - related party	<u>7,775</u>	-	-	-
<u>Retention payables - related parties</u>				
Related companies	<u>25,341</u>	-	-	-
Total retention payables - related parties	<u>25,341</u>	-	-	-

Loans to related parties and interest receivables and loans from related parties and interest payables

As at 31 December 2018 and 2017, the balances of loans to and interest receivables and loans from and interest payables between the Group and those related parties and the movement are as follows:

		(Unit: Thousand Baht)				
		Consolidated financial statements				
Long-term loans to related parties and interest receivables	Related by	Balance as at 31 December 2017	Increase from the entire business transfer	Increase during the year	Decrease during the year	Balance as at 31 December 2018
		(restated)				
MHG NPark Development Company Limited	Associate	50,420	-	2,475	(2,480)	50,415
BTS Sansiri Holding One Limited	Joint venture	-	245,569	1,290	(246,859)	-
BTS Sansiri Holding Two Limited	Joint venture	-	144,199	41,784	(10,633)	175,350
BTS Sansiri Holding Three Limited	Joint venture	-	-	236,712	(37,795)	198,917
BTS Sansiri Holding Four Limited	Joint venture	-	451,044	8,566	(430,473)	29,137
BTS Sansiri Holding Five Limited	Joint venture	-	40,763	26,923	(2,887)	64,799
BTS Sansiri Holding Six Limited	Joint venture	-	28,065	99,168	(43,690)	83,543
BTS Sansiri Holding Seven Limited	Joint venture	-	223,693	103,916	(131,290)	196,319
BTS Sansiri Holding Eight Limited	Joint venture	-	182,929	146,781	(148,856)	180,854
BTS Sansiri Holding Nine Limited	Joint venture	-	81,427	232,482	(99,561)	214,348
Nuvo Line Agency Company Limited	Joint venture	-	340,670	105,126	(30,369)	415,427
BTS Sansiri Holding Eleven Limited	Joint venture	-	199,462	257,432	(48,230)	408,664
BTS Sansiri Holding Twelve Limited	Joint venture	-	730,915	147,045	(145,771)	732,189
BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited")	Joint venture	804,996	-	317,175	(524,456)	597,715
BTS Sansiri Holding Fourteen Limited	Joint venture	-	79,947	22,462	(51,326)	51,083
BTS Sansiri Holding Fifteen Limited	Joint venture	-	448,187	58,081	(17,319)	488,949
BTS Sansiri Holding Sixteen Limited	Joint venture	-	489,208	29,541	(75,189)	443,560
BTS Sansiri Holding Seventeen Limited	Joint venture	-	25,628	11,110	(1,301)	35,437
BTS Sansiri Holding Nineteen Limited	Joint venture	-	114,601	150,170	(5,577)	259,194

(Unit: Thousand Baht)

Consolidated financial statements

Long-term loans to related parties and interest receivables	Related by	Balance as at 31 December 2017	Increase from the entire business transfer	Increase during the year	Decrease during the year	Balance as at 31 December 2018
BTS Sansiri Holding Twenty Limited	Joint venture	-	-	106,158	-	106,158
BTS Sansiri Holding Twenty One Limited	Joint venture	-	387,757	62,847	(19,376)	431,228
BTS Sansiri Holding Twenty Two Limited	Joint venture	-	89,561	210,506	(5,025)	295,042
BTS Sansiri Holding Twenty Three Limited (formerly known as "Bangkok Sky Sukhumvit 34 Company Limited")	Joint venture	-	-	64,339	(21,304)	43,035
BTS Sansiri Holding Twenty Four Limited (formerly known as "Siripat One Company Limited")	Joint venture	-	-	71,246	(1,085)	70,161
BTS Sansiri Holding Twenty Five Limited (formerly known as "Siripat Two Company Limited")	Joint venture	-	-	82,271	(2,075)	80,196
Siripat Three Company Limited	Joint venture	-	-	130,845	(3,034)	127,811
Keystone Management Company Limited	Joint venture	-	-	126,271	-	126,271
Total		<u>855,416</u>	<u>4,303,625</u>	<u>2,852,722</u>	<u>(2,105,961)</u>	<u>5,905,802</u>

(Unit: Thousand Baht)

Separate financial statements

Long-term loans to related parties and interest receivables	Related by	Balance as at 31 December 2017	Increase from the entire business transfer	Increase during the year	Decrease during the year	Unrealised gain (loss) on exchange rate	Balance as at 31 December 2018
Park Opera Company Limited	Subsidiary	232,703	-	100	-	-	232,803
Natural Real Estate Company Limited	Subsidiary	3,300	-	170	-	-	3,470
Natural Park Ville Company Limited	Subsidiary	79,000	-	-	-	-	79,000
Richee Property Management Company Limited	Subsidiary	15,815	-	100	-	-	15,915
Park Gourmet Company Limited	Subsidiary	1,128	-	142	-	-	1,270
Khon Kaen Buri Company Limited	Subsidiary	1,541,765	-	35,227	-	-	1,576,992
The Joint Venture of U City Public Company Limited, Amanresorts Services Limited and Silverlink Holdings Limited	Subsidiary	612,826	-	28,029	-	-	640,855
Boonbarammee Metta Property Company Limited	Subsidiary	7,690	-	29	(7,719)	-	-
N Park Global Holding Company Limited	Subsidiary	737,125	-	16,927	-	-	754,052
Kamkoong Property Company Limited	Subsidiary	354,802	-	388,780	-	-	743,582
Project Green Company Limited	Subsidiary	1,063,811	-	25,186	-	-	1,088,997
Muangthong Assets Company Limited	Subsidiary	-	786,940	73,248	(26,124)	-	834,064
Thana City Golf & Sports Club Company Limited	Subsidiary	-	80,024	50,449	(1,310)	-	129,163
Nine Square Property Company Limited	Subsidiary	-	301,232	25,054	(14,365)	-	311,921
Tanayong Food and Beverage Company Limited	Subsidiary	-	279,161	17,378	(7,405)	-	289,134

(Unit: Thousand Baht))

		Separate financial statements						
Long-term loans to related parties and interest receivables	Related by	Balance as at 31 December 2017	Increase from the entire business transfer	Increase during the year	Decrease during the year	Unrealised gain (loss) on exchange rate	Balance as at 31 December 2018	
Ratburana Property Company Limited	Subsidiary	-	655,289	60,454	(715,743)	-	-	176
BTS Land Company Limited	Subsidiary	-	270,321	22,266	(12,627)	-	279,960	177
Mak8 Company Limited	Subsidiary	-	295,313	24,447	(13,956)	-	305,804	
Siam Paging and Communication Company Limited	Subsidiary	-	43,059	3,035	(1,423)	-	44,671	
Tanayong Hong Kong Limited	Subsidiary	-	4,485	284	(73)	-	4,696	
Tanayong Property Management Company Limited	Subsidiary	-	-	6,512	-	-	6,512	
PrannaKiri Assets Company Limited	Subsidiary	-	-	1,437,482	-	-	1,437,482	
Lombard Estate Holdings Limited	Subsidiary	475,419	-	14,406	-	(26,433)	463,392	
Vienna House Capital GmbH	Subsidiary	5,635,659	-	322,575	(320,838)	(273,850)	5,363,546	
EGS Assets Company Limited	Subsidiary	-	-	2,109,398	(2,109,398)	-	-	
MHG NPark Development Company Limited	Associate	50,420	-	2,475	(2,480)	-	50,415	
BTS Sansiri Holding One Limited	Joint venture	-	245,569	1,290	(246,859)	-	-	
BTS Sansiri Holding Two Limited	Joint venture	-	144,199	41,784	(10,633)	-	175,350	
BTS Sansiri Holding Three Limited	Joint venture	-	-	236,712	(37,795)	-	198,917	
BTS Sansiri Holding Four Limited	Joint venture	-	451,044	8,566	(430,473)	-	29,137	
BTS Sansiri Holding Five Limited	Joint venture	-	40,763	26,923	(2,887)	-	64,799	
BTS Sansiri Holding Six Limited	Joint venture	-	28,065	99,168	(43,690)	-	83,543	
BTS Sansiri Holding Seven Limited	Joint venture	-	223,693	103,916	(131,290)	-	196,319	
BTS Sansiri Holding Eight Limited	Joint venture	-	182,929	146,781	(148,856)	-	180,854	
BTS Sansiri Holding Nine Limited	Joint venture	-	81,427	232,482	(99,561)	-	214,348	
Nuvo Line Agency Company Limited	Joint venture	-	340,670	105,126	(30,369)	-	415,427	
BTS Sansiri Holding Eleven Limited	Joint venture	-	199,462	257,432	(48,230)	-	408,664	
BTS Sansiri Holding Twelve Limited	Joint venture	-	730,915	147,045	(145,771)	-	732,189	
BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited")	Joint venture	804,996	-	317,175	(524,456)	-	597,715	
BTS Sansiri Holding Fourteen Limited	Joint venture	-	79,947	22,462	(51,326)	-	51,083	
BTS Sansiri Holding Fifteen Limited	Joint venture	-	448,187	58,081	(17,319)	-	488,949	
BTS Sansiri Holding Sixteen Limited	Joint venture	-	489,208	29,541	(75,189)	-	443,560	
BTS Sansiri Holding Seventeen Limited	Joint venture	-	25,628	11,110	(1,301)	-	35,437	
BTS Sansiri Holding Nineteen Limited	Joint venture	-	114,601	150,170	(5,577)	-	259,194	
BTS Sansiri Holding Twenty Limited	Joint venture	-	-	106,158	-	-	106,158	
BTS Sansiri Holding Twenty One Limited	Joint venture	-	387,757	62,847	(19,376)	-	431,228	
BTS Sansiri Holding Twenty Two Limited	Joint venture	-	89,561	210,506	(5,025)	-	295,042	
BTS Sansiri Holding Twenty Three Limited (formerly known as "Bangkok Sky Sukhumvit 34 Company Limited")	Joint venture	-	-	64,339	(21,304)	-	43,035	
BTS Sansiri Holding Twenty Four Limited (formerly known as "Siripat One Company Limited")	Joint venture	-	-	71,246	(1,085)	-	70,161	

(Unit: Thousand Baht)

Separate financial statements

Long-term loans to related parties and interest receivables	Related by	Balance as at 31 December 2017	Increase from the entire business transfer	Increase during the year	Decrease during the year	Unrealised gain (loss) on exchange rate	Balance as at 31 December 2018
BTS Sansiri Holding Twenty Five Limited (formerly known as "Siripat Two Company Limited")	Joint venture	-	-	82,271	(2,075)	-	80,196
Siripat Three Company Limited	Joint venture	-	-	130,845	(3,034)	-	127,811
Keystone Management Company Limited	Joint venture	-	-	126,271	-	-	126,271
		11,616,459	7,019,449	7,514,400	(5,336,942)	(300,283)	20,513,083
Less: Allowance for doubtful debts		(1,037,270)	(241,398)	(13,501)	-	-	(1,292,169)
Total		10,579,189	6,778,051	7,500,899	(5,336,942)	(300,283)	19,220,914

(Unit: Thousand Baht)

Separate financial statements

Short-term loans from related party and interest payables	Related by	Balance as at 31 December 2017	Increase during the year	Decrease during the year	Balance as at 31 December 2018
Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited")	Subsidiary	306,795	4,660	(311,455)	-
Total		306,795	4,660	(311,455)	-

(Unit: Thousand Baht)

Consolidated and separate financial statements

Long-term loans from related party and interest payables	Related by	Balance as at 31 December 2017	Increase during the year	Decrease during the year	Balance as at 31 December 2018	Balance as at 31 December 2018
BTS Group Holdings Public Company Limited	Related company	-	10,074,361	210,286	(5,257,756)	5,026,891
Total		-	10,074,361	210,286	(5,257,756)	5,026,891

Directors' and managements' benefits

During the year ended 31 December 2018 and 2017, the Group had employee benefit expenses payable to their directors and managements as below

(Unit: Thousand Baht)

Consolidated and separate financial statements

	2561	2560
Short-term employee benefits	42,521	35,043
Post-employment benefits	7,059	2,230
Total	49,580	37,273

Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its related parties, as described in Note 38.3 b) to the financial statements.

7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
Cash	13,297	135,166	191	241
Bank deposits	2,783,508	1,247,842	1,154,482	329,818
Total	<u>2,796,805</u>	<u>1,383,008</u>	<u>1,154,673</u>	<u>330,059</u>

As at 31 December 2018, bank deposits in saving accounts carried interests between 0.00 and 0.63 percent per annum (2017: 0.00 and 1.25 percent per annum) (The Company only: 0.50 and 0.63 percent per annum, 2017: 0.13 and 1.25 percent per annum).

8. Current investments

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
<u>Fixed deposits</u>				
Fixed deposits with maturity date due more than 3 months	941	1,282	-	1
	<u>941</u>	<u>1,282</u>	<u>-</u>	<u>1</u>
<u>Investments in available-for-sale securities</u>				
Mutual fund - cost	1,533,448	161,271	1,422,698	50,520
Changes in net assets value	8,173	1,422	5,918	589
Fair value	<u>1,541,621</u>	<u>162,693</u>	<u>1,428,616</u>	<u>51,109</u>
Total current investments	<u>1,542,562</u>	<u>163,975</u>	<u>1,428,616</u>	<u>51,110</u>

As at 31 December 2018, bank deposits in current investments accounts carried interests between 0.01 and 1.25 percent per annum (2017: 0.01 and 1.35 percent per annum)(The Company only: 0.90 and 1.25 percent per annum, 2017: 0.90 and 1.35 percent per annum).

9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements	financial statements	financial statements	financial statements
	2018	2017	2018	2017
	(Restated)			
<u>Trade receivables - related parties (Note 6)</u>				
Aged on the basis of due dates				
Not yet due	14,638	-	-	-
Past due				
Up to 3 months	27,625	7,716	-	-
3 - 6 month	25,685	-	-	-
6 - 12 month	5,374	-	-	-
Over 12 months	<u>74,606</u>	<u>73,218</u>	<u>73,008</u>	<u>73,008</u>
Total	<u>147,928</u>	<u>80,934</u>	<u>73,008</u>	<u>73,008</u>
Less: Allowance for doubtful debts	<u>(74,478)</u>	<u>(73,091)</u>	<u>(72,880)</u>	<u>(72,880)</u>
Total trade receivables - related parties, net	<u>73,450</u>	<u>7,843</u>	<u>128</u>	<u>128</u>
<u>Trade receivables - unrelated parties</u>				
Aged on the basis of due dates				
Not yet due	226,988	186,936	-	-

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
	(Restated)			
Past due				
Up to 3 months	173,224	218,297	-	-
3 - 6 months	41,866	37,996	-	-
6 - 12 months	4,496	13,424	-	-
Over 12 months	68,425	76,513	19,894	19,894
Total	514,999	533,166	19,894	19,894
Less: Allowance for doubtful debts	(48,685)	(48,395)	(19,518)	(19,518)
Total trade receivables - unrelated parties, net	466,314	484,771	376	376
Total trade receivables - net	539,764	492,614	504	504
Other receivables				
Other receivables - related parties (Note 6)	5,738	1,705	279,593	-
Other receivables - unrelated parties	284,607	214,620	564	1,197
Advances	170	210	150	210
Interest receivables	611	70	292	4
Total other receivables	291,126	216,605	280,599	1,411
Total trade and other receivables - net	830,890	709,219	281,103	1,915

A subsidiary has pledge its trade and other receivables of approximately EUR 3.03 million (2017: EUR 2.55 million) to secure bank overdrafts as discussed in Note 23 to the financial statements.

10. Receivable from sales of investments in subsidiaries

Receivable from sales of investments in subsidiaries and the present value of receivable as at 31 December 2018 are as follows:

	(Unit: Thousand Baht)			
	Consolidated and separate financial statements			
	Receivable from sales of		Present value of	
	investments in subsidiaries		receivable	
	2018	2017	2018	2017
Due within one year	-	280,000	-	276,995
Due in one up to three years	117,000	895,000	110,798	829,423
Total	117,000	1,175,000	110,798	1,106,418
Less: Financial income awaiting recognition	(6,202)	(68,582)		
Present value of receivable	110,798	1,106,418		

On 20 March 2018, a meeting of the Executive Committee of the Company passed a resolution to approve the redemption of all land of Natural Project Chao Phraya Company Limited and Natural Hotel Chao Phraya Company Limited that had been pledged to secure amount receivable from sales of investments in subsidiaries, since during the year the Company received cash settlement amounting to Baht 1,058 million.

11. Real estate projects under development

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	2018	2017	2018	2017
Land	790,000	1,390,016	100,000	700,016
Less: Allowance for impairment of land	(3,743)	(9,730)	(2,823)	(8,809)
	786,257	1,380,286	97,177	691,207
Land development cost	1,169	1,199	1,169	1,199
Construction cost	193,943	219,520	193,943	219,519

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Others	10,311	10,499	10,311	10,499
Real estate projects under development - net	991,680	1,611,504	302,600	922,424

On 20 March 2018, the Executive Committee of the Company passed a resolution to approve the sales of project under development together with land and construction totalling Baht 644 million. The Company recorded gain from sales of assets of Baht 29.5 million in the current year.

The Group has mortgaged land and constructions thereon amounting to Baht 689 million (2017: Baht 1,196 million) (The Company only: Nil, 2017: Baht 506 million) as collateral against long-term loans from financial institutions as discussed in Note 26 to the financial statements.

12. Restricted deposits

As at 31 December 2018, bank deposits in Restricted deposits accounts carried interests between 0.01 and 1.25 percent per annum (2017: 0.01 and 1.50 percent per annum).

The Group has pledged some of its deposits at financial institutions to secure long-term loans from financial institutions and the issue of bank guarantees, as discussed in Note 26 and Note 38.3 to the financial statements, respectively

13. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost method	
	2018	2017	2018	2017	2018	2017
			(Percent)	(Percent)		
Park Opera Company Limited	22,555	22,555	100.0	100.0	22,555	22,555
Natural Real Estate Company Limited	33,000	33,000	100.0	100.0	33,000	33,000
Natural Park Ville Company Limited	43,000	43,000	100.0	100.0	243,340	243,340
Richee Property Management Company Limited	1,000	1,000	99.9	99.9	999	999
Natural Hotel Sukhumvit Company Limited	41,353	41,353	64.9	64.9	26,841	26,841
Park Gourmet Company Limited	25,000	25,000	100.0	100.0	25,000	25,000
Natural Hotel Panwa Company Limited	143,000	143,000	100.0	100.0	143,000	143,000
Khon Kaen Buri Company Limited	800,000	800,000	100.0	100.0	800,000	800,000
The Joint Venture of U City Public Company Limited, Amanresorts Services Limited and Silverlink Holdings Limited	-	-	-	-	-	-
N Park Global Holding Company Limited	1,000	1,000	100.0	100.0	1,000	1,000
Boonbarammee Metta Property Company Limited	700,000	700,000	100.0	100.0	290,000	290,000
Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited")	805,238	2,955,000	100.0	100.0	2,277,527	6,762,997
Kamkoong Property Company Limited	1,100,000	1,100,000	100.0	100.0	2,705,848	2,705,848
Project Green Company Limited	100,000	100,000	100.0	100.0	100,000	100,000
Lombard Estate Holdings Limited (GBP 77 million and EUR 27 million paid-up capital)	4,567,149	4,567,149	100.0	100.0	4,567,470	4,567,470
Muangthong Assets Company Limited	125,000	-	100.0	-	84,816	-
UNISON One Company Limited	340,000	-	100.0	-	843,600	-
Thana City Golf & Sports Club Company Limited	20,000	-	100.0	-	-	-

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost method	
	2018	2017	2018	2017	2018	2017
			(Percent)	(Percent)		
Tanayong Property Management Company Limited	1,000	-	100.0	-	-	-
PrannaKiri Assets Company Limited	311,000	-	100.0	-	481,149	-
Siam Paging and Communication Company Limited	5,000	-	100.0	-	6,744	-
Tanayong Food and Beverage Company Limited	1,000	-	100.0	-	-	-
BTS Land Company Limited	10,000	-	100.0	-	-	-
Nine Square Property Company Limited	10,000	-	100.0	-	30,425	-
Mak8 Company Limited	151,000	-	100.0	-	166,073	-
Ratburana Property Company Limited	10,000	-	100.0	-	-	-
Tanayong Hong Kong Limited (HKD 10,000 paid-up capital)	40	-	100.0	-	40	-
EGS Assets Company Limited	2,200,000	-	100.0	-	4,535,707	-
U Global Hospitality Company Limited	300,000	-	100.0	-	300,000	-
Total					17,685,134	15,722,050
Less: Provision for loss on diminution in value					(1,344,421)	(1,332,420)
Net					16,340,713	14,389,630

Dividend received from subsidiaries were as follows:

(Unit: Thousand Baht)

Company's name	Separate financial statements	
	2018	2017
Lombard Estate Holdings Limited	46,615	-
Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited")	171,390	-
Total	218,005	-

13.1 Subsidiaries directly owned by the Company

13.1.1 Entire business transfer of Unicorn Enterprise Company Limited ("UE")

On 4 January 2018, the Extraordinary General Meeting of Shareholders of the Company passed resolutions to approve the entire business transfer of UE, a subsidiary of BTS Group Holdings Public Company Limited ("BTSG"), and payment of a consideration for the entire business transfer to UE by issuing new preference shares and warrants to purchase the Company's ordinary shares to UE (private placement) and accepting the assignment of all of UE's loans owed to BTSG, together with interest thereon.

Subsequently, on 16 March 2018, the Company paid the consideration for such entire business transfer through:

- Issuance of 63,882,352,942 new preference shares, with a par value of Baht 1 per share, at an offering price of Baht 0.034 per share, and 31,941,176,471 units of warrants to purchase the ordinary shares of the Company No. 3 ("the Warrants U-W3") at no cost. These warrants, with an exercise price of Baht 0.05 per share (1 unit of the warrant can purchase 1 ordinary share), are non-listed securities that cannot be traded on the Stock Exchange of Thailand. The total consideration value is Baht 2,172 million, calculated based on the report on the valuation of the Company's shares and warrants prepared by an independent valuer
- Acceptance of all of UE's loans owed to BTSG, together with interest thereon, which totalled Baht 10,074 million. The Company accepted the rights and duties under the loan agreement between UE, as a borrower, and BTSG, as a lender. The loan carrying interest at the Minimum Loan Rate (MLR) minus a certain spread specified in the agreement, and repayable within 3 years.

The Company has included the financial statements of such business in the consolidated financial statements as from 16 March 2018 onwards.

Details of the business are as follows:

Company's name	Nature of business	Country of incorporation	Capital contribution (Million Baht)	Percentage of shareholding	Purchase Price (Thousand Baht)	182 183
<u>Subsidiaries group 1</u>						
UNISON One Company Limited	Office rental	Thailand	340	100.0	843,600	
Thana City Golf & Sports Club Company Limited	Management of golf course and club house	Thailand	20	100.0	3,781	
					847,381	
<u>Subsidiaries group 2</u>						
Muangthong Assets Company Limited	Hotel operation	Thailand	125	100.0	871,756	
Tanayong Property Management Company Limited	Property management	Thailand	1	100.0	-	
					871,756	
<u>Subsidiaries group 3</u>						
PrannaKiri Assets Company Limited	Property development	Thailand	311	100.0	481,149	
Siam Paging and Communication Company Limited	Property development	Thailand	5	100.0	49,803	
Tanayong Food and Beverage Company Limited	Property development	Thailand	1	100.0	189,583	
BTS Land Company Limited	Property development	Thailand	10	100.0	194,743	
Nine Square Property Company Limited	Property development	Thailand	10	100.0	331,657	
Mak8 Company Limited	Property development	Thailand	151	100.0	461,386	
Ratburana Property Company Limited	Property development	Thailand	10	100.0	1,384,961	
Tanayong Hong Kong Limited	Securities investment	Hong Kong	HKD 10,000	100.0	4,524	
					3,097,806	
<u>Joint Ventures group 1</u>						
Absolute Hotel Services Company Limited	Hotel management	Thailand	25	50.0	244,710	
BTS Sansiri Holding One Limited	Property development	Thailand	100	50.0	564,644	
BTS Sansiri Holding Seven Limited	Property development	Thailand	100	50.0	340,942	
BTS Sansiri Holding Eight Limited	Property development	Thailand	100	50.0	290,851	
BTS Sansiri Holding Nine Limited	Property development	Thailand	100	50.0	190,958	
					1,632,105	
<u>Joint Ventures group 2</u>						
Keystone Estate Company Limited	Property development	Thailand	1,874	50.0	937,000	
Keystone Management Company Limited	International school	Thailand	500	50.0	252,096	
BTS Sansiri Holding Two Limited	Property development	Thailand	100	50.0	202,078	
BTS Sansiri Holding Three Limited	Property development	Thailand	100	50.0	66,000	
BTS Sansiri Holding Four Limited	Property development	Thailand	100	50.0	514,097	
BTS Sansiri Holding Five Limited	Property development	Thailand	100	50.0	95,185	
BTS Sansiri Holding Six Limited	Property development	Thailand	100	50.0	84,597	
Nuvo Line Agency Company Limited	Property development	Thailand	100	50.0	347,606	
BTS Sansiri Holding Eleven Limited	Property development	Thailand	100	50.0	316,370	
BTS Sansiri Holding Twelve Limited	Property development	Thailand	100	50.0	843,626	
BTS Sansiri Holding Fourteen Limited	Property development	Thailand	100	50.0	168,077	
BTS Sansiri Holding Fifteen Limited	Property development	Thailand	100	50.0	504,879	
BTS Sansiri Holding Sixteen Limited	Property development	Thailand	100	50.0	535,428	
BTS Sansiri Holding Seventeen Limited	Property development	Thailand	100	50.0	79,628	
BTS Sansiri Holding Eighteen Limited	Property development	Thailand	100	50.0	44,100	

Company's name	Nature of business	Country of incorporation	Capital contribution (Million Baht)	Percentage of shareholding	Purchase Price (Thousand Baht)
BTS Sansiri Holding Nineteen Limited	Property development	Thailand	100	50.0	168,227
BTS Sansiri Holding Twenty Limited	Property development	Thailand	100	50.0	54,000
BTS Sansiri Holding Twenty One Limited	Property development	Thailand	100	50.0	441,351
BTS Sansiri Holding Twenty Two Limited	Property development	Thailand	100	50.0	142,968
					<u>5,797,313</u>
Total					<u>12,246,361</u>
<u>Joint ventures indirectly held by Absolute Hotel Services Company Limited</u>					
Absolute Hotel Services Hong Kong Limited	Hotel management	Hong Kong	HKD 1.7 million	Held by Absolute Hotel Services Company Limited 75.47% and Tanayong Hong Kong Limited 12.26%	
Absolute Golf Services Company Limited	Management of golf course and club house	Thailand	4	Held by Absolute Hotel Services Company Limited 99%	
Travelodge (Thailand) Company Limited	Hotel management	Thailand	0.5	Held by Absolute Hotel Services Company Limited 79%	
AHS Hospitality India Private Limited	Hotel management	India	INR 45 million	Held by Absolute Hotel Services Hong Kong Limited	
Absolute Hotel Services Indochina Limited	Hotel management	Hong Kong	HKD 10,000	Held by Absolute Hotel Services Hong Kong Limited	

Based on the assessment, the management of the Company believes that the business acquisition of subsidiaries group 1 and group 2 was a business combination because the assets acquired and liabilities assumed constitute a business. However, the Company considers the business acquisition of subsidiaries group 3 to be an asset acquisition because the assets acquired do not constitute a business, as defined in TFRS3 (revised 2017) Business Combinations.

Transaction of subsidiaries group 1

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
Acquisition cost	847,381
Estimated carrying amounts of net assets acquired	(800,596)
Estimated amount by which the purchase cost exceeds interest in net asset value	<u>46,785</u>

The estimated carrying amounts of net assets acquired from subsidiaries group 1 as at 16 March 2018 are as follows:

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	39,696
Current investments	28,023
Trade and other receivables	11,459
Unbilled receivables	5,438
Other current assets	3,187
Investment properties	889,014
Property, plant and equipment	1,086
Deferred tax assets	557
Other non-current assets	1,495
Total assets	<u>979,955</u>

Liabilities

Trade and other payables	15,758
Deposits and advances received	4,360
Income tax payable	1,998

Other current liabilities	21,378
Provision for long-term employee benefits	21,519
Deferred tax liabilities	111,563
Other non-current liabilities	2,783
Total liabilities	179,359
Estimated carrying amounts of net assets acquired	800,596

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Transaction of subsidiaries group 2

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
Acquisition cost	871,756
Estimated carrying amounts of net assets acquired	(901,427)
Estimated bargain purchase	(29,671)

The estimated carrying amounts of net assets acquired from subsidiaries group 2 as at 16 March 2018 are as follows:

(Unit: Thousand Baht)

Assets

Cash and cash equivalents	89,932
Trade and other receivables	19,573
Inventories	2,691
Other current assets	785
Restricted deposits	1,080
Land and project awaiting development	18,978
Property, plant and equipment	338,022
Leasehold rights	526,773
Intangible assets	978
Deferred tax assets	9,248
Other non-current assets	2,271
Total assets	1,010,331

Liabilities

Trade and other payables	45,502
Other current liabilities	26,748
Provision for long-term employee benefits	22,431
Deferred tax liabilities	14,223
Total liabilities	108,904
Estimated carrying amounts of net assets acquired	901,427

As at 31 December 2018, the Company's management was still in the process of determining the fair value of the acquired businesses, and therefore assigned an independent appraiser to assess their fair value. The fair values of assets acquired and liabilities assumed are the estimated values as at the date of acquisition, which might be adjusted in accordance with TFRS 3 (revised 2017) Business Combinations. Accordingly, the Company's management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the Company is to retrospectively adjust the provisional amounts recognised as at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. In addition, the fair value of the business acquired during the period is dependent on the result of the purchase price allocation exercise and this process is currently not completed.

Such discrepancy is therefore recorded as "Estimated amount by which the purchase cost exceeds interest in net asset value" under non-current assets in the consolidated statement of financial position.

The estimated carrying amounts of the acquired net assets of the subsidiaries group 2 subsidiaries exceeded the acquisition cost, resulting in estimated bargain purchase gain, which was presented in the Company income statement. The Company has already performed a revaluation of the assets acquired and liabilities assumed in order to confirm that their values are correct.

Transaction of subsidiaries group 3

The net assets acquired from subsidiaries group 3 as at 16 March 2018 are as follows:

(Unit: Thousand Baht)

Assets	
Cash and cash equivalents	245,915
Trade and other receivables	55,940
Other current assets	43,357
Restricted deposits	81,623
Investments in joint ventures	4,572
Land and project awaiting development	1,904,934
Investment properties	150,134
Property, plant and equipment	636,557
Other non-current assets	2,412
Total assets	3,125,444
Liabilities	
Trade and other payables	27,177
Income tax payable	352
Other current liabilities	109
Total liabilities	27,638
Net assets	3,097,806

Subsequently on 20 December 2018, PrannaKiri Assets Company Limited ("PK") acquired all of the ordinary shares of Ratburana Property Company Limited ("RP") from the Company at a price of Baht 757.5 million. The Company recorded gains from sales of investment in RP totaling to Baht 27.8 million in the profit or loss in the separate financial statements.

13.1.2 Boonbaramee Metta Property Company Limited ("Boonbaramee")

On 12 February 2019, the Company entered into an agreement to buy and to sell its investment in Boonbaramee with an unrelated individual at a price higher than the carrying amount of the investment in Boonbaramee presented in the separate financial statements, and the net assets of Boonbaramee presented in the consolidated financial statements. The net assets included liabilities of Boonbaramee, and the unrelated individual agreed to be responsible in respect of all contingent liabilities of Boonbaramee. The management of the Company believes that the investment disposal transaction will be completed within a year from the agreement date.

Some of the ordinary shares of Boonbaramee and its subsidiaries have been pledged with a financial institution to secure liabilities under debt restructuring agreements, as discussed in Note 25 to the financial statements.

13.1.3 Lombard Estate Holdings Limited ("LEH")

Ordinary shares of LEH and some of its subsidiaries have been pledged with a financial institution to secure long-term loans from the financial institutions, as discussed in Note 26 to the financial statements.

13.1.4 EGS Assets Company Limited ("EGSA") and Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited") ("MCL")

On 27 June 2018, the Company established EGSA in Thailand to engage in hotel and real estate development business, with a registered share capital of Baht 100 million (1,000,000 ordinary shares with a par value of Baht 100 each), which was 100 percent called-up. The Company holds a 100 percent interest in EGSA. Subsequently, on 25 September 2018, the Extraordinary General Meeting of Shareholders of EGSA passed a resolution to approve an increase of Baht 2,100 million in its registered capital through the issuance of 21 million new ordinary shares with a par value of Baht 100 each. The Company acquired all newly issued ordinary shares and, as a result, its shareholding in EGSA remains unchanged.

On 22 August 2018, the Extraordinary General Meeting of Shareholders of MCL passed a resolution to reduce MCL's registered share capital by Baht 2,150 million, from 29,550,000 ordinary shares with a par value of Baht 100 each to 29,550,000 ordinary shares with a par value of Baht 27.25 each. MCL registered the capital reduction with the Ministry of Commerce on 24 September 2018.

During the year, EGSA acquired a hotel business from MCL at a price stipulated in the business transfer contract. As a result, the investments in MCL and EGSA presented in the separate statement of financial position do not reflect the existing values of the assets and liabilities before the business restructuring under common control. Therefore, the Company adjusted the values of the investments in MCL and EGSA to amounts equal to the values of the assets and liabilities before the business restructuring under common control.

13.1.5 U Global Hospitality Company Limited (“UGH”)

On 18 December 2018, the Company established UGH in Thailand to engage in invest in other company's securities and operate hotel business, with a registered capital of Baht 300 million, of which 100 percent was called-up. The Company holds a 100 percent interest in UGH.

13.2 Subsidiaries indirectly owned by the Company

13.2.1 Vienna House Capital GmbH (“VHC”) (indirectly held through LEH)

On 31 May 2017, VHC entered into an agreement to acquire an interest in 32 entities engaged in the operation of hotels business in Europe from unrelated parties for total amount of EUR 167 million which comprises share price of EUR 128 million, loan acquisition costs of EUR 40 million and estimated discounted future payments according to overdue receivables of EUR 1 million. VHC has included the financial statements of those entities in the consolidated financial statements since 31 May 2017. Details of those entities are as follows:

Company's name	Related by	Nature of business	Country of incorporation	Capital contribution	Percentage of shareholding
Vienna International Hotelmanagement AG	Subsidiary	Hotel management services	Austria	EUR 3,375,000	100.0
Vienna International Asset GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	94.9
Vienna House Cluster Deutschland GmbH (formerly known as “Vienna International Deutschland GmbH”)	Subsidiary	Hotel management services	Germany	EUR 25,000	100.0
Andel's Berlin Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
VHE Berlin Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
VH Dresden Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
VHE Leipzig Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
VH Kronberg Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
VHE Darmstadt Hotelbetriebs GmbH	Subsidiary	Hotel operation	Germany	EUR 25,000	100.0
KDAG Data GmbH	Associate	Dormancy	Austria	EUR 3,140,000	33.3
VI Europäische Franchise GmbH	Associate	Hotel management services	Austria	EUR 80,000	33.3
Vienna House Cluster Polen Sp. z.o.o.	Subsidiary	Hotel management services	Poland	PLN 40,000	100.0
VHE Bratislava s.r.o. (formerly known as “Vienna International Bratislava s.r.o.”)	Subsidiary	Hotel management services	Slovakia	EUR 6,639	100.0
Vienna House Cluster Tschechien s.r.o. (formerly known as “VI Travel Management s.r.o.”)	Subsidiary	Hotel management services	Czech Republic	CZK 200,000	100.0
OOO Employ Management RUS	Subsidiary	Hotel management services	Russia	RUR 231,948	100.0
OOO Employ Management BEL	Subsidiary	Business management services	Belarus	BYR 53,000,000	100.0
Vienna International Zagreb d.o.o.	Subsidiary	Real estate	Croatia	HRK 20,200	100.0
Calvus GmbH & Co. Vermietungs KG	Subsidiary	Hotel operation	Germany	EUR 5,000	94.0
Enigma GmbH & Co. Objekt Wuppertal KG	Subsidiary	Hotel operation	Germany	EUR 5,000	94.0
Fabella GmbH & Co. Vermietungs KG	Subsidiary	Hotel operation	Germany	EUR 5,000	94.0
Fabio GmbH & Co. Vermietungs KG	Subsidiary	Hotel operation	Germany	EUR 5,000	94.0
Fiora GmbH & Co. Vermietungs KG	Subsidiary	Hotel operation	Germany	EUR 5,000	94.0
Recoop Tour a.s.	Subsidiary	Hotel operation	Czech Republic	CZK 24,000,000	100.0
UBX Plzen s.r.o.	Subsidiary	Hotel operation	Czech Republic	CZK 200,000	100.0
UBX Plzen Real Estate s.r.o.	Subsidiary	Hotel operation	Czech Republic	CZK 200,000	100.0
Amber Baltic Sp. z.o.o.	Subsidiary	Hotel operation	Poland	PLN 38,325,000	100.0

Company's name	Related by	Nature of business	Country of incorporation	Capital contribution	Percentage of shareholding
VHE Cracow Sp. z.o.o.	Subsidiary	Hotel operation	Poland	PLN 11,206,950	100.0
Andels Lodz Sp. z.o.o.	Subsidiary	Hotel operation	Poland	PLN 5,208,000	100.0
Hotel Management Angelo.	Subsidiary	Hotel operation	Poland	PLN 50,000	100.0
Katowice Sp. z.o.o.					
Comtel Focus S.A.	Subsidiary	Hotel operation	Romania	RON 42,703,01	100.0
UBX Krakow Sp. z.o.o.	Subsidiary	Hotel operation	Poland	PLN 50,000	100.0

Based on an assessment of the above transactions, the management of VHC believes that the investment is a business combination because the assets acquired and liabilities assumed constitute a business, and VHC has control over that business, in accordance with the definition specified in TFRS 3 (revised 2017) Business Combinations.

Details of the acquisition are as follows:

	(Unit: Thousand EUR)
Acquisition cost	166,919
Loan acquisition costs	(40,030)
Estimated discounted future payments according to overdue receivables	936
Total purchase price	127,825
Proportionate share of net assets acquired	(88,530)
Goodwill	39,295

VHC has had the fair value of the identifiable assets acquired and liabilities assumed assessed as at the acquisition date, which was 31 May 2017. This fair value measurement was completed during the second quarter of 2018. Within the measurement period, VHC received additional information about the fair value of the assets and liabilities and so has restated the consolidated statements of financial position as at 31 December 2017, the consolidated statements of comprehensive income for the year ended 31 December 2017, and the related consolidated statements of changes in shareholders' equity for the year then ended, presented herein as comparative information.

The estimated carrying amounts of net assets acquired as at 31 May 2017 are as follows:

	(Unit: Thousand EUR)	
	Fair value	Estimated carrying amounts
Assets		
Cash and cash equivalents	7,207	7,207
Trade and other receivables	12,560	13,871
Inventories	979	979
Other current assets	1,320	1,320
Restricted deposits	287	287
Long-term loans to related parties and interest receivables	-	914
Investment in associates	76	76
Property, plant and equipment	323,535	323,910
Intangible assets	14,152	25,868
Deferred tax assets	1,325	1,325
Other non-current assets	239	239
Total assets	361,680	375,996
Liabilities		
Bank overdrafts	2,692	2,692
Trade and other payables	10,082	10,310
Current portion of the long-term liabilities		
Long-term loans from financial institutions	8,219	8,219

	(Unit: Thousand EUR)		
	Fair value	Estimated carrying amounts	
Liabilities under finance lease agreements	1,855	1,855	188
Deposits and advances received	1,809	1,809	189
Income tax payable	1,244	1,244	
Other current liabilities	4,191	4,191	
Long-term liabilities - net of current portions			
Long-term loans from financial institutions	133,640	133,640	
Liabilities under finance lease agreements	62,908	62,908	
Provision for long-term employee benefits	339	339	
Deferred tax liabilities	38,402	40,625	
Other non-current liabilities	4,297	4,297	
Total liabilities	269,678	272,129	
Net asset value	92,002	103,867	
Less: Non-controlling interests' proportionate share of net assets acquired	(3,472)	(3,263)	
Proportionate share of net assets acquired	88,530	100,604	

The amounts of adjustments affecting the consolidated statement of financial position as at 31 December 2017 were summarised below.

(Unit: Thousand Baht)

Increase (decrease) in consolidated statement of financial position

Trade and other receivables	55,953
Other current assets	(30,272)
Long-term loans to related parties and interest receivables	(36,148)
Property, plant and equipment	(256,455)
Intangible assets	(115,713)
Estimated amount by which the purchase cost exceeds interest in net asset value	(1,133,672)
Goodwill	1,533,562
Deferred tax assets	(6,721)
Trade payables	(38,005)
Deferred tax liabilities	90,218
Non-controlling interests' proportionate share	9,080
Deficit	(74,566)
Other components of shareholders' equity	2,739

The adjustments do not affect the consolidated statement of financial position as at 1 January 2017 because VHC assumed control over those companies on 31 May 2017.

The amounts of adjustments affecting the consolidated statements of comprehensive income for the year ended 31 December 2017 were summarised below.

(Unit: Thousand Baht)

Increase (decrease) in consolidated statements of comprehensive income

Interest income	1,469
Administrative expenses	2,004
Depreciation and amortisation	(83,550)
Financial cost	1,469
Income tax	16,060
Loss for the period	(65,486)
Exchange differences on translation of financial statements in foreign currency	(2,739)

Other comprehensive income for the year	(2,739)
Total comprehensive income for the year	62,747
Non-controlling interests of the subsidiaries	(9,080)
Basic earnings per share (Baht)	0.011178

Ordinary shares of subsidiaries of VHC has been pledged with the financial institutions to secure long-term loans as discussed in Note 26 to the financial statements.

13.2.2 Vienna House Real Estate GmbH (“VHR”) (indirectly held through VHC)

On 6 January 2018, VHC established VHR in Austria to engage in real estate development business, with a registered capital of EUR 35,000, of which 50 percent was called-up. VHC holds a 100 percent interest in VHR.

13.2.3 VHE Bratislava Real Estate s.r.o (“VBRE”) (indirectly held through VHR)

On 19 January 2018, VHR and VHC registered the incorporation of VBRE in Slovakia to engage in real estate development business, with a registered share capital of EUR 5,000 and 100 percent called-up. VHR and VHC hold 99 percent and 1 percent interests in VBRE, respectively.

Subsequently, on 19 April 2018, VBRE registered the transfer of ownership of the hotel in Slovakia from an unrelated party at a purchase price of EUR 8.9 million. However, the rights over assets and economic benefits have been obtained by VBRE since 1 March 2018, as stipulated in the Real Estate Purchase Agreement, and have already been included in the consolidated financial statements since 1 March 2018.

13.2.4 REVO Munchen Hotelbetriebs GmbH (“REVO”) (indirectly held through VIAG)

On 13 September 2018, VIAG established REVO in Germany to engage in investment in assets business, with a registered share capital of EUR 25,000 (25,000 ordinary shares with a par value of EUR 1) which was 100 percent called-up. VIAG holds a 100 percent interest in REVO.

13.2.5 Thirty Three Gracechurch 2 Limited (“TTG2”) และ LH Unit Trust (“LHUT”) (indirectly held through LEH)

Extraordinary general meetings of the shareholders of TTG2 and LHUT passed resolutions to approve their dissolutions on 19 December 2018 and 21 December 2018, respectively.

14. Investments in associates

14.1 Detail of associates:

Company's name	Nature of business	Country of incorporation	(Unit: Thousand Baht)					
			Consolidated financial statements		Separate financial statements			
			Equity method		Cost method			
			2018	2017	2018	2017	2018	2017
			(Percent)	(Percent)				
MHG NPark Development Company Limited	Property development	Thailand	50.0	50.0	61,543	55,880	50,000	50,000
KDAG Data GmbH	Dormancy Hotel	Austria	33.3	33.3	-	-	-	-
VI Europäische Franchise GmbH	management services	Austria	33.3	33.3	2,437	4,787	-	-
Vienna House Asia Limited	Hotel management services	Hong Kong	30.0	-	189	-	-	-
Vienna House (Thailand) Company Limited	Hotel management services	Thailand	30.0	-	187	-	-	-
Total					64,356	60,667	50,000	50,000

14.2 Share of comprehensive income

During the year, the Group recognised its share of profit (loss) from investment in associates in the consolidated financial statements as follows:

		(Unit: Thousand Baht)		
		Consolidated financial statements		
Associates		2018	2017	
MHG NPark Development Company Limited		5,663	1,017	190
VI Europäische Franchise GmbH		(2,175)	1,825	191
Vienna House (Thailand) Company Limited		36	-	
Share of profit from investment in associates		3,524	2,842	
Translation adjustment		(176)	61	
Total		3,348	2,903	

14.3 Summarised financial information about material associate

Summarised information about financial position

		(Unit: Thousand Baht)	
		MHG NPark Development Company Limited	
		2018	2017
Current assets		237,694	292,743
Non-current assets		432	456
Trade and other payables		11,952	25,493
Current portions of long-term loans		100,000	100,000
Other current liabilities		153	53,183
Other non-current liabilities		2,934	2,762
Net assets		123,087	111,761
Shareholding percentage (Percent)		50	50
Share of net assets		61,543	55,880

Summarised information about comprehensive income

		(Unit: Thousand Baht)	
		MHG NPark Development Company Limited	
		2018	2017
Revenue		98,554	131,962
Profit for the year		11,326	2,034

15. Investments in joint ventures

15.1 Details of investments in joint ventures:

Investment under equity method presented under “Provision for transaction under equity method of investments in joint ventures” were detailed as follows:

						(Unit: Thousand Baht)			
						Consolidated	Separate		
						financial statements	financial statements		
Joint venture	Nature of business	Country of incorporation	Shareholding percentage			Equity method	Cost method		
			2018	2017		2018	2017	2018	2017
			(Percent)	(Percent)					
Absolute Hotel Services Company Limited (*)	Hotel management	Thailand	50.0	-		240,330	-	-	-
Absolute Hotel Services Hong Kong Limited(*)	Hotel management	Hong Kong	12.3	-		4,573	-	-	-
Keystone Estate Company Limited (*)	Property development	Thailand	50.0	-		945,718	-	937,000	-
Keystone Property Management Company Limited (*)	International school	Thailand	50.0	-		242,519	-	252,096	-
BTS Sansiri Holding One Limited (*)	Property development	Thailand	50.0	-		47,588	-	319,075	-
BTS Sansiri Holding Two Limited (*)	Property development	Thailand	50.0	-		51,046	-	57,879	-
BTS Sansiri Holding Three Limited (*)	Property development	Thailand	50.0	-		54,719	-	66,000	-

Joint venture	Nature of business	Country of incorporation	Shareholding percentage	(Unit: Thousand Baht)					
				Consolidated financial statements		Separate financial statements			
				Equity method		Cost method			
			2018	2017	2018	2017	2018	2017	
			(ร้อยละ)	(ร้อยละ)					
BTS Sansiri Holding Four Limited (*)	Property development	Thailand	50.0	-	50,382	-	63,053	-	
BTS Sansiri Holding Five Limited (*)	Property development	Thailand	50.0	-	25,138	-	29,422	-	
BTS Sansiri Holding Six Limited (*)	Property development	Thailand	50.0	-	72,837	-	56,532	-	
BTS Sansiri Holding Seven Limited (*)	Property development	Thailand	50.0	-	158,351	-	117,249	-	
BTS Sansiri Holding Eight Limited (*)	Property development	Thailand	50.0	-	160,979	-	107,922	-	
BTS Sansiri Holding Nine Limited (*)	Property development	Thailand	50.0	-	205,408	-	109,531	-	
Nuvo Line Agency Company Limited (*)	Property development	Thailand	50.0	-	-	-	6,936	-	
BTS Sansiri Holding Eleven Limited (*)	Property development	Thailand	50.0	-	102,918	-	116,908	-	
BTS Sansiri Holding Twelve Limited (*)	Property development	Thailand	50.0	-	102,042	-	112,711	-	
BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited")	Property development	Thailand	50.0	50.0	-	-	25,000	5,000	
BTS Sansiri Holding Fourteen Limited (*)	Property development	Thailand	50.0	-	73,385	-	88,130	-	
BTS Sansiri Holding Fifteen Limited (*)	Property development	Thailand	50.0	-	55,520	-	56,692	-	
BTS Sansiri Holding Sixteen Limited (*)	Property development	Thailand	50.0	-	34,365	-	46,219	-	
BTS Sansiri Holding Seventeen Limited (*)	Property development	Thailand	50.0	-	48,353	-	54,000	-	
BTS Sansiri Holding Eighteen Limited (*)	Property development	Thailand	50.0	-	15,477	-	19,100	-	
BTS Sansiri Holding Nineteen Limited (*)	Property development	Thailand	50.0	-	37,064	-	53,626	-	
BTS Sansiri Holding Twenty Limited (*)	Property development	Thailand	50.0	-	51,121	-	54,000	-	
BTS Sansiri Holding Twenty One Limited (*)	Property development	Thailand	50.0	-	30,345	-	53,594	-	
BTS Sansiri Holding Twenty Two Limited (*)	Property development	Thailand	50.0	-	33,239	-	53,407	-	
BTS Sansiri Holding Twenty Three Limited (formerly known as "Bangkok Sky Sukhumvit 34 Company Limited")	Property development	Thailand	50.0	-	22,658	-	25,000	-	
BTS Sansiri Holding Twenty Four Limited (formerly known as "Siripat One Company Limited")	Property development	Thailand	50.0	-	19,011	-	25,000	-	
BTS Sansiri Holding Twenty Five Limited (formerly known as "Siripat Two Company Limited")	Property development	Thailand	50.0	-	18,421	-	25,000	-	
Siripat Three Company Limited	Property development	Thailand	50.0	-	16,669	-	25,000	-	
UBM+VH Hotels GmbH	Hotel management	Germany	50.0	-	126,960	-	-	-	
					3,047,136	-	2,956,082	5,000	
Less: Allowance for impairment					-	-	(270,000)	-	
Total					3,047,136	-	2,686,082	5,000	

(*) Increase from the entire business transfer from UE as described in Note 13.1.1

Investments under equity method presented under "Provision for transaction under equity method of investments in joint ventures" were detailed as follows:

Joint venture	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2018	2017
BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited")	21,961	38,282
Nuvo Line Agency Company Limited	23,298	-
Total	45,259	38,282

15.1.1 Entire business transfer from UE

As discussed in Note 13.1.1 to the financial statements regarding the entire business transfer from UE, based on their assessment, the management of the Company believes that the business acquisition of joint ventures group 1 was a business combination because the assets acquired and liabilities assumed constitute a business. However, the Company considers the business acquisition of joint ventures group 2 to be an asset acquisition because the assets acquired do not constitute a business, as defined in TFRS3 (revised 2017) Business Combinations.

Details of the acquisition are as follows:

	(Unit: Thousand Baht)
Total acquisition cost of joint ventures	7,429,418
Acquisition cost of joint ventures group 2 - asset acquisition	(5,797,313)
Acquisition cost of joint ventures group 1 - business combination	1,632,105
Share of estimated carrying amounts of net assets acquired	(1,206,375)
Estimated amount by which the purchase cost exceeds interest in net asset value	425,730

Transaction of joint ventures group 1

The estimated carrying amounts of net assets acquired from joint ventures group 1 as at 16 March 2018 are as follows:

	(Unit: Thousand Baht)
Assets	
Cash and cash equivalents	561,346
Trade and other receivables	137,350
Other current assets	7,164
Investments in subsidiaries	33,956
Land and project under development	6,140,998
Property, plant and equipment	321
Intangible assets	213,688
Deferred tax assets	161,872
Other non-current assets	2,770
Total assets	7,259,465
Liabilities	
Trade and other payables	254,194
Short-term loans	4,500
Deposits and advances received	1,726,627
Income tax payable	64,680
Other current liabilities	34,216
Long-term loans from financial institutions	2,603,380
Provision for long-term employee benefits	10,138
Deferred tax liabilities	148,781
Other non-current liabilities	200
Total liabilities	4,846,716
Estimated carrying amounts of net assets acquired	2,412,749
Shareholding percentage (percent)	50
Share of estimated carrying amounts of net assets acquired	1,206,375

As at 31 December 2018, the Company was still in the process of determining the fair value of the acquired entities, and therefore assigned an independent appraiser to assess the fair value. In this regard, the fair values of assets acquired and liabilities assumed were the estimated values as at the date of acquisition, which might be adjusted in accordance with TFRS 3 (revised 2017) Business Combinations. Accordingly, the Company's management is required to make a preliminary assessment of the fair values of businesses acquired as at the acquisition date. During the measurement period, which must not exceed one year from the acquisition date, the Company is to retrospectively adjust the provisional amounts recognised as at the acquisition date to reflect new information obtained about facts and circumstances that existed as of the acquisition date. In addition, the fair value of the business acquired during the period is dependent on the result of the purchase price allocation exercise and this process is currently not completed.

Subsequently on 28 December 2018, U Global Hospitality Company Limited ("UGH") acquired all of the ordinary shares of Absolute Hotel Services Company Limited ("AHS") from the Company at a price of Baht 254 million. The Company recorded gains from sales of investment in AHS totalling to Baht 9.3 million in the profit or loss in the separate financial statements.

15.1.2 BTS Sansiri Holding Twenty Three Limited (formerly known as "Bangkok Sky Sukhumvit 34 Company Limited") ("BSH23"), BTS Sansiri Holding Twenty Four Limited (formerly known as "Siripat One Company Limited") ("BSH24"), BTS Sansiri Holding Twenty Five Limited (formerly known as "Siripat Two Company Limited") ("BSH25") and Siripat Three Company Limited ("SP3")

On 1 June 2018, the Company acquired 50 percent of ordinary shares of 4 subsidiaries from Sansiri Public Company Limited ("SIRI") at a total price of Baht 75.5 million. Details of the acquisition are as follows:

	BSH23	BSH24	BSH25	SP3
Relationship	Joint venture	Joint venture	Joint venture	Joint venture
Type of business	Real estate development	Real estate development	Real estate development	Real estate development
Established in	Thailand	Thailand	Thailand	Thailand
Registered share capital	Baht 1 million (10,000 shares)	Baht 50 million (500,000 shares)	Baht 50 million (500,000 shares)	Baht 50 million (500,000 shares)
Par value	100 Baht per share	100 Baht per share	100 Baht per share	100 Baht per share
Type of the acquired assets	5,000 ordinary shares (50 percent of paid-up capital)	250,000 ordinary shares (50 percent of paid-up capital)	250,000 ordinary shares (50 percent of paid-up capital)	250,000 ordinary shares (50 percent of paid-up capital)
Paid-up capital	Baht 1 million	Baht 50 million	Baht 50 million	Baht 50 million
Purchase price	Baht 0.5 million	Baht 25 million	Baht 25 million	Baht 25 million

Based on an assessment of the above transactions, the management of the Company believes that the investments are asset acquisition because the assets acquired do not constitute a business, as defined in TFRS 3 (revised 2017) Business Combinations.

Subsequently, on 25 June 2018, BSH23 increased its registered capital by Baht 49 million through the issuance of 490,000 additional ordinary shares with a par value of Baht 100 each. The Company acquired 50 percent of BSH23's newly issued ordinary shares in proportion to its existing shareholding, totalling Baht 24.5 million.

15.1.3 15.1.3 BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited") ("BSH13")

On 25 June 2018, BSH13 increased its registered capital by Baht 40 million through the issuance of 400,000 additional ordinary shares with a par value of Baht 100 each. The Company acquired 50 percent of BSH13's newly issued ordinary shares in proportion to its existing shareholding, totalling Baht 20 million.

15.1.4 UBM + VH Hotels GmbH ("UBMJV")

On 4 September 2018, VIAG acquired 2,350,000 ordinary shares of UBMJV from an unrelated party at a total price of EUR 2.65 million. This represents 50 percent of UBMJV's paid-up capital. UBMJV was established in Germany to engage in hotel management business, with a registered share capital of EUR 4.7 million (4,700,000 ordinary shares with a par value of EUR 1 each), of which 100 percent was called-up. As a result, VIAG has had joint control over UBMJV since 4 September 2018. Based on assessment made by the management of VIAG, the assets and liabilities of UBMJV as at 31 August 2018 and 4 September 2018 were not materially different. VIAG has therefore assumed that the date of the share acquisition was 31 August 2018, and has included UBMJV's operating results in the consolidated financial statements as from 31 August 2018

Given the above assessment, the management of the Company believes that the investment in UBMJV is a business combination, because the assets acquired and liabilities assumed constitute a business, and VIAG has control over UBMJV, in accordance with the definition specified in TFRS 3 (revised 2017) Business Combinations.

Details of the acquisition are as follows:

	(Unit: Thousand EUR)
Acquisition cost	2,652
Share of estimated carrying amounts of net assets acquired	(724)
Estimated amount by which the purchase cost exceeds net asset value	1,928
The estimated carrying amounts of the net assets acquired from UBMJV as at 31 August 2018 are as follows:	
	(Unit: Thousand EUR)
Assets	
Cash and cash equivalents	4,560
Trade and other receivables	1,508
Inventories	48
Other current assets	98
Deferred tax assets	615
Total assets	6,829
Liabilities	
Trade and other payables	4,309
Deposits and advances received	1,072
Total liabilities	5,381
Estimated carrying amounts of net assets acquired	1,448
Shareholding percentage (percent)	50
Share of estimated carrying amounts of net assets acquired	724

As at 31 December 2018, VIAG was still in the process of determining the fair value of the business, and its management engaged an independent appraiser to perform a fair valuation. Therefore, the fair values of assets acquired and liabilities assumed were the estimated values as at the date of acquisition, which might be adjusted in accordance with TFRS 3 (revised 2017) Business Combinations for up to one year from the acquisition date.

15.2 Share of comprehensive income

During the year, the Group recognised its share of loss from investments in joint ventures in the consolidated financial statements as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
Joint ventures	2018	2017
Absolute Hotel Services Company Limited	11,120	-
Keystone Estate Company Limited	8,718	-
Keystone Management Company Limited	(9,577)	-
BTS Sansiri Holding One Limited	(1,486)	-
BTS Sansiri Holding Two Limited	(6,833)	-
BTS Sansiri Holding Three Limited	(11,281)	-
BTS Sansiri Holding Four Limited	(12,671)	-
BTS Sansiri Holding Five Limited	(4,284)	-
BTS Sansiri Holding Six Limited	16,305	-
BTS Sansiri Holding Seven Limited	41,102	-
BTS Sansiri Holding Eight Limited	53,057	-
BTS Sansiri Holding Nine Limited	95,877	-
Nuvo Line Agency Company Limited	(30,235)	-
BTS Sansiri Holding Eleven Limited	(13,989)	-
BTS Sansiri Holding Twelve Limited	(10,669)	-

(Unit: Thousand Baht))

Joint ventures	Consolidated financial statements	
	<u>2561</u>	<u>2560</u>
BTS Sansiri Holding Thirteen Limited (formerly known as "Prime Area 38 Company Limited")	(3,679)	(3,981)
BTS Sansiri Holding Fourteen Limited	(14,744)	-
BTS Sansiri Holding Fifteen Limited	(1,172)	-
BTS Sansiri Holding Sixteen Limited	(11,854)	-
BTS Sansiri Holding Seventeen Limited	(5,647)	-
BTS Sansiri Holding Eighteen Limited	(3,623)	-
BTS Sansiri Holding Nineteen Limited	(16,562)	-
BTS Sansiri Holding Twenty Limited	(2,880)	-
BTS Sansiri Holding Twenty One Limited	(23,249)	-
BTS Sansiri Holding Twenty Two Limited	(20,168)	-
BTS Sansiri Holding Twenty Three Limited (formerly known as "Bangkok Sky Sukhumvit 34 Company Limited")	(2,342)	-
BTS Sansiri Holding Twenty Four Limited (formerly known as "Siripat One Company Limited")	(5,989)	-
BTS Sansiri Holding Twenty Five Limited (formerly known as "Siripat Two Company Limited")	(6,579)	-
Siripat Three Company Limited	(8,331)	-
UBM+VH Hotels GmbH	<u>29,282</u>	<u>-</u>
Share of profit (loss) from investments in joint ventures	27,617	(3,981)
Translation adjustments	(788)	-
Total	<u>26,829</u>	<u>(3,981)</u>

15.3 Dividend received and return of capital

Dividend received from the joint venture was as follows:

	(Unit: Thousand Baht)	
Joint venture	Consolidated and separate	financial statements
	<u>2018</u>	<u>2017</u>
BTS Sansiri Holding One Limited	270,000	-
Total	<u>270,000</u>	<u>-</u>

On 18 July 2018, the meeting of the Board of Directors of BTS Sansiri Holding One Limited ("BSH1") passed a resolution to approve the payment of an interim dividend of approximately Baht 540 million (at the rate of Baht 540 per share) to the shareholders in respect of its retained earnings as at 30 June 2018, resulting in a decrease in the value of investment in BSH1. Therefore, the Company recorded provision for loss on diminution in value of the investment in BSH1 amounting to Baht 270 million in proportion to the dividend received by the Company. The amount was presented as an offsetting entry in the separate statement of comprehensive income.

Return of capital from joint ventures were as follows:

	(Unit: Thousand Baht)	
Joint ventures	Consolidated and separate	financial statements
	<u>2018</u>	<u>2017</u>
BTS Sansiri Holding Five Limited	25,000	-
BTS Sansiri Holding Eighteen Limited	25,000	-
Total	<u>50,000</u>	<u>-</u>

15.4 Summarised financial information about material joint ventures

Summarised information about financial position

(Unit: Million Baht)

	Jointly controlled entities between the Company and SIRI		Absolute Hotel Services Company Limited		Keystone Estate Company Limited		Keystone Management Company Limited		UBM+VH Hotels GmbH	
	2018	2017	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾
Cash and cash equivalents	2,172	-	5	-	4	-	151	-	162	-
Current assets	470	-	52	-	118	-	139	-	82	-
Land and projects under development	31,028	1,557	-	-	-	-	-	-	-	-
Non-current assets	570	-	37	-	1,733	-	544	-	-	-
Current liabilities	(7,039)	(1,633)	(19)	-	(12)	-	(337)	-	(134)	-
Long-term loans	(25,481)	-	-	-	-	-	(19)	-	-	-
Other non-current liabilities	(522)	-	(13)	-	-	-	-	-	-	-
Net assets	1,198	(76)	62	-	1,843	-	478	-	110	-
Shareholding percentage (%)	50	50	50	-	50	-	50	-	50	-
Share of net assets	599	(38)	31	-	922	-	239	-	55	-
Elimination of inter-transactions under equity method	(613)	-	-	-	-	-	-	-	-	-
Intangible assets acquired through purchase of investment in joint venture	-	-	85	-	-	-	-	-	-	-
Fair value adjustment of assets acquired assumed	1,170	-	-	-	24	-	4	-	-	-
Estimated amount by which cost of the acquisition of investment in a joint venture exceed identifiable net assets of the acquiree	286	-	124	-	-	-	-	-	72	-
Carrying amounts of joint ventures based on equity method	1,442	(38)	240	-	946	-	243	-	127	-

Summarised information about comprehensive income

(Unit: Million Baht)

	Jointly controlled entities between the Company and SIRI		Absolute Hotel Services Company Limited		Keystone Estate Company Limited		Keystone Management Company Limited		UBM+VH Hotels GmbH	
	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾	2018	2017 ⁽¹⁾
Revenue	9,412	-	96	-	21	-	1	-	315	-
Profit (loss)	747	-	22	-	17	-	(19)	-	59	-

⁽¹⁾ The Group acquired these joint ventures in 2018.

16. Other long-term investments

(Unit: Thousand Baht)

	Consolidated and separate financial statements	
	2018	2017
<u>Investments in available-for-sale securities</u>		
Marketable equity securities - cost	506,123	506,123
Less: Deficit on changes in value of investments	3,499	(312,651)
Less: Allowance for loss on impairment	(355,054)	(50)
Fair value	<u>154,568</u>	<u>193,422</u>

During the year 2018, the Company recorded a Baht 355 million allowance for loss on impairment in available-for-sale securities, by reversing the deficit on changes in value of investments account in the statements of comprehensive income.

17. Land and project awaiting development

Movements of the land and project awaiting development account during the year ended 31 December 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements	Separate financial statements
Net book value as at 1 January 2018	2,049,156	937,573
Additions during the year	16,200	15,670
Increase from the entire business transfer from UE (Note 13.1.1)	1,923,912	-
Transfer out	(19,447)	-
Decrease from Allowance for loss on impairment	(61)	-
Net book value as at 31 December 2018	<u>3,969,760</u>	<u>953,243</u>

The Group has mortgaged land and constructions thereon amounting to Baht 3,432 million (2017: Baht 2,047 million) (The Company only: Baht 936 million, 2017: Baht 935 million) as collateral against long-term loans from financial institutions as discussed in Note 26 to the financial statements.

18. Investment properties

The net book value of investment properties as at 31 December 2018 and 2017 are presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Buildings and building improvement	Construction in progress	Total
As at 31 December 2018:				
Cost	6,306,203	1,879,691	788,724	8,974,618
<u>Less</u> Accumulated amortisation	-	(79,922)	-	(79,922)
Translation adjustment	-	(96,453)	(6,117)	(102,570)
Net book value	<u>6,306,203</u>	<u>1,703,316</u>	<u>782,607</u>	<u>8,792,126</u>

(Unit: Thousand Baht)

	Consolidated financial statements			
	Land	Buildings and building improvement	Construction in progress	Total
As at 31 December 2017:				
Cost	5,736,597	1,546,384	398,851	7,681,832
<u>Less</u> Accumulated amortisation	-	(53,174)	-	(53,174)
Translation adjustment	-	(2,074)	59	(2,015)
Net book value	<u>5,736,597</u>	<u>1,491,136</u>	<u>398,910</u>	<u>7,626,643</u>

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(Unit: Thousand Baht)

	Separate financial statements	
	Land	Total
As at 31 December 2018:		
Cost	157,281	157,281
<u>Less</u> Accumulated amortisation	-	-
Net book value	<u>157,281</u>	<u>157,281</u>

(Unit: Thousand Baht)

	Separate financial statements	
	Land	Total
As at 31 December 2017:		
Cost	157,041	157,041
<u>Less</u> Accumulated amortisation	-	-
Net book value	<u>157,041</u>	<u>157,041</u>

Movements of the investment properties account during the year ended 31 December 2018 are summarised below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Balance at beginning of year	7,626,643	7,209,173	157,041	-
Increase from the entire business transfer from UE (Note 13.1.1)	1,039,148	-	-	-
Addition during the year	229,346	303,795	-	157,041
Costs of asset improvement	114,831	9,261	240	-
Increase from changing the assumption of long-term provision	-	2,326	-	-
Write-off	(5,630)	-	-	-
Transfer in (out)	(29,720)	157,277	-	-
Amortisation for the year	(79,922)	(53,174)	-	-
Translation adjustment	(102,570)	(2,015)	-	-
Balance at end of year	<u>8,792,126</u>	<u>7,626,643</u>	<u>157,281</u>	<u>157,041</u>

The fair value of the investment properties as at 31 December 2018 and 2017 is stated below.

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2018	2017	2018	2017
Land	7,140,457	6,996,225	245,668	245,668
Building improvement (Including leasehold rights)	3,844,214	3,145,031	-	-

The fair values of the above investment properties have been determined based on valuations performed by an accredited independent valuer. The fair value of the land has been determined based on market prices, while that of the buildings and building improvements has been determined using the income approach. The main assumptions used in the valuation of buildings and building improvement are rental periods, rental profit, and rate of returns.

A subsidiary has mortgaged land and constructions thereon amounting to Baht 7,024 million (2017: Baht 5,969 million) as collateral against long-term loans from financial institutions as discussed in Note 26 to the financial statements.

19. Property, plant and equipment

	(Unit: Thousand Baht)						
	Consolidated financial statements						
	Land	Buildings and land and building improvement	Furniture fixture and equipment	Hotel operating equipmen	Vehicles	Construction in progress	Total
Cost amount:							
1 January 2017	2,699,351	5,416,478	331,131	198,528	14,419	91,450	8,751,357
Increase from acquisition of subsidiaries - restated	1,590,038	9,957,217	287,117	141,015	-	129,209	12,104,596
Additions	-	39,050	106,908	4,949	-	43,831	194,738
Disposals	-	-	(27,234)	(4,301)	(4,828)	-	(36,363)
Write-off	-	-	-	(2,005)	-	-	(2,005)
Transfer in (out)	-	53,567	49,596	(163)	-	(99,981)	3,019
Decrease from sales of subsidiaries	-	-	(199)	-	-	-	(199)
Translation adjustment - restated	40,265	228,422	5,583	3,270	-	2,130	279,670
31 December 2017 - restated	4,329,654	15,694,734	752,902	341,293	9,591	166,639	21,294,813
Increase from the entire business transfer from UE (Note 13.1.1)	174,268	70,958	201,824	11,423	309	516,881	975,663
Additions	94,084	206,567	116,032	7,104	22,310	684,819	1,130,916
Disposals	(838)	(78,930)	(107,629)	(761)	(2,665)	(29,808)	(220,631)
Write-off	-	-	-	(757)	-	-	(757)
Transfer in (out)	17,287	915,697	86,368	(204,264)	6,436	(775,537)	45,987
Translation adjustment	(97,178)	(625,981)	(27,381)	(5,735)	(258)	(13,462)	(769,995)
31 December 2018	4,517,277	16,183,045	10,221,116	148,303	35,723	549,532	22,455,996
Accumulated depreciation:							
1 January 2017	-	1,219,397	230,974	100,174	12,722	-	1,563,267
Depreciation for the year - restated	-	242,040	46,124	61,143	1,390	-	350,697
Depreciation on disposals	-	-	(25,631)	(811)	(4,521)	-	(30,963)
Transfer out	-	-	(166)	(163)	-	-	(329)
Decrease from sales of subsidiaries	-	-	(75)	-	-	-	(75)
Translation adjustment - restated	-	5,105	24	207	-	-	5,336

(Unit: Thousand Baht)

Consolidated financial statements

	Land	Buildings and land and building improvement	Furniture fixture and equipment	Hotel operating equipmen	Vehicles	Construction in progress	Total
31 December 2017 - restated	-	1,466,542	251,250	160,550	9,591	-	1,887,933
Depreciation for the year	-	351,646	119,683	40,791	5,530	-	517,650
Depreciation on disposals	-	(12,606)	(102,929)	(760)	(3,389)	-	(119,684)
Transfer in (out)	-	58,660	22,543	(85,733)	4,530	-	-
Translation adjustment	-	(20,515)	(70)	(328)	(153)	-	(21,066)
31 December 2018	-	1,843,727	290,477	114,520	16,109	-	2,264,833
Allowance for impairment loss:							
1 January 2017	187	322,942	-	-	-	-	323,129
Increase during the year	69,409	708,272	-	-	-	-	777,681
31 December 2017	69,596	1,031,214	-	-	-	-	1,100,810
Allowance for impairment loss on disposals	-	(51,096)	-	-	-	-	(51,096)
31 December 2018	69,596	980,118	-	-	-	-	1,049,714
Net book value:							
31 December 2017 - restated	4,260,058	13,196,978	501,652	180,743	-	166,639	18,306,070
31 December 2018	4,447,681	13,359,200	731,639	33,783	19,614	549,532	19,141,449
Depreciation for the year							
2017 - restated							350,697
2018							517,650

Unit: Thousand Baht)

Separate financial statements

	Buildings and land and building improvement	Furniture, fixtures and equipment	Vehicles	Total
Cost amount:				
1 January 2017	74,749	36,569	6,127	117,445
Additions	-	7,092	-	7,092
Disposals	-	-	(4,828)	(4,828)
31 December 2017	74,749	43,661	1,299	119,709
Additions	-	2,800	11,766	14,566
Disposals	(74,749)	(156)	(1,299)	(76,204)
31 December 2018	-	46,305	11,766	58,071
Accumulated depreciation:				
1 January 2017	7,230	33,194	5,001	45,425
Depreciation for the year	963	1,761	819	3,543
Depreciation on disposals	-	-	(4,521)	(4,521)
31 December 2017	8,193	34,955	1,299	44,447
Depreciation for the year	232	2,999	2,479	5,710
Depreciation on disposals	(8,425)	(149)	(1,299)	(9,873)
31 December 2018	-	37,805	2,479	40,284

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(Unit: Thousand Baht)

Separate financial statements

	Buildings and land and building improvement	Furniture, fixtures and equipment	Vehicles	Total
Allowance for impairment loss:				
31 December 2017	51,096	-	-	51,096
Allowance for impairment loss on disposals	(51,096)	-	-	(51,096)
31 December 2018	-	-	-	-
Net book value:				
31 December 2017	15,460	8,706	-	24,166
31 December 2018	-	8,500	9,287	17,787
Depreciation for the year				
2017				3,543
2018				5,710

As at 31 December 2018, the Group had certain items of plant and equipment were 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 1,243 million (2017: Baht 1,112 million) (The Company only: Baht 33 million, 2017: Baht 32 million).

As at 31 December 2018, the Group had Land and buildings under financial lease agreements with net book values amounting to Baht 2,275 million (2017: Baht 3,404 million) (The Company only: Baht 10 million, 2017: Nil).

Subsidiaries have mortgaged land and constructions thereon amounting to Baht 9,657 million (2017: Baht 13,799 million) as collateral against long-term loans from financial institutions and liabilities under debt restructuring as discussed in Note 25 and 26 to the financial statements, respectively.

20. Leasehold rights

(Unit: Thousand Baht)

Consolidated
financial statements**Costs**

1 January 2017	1,710,281
Additions	315,275
Translation adjustment	4,057
31 December 2017	2,029,613
Increase from the entire business transfer from UE (Note 13.1.1)	526,773
Translation adjustment	(126,425)
31 December 2018	2,429,961
Accumulated amortisation	
1 January 2017	51,964
Amortisation for the year	19,516
Translation adjustment	94
31 December 2017	71,574
Amortisation for the year	41,131
Translation adjustment	(2,157)
31 December 2018	110,548
Net book value	
31 December 2017	1,958,039
31 December 2018	2,319,413
Amortisation for the year	
2017	19,516
2018	41,131

21. Intangible assets

	(Unit: Thousand Baht)					
	Consolidated financial statements				Separate financial statements	
Intangible assets						202
acquired through						203
business combination	Heritable building right	Computer Software	Total	Computer software	Total	
Cost amount:						
1 January 2017	-	-	23,927	23,927	8,955	8,955
Increase from acquisition of subsidiaries - restated	542,329	300,488	26,362	869,179	-	-
Additions	-	-	901	901	156	156
Translation adjustment - restated	9,974	5,379	480	15,833	-	-
31 December 2017 - restated	552,303	305,867	51,670	909,840	9,111	9,111
Increase from the entire business transfer from UE (Note 13.1.1)	-	-	978	978	-	-
Additions	-	-	7,219	7,219	562	562
Transfer out	-	-	3,181	3,181	-	-
Translation adjustment	(26,917)	(20,207)	(1,219)	(48,343)	-	-
31 December 2018	525,386	285,660	61,829	872,875	9,673	9,673
Accumulated depreciation:						
1 January 2017	-	-	9,600	9,600	784	784
Depreciation for the year - restated	17,400	7,931	4,500	29,831	454	454
Translation adjustment - restated	70	11	9	90	-	-
31 December 2017 - restated	17,470	7,942	14,109	39,521	1,238	1,238
Depreciation for the year	26,586	4,165	13,994	44,745	472	472
Depreciation on disposals	(1,567)	(806)	(209)	(2,582)	-	-
31 December 2018	42,489	11,301	27,894	81,684	1,710	1,710
Net book value:						
31 December 2017 - restated	534,833	297,925	37,561	870,319	7,873	7,873
31 December 2018	482,897	274,359	33,935	791,191	7,963	7,963
Amortisation for the year:						
2017				29,831		454
2018				44,745		472

The Group has mortgaged intangible assets amounting to Baht 106 million (2017: Baht 109 million) as collateral against long-term loans from financial institutions as discussed in Note 26 to the financial statements.

22. Goodwill

The subsidiaries allocated goodwill acquired through business combinations to the cash generating units (CGUs) for annual impairment testing as follows:

	(Unit: Thousand Baht)	
	Consolidated financial statements	
	2018	2017
		(Restated)
Boonbarammee Metta Property Company Limited Group	174,024	174,024
EGS Assets Company Limited/ Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited")	984,168	984,168
Thirty Three Gracechurch 1 Limited Group	119,985	128,516
Vienna House Capital GmbH Group	1,458,822	1,533,562
Total	2,736,999	2,820,270

The reconciliation of the net book value of goodwill for the years ended 31 December 2018 and 2017 are presented below.

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		2018	2017
			(Restated)
Net book value at beginning of year		2,820,270	1,158,192
Increase from acquisition of investments in subsidiaries		-	1,641,108
Translation adjustment		(83,271)	20,970
Net book value at end of year		<u>2,736,999</u>	<u>2,820,270</u>

The Group determined the recoverable amounts of the CGUs based on fair value less cost to sell or value-in-use by preparing projections of the cash flows that are expected to be generated from that group of assets in the future, with reference to financial projections approved by the management. These cash flow projections cover a period of 5 years. It was determined that the recoverable amount of the CGUs is more than net carrying amount. The management of subsidiaries believed that the allowance for impairment of investments in subsidiaries is sufficient in the current situation and did not identify indications of impairment of goodwill.

23. Bank overdrafts and short-term loans from financial institution

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate statements
		2018	2017
Bank overdrafts		36,610	76,701
Short-term loans from financial institution		-	176,275
Total		<u>36,610</u>	<u>252,976</u>

Bank overdrafts of a subsidiary are secured by the pledge of its trade and other receivables as discussed in Note 9 to the financial statements.

As at 31 December 2018, bank overdrafts carried interests between 2.13 and 2.70 percent per annum (2017: 0.75 and 2.70 percent per annum) and short-term loans from financial institution carried non-interest bearing (2017: MLR minus a certain rate specified in the agreement).

24. Trade and other payables

		(Unit: Thousand Baht)	
		Consolidated financial statements	Separate financial statements
		2018	2017
			(Restated)
Trade payables - related parties (Note 6)		1,790	1,918
Trade payables - unrelated parties		306,331	383,531
Other payables - related parties (Note 6)		46,113	24,174
Other payables - unrelated parties		454,283	299,789
Accrued expenses - related parties (Note 6)		4,324	-
Accrued expenses - unrelated parties		193,443	125,555
Total trade and other payables		<u>1,006,284</u>	<u>834,967</u>

25. Liabilities under debt restructuring agreements

		(Unit: Thousand Baht)	
		Consolidated financial statements	
		2561	2560
Liabilities under debt restructuring agreements		1,136,091	1,167,981
Less: Current portion		(34,024)	(31,890)
Liabilities under debt restructuring agreements - net of current portion		<u>1,102,067</u>	<u>1,136,091</u>

In 2014, a subsidiary entered into debt restructuring agreements with a financial institution. Under the conditions of such agreements, creditor has extended the repayment schedule for the subsidiary as follows:

1. The principal amounting to Baht 1,200 million is repayable in monthly instalments commencing on 31 August 2014 and to be completed within a period of 12 years (due on 31 July 2026).
2. The interest rate applicable from the first to the second year is 4 percent per annum, and in the third year is 5 percent per annum. Subsequently, the interest is calculated at the rate of SPRL (Standard profit rate for prime corporate customer with long term financing) per annum.
3. Outstanding interest of Baht 90 million out of Baht 142 million is to be payable within September 2014. As for the remainder amounting to Baht 52 million, the financial institution agreed to forgive when the subsidiary complies with the conditions of the agreements.

Liabilities under debt restructuring agreements are guaranteed by the pledge of three subsidiaries' ordinary shares in proportion of each company not less than 76 percent of the total shares, the mortgage of land and constructions thereon of subsidiaries, as described in Note 13.1.2 and 19 to the financial statements, and two subsidiaries, as the co-debtors to the financial institution.

The debt restructuring agreements contain covenants pertaining, among other things, prohibit of share capital reduction, merger with other entity and dividend payment.

26. Long-term loans from financial institutions

Loan	Interest rate	Repayment schedule	(Unit: Thousand Baht)			
			Consolidated		Separate	
			financial statements		financial statements	
			2018	2017	2018	2017
1	EURIBOR plus a certain margin specified in the agreement	Quarterly installments as from May 2019 to May 2022	4,224,069	6,724,199	4,224,069	6,724,199
2	MLR minus a certain rate specified in the agreement	Quarterly installments as from November 2018 to November 2022	3,359,904	3,522,208	3,359,904	3,522,208
3	Fixed rate	Monthly installments, completed within July 2022	44,685	58,774	-	-
4	Fixed rate	Monthly installments, completed within December 2025	11,972	15,016	-	-
5	Fixed rate	Quarterly installments, completed within July 2028	215,277	243,596	-	-
6	Fixed rate	Quarterly installments, completed within December 2025	328,357	365,221	-	-
7	EURIBOR plus a certain margin specified in the agreement	Quarterly installments, complete within December 2025	177,093	190,984	-	-
8	Fixed rate	Monthly installments, completed within December 2029	127,524	144,939	-	-
9	EURIBOR plus a certain margin specified in the agreement	Monthly installments, completed within August 2023	32,789	41,517	-	-
10	Fixed rate	Monthly installments, complete within January 2024	171,060	194,203	-	-
11	Fixed rate	Monthly installments, completed within April 2025	73,485	82,198	-	-
12	Fixed rate	Quarterly installments, completed within July 2029	152,707	172,696	-	-

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(Unit: Thousand Baht)

Loan	Interest rate	Repayment schedule	Consolidated		Separate	
			financial statements	financial statements	financial statements	financial statements
			2018	2017	2018	2017
13	EURIBOR	Monthly installments, completed within December 2023	61,880	68,827	-	-
14	Fixed rate	Monthly installments, completed within December 2024	213,919	240,936	-	-
15	Fixed rate	Monthly installments, completed within November 2025	39,592	46,833	-	-
16	Fixed rate	Monthly installments, completed within December 2025	43,914	47,985	-	-
17	Fixed rate	Monthly installments, completed within December 2025	118,432	139,725	-	-
18	Fixed rate	Quarterly installments, completed within September 2024	11,801	14,292	-	-
19	Fixed rate	Quarterly installments, completed within September 2024	66,420	80,490	-	-
20	Fixed rate	Quarterly installments, completed within January 2031	126,765	142,342	-	-
21	EURIBOR plus a certain margin specified in the agreement	Quarterly installments, completed within December 2022	864,335	647,684	-	-
22	EURIBOR plus a certain margin specified in the agreement, interest floor as stipulated in loan agreement	Monthly installments, completed within December 2035	169,281	186,509	-	-
23	Refer to derivatives plus a certain margin specified in the agreement	Semi-annual installments, completed within June 2028	263,021	287,499	-	-
24	Refer to derivatives plus a certain margin specified in the agreement	Quarterly installments, completed within December 2024	444,240	522,825	-	-
25	EURIBOR plus a certain margin specified in the agreement	Quarterly installments, completed within December 2024	519,979	-	-	-
26	Fixed rate	Quarterly installments, completed within December 2037	252,584	-	-	-
27	LIBOR plus a certain margin specified in the agreement	Quarterly installments, completed within December 2024	164,267	-	-	-
Total			12,279,352	14,181,498	7,583,973	10,246,407
Less: Current portion			(870,378)	(569,530)	(512,011)	(188,018)
Long-term loans - net of current portion			11,408,974	13,611,968	7,071,962	10,058,389

The loan agreements contain several covenants which, among other things, require the Company to maintain a certain debt service coverage ratio, debt-to-equity ratio and security cover ratio at the rates prescribed in the agreements, and to maintain its shareholdings in subsidiaries. The agreements also stipulate conditions relating to capital increases, dividend payment and disposal of the subsidiaries' assets. These loans are secured by the pledge of ordinary shares of subsidiaries and the right in deposit accounts of the Company, as stipulated in the agreements and discussed in Note 12 and Note 13.1.3 to the financial statements, the mortgage of land and constructions thereon of the Group, as discussed in Note 11, Note 17, Note 18 and Note 19 to the financial statements, and the endorsement of the beneficiary rights under the insurance policies for the mortgaged land to the lender.

Loans of overseas subsidiaries are secured by the Company and Vienna International Hotel Management AG and the mortgage of land and constructions thereon of those subsidiaries, as discussed in Note 19 and Note 38.3 b) to the financial statements.

27. Liabilities under financial lease agreements

	(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements		
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	
Liabilities under finance lease agreements	2,046,950	2,747,498	11,011	-	206
Less: Deferred interest expenses	<u>(181,879)</u>	<u>(263,437)</u>	<u>(1,248)</u>	<u>-</u>	207
Total	1,865,071	2,484,061	9,763	-	
Less: Portion due within one year	<u>(77,660)</u>	<u>(522,203)</u>	<u>(2,233)</u>	<u>-</u>	
Liabilities under finance lease agreements - net of current portion	1,787,411	1,961,858	7,530	-	

The Company has entered into the finance lease agreements for rental of land, buildings and vehicles for use in its operation, whereby it is committed to pay rental on a monthly basis. The terms of the agreements are generally between 1 and 5 years.

Future minimum lease payments required under the finance lease agreements were as follows:

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2018			
	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	135	1,912	-	2,047
Deferred interest expenses	(57)	(125)	-	(182)
Present value of future minimum lease payments	78	1,787	-	1,865

	(Unit: Million Baht)			
	Consolidated financial statements			
	As at 31 December 2017			
	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	596	2,152	-	2,748
Deferred interest expenses	(74)	(190)	-	(264)
Present value of future minimum lease payments	522	1,962	-	2,484

	(Unit: Million Baht)			
	Separate financial statements			
	As at 31 December 2018			
	Less than 1 year	1-5 years	Over 5 years	Total
Future minimum lease payments	3	8	-	11
Deferred interest expenses	-	(1)	-	(1)
Present value of future minimum lease payments	3	7	-	10

28. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Provision for long-term employee benefits at beginning of year				
Increase from acquisition of subsidiaries	64,828	30,947	23,153	16,556
Increase from the entire business transfer from UE (Note 13.1.1)	43,950	12,993	-	-
Included in profit or loss:				
Current service cost	14,291	9,868	2,877	5,081
Interest cost	2,355	953	435	417
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	(1,259)	(3,804)	-	(3,804)
Financial assumptions changes	2,130	(1,553)	(567)	(766)
Experience adjustments	(6,893)	15,144	(929)	5,669
Benefits paid during the year	(2,370)	-	(48)	-
Translation adjustment	(1,105)	280	-	-
Provision for long-term employee benefits at end of year	<u>115,927</u>	<u>64,828</u>	<u>24,921</u>	<u>23,153</u>

The Group expects to pay of long-term employee benefits within the next year Baht 4 million (2017: Baht 2 million) (The Company only: Nil, 2017: Baht 2 million).

As at 31 December 2018, the weighted average duration of the liabilities for long-term employee benefit of the Group is 9 to 19 years (Separate financial statements: 14 years) (2017: 6 to 19 years, separate financial statements: 19 years).

Significant actuarial assumptions are summarised below:

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Discount rate	1.8 - 3.2	1.6 - 3.1	3.0	2.7
Salary increase rate (depend on age)	1.4 - 9.0	0.9 - 9.0	6.0	6.0
Turnover rate (depend on age)	0.0 - 34.4	0.0 - 30.0	2.9 - 34.4	3.8 - 34.3

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

	(Unit: Thousand Baht)			
	Consolidated		Separate	
	financial statements		financial statements	
	Increase 1%	Increase 1%	Increase 1%	Increase 1%
Discount rate	(11,320)	12,882	(2,284)	2,632
Salary increase rate	12,491	(11,198)	2,527	(2,244)
Turnover rate	(2,694)	3,070	(1,925)	2,232

On 13 December 2018, The National Legislative Assembly passed a resolution approving the draft of a new Labour Protection Act, which is in the process being published in the Royal Gazette. The new Labour Protection Act stipulates additional legal severance pay rates for employees who have worked for an uninterrupted period of twenty years or more. Such employees are entitled to receive compensation of not less than that of the last 400 days of employment, based on the final wage rate. This change is considered a post-employment benefit plan amendment, which results in additional long-term employee benefit liabilities of Baht 4 million (The Company only: Baht 2 million) for the Group. The Group has reflected the impact of the change by recognising as expenses in the income statement.

29. Long-term provisions

	(Unit: Thousand Baht)
	Consolidated
	financial statements
	Construction cost of car park building and skywalk
Balance as at 1 January 2018	313,251
Increase from revision of provision	800
Decrease from actual payment	(43,509)
Balance as at 31 December 2018	270,542

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A subsidiary, Mo Chit Land Company Limited (formerly known as “BTS Assets Company Limited”), recorded provision for its contractual obligations with a bank to construct car park building and skywalk. The subsidiary’s management believes that the assumptions are appropriate under the current circumstance.

30. Share capital / Share discount

On 4 January 2018, the Extraordinary General Meeting of Shareholders of the Company passed resolutions approving the following matters:

- The reduction of the Company’s registered capital by Baht 19,369,684,182 from the existing registered capital of Baht 861,413,132,646 to Baht 842,043,448,464, by cancelling 19,369,684,182 authorised but unissued shares with a par value of Baht 1 per share.
- The increase of the Company’s registered capital by Baht 840,695,604,357, from the existing registered capital of Baht 842,043,448,464 to Baht 1,682,739,052,821, by issuing 280,231,868,119 new ordinary shares with a par value of Baht 1 per share and 560,463,736,238 new preference shares with a par value of Baht 1 per share.
- The issuance and offering 26,384,191,176 new preference shares of the Company, with a par value of Baht 1 per share, to Bangkok Bank Public Company Limited, via a private placement, at an offering price of Baht 0.034 per share.
- The issuance and offering 63,882,352,942 new preference shares of the Company, with a par value of Baht 1 per share, to UE, via a private placement, at an offering price of Baht 0.034 per share, as discussed in Note 13.1.1 to the financial statements.
- The issuance and offering 470,197,192,120 new preference shares of the Company, with a par value of Baht 1 per share, to the existing shareholders in proportion to their shareholdings, at a ratio of 4 newly issued preference shares for every 5 existing ordinary shares and/or existing preference shares with any fraction of shares to be discarded, at an offering price of Baht 0.031 per share. Subsequently, warrants to purchase 283,790,972,022 new preference shares were exercised.
- The issuance and offering 45,133,272,059 new ordinary shares of the Company, with a par value of Baht 1 per share, to accommodate the exercise of the rights to purchase the Company’s ordinary shares under the Warrants U-W3.
- The issuance and offering 235,098,596,060 new ordinary shares of the Company, with a par value of Baht 1 per share, to accommodate the exercise of the rights to purchase the Company’s ordinary shares under the Warrants U-W4.

On 12 October 2018, the Extraordinary General Meeting of Shareholders No. 2/2018 of the Company passed the following significant resolutions:

- Approved the reduction of the Company’s registered capital by Baht 279,609,330,204, from Baht 1,682,739,052,821 to Baht 1,403,129,722,617, by cancelling 279,609,330,204 authorised but unissued shares with a par value of Baht 1 per share, consisting of (1) 186,406,220,098 preferred shares with a par value of Baht 1 per share which remain from the allocation to the existing shareholders in proportion to their holdings; and (2) 93,203,110,106 ordinary shares with a par value of Baht 1 per share which remain from the allocation to support the exercise of the warrants to purchase ordinary shares of the Company No.4 (U-W4) (“the Warrants U-W4”) in accordance with the resolution passed by the Extraordinary General Meeting of Shareholders No.1/2018 of the Company on 4 January 2018.
- Approved the increase of the Company’s registered capital by Baht 283, from Baht 1,403,129,722,617 to Baht 1,403,129,722,900, by issuing 223 new ordinary shares and 60 new preferred shares with a par value of Baht 1 per share.

- c) Approved a change in the par of the Company's shares from Baht 1 to Baht 100 through a reserve stock split, resulting in a reduction of 1,389,098,425,671 in the number of shares of the Company, from 1,403,129,722,900 shares with a par value of Baht 1 per share to 14,031,297,229 shares with a par value of Baht 100 per share. The adjustment of the par value of the Company's shares will result in a reduction in the number of shares held by each shareholder based on a ratio of 1 new share to 100 existing shares.
- d) Approved the reduction of the Company's registered capital by Baht 1,358,229,571,767.20, from Baht 1,403,129,722,900 to Baht 44,900,151,132.80, and its paid-up capital by Baht 905,495,477,409.60, from Baht 935,429,212,200 to Baht 29,933,734,790.40, by reducing the par value of the Company's shares from Baht 100 per share to Baht 3.20 per share in order to write off the accumulated deficit and share discount, totalling Baht 905,495,477,409.60.
- e) Approve the amendment to the Articles of Association of the Company to be in line with the adjustment of par value by conducting a reverse stock split.

The Company has already registered the corresponding increase/decrease in share capital with the Ministry of Commerce. As a result, the Company had registered share capital of Baht 44,900,151,132.80 (3,740,575,162 preference shares and 10,290,722,067 ordinary shares with a par value of Baht 3.20 each), issued and paid-up share capital of Baht 29,933,734,790.40 (3,740,575,162 preference shares and 5,613,716,960 ordinary shares with a par value of Baht 3.20 each) and no share discount as at 31 December 2018. Moreover, the dividend payment rate of the preference shares was changed from Baht 0.0022 per preference share per calendar year to be Baht 0.0022 per preference share per calendar year.

During the year 2018, warrants to purchase the ordinary shares of the Company No.1 amounting to Baht 9,397,000 (9,397,000 ordinary shares with a value of Baht 1 each) were exercised.

31. Preference shares

The rights of the newly issued preference shares, as discussed in Note 30 to the financial statements are as follows:

1. Between 1 January 2018 and 31 December 2022, the preference shares' rights are as follows:
 - a) In the event that the Company pays dividends in a calendar year, the holders of the preference shares are entitled to receive dividends in the preference to the holders of the ordinary shares, at a rate of Baht 0.22 per preference share per calendar year. For each payment of dividends, in the event that the total dividend to be received by any shareholder includes a fraction of less than 1 satang, the amount less than 1 satang is to be discarded.
 - b) If the Company pays no dividends or pays a dividend at rate lower than that specified in a) during any calendar year between 1 January 2018 and 31 December 2022, the preference shares are entitled to cumulative dividends at the following rates:
 - 1) At the rate of Baht 0.22 per preference share per calendar year in the event that the Company pays no dividends in such calendar year or
 - 2) At a rate equal to the difference between the actual dividend received per preference share in that calendar year and the rate specified in a) if the dividend paid to the holders of the preference shares is lower than the rate specified in a)

In this regard, the preference shares' rights to cumulative dividends during the calendar years between 1 January 2018 and 31 December 2022 as specified in b) shall remain in full force until the cumulative dividends are paid to all holders of the preference shares in full even though such payments is made after 31 December 2022.
 - c) If during any calendar year the Company pays dividends at a greater than the rate specified in a) and the cumulative dividend specified in b) (if any), the holders of the preference shares and the ordinary shares shall be equally to entitled such excess dividends at the same rate per share.
 - d) When making any payment of dividends, the Company shall pay the cumulative dividends specified in b) to the holders of the preference shares in full first and then pay the dividends as specified in a) to the holders of the preference shares. When the Company has fully paid the dividends as specified in a), it can then pay dividends to the holders of the ordinary shares as specified in c).
 - e) The voting rights attached to the preference shares shall be equal to the voting rights attached to the ordinary shares in all respects.

2. After 31 December 2022, the rights attached to the preference shares shall be as follows:
 - a) The preference shares' right to receive dividends shall be the same as that of the ordinary shares unless the Company has not yet paid the cumulative dividends as specified in 1 b), then the preference shares shall be entitled to receive the cumulative dividends as specified in 1 b).
 - b) If the Company has not paid the cumulative dividends specified in 1 b) in full, the voting right attached to the preference shares shall be one share per one vote.
 - c) After the Company has paid the cumulative dividends specified in 1 b) in full, the voting rights attached to the preference shares shall be ten shares per one vote, with any fractions to be discarded.
 - d) After 31 December 2027, even if the Company has not yet paid the cumulative dividends specified in 1 b) in full, the voting rights attached to the preference shares shall be ten shares per one vote with any fractions to be discarded.
3. If there is any change in the par value due to a share split or a reverse share split, the preference shares' rights shall be adjusted according to the applicable share split rate or reverse share split rate (as the case may be).
4. After 31 December 2022, the holders of the preference shares shall be entitled to convert the preference shares into ordinary shares at a conversion ratio of 1 preference share to 1 ordinary share. To do this, the holders of the preference shares must submit to the Company notice of conversion in accordance with the form specified by the Company together with a share certificate within 7 business days before the last day of March, June, September, and December of each year.
5. In the event that a preference share is converted to an ordinary share, the rights of the preference shares that have been converted to receive the cumulative dividends specified in 1 b) shall be automatically cancelled.

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32. Warrants

The warrants are detailed as follows:

	U-W1	U-W2	U-W3	U-W4
	Units	Units	Units	Units
Outstanding as at 1 January 2018	180,637,710,882	100,043,438,606	-	-
Issued during the year	-	-	45,133,272,059	141,895,485,954
Exercised during the year	(9,397,000)	-	-	-
Outstanding as at 31 December 2018	180,628,313,882	100,043,438,606	45,133,272,059	141,895,485,954
Exercise price per share	Baht 0.060	Baht 0.047	Baht 0.050	Baht 0.060
Exercise ratio per warrant	1:1 share	1:1 share	1:1 share	1:1 share
Maturity date	6 November 2019	6 November 2019	15 November 2023	15 November 2023

Warrants to purchase the ordinary shares of the Company No.3 ("the Warrants U-W3")

On 4 January 2018, the Extraordinary General Meeting of Shareholders of the Company passed resolutions to approve the issuance and allocation of the Warrants U-W3 to BTS Group Holdings Public Company Limited and Bangkok Bank Public Company Limited, who subscribed to and were allocated the new preference shares at no cost, at a ratio of 1 warrant for every 2 new preference shares.

Warrants to purchase the ordinary shares of the Company No.4 ("the Warrants U-W4")

On 4 January 2018, the Extraordinary General Meeting of Shareholders of the Company passed resolutions to approve the issuance and allocation of the Warrants U-W4 to the existing shareholders who subscribed to and were allocated the new preference shares at no cost, at a ratio 1 warrant for every 2 new preference shares.

The approval of the change in the par value of the Company's shares from Baht 1 to Baht 100 by the Extraordinary General Meeting of Shareholders of the Company on 12 October 2018 through a reverse stock split, which is an event after the reporting period as discussed in Note 30 to the financial statements, resulted in changes in the exercise price per share and the exercise ratio per warrant of the Company's warrants. The changes, which are effective from 5 November 2018, are summarised below.

	U-W1	U-W2	U-W3	U-W4
Exercise price per share	Baht 6.00	Baht 4.70	Baht 5.00	Baht 6.00
Exercise ratio per warrant	1:0.01 share	1:0.01 share	1:0.01 share	1:0.01 share

33. Expenses by nature

Significant expenses classified by nature are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Restated)			
Salary, wages and other employee benefits	1,962,968	1,163,082	148,251	101,670
Depreciation and amortisation	683,754	452,579	6,181	3,997
Consultation and professional fee	211,159	234,110	83,434	131,999
Loss on impairment of investments in subsidiaries	-	-	12,001	247,913
Loss on impairment of assets	355,004	781,474	368,505	708,404
Loss on sales of investments in subsidiaries	-	-	-	421,249
Commission	265,438	132,976	-	-
Management fee	88,601	65,084	-	-
Utility expenses	297,460	116,755	1,844	1,684
Rental expenses	520,418	255,322	9,168	9,971
Cost of food and beverage	498,430	326,132	-	-

34. Income tax

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Current income tax:				
Current income tax charge	87,284	100,179	-	-
Deferred tax:				
Relating to origination and reversal of temporary differences	(34,056)	(284)	-	-
Income tax expense reported in the statement of comprehensive income	<u>53,228</u>	<u>99,895</u>	<u>-</u>	<u>-</u>

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
Deferred tax on gain from the change in value of available-for-sale investments	(2,038)	(235)	(1,754)	(118)
Deferred tax on gain from actuarial	878	-	-	-
	<u>(1,160)</u>	<u>(235)</u>	<u>(1,754)</u>	<u>(118)</u>

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

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Restated)			
Loss from continued operation before income tax expense	(585,939)	(865,957)	(129,466)	(1,728,628)
Loss from discontinued operation before income tax expense	-	(17,363)	-	-
	<u>(585,939)</u>	<u>(883,320)</u>	<u>(129,466)</u>	<u>(1,728,628)</u>

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2018	2017	2018	2017
	(Restated)			
Applicable tax rate	20 - 25 Percent	20 - 25 Percent	20 Percent	20 Percent
Accounting loss before tax multiplied by income tax rate	(103,694)	(187,212)	(25,893)	(345,726)
Effects of:				
Unrecognised deferred tax assets on temporary differences				
Utilisation of previously unrecognised deferred tax assets on temporary differences	366,540	113,610	327,938	194,600
Unrecognised deferred tax assets on tax losses	91,308	202,827	22,489	152,262
Utilisation of previously unrecognised tax losses	(205,944)	-	(217,842)	-
Non-deductible expenses	40,472	544	1,228	513
Non-taxable income	(121,333)	(27,910)	(100,791)	(1,193)
Deductible expenses	(11,836)	(1,085)	(133)	(456)
Others	(5,510)	(879)	-	-
Total	146,701	287,107	25,893	345,726
Income tax expense reported in the statement of comprehensive income	43,007	99,895	-	-

The components of deferred tax assets and deferred tax liabilities are as follows:

	Consolidated		(Unit: Thousand Baht)	
	financial statements		Separate	
	2018	2017	2018	2017
	(Restated)			
Deferred tax assets				
Fair value adjustment of assets and liabilities as at business combination	957	6,460	-	-
Unused tax loss	24,067	12,253	-	-
Tax deductible goodwill	21,667	7,453	-	-
Provision for long-term employee benefits	10,829	4,909	-	-
Others	43,628	43,402	-	-
	101,148	74,477	-	-
Deferred tax liabilities				
Unrealised gain from revaluation of available-for-sale investments	2,323	284	1,872	118
Fair value adjustment of assets and liabilities as at business combination date	2,247,311	2,215,795	-	-
Others	131,203	160,227	-	-
	2,380,837	2,376,306	1,872	118
Total	(2,279,689)	(2,301,829)	(1,872)	(118)
Presented as				
Deferred tax assets - net	81,207	44,006	-	-
Deferred tax liabilities - net	(2,360,896)	(2,345,835)	(1,872)	(118)
Total	(2,279,689)	(2,301,829)	(1,872)	(118)

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As at 31 December 2018, the Group has deductible temporary differences and unused tax losses totaling Baht 2,938 million (2017: Baht 4,145 million) (the Company only: Baht 2,957 million, 2017: Baht 4,648 million), on which deferred tax assets have not been recognised as the Group believes future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses amounting to Baht 1,629 million (2017: Baht 2,968 million) (the Company only: Baht 8 million, 2017: Baht 1,590 million) will expire by 2023.

35. Earnings per share

Basic earnings per share is calculated by dividing profit (loss) 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.

Diluted earnings per share is calculated by dividing profit (loss) 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 plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date of the potential ordinary shares were issued.

Details of calculation of earnings per share for the years ended 31 December 2018 and 2017 are as below.

	Consolidated financial statements					
	Loss		Weighted average number of ordinary shares		Loss per share	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
		(Restated)				(Restated)
Earnings per share						
Basic earnings per share						
Loss attributable to equity holders of the Company	(629,909)	(974,827)	5,613,717	5,613,623		
Less: Cumulative dividend payment preference shares	<u>(822,927)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Loss used in calculations of basic earnings per share	<u>(1,452,836)</u>	<u>(974,827)</u>	<u>5,613,717</u>	<u>5,613,623</u>	<u>(0.258801)</u>	<u>(0.173654)</u>
Earnings per share from continued operation						
Basic earnings per share						
Loss attributable to equity holders of the Company	(629,909)	(957,465)	5,613,717	5,613,623		
Less: Cumulative dividend payment preference shares	<u>(822,927)</u>	<u>-</u>	<u>-</u>	<u>-</u>		
Loss used in calculations of basic earnings per share	<u>(1,452,836)</u>	<u>(957,465)</u>	<u>5,613,717</u>	<u>5,613,623</u>	<u>(0.258801)</u>	<u>(0.170561)</u>
	Separate financial statements					
	Loss		Weighted average number of ordinary shares		Loss per share	
	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>	<u>2018</u>	<u>2017</u>
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
Earnings per share						
Basic earnings per share						
Loss attributable to equity holders of the						
Loss attributable to equity holders of the Company	(129,466)	(1,728,628)	5,613,717	5,613,623		
Less: Cumulative dividend payment preference						

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No calculation of diluted earnings per share for the year ended 31 December 2018 was required for preference shares since the effect of diluted per share is antidilutive (31 December 2018: No dilutive potential ordinary shares)

36. Segment information

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

For management purposes, the Group are organised into business units based on its products and services and have three reportable segments as follows:

- Hotel business segment
- Rental and management business segment
- Real estate for sale business segment

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

No revenue and expense from real estate for sale business segment during the year.

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

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

The following table present revenue and profit information regarding the Group's operating segments for the years ended 31 December 2018 and 2017.

Dividend income	-	6
Interest income	299	60
Gain on sales of assets	54	48

Gain on sales of investments in subsidiaries	-	185
Gain on bargain price from business acquisition	30	-
Other income	197	126
Selling and servicing expenses	(467)	(322)
Administrative expenses	(2,746)	(1,676)
Depreciation and amortisation	(684)	(453)
Loss on allowance for impairment of assets	(355)	(781)
Share of profit from investments in associates	3	3
Share of profit (loss) from investments in joint ventures	28	(4)
Finance cost	(910)	(621)
Income tax expenses	(43)	(100)
Loss from discontinued operation	-	(17)
Loss for the year	(629)	(980)
Non-controlling interest of the subsidiaries	(1)	8
Loss attributable to equity holders of the Company	(630)	(975)

Geographic information

Revenue from external customers is based on locations of the customers.

	(Unit: Million Baht)	
	2018	2017
Revenue from external customers		
Thailand	1,610	1,121
Overseas	4,786	2,909
Total	6,396	4,030

Major customers

For the year 2018 and 2017, the Group have no major customer with revenue of 10 percent or more of an entity's revenues

37. Provident fund

The Group and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. Both employees and the Group contribute to the fund monthly at the rate of 5 percent of basic salary. The fund, which is managed by Sin Sata Porn registered provident fund, will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2018 amounting to approximately Baht16 million (2017: Baht 13 million) were recognised as expenses (The Company only: Baht 5 million, 2017: Baht 4 million).

38. Commitments and contingent liabilities

38.1 Capital commitments

The Group had outstanding commitments amounting to Baht 1,768 million and EUR 1 million (2017: Baht 332million, EUR 1 million) (The Company only: Baht 6 million, 2017: Baht 20 million) in respect of agreements of design and consultation projects.

38.2 Lease and service commitments

- a) The Group has entered into lease agreements in respect of the lease of property, plant and equipment and several service agreements in respect of operating business. The terms of the agreements are between 1 to 20 years.

Future minimum rentals and service fees payable as at 31 December 2018 and 2017 are as follows:

	Consolidated		(Unit: Million Baht)	
	financial statements		Separate	
	2018	2017	2018	2017
Payable within:				
Less than 1 year	523	439	28	12
1 to 5 years	1,957	2,027	4	14
More than 5 years	5,665	6,368	-	-

- b) During the year ended 31 December 2018, the Group had loyalty fees and service fees relating to management of hotels, and golf and sports clubs under hotel management agreements and golf and sports club management agreements amounted to approximately Baht 81 million (2017: Baht 55 million).

Type of agreement	Counter parties	Fee rate
1) Hotel management agreement	Khon Kaen Buri Company Limited and a related party	The rates stipulated in the agreements
2) Hotel management agreement	Pacific Hotel Chiangmai Company Limited and a related party	The rates stipulated in the agreements
3) Hotel management agreement	EGS Assets Company Limited/ Mo Chit Land Company Limited (formerly known as "BTS Assets Company Limited") and a related party	The rates stipulated in the agreements
4) Hotel management agreement	Muangthong Assets Company Limited and a related party	The rates stipulated in the agreements
5) Golf and sport club management agreement	Thana City Golf & Sports Club Company Limited and a related party	The rates stipulated in the agreements

- c) A subsidiary (The Joint Venture of U City Public Company Limited, Aman Resorts Services Limited and Silverlink Holdings Limited) has outstanding commitments as follows:

On 10 May 2005, the subsidiary entered into an agreement related to the royal land (state land) at Rong Pasee Roi Chak Sam Land Development Project with the Treasury Department, Ministry of Finance, under which the subsidiary will invest, develop and construct a hotel and other structures on the royal land, and subsequently transfer ownership of the hotel and structures to the Treasury Department. In return, the subsidiary has the right to manage the constructed hotel for 30 years commencing from the date of the execution of the agreement, with the subsidiary to pay the Treasury Department an arrangement fee of Baht 125 million on the date of the execution of the agreement and annual rental fees as follows:

Years	Rental rate per annum (Million Baht)
Years 1 - 11	3
Years 12 - 16	30
Years 17 - 20	40
Years 21 - 30	100

The subsidiary has consistently complied with the agreement in relation to the royal land under the Rong Pasee Roi Chak Sam Land Development Project with the Treasury Department, Ministry of Finance. However, the Treasury Department has not delivered the project site to the subsidiary in accordance with the agreement because the relocation of the Bangruk Fire Department from the project site is not complete (by no fault of the subsidiary). As a result of this problem, the subsidiary has been unable to develop and construct the project as scheduled and various contractual disputes/issues have arisen. In order to obtain a remedy for damages suffered and to provide justice to the subsidiary, the subsidiary notified the Treasury Department of various claims, including a request to consider not counting the "project management period" and "rental period" with effect from 10 May 2005.

On 18 December 2015, the subsidiary filed a lawsuit against the Treasury Department, as first defendant, and the Supervising Committee for the royal land under Rong Pasee Roi Chak Sam Land Development Project, as the second defendant, with the Central Administrative Court; asking the Central Administrative Court to issue a judgment or order which (i) compels both defendants to comply with the Cabinet Resolution dated 26 August 2003, which set out a project construction period of 36 months and a project utilisation period of 30 years after construction was completed and (ii) compels the Treasury Department to exercise its authority under Section 10 of the Act on the Private Participation in the Affairs of the State of 1992, Article 34, paragraph 1 (7) and paragraph 4 of the Ministerial Regulation relating to rules and methods for administration, maintenance, utilisation and benefit arrangement on State Land B.E. 2545, and the Cabinet Resolution dated 8 July 2013, by ordering the Bangkok Metropolitan to return the royal land and expel the Bangruk Fire Station and fire officers from the site of the royal land at Rong Pasee Roi Chak Sam Land Development Project and to demarcate an area for the subsidiary to proceed with project construction as scheduled, within 30 days following the date the Court issued final judgment or within the period specified by the Court.

On 13 July 2017, the Central Administrative Court issued a judgment compelling both defendants to extend the project utilisation period of the land in dispute for another 30 years, from the handover date or the date the Court issued the final judgment, as the case may be. Subsequently, on 15 August 2017, the subsidiary has submitted an appeal to the Supreme Administrative Court. The case is in the process of being considered by the Court.

As at 31 December 2018, assets and liabilities related to such lawsuit recorded in the subsidiary's financial statements consist of leasehold rights amounting to Baht 68 million, construction in progress amounting to Baht 89 million and rental payable amounting to Baht 99 million. The management of the subsidiary believes that such assets and liabilities are fairly presented and have determined that the fair value of the assets is higher than the book value.

38.3 Guarantees

- a) The Group had outstanding bank guarantees issued amounting to Baht 133 million and Euro 12 million (2017: Baht 50 million and Euro 12 million). The Group has pledged some of financial institution deposits as collateral against bank guarantees as discussed in Note 12 to the financial statements.
- b) The Company and a subsidiary, Vienna International Hotel Management AG ("VIAG") had guaranteed loan facilities of overseas subsidiaries amounting to EUR 4 million (2017: EUR 137 million) (The Company only: EUR 4 million, 2017: EUR 82 million) as discussed in Note 26 to the financial statements.
- c) A subsidiary, VIAG, had guaranteed building lease agreement of an overseas subsidiary amounting to EUR 4 million (31 December 2017: EUR 1 million).

38.4 Litigation

On 3 May 2018, a condominium juristic person filed a petition with the Central Administrative Court, requesting to order BTS Sansiri Holding Nineteen Limited, the company developing the Line Sathorn project ("the Joint Venture"), to revoke the Environmental Impact Assessment Report (EIA), and that the Joint Venture engage an independent agency or organisation with expertise in the subject matter, as see fit by the court, to hold a public hearing to receive input from the public and other stakeholders who may be impacted by the project. The Joint Venture is currently preparing a defence statement against the petition for the Court.

The Company and the Joint Venture believe that no significant losses will be incurred as a result of this case.

39. Fair value hierarchy

As at 31 December 2018, the Group had the assets and liabilities that were measured at fair value using different levels of inputs as follows:

(Unit: Thousand Baht)

	Consolidated financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in available-for-sale securities	154,568	1,543,622	-	1,696,140
Assets for which fair value are disclosed				
Investment property				
- Land	-	-	7,140,457	7,140,457
- Building and building improvement (including leasehold rights)	-	-	3,844,214	3,844,214
(Unit: Thousand Baht)				
	Separate financial statements			
	Level 1	Level 2	Level 3	Total
Financial assets measured at fair value				
Investments in available-for-sale securities	154,568	1,428,616	-	1,583,184
Assets for which fair value are disclosed				
Investment property				
- Land	-	-	245,668	245,668

40. Financial instruments

40.1 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, investments, account receivables, restricted deposit, loans to, bank overdrafts, account payables, deposits and advances received loans from, liabilities under finance lease agreements and liabilities under debt restructuring agreements. 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 account receivables and loans to. The Group manages the risk by adopting appropriate credit control policies and procedures and therefore does not expect to incur material financial losses. In addition, the Group does not have high concentrations of credit risk since it has a large customer base. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables, receivables from sales of investment in subsidiaries and loans to as stated in the statement of financial position.

Interest rate risk

The Group's exposure to interest rate risk relates primarily to its cash at banks, investments, account receivables, restricted deposit, loans to, bank overdrafts, account payables, deposits and advances received, loans from, liabilities under debt restructuring agreements and liabilities under finance lease agreements. Most of the Group's financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

As at 31 December 2018 and 2017, significant financial assets and liabilities classified by type of interest rate 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.

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(Unit: Million Baht)														
Consolidated financial statements	Fixed interest rates						Non-interest bearing							
	Within 1 year		1-5 years		Over 5 years		Floating interest rate		Non-interest bearing		Total		Interest rate	
	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)	2018	2017 (Restated)
Financial assets														
Cash and cash equivalents	-	-	-	-	-	-	2,784	1,248	13	135	2,797	1,383		Note 7
Current investments	1	1	-	-	-	-	-	-	1,542	163	1,543	164		Note 8
Trade and other receivables	-	-	-	-	-	-	-	-	831	709	831	709		-
Restricted bank deposits	194	69	-	2	-	-	-	-	-	-	194	71		Note 12
Long-term loans to related parties and interest receivables	-	-	5,906	855	-	-	-	-	-	-	5,906	855		Note 6
Receivable from sales of investments in subsidiaries	-	277	111	829	-	-	-	-	-	-	111	1,106		Note 10
Other long-term investments	-	-	-	-	-	-	-	-	155	193	155	193		-
	195	347	6,017	1,686	-	-	2,784	1,248	2,541	1,200	11,537	4,481		
Financial liabilities														
Bank overdrafts and short-term loan from financial institution	37	253	-	-	-	-	-	-	-	-	37	253		Note 23
Trade and other payables	-	-	-	-	-	-	-	-	1,006	846	1,006	846		-
Long-term loans from related party and interest payables	5,027	-	-	-	-	-	-	-	-	-	5,027	-		Note 6
Liabilities under debt restructuring agreements	-	-	-	-	-	-	1,136	1,168	-	-	1,136	1,168		Note 25
Long-term loans from financial institutions	870	569	11,409	13,612	-	-	-	-	-	-	12,279	14,181		Note 26
Liabilities under finance lease agreements	78	522	1,787	1,962	-	-	-	-	-	-	1,865	2,484		Note 27
Deposits and advances received	-	-	-	-	-	-	-	-	181	158	181	158		-
	6,012	1,344	13,196	15,574	-	-	1,136	1,168	1,187	1,004	21,531	19,090		

(Unit: Million Baht)

Separate financial statements	Fixed interest rates						Floating interest rate		Non-interest bearing		Total		Interest rate 2017 (Percent per annum)
	Within 1 year		1-5 years		Over 5 years		2018	2017	2018	2017	2018	2017	
	2018	2017	2018	2017	2018	2017							
Financial assets													
Cash and cash equivalents	-	-	-	-	-	-	1,155	330	-	-	1,155	330	Note 7
Current investments	-	-	-	-	-	-	-	-	1,429	51	1,429	51	Note 8
Trade and other receivables	-	-	-	-	-	-	-	-	281	2	281	2	-
Restricted bank deposits	27	1	-	-	-	-	-	-	-	-	27	1	Note 12
Long-term loans to related parties and interest receivables	-	-	19,221	855	-	9,724	-	-	-	-	19,221	10,579	Note 6
Receivable from sales of investments in subsidiaries	-	277	111	829	-	-	-	-	-	-	111	1,106	Note 10
Other long-term investments	-	-	-	-	-	-	-	-	155	193	155	193	-
	27	278	19,332	1,684	-	9,724	1,155	330	1,865	246	22,379	12,262	
Financial liabilities													
Short-term loans from related parties and interest payables	-	307	-	-	-	-	-	-	-	-	-	307	Note 6
Trade and other payables	-	-	-	-	-	-	-	-	40	37	40	37	-
Long-term loans from related party and interest payables	5,027	-	-	-	-	-	-	-	-	-	5,027	-	Note 6
Long-term loans from financial institutions	512	188	7,072	10,058	-	-	-	-	-	-	7,584	10,246	Note 26
Liabilities under finance lease agreement	2	-	8	-	-	-	-	-	-	-	10	-	Note 27
Deposits and advances received	-	-	-	-	-	-	-	-	5	7	5	7	-
	5,541	495	7,080	10,058	-	-	-	-	45	44	12,666	10,597	

Foreign currency risk

The Group's exposure to foreign currency risk arises mainly from trading transactions and borrowings that are denominated in foreign currencies.

As at 31 December 2018 and 2017 the balances of financial assets and liabilities denominated in foreign currencies are summarised below.

Consolidated financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2018	2017	2018	2017	2018	2017
	((Thousand))	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
Euro	3,961	11,872	226,348	173,179	37.1252	39.0273
Czech Koruna	-	47,673	-	-	1.4359	1.5260
Polish Zloty	-	16,994	-	-	8.6404	9.3436
Romania Leu	-	199	-	-	7.9588	8.4055
US dollar	1	-	98	88	32.4498	32.6809
SG dollar	-	-	97	98	23.6943	24.4503
HK dollar	-	-	86	-	4.1416	4.1803
Russia Ruble	-	6	-	-	0.4670	0.5678

Separate financial statements						
Foreign currency	Financial assets		Financial liabilities		Average exchange rate	
	2018	2017	2018	2017	2018	2017
	(Thousand)	(Thousand)	(Thousand)	(Thousand)	(Baht per 1 foreign currency unit)	
Euro	153,804	152,994	115,551	173,601	37.1252	39.0273
Pound Sterling	3,469	3,308	-	-	41.0667	43.9865

40.2 Fair values of financial instruments

Since the majority of the Group's financial instruments are short-term in nature or carrying interest rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statement of financial position.

41. Capital management

The primary objective of the Group's capital management is to ensure that it has appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2018, the Group's debt-to-equity ratio was 0.851:1 (2017: 1.243:1) and the Company's was 0.421:1 (2017: 0.585:1).

42. Event after the reporting period

On 7 January 2019, Vienna International Hotel Management AG acquired all 100 ordinary shares of Glamford Investments sp. z o.o. ("GI"), a company incorporated in Poland, from an unrelated party for an aggregate amount of EUR 2,796, to engage in hotel management business, with a registered and 100 percent called-up share capital of PLN 5,000 (100 ordinary shares with a par value of PLN 50)

43. Approval of financial statements

These financial statements were authorised for issue by the Company's Board of Directors on 14 February 2019.





APPENDIX

- Profile of Directors and Executives of the Company
- Information on the Position of Directors, Management and Authorized Persons
- Subsidiaries , Associated and Related Companies
- Asset Used In Business Operations.

PROFILE OF DIRECTORS AND EXECUTIVES BOARD OF BOARD OF DIRECTOR OF THE COMPANY

1. Mr. Keeree Kanjanapas 69 Year

Position/The Appointment Date

- Chairman
- Director (7 July 2017)

Educational Qualification

- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Director Accreditation Program (DAP) Year 2011, Thai Institute of Directors

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Chairman U City Pcl

Other Listed Companies in Thailand

2012 - Present Chairman of the Corporate Governance Committee
BTS Group Holdings Pcl

2012 - Present Chairman
VGI Global Media Pcl

2010 - Present Chairman of the Executive Committee
BTS Group Holdings Pcl

2006 - Present Chairman
BTS Group Holdings Pcl

1993 - Present Director
BTS Group Holdings Pcl

Other Companies

2018 - Present Director BTS Infrastructure Service Co., Ltd.

2017 - Present Director Northern Bangkok Monorail Co., Ltd.

2017 - Present Director Eastern Bangkok Monorail Co., Ltd.

2017 - Present Director BTS Infrastructure Development Co., Ltd.

2017 - Present Director RB Services Co., Ltd.

2015 - Present Chairman of the Executive Committee
Bangkok Mass Transit System Plc.

2015 - Present Director BSS Holding Co., Ltd.

2010 - Present Chairman Bangkok Mass Transit System Plc.

2010 - Present Director Rabbit Rewards Co., Ltd.

2009 - Present Director Bangkok Smartcard System Co., Ltd.

1996 - Present Director Bangkok Mass Transit System Plc.

1994 - Present Director Tanayong International Limited

1991 - 2018 Director BTS Land Co., Ltd.

1993 - 2018 Director Pranakeeree Assets Co., Ltd.

1992 - 2018 Director Tanayong Food and Beverage Co., Ltd.

1991 - 2018 Director Thanacity Golf and Sports Club Co., Ltd.

1990 - 2018 Director Siam Paging and Communication Co., Ltd.

1990 - 2018 Director Tanayong Property Management Co., Ltd.

1988 - 2018 Director Muangthong Assets Co., Ltd.

2009 - 2015 Director Nuvo Line Agency Co., Ltd.

2010 - 2015 Director Kamkoong Property Co., Ltd.
1996 - 2015 Chief Executive Officer Bangkok Mass Transit System Plc.

2. Mr. Rungson Sriworasat 64 Year

Position/The Appointment Date

- Chairman of Audit Committee
- Nomination and Remuneration Committee
- Independent Director
(19 December 2017)

Educational Qualification

- National Defence College Program, Thailand National Defense College
- Master of Business Administration, Prince of Songkla University
- Bachelor of Law, Sukhothai Thammathirat Open University
- Bachelor of Accounting, Ramkhamhaeng University
- Senior Executive Program, Institute of Business and Industrial Development batch 1, 2015
- Senior Executive Program, Thailand Energy Academy batch 7, 2015
- Senior Executive Program, Bhumipalung Phandin batch 3, 2014
- Top Executive Program in Commerce and Trade batch 6, 2013
- The Program for Senior Executive on Criminal Justice Administration batch 2, 2011
- Inspector General Program, Office of the Civil Service Commission, 2010
- Graduate Diploma in Politics and Governance in Democratic Systems for Executive Course (Class 13), King Prajadhipok's Institute, 2010
- Justice Top Executive Program, Justice College 2006
- Certificate in Senior Executive Officers, Office of the Civil Service Commission, 2004
- International Financial Fraud Training Program (IFFT) Internal Revenue Service (IRS) GEORGIA, USA
- Executive Program for Senior Management 2006 Development Course for Organization Leaders under Globalization Current Fiscal Policy Research Institute Foundation, Kingdom of Thailand in cooperation with Kellogg School of Management and the Maxwell School of Syracuse University, Schulich School of Business York University
- IOD Director Certification Program (DCP) 2006
- IOD Successful Formulation & Execution the Strategy (SFE) 2008
- IOD Finance for Non-Finance Director (FND) 2008
- IOD Refresher Course DCP (DCP re) 2008
- IOD Audit Committee Program (ACP) 2009
- IOD Director Accreditation Program (DAP) 2010

- IOD Role of the Chairman Program (RCP) 2012
- IOD Financial Institutions Governance Program (FGP) 2013
- IOD Anti-Corruption for Executive Program (ACEP) 2015

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Independent Director, Chairman of Audit Committee and Nomination and Remuneration Committee U City Plc.

Registered Company in Thailand

2018 - Present Independent Director and Chairman of Remuneration Committee Aest Wold Corp Plc.
 2017 - Present Independent Director WP Energy Plc.
 2016 - Present Independent Director, Audit Committee, and Corporate Governance Committee Charoen Pokphand Foods Plc.
 2015 - Present Independent Director Berli Jucker Pcl.
 2013 - 2018 Chairmen of the Board of Director TMB Bank Pcl.
 2014 - 2015 Director and Chairman of Remuneration Committee PTT Pcl.
 2011 - 2012 Director Eastern Water Resources Development and Management Pcl.

Other Companies

2017 - Present University Board Council North Chiang Mai University
 2017 - Present Chairman of the Counsellor Thailand Swimming Association
 2016 - Present Director of University Development Rambhai Barni Rajabhat University
 2015 - Present Prime Minister Counsellor The Secretariat of the Cabinet
 2015 - Present Internal Audit Committee The Thai Bar
 2015 - Present Director Institute of Research and Development for Public Enterprises
 2015 - Present Consultants Thai Medical Device Development Foundation under the Royal Patronage
 2014 - Present University Board Council Prince of Songkla University
 2015 - 2017 Member The National Reform Steering Assembly
 2013 - 2015 Permanent Secretary Ministry of Finance
 2013 - 2015 Chairman Government Pension Fund
 2013 - 2015 Chairman Student Loan Fund
 2013 - 2015 Chairman Office of Insurance Commission (OIC)
 2015 - Present Consultants Thai Medical Device Development Foundation under the Royal Patronage
 2013 - 2015 Chairman Life Insurance Fund and General Insurance Fund
 2013 - 2015 Member of the Board Office of Securities and Exchange Commission (SEC)
 2013 - 2015 Director Judicial Officer Commission
 2014 Director National Credit Bureau Co., Ltd.
 2013 - 2014 Director State Railway of Thailand (SRT)
 2012 - 2014 Director The Government Pharmaceutical Organization
 2013 Director Deposit Protection Agency

2012 - 2013 Deputy Permanent Secretary Ministry of Finance
 2011 - 2013 Director Tourism Authority of Thailand
 2005 - 2013 Director Bank for Agriculture and Agricultural Co-Operatives
 2014 Director National Credit Information Company Limited

3. Chaiwat Atsawintarangkun 66 Year

Position/The Appointment Date

- Audit Committee 19 December 2017
- Independent Director 28 April 2005
- Chairman of the Nomination and Remuneration Committee 20 March 2014

Educational Qualification

- Master of Education Curriculum and Teaching Methodology (Teaching Chinese as a foreign language), Beijing Language and Cultural University
- Master of Business Administration, Thammasat University
- Thai Barrister-at-Law
- Bachelor of Arts in Chinese Languages (Trade & Economics), Beijing Languages and Cultural University
- L.L.B. Literature of Law, Ramkhamhaeng University
- Bachelor of Science in Business Administration, Ramkhamhaeng University
- Participated in the Director Certification Program (DCP) 2017 from Institute of Directors
- Participated in the Audit Committee Program (ACP) from Institute of Directors
- Participated in the Board Nomination and Compensation Program (BNCP) from Institute of Directors

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Audit Committee, U City Plc.
 2014 - Present Chairman of Nomination and Remuneration Committee U City Plc.
 2005 - Present Independent Director U City Plc.
 2017 Chairman Director U City Plc.
 2005 - 2017 Chairman of Audit Committee U City Plc.

Registered Company in Thailand

2013 - Present Chairman of Audit Committee Eastern Polymer Group Plc.
 2005 - Present Audit Committee Eastern Printing Plc.
 2004 - Present Chairman of Audit Committee Krungthai Car Rent and Lease Plc.
 2003 - Present Chairman of Audit Committee Syntec Construction plc.
 2013 - 2016 Chairman of Audit Committee AQ Estate Plc.
 2012 - 2014 Chairman of Audit Committee General Engineering Plc.

Other Companies

2013 - Present Director Merchant Partners Asset Management Co., Ltd.
 2012 - Present Director Amatara A Destination Spa Co., Ltd.
 2007 - Present Chairman of Audit Committee Merchant Partners Securities Plc.

2006 - Present	Director Resort Holding Co.,Ltd
2005 - Present	Director Boathouse Hua Hin Co., Ltd.
2003 - Present	Director Andaman Long Beach Resort Co., Ltd.
2003 - Present	Director Chiangmai Hot Spring Co., Ltd.
1997 - Present	Director Prospect Consulting Co., Ltd.
1989 - Present	Director MJL Intertrade Co.,Ltd
2003 - 2014	Director Krabi Southern Beach Co., Ltd.

4. Mr. Plakorn Wanglee 53 Year

Position/The Appointment Date

- Nomination and Remuneration Committee
 - Audit Committee
 - Independent Director
- 7 July 2017

Educational Qualification

- MBA, University of San Francisco, USA
- Bachelor of Accounting, Chulalongkorn University
- Executive Program in Energy Science, Thailand Energy Academy (TEA) Class 8
- Corporate Governance for Director and Senior Executive of State Enterprises and Public Organization (PDI) Class 14
- Top Executive Program (CMA 10), Capital Market Academy
- Director Certification Program (DCP) Year 2016, Thai Institute of Directors

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Independent Director, Audit Committee and Nomination and Remuneration Committee U City Plc.

Registered Company in Thailand

2016 - Present President and Chief Executive Officer Standard Chartered Bank (Thai) Public Co. Ltd. Thailand and Representative Offices

2012 - 2016 Senior Executive Vice President, Corporate and Institution Customer Standard Chartered Bank (Thai) Public Co. Ltd.

Other Companies

2557 - 2559 Independent Director and Audit Committee The Expressway Authority of Thailand

2007 - 2014 Board of the Counsellor Sasin Graduate Institute of Business Administration of Chulalongkorn University

5. Mr. Paisal Tarasansombat 53 Year

Position/The Appointment Date

- Audit Committee
 - Nomination and Remuneration
 - Committee Independent Director
- 15 June 2018

Educational Qualification

- Diploma , Assumption Commercial College
- Diploma in Business Study, Eastbourne College of Art &Technology, United Kingdom
- Mini IE, Chulalongkorn University
- TLCA Leadership Development Program (LDP) Year 2018, Thai Listed Companies Association
- Director Accreditation Program (DAP) Year 2004, Thai Institute of Directors
- Director Certification Program (DCP) Year 2014 Thai Institute of Directors
- Top Executive Program (CMA 10) Year 2010, Capital Market Academy
- Business Revolution and Innovation Network (BRAIN) Class 2 Year 2018

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2018-Present Independent Director, Audit Committee and Nomination and Remuneration Committee U City Plc.

Other Companies

2011 - Present Director, Chairman of Executive Director and Chief Executive Officer Thai Metal Trade Public Company Limited

2014 - Present Independent Director and Chairman of Audit Committee Master Ad Public Company Limited

2015 - Present Director Thai Listed Companies Association

2004 - Present Director Connex Business Online Co., Ltd

1986 - Present Director Sun Huat Steel Co., Ltd.

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6. Mr. Surajit Gongvatana ²⁾ 68 Year

Position/The Appointment Date

- Director
7 July 2017
- Chief Executive Officer
15 June 2018

Educational Qualification

- Taylor's School of Commerce , Australia
- IOD Director Accreditation Program (DAP), 2018

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Independent Director, Audit Committee and Nomination and Remuneration Committee U City Plc.

Registered Company in Thailand

-None-

Other Companies

2008 - 2018 Chairman MG Distribution 2008 Co., Ltd
2005 - Present Chairman of the Board of Directors Thai Organic Food Co., Ltd.
2001 - Present Federation President The Federation of Inter-Asian Philately
1986 - Present Director Thai Capital Trading Co., Ltd.
1985 - Present Chairman of the Board of Directors Kiatthai Knitting Factory Co., Ltd.
1969 - Present Chairman of the Board of Directors Hanfah Co., Ltd.
2017 - 2018 Independent Director, Audit Committee and Nomination and Remuneration Committee U City Plc.
2010 - 2014 Vice President of the Federation Fédération Internationale de Philatélie

7. Mr. Kavin Kanjanapas 44 Year

Position/The Appointment Date

- Director (Authorized Director)
(7 July 2017)

Educational Qualification

- Stonyhurst College, United Kingdom
- IOD Director Accreditation Program (DAP) Year 2007
- Top Executive Program (CMA 16) Year 2013, Capital Market Academy

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Director U City Plc.

Registered Company in Thailand

2015 - Present Chief Executive Officer BTS Group Holdings Plc.
2012 - Present Chairman of the Executive Committee VGI Global Media Plc.
2010 - Present Executive Director BTS Group Holdings Plc.
2007 - Present Director BTS Group Holdings Plc.
2003 - Present Director VGI Global Media Plc.
2017 - 2018 Director BEC World Plc.

Other Companies

2018 — Present Director U Global Hospitality Co., Ltd
2018 - Present Director BTS Infrastructure Services Co., Ltd.
2018 - Present Director EGS Assets Co.,Ltd
2018 - Present Director Turtle Twenty-Three Co.,Ltd
2017 - Present Director Absolute Golf Services Co., Ltd.
2017 - Present Director Vienna House (Thailand) Co., Ltd.
2017 - Present Director Northern Bangkok Monorail Co., Ltd.
2017 - Present Director Eastern Bangkok Monorail Co., Ltd.
2017 - Present Director BTS Infrastructure Development Co., Ltd.
2017 - Present Director Man Food Holding Co., Ltd.
2017 - Present Director BTS Assets Co., Ltd.
2017 - Present Director Kamkoong Property Co., Ltd.
2017 - Present Director Natural Park Ville Co., Ltd.
2017 - Present Director Natural Real Estate Co., Ltd.
2017 - Present Director Park Opera Co., Ltd.
2017 - Present Director Richee Property Management Co., Ltd.
2017 - Present Director Park Gourmet Co., Ltd.
2017 - Present Director Project Green Co., Ltd.
2018 - Present Director Unison One Co., Ltd.
2017 - Present Director RB Services Co., Ltd.
2017 - Present Director Keystone Management Co., Ltd.
2016 - Present Director KMJ 2016 Co., Ltd.
2016 - Present Director Nine Square Property Co., Ltd.
2015 - Present Director Travelodge (Thailand) Co., Ltd.
2015 - Present Director The Community One Co., Ltd.
2015 - Present Director The Community Two Co., Ltd.
2015 - Present Director Kingkaew Assets Co., Ltd.
2015 - Present Director Ratburana Property Co., Ltd.
2015 - Present Director Keystone Estate Co., Ltd.
2015 - Present Director BSS Holding Co., Ltd.
2015 - Present Executive Director Bangkok Smartcard System Co., Ltd.
2014 - Present Director Little Corner Co., Ltd.
2014 - Present Primary Kitchen Co., Ltd.
2014 - Present Mak 8 Co., Ltd.
2013 - Present Director Man Kitchen Co., Ltd.
2010 - Present Director Tanayong Hong Kong Limited
2010 - Present Director Absolute Hotel Service Hong Kong Limited
2010 - Present Director Rabbit Rewards Co., Ltd.
2010 - Present Director BTS Land Co., Ltd.
2009 - Present Director Bangkok Smartcard System Co., Ltd.
2009 - Present Director Bangkok Mass Transit System Plc.
2009 - Present Director Point of View (POV) Media Group Co., Ltd.
2009 - Present Director VGI Advertising Media Co., Ltd.
2008 - Present Director Thanacity Golf and Sports Club Co., Ltd.
2008 - Present Director Tanayong Property Management Co., Ltd.
2008 - Present Director Muangthong Assets Co., Ltd.
2008 - Present Director Pranakeeree Assets Co., Ltd.
2008 - Present Director Siam Paging and Communication Co., Ltd.

2008 - Present	Director Tanayong Food and Beverage Co., Ltd.
2008 - Present	Director Absolute Hotel Services Co., Ltd.
2015 - 2018	Director Unicorn Enterprise Co., Ltd.
2553 - 2558	Director VGI Advertising China Co., Ltd.
2553 - 2558	Director 888 Media Co., Ltd.
2553 - 2558	Director 999 Media Co., Ltd.
2553 - 2558	Executive Chairman / Director BTS Assets Co., Ltd.
2553 - 2558	Director Kamkoong Property Co., Ltd.
2552 - 2558	Director Bangkok Smartcard System Co., Ltd.
2552 - 2558	Director Nuvo Line Agency Co., Ltd.
2552 - 2557	Director Midas Global Media Co., Ltd.

8. Mr. Kong Chi Keung 44 Year

Position/The Appointment Date

- Director (Authorized Director)
7 July 2017

Educational Qualification

- MBA (Executive) Sasin Graduate Institute of Business Administration of Chulalongkorn University
- BA (Honorary Degree) Business Administrative, University of Greenwich, United Kingdom.
- IOD Director Accreditation Program (DAP) Year 2007, Thai Institute of Directors

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Director U City Plc.

Registered Company in Thailand

2015 - Present Deputy Chief Executive Officer BTS Group Holdings Plc.
2010 - Present Executive Director BTS Group Holdings Plc.
2010 - Present Nomination and Remuneration Committee
BTS Group Holdings Plc.
2007 - Present Director BTS Group Holdings Plc.
2543 - Present Director VGI Global Media Plc.

Other Companies

2018 - Present Director U Global Hospitality Co., Ltd
2018 - Present Director EGS Assets Co.,Ltd
2018 - Present Director Turtle Twenty-Three Co.,Ltd
2018 - Present Director Thana City Golf and Sport Club Co., Ltd
2018 - Present Director Unison One Co.,Ltd
2018 - Present Director Muangthong Assets Co.,Ltd.
2018 - Present Director Pranakeeree Assets Co.,Ltd.
2018 - Present Director Mak 8 Co.,Ltd
2018 - Present Director Thanayong Food and Beverage Co.,Ltd
2018 - Present Director Thanayong Property and Management Co.,Ltd.

2018 - Present Director BTS Land Co.,Ltd.
2018 - Present Director Siam Paging and Communication Co., Ltd
2017 - Present Director Northern Bangkok Monorail Co., Ltd.
2017 - Present Director Eastern Bangkok Monorail Co., Ltd.
2017 - Present Director BTS Assets Co., Ltd.
2017 - Present Director Kamkoong Property Co., Ltd.
2017 - Present Director Natural Park Ville Co., Ltd.
2017 - Present Director Natural Real Estate Co., Ltd.
2017 - Present Director Park Opera Co., Ltd.
2017 - Present Director Richee Property Management Co., Ltd.
2017 - Present Director Park Gourmet Co., Ltd.
2017 - Present Director Project Green Co., Ltd.
2016 - Present Director Rabbit Insurance Broker Co., Ltd.
2016 - Present Director RABBIT-LINE PAY Co., Ltd.
2016 - Present Director Nine Square Property Co., Ltd
2016 - Present Director The Community Two Co., Ltd.
2016 - Present Director The Community One Co., Ltd
2016 - Present Director Kingkaew Assets Co., Ltd.
2016 - Present Director Ratburana Property Co., Ltd.
2015 - Present Director ASK Direct Group Co., Ltd.
2015 - Present Director Rabbit Internet Co., Ltd.
2015 - Present Member of Executive Committee
Bangkok Mass Transit System Plc.
2015 - Present Director ATS Rabbit Special Purpose Co., Ltd.
2014 - Present Director Bangkok Payment Solution Co., Ltd.
2012 - Present Chief Financial Officer Bangkok Mass Transit System Plc.
2010 - Present Director Tanayong Hong Kong Limited
2008 - Present Director Absolute Hotel Services Co., Ltd
2017 - 2018 Director BTS-Sansiri Holding Thirteen Co., Ltd.
2017 - 2018 Director BTS-Sansiri Holding Twenty Two Co., Ltd.
2017 - 2018 Director BTS-Sansiri Holding Twenty One Co., Ltd.
2017 - 2018 Director BTS-Sansiri Holding Nineteen Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Twenty Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Eighteen Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Seventeen Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Sixteen Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Fifteen Co., Ltd.
2016 - 2018 Director Unicorn Enterprise Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Fourteen Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Twelve Co., Ltd.
2016 - 2018 Director BTS-Sansiri Holding Eleven Co., Ltd
2015 - 2018 Director BTS-Sansiri Holding Nine Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Eight Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Seven Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Six Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Five Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Four Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Three Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding Two Co., Ltd.
2015 - 2018 Director BTS-Sansiri Holding One Co., Ltd.
2015 - 2018 Director Nuvo Line Agency Co., Ltd.
2016 - 2017 Director Keystone Estate Co., Ltd.
2010 - 2015 Director VGI Advertising China Co., Ltd.
2010 - 2015 Director BTS Assets Co., Ltd.
2010 - 2013 Director Bangkok Mass Transit System Plc.

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9. Ms. Piyaporn Phanachet³⁾ 52 Year

Position/The Appointment Date

- Director (Authorized Director)
(14 February 2018)
- Chief Executive Officer
(16 January 2017)

Educational Qualification

- Master of Science in Real Estate Development, Massachusetts Institute of Technology (MIT), USA
- Master of Business Administration (MBA), University of New Hampshire, USA
- Bachelor of Accounting, Chulalongkorn University
- Leadership Communication 2016 Certificate, Berkeley Executive Coaching Institute, UC Berkeley
- IOD Director Certification Program (DCP) Year 2017

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2018 - Present Director and Executive Director U City Plc.
2017 - Present Chief Executive Officer U City Plc.

Registered Company in Thailand

-None-

Other Companies

2018 - Present Director U Global Hospitality Co., Ltd.
2018 - Present Director EGS Assets Co., Ltd.
2018 - Present Director Khon Kane Buri Co., Ltd.
2018 - Present Director Unison One Co., Ltd.
2018 - Present Director Muangthong Assets Co., Ltd.
2018 - Present Director Pranakeeree Assets Co., Ltd.
2018 - Present Director Siam Paging and Communication Co., Ltd.
2018 - Present Director Tanayong Food and Beverage Co., Ltd.
2018 - Present Director BTS Land Co., Ltd.
2018 - Present Director Nine Square Property Co., Ltd.
2018 - Present Director Mak 8 Co., Ltd.
2018 - Present Director Tanayong Property Management Co., Ltd.
2018 - Present Director Ratburana Property Co., Ltd.
2018 - Present Director Thanacity Golf and Sports Club Co., Ltd.
2018 - Present Director Absolute Hotel Services Co., Ltd.
2018 - Present Director Keystone Estate Co., Ltd.
2018 - Present Director Keystone Management Co., Ltd.
2018 - Present Director BTS-Sansiri Holding One Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Two Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Three Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Four Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Five Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Six Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Seven Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Eight Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Nine Co., Ltd.
2018 - Present Director Nuvo Line Agency Co., Ltd.

2018 - Present Director BTS-Sansiri Holding Eleven Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twelve Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Fourteen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Fifteen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Sixteen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Seventeen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Eighteen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Nineteen Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty One Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty Two Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty Three Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty Four Co., Ltd.
2018 - Present Director BTS-Sansiri Holding Twenty Five Co., Ltd.
2018 - Present Director EGS Asset Co., Ltd.
2017 - Present Chairwoman of Supervisory Board
Vienna International Hotel Management AG
2017 - Present Chairwoman of Supervisory Board
Recoop Tour a.s.
2017 - Present Director BTS Assets Co., Ltd.
2017 - Present Director Kamkoong Property Co., Ltd.
2017 - Present Director Natural Park Ville Co., Ltd.
2017 - Present Director Natural Real Estate Co., Ltd.
2017 - Present Director Park Opera Co., Ltd.
2017 - Present Director Richee Property Management Co., Ltd.
2017 - Present Director Park Gourmet Co., Ltd.
2017 - Present Director Project Green Co., Ltd.
2017 - Present Director Prime Area 38 Co., Ltd.
2551 - Present Vice Chairman of CPMG Thailand Management Association
2010 - 2017 Managing Director of Asset
Soneva (Former Six Sense Resort and Spa)
2013 - 2016 Consultant Property Management Office of Chulalongkorn University

10. Mr. Sayam Siwarapornskul 42 Year

Position/The Appointment Date

- Chief Legal Officer
11 January 2016
- Company Secretary
21 September 2016
- Director
30 April 2018
- Executive Director
16 June 2018

Educational Qualification

- Master of Laws (LL.M), Duke University, USA
- Bachelor of Laws, Chulalongkorn University
- IOD Director Certification Program (DCP) Year 2016
- TLCA Executive Development Program 2013, Thai Listed Companies Association
- IOD Director Certification Boardroom Success through Financing & Investment (BFI) Year 2018
- IOD Director Certification Program (DCP) Year 2016

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2018 - Present Director and Executive Director U City Plc.
 2016 - Present Company Secretary U City Plc.
 2016 - Present Chief Legal Officer U City Plc.

Registered Company in Thailand

-None-

Other Companies

2018 - Present Director U Global Hospitality Co.,Ltd.
 2018 - Present Director EGS Assets Co.,Ltd.
 2018 - Present Director Unison One Co., Ltd.
 2018 - Present Director Muangthong Assets Co., Ltd.
 2018 - Present Director Pranakeeree Assets Co., Ltd.
 2018 - Present Director Siam Paging and Communication Co., Ltd.
 2018 - Present Director Tanayong Food and Beverage Co., Ltd.
 2018 - Present Director BTS Land Co., Ltd.
 2018 - Present Director Nine Square Property Co., Ltd.
 2018 - Present Director Mak 8 Co., Ltd.
 2018 - Present Director Tanayong Property Management Co., Ltd.
 2018 - Present Director Ratburana Property Co., Ltd.
 2018 - Present Director Thanacity Golf and Sports Club Co., Ltd.
 2018 - Present Director Keystone Management Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding One Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Two Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Three Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Four Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Five Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Six Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Seven Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Eight Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Nine Co., Ltd.
 2018 - Present Director Nuvo Line Agency Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Eleven Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twelve Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Fourteen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding fifteen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Sixteen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Seventeen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Eighteen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Nineteen Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty One Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty Two Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty Three Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty Four Co., Ltd.
 2018 - Present Director BTS-Sansiri Holding Twenty Five Co., Ltd.
 2018 - Present Director EGS Asset Co.,Ltd
 2018 - Present Director Kamkoong Property Co., Ltd.
 2018 - Present Director Natural Park Ville Co., Ltd.
 2018 - Present Director Natural Real Estate Co., Ltd.
 2018 - Present Director Park Opera Co., Ltd.
 2018 - Present Director Richee Property Management Co., Ltd.
 2018 - Present Director Park Gourmet Co., Ltd.
 2018 - Present Director BTS Asset Co.,Ltd
 2017 - Present Member of Supervisory Board
 Vienna International Hotel Management AG
 2015 - Present Director Project Green Co., Ltd.

2015 - Present Director BTS Sansiri Holding Thirteen Co.,Ltd
 2017 Director Vienna House Capital GmbH
 2011 - 2015 Legal Director BTS Asset Co.,Ltd

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11. Mr. Veerapong Rodjanawarodom 46 Year**Position/The Appointment Date**

- Chief Operation Officer
1 July 2016
- Executive Director
16 June 2018

Educational Qualification

- Master of Business Administration (MBA), Thammasat University
- Bachelor of Engineer, King Mongkut's Institute of Technology Ladkrabang
- Participated in the Directors Accreditation Program (DAP) from Institute of Directors

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2018 - Present Executive Director U City Plc.
 2016 - Present Chief Operation Officer U City Plc.

Registered Company in Thailand

-None-

Other Companies

2018 - Present Director EGS Assets Co.,Ltd.
 2018 - Present Director BTS Land Co.,Ltd.
 2018 - Present Director Muangthong Assets Co., Ltd.
 2018 - Present Director Mak 8 Co., Ltd.
 2018 - Present Director Nine Square Property Co., Ltd.
 2018 - Present Director BTS Assets Co., Ltd.
 2006 - 2016 Director TTC Land Company Limited

12. Ms. Soraya Satiangoset ⁴⁾ 43 year**Position/The Appointment Date**

- Chief Financial Officer
1 March 2018
- Executive Director
16 June 2018
- Participated in the Directors Accreditation Program (DAP) from Institute of Directors

Educational Qualification

- Master of Business Administration (MBA), Chulalongkorn University
- Bachelor of Accounting, Thammasat University

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2018-Present Executive Director U City Plc.
2018 - Present Chief Financial Officer U City Plc.

Registered Company in Thailand

-None-

Other Companies

2017 - 2018 Senior Financial Director Fabrinet Co., Ltd.
2005 - 2017 Senior Analyst, Strategic and Business Development Group / Cash Management Manager, Financial and Accounting Group / Manager — Debt and Equity Markets, Financial and Accounting Group PTT Exploration and Production Plc.

13. Ms. Nuttapun Giramethakul 54 Year

Position/The Appointment Date

- Vice President, Accounting Department
1 January 2016

Educational Qualification

- Master of Accounting, Thammasat University
- Bachelor of Accounting, Chulalongkorn University

Percentage of Securities Holding (%)

As of 31/12/2018

- Ordinary Share: (U) 2,000 shares (0.000%)

Relationship with the Management

-

Professional Experience for last 5 years

2015 - Present Vice President, Accounting Department
2001 - 2015 Senior Vice President

Registered Company in Thailand

-None-

Other Companies

-None-

14. Mrs. Lapika Sasanavin 41 year

Position/The Appointment Date

- Vice President, Investment Department
21 June 2017

Educational Qualification

- MBA Sasin School of Management, Chulalongkorn University
- Master of Science in Facilities Management, Pratt Institute, USA
- Advance Graduate Certificate in Real Estate, New York University, USA
- B. Arch in Architecture (International Program) King Mongkut's University of Technology Thonburi

Percentage of Securities Holding (%)

As of 31/12/2018

-

Relationship with the Management

-

Professional Experience for last 5 years

2017 - Present Vice President, Investment Department U City Plc.

Registered Company in Thailand

-None-

Other Companies

2014 - 2017 Vice President Development & Investment Singha Estate Public Company Limited
2009 - 2013 Assistant Director of Business Development Centara International Management Company Limited
2007 - 2009 Business Development Manager Minor International Public Company Limited
2006 - 2007 Facilities Manager Jones Lang LaSalle Management Company Limited

Note:

- On 15 June 2018, the Board of Directors Meeting No. 4/2018 acknowledged the resignation of Mr. Weerawat Wattanatchariya, director and Executive Director of the Company.
- On 15 June 2018, the Board of Directors Meeting No. 4/2018 acknowledged the resignation of Mr. Surajit Gongvatana, audit committee and the nomination and remuneration committee and appointed Mr. Surajit Gongvatana to be the Chairman of the Executive Committee effected from 15 June 2018.
- On 14 February 2018, the Board of Directors Meeting No. 1/2018 acknowledged the resignation of Mr. Voraphot Chanyakomol, director and executive director of the Company effect from 14 February 2018 and appointed Piyaporn Phanachet to replace Mr. Voraphot Chanyakomol.
- Ms. Soraya Satiangoset was appointed to be Chief Financial Officer effected from 1 March 2018

INFORMATION ON THE POSITION OF DIRECTORS, MANagements AND AUTHORIZED PERSONS INSUBSIDIARIES ASSOCIATED AND RELATED COMPANIES

Company name list		Com pany	Subsidiary																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																											
Name of board management	U City Plc.	1	Khon Kaen Buri Co.,Ltd.	2	Boonbaramee Metta Property Co.,Ltd.	3	Pacific Chiangmai Co.,Ltd.	4	Pacific Hotel Chiangmai Co.,Ltd.	5	Mochit Land Co.,Ltd.	6	Kamkoong Property Co.,Ltd.	7	Unison One Co.,Ltd.	8	Tanayong Property Management Co.,Ltd.	9	Thanachity Golf and Sports Club Co.,Ltd.	10	EGS Assets Co.,Ltd.	11	U Global Hospitality Limited	12	Project Green Co.,Ltd.	13	Npark Global Holding Co.,Ltd.	14	BTS Land Co.,Ltd.	15	Tanayong Food and Beverage Co.,Ltd.	16	MuangThong Assets Co.,Ltd.	17	Mak 8 Co.,Ltd.	18	Ratburana Property Co.,Ltd.	19	Nine Square Property Co.,Ltd.	20	Prannakiri Assets Co.,Ltd.	21	Siam Paging Communication Co.,Ltd.	22	Natural Panwa Hotel Co.,Ltd.	23	Natural Hotel Sukhumvit Co.,Ltd.	24	Natural Hotel Park Ville Co.,Ltd.	25	Natural Real Essest Co.,Ltd.	26	Park Opera Co.,Ltd.	27	Richee Property Management Co.,Ltd.	28	Park Gourmet Co.,Ltd.	29	Lombard Estate Holdings Limited																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																			
		1	Mr.Keeree	Kanjanapas	xxxx																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																																									

INFORMATION ON THE POSITION OF DIRECTORS, MANAGERMENTS AND AUTHORIZED PERSONS INSUBSIDIARIES ASSOCIATED AND
BEI LATER COMPANIES

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INFORMATION ON THE POSITION OF DIRECTORS, MANagements AND AUTHORIZED PERSONS INSUBSIDIARIES ASSOCIATED AND RELATED COMPANIES

Company name list		Subsidiary										Associated Company																				
		60	61	62	63	64	65	66	67	68	69	70	71	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	
Name of board management		UBX Kra-kow Sp. z o.o.	UBX Katowice Sp. z o.o.	Hotel Management Angelo Katowice	VHE Cracow Sp. z o.o.	VHE Cracow Sp. z o.o. SKA	VH Warsaw Hotel Sp. z o.o.	Vienna House Cluster Polen Sp. z o.o.	Comtel Focus S.A.	VHE Bratislava s.r.o.	VHE Bratislava Real Estate s.r.o.*	OOO Employ Management	Tanayong Hongkong Limited	Absolute Hotel Service Co.,Ltd.	Travelodge (Thailand) Co.,Ltd.	Absolute Golf Service Co.,Ltd.	Joint Venture	Vienna House (Thailand) Co.,Ltd.	MHG NPARK Development Co.,Ltd.	MHG NPARK Development Co.,Ltd.	BTS-Sansiri Holding Two Limited	BTS-Sansiri Holding Three Limited	BTS-Sansiri Holding Four Limited	BTS-Sansiri Holding Five Limited	BTS-Sansiri Holding Six Limited	BTS-Sansiri Holding Seven Limited	BTS-Sansiri Holding Eight Limited	BTS-Sansiri Holding Nine Limited	Novuo Line Agency cp.,Ltd.	BTS-Sansiri Holding Eleven Limited	BTS-Sansiri Holding Twelve Limited	
		1	Mr.Keeree	Kanjanapas																												
		2	Mr.Rungson	Sriworasat																												
		3	Mr.Chaiwat	Atsawintarangkun																												
		4	Mr.Plakorn	Wanglee																												
		5	Mr.Paisal	Tarasansombat																												
		6	Mr.Surajit	Gongvatana																												
		7	Mr.Kavin	Kanjanapas										/	/	/	/		/													
		8	Mr.Kong	Chi Keung										/	/	/	/															
		9	Mr.Weerawat	Wattanachariya*																/												
		10	Mr.Burin	Pusiri*																/												
		11	Ms.Piyaporn	Phanachet											/						/	/	/	/	/	/	/	/	/	/	/	/
		12	Mr.Voraphot	Chanyakomol*																												
		13	Mr.Veerapong	Rodjanawaradorn																												
		14	Mr.Sayam	Siwarapornskul																	/	/	/	/	/	/	/	/	/	/	/	/
		15	Ms.Soraya	Satiangoset																												
		16	Ms.Soraya	Satiangoset																												
		17	Mrs.Lapika	Sasanavin																												

Note:

- 1) On 14 February 2018, the Board of Directors has appointed Piyaporn Phanachet to be the Company's director in replacement of Mr. Voraphot Chanyakomol.
- 2) On 14 February 2018, the Board of Directors has appointed Ms.Piyaporn Phanachet to be the Company's director and Executive director in replacement of Mr. Voraphot Chanyakomol effective from 14 February 2018 and the Board of Directors of Khon Kaen Buri Co., Ltd has appointed Ms.Piyaporn Phanachet to be director in replacement of Mr. Voraphot Chanyakomol effective from 15 February 2018.
- 3) On 14 February 2018, the Board of Directors Meeting No. 1/2018 has resolved to appoint Ms.Piyaporn Phanachet to be the Company's director and Executive director in replacement of Mr. Voraphot Chanyakomol effective from 14 February 2018 and the Board of Directors of Khon Kaen Buri Co., Ltd has appointed Ms.Piyaporn Phanachet to be director in replacement of Mr. Voraphot Chanyakomol effective from 15 February 2018.
- 4) On 14 February 2018, Mr. Voraphot Chanyakomol resigned from director, Executive director and Chief Financial Officer of the Company and directors of its subsidiary 9 companies as followings: 1) Natural Park Ville Co., Ltd., 2) Natural Real Estate Co., Ltd., 3) Park Opera Co., Ltd., 4) Richee Property Management Co., Ltd., 5) Park Gourmet Co., Ltd., 6) Khon Kaen Buri Co., Ltd., 7) BTS Assets Co., Ltd., 8) Kamkoong Property Co., Ltd. and 9) Project Green Co., Ltd.
- 5) On 14 February 2018, the Board of Directors Meeting of BTS Assets Co., Ltd has appointed Mr. Veerapong Rodjanawarodom to be director of the company in replacement of Mr. Voraphot Chanyakomol effective from 15 February 2018.
- 6) On 14 February 2018, the Board of Directors Meeting of 1) Natural Park Ville Co., Ltd., 2) Natural Real Estate Co., Ltd., 3) Park Opera Co., Ltd., 4) Richee Property Management Co., Ltd., 5) Park Gourmet Co., Ltd., Kamkoong Property Co., Ltd. and 9) Project Green Co., Ltd. Has appointed Mr. Sayam Siwarapornskul to be director of the company in replacement of Mr. Voraphot Chanyakomol effective from 15 February 2018.
- 7) On 1 March 2018, the Company has appointed Ms. Soraya Satiangoset to be Chief Financial Officer effected from 1 March 2018 in replacement of Mr. Voraphot Chanyakomol effective from 15 February 2018.
- 8) On 19 February 2018, the Board of Directors Meeting of Prime-A Co., Ltd. Has appointed Mr. Sayam Siwarapornskul to be director of the company in replacement of Mr. Voraphot Chanyakomol effective from 19 February 2018.

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Information On The Position Of Directors, Managements And Authorized Persons In Subsidiaries Associated And Related Companies

Name of Directors / Management			Subsidiary Companyt																	
			19	20	21	22	23	24	25	26	27	28	29	30	31	32	33	34	35	36
			Nine Square Property Co.,Ltd.	Prannakiri Assets Co.,Ltd.	Siam Paging Communication Co.,Ltd.	Natural Panwa Hotel Co.,Ltd.	Natural Hotel Sukhumvit Co.,Ltd.	Natural Hotel Park Ville Co.,Ltd.	Natural Real Estate Co.,Ltd.	Park Opera Co.,Ltd.	Richee Property Management Co.,Ltd.	Park Giurnet Co.,Ltd.	Lombard Estate Holdings Limited	Thirty Three Gracechurch 1 Limited	OOO Employ Management	Tanayong Hongkong Limited	Underwood Street Limited	Vienna House Capital GmbH	Vienna House Real Estate GmbH	Vienna International Hotelmanagement AG
1	Mr. Kavin	Kanjanapas	/	/	/			/	/	/	/	/				/				
2	Mr. Kong	Chi Keung	/	/	/			/	/	/	/	/				/				
3	Mr. Weerawat	Wattanachariya				/	/													
4	Ms. Piyaporn	Phanachet	/	/	/			/	/	/	/	/								///
5	Mr. Burin	Pusiri*				/	/													
6	Mr. Siam	Siwaraoirnsakul	/	/	/			/	/	/	/	/								//
7	Mr. Veerapong	Rodjanawarodom	/																	
8	Mr. Daniel	Ross												/		/	/	/	/	/
9	Mrs. Angsana	Mankongcharoen					/													
10	Mr. Kom	Panimroengsak	/																	
11	Mr. Lai	Kwok Kwong											/							
12	Mr. Lee	Colin Anderson												/		/				
13	Mr. Grant	James Barbour												/		/				
14	Ms. Vanessa	Claire Blanchet												/		/				
15	Mr. Philip	Andrew Bolton												/		/				
16	Mr. Gary	John Bowman												/		/				
17	Mr. Simon	Burgess												/		/				
18	Mr. Paul	Michel Butel												/		/				
19	Mr. Nicholas	Blair Cawley												/		/				
20	Mrs. Amy	Claire Collins												/		/				
21	Mr. John	Patrick Joseph Conway												/		/				
22	Mrs. Charlotte	Anne Cruickshank												/		/				
23	Mr. Nicolas	John Cushion												/		/				
24	Mr. Richard	Charles Germain												/		/				
25	Mrs. Lisa	Josephine Grant												/		/				
26	Mr. Christian	Guy												/		/				
27	Mrs. Helen	Maria Hendy												/		/				
28	Mr. Shane	Michael Hollywood												/		/				
29	Mr. Richard	Mark Joynt												/		/				
30	Mr. Stuart	Paul Layzell												/		/				

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Information On The Position Of Directors, Managements And Authorized Persons In Subsidiaries Associated And Related Companies

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5 Information On The Position Of Directors, Managements And Authorized Persons In Subsidiaries Associated And Related Companies

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Name of Directors / Management			Subsidiary Company															
			55	56	57	58	59	60	61	62	63	64	65	66	67	68	69	
			UBX Plzen s.r.o.	UBX Plzen Real Estate s.r.o.	Vienna House Cluster Tschechien s.r.o.	Amber Baltic Sp. z o.o.	Andels Lodz Sp. z o.o.	UBX Krakow Sp. z o.o.	UBX Katowice Sp. z o.o.	Hotel Management Angelo Katowice Sp. z o.o.	VHE Cracow Sp. z o.o.	VHE Cracow Sp. z o.o. SKA	VH Warsaw Hotel Sp. z o.o.	Vienna House Cluster Polen Sp. z o.o.	Comtel Focus S.A.	VHE Bratislava s.r.o.	VHE Bratislava Real Estate s.r.o.	
31	Mrs. Claire	Louise Le Brocq																
32	Mrs. Jacqueline	Noble																
33	Mrs. Prapa	Pearce																
34	Ms. Sandra	Powell																
35	Mrs. Catherine	Patricia Prendergast																
36	Mrs. Lauren	Michelle Salkeld																
37	Mrs. Samantha	Anne Symons																
38	Mr. Philip	Lewis Taylor																
39	Mr. Nicolas	James Terry																
40	Mr. Benjamin	William Whitchurch																
41	Mr. Rupert	Simoner										/						
42	Mr. Marten	Ijkema			/								/					
43	Ms. Johanna	Weichselbaumer	/	/	/	/	/	/	/	/	/	/	/	/	/	/	/	
44	Mr. Manuel	Simon	/	/		/	/	/	/	/	/			/	/	/	/	
45	Ms. Monika	Kowalska				/												
46	Mr. Ralf	Alsdorf																
47	Ms. Anna	Olszynska					/											
48	Mr. Tomasz	Piorkowski						/		/								
49	Mr. Marek	Palenik																
50	Ms. Ewa	Nowakowska									/	/						
51	Ms. Dorit	von der Osten																
52	Ms. Angelika	Gaudmann																
53	Mr. DI Paul	Bruck																
54	Mr. Birgit	Trapp																
55	Mr. Heinz	Gunter Hohne																
56	Mr. Ralf	Paul Noll																
57	Mr. Oliver	Rudnik																
58	Mr. Stepan	Sova	/															
59	Ms. Stefan	Nicoleta-Ramona												/				
60	Mr. John	Mark Westoby																

Note :

/ = Director, // = Supervisory Board, /// = Chairwoman of Supervisory Board

Assets Used in Business Operations

Fixed Assets of the Company and its subsidiaries.

As of 31 December 2108, the Company and its subsidiaries have total fixed assets as follows:

Real Estate Projects Under Development

Property Details	Type of Ownership	Buildings / Vacant Land	Location	Rights Document	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
						Rai	Ngan	Sq. Wah		
U City Public Company Limited										
Park Ramindra Project/1	Own	Land and Building	Tha Raeng, Bang Khen, Bangkok.	Title Deed	1 Plot	2	1	14.2	302.60	-
Npark Global Holding Company Limited										
Korat Land/1	Own	Vacant Land	Nong Krathum, Jor Hor(Mhun Wai), Muang Nakornratchasi-ma, Nakornratchasima	Title Deed	25 Plots	137	1	73	689.08	Collateral

Land and Project Awaiting Development

Property Details	Type of Ownership	Buildings / Vacant Land	Location	Rights Document	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
						Rai	Ngan	Sq. Wah		
U City Public Company Limited										
Suksawat Project	Own	Vacant Land	Ratburana, Bang Jang Ron Nai, Ratburana, Bangkok	Title Deed	7 Plots	16	2	38.8	935.57	Collateral
Khao Yai Land (PAYA Project)	Own	Land and Building	Mhoo Si, Pak Chong, Nakornratchasima	Nor Sor 3 Kor	2 Plots	1	0	41	15.16	-
Chonburi Project (PANYA Resort)/1	Own	Vacant Land	Ban Mhung, Bang Phra, Muang Chonburi, Chonburi	Title Deed	2 Plots	2	0	18	2.51	-
Project Greeen Company Limited										
Khu Khot Project	Own	Vacant Land	Khu Khot, Lumlookka	Title Deed	1 Plot	51	2	97.7	1,111.58	Collateral
PrannaKiri Assets Company Limited.										
Nakornrat-chasima Land	Own	Vacant Land	Pong Ta Long, Pak Chong, Nakornratchasima	Nor Sor 3 Kor	13 Plots	427	3	34	412.09	-
Tanayong Food and Beverage Company Limited.										
Nakornrat-chasima Land	Own	Vacant Land	Pong Ta Long, Pak Chong, Nakornratchasima	Nor Sor 3 Kor	1 Plot	20	0	0	67.24	-
Siam Paging and Communication Company Limited.										
Nakornrat-chasima Land	Own	Vacant Land	Pong Ta Long, Pak Chong, Nakornratchasima	Nor Sor 3 Kor	2 Plots	56	1	76	40.67	-
Ratburana Property Company Limited.										
Ratburana Land Project	Own	Vacant Land	Ratburana (Bang Jang Ron Nok). Ratburana. Bangkok	Title Deed	1 Plot	27	2	10	1,384.94	-

Investment Property and Leasehold (Domestic)

Property Details	Type of Ownership	Buildings / Vacant Land	Location	Rights Docu- ment	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
						Rai	Ngan	Sq. Wah		
U City Public Company Limited										
Bang Kra Chao Project	Own	Vacant Land	Bang Num Phung, Phrapadae- ng, Samutprakarn	Title Deed	28 Plots	25	1	51.7	157.65	-
Mochit Land Company Limited.										
Mochit Project	Own	Under Construc- tion	Chomphol, Chatuchak, Bangkok	Title Deed	63 Plots	11	0	40.7	2,956.50	Collateral
Kamkoong Property Company Limited.										
The Unicorn Project	Own	Under Construc- tion	Thung Phaya Thai, Rat- chatewee, Bangkok	Title Deed	6 Plots	7	1	37.4	3,232.24	Collateral
Unison One Company Limited.										
TST Tower	Own	Land and Building	Lat Yao, Bang Khen, Bangkok	Title Deed	1 Plot	1	1	97	866.74	Collateral
Mak 8 Company Limited.										
Khao Yai Land	Own	Land and Building	Mhoo Si, Pak Chong, Nakornratchasima	Title Deed	4 Plots	16	1	56	150.13	-

Investment Property and Leasehold (Oversea)

Property Details	Type of Ownership	Buildings/ Vacant Land	Contract period	Location	Town/ Country	No. of Room	Area (Sq.m)	Book Value as of 31 December 2018	Obligation
Thirty Three Gracechurch 1 Limited									
Lombard House 33 Gracechurch Street	Operating Lease	Office Building	Contract ended in year 2161	33 Gracechurch Street, London, EC3V 0BT	United Kingdom	-	9,790	2,797.07	Collateral
Underwood Street Limited									
6-14 (even) Underwood Street	Operating Lease	Office Building	Contract ended in year 2055	6-14 (even) Underwood Street, London, N1 7JQ	United Kingdom	-	2,370	405.54	Collateral
				6-14 (even) Underwood Street, London, N1 7JQ					

Land, Building, Equipment and Leasehold (Domestic)

Property Details	Type of Ownership	Buildings/ Vacant Land	Location	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
					Rai	Ngan	Sq. Wah		
Joint Venture									
Roi Chak Sam Project /2	Leasehold	Land and Building	Bang Rak, Bang Rak, Bangkok	3 Plot	5	0	60	158.22	-

Property Details	Type of Ownership	Buildings/ Vacant Land	Location	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
					Rai	Ngan	Sq. Wah		
Khon Kaen Buri Company Limited.									
Avani Khon Kaen Hotel and Convention Center ^{/1}	Own	Land and Building	Nai Mueang, Mueang, Khon Kaen	42 Plot (196 rooms)	12	1	36.9	855.91	-
Pacific Hotel Chiangmai Company Limited and Pacific Chiangmai Company Limited.									
Anantara Chiangmai Resort and Spa ^{/1}	Own	Land and Building	Nai Mueang, Mueang, Khon Kaen	Plot (196 rooms)	7	1	53.5	1,271.83	Collateral
EGS Assets Company Limited.									
Eastin Grand Sathorn Bangkok	Own	Land and Building	Yannawa (Sathorn), Sathorn (Bang Rak), Bangkok	390 rooms	2	1	0	3,658.08	Collateral

Property Details	Type of Ownership	Buildings / Vacant Land	Location	Rights Docu- ment	Unit	Area			Book Value as of 31 December 2018 (THB Million)	Obligation
						Rai	Ngan	Sq. Wah		
Muangthong Assets Company Limited.										
U Inchantree Kanchanaburi	Own	Land and Building	Thamakam, Mueang, Kanchanaburi	Nor Sor 3 Kor	13 Plots	5	1	30	122.00	-
Nakornrat- chasima Land	Own	Vacant Land	Pong Ta Long, Pak Chong, Nakornratchasima	Nor Sor 3 Kor	1 Plot	20	0	0	19.37	-
U Sathorn /3	Leasehold	Land and Building	Thung Maha Mek, Sathorn, Bangkok	Title Deed	1 Plot	16	0	81.1	604.46	-
U Chiangmai /4	Leasehold	Land and Building	Sri Phoom, Mueang, Chiangmai	Title Deed	1 Plot	1	1	38	109.72	-
BTS Land Company Limited.										
Eastin Thanacity Golf Resort	Own	Land and Building	Bang Chalong, Bang Chalong, Bang Phee, Samutprakarn	Title Deed	1 Plot (38 room)	2	1	11.4	158.72	-
Nine Square Property Company Limited.										
Eastin Thanacity Golf Resort	Own	Land and Building	Bang Chalong, Bang Chalong, Bang Phee, Samutprakarn	Title Deed	1 Plot (79 room)	3	1	55.1	286.94	-
Mak 8 Company Limited.										
Eastin Thanacity Golf Resort	Own	Land and Building	Bang Chalong, Bang Chalong, Bang Phee, Samutprakarn	Title Deed	1 Plot (78 room)	2	1	51.5	267.19	-

Land, Building, Equipment and Leasehold (Oversea)

Property Details	Type of Ownership	Buildings/ Vacant Land	Contract period	Location	Town/ Country	No. of Room	Area (Sq.m)	Book Value as of 31 December 2018	Obligation
Andel's Berlin Hotelbetriebs GmbH									
Vienna House Andel's Berlin	Operating Lease	Hotel Building	Contract ended in year 2035	Landsberger Allee 106, 10369 Berlin	Germany	557	90,000	EUR 5,306	-
VHE Berlin Hotelbetriebs GmbH									
Vienna House Easy Berlin	Operating Lease	Hotel Building	Contract ended in year 2036	Storkower Str. 162. 10407 Berlin	Germany	152	5,852	EUR 1,793	-
VH Dresden Hotelbetriebs GmbH									
Vienna House QF Dresden	Operating Lease	Hotel Building	Contract ended in year 2036	Neumarkt 1. 01067 Dresden	Germany	95	6,073	EUR 379,123	-
VHE Leipzig Hotelbetriebs GmbH									
Vienna House Easy Leipzig	Operating Lease	Hotel Building	Contract ended in year 2038	Goethestr. 11, 04109 Leipzig	Germany	205	9,071	EUR 3,948	-
VH Kronberg Hotelbetriebs GmbH									
Vienna House Kronberg	Operating Lease	Hotel Building	Contract ended in year 2039	Under Construction	Germany	96	4,832	-	-
VHE Raunheim Hotelbetriebs GmbH									
Vienna House Easy Raunheim	Operating Lease	Hotel Building	Contract ended in year 2040	Under Construction	Germany	200	6,362	-	-
Vienna International Asset GmbH									
Vienna House Easy Amberg	Own	Hotel Building	-	Schiesstaetteweg 10. 92224 Amberg	Germany	110	5,576	EUR 10,853,329	Collateral
Vienna House Easy Bad Oeynhausen	Own	Hotel Building	-	Morsbachallee 1. 32545 Bad Oeynhausen	Germany	146	8,068	EUR 14,102,904	Collateral
Vienna House Easy Braunschweig	Own	Hotel Building	-	Salzdahlumer Str. 137. 38126 Braunschweig	Germany	176	19,234	EUR 18,149,468	Collateral
Vienna House Easy Castrop-Rauxel	Own	Hotel Building	-	Dortmunder Strasse 55. 44575 Castrop Rauxel	Germany	84	3,895	EUR 8,043,045	Collateral
Vienna House Easy Coburg	Own	Hotel Building	-	Ketschendorfer Strasse 86. 96450 Coburg - Suedstadt	Germany	123	14,978	EUR 15,654,644	Collateral
Vienna House Easy Guenzburg	Own	Hotel Building	-	Jahnstrasse 4. 89312 Guenzburg		100	4,122	EUR 12,808,739	Collateral
Vienna House Easy Landsberg	Equipment Owner	-	-	Graf Zeppelin Str 6. 86899 Landsberg am Lech	Germany	-	-	EUR 205,821	-

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Property Details	Type of Ownership	Buildings/ Vacant Land	Contract period	Location	Town/ Country	No. of Room	Area (Sq.m)	Book Value as of 31 December 2018	Obligation
Vienna House Amber Baltic	Financial Lease	Hotel Building	Contract ended in year 2021	Promenada Gwiazd 1 PL - 72-500 Miedzzydroje	Poland	192	13,659	EUR 14,173,352	Collateral
Andels Lodz Sp. z o.o.									
Vienna House Andel's Lodz	Financial Lease	Hotel Building	Contract ended in year 2022	Ulica Ogrodowa 17. 91065 Lodz	Poland	277	30,589	EUR 53,341,821	Collateral
UBX Krakow Sp. z o.o.									
Vienna House Andel's Cracow	Operating Lease	Hotel Building	Contract ended in year 2048	ul Pawia 3 PL - 31154 Cracow	Poland	159	10,986	EUR 580,439	-
UBX Katowice Sp. z o.o.									
Vienna House Easy Katowice	Own	Hotel Building	-	Ulica Sokolska 24. 40086 Katowice	Poland	203	13,831	EUR 24,860,472	Collateral
VHE Cracow Sp. z o.o. SKA									
Vienna House Easy Chopin Cracow	Own	Hotel Building	-	Przy Rondzie 2 PL - 31547 Cracow	Poland	220	7,668	EUR 21,620,803	Collateral
VH Warsaw Hotel Sp. z o.o									
Vienna House Mokotow Warsaw	Operating Lease	Hotel Building	Contract ended in year 2044	ul. Postepu 4, 02-676 Warsaw	Poland	164	8,194	-	-
Comtel Focus S.A.									
Vienna House Easy Bucharest	Own	Hotel Building	-	283 Calea Bucurestilor 75100 Otopeni - Bucharest	Romania	176	10,234	EUR 14,050,234	Collateral
VHE Bratislava Real Estate s.r.o.									
Vienna House Easy Bratislava	Own	Hotel Building	-	Galvaniho ul. 28, 82104 Bratislava	Slovakia	167	8,210	EUR 8,218,664	Collateral
UBX Plzen s.r.o.									
Vienna House Easy Pilsen	Operating Lease	Hotel Building	[-]	U Prazdroje 6 301 00 Pilsen	Czech Republic	144	8,362	EUR 126,942	-
HMA Katowice sp.z.o.o.									
Vienna House Easy Katowice	Operating Lease	Hotel Building	[-]	Ulica Sokolska 24. 40086 Katowice	Poland	203	13,831	EUR 261,910	-
VHE Bratislava s.r.o.									
Vienna House Easy Bratislava	Operating Lease	Hotel Building	[-]	Galvaniho ul. 28, 82104 Bratislava	Slovakia	167	8,210	EUR 26,284	-
Vienna International Hotel Management AG									
Management Platform	Equipment Owner	-	-	[Dresdner Straße 87, 1200 Vienna, Austria]	Austria	-	-	EUR 85,989	
Vienna House Cluster Polen Sp. z.o.o.									
Cluster Companies in Poland	Equipment Owner	-	-	[ul. ALEJE JEROZOLIMSKIE, nr 65/79, lok., 00-697 Warsaw, Poland]	Poland	-	-	EUR 1,168	

Property Details	Type of Ownership	Buildings/ Vacant Land	Contract period	Location	Town/ Country	No. of Room	Area (Sq.m)	Book Value as of 31 December 2018	Obligation
Vienna House Cluster Tschechien s.r.o.									
Cluster Companies in Czech	Equipment Owner	-	-	[Praha 6 - Dejvice, Evropská 370/15, PSC 16041, Czech Republic]	Czech Republic	-	-	EUR 23,591	-

Note:

- ^{/1} The Extraordinary General Meeting of Shareholders No. 1/2018 held on January 4, 2018, approved the sale of 8 properties. The Company is currently in the process of disposing the asset.
- ^{/2} A joint venture group between U City Public Company Limited, Aman Resort Services Limited, and Silver Link Holding Limited entered into a lease and joint investment agreement for the construction and management of the development project at the State Property Plot (Roi Chak Sam) with the Treasury Department Ministry of Finance.
- ^{/3} Sublease agreement from BTS Group Holdings Public Company Limited.
- ^{/4} Entered into a lease agreement from Miss Jarunee Maneekul for a period of 21 years from 1 February 2007 to 31 January 2028.

Intangible Assets of the Company and Subsidiaries

As of 31 December 2018, the Company and its subsidiaries have intangible assets used in business operations, including intangible assets derived from business combination, Heritable building right and computer software which has the net book value of THB 791 million.

Lease agreement at the Ratchaphatsadu land at Rong Pasee Roi Chak Sam Development Project with the Treasury Department, Ministry of Finance

A Joint Venture Group U City Public Company Limited, Aman Resort Services Limited and Silver Link Holding Limited ("Joint Venture") entered into a lease and joint investment agreement for construction and management with the Treasury Department Ministry of Finance by joint ventures to invest in land development for the construction of hotels and other buildings and ownership rights to government agencies. The joint venture will have the right to manage the hotel construction with a period of 30 years from the date of signing the contract by paying the compensation to the Treasury Department in the amount of THB125 million for the benefit procurement fee on the contract date and having an annual rental to be paid under the lease agreement.

Details of the lease agreement

Location	Ratchaphatsadu Land , registration no. Kor Tor 043314 (Roi Chak Sam Plot) Land Title Deed No. 2317, 3618 and 3257, Silom Sub-district, Bang Rak District, Bangkok
Rental Period	30 years
Contract year	10 May 2005
Due year	9 May 2035
Area	5 Rai 60 Sq.Wah
Rental rate	Payment start from the date of signing the contract. Year 1 — Year 11 THB 3.3 Million per year Year 12 — Year 16 THB 30 Million per year Year 17 — Year 20 THB 40 Million per year Year 21 — Year 30 THB 100 Million per year

Usability	Location of the royal property development project, Roi Chak Sam
Obligation	-None-

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The joint venture has complied with the contract related to the land development project with the Treasury Department and Ministry of Finance. But there was an obstacle to the construction of the hotel. Building because the Treasury Department could not deliver the area to the joint venture.

The joint venture made a written notice to the Treasury Department about the issue and requested the Treasury Department to consider stopping the period. "Project Management Age" and "Rental Period" according to the Joint Investment and Construction Agreement dated 10 May 2005, by requesting to stop counting from 10 May 2005 onwards until the date that the Treasury Department delivers the area to the joint venture to continue construction.

On 18 December 2015, the joint venture filed a lawsuit against the Treasury Department with the Central Administrative Court. (Details of the dispute appear in the section litigation)

Copyright

The Company has registered copyright for house designs that will be used in construction as follows:

Title	Ban Na Kwang Natural Home
Category	Fine Arts
Description	Architecture
Creative features	Own create
Creative Year	1996
Copyright Protection	50 years from the creative year



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