

PROPERTY PERFECT

PROPERTY PERFECT PUBLIC COMPANY LIMITED

# ANNUAL REPORT 2019





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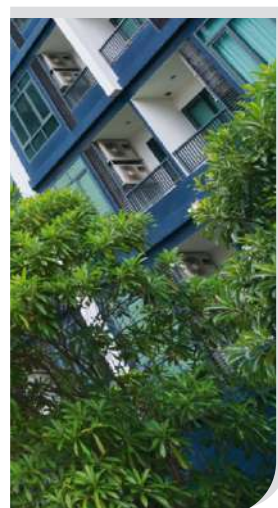
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● MESSAGE FROM  
**THE BOARD OF DIRECTORS**



Dr. Thanong Bidaya  
Chairman

Mr. Chainid Adhyanasakul  
Chief Executive Officer

Property Perfect Public Company Limited achieved some business goals in 2019. We ably enhanced profitability and strengthened our balance sheets despite slower growth in the property industry. Compared with 2018, the industry experienced many factors that hit purchasing power and consumer confidence, including economic slowdown, political instability, persistently high household debt that led to strict loan criteria and stricter loan-to-value measures, baht appreciation and trade tensions that exacerbated global economic volatility. These factors put pressure on both supply and demand. New project launch, sales and transfers were hit. However, PF maintained positive financial results as the net profit was the highest in 15 years, at Bt1,138 million or an increase of 107.4% from 2018.

In 2019, the consolidated revenue rose 6.9% on year to Bt20,306.02 million. The property development business generated Bt13,867.24 million in revenue, down by 3.4% on

year, as the transfers of low-rise units dropped by 12.4% and high-rise units increased by 10.9% thanks to Yu Kiroro, a condominium building in Japan. In the year, the revenue of the hotel business reached Bt3,669.57 million, an increase of 25.9% from the previous year due to additional revenue from 2 hotels — Royal Orchid Sheraton Bangkok Hotel and Hyatt Regency Bangkok Sukhumvit. PF's service and rental fee at Bt269.33 million showed a 45.8% decrease as rental contracts of 2 office buildings were expired in January 2019. In the year, land sale revenue totaled Bt2,499.89 million. The Company and subsidiaries launched 11 new projects worth totally Bt13,900 million, consisting of 10 low-rise projects worth Bt11,600 million and 1 condominium project worth Bt2,300 million.

In 2019, the Board of Directors tasked itself to further grow revenue despite multiple negative factors. The condominium at Kiroro Resort worth Bt3,900 million performed satisfactory,

generating as high as Bt1,700 million in revenue. The success paved way for Kiroro Resort's turn around. Contributing to the impressive financial results were the development concept that emphasized environmental and energy conservation at home and at project level; energy-saving designs; environmental-friendly material; best home technology for comfort and zero pollution; sustainable environmental conservation through the plantation of trees in large projects; the construction of 80% of houses with prefab materials to minimize construction waste and pollution; and the installation of solar rooftops at club houses and sales gallery.

Aside, the Board of Directors approved the Code of Conduct to reflect the Company's determination in operating business with ethics and best governance practices, in accordance with the regulations of the Stock Exchange of Thailand and the Securities and Exchange Commission as well as relevant rules and regulations. Our goal is to assure shareholders, investors and the general public of the Company's business standards.

In 2020, the Thai economy and purchasing power will continue to feel the pinch from negative factors that include global trade tensions, drought as well as the intensifying impacts of the coronavirus (COVID-19) outbreak.

The Board of Directors strives to further strengthen the long-term competitiveness of the Company and subsidiaries. The goal is to enhance profitability, reduce the debt burden and maintain growth. The launch of new condominium projects will be delayed due to oversupplies, but the emphasis will be placed on low-rise development. Supporting this is the partnership with foreign partners. Under long-term cooperation plans, the Company and Hongkong land will jointly develop "Lake Legend, a high-end single detached house project that will be unveiled in 2 locations with combined value of Bt13,500 million. Together with Sumitomo Forestry, aside from Hyde Heritage Thonglor Condominium worth Bt6,000 million, 2 single detached house projects worth Bt3,900 million will be launched in Ratchaphruek area. Under collaboration with Sekisui Chemical, a new project will be introduced.

In 2020, the Company sets to achieve Bt18,000 million sale revenue; Bt10,000 million from low-rise projects, Bt1,500 million through joint venture projects, Bt4,500 million from condominium projects in Thailand, and Bt2,000 million from the condominium project in Japan. Twelve new development projects, entirely low-rise, are planned with the total value of Bt18,650 million. Of total, 10 projects will be single detached house projects worth Bt17,110 million and two worth Bt1,450 million will be townhouse projects. Our designs will better address customer demands. We have developed a model against "PM2.5", which is expected to further hit Thailand. Aside from the adoption of Japanese housing technology for the projects developed jointly with Sekisui Chemical, we are the first to team up with SCG in inventing an air filter for air-conditioners that can remove PM25 particles. The filters are installed in all single detached houses, at all housing estates regardless of prices. With Daikin, we equip all houses in Perfect Masterpiece, Lake Legend, Perfect Place and Perfect Park projects with air-conditioners that can remove PM2.5 particles. Our environmental concerns also involve the plantation of 5,000 trees in all projects and the installation of solar panels to generate clean energy for offices and club houses. A total of 26 home designs will be introduced, with different price tags, as new choices for customers and new magnets to boost sale revenue from low-rise projects.

Concerning subsidiaries' operations, Grande Asset Hotels and Property Public Company Limited expects to reap Bt3,000 million in sale revenue, Bt2,500 million from a condominium project and Bt500 million from a luxury villa project in Rayong of which total value from altogether 103 units is Bt2,307 million. Meanwhile, the coronavirus outbreak severely hit travelers' demand and this tremendously affects the revenue of hotels that target Chinese customers and MICE. It is estimated that our domestic hotel business' revenue will fall by 20.7% on year to Bt2,000 million.

On behalf of the Board of Directors, I would like to thank all shareholders, customers, investors, suppliers, partners and financial institutions for their continuous supports, as well as executives and employees for their patience and dedication.

*(Unit: Million)*

|   | 2019   | 2018   | 2017 (Revised) |
|---|--------|--------|----------------|
| <b>Financial Position</b>   |        |        |                |
| Total Assets  | 59,065 | 57,566 | 47,684         |
| Project Development Cost  | 26,624 | 26,563 | 24,289         |
| Inventories   | 37     | 42     | 41             |
| Total Liabilities   | 43,123 | 41,838 | 32,429         |
| Shareholders' Equity  | 15,942 | 15,728 | 15,255         |
| <b>Operation Results</b>  |        |        |                |
| Revenue from Sale of House and Land, Hotel Business, Rental and Service | 20,306 | 18,998 | 16,183         |
| Total Revenue   | 21,165 | 19,647 | 16,705         |
| Gross Margin  | 6,873  | 6,387  | 5,296          |
| Net Income  | 1,010  | 694    | 475            |
| <b>Financial Ratio</b>  |        |        |                |
| Net Profit (%)  | 4.77   | 3.53   | 2.84           |
| Return on Equity (%)  | 4.26   | 4.30   | 3.68           |
| Return on Total Asset (%)   | 1.73   | 1.32   | 0.98           |
| Debt to Equity Ratio  | 2.71   | 2.66   | 2.13           |
| Current Ratio   | 2.30   | 2.64   | 2.77           |
| <b>Per Share Data</b>   |        |        |                |
| Net Income per Share (Baht)   | 0.176  | 0.134  | 0.09           |
| Stock Dividend and Dividend per Share (Baht)                            | 0.111  | 0.066  | 0.05           |
| Book Value per Share (Baht)   | 1.53   | 1.49   | 1.46           |



## COMPANY INFORMATION

|                              |   |   |
|------------------------------|---|---|
| <b>Name</b>                  | : | <b>Property Perfect Public Company Limited</b>                                |
| Type of Business             | : | Real Estate Development   |
| Head Office                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| Business Registration Number | : | 0107536001231   |
| Home Page                    | : | <a href="http://www.pf.co.th">www.pf.co.th</a>                                |
| Telephone Number             | : | 0-2245-6640-8, 0-2247-7500-4  |
| Fax                          | : | 0-2247-3328   |
| No. of Paid-up Share         | : | 8,667,826,432 Shares  |
| Par Value                    | : | Baht 1  |
| Paid-up Capital              | : | Baht 8,667,826,432  |



**DIRECTLY AND INDIRECTLY OWNED LEGAL ENTITIES**  
**- SUBSIDIARIES AND JOINT VENTURES, DIRECTLY OWNED**

|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>Estate Perfect Company Limited</b>   |
| Type of Business         | : | Real Estate Development   |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| Telephone Number         | : | 0-2245-6640-8, 02-247-7500-4  |
| Fax                      | : | 0-2246-0733   |
| No. of Paid-up Share     | : | 120,000,000 Shares  |
| Par Value                | : | Baht 10   |
| Paid-up Capital          | : | Baht 1,200,000,000  |
| Percentage of Investment | : | 100%  |
| <b>Name</b>              | : | <b>Bright Development Bangkok Company Limited</b>                             |
| Type of Business         | : | Real Estate Development   |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| Telephone Number         | : | 0-2245-6640-8, 02-247-7500-4  |
| Fax                      | : | 0-2246-0733   |
| No. of Paid-up Share     | : | 10,000,000 Shares   |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 1,000,000,000  |
| Percentage of Investment | : | 100%  |
| <b>Name</b>              | : | <b>Residence Number Nine Company Limited</b>                                  |
| Type of Business         | : | Real Estate Development   |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| Telephone Number         | : | 0-2245-6640-8, 02-247-7500-4  |
| Fax                      | : | 0-2246-0733   |
| No. of Paid-up Share     | : | 10,000,000 Shares   |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 1,000,000,000  |
| Percentage of Investment | : | 100%  |
| <b>Name</b>              | : | <b>Chiangmai Development Company Limited</b>                                  |
| Type of Business         | : | Real Estate Development   |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| Telephone Number         | : | 0-2245-6640-8, 02-247-7500-4  |
| Fax                      | : | 0-2246-0733   |
| No. of Paid-up Share     | : | 2,000,000 Shares  |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 200,000,000  |
| Percentage of Investment | : | 100%  |

**Name : Grand Star Company Limited**

Type of Business : Real Estate Development  
 Address : Room 3203-4, 32nd Floor, Exchange Tower,  
 388 Sukhumvit Road, Khlongtoey, Bangkok, 10110  
 No. of Paid-up Share : 12,000,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 1,200,000,000  
 Indirect Stake : 40%  
 Direct Stake : 11%

**Name : Grand River Forest Company Limited**

Type of Business : Real Estate Development  
 Address : Room 3203-4, 32nd Floor, Exchange Tower,  
 388 Sukhumvit Road, Khlongtoey, Bangkok, 10110  
 No. of Paid-up Share : 4,000,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 400,000,000  
 Indirect Stake : 42%  
 Direct Stake : 9%

**Name : We Retail Public Company Limited**

Type of Business : Real Estate Development-Shopping Center, Office Rental and  
 Commercial Area  
 Address : 17th Flr., Vorasombat Bldg.  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
 Telephone Number : 0-2245-6640-8, 02-247-7500-4  
 Fax : 02-645-0024  
 No. of Paid-up Share : 2,490,585,084 Shares  
 Par Value : Baht 1.05  
 Paid-up Capital : Baht 2,615,114,338.20  
 Percentage of Investment : 94.98%

**Name : Property Perfect International Pte.Ltd.**

Type of Business : Investment and Oversea Real Estate Development  
 Address : 9 Raffles Place #17-01 SBF Center Singapore 068914  
 No. of Paid-up Share : 1 Share  
 Par Value : 1 SGD\$  
 Paid-up Capital : 1 SGD\$  
 Percentage of Investment : 100%

**Name : Perfect Sport Club Company Limited**

Type of Business : Clubhouse Management  
 Address : 11st Flr., Vorasombat Bldg.  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310  
 Telephone Number : 0-2245-6640-8, 02-247-7500-4  
 Fax : 0-2645-1409  
 No. of Paid-up Share : 500,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 50,000,000  
 Percentage of Investment : 100%



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**Name : U & I Construction Bangkok Company Limited**

Type of Business : Construction Business  
Address : 27th Flr., Vongvanich B Bldg.,  
100/89 Rama IX Road, Huaykwang, Bangkok 10310.  
Telephone Number : 0-2246-2093-6  
Fax : 0-2246-2020  
No. of Paid-up Share : 1,000,000 Shares  
Par Value : Baht 100  
Paid-up Capital : Baht 100,000,000  
Percentage of Investment : 100%

**Name : Thai Connect 2019 Company Limited**

(Formerly known as Uniloft Service (Thailand) Company Limited )  
Type of Business : Rental property management service  
Address : 17th Flr., Vorasombat Bldg.  
100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
Telephone Number : 0-2245-6640-8, 0-2247-7500-4.  
Fax : 0-2246-0733  
No. of Paid-up Share : 50,000 Shares  
Par Value : Baht 100  
Paid-up Capital : Baht 1,325,000 (1,000 shares or Bt100 par value and 49,000 shares  
or Bt.25 per value)  
Percentage of Investment : 100%

**Name : Perfect Prefab Company Limited**

Type of Business : Manufacturer and Install Prefab Structures  
Address : 10th Flr., Vorasombat Bldg.,  
100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
Telephone Number : 0-2245-6640-8, 02-247-7500-4  
Fax : 0-2246-0733  
No. of Paid-up Share : 6,000,000 Shares  
Par Value : Baht 10  
Paid-up Capital : Baht 60,000,000  
Percentage of Investment : 100%

**Name : Ramintra Mall Company Limited**

(Formerly known as Marirya Stuff Company Limited )  
Type of Business : Real Estate Development — Shopping Center and Commercial Area  
Address : 17th Flr., Vorasombat Bldg.,  
100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
Telephone Number : 0-2245-6640-8, 02-247-7500-4  
Fax : 0-2246-0733  
No. of Paid-up Share : 3,500,000 Shares  
Par Value : Baht 100  
Paid-up Capital : Baht 350,000,000  
Percentage of Investment : 100%

|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>Thai Property Public Company Limited</b>   |
| Type of Business         | : | Real Estate Development   |
| Address                  | : | 29th Chan Issara Tower II Bldg.,<br>2922/305-306, New Petchaburi Rd., Bangkok, Huaykwang, Bangkok |
| No. of Paid-up Share     | : | 3,193,185,471 Shares  |
| Paid-up Capital          | : | Baht 3,193,185,471  |
| Percentage of Investment | : | 94.60%  |

|                          |   |  |
|--------------------------|---|--|
| <b>Name</b>              | : | <b>T Utilities Company Limited</b>                               |
| Type of Business         | : | Joint venture in utility-related business ventures and projects. |
| Address                  | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok 10500             |
| No. of Paid-up Share     | : | 22,125,000 Shares  |
| Par Value                | : | Baht 10  |
| Paid-up Capital          | : | Baht 221,250,000   |
| Percentage of Investment | : | 45%  |

|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>HKL Perfect Company Limited</b>  |
| Type of Business         | : | Invest in real estate business for sale   |
| Address                  | : | 10th Flr., LA-LB-2 room, Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| No. of Paid-up Share     | : | 400,000 Shares  |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 40,000,000   |
| Percentage of Investment | : | 51%   |

|                          |   |  |
|--------------------------|---|--|
| <b>Name</b>              | : | <b>PFHKL 1 Company Limited</b>   |
| Type of Business         | : | Invest in real estate for sale in Chaengwattana area                         |
| Address                  | : | 10th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310 |
| No. of Paid-up Share     | : | 50,000 Shares  |
| Par Value                | : | Baht 100   |
| Paid-up Capital          | : | Baht 5,000,000   |
| Percentage of Investment | : | 51%  |

|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>PFHKL 2 Company Limited</b>  |
| Type of Business         | : | Invest in real estate for sale in Chaengwattana area  |
| Address                  | : | 20th Flr., Gaysorn Tower Unit B Bldg.,<br>127 Ratchadamri Road, Lumpini, Pathumwan, Bangkok |
| No. of Paid-up Share     | : | 50,000 Shares   |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 5,000,000  |
| Percentage of Investment | : | 51%   |

|                          |   |  |
|--------------------------|---|--|
| <b>Name</b>              | : | <b>PFHKL 3 Company Limited</b>   |
| Type of Business         | : | Invest in real estate for sale in Suvannabhum area                           |
| Address                  | : | 10th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310 |
| No. of Paid-up Share     | : | 50,000 Shares  |
| Par Value                | : | Baht 100   |
| Paid-up Capital          | : | Baht 5,000,000   |
| Percentage of Investment | : | 51%  |

**Name :** **PFHKL 4 Company Limited**  
 Type of Business : Invest in real estate for sale in Suvarnabhumi area  
 Address : 20th Flr., Gaysorn Tower Unit B Bldg.,  
 127 Ratchadamri Road, Lumpini, Pathumwan, Bangkok  
 No. of Paid-up Share : 50,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 5,000,000  
 Percentage of Investment : 51%

**Name :** **PFHKL 5 Company Limited**  
 Type of Business : Invest in real estate for sale in Chaengwattana area  
 Address : 10th Flr., Vorasombat Bldg.,  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
 No. of Paid-up Share : 50,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 5,000,000  
 Percentage of Investment : 51%

**Name :** **PFHKL 6 Company Limited**  
 Type of Business : Invest in real estate for sale in Chaengwattana area  
 Address : 10th Flr., Vorasombat Bldg.,  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
 No. of Paid-up Share : 50,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 5,000,000  
 Percentage of Investment : 51%

**Name :** **PF-Sekisui JV Company Limited**  
 Type of Business : Invest in construction and real estate for sale  
 Address : 17th Flr., Vorasombat Bldg.,  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
 No. of Paid-up Share : 2,000,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 200,000,000  
 Percentage of Investment : 51%

**Name :** **PF Forestry Company Limited**  
 Type of Business : Invest in construction and real estate for sale  
 Address : 17th Flr., Vorasombat Bldg.,  
 100/1 Rama IX Road, Huaykwang, Bangkok 10310.  
 No. of Paid-up Share : 5,000,000 Shares  
 Par Value : Baht 100  
 Paid-up Capital : Baht 500,000,000  
 Percentage of Investment : 51%



|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>PFS 1 Company Limited</b>  |
| Type of Business         | : | Invest in real estate for sale in New Ratchapruerk area                       |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| No. of Paid-up Share     | : | 2,800,000 Shares  |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 280,000,000  |
| Percentage of Investment | : | 51%   |

|                          |   |  |
|--------------------------|---|--|
| <b>Name</b>              | : | <b>PFS 2 Company Limited</b>   |
| Type of Business         | : | Invest in real estate for sale in New Ratchapruerk area                                |
| Address                  | : | 10th Flr., LC room, Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310. |
| No. of Paid-up Share     | : | 2,100,000 Shares   |
| Par Value                | : | Baht 100   |
| Paid-up Capital          | : | Baht 210,000,000   |
| Percentage of Investment | : | 51%  |



## – SUBSIDIARIES, INDIRECTLY OWNED

|                          |   |   |
|--------------------------|---|---|
| <b>Name</b>              | : | <b>Centrepont Shopping Mall Company Limited</b><br>(Subsidiary of We Retail Plc.)   |
| Type of Business         | : | Real Estate Development — Shopping Center and Commercial Area   |
| Address                  | : | 17th Flr., Vorasombat Bldg.,<br>100/1 Rama IX Road, Huaykwang, Bangkok 10310.   |
| Telephone Number         | : | 0-2245-6640-8, 02-247-7500-4  |
| Fax                      | : | 0-2645-0024   |
| No. of Paid-up Share     | : | 5,000,000 Shares  |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 500,000,000  |
| Percentage of Investment | : | 94.98 %   |
| <b>Name</b>              | : | <b>All Discount Company Limited</b> (Joint Venture of We Retail Plc.)   |
| Type of Business         | : | Develop and operate innovative low-cost retail business.  |
| Address                  | : | 593-593/1, Sukhumvit Road, North Klongton, Wattana, Bangkok   |
| Telephone Number         | : | 0-2258-2515   |
| Fax                      | : | 0-2258-0512   |
| No. of Paid-up Share     | : | 1,000,000 Shares  |
| Par Value                | : | Baht 100  |
| Paid-up Capital          | : | Baht 100,000,000  |
| Percentage of Investment | : | 50%   |
| <b>Name</b>              | : | <b>Kiroro Resort Holdings Company Limited</b><br>(Subsidiary of Property Perfect International Pte.Ltd.)<br>(Formerly known as Share Group Company Limited) |
| Type of Business         | : | Real Estate Development and Hotel Business in Japan   |
| Address                  | : | 128-1 Tokiwa, Akaigawa-mura, Yoichigun, Hokkaido, Japan   |
| No. of Paid-up Share     | : | 767,070 Shares  |
| Paid-up Capital          | : | JPY 2,272,246,451   |
| Percentage of Investment | : | 99.70% (Direct 31.42% and indirect 68.28%)  |
| <b>Name</b>              | : | <b>Pacific Estate Development Company Limited</b><br>(Subsidiary of Thai Property Plc.)   |
| Type of Business         | : | Rental office buildings   |
| Address                  | : | 29th Floor, Charn Issara Tower II,<br>2922/305, New Petchaburi Road, Bangkok, Huaykwang, Bangkok  |
| No. of Paid-up Share     | : | 115,100,000 Shares  |
| Paid-up Capital          | : | Baht 1,151,000,000  |
| Percentage of Investment | : | 58.77%  |
| <b>Name</b>              | : | <b>Metro Premier Holding Company Limited</b><br>(Subsidiary of Thai Property Plc.)  |
| Type of Business         | : | Investment Business   |
| Address                  | : | 29th Floor, Charn Issara Tower II,<br>2922/305-306, New Petchaburi Road, Bangkok, Huaykwang, Bangkok  |
| No. of Paid-up Share     | : | 50,000 Shares   |
| Paid-up Capital          | : | Baht 5,000,000  |
| Percentage of Investment | : | 99.99%  |

|                          |   |  |
|--------------------------|---|--|
| <b>Name</b>              | : | <b>Scenery Peak Company Limited (Subsidiary of Thai Property Plc.)</b>       |
| Type of Business         | : | Investment Business  |
| Address                  | : | Quastisky Buildings, PO Box 4389, Road Town, Tortola, British Virgin Islands |
| No. of Paid-up Share     | : | 50,000 Shares  |
| Paid-up Capital          | : | US\$ 50,000  |
| Percentage of Investment | : | 100%   |

|                      |   |   |
|----------------------|---|---|
| <b>Name</b>          | : | <b>Grande Asset Hotels and Property Public Company Limited (Subsidiary of Thai Property Plc.)</b> |
| Type of Business     | : | Hotel management, Space rental in Shopping Mall and Property Development                          |
| Address              | : | Unit 3203-4, 32nd FL., Exchange Tower Bldg,<br>388 Sukhumvit Road, Khlongtoey, Bangkok            |
| No. of Paid-up Share | : | 3,615,929,965 Shares  |
| Paid-up Capital      | : | Baht 3,615,929,965  |
| Indirect Stake       | : | 39.29%  |
| Direct Stake         | : | 9.50%   |

|                      |   |  |
|----------------------|---|--|
| <b>Name</b>          | : | <b>Grande Equity Development Company Limited (Subsidiary of Grande Asset Hotels and Property Plc.)</b> |
| Type of Business     | : | Real Estate development Business   |
| Address              | : | Unit 3203-4, 32nd FL., Exchange Tower Bldg.,<br>388 Sukhumvit Road, Khlongtoey, Bangkok                |
| No. of Paid-up Share | : | 2,500,000 Shares   |
| Paid-up Capital      | : | Baht 250,000,000   |
| Indirect Stake       | : | 46.67%   |

|                      |   |   |
|----------------------|---|---|
| <b>Name</b>          | : | <b>Honor Business Company Limited (Subsidiary of Grande Asset Hotels and Property Plc.)</b> |
| Type of Business     | : | Hotel Business  |
| Address              | : | Unit 3203-4, 32nd FL., Exchange Tower Bldg.,<br>388 Sukhumvit Road, Khlongtoey, Bangkok     |
| No. of Paid-up Share | : | 5,000,000 Shares  |
| Paid-up Capital      | : | Baht 500,000,000  |
| Indirect Stake       | : | 46.67%  |

|                      |   |   |
|----------------------|---|---|
| <b>Name</b>          | : | <b>Owendelle Company Limited (Subsidiary of Grande Asset Hotels and Property Plc.)</b>  |
| Type of Business     | : | Hotel Business  |
| Address              | : | Unit 3203-4, 32nd FL., Exchange Tower Bldg.,<br>388 Sukhumvit Road, Khlongtoey, Bangkok |
| No. of Paid-up Share | : | 28,000,000 Shares   |
| Paid-up Capital      | : | Baht 280,000,000  |
| Indirect Stake       | : | 46.67%  |

|                      |   |   |
|----------------------|---|---|
| <b>Name</b>          | : | <b>Royal Orchid Hotel (Thailand) Public Company Limited (Subsidiary of Grande Asset Hotels and Property Plc.)</b> |
| Type of Business     | : | Hotel Business  |
| Address              | : | 2 Captain Bush Lane , Charoenkrung Road , Bangrak, Bangkok  |
| No. of Paid-up Share | : | 93,750,000 Shares   |
| Paid-up Capital      | : | Baht 937,500,000.00   |
| Indirect Stake       | : | 45.96%  |



|                      |   |   |
|----------------------|---|---|
| <b>Name</b>          | : | <b>TU1 Company Limited (Subsidiary of T Utilities Co.,Ltd.)</b>                         |
| Type of Business     | : | Invest in utility-related business ventures and projects.                               |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 1,750,000 Shares  |
| Paid-up Capital      | : | Baht 17,500,000   |
| Indirect Stake       | : | 45%   |
| <b>Name</b>          | : | <b>TU2 Company Limited (Subsidiary of T Utilities Co.,Ltd.)</b>                         |
| Type of Business     | : | Invest in utility-related business ventures and projects.                               |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 25,000 Shares   |
| Paid-up Capital      | : | Baht 250,000  |
| Indirect Stake       | : | 45%   |
| <b>Name</b>          | : | <b>TU3 Company Limited (Subsidiary of T Utilities Co.,Ltd.)</b>                         |
| Type of Business     | : | Invest in utility-related business ventures and projects.                               |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 1,000,000 Shares  |
| Paid-up Capital      | : | Baht 10,000,000   |
| Indirect Stake       | : | 45%   |
| <b>Name</b>          | : | <b>TU5 Company Limited (Subsidiary of T Utilities Co.,Ltd.)</b>                         |
| Type of Business     | : | Invest in utility-related business ventures and projects.                               |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 1,000,000 Shares  |
| Paid-up Capital      | : | Baht 10,000,000   |
| Indirect Stake       | : | 45%   |
| <b>Name</b>          | : | <b>TU6 Company Limited (Subsidiary of T Utilities Co.,Ltd.)</b>                         |
| Type of Business     | : | Invest in utility-related business ventures and projects.                               |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 5,000,000 Shares  |
| Paid-up Capital      | : | Baht 50,000,000   |
| Indirect Stake       | : | 45%   |
| <b>Name</b>          | : | <b>Southern One Holding Company Limited<br/>(Joint Venture of T Utilities Co.,Ltd.)</b> |
| Type of Business     | : | Utility-related business, electricity generating and tap water systems.                 |
| Address              | : | 116/1 Silom Road, Suriyawong, Bangrak, Bangkok  |
| No. of Paid-up Share | : | 3,500,000 Shares  |
| Paid-up Capital      | : | Baht 35,000,000   |
| Indirect Stake       | : | 22.5%   |

## REFERENCE

**Auditors**

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 Mr. Pisit Thangtanagul  
 Ms. Nopanuch Apichatsatien  
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 44 North Sathorn Road, Lumpini, Prathumwan, Bangkok 10330  
**Thanachart Bank Public Company Limited**  
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 4th , 6th -7th Flr. ,The Stock Exchange of Thailand Bldg.,  
 62 Ratchadaphisek Road, Klongtoey, Bangkok 10110  
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 10 Nonsi Rd., Nonsi, Yannawa, Bangkok 10120  
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**Thai Property Appraisal Lynn Phillips Co.,Ltd.**  
 11th Floor, RS Tower Building,121/47-48 Rachadaphisek Road, Dindaeng, Bangkok 10320  
 Tel. 0-2641-2128-32 Fax. 0-2641-2134  
**S.L. Standard Appraisal Co.,Ltd.**  
 114 Rattana Uthit Road, Soi 19, Tambon Hadyai, Amphoe Hadyai, Songkhla 90110  
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**Knight Frank Charter (Thailand) Co.,Ltd.**  
 65/192 23rd Floor Chamnan Phenjati Business Center  
 Rama IX Road, Huaykwang, Bangkok 10320  
 Tel. 0-2643-8223 Fax. 0-2643-8224

**Legal Advisor**

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 Tel. 0-2264-8000 Fax. 0-2657-2222



Property Perfect Public Company Limited was established on 14 August 1985 by the group of Maneeya Estate's operators, with initial registered capital of Bt300,000. On 19 October 1993, the company was registered as a public company and on 1 June in the same year, it was listed on the Stock Exchange of Thailand in the Property Sector.

The Company witnessed severe impacts from the financial crisis and baht devaluation in 1997, leading to financial problems, business rehabilitation and debt restructuring. After completing rehabilitation and debt-restructuring conditions, the Central Bankruptcy Court approved the exit from rehabilitation in 2004. Loans were gradually repaid to creditors in the rehabilitation plan, until they were fully repaid in 2011.

As 31 December 2019, The company is now capitalized at Bt10,022,174,312, consisting of 10,022,174,312 common shares at Bt1 par value. The paid-up capital is 8,667,826,432, consisting 8,667,826,432 common shares at Bt1 par value.

## MAJOR EVENTS IN THE PAST 4 YEARS

### 2019

- The Board of Directors at the 1/2019 meeting on 24 January 2019 approved the buyout of Perfect Prefab Co., Ltd.'s 1,200,000 shares from Center of Standard Precast Co., Ltd. The 20% stake boosted the Company's equity in Perfect Prefab to 100%.



- The Board of Directors at the 1/2019 meeting on 24 January 2019 approved the establishment of the following wholly-owned subsidiaries:
  - 1) PF Forestry Co., Ltd., capitalized at Bt15 million with 150,000 paid-up common shares at Bt100 par value.
  - 2) PFS 1 Co., Ltd., capitalized at Bt5 million with 50,000 paid-up common shares at Bt100 par value.
  - 3) PFS 2 Co., Ltd., capitalized at Bt5 million with 50,000 paid-up common shares at Bt100 par value.
- The Board of Directors at the 4/2019 meeting on 14 May 2019 resolved to establish another 3 subsidiaries — PF HKL 4 Co., Ltd. (PFHKL 4), PF HKL 5 Co., Ltd. (PFHKL 5), PF HKL 6 Co., Ltd. (PFHKL 6). Each is capitalized at Bt5 million, having paid-up 50,000 common shares at Bt100 par value. All the 100% shares of PF in PFHKL 4 was sold to HKL Perfect Co., Ltd. (HKLPF).
- The Board of Directors at the 4/2019 meeting on 14 May 2019 approved the partnership with Sumitomo Forestry Singapore Ltd. (Sumitomo), a unit of Sumitomo Forestry Co., Ltd. PF holds a 51% stake in PF Forestry Co., Ltd. and Sumitomo holds the remaining 49%. PF Forestry later raised capital from Bt15 million to Bt500 million, consisting of 5 million shares at Bt100 par value. PF will then sell the 49% stake to Sumitomo at an amount of Bt245 million.
- At the 1/2019 extraordinary shareholders' meeting on 27 September 2019, where the following agenda was endorsed;
  1. Approve the company's registered capital decrease from Bt9 million to Bt8,667,826,432 or 8,667,826,432 shares at Bt1 par value. Of total, 332,173,568 shares were unallocated, including 300,000,000 shares left over from a private placement. Shareholders at the 1/2016 meeting made no resolution on the allocation of the left-over shares.
  2. Approve the capital increase from Bt8,667,826,432 to Bt10,022,174,312, by issuing 1,354,347,880 common shares at Bt1 par value.
  3. Approve the allocation of 1,354,347,880 new shares at Bt. 1 par value through the following methods;
    - 3.1 Sell no more than 1,083,478,304 shares at Bt. 1 par value in the right offering, offering existing shareholders at the ratio of 8 existing shares to 1 new share at the price of Bt1 apiece or at Bt1 par value.
    - 3.2 Empower the executive committee or authorized directors in allocating the shares left over from the right offering in 3.1 to existing shareholders who subscribe and pay for shares above their entitled rights at the price of Bt1.
    - 3.3 Reserve no more than 270,869,576 shares for the exercise of warrants sold to those existing shareholders who subscribe for the right offering. One warrant can be exercised for 1 common share at the exercise price of Bt1.50.
    - 3.4 Empower the Board of Directors and/or the Executive Committee and/or authorized directors and/or persons designated by the Board of Directors and the Executive Committee in changing details of the share allocation and take other necessary actions deemed appropriate in accordance with relevant laws and regulations.
- Kiroro Resort Holding Co., Ltd.'s Board of Directors at the 2/2019 meeting on 15 February 2019 endorsed the merger of Kiroro Associate Co., Ltd., Kiroro Hotel Co., Ltd, and Kiroro Resort Development Co., Ltd. for faster and greater operational efficiency.



## 2018

- The Board of Directors of Grande Asset Hotels and Property Public Company Limited (“GRAND”) at the 1/2018 meeting on Wednesday 14 February 2018 resolved to fix the record date on 5 March 2018 for the subscription of 866,711,771 new shares at Bt1 par value. The rights offering was offered to existing shareholders at the ratio of 10 old shares per 3 new shares (incremental shares are nullified) at the price of Bt1 apiece. The subscription and payment date was on 5 April 2018 and 9-12 April 2018, totaling 5 working days.
- The Board of Directors at the 4/2018 meeting on 22 March 2018 approved Property Perfect Public Company Limited (“PF”)’s joint venture with Hongkong Land Company Limited (“HKL”). The joint venture namely HKL Perfect Company Limited engages in the investment and development of property for sale.
- The Board of Directors at the 5/2018 meeting on 10 May 2018 approved Property Perfect Public Company Limited (“PF”)’s joint venture with Sekisui Chemical Company Limited (“Sekisui”). The joint venture namely PF-Sekisui JV Company Limited engages in the investment, construction and development of property for sale.
- The Board of Directors at the 6/2018 meeting on 4 July 2018 approved Property Perfect Public Company Limited (“PF”)’s joint venture with its subsidiary, Grande Asset Hotels and Property Public Company Limited (“GRAND”), and Sumitomo Forestry Singapore Ltd. The joint venture namely Grand River Forest Company Limited engages in the investment and development of a property project on Charoennakorn Road for sale.
- The Board of Directors at the 6/2018 meeting on 4 July 2018 approved the appointment of the Corporate Governance Committee and tasked it with the following duties and responsibilities:
  - 1) Propose the Board of Directors corporate governance guidelines.
  - 2) Recommend the Board of Directors on governance-related issues.
  - 3) Ensure the Board of Directors and the Management’s compliance with best governance practices.
  - 4) Monitor and review organizational work processes in accordance with the prescribed guidelines.
  - 5) Monitor and take action if the Management and employees act against the corporate governance policy and the prescribed guidelines.
  - 6) Perform other assignments from the Board of Directors.

## 2017

- The Company, Sumitomo Forestry Company Limited and Grande Asset Hotels and Property Public Company Limited set up a joint venture namely Grand Star Company Limited, to develop a high-end downtown condominium project.
- Grande Asset Hotels and Property Public Company Limited ("GRAND") convened the annual shareholder meeting on 24 April 2017 where the following agenda was endorsed.
  - Reduced the registered capital from Bt2,889,040,000 to Bt2,889,039,237 consisting of 2,889,039,237 common shares at Bt1 par value.
  - Raise the registered capital from Bt2,889,039,237 to Bt5,000,000,000 by issuing 2,110,960,763 new shares at Bt1 par value.
  - Allocate 866,711,771 shares at Bt1 par value for a rights offering, offering existing shareholders 3 new shares for 10 existing shares at the price of Bt1 apiece.
  - Allocate 1,244,248,992 new shares at Bt1 par value and shares left over from the rights offering for a private placement.
- The Company's Board of Directors at the meeting on 11 May 2017 resolved to sell all 26,000,000 shares in Dara Harbour Company Limited or 65% of Dara Harbour's equity to Central Pattana Public Company Limited.
- T Utilities Company Limited (TU), a subsidiary, called for the additional 50% payment of newly-issued shares worth totally Bt60 million. All the new shares were paid up, boosting the registered and paid-up capital to Bt75 million. The Board of Directors at the 4/2017 meeting on 4 August 2017 resolved to raise the Company's stake in TU from 40% to 45%. As of 31 December 2017, TU is raising the registered capital from Bt75 million to Bt300 million to support investment projects.

- The Company converted the 1,205,000,000-yen loan to Kiroro Resort Holdings to 241,000 preferred shares with 5,000 yen par value in Share Group, raising Property Perfect International's stake in Kiroro Resort Holdings to 98.10%.

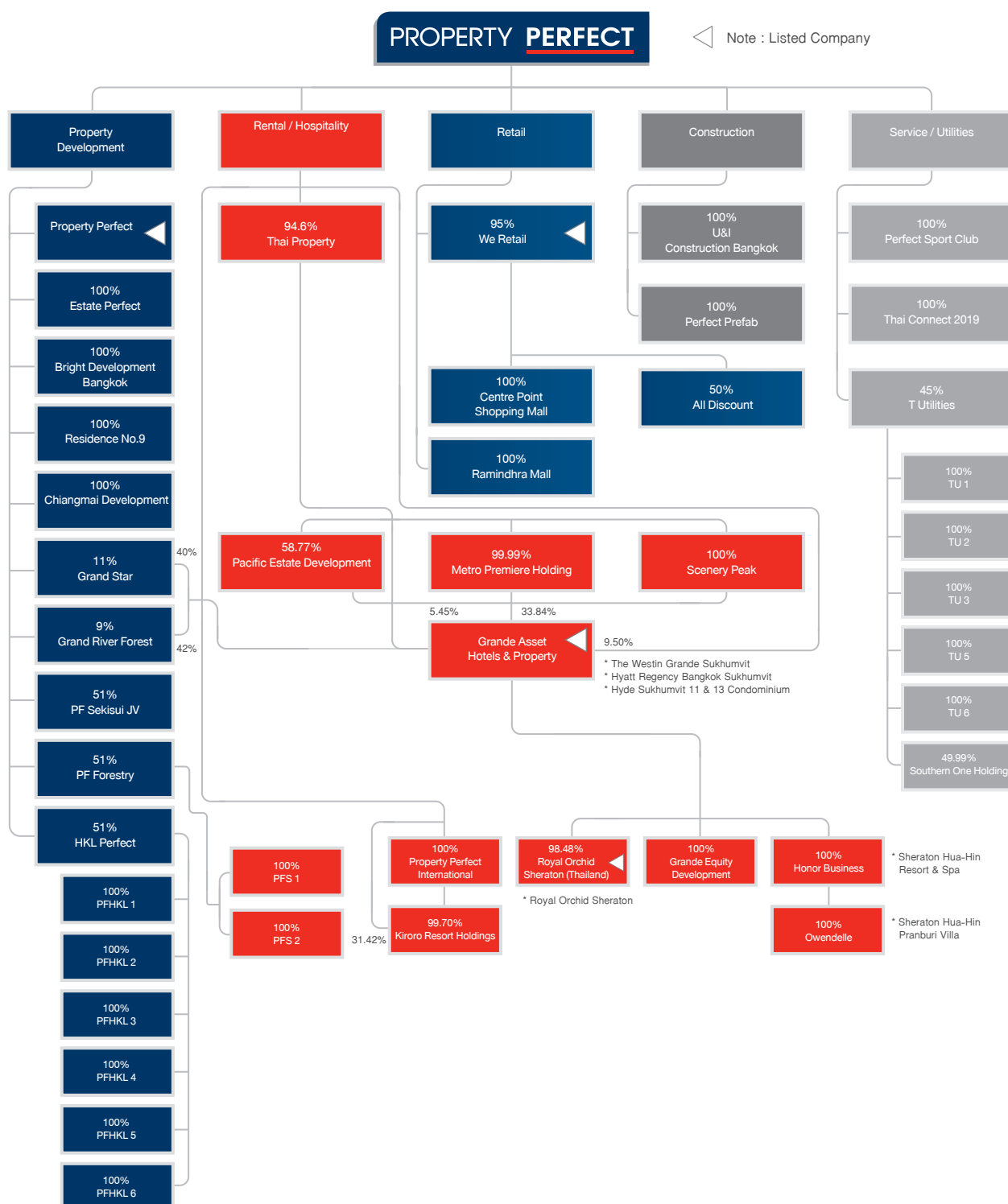
## 2016

- The Company and SCI Electric Public Company Limited set up a 40:60 joint venture called T Utilities Company Limited (TU), to offer utility services. the joint venture's registered capital and paid-up capital stood at Bt15,000,000. TU subsequently raised the registered capital by Bt60 million to Bt75 million, calling for the 25% payment of the newly-issued shares or Bt15 million. The paid-up capital was raised to Bt30 million.
- KRH's board of directors approved the establishment of a wholly-owned subsidiary, Kiroro Resort Development Co Ltd, to develop property projects. The new venture is capitalized at 30 million yen.
- We Retail's board of directors approved the 50% investment in a newly-established joint venture, All Discount Company Limited. The retail-business venture is capitalized at Bt25 million, one fourth of its Bt100 million registered capital (1,000,000 shares at Bt100 par value).
- At the 1/2016 extraordinary meeting on 23 December 2016, shareholders approved the issuance of 1,300 million shares at Bt1 par value, to be offered in lots through private placements, as well as the issuance of debentures denominated in US dollar or other currencies worth no more than US\$100 million.



## THE SHAREHOLDER'S STRUCTURE

The company and subsidiaries operate in the property development business, with the focus in single houses and condominiums in the Greater Bangkok. The subsidiaries and associated companies operate in five business: 1) Property development group 2) Rental property and hotel group 3) Retail group 4) Construction group 5) Service group. The structure as of 31 December 2019 is as follows;





## PROPERTY DEVELOPMENT UNITS

The company and subsidiaries are mainly involved with the property development for sale. The projects involve the development of single detached houses, townhouses, and condominiums. Details are as follows;

### PROPERTY PERFECT PUBLIC COMPANY LIMITED ("THE COMPANY")

Developing housing estates, town house and condominiums. As of 31 December 2019, a total of 38 projects are under development with outstanding value of Bt29,737.20 million. (Additional information on the projects of the company and subsidiaries are in Graphic: Project by Type)

**Note :** Exclude project's of Grande Asset Hotels and Property Plc.

### ESTATE PERFECT COMPANY LIMITED (SUBSIDIARY)

Estate Perfect Company Limited, ("Estate") is located at 17th Floor, Vorasombat Bldg., 100/1 Rama IX Road,

HuayKhwang, Bangkok. It was established in 1994, to develop single detached houses, duplex house and townhouses, with focus on potential locations. Estate is now capitalized at Bt1,200 million at Bt10 par while the paid-up capital totaled Bt1,200 million. The company now owns 100% of Estate.

As of 31 December 2019, Sale of Estate's 11 projects is underway, and the remaining value of the unsold units is Bt7,104.54 million.(Additional information on the projects of the subsidiaries are in Graphic: Project by Type)

As of 31 December 2019, Estate Perfect Company Limited's 5 directors are:

| NAME           |                 | POSITION |
|----------------|-----------------|----------|
| 1. Ms.Sirirat  | Wongwattana     | Director |
| 2. Mr.Kritapas | Pongpakawat     | Director |
| 3. Mr.Pornswat | Katechulasriroj | Director |
| 4. Mr.Wicharn  | Sirivejwarawut  | Director |
| 5. Mr.Wason    | Srirattanapong  | Director |

### **BRIGHT DEVELOPMENT BANGKOK COMPANY LIMITED (SUBSIDIARY)**

Bright Development Bangkok Company Limited ("Bright") is Located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, Bright Development was established on 2007 for condominium development.

At present, Bright Development Bangkok Company Limited is now capitalized at Bt1,000 million, all paid up. The company holds 100% in Bright.

As of 31 December 2019, Bright planned 9 condominium projects and, the remaining value of unsold units is Bt5,428.50 million (Additional information on the projects of the subsidiaries are in Graphic: Project by Type).

As of 31 December 2019, Bright Development Bangkok Company Limited's 5 directors are:

| NAME                           | POSITION |
|--------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat   | Director |
| 2. Ms.Sirirat Wongwattana      | Director |
| 3. Mr.Pornswat Katechulasriroj | Director |
| 4. Mr.Sumeth Suwajanakorn      | Director |
| 5. Mr.Kritapas Pongpakawat     | Director |

### **RESIDENCE NUMBER NINE COMPANY LIMITED (SUBSIDIARY)**

Residence Number Nine Company Limited ("Residence") is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, is capitalized at Bt1,000 million. Owned 100% by the company, The subsidiary is tasked to develop low-rise small-scale housing projects in potential locations. Its target groups are new families, looking for single houses and townhouses valued between Bt1.9-Bt6 million.

As of 31 December 2019, Residence's 6 projects are now marketed, The remaining value of unsold units is Bt3,742.36 million. (Additional information on the projects of the subsidiaries are in Graphic: Project by Type)

As of 31 December 2019, Residence Number Nine Company Limited's 4 directors are:

| NAME                           | POSITION |
|--------------------------------|----------|
| 1. Mr.Pornswat Katechulasriroj | Director |
| 2. Mr.Sunphet Sukasem          | Director |
| 3. Mr.Pornchai Ketlek          | Director |
| 4. Mr.Kritapas Pongpakawat     | Director |

### **CHIANGMAI DEVELOPMENT COMPANY LIMITED (SUBSIDIARY)**

Chiangmai Development Company Limited ("Chiangmai") is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. It is registered with Bt200 million. The company holds 100% in the subsidiary. Established on 21 February 2013, the subsidiary is tasked to expand the company's residential development business for sale and rental. Its focus is on low-rise development in Chiang Mai province. Chiangmai kicked off land development in preparation for the launch of a property project.

As of 31 December 2019, Chiangmai Development Company Limited's 4 directors are:

| NAME                           | POSITION |
|--------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat   | Director |
| 2. Mr.Pornswat Katechulasriroj | Director |
| 3. Mr.Wason Srirattanapong     | Director |
| 4. Mr.Kritapas Pongpakawat     | Director |

### **HKL PERFECT COMPANY LIMITED (JOINT VENTURE)**

HKL Perfect Company Limited is a joint venture with HKL (Thai Development) Company Limited which is a business unit of Hongkong Land Company Limited. It was established on 17 May 2018 to invest in a property development project for sale. It is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. It is registered with Bt40million capital, 100% paid up. The company holds 51% in the joint venture.



As of 31 December 2019, HKL Perfect Company Limited's 4 directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat | Director |
| 2. Ms.Sirirat Wongwattana    | Director |
| 3. Mr.Tan Wee Hsien          | Director |
| 4. Ms.Ong Lay Kuan           | Director |

### PFHKL 1 COMPANY LIMITED (JOINT VENTURE)

PFHKL 1 Co.,Ltd. is a 100%-owned subsidiary of HKL Perfect Co., Ltd, established on 5 March 2018. Located at 10th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale in Chaeng Wattana area. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 1 Company Limited's 4 directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat | Director |
| 2. Ms.Sirirat Wongwattana    | Director |
| 3. Mr.Tan Wee Hsien          | Director |
| 4. Ms.Ong Lay Kuan           | Director |

### PFHKL 2 COMPANY LIMITED (JOINT VENTURE)

PFHKL 2 Co.,Ltd. is a 100%-owned subsidiary of HKL Perfect Co., Ltd, established on 7 March 2018. Located at 20th Floor, Gaysorn Plaza Building, Unit B, 127 Ratchdamri Road, Lumpini, Pathumwan, Bangkok, it engages in the development of a property project for sale in Chaeng Wattana area. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 2 Company Limited's 4 directors are:

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Wason Srirattanapong      | Director |
| 2. Mr.Anucha Tantrawanich       | Director |
| 3. Mr.Tan Wee Hsien             | Director |
| 4. Mr.William James park Bright | Director |

### PFHKL 3 COMPANY LIMITED (JOINT VENTURE)

PFHKL 3 Co.,Ltd. is a 100%-owned subsidiary of HKL Perfect Company Limited, established on 16 August 2018. Located at 10th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale near Suvarnabhumi Airport. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 3 Company Limited's 4 directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat | Director |
| 2. Ms.Sirirat Wongwattana    | Director |
| 3. Mr.Tan Wee Hsien          | Director |
| 4. Ms.Ong Lay Kuan           | Director |

### PFHKL 4 COMPANY LIMITED (JOINT VENTURE)

PFHKL 4 Co.,Ltd. is a 100%-owned subsidiary of HKL Perfect Company Limited, established on 27 September 2019. Located at 20th Floor, Gaysorn Plaza Building, Unit B,127 Ratchdamri Road, Lumpini, Pathumwan, Bangkok, it engages in the development of a property project for sale near Suvarnabhumi Airport. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 4 Company Limited's 4 directors are:

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Wason Srirattanapong      | Director |
| 2. Mr.Thiti Inklinpan           | Director |
| 3. Mr.William James park Bright | Director |
| 4. Mr.Lee Hak Ching Terence     | Director |

### PFHKL 5 COMPANY LIMITED (JOINT VENTURE)

PFHKL 5 Co.,Ltd. is a 100%-owned subsidiary of HKL Perfect Company Limited, established on 16 May 2019. Located at 10th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale at Chaengwattana Road. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 5 Company Limited's 4 directors are:

| NAME                        | POSITION |
|-----------------------------|----------|
| 1. Ms.Sirirat Wongwattana   | Director |
| 2. Mr.Wason Srirattanapong  | Director |
| 3. Mr.Tan Wee Hsien         | Director |
| 4. Mr.Lee Hak Ching Terence | Director |

### PFHKL 6 COMPANY LIMITED (JOINT VENTURE)

PFHKL 6 Company Limited is a 100%-owned subsidiary of HKL Perfect Company Limited, established on 24 May 2019. Located at 10th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale at Chaengwattana Road. It is registered with Bt5 million capital, 100% paid up.

As of 31 December 2019, PFHKL 6 Company Limited's 4 directors are:

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat    | Director |
| 2. Mr.Anucha Tantrawanich       | Director |
| 3. Ms.Ong Lay Kuan              | Director |
| 4. Mr.William James park Bright | Director |

### PF-SEKISUI JV COMPANY LIMITED (JOINT VENTURE)

PF-Sekisui JV Company Limited is a joint venture of the Company and Sekisui Chemical Company Limited which engages in high-quality plastic materials and equipment, products related to urban cities' infrastructure and environment, house construction and other property-related businesses in Japan and other countries. The joint venture is Located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. Established on 15 June 2018, it is set to develop property projects for sale. It is registered with Bt200 million capital, fully paid up. The Company owns a 51% stake in the joint venture.

As of 31 December 2019, PF-SEKISUI JV Company Limited's 4 directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Mr.Rungroj Singhthanadkij | Director |
| 2. Mr.Saranyu Adhyanasakul   | Director |
| 3. Mr.Michio Sakai           | Director |
| 4. Mr.Tetsuji Ando           | Director |

### PF FORESTRY COMPANY LIMITED (JOINT VENTURE)

PF Forestry Company Limited is a joint venture of the Company and Sumitomo Forestry Singapore Ltd. ("Sumitomo") which is a business unit of Sumitomo Forestry Co.,Ltd., It was established on 14 February 2019 to invest in a property development project for sale. Located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, Huay Kwang, Bangkok, It is registered with Bt500 million capital, fully paid up. The company holds 51% in the joint venture.

As of 31 December 2019, PF Forestry Company Limited's 4 directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Mr.Wongsakorn Prasitvipat | Director |
| 2. Ms.Sirirat Wongwattana    | Director |
| 3. Mr.Atsumisa Ogura         | Director |
| 4. Mr.Kenji Aiura            | Director |

### PFS1 COMPANY LIMITED (SUBSIDIARY)

PFS1 Company Limited (Subsidiary) is a 100%-owned subsidiary of PF Forestry Company Limited established on 15 February 2019. Located at 10th floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale at New Ratchapruk area. It is registered with Bt280 million capital, 100% paid up.

As of 31 December 2019, PFS1 Company Limited's 2 directors are:

| NAME                       | POSITION |
|----------------------------|----------|
| 1. Mr.Prakit Ruekpredapong | Director |
| 2. Mr.Kenji Aiura          | Director |

**PFS2 COMPANY LIMITED (SUBSIDIARY)**

PFS2 Company Limited (Subsidiary) is a 100%-owned subsidiary of PF Forestry Company Limited established on 15 February 2019. Located at 10th Fl., LC room, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, it engages in the development of a property project for sale at New Ratchapruk area. It is registered with Bt210 million capital, 100% paid up.

As of 31 December 2019, PFS2 Company Limited's 2 directors are:

| NAME                        | POSITION |
|-----------------------------|----------|
| 1. Mr.Ekachai Pukdeemakanon | Director |
| 2. Mr.Atsuhisa Ogura        | Director |

**GRAND STAR COMPANY LIMITED (JOINT VENTURE)**

Grand Star Company Limited is a joint venture of Sumitomo Forestry Company Limited, Grande Asset Hotels and Property Public Company Limited, and Property Perfect Public Company Limited. It was established on 22 May 2017 with Bt1,200 million in registered capital. The Company holds an 11% stake in Grand Star. It is located at 32nd Floor, Exchange Tower, Room 3203-4, 388 Sukhumvit Road, Khlong Toei, Bangkok.

As of 31 December 2019, Grand Star Company Limited's 4 directors are:

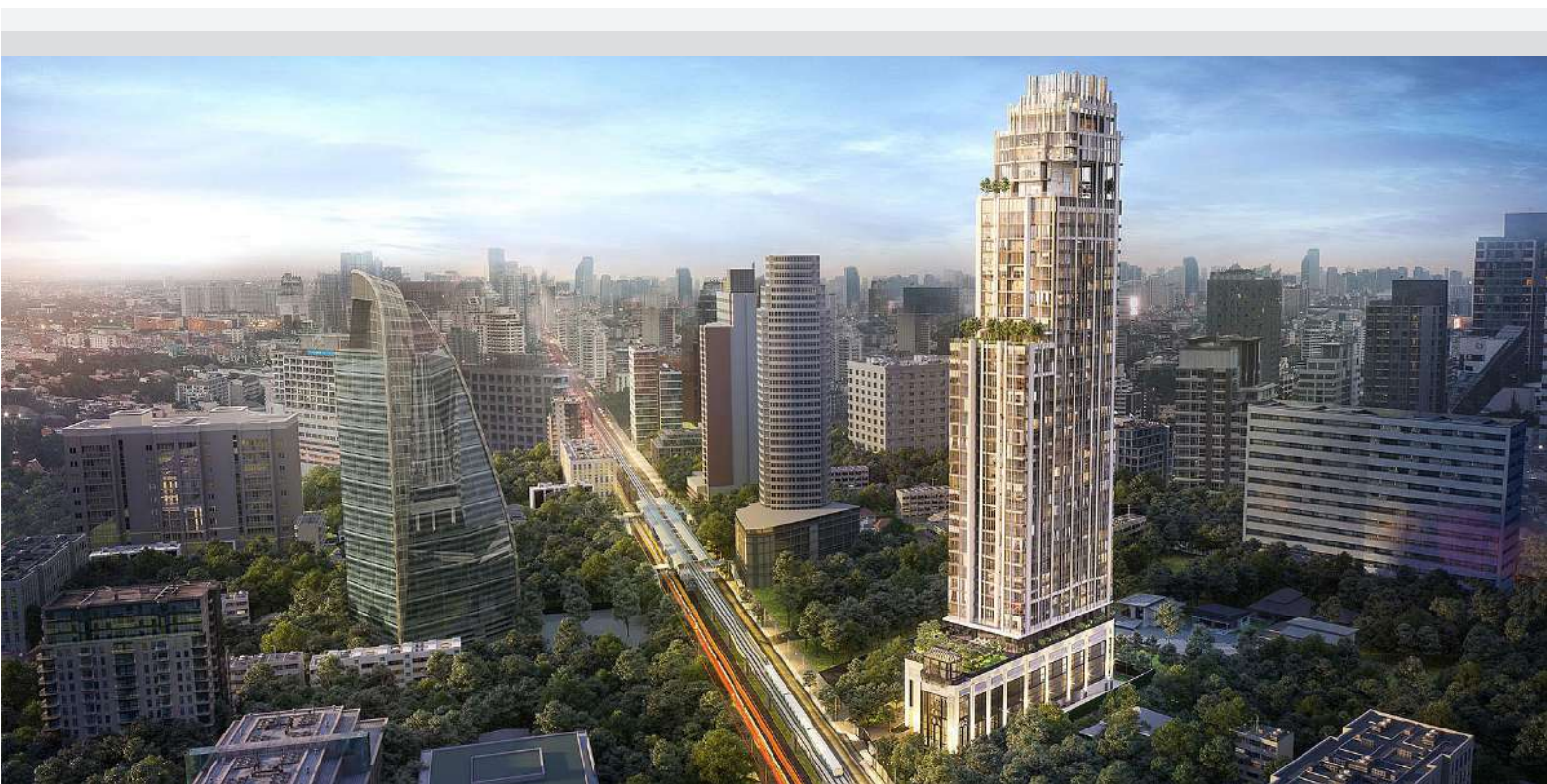
| NAME                  |              | POSITION |
|-----------------------|--------------|----------|
| 1. Mr.Chainid         | Adhyanasakul | Director |
| 2. Mr. Vitavas        | Vibhagool    | Director |
| 3. Mr.Atsuhisa Ogura  |              | Director |
| 4. Mr.Kazuhiko Matake |              | Director |

**GRAND RIVER FOREST COMPANY LIMITED (JOINT VENTURE)**

Grand River Forest Company Limited is a joint venture of Sumitomo Forestry Company Limited, Grande Asset Hotels and Property Public Company Limited and Property Perfect Public Company Limited, located at 32nd Floor, Exchange Tower, Room 3203-4, 388 Sukhumvit Road, Khlong Toei, Bangkok. Established on 6 July 2018, the joint venture invests in a property development project for sale on Charoennakorn Road. The initial registered capital of Bt400million is fully paid up. The Company holds a 9% stake in the joint venture.

As of 31 December 2019, Grand River Forest Company Limited's 4 directors are:

| NAME                  |              | POSITION |
|-----------------------|--------------|----------|
| 1. Mr.Chainid         | Adhyanasakul | Director |
| 2. Mr. Vitavas        | Vibhagool    | Director |
| 3. Mr.Kazuhiko Matake |              | Director |
| 4. Mr.Atsuhisa Ogura  |              | Director |







## RENTAL PROPERTY AND HOTEL GROUP

### THAI PROPERTY PUBLIC COMPANY LIMITED (SUBSIDIARY)

Thai Property Plc. (TPROP) is located at 29th Floor, Charn Issara Tower 2, 2922/305-306 Petchaburi Road, Bang Kapi, HuayKwang, Bangkok. It was registered as a public company on 10 May 1994 to real estate development. Thai Property has Bt3,353,702,060 in registered capital and Bt3,193,185,471 is paid-up. The Company owns 94.60% in the subsidiary. Thai Property later sought a voluntary delisting from the Stock Exchange of Thailand and the SET's board approved the delisting on 9 December 2016.

As of 31 December 2019, Thai Property Public Company Limited's 5 directors are:

| NAME           |                 | POSITION |
|----------------|-----------------|----------|
| 1. Dr.Bhichit  | Rattakul        | Director |
| 2. Mr.Pramote  | Remyindee       | Director |
| 3. Mr.Pornswat | Katechulasriroj | Director |
| 4. Mr. Prasong | Vararatnakul    | Director |
| 5. Mr.Likit    | Somnualtad      | Director |

### PACIFIC ESTATE DEVELOPMENT COMPANY LIMITED (SUBSIDIARY OF THAI PROPERTY PLC.)

Pacific Estate Development Company Limited is located at 29th Floor, Charn Issara Tower 2, 2922/305-306 Petchaburi Road, Bang Kapi, HuayKwang, Bangkok. It was registered as a public company on 22 December 1988. At present, it has Bt1,151million in registered capital, all paid-up. It is 58.77% owned by the Company through the stake in Thai Property. A new project is under feasibility study.

As of 31 December 2019, Pacific Estate Development Company Limited's 3 directors are:

| NAME           |                 | POSITION |
|----------------|-----------------|----------|
| 1. Dr.Bhichit  | Rattakul        | Director |
| 2. Mr.Pramote  | Remyindee       | Director |
| 3. Mr.Pornswat | Katechulasriroj | Director |



### **METRO PREMIER HOLDING COMPANY LIMITED** (SUBSIDIARY OF THAI PROPERTY PLC.)

Metro Premier Holding Company Limited is located at 29th Floor, Charnlssara Tower 2, 2922/305-306 Petchaburi Road, Bang Kapi, HuayKwang, Bangkok. It was registered on 29 November 2010. It is registered with Bt5 million capital, all paid-up. It is owned 99.99% by the Company through a stake in Thai Property.

As of 31 December 2019, Metro Premiere Holding Company Limited's 3 directors are:

| NAME                          | POSITION |
|-------------------------------|----------|
| 1. Dr.Bhichit Rattakul        | Director |
| 2. Mr.Pramote Remyindee       | Director |
| 3. Mr.Pornswat Katechulasiroj | Director |

### **SCENERY PEAK COMPANY LIMITED** (SUBSIDIARY OF THAI PROPERTY PLC.)

Scenery Peak Company Limited is located at Quastisky Buildings, PO Box 4389, Road Town, Tortola, British Virgin Islands. It was registered on 12 May 2010. It is registered with US\$ 50,000, all paid-up. It is owned 100% by the Company through a stake in Thai Property.

As of 31 December 2019, Scenery Peak Company limited's 1 director is:

| NAME                          | POSITION |
|-------------------------------|----------|
| 1. Mr.Pornswat Katechulasiroj | Director |

### **GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED** (SUBSIDIARY OF THAI PROPERTY PLC.)

Grande Asset Hotels and Property Public Company Limited is located at 32th Floor, Exchange Tower Room 3203-4, 388 Sukhumvit Road, Khlong Toei, Bangkok. It was registered on 7 July 2003. Grande Asset has Bt5,000,000,000

in registered capital, with Bt3,615,929,965 paid up. (Shareholders at the annual meeting on 24 April 2017 approved Grand's recapitalization by Bt2,110,960,763 million through the issuance of 2,110,960,763 new shares with Bt1 par value. Of total, 866,711,771 shares were offered to Grand's existing shareholders at the 10:3 ratio at the price of Bt1 apiece. On 20 April 2018, Grand received Bt611,337,993 for the offering of 611,337,993 shares.) It is indirectly owned 39.29% by the Company through a stake in Thai Property and 9.50% directly owned by the Company.

Grande Asset Hotels and Property is a hotel operator and property developer. It operates 5 hotels as following:

1. The Westin Grande Sukhumvit Hotel is located at Soi Sukhumvit 19, Bangkok: a 25-floor 5-star hotel with 362 guest rooms.
2. Royal Orchid Sheraton Hotel and Towers is located at Charoenkrung 30, Bangkok: a 28-floor 5-star hotel with 726 guest rooms.
3. Sheraton Hua Hin Resort and Spa in Cha-Am, Phetburi province: a 2-floor 5-star hotel with 240 guest rooms.
4. Sheraton Hua Hin Pranburi Villas in PranBuri, Prachuab-Khiri Khan province: a 5-star hotel with 53 villas.
5. Hyatt Regency Bangkok Sukhumvit, an Upper—Up-scale hotel with 273 guest rooms. Located at Soi Sukhumvit 13, the building has 31 floors.

And a mixed-use project under development which consists of resort villas, a hotel and a condominium building. The project is located in Rayong, encompassing 93 rai of land on the hilly Laem Mae Phim.

As of 31 December 2019, Grande Asset Hotels and Property had 5 projects on the market—Hyde Heritage Thonglor, Hyde Sukhumvit 13, Hyde Sukhumvit 11, The Trendy condominium and Hua Hin Blue Lagoon resort, with the remaining combined value of Bt6,279 million.

(Details appeared in subsidiaries' projects: Table of products.)

As of 31 December 2019, Grande Asset Hotels and Property Public Company Limited's 11 directors are:



| NAME                      |                  | POSITION  |
|---------------------------|------------------|---|
| 1. Mr.Wichai              | Thongtang        | Chairman  |
| 2. Dr.Bhichit             | Rattakul         | Vice Chairman /<br>Chief Executive Director                                 |
| 3. Mr.Chainid             | Adhyanasakul     | Director  |
| 4. Mr.Vitavas             | Vibhagool        | Director  |
| 5. Ms.Wilawun             | Leongnarktongdee | Director  |
| 6. Mr.Suradej             | Narula           | Director  |
| 7. Mr.Amarin              | Narula           | Director  |
| 8. Mr.Lohtar Richard Pehl |                  | Director  |
| 9. Mr.Pornchai            | Kittipanyangam   | Independent Director /<br>Chairman of Audit<br>Committee                    |
| 10. Mr. Wattana           | Suthipinijtham   | Independent Director /<br>Audit committee /<br>Risk Management<br>Committee |
| 11. Mr.Chaiwat            | Utaiwan          | Independent Director /<br>Chairman of Risk<br>Management Committee          |

#### GRANDE EQUITY DEVELOPMENT COMPANY LIMITED (A SUBSIDIARY OF GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED)

Grande Equity Development Company Limited is located at 32nd Floor, Exchange Center, 3203-4, 338 Sukhumvit Road, Klong Toei, Bangkok . The company owns a 100% stake in Grande Equity through its wholly-owned subsidiary Grande Asset Hotels and Property Plc. Grande Equity operates real estate development business, in the process of acquiring land for future development.

As of 31 December 2019, Grande Equity Company Limited's 4 directors are:

| NAME          |              | POSITION |
|---------------|--------------|----------|
| 1. Dr.Bhichit | Rattakul     | Director |
| 2. Mr.Chainid | Adhyanasakul | Director |
| 3. Mr.Vitavas | Vibhagool    | Director |
| 4. Mr.Amarin  | Narula       | Director |

## HONOR BUSINESS COMPANY LIMITED

(A SUBSIDIARY OF GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED)

Honor Business Company Limited is located at 32nd Floor, Exchange Center, 3203-4, 338 Sukhumvit Road, Klong Toei, Bangkok. The company owns a 100% stake in Honor Business Company Limited through its wholly-owned subsidiary Grande Asset Hotels and Property Plc. Honor Business Company Limited manages Sheraton Hua Hin Resort and Spa Hotel by renting out the property from REIT.

As of 31 December 2019, Honor Business's 5 directors are:

| NAME                          | POSITION |
|-------------------------------|----------|
| 1. Dr.Bhichit Rattakul        | Director |
| 2. Mr.Chainid Adhyanasakul    | Director |
| 3. Mr.Vitavas Vibhagool       | Director |
| 4. Mr.Amarin Narula           | Director |
| 5. Ms.Wilawun Leongnarkongdee | Director |

## ROYAL ORCHID HOTEL (THAILAND) PUBLIC COMPANY LIMITED

(A SUBSIDIARY OF GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED)

Royal Orchid Hotel (Thailand) Public Company Limited ("ROH") is located at 2 Captain Bush Lane, New Road, Bang Rak, Bangkok 10500. It was listed on the Stock Exchange of Thailand on 21 July 1989. ROH's fully-paidup registered capital is at Bt937,500,000 with a number of 93,750,000 shares at Bt10 par value. Grand acquired 41,250,235 shares of ROH or a 44% stake from Starwood Hotel (Thailand) Company Limited, and 22,500,000 shares or a 24% stake of ROH from Thai Airways International Public Company Limited. After the transactions, Grand owned 63,750,235 shares in ROH or 68%. Grand subsequently launched a mandatory tender offer for the remaining shares of ROH during 8 May 2018 and 10 July 2018 and bought additional 28,570,803 shares or 30.48%. Grand consequently owns a total of 92,321,038 shares or 98.48% in ROH.

ROH mainly engages in a five-star hotel business, with 726 guest rooms and facilities such as function rooms, meeting rooms, facilities for seminars and exhibitions, international restaurants, a swimming pool, a tennis court, and a private wharf. ROH awards the management contract to US-based Sheraton Overseas Management Corporation.

As of 31 December 2019, Royal Orchid Sheraton Hotel (Thailand) Public Company Limited's 12 directors are:

| NAME                          | POSITION   |
|-------------------------------|--|
| 1. Mr.Wichai Thongtang        | Chairman / Independent Director                    |
| 2. Dr.Bhichit Rattakul        | Vice Chairman                                      |
| 3. Mr.Chainid Adhyanasakul    | Chief Executive Director / Director                |
| 4. Mr.Vitavas Vibhagool       | Chief Executive Officer / Director                 |
| 5. Mr.Pramote Remyindee       | Director / Secretary                               |
| 6. Ms.Wilawun Leongnarkongdee | Director   |
| 7. Mr.Amarin Narula           | Director   |
| 8. Ms.Monchanok Adhyanasakul  | Director   |
| 9. Mr.Twatchai Noonpukdee     | Independent Director / Chairman of Audit Committee |
| 10. Dr.Seri Wongmonta         | Independent Director                               |
| 11. Pol.Gen.Aek Angsanant     | Independent Director                               |
| 12. Mr.Amnuay Preemonwong     | Independent Director                               |

### OWENDELLE COMPANY LIMITED

(A SUBSIDIARY OF GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED)

Owendelle Company Limited is located at 32nd Floor, Exchange Center, 3203-4, 338 Sukhumvit Road, Klong Toei, Bangkok. The company owns a 100% stake in Owendelle through its wholly-owned subsidiary Grande Asset Hotels and Property Plc..Owendelle Company Limited owns the lease rights for the land which locates Sheraton Hua HinPranburi Villa as well buildings on the land.

As of 31 December 2019, Owendelle Company Limited's 5 directors are:

| NAME          |                  | POSITION |
|---------------|------------------|----------|
| 1. Dr.Bhichit | Rattakul         | Director |
| 2. Mr.Chainid | Adhyanasakul     | Director |
| 3. Mr.Vitavas | Vibhagool        | Director |
| 4. Mr.Amarin  | Narula           | Director |
| 5. Ms.Wilawun | Leongnarktongdee | Director |

### PROPERTY PERFECT INTERNATIONAL PTE. LTD. (SUBSIDIARY)

Property Perfect International Pte.Ltd. (PPI), located at 9 Raffles Place #17-01 SBF Center Singapore 068914, established on 12 July 2012, has paid-up capital of 1 Singapore dollar. Owned 100% by the Company, PPI will invest in overseas property development business. Property Perfect International holds 68.28% in Kiroro Resort Holdings and the company holds 31.42%.

As of 31 December 2019, Property Perfect International Pte.Ltd's 3 directors are:

| NAME              |              | POSITION |
|-------------------|--------------|----------|
| 1. Mr.Bhichai     | Rattakul     | Chairman |
| 2. Mr.Chainid     | Adhyanasakul | Director |
| 3. Mr.Krishnaveni | d/o Sandanam | Director |

### KIRORO RESORT HOLDINGS CO., LTD.

(RENAMED FROM SHARE GROUP COMPANY LIMITED) (SUBSIDIARY OF PROPERTY PERFECT INTERNATIONAL PTE. LTD.)

Kiroro Resort Holdings(Renamed fromShare Group Since November 2014), located at 128-1 Tokiwa, Akaigawa-mura, Yoichigun, Hokkaido, Japan, is incorporated under the Japanese law for the investment in property development and hotel business. At the 4/2012 meeting on 27 August 2012, the Board of Directors approved Kiroro Resort Holdings's investment in all shares of and loan claims against Kabushiki Kaisha Kiroro Associates Company Limited, from Mitsui Fudosan Resort Company Limited. The 100% shares were bought at the cost of 1 yen, or approximately Bt0.4050 (at the exchange rate of 100 yen for Bt40.50) .Kiroro Resort Holdings will also take over the claim on a loan to Kabushiki Kaisha Kiroro Associates from Mitsui Fudosan Company Limited. The loan is valued at 1,300.6 millionyen, it is worth Bt526.7 million. The claim is valued at 160,000,000 yen or Bt64,.8 million.

The Board also approved Kiroro Resort Holdings' purchase of Kiroro Resort from Mitsui Fudosan Resort for about Bt490 million or Bt 1,200 million. Kiroro Resort is a ski resort on Hokkaido, Japan, owning a 292-rai land plot, 2 hotels- 422-room and ski equipment. Plus transfer taxes of about700 million yen or Bt280 million, the purchase cost a total of approximately 1,900 million yen or Bt770 million. In March 2014, Kiroro Resort Holdings' capital increase by 500 million yen (100,000 shares at 5,000 yen apiece). The new shares were offered to Property Perfect International to settle a loan from Property Perfect International. Property Perfect International's shareholding Kiroro Resort Holdings thus increased to95.61%.

In August 2015, the capital was raised by 2,500 million yen through rights offering. In September, a sum, 1,048.68 million yen, was paid-up through the offering of 209,736 shares at 5,000 yen apiece. The proceeds were used to upgrade the hotel in line with Starwood Hotel and Resorts Worldwide Inc's requirements, before the resort would be rebranded as "Sheraton Hokkaido Kiroro Resort"and "The Kiroro, a Tribute Portfolio Hotel, Hokkaido".





In January 2016, Kiroro Resort Holdings was recapitalized by 500 million yen through the issuance of 100,000 shares at the par value of 5,000 yen to Property Perfect International. The new shares were issued to repay a loan extended by Property Perfect International. It also called for payments for parts of new shares issued in August 2015 but 3 minor shareholders forwent their rights, leaving 99,814 shares (5,000 yen a share) worth 499,070,000 yen to Property Perfect International. Property Perfect International's stake in Kiroro Resort Holdings thus rose to 97.27%.

In July 2017, Property Perfect's loan to Kiroro Resort Holdings worth 1,205 million yen was converted to 241,000 common shares with 5,000 yen par value, boosting Property Perfect's direct holding in Kiroro Resort Holdings to 31.4% and decreasing Property Perfect International's stake to 66.7% consisting of 767,070 common shares. In November, the capital was reduced for tax benefits and accumulated debt clearing. Kiroro Resort Holdings' paid-up capital is currently 2,272,246,451 yen.

As of 31 December 2019, Kiroro Resort Holdings Company Limited's 12 directors are:

| NAME                        | POSITION |
|-----------------------------|----------|
| 1. Mr.Bhichai Rattakul      | Chairman |
| 2. Mr.Lohtar Richard Pehl   | Director |
| 3. Mr.Chainid Adhyanasakul  | Director |
| 4. Mr.Ooi Boon Aun          | Director |
| 5. Mr.Yochiro Itto          | Director |
| 6. Dr. Thanong Bidaya       | Director |
| 7. Mr.Benjamin Lam          | Director |
| 8. Dr.Piyasvasti Amranand   | Director |
| 9. Mr.Vitavas Vibhagool     | Director |
| 10. Mr.Jesd Jesdpiyawong    | Director |
| 11. Mr.Saranyu Adhyanasakul | Director |
| 12. Mr.Lim Tien Meng        | Director |



## RETAIL BUSINESS UNIT

### WE RETAIL PUBLIC COMPANY LIMITED (SUBSIDIARY)

We Retail Public Company Limited ("We Retail") is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. Formerly named Daidomon Group Public Company Limited ("Daidomon"), It was registered as a public company on 27 April 2001. We Retail acquired the 99.99% stake of Centrepont Shopping Mall Company Limited ("Centrepont"), which develops shopping malls, office buildings and commercial space. And We Retail also holds a 50% stake in All Discount Co Ltd, a low-cost retail business operator. The company is now capitalized at Bt4,761,824,999.40 with Bt.2,615,114,338.20 paid up, consisting 2,490,585,084 shares or Bt 1.05 par value. The company hold 94.98 %. We Retail is carrying out the development of an open shopping complex in the West of Bangkok. The malls, namely Metro West Town.

As of 31 December 2019, We Retail Public Company Limited's 8 directors are;

| NAME                           | POSITION   |
|--------------------------------|--|
| 1. Mr.Chainid Adhyanasakul     | Chairman / Nomination and Remuneration Committee |
| 2. Mr.Pornswat Katechulasriroj | Director / Chief Executive Officer               |

|                              |  |
|------------------------------|--|
| 3. Mr.Pramote Rermyindee     | Director / Chairman of Nomination and Remuneration Committee |
| 4. Mr.Kampol Tatiyakawee     | Director / Nomination and Remuneration Committee             |
| 5. Mr.Cherdsak Kookiatnunt   | Independent Director/ Chairman of Audit Committee            |
| 6. Mr.Chaiyakorn Boonlapapat | Independent Director/ Audit Committee                        |
| 7. Mr.Prasong Vara-Ratanakul | Independent Director/ Audit Committee                        |
| 8. Mr.Kritapas Pongpakawat   | Director   |

### CENTREPOINT SHOPPING MALL COMPANY LIMITED (SUBSIDIARY OF WE RETAIL PLC.)

Centrepont Shopping Mall Company Limited is located at 100/1 Vorasombat Building 17th fl., Rama IX Road, Huay Kwang, Bangkok. Established in December 2007. Centrepont focuses on commercial development like shopping malls and rental office building. Centrepont Shopping Mall Company Limited owns the leasing rights of a some of a land plot on the east

side of Ratchadapisek Road, planned for the development of a closed shopping mall and an office building. In August 2012, it won the leasing right for an opposite land plot on the west side of Ratchadapisek Road, which is planned for the development of a closed shopping mall.

As of 31 December 2019, Centrepoint Shopping Mall Company Limited's 5 directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Chainid    | Adhyanasakul     | Director |
| 2. Mr.Pramote    | Rermyindee       | Director |
| 3. Mr.Wongsakorn | Prasitvipat      | Director |
| 4. Mr.Pornswat   | Katechulasriroj  | Director |
| 5. Ms.Wilawun    | Leongnarktongdee | Director |

## ALL DISCOUNT COMPANY LIMITED

### (WE RETAIL'S JOINT VENTURE)

All Discount Company Limited is located at 593/593/1 Sukhumvit Road, Khlongtan Nua, Wattana, Bangkok. Established in March 2016, All Discount will develop and operate a new low-cost retail business. It is capitalized at Bt100 million (1,000,000 shares at Bt100 par value), all paid-up. We Retail holds a 50% stake.

All Discount has currently operated 20 "All D" outlets in the peripheral areas of Bangkok.

As of 31 December 2019, All Discount has 4 directors as follows:

| NAME           |                 | POSITION |
|----------------|-----------------|----------|
| 1. Mr.Chainid  | Adhyanasakul    | Director |
| 2. Mr.Pornswat | Katechulasriroj | Director |
| 3. Mr.Pisit    | Pusanakom       | Director |
| 4. Ms.Sopit    | Pusanakom       | Director |

## RAM INTRA MALL COMPANY LIMITED (RENAMED FROM MARIYA STUFF COMPANY LIMITED) (SUBSIDIARY)

Ram Intra Mall was established in 2004 as Mariya Stuff. In August 2013, the Company bought all 100% shares of Mariya Stuff from its shareholders for Bt350 million. Mariya Stuff's old shareholders

had no connection with the Company. Through the purchase, the Company took control of the lease rights over a 34-rai land plot in TambonBueng Kum, Bang Kapi district, Bangkok. The 30-year lease period started from 9 April 2013 to 31 March 2043. The land is planned to house a shopping mall, which is being studied.

In August 2014, Mariya Stuff extended the lease by another 3 years (1 April 2043 through 31 March 2046). It was renamed to Ram Intra Mall in September 2014. In June 2016, the lease was extended by another 3 years (from 1 April 2046 to 31 March 2049). Ram Intra Mall is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. It is registered with Bt350 million capital. The company holds 100% in the subsidiary.

As of 31 December 2019, Ram Intra Mall company Limited's 2 directors are:

| NAME          |              | POSITION |
|---------------|--------------|----------|
| 1. Mr.Chainid | Adhyanasakul | Director |
| 2. Mr.Pramote | Rermyindee   | Director |

## CONSTRUCTION BUSINESS UNIT

### U & I CONSTRUCTION BANGKOK COMPANY LIMITED (SUBSIDIARY)

U & I Construction Bangkok Company Limited ("U & I"), is located at 27th Floor, Vongvanich Building, 100/89 Rama IX Road, HuayKwang, Bangkok. Established in April 2011, it has Bt100 million in registered capital, all paid up. The company holds 100% in U & I.

U & I's main objective is to offer services to construct single detached houses, duplex houses, townhouses and condominiums for the company and subsidiaries. As it will be securing direct contracts from the group, this will promise construction flexibility for the group and allow the company a better management on supply chain. The company also selected sub-contractorsto control the construction cost and construction period, as well as ensure effective control on the construction volume and quality.



As of 31 December 2019, U & I Construction Bangkok Company Limited's 3 directors are;

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Surasak Vatchapongpreecha | Director |
| 2. Mr.Prakit Rerkpreedapong     | Director |
| 3. Mr.Pipat Nittayakosol        | Director |

### PERFECT PREFAB COMPANY LIMITED (SUBSIDIARY)

Perfect Prefab Company Limited ("Perfect Prefab") is located at 10th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. Established in June 2011, it has Bt60 million in registered capital, The company holds 99.99% in Perfect Prefab.

The company established to manufacturer and install prefab structures, which are parts of single houses, townhouses and project fences, as well as condominiums. The automated production system is to ensure no effect from labor shortage. The company expects to benefit from the joint venture's prefab technology. It now manufactures prefab materials for the Company's projects, with the capacity to supply materials for the construction of 750 housing units per year.

As of 31 December 2019, Perfect Prefab Company Limited's 7 directors are;

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Wicharn Sirivejwarawut    | Director |
| 2. Mr.Surasak Vatchapongpreecha | Director |
| 3. Mr.Vorasak Chakrapiyanant    | Director |
| 4. Mr.Annop Angkunsatornsri     | Director |
| 5. Mr.Rungroj Singhthanadkij    | Director |
| 6. Mr.Pipat Nittayakosol        | Director |
| 7. Mr.Prakit Rerkpreedapong     | Director |

## SERVICES-ORIENTED UNITS

### PERFECT SPORT CLUB COMPANY LIMITED (SUBSIDIARY)

Perfect Sport Club Company Limited ("Perfect sport Club") is located at 10th Fl., Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok, was established in February 2003. it was capitalized at Bt50 million, with Bt50 million paid-up. The Company owns 100%. Perfect Sport Club operates fitness clubs and sport clubs of company and subsidiaries.

As of 31 December 2019, Perfect Sport Club Company Limited's 4 directors are:

| NAME                            | POSITION |
|---------------------------------|----------|
| 1. Mr.Surasak Vatchapongpreecha | Director |
| 2. Mr.Kritapas Longpakawat      | Director |
| 3. Mr.Sanpetch Sukkasem         | Director |
| 4. Mr.Natawee Jirawechanon      | Director |

### THAI CONNECT 2019 COMPANY LIMITED (RENAMED FROM UNILOFT SERVICE (THAILAND) COMPANY LIMITED) (SUBSIDIARY)

Thai Connect 2019 Company Limited is located at 17th Floor, Vorasombat Building, 100/1 Rama IX Road, HuayKwang, Bangkok. Established in July 2011, it has Bt100,000 in registered capital. It is 100% owned by the company. In August 2013, the registered capital was raised to Bt5,000,000 and 25% of the capital increase or Bt1,225,000, has paid-up capital of Bt1,325,000. It is designated to operate the Group's rental properties.

As of 31 December 2019, Thai Connect 2019 Company Limited's 3 Directors are:

| NAME                       | POSITION |
|----------------------------|----------|
| 1. Mr.Saranyu Adhyanasakul | Director |
| 2. Mr.Natthaphon Sueb-Am   | Director |
| 3. Mr.Jesd Jesdpiyawong    | Director |

### T UTILITIES COMPANY LIMITED (JOINT VENTURE)

T Utilities Company Limited is located at 116/1, Silom Road, Suriyawong sub-district, Bang Rak district, Bangkok. Established on 8 December 2015, it has Bt300 million in registered capital. It is 45% owned by the company. T Utilities operates through co-investment in utilities companies and projects.

As of 31 December 2019, T Utilities Company Limited 's 5 Directors are:

| NAME                         | POSITION |
|------------------------------|----------|
| 1. Dr.Bhichit Rattakul       | Director |
| 2. Mr.Chainid Adhyanasakul   | Director |
| 3. Mr.Noppol Milinthangoon   | Director |
| 4. Ms.Aunada Phrutinarakorn  | Director |
| 5. Mr.Nandhapon Patpongpanit | Director |



**TU1 COMPANY LIMITED (SUBSIDIARY)**

TU1 Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 3 July 2017, it has Bt70,000,000 in registered capital to investment in utilities companies and projects.

As of 31 December 2019, TU1 Company Limited's 4 Directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Jesd       | Jesdpiyawong     | Director |
| 2. Mr.Kriangkrai | Pheanvitayasakul | Director |
| 3. Mr.Nandhapon  | Patpongpanit     | Director |
| 4. Mr.Withawint  | Srisuriyachan    | Director |

**TU2 COMPANY LIMITED (SUBSIDIARY)**

TU2 Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 3 July 2017, it has Bt1,000,000 registered capital to investment in utilities companies and projects.

As of 31 December 2019, TU2 Company Limited's 4 Directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Jesd       | Jesdpiyawong     | Director |
| 2. Mr.Kriangkrai | Pheanvitayasakul | Director |
| 3. Mr.Nandhapon  | Patpongpanit     | Director |
| 4. Mr.Withawint  | Srisuriyachan    | Director |

**TU3 COMPANY LIMITED (SUBSIDIARY)**

TU3 Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 3 July 2017, it has Bt10,000,000 registered capital to investment in utilities companies and projects.

As of 31 December 2019, TU3 Company Limited's 4 Directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Jesd       | Jesdpiyawong     | Director |
| 2. Mr.Kriangkrai | Pheanvitayasakul | Director |
| 3. Mr.Nandhapon  | Patpongpanit     | Director |
| 4. Mr.Withawint  | Srisuriyachan    | Director |

**TU5 COMPANY LIMITED (SUBSIDIARY)**

TU5 Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 3 July 2017, it has Bt10,000,000 registered capital to investment in utilities companies and projects.

As of 31 December 2019, TU5 Company Limited's 4 Directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Jesd       | Jesdpiyawong     | Director |
| 2. Mr.Kriangkrai | Pheanvitayasakul | Director |
| 3. Mr.Nandhapon  | Patpongpanit     | Director |
| 4. Mr.Withawint  | Srisuriyachan    | Director |

**TU6 COMPANY LIMITED (SUBSIDIARY)**

TU6 Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 3 July 2017, it has Bt100,000,000 registered capital to investment in utilities companies and projects.

As of 31 December 2019, TU6 Company Limited's 4 Directors are:

| NAME             |                  | POSITION |
|------------------|------------------|----------|
| 1. Mr.Jesd       | Jesdpiyawong     | Director |
| 2. Mr.Kriangkrai | Pheanvitayasakul | Director |
| 3. Mr.Nandhapon  | Patpongpanit     | Director |
| 4. Mr.Withawint  | Srisuriyachan    | Director |

**SOUTHERN ONE HOLDING COMPANY LIMITED (JOINT VENTURE)**

Southern One Holding Company Limited is located at 116/1, Silom Road, Suriyawong, Bang Rak, Bangkok. Established on 16 July 2018, it was capitalized at Bt100,000,000. Southern One Holding operates through co-investment in utilities companies and projects, mainly involving electricity generating and tap water systems.

As of 31 December 2019, Southern One Holding Company Limited's 3 directors are:

| NAME          |                | POSITION |
|---------------|----------------|----------|
| 1. Mr.Noppol  | Milinthanggoon | Director |
| 2. Mr.Jesd    | Jesdpiyawong   | Director |
| 3. Mr.Chairoj | Chewrapapat    | Director |

## MANAGEMENT STRUCTURE

The company's management structure contains one board of directors and five subcommittees. Details are as follows:

### THE BOARD OF DIRECTORS

As of 31 December 2019, the board consists of 14 directors and 6 meeting allowances. Details are as follow:

| No.  | Name                                 | Title  | Meeting of the Company's board | Meeting allowances of the of the Company's boards |
|--|--------------------------------------|--|--------------------------------|---|
| 1  | Dr. Thanong Bidaya                   | Chairman   | 6                              | 6   |
| 2  | Mr.Chainid Adhyanasakul              | Director / Vice Chairman / Chief Executive Officer | 6                              | 6   |
| 3  | Mr.Phairat Senachak <sup>1</sup>     | Director   | 6                              | 2   |
| 4  | Mr.Vidhya Nativivat                  | Director   | 6                              | 6   |
| 5  | Ms.Sirirat Wongwattana               | Director   | 6                              | 6   |
| 6  | Mr. Wongsakorn Prasitvipat           | Director   | 6                              | 6   |
| 7  | Mr. Wicharn Sirivejwarawut           | Director   | 6                              | 6   |
| 8  | Mr.Pornswat Katechulasriroj          | Director   | 6                              | 6   |
| 9  | Mr.Wason Srirattanapong <sup>2</sup> | Director   | 6                              | 4   |
| 10   | Mr.Thongchai Jira-Alongkorn          | Director   | 6                              | 6   |
| 11   | Mrs.Nuanual Swasdikula-Na-Ayudhaya   | Director / Independent Director                    | 6                              | 6   |
| 12   | Mr.Ekamol Kiriwat                    | Director / Independent Director                    | 6                              | 6   |
| 13   | Mr.Banlue Chantadisai                | Director / Independent Director                    | 6                              | 6   |
| 14   | Mr.Manit Suthaporn                   | Director / Independent Director                    | 6                              | 6   |
| 15   | Prof.Dr.Suchatvee Suwansawat         | Director / Independent Director                    | 6                              | 6   |
| Mr. Pramote Remyindee as secretary of the Board. |                                      |  |                                |   |

#### Note

1/ Mr.Phairat Senachak resigned from director on 25 April 2019

2/ At the 2019 annual general meeting on 25 April 2019, the Board of Directors appointed Mr.Wason Srirattanapong as a director.

### AUTHORISED DIRECTORS

Authorized signatory directors are;

1. Mr.Chainid Adhyanasakul, Ms.Sirirat Wongwattana, Mr.Wongsakorn Prasitvipat, Mr.Wicharn Sirivejwarawut and Mr.Pornswat Katechulasriroj are authorised signatory directors. It requires the signatures of two from the five directors to affix the Company's seal.
2. Ms.Sirirat Wongwattana or Mr.Wongsakorn Prasitvipat or Mr.Wicharn Sirivejwarawut or Mr.Pornswat Katechulasriroj can sign and affix the company's seal on the matters involving;

- Commerce Ministry and related units
- Revenue Department and related units
- Lands Department and related units
- Department of Public Works and Town & Country Planning and related units
- Bangkok Metropolitan Administration, Pattaya City and related units
- Municipality, provincial administrative organizations and tambon administration organizations
- Government agencies, or state enterprises or private organizations involved in the provision of water, electricity, telephone, postal and internet services, which are to approve service transfers, down payments settlement, down payment return, and down payment transfers.

The shareholders meeting or the Board can identify the directors with the authority to sign and affix the company's seal.

### BOARD OF DIRECTORS' AUTHORITY AND SCOPE OF RESPONSIBILITY

The Board of Directors is authorized to make decisions and ensure that the company's operations follow the objectives, regulations, shareholders' resolutions and legal conditions. Its authority does not cover the decisions which must be approved by shareholders as prescribed by the Securities and Exchange Commission and the Stock Exchange of Thailand. Under the company's regulations, the Board of Directors is authorized to appoint the executive board which will monitor the daily operations of the company under the guidelines and budget approved by the Board of Directors and handle other tasks bestowed by the Board of Directors. The executive board can approve the decisions within its power granted by the Board of Directors or have to propose the issues beyond its power for the Board of Directors' consideration. The regulations also empower the Board of Directors to appoint other officers or other working committees to assist the executive board.

## AUDIT COMMITTEE

As of 31 December 2019, the audit committee consisted of 3 independent directors as follow.

|   | Name                                | Title                           |
|---|-------------------------------------|---------------------------------|
| 1 | Mr. Bunlue Chantadisai              | Chairman of the Audit Committee |
| 2 | Mrs. Nuanual Swasdikula-Na-Ayudhaya | Audit Committee                 |
| 3 | Mr. Manit Suthaporn                 | Audit Committee                 |

With Ms. Doungporn Rermyindee as the secretary.

### AUDIT COMMITTEE'S DUTY AND SCOPE OF RESPONSIBILITY

1. Ensure the accuracy and sufficiency of the Company's financial reporting
2. Assess the appropriateness and effectiveness of the internal control and the internal audit, while assuring the internal control office's independence through the approval of the office head's appointment, relocation and evaluation.
3. Ensure the Company's compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's regulations and related business laws.
4. Review, screen and nominate independent individuals to be appointed as the Company's auditors, propose the auditing fee, and meet with auditors without the management's presence at least once a year.
5. Examine connected transactions or the transactions which may pose conflict of interests in line with laws and the Stock Exchange of Thailand's rules, to ensure that the transactions are appropriate and undertaken for the Company's maximum benefits.
6. Prepare the Audit Committee's report and disclose it in the Company's Annual Report. The report must be signed by the Audit Committee's Chairman and must at least contain the following information.
  - View on the accuracy, completion and credibility of the Company's financial reporting
  - View on the sufficiency of the Company's internal control



- View on the compliance with the Securities and Exchange Act, the Stock Exchange of Thailand's rules or related business laws
- View on the appropriateness of auditors
- View on transactions which may pose conflict of interests
- The number of the Audit Committee's meetings and the attendance of individual committee members
- Overall view or remark on the Audit Committee's functions accumulated while performing its duty in line with the charter
- Other issues that the committee should inform shareholders and general investors under the scope of duty and responsibility specified by the Board of Directors

7. Embark on other undertakings assigned by the Board of Directors and approved by the Audit Committee
8. Review and improve the Audit Committee's charter and submit the improvements for the Board of Directors' approval
9. Endorse the internal audit's audit plan and audit results including the investigation results of special inquiries

To complete its duty and responsibility, the Audit Committee is authorized to question the management, department heads or relevant employees or summon them to meetings or submit relevant document as well as seek professional advice when necessary at the Company's expenses.

**Note:** The Board of Directors at the 6/2017 meeting on 10 August 2017 resolved to revise the Audit Committee's scope of duty and responsibility.

## NOMINATION AND REMUNERATION COMMITTEE

As of 31 December 2019, The Nomination and Remuneration Committee consisted of 2 persons as follow;

| Name |                        | Title   |
|------|------------------------|---|
| 1    | Mr.Vidhya Nativivat    | Chairman of the Nomination and Remuneration Committee |
| 2    | Ms.Sirirat Wongwattana | Nomination and Remuneration Committee                 |

With Mr.Pramote Rermyindee as the secretary.



## NOMINATION AND REMUNERATION COMMITTEE'S SCOPE OF AUTHORITY AND RESPONSIBILITY

### 1 NOMINATION'S DUTIES

- (A) Review the individuals who are fit to be the company's directors and nominate the list to the board of directors and/or present the list to shareholders for official appointment.
- (B) In reviewing the individuals' qualifications, the committee must consider their expertise, knowledge, ability and relevant experiences to ensure that the individuals' qualifications would be useful for the company's operations. Besides, the committee must consider that the nominations follow the legal framework particularly when it involves the nominations for independent directors and the audit committee members.
- (C) In selecting independent directors and the audit committee members, the committee must take into account;
  - The nominated individuals must hold no more than 1% of the paid-up capital of the company, affiliates or subsidiaries. The percentage is inclusive of the shareholding of related individuals their spouses and underage children.
  - The nominated persons must not be related to the company's executives or major shareholders.
  - The appointed persons must not have conflicts of interest, directly or indirectly, in terms of finances or management of the company and affiliates. They must not be the company's major shareholders.
  - The nominated persons must have no any relationship with the company and associates in ways of vested interest, or financial or management benefit at present and over the past two years before appointed as independent directors. Such relations include
    - Being directors who take part in the company's management, employees, staff members, advisers who receives a regular salary, or control authorities.
    - Being professional service providers such as auditors, legal Consultants, financial advisors or price appraisers.
    - Having business relationship such as buy/sell goods, provide asset buy or sell service, give or receive financial assistance etc.

- In case that the nominated persons serve as independent directors of other companies in the group, they must disclose such information and remuneration received from those companies.
- The nominated persons must not seat as any director in other listed companies in the group.
- The Company must notify the Stock Exchange of Thailand immediately after an independent director resigns or is forced out before the end of his term.

- (D) The appointed persons must be able to work and present their views with independence, free from the control from executives or major shareholders as well as their relatives.

To present the selected persons to the board of directors, the nomination and remuneration committee must nominate only those who will fill the available director seats. Except when the committee members could not reach an agreement, they are allowed to present all the nominated names to the board for their consideration.

### 2. THE REMUNERATION COMMITTEE'S SCOPE OF AUTHORITY.

- (A) Consider the company's policies and criteria in paying the Chief Operation Officer, directors, and the company's advisors.
- (B) Consider the annual salary, annual pay increase, and the interim pay increase, as well as other benefits to award all employees.
- (C) Consider the employment terms, regulations, and penal clauses which should be appropriate and fair.
- (D) The committee will report directly to the board of directors, to whom they will explain and answer all questions regarding the pays for employees at all levels.

Nomination and Remuneration Committee's authority, duty and responsibility could not be transferred to others in a way that those who are authorized by the committee can approve transactions that might lead to conflicts of interest (as defined in the Securities and Exchange Commission's announcement) with the company or subsidiaries, or he/she has vested interest with exception that those transactions are regarded as normal course of business with the clear scope.

**Note :** \* Revised by Board's resolutions at the 4/2014 meeting on 16 June 2014.

## RISK MANAGEMENT COMMITTEE

As of 31 December 2019, Risk Management Committee consisted of 3 persons as follow:

|   | Name                          | Title                                 |
|---|-------------------------------|---------------------------------------|
| 1 | Prof.Dr.Suchatvee Suwansawat  | Chairman of Risk Management Committee |
| 2 | Mr.Boonliam Luangnarkthongdee | Risk Management Committee             |
| 3 | Mr.Chirdsak Kukiattinun       | Risk Management Committee             |

With Mr.Theerathat Singnarongthon as Secretary

### RISK MANAGEMENT COMMITTEE'S SCOPE OF AUTHORITY AND RESPONSIBILITY.

1. Review and present risk management policy and acceptable risk to the company's board for approval.
2. Supervise development and practice throughout organization to comply with risk management framework.
3. Review risk management reports to monitor important risks and proceed to ensure that the organization has sufficient and appropriate risk management.
4. Present risk of the company in overall picture, and sufficiency of internal control system to manage risk in all important aspects to the company's board.
5. Provide suggestion about risk management to the company and revise any information concerning risk management system development.
6. Authorizes to appoint the company's risk evaluation and monitoring working group.
7. Perform other tasks about risk management assigned by the company's board

## CORPORATE GOVERNANCE COMMITTEE

The Corporate Governance Committee as of 31 December 2019 consisted of 1 member:

|   | Name                | Title  |
|---|---------------------|--|
| 1 | Mr.Vidhya Nativivat | Acting as Chairman of Corporate Governance Committee |

### CORPORATE GOVERNANCE COMMITTEE'S DUTIES AND RESPONSIBILITIES

1. Propose the Board of Directors corporate governance guidelines.
2. Recommend the Board of Directors on governance-related issues.
3. Ensure the Board of Directors and the Management's compliance with best governance practices.
4. Monitor and review organizational work processes in accordance with the prescribed guidelines.
5. Monitor and take action if the Management and employees act against the corporate governance policy and the prescribed guidelines.
6. Perform other assignments from the Board of Directors.

The committee was appointed under the Board of Directors' resolution dated 4 July 2018. The committee's members are:

|                         |  |
|-------------------------|--|
| 1. Dr.Tawatchai Nakhata | Chairman of Corporate Governance Committee |
| 2. Mr.Vidhya Nativivat  | Corporate Governance Committee             |
| 3. Mr.Phairat Senachak  | Corporate Governance Committee             |

The committee held no meeting during 2019 as Dr.Tawatchai Nakhata and Mr.Phairat Senachack passed away. The Nomination and Remuneration Committee is recruiting qualified persons for the Board of Directors' endorsement, to fill the vacant positions.

## EXECUTIVE BOARD

As of 31 December 2019, Executive Board contains 8 members as follow:

| No. | Name                           | Title   |
|-----|--------------------------------|---|
| 1   | Mr.Chainid Adhyanasakul        | Chief Executive Director (Authorized signatory Directors)         |
| 2   | Mr.Wicharn Sirivejwarawut      | Executive Director (Authorized signatory Directors)               |
| 3   | Mr.Pornswat Katechulasriroj    | Executive Director (Authorized signatory Directors)               |
| 4   | Mr.Wongsakorn Prasitvipat      | Executive Director (Authorized signatory Directors)               |
| 5   | Ms. Sirirat Wongwattana        | Executive Director and Secretary (Authorized signatory Directors) |
| 6   | Mr.Surasak Vatcharapongpreecha | Executive Director  |
| 7   | Mr.Wason Srirattanapong        | Executive Director  |
| 8   | Ms. Wanna Aphichonbancha*      | Executive Director  |

**Note :**

\* Ms. Wanna Aphichonbancha replaced Mr.Phairat Senajak as the executive director on 4 November 2019 following his death, in accordance with the Executive Committee's 14/2019 resolution dated 5 November 2019.

## EXECUTIVE COMMITTEE'S AUTHORITY AND SCOPE OF RESPONSIBILITY\*

- Run the company's daily operations under the guidelines set by the Board of Directors and within the scope of rules and regulations, as well as the company's objectives and regulations. They are barred from transactions related to project opening and investment, not related to the company's core business.
- Appoint high-ranking executives to manage the company.
- Set the annual budget for the Board of Directors' approval.
- Consider investment projects for the Board of Directors' approval.
- Consider and approve the purchase and/or sale of land plots (vacant plots and plots with buildings) outside development projects and valued above Bt500 million but no more than Bt800 million. The net value must not exceed the budget endorsed by the Board of Directors. Documents required for the authorization of land purchase and/or sale are as follows:
  - Preliminary plan and project feasibility report must be prepared for each transaction.
- Regarding land sale, a summary of sale price, cost of land, expenses, gross profit (loss) and associated reasons must be submitted. Return from the land sale must be at least 15% per annum. If the return is below the specified level, the Board of Directors' authorization is required.
- Review and approve the transactions apart from budget plan no more than Bt.100 million.
- Consider and approve borrowings and the financing of normal transactions as follow;
  - Project financing - approved the project financing worth not over Bt1,500 million per project,excluding infrastructure guarantee
  - Working capital - approved the borrowing of no more than Bt1,200 million for the working capital



8. Consider the guarantee of loans to subsidiaries as required by financial institutions or consider the guarantee of loans to associated companies or joint ventures accordingly to equity participation, at the value or no more than Bt1,000 million.
9. Prepare, recommend and formulate business policies and strategies for submission to the Board of Directors
10. Review and approve the marketing, advertising and public relations plan
11. Assess the Company's performance in terms of asset management and financial management, to ensure efficiency and effectiveness
12. Carry out other tasks assigned by the Board of Directors

Notably, the executive board has no authority in handing its power to any member or others to approve a connected transaction (as prescribed by the Securities and Exchange Commission) or a transaction which could pose conflicts of interest with the company or subsidiaries with exception of approval for normal course of business transactions as policy and criteria resolved by the board of directors under the Securities and Exchange Act, and the Stock Exchange of Thailand's regulations, announcements and instructions or rules.

**Note:**

\* Revised by Board's resolutions at the 5/2019 meeting on 8 August 2019.

## CHIEF EXECUTIVE OFFICER\*

Chief Executive Officer is the highest authority in the company's management. perform duties and report operating performance to the Executive Committee, Board of Directors and shareholders as follows:

1. Set policies, direction, and strategies for the company's business operation.
2. Set business planning, budget and authority of the company's internal units which up to management department to seek the board's approval.
3. Manage normal course of business activities under policies set by the company's board, laws, conditions, regulations, memorandum of association, and the company's rules.
4. Appointed Management Board, advisor and other directors to give advices concerning the company's management.
5. Consider and approve the purchase and/or sale of land plots (with or without buildings) outside development projects and valued above Bt500 million. Return from land sale must be at least 15% per annum. Such transaction must be notified to the Executive Committee and the registration of such transaction with the Land Office is assumed to be done under the Executive Committee's resolution. If the return is below the specified level, the Board of Directors' authorization is required.
6. Review and approve the transactions apart from budget plan no more than Bt.50 million.
7. Perform other tasks assigned by the company's board.



Chief Executive Officer authority, duty and responsibility could not be transferred to others in a way that those who are authorized by Chief Executive Officer can approve transactions that might lead to conflicts of interest (as defined in the Securities and Exchange Commission's announcement) with the company or the subsidiaries and affiliates, or he/she has vested interest with exception that those transactions are regarded as normal course of business as policies and principles set by the company's board. in compliance with laws governing securities and stock exchange, regulations, announcements, instructions or rules of the Stock Exchange of Thailand.

**Note:**

\* Revised by Board's resolutions at the 5/2019 meeting on 8 August 2019.

## EXECUTIVES

The company's executive team consisted of 9 members as of 31 December 2019, as defined in the Securities and Exchange Commission's announcement.

| Name                              | Title                              |
|-----------------------------------|------------------------------------|
| 1. Mr.Chainid Adhyanasakul        | Chief Executive Officer            |
| 2. Mr.Pramote Rermyindee          | Company Secretary                  |
| 3. Ms.Wilawun Leongnarktongdee    | Assistant Chief Executive Officer  |
| 4. Mr.Wongsakorn Prasitvipat      | Managing Director                  |
| 5. Mr.Wicharn Sirivejwarawut      | Chief Operating Officer 1          |
| 6. Mr.Pornswat Katechulasriroj    | Chief Operating Officer 2          |
| 7. Ms.Sirirat Wongwattana         | Chief Financial Officer            |
| 8. Mr.Surasak Vatcharapongpreecha | Chief Support Officer              |
| 9. Mr.Wason Srirattanapong        | Chief Business Development Officer |

## COMPANY SECRETARY

In compliance with the Securities and Exchange (Issue No.4) Act B.E.2551's Section89/15, the Board of Directors must appoint the Company Secretary who will act on behalf of the company and the Board of Directors. The Board of Directors at the meeting on 11 August 2008 resolved to appoint Mr.Pramote Rermyindee as the Company Secretary.

- Keeping the connected transactions reported by directors or executives and submitting photocopies of the reports to the chairman and chairman of the Audit Committee within 7 days of receipt.
- Setting the documenting system for the following information and ensuring the complete storage of such document which must date back at least 5 years and could be retrieved for post-audit.

## COMPANY SECRETARY'S SCOPE OF AUTHORITY AND RESPONSIBILITY

- Preparing and keeping the following documents
  - Directors' Register
  - Invitations to Board of Directors meetings, meeting minutes, and the Annual Reports
  - Invitations to shareholders' meetings and minutes of the meetings

The storing of such document covers the electronic system and others which allow the retrieval of original document.

- (1) Information presented at shareholders' meetings
  - (2) Financial statements or reports on the company's finances and operating results or other reports which must be disclosed under the Securities and Exchange Act's Articles 56, 57, 58 or 199.
  - (3) The company's opinion on shareholders' tender offer for the company's shares
  - (4) Information or other reports on the company, to be released to shareholders or the general public as required by the Capital Market Supervisory Board.
- 4) Complying with other duties to be specified by the Capital Market Supervisory Board
- 5) Company Secretary must carry out duties with responsibility, caution, and integrity; must comply with laws, the company's objectives and regulations, the Board of Directors resolutions and shareholders' resolutions; and must not act in the way that causes significant conflict of interest.
- 6) Carrying out duties with responsibility and caution as men with integrity would do when falling under the same situation.
    - (1) Making decisions with full conviction and good reasons that they are for the company's maximum benefits.
    - (2) Acting on information honestly believed to be sufficient, and
    - (3) Making decisions that do not create any direct or indirect conflict of interest.
- When the company secretary cannot further perform his job, the board of director is required to appoint the replacement within 90 days. Ms.Sirirat Wongwattana was accordingly appointed to carry his tasks.

| Name                                 | Board of Directors | Audit Committee | Nomination and Remuneration Committee | Risk Management Committee |
|--------------------------------------|--------------------|-----------------|---------------------------------------|---------------------------|
| Dr. Thanong Bidaya                   | 6                  |                 |                                       |                           |
| Mr.Chainid Adhyanasakul              | 6                  |                 |                                       |                           |
| Mr.Phairat Senachak <sup>1</sup>     | 2                  |                 |                                       |                           |
| Mr.Vidhya Nativivat                  | 6                  |                 | 2                                     |                           |
| Ms. Sirirat Wongwattana              | 6                  |                 | 2                                     |                           |
| Mr.Wongsakorn Prasitvipat            | 6                  |                 |                                       |                           |
| Mr.Wicharn Sirivejwarawut            | 6                  |                 |                                       |                           |
| Mr.Pornswat Katechulasriroj          | 6                  |                 |                                       |                           |
| Mr.Wason Srirattanapong <sup>2</sup> | 4                  |                 |                                       |                           |
| Mr.Thongchai Jira-Alongkorn          | 6                  |                 |                                       |                           |
| Mrs.Nuanua Swasdikula-Na-Ayudhaya    | 6                  | 5               |                                       |                           |
| Mr. Ekamol Kiriwat                   | 6                  | 5               |                                       |                           |
| Mr. Banlue Chantadisai               | 6                  | 5               |                                       |                           |
| Mr. Manit Suthaporn                  | 6                  |                 |                                       |                           |
| Prof.Dr.Suchatvee Suwansawat         | 6                  |                 |                                       | 3                         |
| Mr.Boonliam Luangnarkthongdee        |                    |                 |                                       | 3                         |
| Mr.Chirdsak Kukiattinun              |                    |                 |                                       | 2                         |
| <b>Total number of meetings</b>      | <b>6</b>           | <b>5</b>        | <b>2</b>                              | <b>3</b>                  |

#### Note

1/ Mr.Phairat Senachak resigned from director on 25 April 2019

2/ At the 2019 annual general meeting on 25 April 2019, the Board of Directors appointed Mr.Wason Srirattanapong as a director.

## EXECUTIVES' REMUNERATION

### FINANCIAL BENEFITS

The company has in place a committee to consider remunerations. The committee is responsible for drafting the policy and criteria for the remuneration of chief executive officer, directors, and the company's advisors. It also takes charge in setting the annual pay increase and interim salary adjustment, as well as other benefits to reward the contribution from executives and employees. Under its responsibility is also the regulations on employment, code of conduct and appropriate and fair punishment clauses.

#### 1. DIRECTOR REMUNERATION

The Company paid meeting allowances and remuneration, based on the Company's performance, to the following directors:

| Name                                    | Position  | Executives' remuneration (Million Baht) |  |                 |                                       |                           |
|---|---|---|--|-----------------|---------------------------------------|---------------------------|
|   |   | Remuneration                            | Meeting allowances on 31 December 2019 |                 |                                       |                           |
|   |   |   | Director                               | Audit Committee | Nomination and Remuneration Committee | Risk Management Committee |
| 1. Dr. Thanong Bidaya                   | Chairman  | -                                       | 0.60                                   | -               | -                                     | -                         |
| 2. Mr.Chainid Adhyanasakul              | Director / Vice Chairman / Chief Executive Director / Chief Executive Officer | 0.85                                    | 0.42                                   | -               | -                                     | -                         |
| 3. Mr.Phairat Senachak                  | Director  | 0.85                                    | 0.10                                   | -               | -                                     | -                         |
| 4. Mr.Vidhya Nativivat                  | Director / Chairman of Nomination and Remuneration Committee                  | 0.85                                    | 0.30                                   | -               | 0.10                                  | -                         |
| 5. Ms.Sirirat Wongwattana               | Director / Nomination and Remuneration Committee                              | 0.85                                    | 0.30                                   | -               | 0.06                                  | -                         |
| 6. Mr.Wongsakorn Prasitvipat            | Director  | 0.85                                    | 0.30                                   | -               | -                                     | -                         |
| 7. Mr.Wicharn Sirivejwarawut            | Director  | 0.85                                    | 0.30                                   | -               | -                                     | -                         |
| 8. Mr.Pornswat Katechulasriroj          | Director  | 0.85                                    | 0.30                                   | -               | -                                     | -                         |
| 9. Mr.Wason Srirattanapong***           | Director  | -                                       | 0.20                                   | -               | -                                     | -                         |
| 10.Mr.Thongchai Jira-Alongkorn          | Director  | 0.80                                    | 0.30                                   | -               | -                                     | -                         |
| 11.Mrs.Nuanual Swasdikula-Na-Ayudhaya * | Director / Audit Committee  | 0.85                                    | 0.30                                   | 0.15            | -                                     | -                         |
| 12.Mr.Ekamol Kiriwat *                  | Director  | 0.80                                    | 0.30                                   | -               | -                                     | -                         |
| 13.Mr.Banlue Chantadisai *              | Director / Chairman of Audit Committee  | 0.85                                    | 0.30                                   | 0.25            | -                                     | -                         |
| 14.Mr.Manit Suthaporn *                 | Director / Audit Committee  | 0.75                                    | 0.30                                   | 0.15            | -                                     | -                         |
| 15.Prof.Dr.Suchatvee Suwansawat *       | Director/ Chairman of Risk Management Committee                               | 0.80                                    | 0.30                                   | -               | -                                     | 0.15                      |
| 16.Mr.Boonliam Luangnarkthongdee        | Risk Management Committee   | -                                       | -                                      | -               | -                                     | 0.09                      |
| 17.Mr.Chirdsak Kukiattinun              | Risk Management Committee   | -                                       | -                                      | -               | -                                     | 0.06                      |
| 18.Mr. Pramote Rermyindee               | Company secretary   | 0.67                                    | -                                      | -               | -                                     | -                         |
| 19.Dr.Tawatchai Nakhata **              | Chairman  | 1.70                                    | -                                      | -               | -                                     | -                         |
| <b>Total</b>                            |   | <b>13.17</b>                            | <b>4.62</b>                            | <b>0.55</b>     | <b>0.16</b>                           | <b>0.30</b>               |

Note (Some directors, aside from meeting allowance, are receiving salaries as executives and members of the Executive Board)

\* Independent Director

\*\* Dr. Tawatchai Nakhata pass away on 31 October 2018.

\*\*\*At the 2019 annual general meeting on 25 April 2019, the Board of Directors appointed Mr.Wason Srirattanapong as a director replacement of Mr.Phairat Senachack.

## 2. DIRECTORS AND EXECUTIVES' REMUNERATION

In 2019, the company's remuneration for 9 Executive Directors and executives, consisting of salary and bonus, totaled Bt72.62 million.

Note \*In line with the disclosure of executive remuneration, the word "executives" here include the manager of the accounting or finance department.

### OTHER PAYMENTS

#### OTHER PAYMENTS TO DIRECTORS

- None -

#### OTHER PAYMENTS TO EXECUTIVES

Consisting of welfare, social security fund, and contribution to the provident fund paid by the company and employees at the rate of 3-10% of salary. In 2019, The remunerations for 9 Executive Directors and executives paid by the company total Bt.5.37million.





## HUMAN RESOURCES

### NUMBER OF EMPLOYEE

At the end of 2019, the company and subsidiaries employed 1,155 employees. The following is the number of employees of each unit.

| Division     |   | Employee (Persons) |
|--------------|---|--------------------|
|              |   | 31 December 2019   |
| 1            | Office of the Chief Executive Officer                 | 19                 |
| 2            | Project Planning and Housing Marketing Division       | 20                 |
| 3            | Condominium Project Development Division              | 16                 |
| 4            | Condominium Marketing Division                        | 16                 |
| 5            | Sales Management Division                             | 157                |
| 6            | Design Division                                       | 12                 |
| 7            | Construction Management Division of Operation Group 1 | 41                 |
| 8            | Construction Management Division of Operation Group 2 | 64                 |
| 9            | Marketing Communication Division                      | 27                 |
| 10           | Public Relations and Corporate Communication Division | 9                  |
| 11           | Accounting Division                                   | 42                 |
| 12           | Internal Audit Office                                 | 4                  |
| 13           | Legal Procedure & Ownership Transfer Division         | 67                 |
| 14           | Financial & Treasury Division                         | 27                 |
| 15           | Investment Management Division                        | 7                  |
| 16           | Oversea Project Development Division                  | 20                 |
| 17           | Budgeting Division                                    | 4                  |
| 18           | Information Technology Division                       | 9                  |
| 19           | Property Fund Management Division                     | 20                 |
| 20           | Debt and Equity Administration Division               | 3                  |
| 21           | Investment Relations Division                         | 3                  |
| 22           | Human Resource Division                               | 7                  |
| 23           | General Administration Division                       | 33                 |
| 24           | Procurement Center Division                           | 13                 |
| 25           | Project Management Division - Zone 1 - 8              | 515                |
| <b>Total</b> |   | <b>1,155</b>       |

In the past 3 years, the company has witnessed no lawsuits regarding labor disputes.

## EMPLOYEES' REMUNERATION

The company has in place the remuneration committee, authorized and responsible for considering the remuneration policy and payout criteria for the chief executive officer, directors and consultants. It is also setting the annual benefits, annual salary adjustment, extra salary adjustment, and other benefits for employees at all levels. The committee also considers the employment rules and work code and ensures that disciplinary actions are appropriate and fair to employees.

The employee remuneration (excluding that of executives) covers salary, bonus, welfare benefits, overtime, allowances and contribution to the provident fund. It amounted to Bt. 794.51 million in 2019.

## HR DEVELOPMENT POLICY

The company realizes the importance of all employees and is committed to consistent supports for the enhancement of their knowledge and skills to match their job descriptions. This is to ensure quality products to customers and standardized marketing and service quality. The human resource development policy is thus designed accordingly to the areas of work. Training is planned in line with the company's business direction and employees' job descriptions. The competency system has been introduced, so that employees are equipped with all knowledge and skills required for their jobs.

The HR development plan has been shaped under the policy. Training courses for employees are clearly defined. There is an analysis on training specification, to promote employees' job competency accordingly to their job descriptions. The urgency of training in different work periods is also taken into account. The development scheme planned for employees at all levels is diverse, covering internal training, external training, and coaching.

The training program is designed in accordance with the company's annual targets. The methods are designed to match the courses, requiring employees to take classes, practice and actually work in the respective fields under the supervisors' guidance. On top of this is the sharing and exchanging of experiences, skills and knowledge of employees in different units. The company regularly hosts a forum where they can share experiences and notify obstacles, to define solutions as well as outline the standardized work procedure and services. These are to put in place the learning culture in the organization. In 2013, some of the enhancement programs are as follows:

### 1. ADMINISTRATIVE SKILL ENHANCEMENT

The company has placed emphasis on preparing employees for the supervisory and administrative levels. Such enhancement programs are organized every year.

### 2. TEAMWORK ENHANCEMENT

The company sees the value of creative teamwork, within business units or across units, as this ensures efficiency of the overall operations. The Perfect Team curriculum was initiated, bringing employees from different units. Together, they got to know each other and participated in group activities, allowing the closer cross-unit relationship and harmony.

### 3. PREPARATION FOR ISO 9001:2008 CERTIFICATE

Customers' benefits have been the priority. Under the commitment to deliver quality products and services, the company is adopting international standards for the entire production process. The ISO standards will ensure that products meet customers' demands and comply with relevant laws and regulations. Employees at all business units were trained about the standards. Employees with outstanding capability are recruited for additional training on internal audit. As internal audit officers, they are chiefly tasked to ensure all functions and divisions achieve their goals.

#### 4. MARKETING SKILL ENHANCEMENT

The company plans to grow business with new projects every year. All sale employees, who directly feed information to and serve customers, are thus required to attend the training program. This is to ensure standardized and impressive services to customers. The Service Signature project, to create a unique service standard, was initiated in 2013. In 2015, the Company a leading Japanese company to analyze, recommend and improve the sales team as well as the distribution process, aimed at heightening efficiency and sale revenue.

#### 5. TRAINING ON CUSTOMER INVITATION BY PHONE

Sending customers invitations by phone requires a special skill, as it is a key in achieving sale targets. The Company sits on extensive and highly valuable customer data. If customers accept the invitations, they will learn more about the Company's projects and make a better decision. The process starts with a good skill in sending invitations by phone.

#### 6. TRAINING ON AFTER-SALES SERVICE

The Company's goal is to satisfy customers before and after they buy our products, in line with executives' vision and the organization's operational standards. Efficient after-sales service will maximize customer satisfaction and the Company will learn about problematic issues and can design preventive and corrective measures for better services. Customers stand to benefit the most and place trust in the Company.

### EMPLOYEE TRAINING AND COMPETENCY ENHANCEMENT

The company puts emphasis on training and perfectly readying all employees for their job descriptions. The activities have been rolled out consistently. The company established PF Training Center . They start with the orientation of the new recruits. Then, there is on-the-job training as well as training on new tools that can support their work. Employees' competency is also enhanced, to ready them for promotion and ensure that they will be able to perform the new jobs efficiently and effectively. The courses designed for all employees can be categorized as follows:

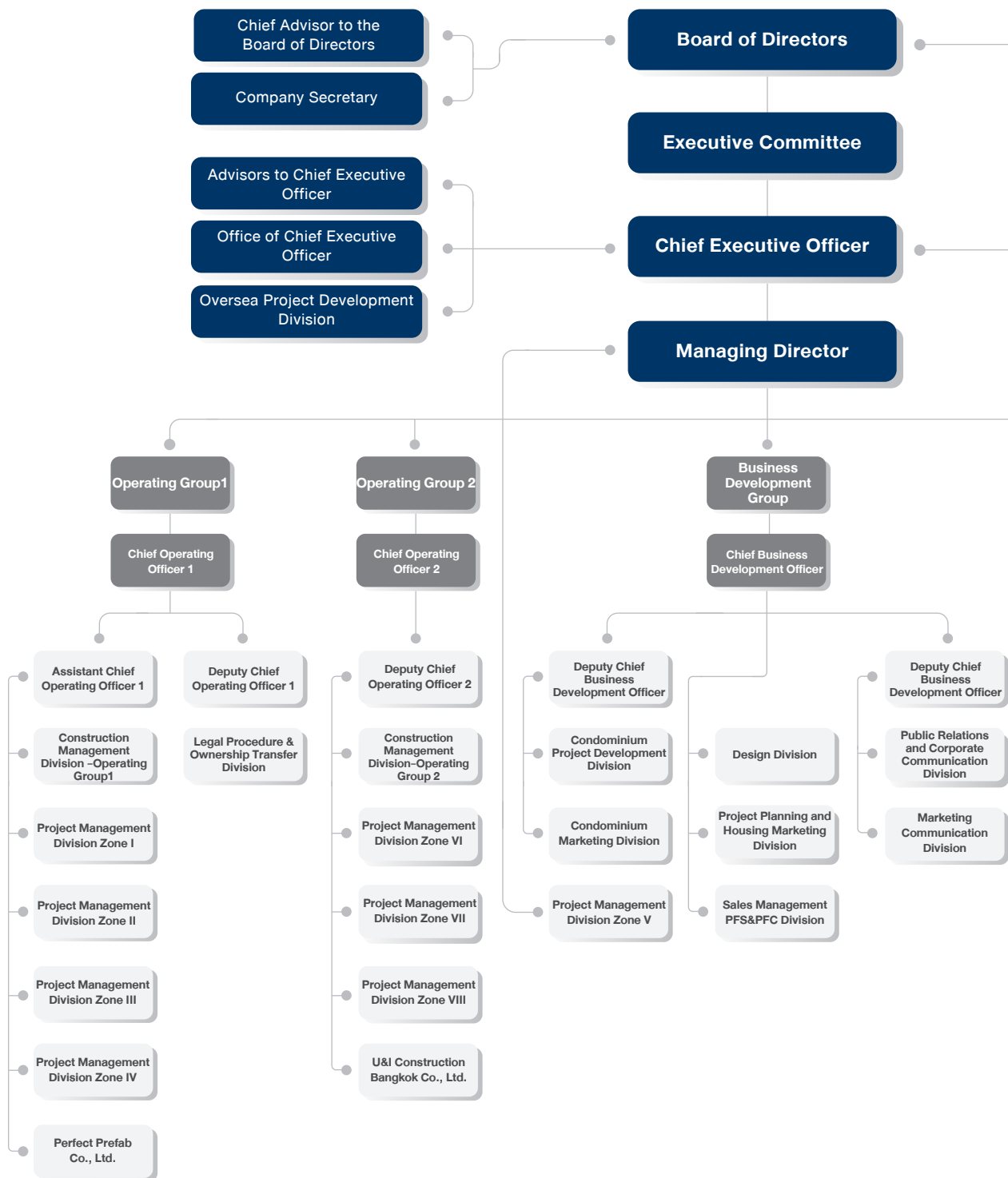
1. Standard Course
2. Management Course
3. Team Work Course
4. Course on construction
5. Course on design
6. Course on sale
7. Course on quality
8. Course on after sale service

Throughout 2018, since January - December 2018, the Company designed 24 in-house training courses for 1,048 employees and a number of 40 employees attended 33 public training courses. The number of training courses in the year totaled 57, involving 1,088 attendants.

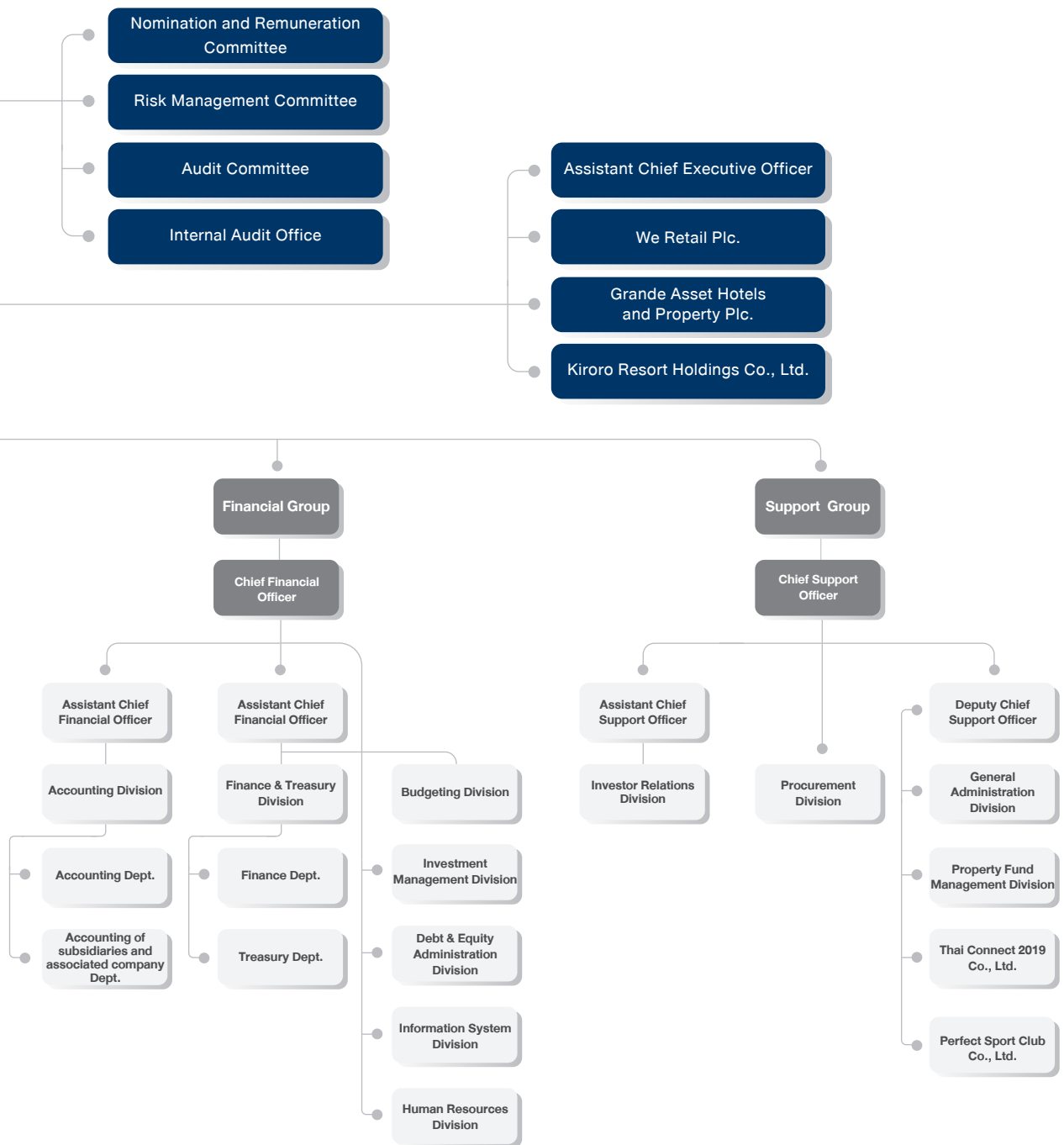
Throughout 2019, since January - December 2019, the Company designed 24 in-house training courses for 850 employees and a number of 46 employees attended 31 public training courses. The number of training courses of the company and subsidiaries in the year totaled 55, involving 896 attendants.

## ORGANIZATION CHART PROPERTY PERFECT PUBLIC COMPANY LIMITED AND SUBSIDIARIES

AS 31<sup>ST</sup> DECEMBER 2019







## ● BOARD OF DIRECTORS OF THE COMPANY



### 1 Dr. Thanong Bidaya

- Chairman

### 2 Mr. Chainid Adhyanasakul

- Chief Executive Officer
- Chief Executive Director
- Director

### 3 Mr. Vidhya Nativivat

- Director
- Chairman of Nomination and Remuneration Committee

### 4 Ms. Sirirat Wongwattana

- Director
- Executive Director
- Nomination and Remuneration Committee
- Chief Financial Officer

### 5 Mr. Wongsakorn Prasitvipat

- Director
- Executive Director
- Managing Director

### 6 Mr. Wicharn Sirivejwarawut

- Director
- Executive Director
- Chief Operations Officer1

### 7 Mr. Pornswat Katechulasriroj

- Director
- Executive Director
- Chief Operations Officer2



8



9



10



11



12



13



14



15

**8 Mr. Wason Srirattanapong**

- Director
- Executive Director
- Chief Business Development Officer

**9 Mr. Thongchai Jira-Alongkorn**

- Director

**10 Mrs. Nuanual Swasdikula-Na-Ayudhaya**

- Director
- Independent Director
- Audit Committee

**11 Mr. Ekamol Kiriwat**

- Director
- Independent Director

**12 Mr. Banlue Chantadisai**

- Director
- Independent Director
- Chairman of Audit Committee

**13 Manit Suthaporn**

- Director
- Independent Director
- Audit Committee

**14 Prof. Dr. Suchatvee Suwansawat**

- Director
- Independent Director
- Chairman of Risk Management Committee

**15 Mr. Pramote Rermyindee**

- Company Secretary



## VISION, OBJECTIVES, GOALS AND STRATEGIES OF THE COMPANY/GROUP

### VISION

The Company sets sight to be a leading property developer that constantly satisfies customers of all ages, communities, partner, shareholders and employees, and commitment to environmental conservation and the quality of life.

- Create and grow reputation and pride through responsible and ethical operations, in recognition of the benefits and impacts on the relevant parties.

### MISSION

- Create and develop modern products and services at potential locations and timely and constantly respond to new living concepts.
- Create and solidify the financial stability in response to sustainable development of the organization and stakeholders'.
- Create and improve operational excellence through a professional team and the consistent and standardized operating system.
- Create and enhance satisfaction in products and services with the better environment and quality of life and responses to the need of clients of all ages

The Company is primarily involved in developing properties. The range of products cover single detached houses, townhouses and condominiums. The policy is in place in the administration and contractor assignments for the construction of designed products. To control the quality of construction works, The Company's engineers and architects are dispatched to monitor the entire process. A subsidiary was established to provide construction services primarily to The Company and the group. This is on top of the assignments awarded to external construction companies, to help reduce the construction cost. More subsidiaries were also established to support the development of shopping malls, office buildings, commercial areas, investment-purpose retail business, Hotel and overseas property development.



The Company's main business goal is to deliver customers "Happy-Living" home, through ethical and responsible operations which highlight responsibility to the environment, society and stakeholders.

The Company puts emphasis on the added value of its project development, to deliver happiness in all aspects and maximum satisfaction to customers. The aspects include project locations, project design, product quality and quality of life. All project and house designs offer maximum space benefits. For the natural ambience, green areas are completed with trees, lakes and gardens. There are clubhouses and services for customers, aside from 24-hour security system completed with CCTVs and security guards. During holidays, entertainment activities are hosted to encourage socialization among all dwellers in the projects. The Company's commitment to

quality projects and happy living has resulted in positive responses to the Company and Subsidiaries' products.

The Company will further its commitment towards quality projects. On offer quality of life to all groups of customers. The Company's products - duplex houses , single detached houses, townhouses and condominium, - are available at the prices of Bt1 899,000 to Bt150 million. They are located in a diverse range of areas, to reach as many as customers as possible.

They are assured of satisfaction when living in any project by Property Perfect Group. The Company and subsidiaries are convinced that the commitment will produce the desirable quality of life and environment, which will yield good society and encourage people to do good deeds to society.



## PROJECT'S INFORMATION

PROJECT OF PROPERTY PERFECT PLC. AND SUBSIDIARIES' ON 31 DECEMBER 2019

### “PERFECT MASTERPIECE” BRAND



# 1

#### PERFECT MASTERPIECE SUKHUMVIT 77

##### LOCATION

KLONGRACHA THEWA,  
BANGPHLI DISTRICT, SAMUT PRAKARN

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 1,710 MB.



# 2

#### PERFECT MASTERPIECE RAMA 9 – KRUNGTHEP KREETHA

##### LOCATION

KLONGSONGTONNOON, LAT KRABANG,  
BANGKOK

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 4,086 MB.



# 3

#### PERFECT MASTERPIECE (CENTURY) RAMKHAMHAENG– SUARNABHUMI

##### LOCATION

KWANG MINBURI, MINBURI, BANGKOK

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 2,049 MB.



# 4

#### PERFECT MASTERPIECE CHAENGWATTANA

##### LOCATION

KLONGPRA UDOM, PAKKRET DISTRICT,  
NONTABURI

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 945 MB.



# 5

#### PERFECT MASTERPIECE RAMKHAMHAENG– SUARNABHUMI

##### LOCATION

KWANG MINBURI, MINBURI, BANGKOK

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 250 MB.



# 6

#### PERFECT MASTERPIECE RATTANATHIBET

##### LOCATION

SAIMA, MUANG DISTRICT, NONTABURI

##### DEVELOPED BY

PROPERTY PERFECT PLC.

##### PRODUCT : SDH

TOTAL PROJECT VALUE : 4,695 MB.

## “PERFECT RESIDENCE” BRAND



# 7

### PERFECT MASTERPIECE SUKHUMVIT 77 (3)

**LOCATION**

KLONGRACHA THEWA,  
BANGPHLI DISTRICT, SAMUT PRAKARN

**DEVELOPED BY**

ESTATE PERFECT CO., LTD.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,112 MB.**



# 8

### PERFECT RESIDENCE RAMA 9 – KRUNGTHEP KREETHA

**LOCATION**

KLONGSONGTONNOON, LAT KRABANG,  
BANGKOK

**DEVELOPED BY**

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 453 MB.**



# 9

### PERFECT RESIDENCE SUKHUMVIT 77–SUARNABHUMI

**LOCATION**

KLONGRACHA THEWA,  
BANGPHLI DISTRICT, SAMUT PRAKARN

**DEVELOPED BY**

ESTATE PERFECT CO., LTD.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,284 MB.**

## “PERFECT PLACE” BRAND



# 10

### PERFECT PLACE RATTANATHIBET–SAI MA ST.

**LOCATION**

SAIMA, MUANG DISTRICT, NONTHABURI

**DEVELOPED BY**

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,045 MB.**



# 11

### PERFECT PLACE RAMA9–KRUNGTHEP KREETHA

**LOCATION**

KWANG KLONGSONTONNOON,  
LAT KRABANG, BANGKOK

**DEVELOPED BY**

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 2,830 MB.**



# 12

### PERFECT PLACE RANGSIT – BANGPOON EXPRESSWAY

**LOCATION**

SUAN PHRIK THAI MUANG DISTRICT,  
PATHUM THANI

**DEVELOPED BY**

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,146 MB.**





# 13

## PERFECT PLACE RAMINTRA-OUTER RING (2)

### LOCATION

SAMWA TAWANTOK, KLONGSAMWA,  
BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 788 MB.**



# 14

## PERFECT PLACE RAMKHAMHAENG- SUARNABHUMI (3)

### LOCATION

KWANG MINBURI, MINBURI, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 2,006MB.**



# 15

## PERFECT PLACE CHAENGWATTANA (2)

### LOCATION

BANG TANAI, PAKKRET DISTRICT,  
NONTABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 2,337MB.**



# 16

## PERFECT PLACE OUTER RING-SUARNABHUMI (2)

### LOCATION

SAMWA TAWANTOK, KLONGSAMWA,  
BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 1,248MB.**



# 17

## PERFECT PLACE SUKHUMVIT 77- SUARNABHUMI (8)

### LOCATION

RACHATHEWA, BANG PHLI DISTRICT,  
SAMUT PRAKARN

### DEVELOPED BY

ESTATE PERFECT CO., LTD.

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 1,652MB**



# 18

## PERFECT PLACE MUANG CHIANG MAI

### LOCATION

SAN PHI SUE, MUANG DISTRICT,  
CHIANG MAI

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD

### PRODUCT : SDH

**TOTAL PROJECT VALUE : 1,004MB.**



## “PERFECT PARK” BRAND



# 19

### PERFECT PARK KRUNGTHEP KREETHA- RAMKHAMHAENG

#### LOCATION

KWANG KLONGSONTONNOON,  
LAT KRABANG, BANGKOK

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,198MB.**



# 20

### PERFECT PARK CHAENGWATTANA

#### LOCATION

KLONGPRA UDOM, PAKKRET  
DISTRICT, NONTABURI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,680MB.**



# 21

### PERFECT PARK RANGSIT (2)

#### LOCATION

BAANKLANG, MUANG DISTRICT,  
PHRATUM THANI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 1,120 MB.**



# 22

### PERFECT PARK RAMA V-BANGYAI

#### LOCATION

BANG MAENANG, BANGYAI DISTRICT,  
NONTABURI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT : SDH/DH**

**TOTAL PROJECT VALUE : 6,530MB.**



# 23

### PERFECT PARK SUARNABHUMI (ROMKLAO)

#### LOCATION

KWANG MINBURI, MINBURI, BANGKOK

#### DEVELOPED BY

ESTATE PERFECT CO., LTD.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 2,189MB.**



# 24

### PERFECT PARK BANGNA

#### LOCATION

BANG SAO THONG, BANGPHLI DISTRICT,  
SAMUT PRAKARN

#### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

**PRODUCT : SDH**

**TOTAL PROJECT VALUE : 498 MB.**



# 25

## PERFECT PARK WESTGATE

### LOCATION

BAAN MAI, BANGYAI DISTRICT, NONTABURI

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD.

**PRODUCT :** SDH/DH

**TOTAL PROJECT VALUE :** 1,670 MB.



# 26

## PERFECT PARK PATHUMTHANI

### LOCATION

BAAN DUEA, MUANG DISTRICT, PATHUMTHANI

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD.

**PRODUCT :** SDH

**TOTAL PROJECT VALUE :** 1,115 MB.



# 27

## PERFECT PARK CHAIYAPRUEK

### LOCATION

BANGBUATHONG, BANGBUATHONG DISTRICT, NONTABURI

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD.

**PRODUCT :** SDH/DH

**TOTAL PROJECT VALUE :** 703 MB..

## “THE METRO” / “METRO BIZTOWN” BRAND



# 28

## THE METRO CHAENGWATTANA

### LOCATION

KLONG PHRA UDOM, PAKKRET DISTRICT, NONTABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 1,053 MB.



# 29

## THE METRO PETCHKASEM 48

### LOCATION

BANG DUAN, PHASI CHAREON, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 733MB.



# 30

## THE METRO RATCHAPRUEK-PATHUM THANI

### LOCATION

BANGDUEA, MUANG, PATHUMTHANI

### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 1,247 MB.



# 31

## THE METRO RATTANATHIBET

### LOCATION

SAI-MA, MUANG DISTRICT, NONTABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : TH

**TOTAL PROJECT VALUE : 1,032 MB.**



# 32

## THE METRO NGAMWONGWAN

### LOCATION

BANG KAEN, MUANG DISTRICT, NONTABURI

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : TH

**TOTAL PROJECT VALUE : 326 MB.**



# 33

## METRO BIZTOWN CHAENGWATTANA (2)

### LOCATION

KLONG PRA UDOM, PAKKRET DISTRICT,  
NONTABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : COMMERCIAL BUILDINGS

**TOTAL PROJECT VALUE : 178 MB.**



# 34

## METRO BIZTOWN CHAENGWATTANA (3)

### LOCATION

KLONG PRA UDOM, PAKKRET DISTRICT,  
NONTABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : COMMERCIAL BUILDINGS

**TOTAL PROJECT VALUE : 320 MB.**



# 35

## METRO BIZTOWN BANGNA

### LOCATION

BANGSAOTHONG, BANG PHLI DISTRICT,  
SAMUT PRAKARN

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : COMMERCIAL BUILDINGS

**TOTAL PROJECT VALUE : 562MB.**



# 36

## METRO BIZTOWN BANGBUATHONG (2)

### LOCATION

BANGBUATHONG, BANGBUATHONG  
DISTRICT, NONTABURI

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD.

### PRODUCT : COMMERCIAL BUILDINGS

**TOTAL PROJECT VALUE : 38 MB.**



## “MODI VILLA” BRAND



# 37

### MODI VILLA NEW RATCHAPRUEK

#### LOCATION

BAAN DUEA, MUANG DISTRICT,  
PATHUMTHANI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** SDH, DH

**TOTAL PROJECT VALUE :** 1,113 MB.



# 38

### MODI VILLA RATCHAPRUEK-TIWANON

#### LOCATION

BANGKOOWAT, MUANG DISTRICT,  
NONTABURI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 767MB.



# 39

### MODI VILLA BANGYAI

#### LOCATION

BANG MAENANG, BANGYAI DISTRICT,  
NONTABURI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 436 MB.



# 40

### MODI VILLA RANGSIT (2)

#### LOCATION

BAAN KLANG, MUANG DISTRICT,  
PATHUM THANI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH

**TOTAL PROJECT VALUE :** 811 MB.



# 41

### MODI VILLA RANGSIT KLONG 7

#### LOCATION

LUMPAKWOOD, THANYABURI DISTRICT,  
PATHUM THANI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** SDH, DH

**TOTAL PROJECT VALUE :** 776 MB.



# 42

### MODI VILLA CHAIYAPRUEK

#### LOCATION

PIMOLRACH, BANGBUATHONG DISTRICT,  
NONTABURI

#### DEVELOPED BY

PROPERTY PERFECT PLC.

**PRODUCT :** TH, DH

**TOTAL PROJECT VALUE :** 619 MB.





# 43

## **MODI VILLA (TOWNHOME) CHAIYAPRUEK**

### **LOCATION**

PIMOLRACH, BANGBUATHONG DISTRICT,  
NONTABURI

### **DEVELOPED BY**

PROPERTY PERFECT PLC.

### **PRODUCT : TH**

**TOTAL PROJECT VALUE : 384 MB.**



# 44

## **MODI VILLA RAMA5-KANCHANAPISEK**

### **LOCATION**

BANGYAI, BANGYAI DISTRICT, NONTABURI

### **DEVELOPED BY**

ESTATE PERFECT CO., LTD.

### **PRODUCT : SDH/ DH/TH**

**TOTAL PROJECT VALUE : 1,310 MB.**



# 45

## **MODI VILLA PINKLAO-SAI5**

### **LOCATION**

BANGRATUK, SAMPHARN DISTRICT,  
NAKORN PATHOM

### **DEVELOPED BY**

ESTATE PERFECT CO., LTD.

### **PRODUCT : SDH, DH**

**TOTAL PROJECT VALUE : 463 MB.**



# 46

## **MODI VILLA (TOWNHOME ) RANGSIT KLONG 7**

### **LOCATION**

LUMPAKKOOD, THANYABURI DISTRICT,  
PATHUM THANI

### **DEVELOPED BY**

ESTATE PERFECT CO., LTD.

### **PRODUCT : TH**

**TOTAL PROJECT VALUE : 1,155 MB.**



# 47

## **MODI VILLA (TOWNHOME ) PETCHKASEM 69**

### **LOCATION**

NONG KHAM, NONG KHAM, BANGKOK

### **DEVELOPED BY**

ESTATE PERFECT CO., LTD.

### **PRODUCT : TH**

**TOTAL PROJECT VALUE : 796 MB.**



# 48

## **MODI VILLA (TOWNHOME ) BANGNA**

### **LOCATION**

BANGSAOTHONG, BANG PHLI DISTRICT,  
SAMUT PRAKARN

### **DEVELOPED BY**

ESTATE PERFECT CO., LTD.

### **PRODUCT : TH**

**TOTAL PROJECT VALUE : 1,037 MB.**



# 49

## MODI VILLA (TOWNHOME) LATKRABANG -SUVARNNABHUMI

### LOCATION

KLONGLUANGPANG, MUANG DISTRICT,  
CHACHOENGSAO

### DEVELOPED BY

ESTATE PERFECT CO., LTD.

### PRODUCT : TH

TOTAL PROJECT VALUE : 955 MB



# 50

## MODI VILLA BANGNA

### LOCATION

BANGSAOTHONG, BANG PHLI DISTRICT,  
SAMUT PRAKARN

### DEVELOPED BY

ESTATE PERFECT CO., LTD.

### PRODUCT : SDH, DH

TOTAL PROJECT VALUE : 593 MB.



# 51

## MODI VILLA LAT KRABANG

### LOCATION

KLONGLUANGPANG, MUANG DISTRICT,  
CHACHOENGSAO

### DEVELOPED BY

RESIDENCE NUMBER NINE CO., LTD.

### PRODUCT : SDH, DH

TOTAL PROJECT VALUE : 622 MB.

## “THE LAKE” / “METRO SKY” / “THE SKY” / “METRO LUXE” / “BELLA COSTA”



# 52

## THE LAKE KULLAPRAPUEK-WUTTHAKAT PHASE 3

### LOCATION

BANG WA, PHASI CHAROEN, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 3,806 MB.



# 53

## THE SKY SUKHUMVIT (METRO SKY SUKHUMVIT)

### LOCATION

BANG NA, BANGNA, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 3,682MB.



# 54

## METRO SKY PRACHACHUEN

### LOCATION

BANGSUE, BANG SUE, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 3,804 MB.



# 55

## METRO SKY WUTTHAKAT

### LOCATION

KWANG TALAD PLU, THONBURI, BANGKOK

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,443 MB.



# 56

## METRO LUXE PHAHOL-SUTTHISAN (2)

### LOCATION

SAMSEN NAI, PHAYATHAI, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,072 MB.



# 57

## METRO LUXE RIVERFRONT (METRO RIVERFRONT)

### LOCATION

SAI MA, MUANG DISTRICT, NONTHABURI

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,801 MB.



# 58

## METRO LUXE RATCHADA (METRO SKY RATCHADA)

### LOCATION

DINDANG, DINDANG, BANGKOK

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : CD

TOTAL PROJECT VALUE : 2,039 MB.



# 59

## METRO LUXE KASET (METRO SKY KASET)

### LOCATION

SENA NIKHOM, CHATUCHAK, BANGKOK

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,560 MB.



# 60

## BELLA COSTA HUA HIN

### LOCATION

PAKNAM PRAN, PRANBURI DISTRICT,

PRACHUABKIRIKHAN

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,588 MB.





# 61

## ICONDO GREEN SPACE PATTANAKARN-SRINAKARIN

### LOCATION

SUAN LUANG, SUAN LUANG, BANGKOK

### DEVELOPED BY

PROPERTY PERFECT PLC.

### PRODUCT : CD

TOTAL PROJECT VALUE : 957MB.



# 62

## ICONDO SERITHAI

### LOCATION

KLONG KUM, BUENG KUM DISTRICT,  
BANGKOK

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : CD

TOTAL PROJECT VALUE : 983MB.



# 63

## ICONDO SALAYA (2)

### LOCATION

SALAYA, PHUTHAMONTHON DISTRICT, NAKORN PATHOM

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

### PRODUCT : CD

TOTAL PROJECT VALUE : 1,544 MB.



# 64

## YURUAY CONDO

### LOCATION

NUANCHAN, BUENG KUM, BANGKOK

### DEVELOPED BY

BRIGHT DEVELOPMENT BANGKOK CO., LTD.

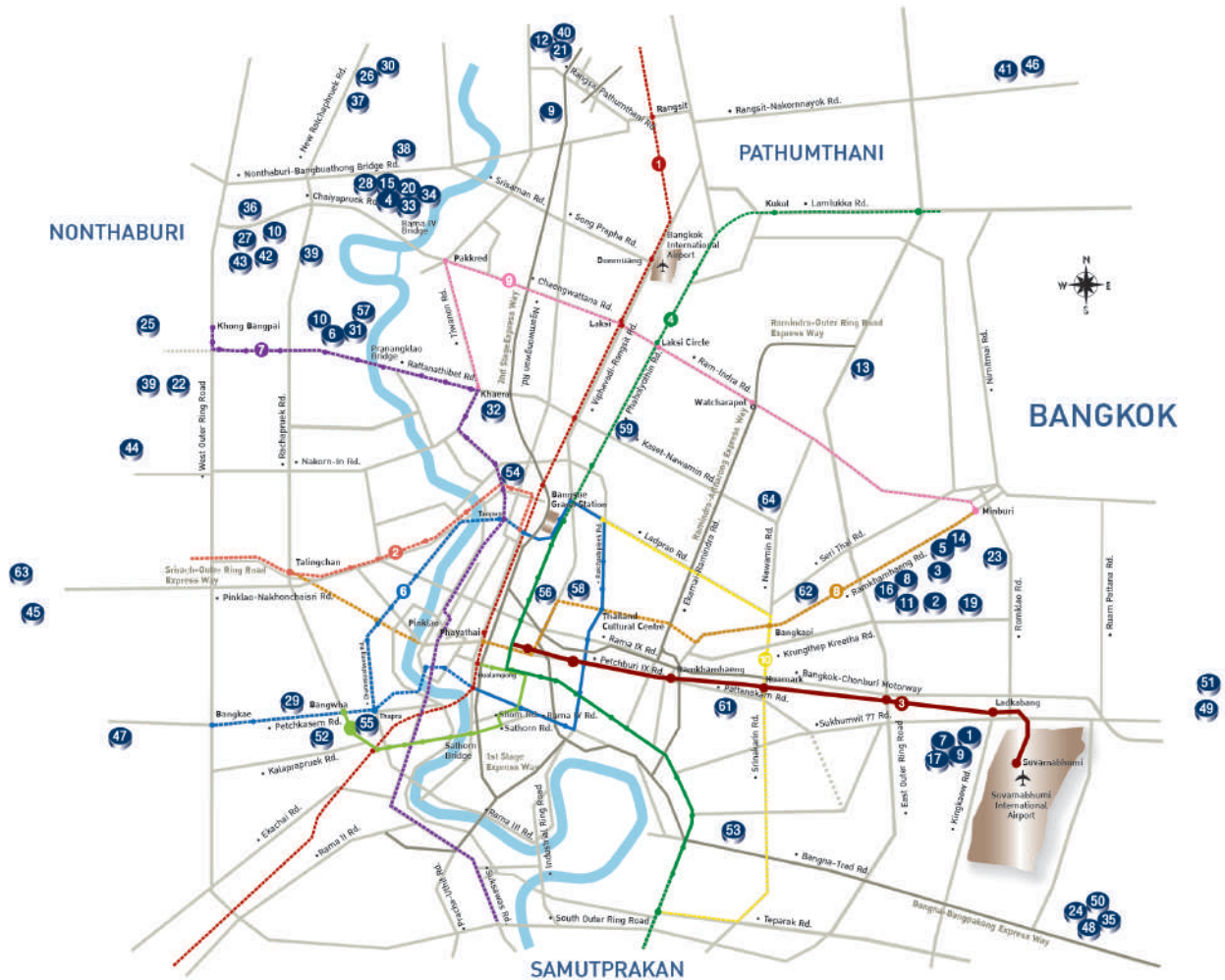
### PRODUCT : CD

TOTAL PROJECT VALUE : 2,279 MB.



# PROJECT'S MAP

PROPERTY PERFECT



## SAMUTSAKORN

1. Perfect Masterpiece Sukhumvit 77
2. Perfect Masterpiece Rama 9 - Krungthep Kreetha
3. Perfect Masterpiece (Century) Ramkhamhaeng-Suvarnabhumi
4. Perfect Masterpiece Chaengwattana
5. Perfect Masterpiece Ramkhamhaeng-Suvarnabhumi
6. Perfect Masterpiece Rattana Thibet
7. Perfect Masterpiece Sukhumvit 77 [3]
8. Perfect Residence Rama 9 - Krungthep Kreetha
9. Perfect Residence Sukhumvit 77 - Suvarnabhumi
10. Perfect Place Rattana Thibet - Sai Ma St.
11. Perfect Place Rama 9 - Krungthep Kreetha
12. Perfect Place Rangsit - Bangpoon Expressway
13. Perfect Place Ramintra - Outer Ring [2]
14. Perfect Place Ramkhamhaeng-Suvarnabhumi
15. Perfect Place Chaengwattana [2]
16. Perfect Place Outer Ring - Ramkhamhaeng [2]
17. Perfect Place Sukhumvit 77 - Suvarnabhumi [8]
18. Perfect Place Chiang Mai
19. Perfect Park Krungthep Kreetha
20. Perfect Park Chaengwattana
21. Perfect Park Rangsit [2]
22. Perfect Park Rama 5-Bangyai
23. Perfect Park Suvarnabhumi (Romklao)
24. Perfect Park Bangna
25. Perfect Park Westgate

26. Perfect Park Pathumthani
27. Perfect Park Chaipruek
28. The Metro Chaengwattana
29. The Metro Petchkasem 48
30. The Metro Ratchapruk-Pathumthani
31. The Metro Rattana Thibet
32. The Metro Ngamwongwan
33. Metro Biztown Chaengwattana [2]
34. Metro Biztown Chaengwattana [3]
35. Metro Biztown Bangna
36. Metro Biztown Bangbuathong [2]
37. Modi Villa New Ratchapruk
38. Modi Villa Ratchapruk-Tiwanon
39. Modi Villa Bangyai
40. Modi Villa Rangsit 2
41. Modi Villa Rangsit Klong 7
42. Modi Villa Chaipruek
43. Modi Villa (Townhome) Chaipruek
44. Modi Villa Rama5-Kanchanapisek
45. Modi Villa Pinklao-Sai 5
46. Modi Villa (Townhome) Rangsit Klong 7
47. Modi Villa (Townhome) Petchkasem 69
48. Modi Villa (Townhome) Bangna
49. Modi Villa (Townhome) Ladkrabang -Suvarnabhumi
50. Modi Villa Bangna

51. Modi Villa Ladkrabang
52. The Lake Kallaphruek-Wuthakat Phase 3
53. The Sky Sukhumvit
54. Metro Sky Prachachuen
55. Metro Sky Wuthakat
56. Metroluxe Phaholyothin [2]
57. Metroluxe Riverfront
58. Metroluxe Ratchada
59. Metroluxe Kaset
60. Bella Costa Hua-Hin
61. iCondo Green Space Srinakarin-Pattanakarn
62. iCondo Serithai
63. iCondo Salaya [2]
64. Yuray Condo

## Route of Mass Rapid Transit Authority

- 1 Red Line (Thammasat-Mahachulalongkornrajavidyalaya)
- 2 Light Red Line (Bangsue-Talingchan)
- 3 Airport Rail Link (Phayathai-Suvarnabhumi)
- 4 Dark Green Line (Lam Lukka-Samutprakan)
- 5 Blue Line (Bangsue-Hualampong-Tapra)
- 6 Purple Line (Bangyai-Rajaburi)
- 7 Light Green Line (Yodsa-Bangwa)
- 8 Orange Line (Talingchan-Minburi)
- 9 Pink Line (Khae Rai-Minburi)
- 10 Yellow Line (Ladprao-Samrong)

## TOTAL REVENUE STRUCTURE FROM SALES BY PRODUCT TYPE

The Company's revenue is generated mainly by the property development business, which largely consists of low-rise development like single detached houses and townhouses. The revenue structure in the past 3 years is as follows:

| Consolidated Financial Statements             | Accounting Year Ended |               |                  |               |                  |               |
|---|-----------------------|---------------|------------------|---------------|------------------|---------------|
|   | 31 December 2019      |               | 31 December 2018 |               | 31 December 2017 |               |
|   | Baht                  | %             | Baht             | %             | Baht             | %             |
| <b>Revenue</b>                                |                       |               |                  |               |                  |               |
| Revenue from sales of Land and house          | 7,726.41              | 36.51         | 8,818.07         | 44.88         | 7,454.71         | 44.54         |
| Revenue from sales of residential condominium | 6,140.83              | 29.01         | 5,535.26         | 28.17         | 4,765.61         | 28.48         |
| Revenue from sales of land                    | 2,499.89              | 11.81         | 1,233.23         | 6.28          | 1,225.45         | 7.32          |
| Revenue from hotel business                   | 3,669.57              | 17.34         | 2,914.76         | 14.84         | 2,323.28         | 13.88         |
| Revenue from rental and service fees          | 269.33                | 1.27          | 496.49           | 2.53          | 413.89           | 2.47          |
| <b>Other Revenue</b>                          |                       |               |                  |               |                  |               |
| Other Gains (Loss)                            | 70.10                 | 0.33          | 235.39           | 1.20          | 211.81           | 1.27          |
| Others  | 789.15                | 3.73          | 413.81           | 2.11          | 340.73           | 3.30          |
| <b>Total Revenue</b>                          | <b>21,165.27</b>      | <b>100.00</b> | <b>19,647.02</b> | <b>100.00</b> | <b>16,735.47</b> | <b>100.00</b> |

The financial statements showed that land and house sale generated 36.51%, 44.88% and 44.54% of total revenue in 2019, 2018 and 2017, respectively. Condominium business generated 29.01%, 28.17% and 28.48% of revenue, respectively. Proceeds from the sale of land accounted for 11.81%, 6.28% and 7.32%. The hotel business generated 17.34%, 14.84% and 13.88%, respectively. Rental and services generated 1.27%, 2.53% and 2.47%, respectively. In the consolidated income statements, other revenues generated 4.06%, 3.31% and 3.30% of total revenue, respectively.

(More information as of 31 December 2019 appeared in the comprehensive income statement.)



## LAND AND HOUSES SALE REVENUE STRUCTURE BY PRODUCT TYPE

Land, House and condominium sale revenue from various projects are as follows;

| Project   | Developed by | Type | 2019         |      | 2018         |      | 2017         |      |
|---|--------------|------|--------------|------|--------------|------|--------------|------|
|   |              |      | Million Baht | %    | Million Baht | %    | Million Baht | %    |
| Brand “Perfect Masterpiece”                                 |              |      |              |      |              |      |              |      |
| Perfect Masterpiece Rattanathibet                           | PF           | SDH  | 338.3        | 4.4% | 341.7        | 3.9% | 397.1        | 5.3% |
| Perfect Masterpiece ( Century)<br>Ramkhamhaeng-Suvarnabhumi | PF           | SDH  | 145.2        | 1.9% | 338.1        | 3.8% | 305.8        | 4.1% |
| Perfect Masterpiece (2) Rangsit                             | PF           | SDH  | -            | -    | -            | -    | 200.4        | 2.7% |
| Perfect Masterpiece Chaengwattana                           | PF           | SDH  | 168.1        | 2.2% | 335.6        | 3.8% | 100.3        | 1.3% |
| Perfect Masterpiece Krungtep Kreetha                        | PF           | SDH  | 342.3        | 4.4% | 467.3        | 5.3% | 12.5         | 0.2% |
| Perfect Masterpiece Sukhumvit 77                            | EP           | SDH  | 431.6        | 5.6% | 97.1         | 1.1% | 405.1        | 5.4% |
| Brand “Perfect Place”                                       |              |      |              |      |              |      |              |      |
| Perfect Place Rattanathibet (3)                             | PF           | SDH  | -            | 0.0% | 225.3        | 2.6% | 503.8        | 6.8% |
| Perfect Place Rattanathibet (4)                             | PF           | SDH  | 6.9          | 0.1% | 80.0         | 0.9% | -            | -    |
| Perfect Place Rattanathibet (5)                             | PF           | SDH  | -            | -    | 76.4         | 0.9% | -            | -    |
| Perfect Place Ramkhamhaeng-Suvarnabhumi<br>(Colonial )      | PF           | SDH  | -            | -    | 11.3         | 0.1% | 29.5         | 0.4% |
| Perfect Place Ramkhamhaeng-Suvarnabhumi (2)                 | PF           | SDH  | 19.7         | 0.3% | 32.6         | 0.4% | 64.4         | 0.9% |
| Perfect Place Ramkhamhaeng-Suvarnabhumi (3)                 | PF           | SDH  | 189.0        | 2.4% | 287.3        | 3.3% | 241.5        | 3.2% |
| Perfect Place Ramintra-Outer Ring (1)                       | PF           | SDH  | 5.6          | 0.1% | 12.8         | 0.1% | 26.1         | 0.4% |
| Perfect Place Ramintra-Outer Ring (2)                       | PF           | SDH  | 150.4        | 1.9% | 268.5        | 3.0% | 215.7        | 2.9% |
| Perfect Place Ramintra-Outer Ring (3)                       | PF           | SDH  | 141.1        | 1.8% | 55.8         | 0.6% | -            | 0.0% |
| Perfect Place Outer Ring-Ramkhamhaeng                       | PF           | SDH  | 13.7         | 0.2% | -            | -    | 85.5         | 1.1% |
| Perfect Place Outer Ring-Ramkhamhaeng (2)                   | PF           | SDH  | 448.2        | 5.8% | 428.3        | 4.9% | 237.1        | 3.2% |
| Perfect Place Krungtep Kreetha                              | PF           | SDH  | 249.8        | 3.2% | 482.7        | 5.5% | 134.6        | 1.8% |
| Perfect Place Ratchapruek (3)                               | PF           | SDH  | -            | -    | -            | -    | 21.4         | 0.3% |
| Perfect Place Ratchapruek (4)                               | PF           | SDH  | 194.2        | 2.5% | 415.2        | 4.7% | 363.6        | 4.9% |
| Perfect Place Ratchapruek (5)                               | PF           | SDH  | 94.2         | 1.2% | -            | -    | -            | -    |
| Perfect Place Rangsit                                       | PF           | SDH  | -            | -    | -            | -    | 24.0         | 0.3% |
| Perfect Place Rangsit (2)                                   | PF           | SDH  | -            | -    | 301.5        | 3.4% | 234.9        | 3.2% |
| Perfect Place Chaengwattana                                 | PF           | SDH  | -            | -    | -            | -    | 209.7        | 2.8% |
| Perfect Place Chaengwattana (2)                             | PF           | SDH  | 131.1        | 1.7% | 289.1        | 3.3% | 10.1         | 0.1% |
| Perfect Place Sukhumvit 77-Suvarnabhumi                     | EP           | SDH  | 659.8        | 8.5% | 826.3        | 9.4% | 505.1        | 6.8% |
| Perfect Place Muang Chiang Mai                              | RN 9         | SDH  | 29.6         | 0.4% | 34.7         | 0.4% | 62.9         | 0.8% |
| Perfect Place Rangsit-Bangpoorn Expressway                  | PF           | SDH  | 92.5         | 1.2% | -            | -    | -            | -    |
| Perfect Place Rattanathibet-Sai Ma St.                      | PF           | SDH  | 113.6        | 1.5% | -            | -    | -            | -    |
| Perfect Place Rama9-Krungtep Kreetha                        | PF           | SDH  | 211.3        | 2.7% | -            | -    | -            | -    |
| Perfect Residence Rama9-Krungtep Kreetha                    | PF           | SDH  | 116.8        | 1.5% | 34.0         | 0.4% | -            | -    |

| Project                                  | Developed by | Type     | 2019         |      | 2018         |      | 2017         |      |
|--|--------------|----------|--------------|------|--------------|------|--------------|------|
|  |              |          | Million Baht | %    | Million Baht | %    | Million Baht | %    |
| Brand “Perfect Park” “Maneerin”          |              |          |              |      |              |      |              |      |
| Maneerin Lake & Park Ratchapruek-Tiwanon | PF           | SDH/Land | -            | 0.0% | 14.4         | 0.2% | 13.1         | 0.2% |
| Perfect Park Rama V–Bangyai              | PF           | SDH      | 54.1         | 0.7% | 342.8        | 3.9% | 341.6        | 4.6% |
| Perfect Park Ratchapruek                 | PF           | SDH      | -            | -    | 64.1         | 0.7% | 449.8        | 6.0% |
| Perfect Park Rangsit (2)                 | PF           | SDH      | 182.7        | 2.4% | 166.1        | 1.9% | 61.2         | 0.8% |
| Perfect Park Suvarnabhumi                | EP           | SDH      | 341.0        | 4.4% | 323.7        | 3.7% | 324.6        | 4.4% |
| Perfect Park Bangbuathong                | EP           | SDH      | 11.6         | 0.2% | 51.8         | 0.6% | 148.5        | 2.0% |
| Perfect Park Bangna                      | BD           | SDH      | 8.4          | 0.1% | 43.8         | 0.5% | 28.63        | 0.4% |
| Perfect Park Chaiyapruek                 | RN 9         | SDH      | 113.5        | 1.5% | 47.3         | 0.5% | 87.6         | 1.2% |
| Perfect Park Chaengwattana               | PF           | SDH      | 300.5        | 3.9% | 48.0         | 0.5% | -            | -    |
| Perfect Park Westgate                    | RN 9         | SDH      | 158.7        | 2.1% | -            | -    | -            | -    |
| Perfect Park Ratchapruek- Pathum Thani   | RN 9         | SDH      | 63.5         | 0.8% | -            | -    | -            | -    |
| Band “The Metro ” / “Modi Villa”         |              |          |              |      |              |      |              |      |
| The Metro Ramkhamhaeng                   | PF           | TH       | -            | -    | 6.6          | 0.1% | 63.5         | 0.9% |
| The Metro Rattanathibet                  | PF           | TH       | 190.8        | 2.5% | 341.7        | 3.9% | 105.7        | 1.4% |
| The Metro Rama9-Krungtep Kreetha         | PF           | TH       | 20.8         | 0.3% | 407.9        | 4.6% | 46.2         | 0.6% |
| The Metro Ratchapruek- Pathum Thani      | PF           | TH       | 55.0         | 0.7% | -            | -    | -            | -    |
| The Metro Chaengwattana                  | PF           | TH       | 91.3         | 1.2% | -            | -    | -            | -    |
| The Metro Petchkasem 48                  | PF           | TH       | 23.4         | 0.3% | -            | -    | -            | -    |
| Modi Villa Chaiyapruek                   | PF           | TH,SDH   | 90.8         | 1.2% | 92.2         | 1.0% | 79.7         | 1.1% |
| Modi Villa (Townhome) Chaiyapruek        | PF           | TH       | 52.6         | 0.7% | 94.7         | 1.1% | 85.0         | 1.1% |
| Modi Villa Rangsit                       | PF           | TH       | 7.6          | 0.1% | 120.4        | 1.4% | 201.6        | 2.7% |
| Modi Villa Rangsit (2)                   | PF           | TH       | 154.7        | 2.0% | 58.9         | 0.7% | -            | -    |
| Modi Villa Rangsit Klong 7               | PF           | TH       | 34.5         | 0.4% | 47.1         | 0.5% | 54.8         | 0.7% |
| Modi Villa (Townhome) Ladkrabang         | EP           | TH       | 81.0         | 1.0% | 83.2         | 0.9% | 77.4         | 1.0% |
| Modi Villa Ladkrabang-Suvarnabhumi       | RN 9         | SDH      | 79.5         | 1.0% | 53.3         | 0.6% | 65.8         | 0.9% |
| Modi Villa Pinklao-Outer Ring            | EP           | TH,SDH   | 3.8          | 0.0% | 129.1        | 1.5% | 155.7        | 2.1% |
| Modi Villa Bangna                        | EP           | SDH      | 122.6        | 1.6% | 98.7         | 1.1% | 60.8         | 0.8% |
| Modi Villa (Townhome) Bangna             | EP           | TH       | 99.1         | 1.3% | 97.1         | 1.1% | 127.3        | 1.7% |
| Modi Villa Bangbuathong                  | RN 9         | TH,SDH   | 4.6          | 0.1% | 96.1         | 1.1% | 170.8        | 2.3% |
| Modi Villa Bangbyai                      | PF           | TH       | 103.2        | 1.3% | 21.4         | 0.2% | -            | -    |
| Modi Villa Rachapruek-Tiwanon            | PF           | TH       | 106.5        | 1.4% | 57.4         | 0.7% | -            | -    |
| Modi Villa Petchkasem 69                 | EP           | TH       | 221.4        | 2.9% | 218.8        | 2.5% | 125.8        | 1.7% |
| Modi Villa (Townhome) Rangsit Klong 7    | EP           | TH       | 84.2         | 1.1% | 68.6         | 0.8% | 94.5         | 1.3% |
| Modi Villa Pinklao Sai 5                 | EP           | SDH      | 148.9        | 1.9% | 45.0         | 0.5% | -            | -    |
| Modi Villa New Ratchapruek               | PF           | TH       | 10.2         | 0.1% | -            | -    | -            | -    |
| Modi Villa Rama5-Kanchanapisek           | EP           | SDH      | 90.0         | 1.2% | -            | -    | -            | -    |



| Project   | Developed by  | Type         | 2019           |               | 2018           |               | 2017           |               |
|---|---------------|--------------|----------------|---------------|----------------|---------------|----------------|---------------|
|   |               |              | Million Baht   | %             | Million Baht   | %             | Million Baht   | %             |
| Metro Biztown Bangbuathong                            | RN 9          | Shop         | 5.1            | 0.1%          | 4.6            | 0.1%          | -              | -             |
| Metro Biztown Bangna                                  | BD            | Shop         | 4.4            | 0.1%          | 9.4            | 0.1%          | 62.5           | 0.8%          |
| Metro Biztown Chaengwattana                           | PF            | Shop         | -              | -             | 37.7           | 0.4%          | -              | -             |
| Metro Biztown Chaengwattana (2)                       | PF            | Shop         | 100.4          | 1.3%          | 42.0           | 0.5%          | -              | -             |
| Metro Biztown Chaengwattana (3)                       | PF            | Shop         | 107.2          | 1.4%          | -              | -             | -              | -             |
| Other   | PF / EP / RN9 | TH,SDH, Shop | 105.8          | 1.1%          | 42.6           | 0.5%          | 31.5           | 0.4%          |
| <b>Total Revenue from the Sale of land and houses</b> |               |              | <b>7,726.4</b> | <b>100.0%</b> | <b>8,818.1</b> | <b>100.0%</b> | <b>7,454.7</b> | <b>100.0%</b> |

**Remark :**

PF = Property Perfect Public Company Limited      EP = Estate Perfect Company Limited  
BD = Bright Development Bangkok Company Limited      RN 9 = Residence Number Nine Company Limited  
SDH = Single Detached House, TH = Townhouse, Land = Land, Shop = Shop House

As shown in the balance sheet, sales revenue of Property Perfect in 2019, 2018 and 2017 are Bt4,930.6 million, Bt6,489.5 million and Bt4,951.7 million, respectively. In the same period, subsidiaries' revenue are Bt2,795.8 million, Bt2,328.6 million and Bt2,503.0 million, respectively.



## SALES OF CONDOMINIUM UNITS REVENUE STRUCTURE BY PRODUCT TYPE

| Project   | Developed by | Type  | 2019           |               | 2018           |               | 2017           |               |
|---|--------------|-------|----------------|---------------|----------------|---------------|----------------|---------------|
|   |              |       | Million Baht   | %             | Million Baht   | %             | Million Baht   | %             |
| Metro Park Sathorn                                      | PF           | CONDO | 86.2           | 1.4%          | 235.6          | 4.3%          | 203.9          | 4.3%          |
| The Sky Sukhumvit                                       | PF           | CONDO | 203.1          | 3.3%          | 282.1          | 5.1%          | 125.9          | 2.6%          |
| Metro Luxe Riverfront                                   | PF           | CONDO | 92.7           | 1.5%          | 192.9          | 3.5%          | 280.2          | 5.9%          |
| Metro Luxe Phaholyothin                                 | PF           | CONDO | 3.4            | 0.1%          | 80.4           | 1.5%          | 144.9          | 3.0%          |
| Metro Luxe Phaholyothin (2)                             | PF           | CONDO | 240.4          | 3.9%          | 583.7          | 10.5%         | -              | 0.0%          |
| Metro Luxe Rama4  | PF           | CONDO | 9.4            | 0.2%          | 266.5          | 4.8%          | 419.0          | 8.8%          |
| Bella Costa Hua Hin                                     | PF           | CONDO | 16.9           | 0.3%          | 66.8           | 1.2%          | 50.0           | 1.0%          |
| Metro Sky Prachachuen                                   | PF           | CONDO | 367.6          | 6.0%          | 674.5          | 12.2%         | 1,133.7        | 23.8%         |
| Metro Luxe Ratchada                                     | BD           | CONDO | 323.7          | 5.3%          | 652.6          | 11.8%         | 442.28         | 9.3%          |
| Metro Luxe Kaset  | BD           | CONDO | 134.4          | 2.2%          | 263.6          | 4.8%          | 307.39         | 6.5%          |
| iCondo Ngamwongwan                                      | BD           | CONDO | -              | 0.0%          | -              | 0.0%          | 3.47           | 0.1%          |
| iCondo Sukhumvit 105                                    | BD           | CONDO | -              | 0.0%          | 84.4           | 1.5%          | 180.16         | 3.8%          |
| iCondo Sukhumvit 103                                    | BD           | CONDO | -              | 0.0%          | -              | 0.0%          | 10.5           | 0.2%          |
| iCondo Ngamwongwan (2)                                  | BD           | CONDO | -              | 0.0%          | -              | 0.0%          | 14.97          | 0.3%          |
| iCondo Petchkasem 39                                    | BD           | CONDO | -              | 0.0%          | -              | 0.0%          | 1.99           | 0.0%          |
| iCondo Salaya   | BD           | CONDO | 61.1           | 1.0%          | 34.1           | 0.6%          | 26.64          | 0.6%          |
| iCondo Salaya (2)                                       | BD           | CONDO | 86.8           | 1.4%          | 256.2          | 4.6%          | 224.98         | 4.7%          |
| iCondo Serithai   | BD           | CONDO | 319.4          | 5.2%          | 275.9          | 5.0%          | -              | 0.0%          |
| iCondo Sukhumvit 77                                     | EP           | CONDO | 1,858.8        | 30.3%         | -              | 0.0%          | -              | 0.0%          |
| Hyde Sukhumvit 13                                       | GRAND        | CONDO | -              | 0.0%          | 1,476.3        | 26.7%         | 295.49         | 6.2%          |
| Hyde Sukhumvit 11                                       | GRAND        | CONDO | 413.2          | 6.7%          | 94.7           | 1.7%          | 892.61         | 18.7%         |
| Others  |              |       | -              | 0.0%          | 15.0           | 0.3%          | 7.50           | 0.2%          |
| Yuruay Condo  | BD           | CONDO | 201.9          | 3.3%          | -              | 0.0%          | -              | 0.0%          |
| YU Kiroro   | KRH          | CONDO | 1,721.8        | 28.0%         | -              | 0.0%          | -              | 0.0%          |
| <b>Total revenue from the sale of condominium units</b> |              |       | <b>6,140.8</b> | <b>100.0%</b> | <b>5,535.3</b> | <b>100.0%</b> | <b>4,765.6</b> | <b>100.0%</b> |

### Remark :

- PF = Property Perfect Public Company Limited  
 BD = Bright Development Bangkok Company Limited  
 GRAND = Grande Asset Hotels and Property Public Company Limited  
 KRH = Kiroro Resort Holding Company Limited  
 CONDO = Condominium

Revenue from sales of condominium units presented in the consolidated financial statements came from total revenue from projects developed by Property Perfect Public Company Limited in 2019, 2018 and 2017 are Bt. 1,019.8 million, Bt2,382.5 million and Bt2,357.6 million, respectively. In the same period, subsidiaries' revenue are Bt5,121.1 million, Bt3,152.8 million and Bt2,408.0 million, respectively.

(More information as of 31 December 2019 appeared in the comprehensive income statement.)

## PRODUCTS AND SERVICES

The company and subsidiaries are developing property projects under a variety of brands, to satisfy various needs of different target groups and to offer products at a wide price range. The projects are primarily in prime locations in Bangkok and peripheral provinces, located along mass transit routes and community areas near universities. There are also projects in high-potential provinces like PrachuabKhiri Khan (HuaHin), Nakorn Ratchsima (Khaoyai), Mae Rim and San Phi Suea Chiang Mai. The products are classified as following:

### 1. SINGLE DETACHED HOUSES, DUPLEX HOUSES AND TOWNHOUSES

The company and subsidiaries' projects cater for customer demands which vary from location to location. They are priced from Bt1.9 —Bt80.0 million under the following brands.

#### Single Detached Houses and Duplex Houses



**PROJECT : BELLA DEL MONTE**  
**PRICE RANGE: 25 – 80 MB.**



**Existing projects:**  
Bella Del Monte Khaoyai



LAKE LEGEND

**PROJECT : LAKE LEGEND**  
**PRICE RANGE: 20 – 60 MB.**



**Existing projects:**  
Lake Legend Chaengwattana



**PROJECT : PERFECT MASTERPIECE**  
**PRICE RANGE: 15– 60 MB.**



**Existing projects:**  
Perfect Masterpiece Century Rattana Thibet  
Perfect Masterpiece Chaengwattana  
Perfect Masterpiece Century  
Ramkhamhaeng  
Perfect Masterpiece Sukhumvit 77-Suvarnabhumi  
Perfect Masterpiece Rama9 - Krungrtep Kreetha



**PROJECT : PERFECT RESIDENCE**  
**PRICE RANGE: 10-15 MB.**



**Existing projects:**  
Perfect Residence Krungrtep Kreetha  
Perfect Residence Sukhumvit77

## Single Detached Houses and Duplex Houses



**PROJECT : PERFECT PLACE**  
**PRICE RANGE: 5-10 MB.**



### Existing projects:

Perfect Place Ransit-Bangpoon Expressway  
Perfect Place Chaengwattana (2)  
Perfect Place Ramkhamhaeng-Suvarnabhumi (3)  
Perfect Place Sukhumvit 77-Suvarnabhumi (8)  
Perfect Place Ramintra-Outer Ring(3)  
Perfect Place Outer Ring- Ramkhamhaeng (2)  
Perfect Place Muang Chiangmai  
Perfect Place Krungtep Kreetha(2)  
Perfect Place Rattanathibet-Sai Ma St.



**PROJECT : PERFECT PARK**  
**PRICE RANGE: 4 – 6 MB.**



### Existing projects:

Perfect Park Rama V- Bang Yai  
Perfect Park Bangbuathong Exclusive  
Perfect Park Suvarnabhumi  
Perfect Park Chaiyapruet  
Perfect Park Bangna  
Perfect Park Rangsit(2)  
Perfect Park Ratchapruet- Pathum Thani  
Perfect Park Chaengwattana  
Perfect Park Pathum Thani  
Perfect Park Westgate  
Perfect Park Krungtep Kreetha - Ramkhamhaeng



**PROJECT : MODI VILLA**  
**PRICE RANGE: 3.0 – 4.0 MB.**



### Existing projects:

Modi Villa Ladkrabang-Suvarnabhumi  
Modi Villa Bangna  
Modi Villa Chaiyapruet  
Modi Villa Pinklao- Sai 5  
Modi Villa Rangsit – Klong 7  
Modi Villa Bangbuathong  
Modi Villa New Ratchapruet  
Modi Villa Rama5- Kanchanapisek  
Modi Villa Pinklao- Outer Ring

## Town house



**PROJECT : THE METRO**  
**PRICE RANGE: 2.89-5 MB.**



### Existing projects:

The Metro Rattanathibet  
The Metro Rama9-Krungthep Kreetha  
The Metro Rachapruet – Pathumthani  
The Metro Chaengwattana  
The Metro Ngamwongwan



**PROJECT : MODI VILLA**  
**(TOWNHOME)**  
**PRICE RANGE: 1.9 – 3 MB.**



### Existing projects:

Modi villa Ladkrabang-Suvarnabhumi  
Modi Villa Bangna  
Modi villa Petchkasem69  
Modi villa Rangsit (2)  
Modi villa Rangsit Klong 7  
Modi Villa Bangyai  
Modi Villa Rachapruet-Tiwanon  
Modi Villa Rama5-Kanchanapisek



In 2019, the Company and subsidiaries planned 10 projects at existing and new locations, worth totally Bt11,600 million. In 2020, the Company will introduce luxury housing units at Perfect Masterpiece projects, to be developed in partnership with Sekisui Chemical Co., Ltd. of Japan. The new product combines Perfect Masterpiece's luxury with Japanese innovation for the quality of life and good health of dwellers.

## 2. CONDOMINIUM

The company and subsidiaries have launched condominium projects under various brands. They are both low-rise (with no more than 8 floors) or high-rise (with over 8 floors), in response to target groups' new generation. The prices range from 899,000-Bt150million. The projects are primarily in prime locations in Bangkok and peripheral provinces, located along mass transit routes and community areas near universities. Details are as follows:

### Condominium



**PROJECT : HYDE**  
**PRICE RANGE: 6.02 –150 MB.**



#### Existing projects:

Hyde Sukhumvit 11  
Hyde Heritage Thonglor



**PROJECT : YU KIRORO**  
**PRICE RANGE: 20–145 MB**



#### Existing projects:

YU Kiroro Japan



**PROJECT : THE SKY**  
**PRICE RANGE : 2.5 – 9.0 MB.**



#### Existing projects:

The Sky Sukhumvit



**PROJECT : METRO SKY**  
**PRICE RANGE: 2.0– 5.0 MB.**



#### Existing projects:

Metro Sky Prachachuen  
Metro Sky Wutthakat

## Condominium



**PROJECT : METROLUXE**  
**PRICE RANGE: 1.8 – 5.4 MB.**



### Existing projects:

Metroluxe Riverfront  
Metroluxe Phahol- Sutthisan  
Metroluxe Kaset  
Metroluxe Ratchada



**PROJECT: THE LAKE**  
**PRICE RANGE: 1.59 – 3.0MB.**



### Existing projects:

The Lake Kallprapruk-Wutthakat



**PROJECT : ICONDO**  
**PRICE RANGE: 1.59 – 2.4 MB.**



### Existing projects:

iCondo Salaya  
iCondo Salaya The Campus  
iCondo Serithai  
iCondo Sukhumvit 77  
iCondo Pattanakarn



**PROJECT : BELLA COSTA**  
**PRICE RANGE: 3.99-12.0 MB.**



### Existing projects:

Bella Costa Hua Hin



**PROJECT : YURUAY CONDO**  
**PRICE RANGE: 899,000 BAHT**



### Existing projects:

Yuruy Condo

In 2019, a condominium project worth Bt2,300 million namely Yuruay Condo was launched in Nawamin area. With unit prices below Bt1 million, the project targeted low-income earners.

The company and subsidiaries base the investment decision on customer preferences survey in each location, to finalize target groups, development types and an appropriate price range. All projects are thoroughly reviewed by relevant business units, also through feasibility studies on the projects which scatter on various potential locations in the Greater Bangkok. The focus is to create quality, well-designed and environmental-friendly projects, aside from favorable pre- and after-sale services.

After the transfer, the company and subsidiaries assure customers with a 1-year house warranty starting from the transfer date. The Perfect Service unit is established to take care of customers who have been delivered their completed units, within the warranty and off-warranty period. This is to ensure speedy services and guarantee customer satisfaction. Manning the unit are loyal employees, equipped with service mind and knowledge through training.

Moreover, the company and subsidiaries put in place community management practices, to cover the provision of recreation areas, utilities and infrastructure inside the projects until the construction works are finished and transferred to the estate committee or the juristic body.

### 3. HOTEL AND RESORT BUSINESS

The Company puts emphasis on the development of hotels with 4-5 stars, which will be managed by professional and international hotel chains. At present, the Company has awarded the management contracts to Starwood Hotels & Resorts Worldwide Inc and Hyatt International Corporation. The Company's focus is to erect hotels in prime locations of Bangkok which boasts travel convenience. The Company has the policy to diversify business risks by investing in provinces which are tourist destinations and targeting a vast range of target customers.

The Company operates a hotel and resort business abroad, owning Kiroro Resort in Akaigawa-mura, Hokkaido, Japan. The ski resort is located on a 292-rai plot, where two four-star hotel buildings are located. There are 422 hotel rooms, from 22sqm standard rooms to 149sqm suites. Considered one of the best ski resorts in Japan, it boasts the scenery that supports travel at all seasons. Akaigawa-mura is also well-known as the second most beautiful village in Japan. The resort offers a complete range of facilities such as function rooms, restaurants and a bar, hot spring, a swimming pool, souvenir shops and recreational areas.

Hotels under the management of Marriott International will be branded "Sheraton" and "Tribute Portfolio". Meanwhile, NZ Ski, the New Zealand company that owns and operates a ski business, has been contracted to operate the ski resort in Japan thanks to a pool of professional staff and world-class management.

#### Hotel

**THE WESTIN**  
GRANDE SUKHUMVIT  
BANGKOK



#### Existing projects:

The Westin Grande Sukhumvit Hotel

## Hotel



**Existing projects:**  
Royal Orchid Sheraton



**Existing projects:**  
Sheraton Hua Hin Resort and Spa Hotel



**Existing projects:**  
Sheraton Hua Hin Pranburi Hotel



**Existing projects:**  
Hyatt Regency Bangkok Sukhumvit Hotel



**Existing projects:**  
Kiroro Ski Resort Hotel  
- Sheraton Hokkaido Kiroro Resort  
- The Kiroro, A Tribute Portfolio hotel, Hokkaido



#### 4. RENTAL OFFICE BUILDINGS

The Company and subsidiaries have embarked on rental office building business, with Pacific Place I and Pacific Place II as the main assets. Their competitive edges lie mainly with the proximity to BTS Nana Station. Located in a business area and great transport convenience, the land lease contract was expired on 31 January 2019. The feasibility study of a new office building is underway.

#### 5. RETAIL BUSINESS

The Company and subsidiaries draw up a plan to develop shopping malls, office buildings and commercial areas. In the first phase (1-2 years), a community mall will be developed. This will be followed by a closed shopping mall and office for rent. We Retail, a subsidiary, has developed and operated a community mall, Metro West Town, on Kallapaphruk Road. There is also a plan to open a large-sized shopping mall on Ratchadapisek and Ramintra Road.





### 1. MARKETING AND COMPETITION IN REAL ESTATE BUSINESS

#### MARKETING PRODUCT STRATEGIES

##### HOUSE AND PROJECT DESIGN

###### Low Rise Residential Units

The Company and subsidiaries' property development business takes into consideration the consumer demand and satisfaction survey as well as market competition, to respond each customer group's preferences and improve the Company's competitiveness. The Company and subsidiaries have developed a variety of products - single detached houses, duplex houses and townhouses - which come up with stunning designs and functions that fit Thais' lifestyles and Thailand's climate. The Company's architectural team is highly experienced and has been working closely with leading architectural firms on new innovations.

In 2020, the Company envisages the offering of new home designs at the following estates that deliver both comfort and good health, with emphasis on air ventilation. Either Active Airflow system or Air factory system will be deployed (depending on each Brand) in four brand as follow;

1. Perfect Masterpiece Project will offer 2 new designs:
  - 1.1 Modern Classic, boasting luxury, elegant and contemporary designs.
  - 1.2 Modern Oriental, blending luxury with nature. The luxury designs come with quality construction materials and functions that will satisfy all dwellers regardless of their ages.
2. Perfect Place Project will launch the Modern Oriental concept for a modern yet homey feel. All designs under this concept offer 4 bedrooms (including a lower-floor bedroom that can be turned to a multipurpose room), bigger space for all functions in preparation for new family members, as well as a separate section for Thai kitchen.
3. Perfect Park Project will develop modern, high-ceiling and multi-functional designs for new families, coming with 3 or 4 bedrooms.

4. Projects developed jointly with other business partners will launch high-end and unique single detached home designs as follows:

- 4.1 "Clean air innovation" design under partnership with Sekisui Chemical. New European Classic style that boasts greater elegance will be introduced in 2020.
- 4.2 "Lake Legend Project" under partnership with Hongkong Land, setting to lure buyers with the Modern French luxury and classic designs, complete for all functions.
- 4.3 Project under partnership with Sumitomo Forestry that perfectly harmonizes Thai and Japanese designs.

##### Condominium

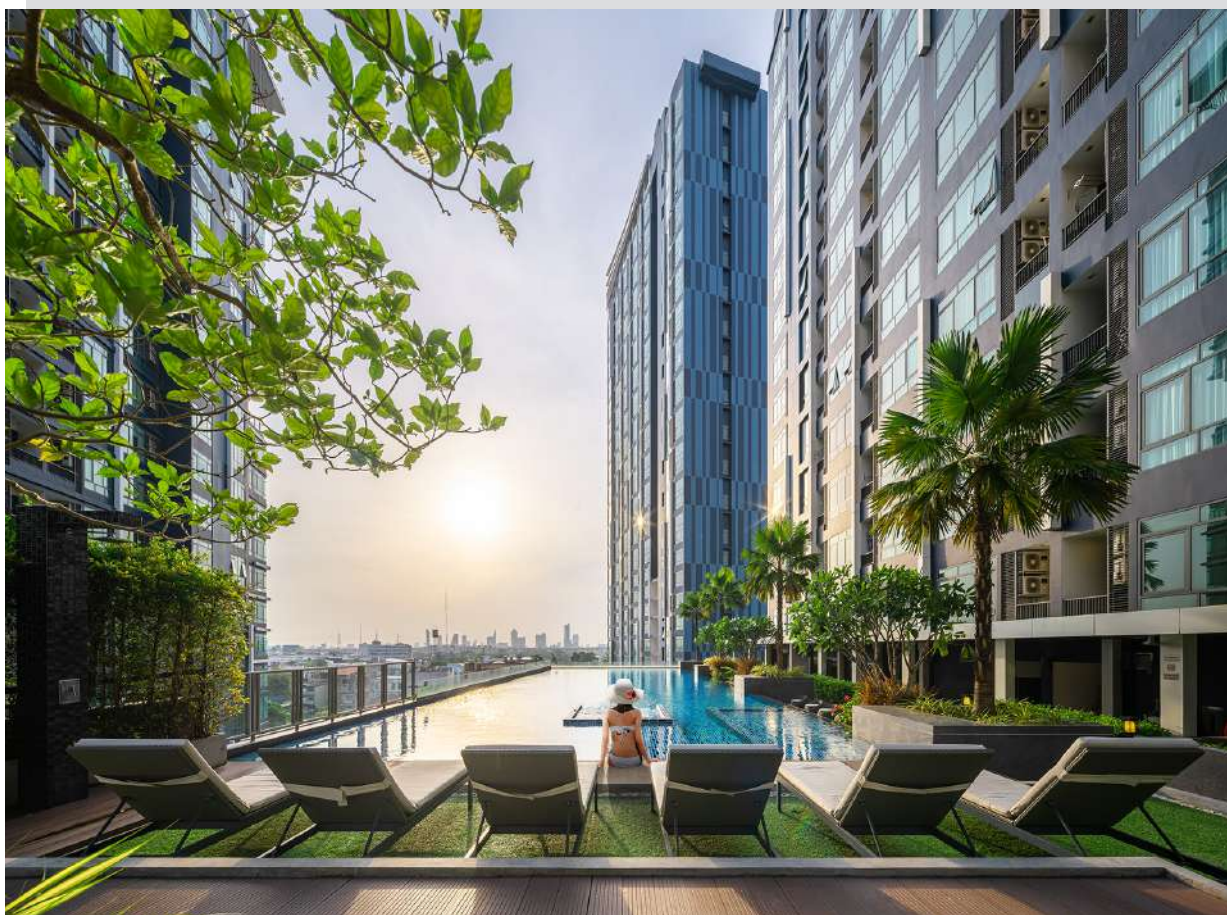
The Company and subsidiaries' condominiums are both low-rise (with no more than 8 floors) and high-rise (with over 8 floors), offered under various brands in line with project types and target customer segments.

The Company has put emphasis on project layouts, with focus on the usable space of the overall area that encompasses the central area and room space. The projects must portray a modern and lifestyle, reflecting the urban lifestyle.

##### QUALITY AND SERVICE

The Company and subsidiaries construct houses and townhouses through experienced contractors who have worked with the Company or shown credible track records. The contractors are demanded to follow the Company's designs, constructing the units with quality materials. The construction is closely monitored to ensure timely delivery. Contractors are also allowed to propose and comment on construction methods. For example, they can choose whether to use the conventional method or the prefabricated or precast system, in delivering quality products with the specified budgets





However, several construction-related obstacles are foreseeable, such as labor shortage, the increase in construction material prices and shorter delivery period. The Company and subsidiaries have expanded the number of prefab houses. The Tunnel Formwork system allows the casting of tunnel moulds. On the moulds, concrete walls and floors can be built in one operation.) system was adopted to tackle the obstacles. At present, in the projects that adopt the system, the Company ably reduces the construction period from 6-8 months to 4-5 months. The Company also puts emphasis on the quality of construction materials. SCG Building Materials Company Limited is now the major supplier of such materials, to assure buyers of the durability and quality designs. The Company and subsidiaries manage the cost of materials through bulk orders. This increases the Company's bargaining power and allows the Company to determine the development cost more precisely.

The Company and subsidiaries mainly build and offer complete houses to customers. The houses must be completed before putting on the market, which allows customers to view the completed units and immediately move in. The houses can be transferred within a month after the purchase.

Regarding condominium development, the Company and subsidiaries plan to launch more projects. More focus will be placed on every stage of construction, from the selecting of only established and experienced contractors.

The Company and subsidiaries have a special team to closely work with the contractors. Consultants with experience in high-rise development are also hired to oversee the construction management, to ensure that the construction works meet engineering standards and requirements on quality and safety. The consultants will also ensure the construction is completed on schedule. In the past few years, the Company and subsidiaries have awarded most construction contracts

to Italian-Thai Development Public Company Limited and Sangfah Construction Company Limited which are established and able to deliver standardized services. The construction works will be monitored by the Company's engineering and construction management teams, to ensure that standards are maintained. There is a central team to monitor construction standards plus engineering advisors for all projects. There are training courses and field trips for the engineering and construction management teams, as well as training for contractors. Construction manuals that contain quality check stage by stage are handed out to the Company's teams and contractors.

## ENVIRONMENT IMPACT ASSESSMENT

Aside from enticing designs, functions and reasonable prices, the Company pays attention to the project planning, environmental management, infrastructure system, security system and after-sale services for customers' maximum benefits. The Company has also hosted activities for major festivals, where its customers can meet neighbors and nurture their good relationship. With the focus, the company won EIA Monitoring Award from the Natural Resources and Environment Ministry for three consecutive years. The three projects received the awards.

Perfect Place Rangsit was awarded "Outstanding private property project — Single house in 2012". The Company won an award from the energy-saving housing estate contest, hosted by the Department of Alternative Energy Development and Efficiency, the Ministry of Energy, where home designs and housing estates showing concerns in energy conservation through function designs, construction materials, site planning and project management. The Company first won the award in 2008 and continually received more awards until 2018. Some of the awards are as follows:

- In 2016, Verbena (V-Series) home design for Perfect Place 3 Rattanathibet-Ratchaphruek Project won the outstanding energy-saving award.
- In 2016, Vernorica (V-Series) home design for Perfect Place 3 Rattanathibet-Ratchaphruek Project won the outstanding energy-saving award.

- In 2017, it won four energy-saving awards for the home designs of Perfect Masterpiece Project: Regist, Repose and Recency for houses with usable space from 200 to 300sqm and Regent for houses with usable space above 300sqm.
- In 2018, it won four energy-saving awards for the home designs of Perfect Masterpiece Project: Regist, Repose and Recency for houses with usable space from 200 to 300sqm and Rediance for houses with usable space above 300sqm.

In addition, the company provides public gardens, lakes, large and perfect club houses. The company has teamed up with business partners to open their shops in the club house areas such as restaurant, Fitness Center, 7-11 Convenience stores and True coffee - Coffee Shop. These facilities differentiate the company's projects from others', creating the friendly ambience to residents who have warmly welcomed the concept.

## PRICING STRATEGY

The company and subsidiaries has policy to set prices based on the economic condition, market demand and competition in all of products such as Single Detached house, Duplex house, Townhouse and condominium. These factors are jointly considered with costs, locations, project types and market conditions when compared with competitors. There are several guidelines for price setting such as setting similar price with rivals but better designs, and environmental and convenient facilities.










The company and subsidiaries have offered various project types and prices to serve different demand as follows :

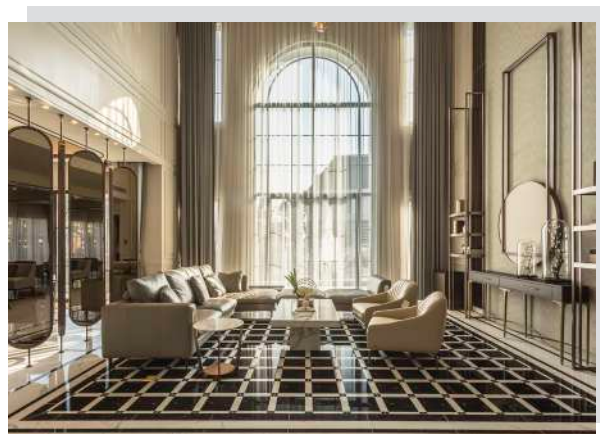
**Single Detached Houses, Duplex Houses and Townhouses**  
Category are priced from Bt1.9million to Bt80 million, to meet the purchasing power of various target groups.










**Condominium** Category are priced from Bt 899,000 to Bt150million.



TABLE: RESIDENTIAL PRICES BY BRAND

| Type                                   | Price Range (Unit : Million Baht)  |   |  |   |           |   |
|--|--|---|--|---|-----------|---|
|  | 3.0-4.0  | 4.0-5.0   | 5.0-9.0  | 9.0-10.0  | 10.0-15.0 | 15.0 up   |
| Single Detached House and Duplex House |  |   |  |   |           | <br>25 – 80 Million Baht |
|  |  |   |  |   |           | <br>20-60 Million Baht   |
|  |  |   |  |   |           | <br>15 – 60 Million Baht |
|  |  |   |  | <br>10-15 Million Baht |           |   |
|  |  |   | <br>5-10 Million Baht |   |           |   |
|  | <br>3 – 4 Million Baht     | <br>4-6 Million Baht |  |   |           |   |
| Townhouse                              | <br>2.89 – 5 Million Baht |   |  |   |           |   |
|  | <br>1.9 – 3 Million Baht  |   |  |   |           |   |



| Type        | Price Range (Unit : Million Baht) |  |   |  |   |  |
|-------------|-----------------------------------|--|---|--|---|--|
|             | 1.0-2.0                           | 2.0-3.0  | 3.0-4.0   | 4.0-5.0  | 5.0-9.0   | 9.0 up   |
| Condominium |                                   |  |   |  |   | <br>6.02 - 150 Million Baht |
|             |                                   |  |   |  |   | <br>20 - 145 Million Baht   |
|             |                                   |  |   |  | <br>3.99 - 12 Million Baht |  |
|             |                                   |  |   | <br>2.5 - 9 Million Baht |   |  |
|             |                                   |  | <br>1.8 - 5.4 Million Baht |  |   |  |
|             |                                   |  | <br>2 - 5 Million Baht     |  |   |  |
|             |                                   | <br>1.59 - 3 Million Baht   |   |  |   |  |
|             |                                   | <br>1.59 - 2.4 Million Baht |   |  |   |  |
|             |                                   | <br>899,000 Baht            |   |  |   |  |
|             |                                   |  |   |  |   |  |

## PLACE STRATEGIES

### LOCATION

The projects of the company and subsidiaries are mostly located in high-potential locations, set along the electric train routes or new roads as.

#### In the North and West of Bangkok,

The projects will be located on main roads along the Purple Line route (Bang Sue-Bang Yai) which operated on 6 August 2016, Red Line (Bang Sue-Rangsit) and Pink Line (Khae Rai-Min Buri), which include Ratchaphruek, Chaiphaphruek, Rattanathibet, Kanchanapisek, Nonthaburi Bridge -Bang - Buathong road and Rangsit-PathumThani roads. These encompass roads linked with important area as Rama 4 Bridge (crossing the Chao Phraya River); roads that link Chaeng Wattana with Ratchaphruek Road and North-South Kanchanapisek Road that was opened on 23 December 2018; and Western Motorway that connects Bangyai, Ban Pong and Kanchanaburi. Ratchaphruek Road is being expanded from 6 lanes to 10. With proximity to the second-stage expressway and the new express way -Sri Rath-Outer Ring which aside from shopping centers like Central West Gate Bang Yai, Central Chaengwattana, Central Rattanathibet, Future Park Rangsit, Zpell Rangsit, Crystal PTT on Ratchaphruek Road and The Crystal Shopping Center Ratchaphruek

#### In the East,

New projects will be located on main roads along the Airport Rail Link, the Pink Line (Kharai-Min Buri) which will be operated in 2021, and Orange Line (Talingchan-Min Buri). Near

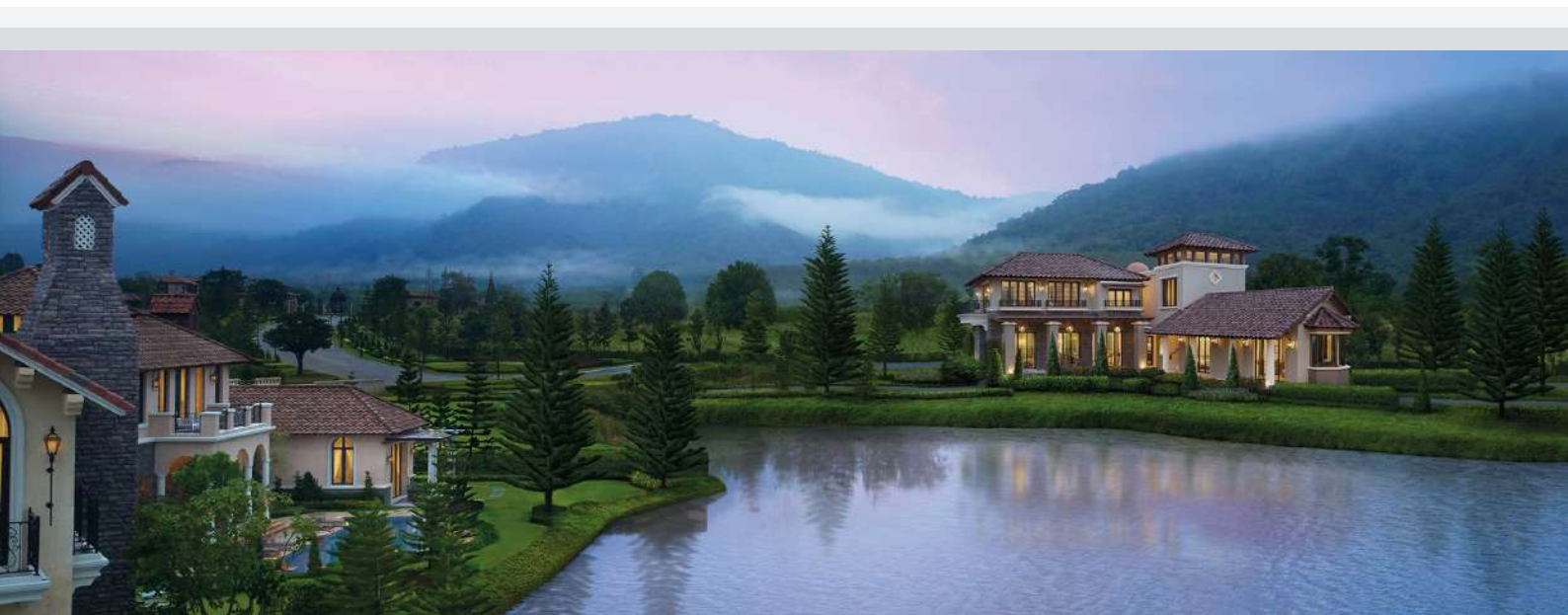
Suvarnabhumi Airport, the main roads include Ramkhamhaeng road, Sukhumvit77 road and Romklao road, promising linkages to the Motor Way towards Chon Buri and Pattaya in the East and the Eastern outer ring road towards North and South of Bangkok. They will also be connected with Srinakarin-Romklao Road (New Krungthep Kreetha Road) that runs in parallel with the Motorway. Officially opened in October 2019, the new road allows a 20-minute travel from Romklao to new CBD area (Rama IX-Ratchada), to help ease the Motorway's traffic.

#### Urban and Center of Business District

City projects are in business areas like near Motor way, Airport Rail Link, BTS and MRT subway as well as the routes which running and to be opened soon. They are mostly up-scale housing units (Perfect Masterpiece), 3-storey townhouses (The Metro) and condominium (Hyde, Metro sky, Metro Luxe, iCondo).

#### Provinces

The Company and subsidiaries had 2 projects, focusing on the provinces that offer high growth potential for residential development. Perfect Place Muang Chiang Mai was launched in the province, to offer single detached houses near the city area. A beachfront condominium project, Bella Costa Huahin, was launched near the scenic Khao Tao mountain in Prachuap Khiri Khan. and Bella Del Monte, Residence Resort in Khao Yai.



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## PROMOTION STRATEGIES

### ADVERTISING & PUBLIC RELATIONS

The single detached house and condominium projects of the company and subsidiaries have applied the integrated marketing communication both online and offline like newspaper, TV Scoop, radio spot, Billboard, Direct mail etc, in selling the products. Complementing the strategy is the direct marketing, whereby a specific media is chosen for a particular target group and achieve the objective of Public relation, marketing events and customer relationship management (CRM) to take care of existing customers. The Perfect Friend Club is launched to thank existing customers who introduce the projects to their friends, as a means to effectively reach out to target customers at a low cost. The ratio of units sold under the scheme has been significantly rising, thanks to clients' recommendations to their friends and relatives.

As online media can reach all target customer and tend to gain increasing popularity, the Company and subsidiaries outline an offensive online marketing strategy. A higher budget is set aside for online marketing, on top of the website which presents corporate information for good corporate image. Social media channels like Facebook, LINE, Twitter and Instagram are entailed to reach out to specific groups of target customers. A budget is set for better results through search engines, aside from advertising banners on websites and electronic mails to reach a particular group of customers.

The mobile media and applications have been adopted to facilitate access to the company's information on top of content marketing to reach target groups through various tools and contents in the forms of photos, video clips and infographics. The company and subsidiaries also host special marketing activities for customers who accessed information through the websites. These customers are asked to register online for site visits and reservation of special units. Registered customers are awarded a special privilege. This is to promote the interactive communication channel and it has been warmly welcomed. This also allows effective data collection and follow-ups.

The company and subsidiaries have devised unique promotions for particular groups of target customers with realization of their different preferences, to speed up their buying decision process. The strategies take into account economic environment at a certain period. For example, for customers seeking a complete house, with help from leading financial institutions, they are offered with low-interest loans, an extended borrowing period, and the step installment program. Through cooperation with leading furniture makers, the company offers customers a chance to buy a house with furniture at special prices, to help them save shopping time and reduce the need for an interior design. Special furniture prices also save their money, as loans for furniture purchase often carry higher interest rate than mortgage loans.

### BRAND BUILDING STRATEGIES

The brand bidding of the company' and subsidiaries has been differentiated from competitors'. The Brand DNA is created under the "Happy Living" concept, to underline the company's focus in creating the new living standards for all residing in the Property Perfect projects.

- **Quality** Residing in high-quality houses, which are well-designed for maximized functions and pleasant look as well as for energy saving and environmental friendly purposes. Focus is also on standard materials and the thorough quality control of the construction process. The construction works are closely and thoroughly monitored and applied modern technology like the prefabrication which ensures short construction period but standard quarter. A final check before transfers is required.

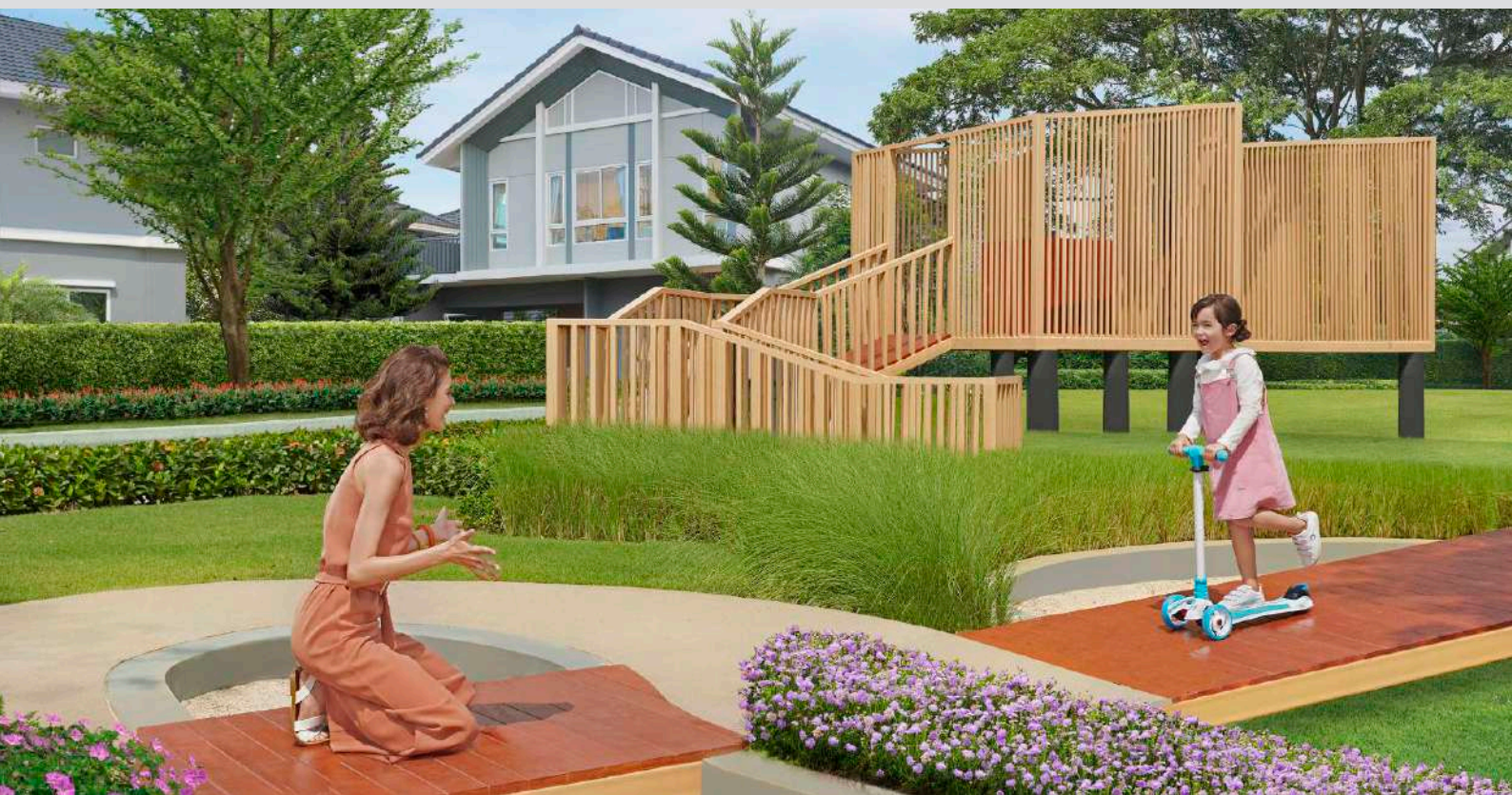
In 2013, the company and subsidiaries also adopted the ISO9001: 2008 standards, dealing with quality management. The quality management system will be adopted for the low-rise development projects of the company and subsidiaries, to warrant customer satisfaction.



- **Security** Deriving from maximum security. Through cooperation with Thai Secom Pitakkij Co., Ltd. (SECOM), a leader security system provider in Japan, the trustworthy Home Security system is designed for all projects to cover from the entrance, guard booths and the overall projects' space to customers' home.
- **Living in the environment and society** that supports one's lifestyle is true happiness. The Company promotes activities in housing and condominium projects. The central areas are spacious and fully equipped with facilities. For example, large fitness clubs are available at housing estates, where dwellers can enjoy a swimming pool, aerobic classes, shops and other services. The central areas are also designed for recreational family activities, reducing the need to venture outside the projects.
- **Green Environment** Near-nature environment is provided, with the larger central space which offers floral trees and large lakes for cool living amid fresh air. Focus is also on energy-saving and environmental-friendly materials, reflective green glass and heat-insulating gypsum







boards. Artificial materials have also been introduced to help save the environment, including the laminate floor that looks like real wood and is equally durable; and aluminum window sills which are both durable and beautiful.

The company and subsidiaries believe that a successful brand is built upon customers' good experiences, which will lead to the company' and subsidiaries have sustainable image. The construction works, design and project planning are thus properly designed, along with emphasis on environment management, infrastructure and security inside the projects. Activities are also hosted for better relationships among residents, to create a warm community and happy environment to all residents. Favorable communities spark words of mouths among residents of the company's projects, which is a sustainable way to build brand.



## CUSTOMER CHARACTERISTIC AND TARGET CUSTOMERS







### SINGLE DETACHED HOUSES, DUPLEX HOUSE AND TOWNHOUSES

| Type                                  | Brand   | Target customers  | Unit price <sup>1</sup> |
|---------------------------------------|---|---|-------------------------|
| Single Detached Houses / Duplex house |    | Target: Owners of large-sized businesses, high-level corporate executives of public company.  | Bt25-Bt80million .      |
|                                       |    | Target: Owners of medium- and large-sized businesses, high-level corporate executives, high-ranking government official, professionals like medical specialists<br>Age group: 40 - 55 years<br>Education: Master degree or higher<br>Monthly income: Bt200,000 or higher<br>Household income: Bt300,000 or higher<br>No. of family members: 4 - 6 | Bt20-Bt60million .      |
|                                       |  | Target: Owners of medium- and large-sized businesses, high-level corporate executives, professionals like medical specialists and pilots<br>Age group: 40 - 55 years<br>Education: Master degree or higher<br>Monthly income: Bt200,000 or higher<br>Household income: Bt300,000 or higher<br>No. of family members: 4 - 6                        | Bt15-Bt60 million .     |
|                                       |  | Target: High-level corporate executives, Business owner, professionals like medical specialists and pilots<br>Age group: 35 - 50 years<br>Education: Master degree or higher<br>Monthly income: Bt150,000 or higher<br>Household income: Bt. 250,000or higher<br>No. of family members: 4 - 6   | Bt.10-15million         |
|                                       |  | Target: SME business owners, middle-level corporate executives, professionals like doctors, engineers and architects<br>Age group: 35 - 45 years<br>Education: Bachelor degree or higher<br>Monthly income: Bt50,000 - Bt100,000<br>Household income: Bt100,000 - Bt200,000<br>No. of family members: 3 - 4                                       | Bt5-Bt10million         |
|                                       |  | Target: Corporate managers, middle-level corporate executives, engineers and architects<br>Age group: 30 - 40 years<br>Education: Bachelor degree or higher<br>Monthly income: Bt30,000 - Bt50,000<br>Household income: Bt60,000 - Bt100,000<br>No. of family members: 3 - 4  | Bt4-Bt6 million         |

| Type                                  | Brand  | Target customers   | Unit price <sup>1</sup> |
|---------------------------------------|--|--|-------------------------|
| Single Detached Houses / Duplex House |   | Target: Corporate managers, small-sized business owners<br>Age group: 30 - 40 years<br>Education: Bachelor degree or higher<br>Monthly income: Bt25,000 - Bt50,000<br>Household income: Bt50,000 - Bt100,000<br>No. of family members: 2 - 4               | Bt3-Bt4 million         |
| Townhouse                             |   | Target: Corporate managers, SME business owners<br>Age group: 30 - 40 years<br>Education: Bachelor degree or higher<br>Monthly income: Bt50,000 - Bt100,000<br>Household income: Bt80,000 - Bt150,000<br>No. of family members: 3 - 4                      | Bt 2.89 - 5 million     |
|                                       |  | Target: Corporate assistant managers, civil servants, state enterprise employees<br>Age group: 30 - 35 years<br>Education: Bachelor degree<br>Monthly income: Bt20,000 - Bt40,000<br>Household income: Bt40,000 - Bt80,000<br>No. of family members: 2 - 3 | Bt1.9-Bt3 million       |

## CONDOMINIUMS

| Type                  | Brand   | Target customers  | Price per square meter <sup>1</sup> |
|-----------------------|---|---|-------------------------------------|
| High-rise condominium |  | Target: High-level executives, business owners, foreign businessmen, and others whose monthly income is Bt200,000 or higher | Bt200,000 - Bt310,000               |
|                       |  | Target: High-level executives, business owners, foreign businessmen and others whose monthly income is Bt100,000 or higher  | Bt100,000 - Bt150,000               |
|                       |  | Target: High-level executives, business owners or others whose monthly income is Bt70,000 or higher                         | Bt78,000 - Bt109,000                |

| Type                 | Brand   | Target customers  | Price per square meter <sup>1</sup> |
|----------------------|---|---|-------------------------------------|
| Low-rise condominium |    | Target: High-level executives, business owners or others whose monthly income is Bt1,000,000 or higher<br>Who can pay for their purchases in cash and have no wish to obtain loans. | Bt360,000 - Bt 420,000              |
|                      |    | Target: Middle- and high-level executives, business owners and others whose monthly income is Bt50,000 or higher  | Bt75,000 -Bt140,000                 |
|                      |    | Target; Employees and others whose monthly income is between Bt25,000-Bt50,000  | Bt50,000 - Bt65,000                 |
|                      |    | Target: High-level executives, business owners, foreign businessmen and others whose monthly income is Bt150,000 or higher  | Bt80,000 - Bt140,000                |
|                      |    | Target: Corporate employees and others whose monthly income is between Bt25,000-Bt55,000  | Bt53,000 - Bt60,000                 |
|                      |  | Target: Junior employees whose monthly income is between Bt12,000-Bt20,000  | Bt39,000 - Bt42,000                 |

Note: /1 Average sale price as of December 2019.

Expanding the portfolio of single detached houses, townhouses and condominiums allows the Company to reach out to a wider range of customers, hence increasing marketing opportunities. This also helps the Company offer products to new target groups, to increase the market shares and reduce reliance on a particular target group.

#### MARKETING DISTRIBUTION AND MARKETING CHANNELS

The Company and subsidiaries handle the marketing distribution of single detached houses, duplex house, townhouses and condominium units through sale offices located at each project venue. Exhibition booths are set up at downtown shopping malls, to present condominium products to target customers. Consistent training on products is consistently held for the marketing team, ensuring that they can offer recommendations, answer questions, highlight outstanding points and give assurance to target customers.

The Company's website, <http://www.pf.co.th>, is beautifully designed, allowing easy access and information search. Full details of all projects are presented to promote the products. The website is also a channel to communicate with target customers.

#### COMPETITION AND TREND OF REAL ESTATE BUSINESS

The real estate business in 2019 was battered by multiple factors that depleted consumers' purchasing power and confidence, from economic slowdown, internal political situation, household debts that led to higher personal loan rejection, stricter loan to value (LTV) measures, the appreciation of Thai baht and trade tensions to global economic volatility. All these factors put pressure on project launches, sales and ownership transfers. The Real Estate Information Center (REIC) forecast 5-7% contraction for 2019, the worst situation in five years or since 2014.



The government intervened by launching stimulus measures to boost the real estate industry in the last quarter of the year. Transfer fee was cut from 2 to 0.01% of appraisal value while mortgage registration fee was slashed from 1% to 0.01% of appraisal value for residential units valued no more than Bt3 million. The Government Housing Bank (GH Bank) quoted the mortgage rate at 2.5% per annum for the first 3 years for the purchases of residential units valued no more than Bt3 million. “Bandee Mee Down” Project (Downpayment for good houses) was launched, whereby 100,000 buyers whose monthly income is below Bt100,000 or Bt1.2 million per year were entitled to the government’s Bt50,000 downpayment for the purchase of completed houses that exclude second-hand home or the Legal Execution Department’s property for sale. These measures are expected to alleviate the contraction in property sales and ownership transfers. While these factors will keep haunting the industry in 2020, the situation should be better than expected thanks to the government’s stimulus measures as well as the Bank of Thailand’s easing of the LTV measure which boosted purchasing power. The REIC expects the industry to post no more than 5% in sale growth as supplies in Greater Bangkok will remain at least 152,792: 84,469 units or 58.3% from housing estates; and 65,864 or 41.7% from condominium projects. By type, condominium units account for 41.7%, followed by townhouses (32%), single detached houses (16.8%) and twin houses and shophouses (9.5%). The number of new residential units hitting the market is expected to go up slightly, at 90,464 units compared to 83,593 units in 2019. However, the rate showed a 25% drop from 2018 when 121,396 units were offered to the market. The monthly absorption rate in Greater Bangkok is expected to continue falling for the 2nd consecutive year to 3.7%, well below the 5-year average at 4.5%. This forecast means it will take 21 months to clear these inventories (from presale period, compared to 14 months in the latter half of 2018). The absorption rate for condominium units alone is estimated at 4.6%, indicating that the available units will be sold out within 15 months. Meanwhile, ownership transfers are expected to decline. While 93,016 low-rise units are expected to be transferred, a 2.2% drop from the previous year, the combined value should increase by 5% on year to Bt312,342 million (against the 5-year average of Bt290,900 million per annum). The number of transferred condominium units are expected to contract 5.6% to 75,613 units (against

the 5-year average of 81,400 units), while the combined value will drop 3% to Bt207,857 million (against the 5-year average of Bt200,200 million). Amid this situation, the government’s infrastructure development projects, low interest trend, stimulus measures, the easing of LTV measure and anticipation baht depreciation are expected to drive the real estate industry.

## 2. MARKET AND COMPETITION IN HOTEL AND TOURISM BUSINESS

### MARKET

In operating the hotel business, the Company and subsidiaries maintain the focus on hotels with 5 stars. The Company seeks to develop the properties or build portfolio through acquisition of existing properties. All will be in business areas that offer great transport convenience or in tourist destinations, to reach out to a variety of guests. The Company’s marketing strategy is geared towards target guests’ demand, competition and the management chain’s requirements. The properties are managed by international hotel chains.

### COMPETITION

In 2019, the hotel industry was expected to show a slight growth thanks to an increase in local tourist numbers and average spending, while the baht appreciation against US dollar slashed the number of international travelers. The government launched measures to promote domestic travel while stepping up campaigns to draw new traveler groups.

Large hotel operators remained upbeat in investment prospects and expanded business in all levels. In 2019, new luxury hotels were opened in Bangkok including 159-room Rosewood, 171-room Waldorf Astoria and 301-room Nikko, which further raised oversupplies and intensified competition. In this situation, it was difficult to raise room rates. Hotels with 3 stars or below could “comfortably” grow in 2019 to accommodate middle-income travelers from South Asia Region like India and Pakistan. This encouraged large operators to continue investing in 3-star hotels in major tourist destinations.



The coronavirus outbreak (COVID-19) will definitely hit the hotel industry and overall tourism in 2020, and the impacts will depend on the period of time to contain the spread. In the year, large investment projects will remain focused on the mixed-use purpose, to house a hotel property, an office building and a condominium or serviced apartment building under the same roof. Focus will also be placed on hotel renovation and rebranding to better satisfy travelers' demand; as well as expansion to neighboring countries like Brunei, Vietnam, Laos and the Philippines. The strong baht will remain a major challenge for the entire tourism industry, as international travelers will have to spend more when traveling to Thailand. Meanwhile, the industry is under the oversupply pressure.

## COMPETITION

Pressures will remain in 2020 as consumers will change their spending behaviors accordingly to lower purchasing power amid economic slowdown. Retailers like conventional shops or hypermarkets that target grassroots and middle-income customers will be hit, as these customers have dealt with high household debts, increasing cost of living and poor agricultural product prices. Meanwhile, shopping malls and convenience stores' sales are expected to stay afloat, as convenience and lifestyle services will keep hooking consumers. However, competition will intensify especially from E-commerce that increasingly disrupts shopping behaviours. E-commerce is expected to experience growth and this will hurt offline stores.

## 3. MARKET AND COMPETITION OF RETAIL INDUSTRY

### MARKET

To promote shopping malls among shoppers, our strategy is placed on location. Community shopping malls and regional-level malls are all located in good locations, to satisfy the demand of shoppers in each area.



## 1. SHAREHOLDERS

| Accounting year           | 31 Dec. 2016  | 31 Dec. 2017  | 31 Dec. 2018  | 31 Dec. 2019   |
|---------------------------|---------------|---------------|---------------|----------------|
| Registered capital        |               |               |               |                |
| - Value (Bt)              | 9,000,000,000 | 9,000,000,000 | 9,000,000,000 | 10,022,174,312 |
| - No. of shares           | 9,000,000,000 | 9,000,000,000 | 9,000,000,000 | 10,022,174,312 |
| Paid up Capital           |               |               |               |                |
| - Value (Bt)              | 7,667,826,432 | 8,667,826,432 | 8,667,826,432 | 8,667,826,432  |
| - No. of shares           | 7,667,826,432 | 8,667,826,432 | 8,667,826,432 | 8,667,826,432  |
| - Par value (Bt. /Shares) | 1.00          | 1.00          | 1.00          | 1.00           |

On 23 December 2016, shareholders at the 2016 extraordinary meeting resolved as follows:

1. Reduce the registered capital from Bt7,900,000,000 to Bt7,667,826,432, with 7,667,826,432 common shares at Bt1 par value. The unallocated 232,173,568 common shares at Bt1 per value were cancelled: 121,536,475 shares were originally reserved for allocation to existing shareholders, 99,649,367 shares were reserved for the exercise of PF-W3 warrants which were expired, and 10,987,726 shares were reserved for the exercise of expired PF-W3 warrants.
2. Raise the registered capital by Bt1,332,173,568 from Bt7,667,826,432 to Bt9,000,000,000, through the issuance of 1,332,173,568 shares with Bt1 par value.

As of 31 December 2016, the Company had Bt9,000,000,000 in registered capital (9,000,000,000 common shares at Bt1 par value). The paid-up capital stood at Bt7,667,826,432 (7,667,826,432 common shares at Bt1 par value).

On 26 December 2016 and 15 February 2017, the Board of Directors approved the private placements of 300 million and 700 million newly-issued shares, respectively. The shares were offered at Bt1 par value. The shares were paid up on 28 December 2016 and 10 March 2017, respectively.

As of 31 December 2017, the Company's paid-up capital was raised to Bt8,667,826,432 (8,667,826,432 common shares at Bt1 par value), following the private placements. The newly-allocated shares were registered with the Commerce Ministry on 9 January 2017 and 15 March 2017, respectively.

As of 31 December 2018, the Company's registered capital remained unchanged at Bt9,000,000,000 (9,000,000,000 common shares at Bt1 par value). The paid-up capital stood at Bt8,667,826,432 (8,667,826,432 common shares at Bt1 par value).

On 27 September 2019, shareholders at the 2019 annual meeting reached the following resolutions:

1. Reduce the registered capital from Bt9,000,000,000 to Bt8,667,826,432, consisting of 8,667,826,432 shares at Bt1 par value and 332,173,568 unallocated shares at Bt1 par value. Of total unallocated shares, 300,000,000 shares were left over from a private placement launched while shareholders at the 1/2016 extraordinary meeting remained undecided on the allocation of the remaining 32,173,568 common shares.
2. Raise the registered capital from Bt8,667,826,432 to Bt10,022,174,312, or by Bt1,354,347,880, through the issuance of 1,354,347,880 shares at Bt1 par value.
3. The 1,354,347,880 new shares will be allocated as follows:
  - 3.1 Allocate no more than 1,083,478,304 shares at Bt1 par value to existing shareholders at the ratio of 8 old shares for 1 new share (incremental shares to be rounded up) at the price of Bt1.
  - 3.2 Allocate the leftover right offering shares to shareholders who subscribe and pay for shares above their entitled rights under 3.1. The Executive Committee or authorized directors are empowered to allocate the leftover shares to those shareholders who subscribe and pay for shares above their entitled rights.
  - 3.3 Reserve no more than 270,869,576 shares at Bt1 par value for the exercise of warrants to be offered to existing shareholders who subscribe for the right offering. Each warrant is entitled to a common share, at the exercise price of Bt1.50 which is above the Company's Bt1 par value.
  - 3.4 Empower the Board of Directors and/or Executive Committee and/or authorized directors and/or individuals assigned by the Board of Directors, Executive Committee or authorized directors to specify or amend other details related to the right offering and to take other necessary and appropriate actions, in accordance with related laws and/or regulations.

The Company registered the capital decrease with the Ministry of Commerce on 7 October 2019 and the capital increase on 17 October 2019.



## 2 SHAREHOLDER

### MAJOR SHAREHOLDERS

As of 31 December 2019, the company's registered capital totaled Bt10,022,174,312.00(10,022,174,312shares at Bt1 par value) while the paid-up capital totaled Bt8,667,826,432 (8,667,826,432 shares at Bt1 par value) The first 10 largest shareholders are;

| Rank | The first 10 largest shareholders                       | No. of shares | %    |
|------|---|---------------|------|
| 1    | Andaman Long Beach Resort Company Limited <sup>/1</sup> | 833,055,541   | 9.61 |
| 2    | Mr.Chainid Adhyanasakul                                 | 680,659,675   | 7.85 |
| 3    | Viriyah Insurance Public Company Limited                | 630,000,000   | 7.27 |
| 4    | Ms.Kannika Adhyanasakul                                 | 516,588,592   | 5.96 |
| 5    | Thai NVDR Company Limited                               | 488,002,264   | 5.63 |
| 6    | Mr.Winai Teawsomboonkij                                 | 277,374,300   | 3.20 |
| 7    | Mr.Nattawut Teawsomboonkij                              | 220,158,800   | 2.54 |
| 8    | Andaman Villa Company Limited <sup>/2</sup>             | 212,313,100   | 2.45 |
| 9    | Ms.Krissanee Techachaiwong                              | 207,016,825   | 2.39 |
| 10   | CITIBANK NOMINEES SINGAPORE PTE LTD-UBS SWITZERLAND AG  | 190,849,332   | 2.20 |

*Data from Thailand Securities Depository Co., Ltd.*

#### Note

<sup>/1</sup> Andaman Long Beach Resort Company Limited is 100% owned by Resort Holding Company Limited, which is in turned owned by 1) Mr. Chaiwat Aswintrangkul (55.2%) and 2) Mr. Methee Tanmanatrakul (45%). Mr. Chaiwat and Mr. Methee are authorized to sign obligations involving Andaman and Resort Holding. There is no connection between Andaman and the company in terms of major shareholders, directors or executives. There is no "nominee account" relationship. The Company's directors or executives have no relationship — as directors, executives, shareholders or controlling entities - with Resort Holding Company Limited and Andaman Long Beach Resort Company Limited.

Ms. Vipa Tanmanatrakul also holds 552,300 shares in her own account in Andaman long Beach Resort Company Limited.

<sup>/2</sup> Andaman Villa Company Limited has 3 shareholders — Ms.Napaporn Buraprateep (40%), Ms. Rudee Noranitipadungkarn (40%), and Mr.Vichai Jitseree (20%). Ms.Rudee and Mr.Vichai are the company's authorised signatories. The Company and Andaman Villa are not related, as there is no cross-shareholding by major shareholders, cross-directorship or cross-management. Neither is there nominee relationship.

### 3 OTHER SECURITIES

#### 3.1 WARRANTS

- None -

#### 3.2 DEBENTURES

Details of outstanding debentures as of 31 December 2019 are as follows;

#### PROPERTY PERFECT PUBLIC COMPANY LIMITED

##### (1) UNSECURED DEBENTURES NO.1/2016

|                             |   |  |
|-----------------------------|---|--|
| Specific name               | : | Unsecured debentures of Property Perfect Public Company Limited 1/2016, maturing in 2020 |
| Type                        | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                        |
| No. of debentures           | : | 3,000,000 units  |
| Face value                  | : | 1,000 Baht   |
| Issue size                  | : | Bt3,000 million  |
| Offering method             | : | Offered to institutional investors and/or big-time investors                             |
| Issue date                  | : | 28 January 2016  |
| Maturity                    | : | 4 years from issue date  |
| Maturity date               | : | 28 January 2020  |
| Interest rate               | : | Fixed 5.60% per annum  |
| Principal payment           | : | Principal payment maturity date,   |
| Early redemption            | : | None   |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2:1                              |
| Credit rating               | : | "BB+ Stable" by Tris Rating Co., Ltd.  |
| Trustee                     | : | Bank of Ayudhya Public Company Limited   |
| Registrar                   | : | Bank of Ayudhya Public Company Limited   |

##### (2) UNSECURED DEBENTURES NO.2/2016#2

|                   |   |   |
|-------------------|---|---|
| Specific name     | : | Unsecured debentures of Property Perfect Public Company Limited No.2/2016#2, maturing in 2020 |
| Type              | : | Holder-bearing, unsubordinated, unsecured debentures without trustee                          |
| No. of debentures | : | 1,450,000 units   |
| Face value        | : | 1,000 Baht  |

|                             |  |
|-----------------------------|--|
| Issue size                  | : Bt1,450 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors |
| Issue date                  | : 2 June 2016  |
| Maturity                    | : 4 years from issue date                                      |
| Maturity date               | : 2 June 2020  |
| Interest rate               | : Fixed 5.50% per annum  |
| Principal payment           | : Principal payment maturity date,                             |
| Early redemption            | : None   |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2:1  |
| Credit rating               | : “BB+/Stable” by Tris Rating Co., Ltd.                        |
| Trustee                     | : None   |
| Registrar                   | : Krung Thai Bank Public Company Limited                       |

**(3) UNSECURED DEBENTURES NO.3/2016#2**

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Property Perfect Public Company Limited<br>No. 3/2016#2, maturing in 2020 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures without<br>trustee                           |
| No. of debentures           | : 1,200,000 units   |
| Face value                  | : 1,000 Baht  |
| Issue size                  | : Bt1,200 million   |
| Offering method             | : Offered to institutional investors and/or big-time investors                                      |
| Issue date                  | : 22 September 2016   |
| Maturity                    | : 4 years from issue date   |
| Maturity date               | : 22 September 2020   |
| Interest rate               | : Fixed 5.30% per annum   |
| Principal payment           | : Principal payment maturity date   |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2:1                                       |
| Credit rating               | : “BB+/Stable” by Tris Rating Co., Ltd.   |
| Trustee                     | : None  |

Registrar : Krung Thai Bank Public Company Limited

**(4) UNSECURED DEBENTURES NO.2/2017 #2**

Specific name : Unsecured debentures of Property Perfect Public Company Limited  
No. 2/2017#2, maturing in 2021

Type : Holder-bearing, unsubordinated, unsecured debentures with trustee

No. of debentures : 724,400 units

Face value : 1,000 Baht

Issue size : Bt. 724.40 million

Offering method : Offered to institutional investors and/or big-time investors

Issue date : 7 July 2017

Maturity : 3 years and 9 months from issue date

Maturity date : 7 April 2021

Interest rate : Fixed 5.7% per annum

Principal payment : Principal payment maturity date

Early redemption : None

Other significant condition : Debt to equity ratio must be maintained at no more than 2:1

Credit rating : "BB+/Stable" by Tris Rating Co., Ltd.

Trustee : Bank of Ayudhya Public Company Limited

Registrar : Bank of Ayudhya Public Company Limited

**(5) UNSECURED DEBENTURES NO.3/2017**

Specific name : Unsecured debentures of Property Perfect Public Company Limited  
No. 3/2017, maturing in 2021

Type : Holder-bearing, unsubordinated, unsecured debentures with trustee

No. of debentures : 1,509,600 units

Face value : 1,000 Baht

Issue size : Bt.1,509.60 million

Offering method : Offered to institutional investors and/or big-time investors

Issue date : 22 September 2017

Maturity : 4 years from issue date

Maturity date : 22 September 2021

Interest rate : Fixed 5.9% per annum

Principal payment : Principal payment maturity date



|                             |   |
|-----------------------------|---|
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2.5:1 |
| Credit rating               | : “BB+/Stable” by Tris Rating Co., Ltd.                         |
| Trustee                     | : Bank of Ayudhya Public Company Limited                        |
| Registrar                   | : Krung Thai Bank Public Company Limited                        |

**(6) UNSECURED DEBENTURES NO.4/2017**

|                             |  |
|-----------------------------|--|
| Specific name               | : Unsecured debentures of Property Perfect Public Company Limited No. 4/2017, maturing in 2021 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures           | : 1,195,700 units  |
| Face value                  | : 1,000 Baht   |
| Issue size                  | : Bt.1,195.70 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors                                 |
| Issue date                  | : 30 November 2017   |
| Maturity                    | : 4 years from issue date  |
| Maturity date               | : 30 November 2021   |
| Interest rate               | : Fixed 5.9% per annum   |
| Principal payment           | : Principal payment maturity date  |
| Early redemption            | : None   |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2.5:1                                |
| Credit rating               | : “BB+/Stable” by Tris Rating Co., Ltd.  |
| Trustee                     | : Bank of Ayudhya Public Company Limited   |
| Registrar                   | : Bank of Ayudhya Public Company Limited   |

**(7) UNSECURED DEBENTURES NO.1/2018**

|                   |  |
|-------------------|--|
| Specific name     | : Unsecured debentures of Property Perfect Public Company Limited No. 1/2018, maturing in 2021 |
| Type              | : Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures | : 1,034,500 units  |
| Face value        | : Bt1,000  |
| Issue size        | : Bt1,034.50 million   |
| Offering method   | : Offered to institutional investors and/or big-time investors                                 |
| Issue date        | : 27 April 2018  |
| Maturity          | : 3 years from issue date  |

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|                             |   |   |
|-----------------------------|---|---|
| Maturity date               | : | 27 April 2021   |
| Interest rate               | : | Fixed 5.75% per annum   |
| Principal payment           | : | Principal payment on redemption date                          |
| Early redemption            | : | None  |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2.5:1 |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.                         |
| Trustee                     | : | Bank of Ayudhya Public Company Limited                        |
| Registrar                   | : | Bank of Ayudhya Public Company Limited                        |

**(8) UNSECURED DEBENTURES NO.2/2018**

|                             |   |  |
|-----------------------------|---|--|
| Specific name               | : | Unsecured debentures of Property Perfect Public Company Limited No. 2/2018, maturing in 2021 |
| Type                        | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures           | : | 2,069,400 units  |
| Face value                  | : | Bt1,000  |
| Issue size                  | : | Bt2,069.40 million   |
| Offering method             | : | Offered to institutional investors and/or big-time investors                                 |
| Issue date                  | : | 19 July 2018   |
| Maturity                    | : | 3 years from issue date  |
| Maturity date               | : | 19 July 2021   |
| Interest rate               | : | Fixed 5.75% per annum in Years 1-2<br>Fixed 6.25% per annum in Year 3                        |
| Principal payment           | : | Principal payment on redemption date   |
| Early redemption            | : | None   |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2.5:1                                |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.  |
| Trustee                     | : | Bank of Ayudhya Public Company Limited   |
| Registrar                   | : | Bank of Ayudhya Public Company Limited   |

**(9) UNSECURED DEBENTURES NO.3/2018**

|                   |   |  |
|-------------------|---|--|
| Specific name     | : | Unsecured debentures of Property Perfect Public Company Limited No. 3/2018, maturing in 2022 |
| Type              | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures | : | 1,819,900 units  |

|                             |   |
|-----------------------------|---|
| Face value                  | : Bt1,000   |
| Issue size                  | : Bt1,819.90 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors  |
| Issue date                  | : 22 August 2018  |
| Maturity                    | : 3.5 years from issue date                                     |
| Maturity date               | : 22 February 2022  |
| Interest rate               | : Fixed 6.00% per annum   |
| Principal payment           | : Principal payment on redemption date                          |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2.5:1 |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.                         |
| Trustee                     | : Bank of Ayudhya Public Company Limited                        |
| Registrar                   | : Bank of Ayudhya Public Company Limited                        |

#### (10) UNSECURED DEBENTURES NO.4/2018

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Property Perfect Public Company Limited<br>No. 4/2018, maturing in 2022 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee                               |
| No. of debentures           | : 1,789,100 units   |
| Face value                  | : Bt1,000   |
| Issue size                  | : Bt1,789.10 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors                                    |
| Issue date                  | : 7 December 2018   |
| Maturity                    | : 3.5 years from issue date   |
| Maturity date               | : 7 June 2022   |
| Interest rate               | : Fixed 6.00% per annum   |
| Principal payment           | : Principal payment on redemption date  |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2.5:1                                   |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

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**(11) UNSECURED DEBENTURES NO.1/2019 #1**

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Property Perfect Public Company Limited No. 1/2019 #1, maturing in 2020 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee                               |
| No. of debentures           | : 435,100 Units   |
| Face value                  | : Bt1,000   |
| Issue size                  | : Bt435.10 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors                                    |
| Issue date                  | : 5 April 2019  |
| Maturity                    | : 1 and a half year from issue date   |
| Maturity date               | : 5 October 2020  |
| Interest rate               | : Fixed 4.75% per annum   |
| Principal payment           | : Principal payment on redemption date  |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 2.5:1                                   |
| Credit rating               | : “BB+/Stable” by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

**(12) UNSECURED DEBENTURES NO.1/2019 #2**

|                   |   |
|-------------------|---|
| Specific name     | : Unsecured debentures of Property Perfect Public Company Limited No. 1/2019 #2, maturing in 2022 |
| Type              | : Holder-bearing, unsubordinated, unsecured debentures with trustee                               |
| No. of debentures | : 775,000 Units   |
| Face value        | : 1,000 Baht  |
| Issue size        | : Bt775 million   |
| Offering method   | : Offered to institutional investors and/or big-time investors                                    |
| Issue date        | : 5 April 2019  |
| Maturity          | : 3 .5 years from issue date  |
| Maturity date     | : 5 October 2022  |
| Interest rate     | : Fixed 6.25% per annum   |
| Principal payment | : Principal payment on redemption date  |



|                             |   |   |
|-----------------------------|---|---|
| Early redemption            | : | None  |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2.5:1 |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.                         |
| Trustee                     | : | Bank of Ayudhya Public Company Limited                        |
| Registrar                   | : | Bank of Ayudhya Public Company Limited                        |

**(13) UNSECURED DEBENTURES NO.2/2019**

|                             |   |   |
|-----------------------------|---|---|
| Specific name               | : | Unsecured debentures of Property Perfect Public Company Limited No. 2/2019 , maturing in 2023 |
| Type                        | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                             |
| No. of debentures           | : | 1,844,600 Units   |
| Face value                  | : | 1,000 Baht  |
| Issue size                  | : | Bt1,844.60 million  |
| Offering method             | : | Offered to institutional investors and/or big-time investors                                  |
| Issue date                  | : | 10 May 2019   |
| Maturity                    | : | 4 years from issue date   |
| Maturity date               | : | 10 May 2023   |
| Interest rate               | : | Fixed 6.25% per annum in Years 1-2<br>Fixed 7.00% per annum in Year 3-4                       |
| Principal payment           | : | Principal payment on redemption date  |
| Early redemption            | : | None  |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2.5:1                                 |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : | Bank of Ayudhya Public Company Limited  |
| Registrar                   | : | Bank of Ayudhya Public Company Limited  |

**(14) UNSECURED DEBENTURES NO.3/2019**

|                   |   |   |
|-------------------|---|---|
| Specific name     | : | Unsecured debentures of Property Perfect Public Company Limited No. 3/2019 , maturing in 2022 |
| Type              | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                             |
| No. of debentures | : | 888,800 Units   |
| Face value        | : | 1,000 Baht  |
| Issue size        | : | Bt888.80 million  |
| Offering method   | : | Offered to institutional investors and/or big-time investors                                  |

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|                             |   |   |
|-----------------------------|---|---|
| Issue date                  | : | 26 September 2019   |
| Maturity                    | : | 3 years from issue date                                       |
| Maturity date               | : | 26 September 2023   |
| Interest rate               | : | Fixed 6.25% per annum   |
| Principal payment           | : | Principal payment on redemption date                          |
| Early redemption            | : | None  |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 2.5:1 |
| Credit rating               | : | "BB+/Negative" by Tris Rating Co., Ltd.                       |
| Trustee                     | : | Bank of Ayudhya Public Company Limited                        |
| Registrar                   | : | Bank of Ayudhya Public Company Limited                        |

## **GRANDE ASSET HOTELS AND PROPERTY PUBLIC COMPANY LIMITED**

### **(1) UNSECURED DEBENTURES NO. 1/2017**

|                             |   |   |
|-----------------------------|---|---|
| Specific name               | : | Unsecured debentures of Grande Asset Hotels and Property Plc.<br>No.1/25017, maturing in 2020 |
| Type                        | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                             |
| No. of debentures           | : | 261,000 units   |
| Face value                  | : | 1,000 Baht  |
| Issue size                  | : | Bt.261 million  |
| Offering method             | : | Offered to institutional investors and/or big-time investors                                  |
| Issue date                  | : | 26 January 2017   |
| Maturity                    | : | 2 years ,11months and 28 days from issue date   |
| Maturity date               | : | 23 January 2020   |
| Interest rate               | : | Fixed 5.35% per annum   |
| Principal payment           | : | Principal payment maturity date   |
| Early redemption            | : | None  |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 3:1                                   |
| Credit rating               | : | None  |
| Trustee                     | : | Bank of Ayudhya Public Company Limited  |
| Registrar                   | : | Bank of Ayudhya Public Company Limited  |

**(2) UNSECURED DEBENTURES NO. 3/2017**

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Grande Asset Hotels and Property Plc.<br>No.3/25017, maturing in 2020 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee                             |
| No. of debentures           | : 491,700 units   |
| Face value                  | : 1,000 Baht  |
| Issue size                  | : Bt.491.70 million   |
| Offering method             | : Offered to institutional investors and/or big-time investors                                  |
| Issue date                  | : 22 June 2017  |
| Maturity                    | : 3 years from issue date   |
| Maturity date               | : 22 June 2020  |
| Interest rate               | : Fixed 5.95% per annum   |
| Principal payment           | : Principal payment maturity date   |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 3:1                                   |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

**(3) UNSECURED DEBENTURES NO. 4/2017**

|                   |   |
|-------------------|---|
| Specific name     | : Unsecured debentures of Grande Asset Hotels and Property Plc.<br>No.4/25017, maturing in 2020 |
| Type              | : Holder-bearing, unsubordinated, unsecured debentures with trustee                             |
| No. of debentures | : 467,900 units   |
| Face value        | : 1,000 Baht  |
| Issue size        | : Bt.467.90 million   |
| Offering method   | : Offered to institutional investors and/or big-time investors                                  |
| Issue date        | : 19 October 2017   |
| Maturity          | : 3 years from issue date   |
| Maturity date     | : 19 October 2020   |
| Interest rate     | : Fixed 6.25% per annum   |
| Principal payment | : Principal payment maturity date   |
| Early redemption  | : None  |

---

|                             |   |   |
|-----------------------------|---|---|
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 3:1 |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.                       |
| Trustee                     | : | Bank of Ayudhya Public Company Limited                      |
| Registrar                   | : | Bank of Ayudhya Public Company Limited                      |

**(4) UNSECURED DEBENTURES NO. 1/2018**

|                             |   |  |
|-----------------------------|---|--|
| Specific name               | : | Unsecured debentures of Grande Asset Hotels and Property Plc.<br>No.1/2018, maturing in 2020 |
| Type                        | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures           | : | 423,500 units  |
| Face value                  | : | 1,000 Baht   |
| Issue size                  | : | Bt.423.50 million  |
| Offering method             | : | Offered to institutional investors and/or big-time investors                                 |
| Issue date                  | : | 16 March 2018  |
| Maturity                    | : | 2 years from issue date  |
| Maturity date               | : | 16 March 2020  |
| Interest rate               | : | Fixed 6.00% per annum  |
| Principal payment           | : | Principal payment maturity date  |
| Early redemption            | : | None   |
| Other significant condition | : | Debt to equity ratio must be maintained at no more than 3:1                                  |
| Credit rating               | : | "BB+/Stable" by Tris Rating Co., Ltd.  |
| Trustee                     | : | Bank of Ayudhya Public Company Limited   |
| Registrar                   | : | Bank of Ayudhya Public Company Limited   |

**(5) UNSECURED DEBENTURES NO. 2/2018**

|                   |   |  |
|-------------------|---|--|
| Specific name     | : | Unsecured debentures of Grande Asset Hotels and Property Plc.<br>No.2/2018, maturing in 2021 |
| Type              | : | Holder-bearing, unsubordinated, unsecured debentures with trustee                            |
| No. of debentures | : | 1,000,000 units  |
| Face value        | : | 1,000 Baht   |
| Issue size        | : | Bt.1,000 million   |
| Offering method   | : | Offered to institutional investors and/or big-time investors                                 |
| Issue date        | : | 21 June 2018   |
| Maturity          | : | 3 years from issue date  |
| Maturity date     | : | 21 June 2021   |



|                             |   |
|-----------------------------|---|
| Interest rate               | : Fixed 6.25% per annum                                       |
| Principal payment           | : Principal payment maturity date                             |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 3:1 |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.                       |
| Trustee                     | : Bank of Ayudhya Public Company Limited                      |
| Registrar                   | : Bank of Ayudhya Public Company Limited                      |

**(6) UNSECURED DEBENTURES NO. 3/2018**

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Grande Asset Hotels and Property Plc. No.3/2018, maturing in 2021 |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee                         |
| No. of debentures           | : 1,000,000 units   |
| Face value                  | : 1,000 Baht  |
| Issue size                  | : Bt.1,344.20million  |
| Offering method             | : Offered to institutional investors and/or big-time investors                              |
| Issue date                  | : 1 November 2018   |
| Maturity                    | : 3 years from issue date   |
| Maturity date               | : 1 November 2021   |
| Interest rate               | : Fixed 6.25% per annum   |
| Principal payment           | : Principal payment maturity date   |
| Early redemption            | : None  |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 3:1                               |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

**(7) UNSECURED DEBENTURES NO.1/2019**

|                   |  |
|-------------------|--|
| Specific name     | : Unsecured debentures of Grande Asset Hotels and Property Plc. No. 1/2019, maturing in 2022 |
| Type              | : Holder-bearing, unsubordinated, unsecured debentures with trustee                          |
| No. of debentures | : 1,000,000 units  |
| Face value        | : 1,000 Baht   |

---

|                             |   |
|-----------------------------|---|
| Issue size                  | : Bt1,489.40 million  |
| Offering method             | : Offered to institutional investors and/or big-time investors  |
| Issue date                  | : 18 February 2019  |
| Maturity                    | : 3 years from issue date   |
| Maturity date               | : 18 February 2022  |
| Interest rate               | : Fixed 6.25% per annum   |
| Principal payment           | : Principal payment on redemption date  |
| Early redemption            | : Issuer can prematurely redeem partial or entire debentures after (or when) the debentures turn 2 years from the issue date. |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 3:1   |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

**(8) UNSECURED DEBENTURES NO.2/2019**

|                             |   |
|-----------------------------|---|
| Specific name               | : Unsecured debentures of Grande Asset Hotels and Property Plc. No. 2/2019, maturing in 2022                                  |
| Type                        | : Holder-bearing, unsubordinated, unsecured debentures with trustee   |
| No. of debentures           | : 1,000,000 units   |
| Face value                  | : 1,000 Baht  |
| Issue size                  | : Bt1,402.20million   |
| Offering method             | : Offered to institutional investors and/or big-time investors  |
| Issue date                  | : 12 July 2019  |
| Maturity                    | : 3 years 3 months from issue date  |
| Maturity date               | : 12 October 2022   |
| Interest rate               | : Fixed 6.75% per annum   |
| Principal payment           | : Principal payment on redemption date  |
| Early redemption            | : Issuer can prematurely redeem partial or entire debentures after (or when) the debentures turn 2 years from the issue date. |
| Other significant condition | : Debt to equity ratio must be maintained at no more than 3:1   |
| Credit rating               | : "BB+/Stable" by Tris Rating Co., Ltd.   |
| Trustee                     | : Bank of Ayudhya Public Company Limited  |
| Registrar                   | : Bank of Ayudhya Public Company Limited  |

The outstanding book value of debentures as of 31 December 2019 totaled Bt26,529 million.

### 3.3 PERPETUAL SUBORDINATED BONDS

#### (1) PERPETUAL SUBORDINATED BONDS NO.1/2017

|                     |   |  |
|---------------------|---|--|
| Specific name       | : | Property Perfect's No.1/2017 subordinated bonds redeemable when the company ceases business. The company can redeem the bonds prior to maturity and postpone interest payment unconditionally.   |
| Type                | : | Perpetual subordinated bonds offering one-time principal repayment. The unsecured and unconvertible bonds with a trustee are redeemable when the company ceases business. The company can redeem the bonds prior to maturity, postpone interest payment and pay the accumulated unpaid interest any day. |
| No. of bonds        | : | 447,700 units  |
| Face value          | : | 1,000 Baht   |
| Issue size          | : | Bt447.70 million   |
| Offering method     | : | Offered to institutional and/or big-time investors   |
| Issue date          | : | 27 April 2017  |
| Maturity            | : | Perpetual  |
| Maturity date       | : | Perpetual  |
| Interest rate       | : | Year 1-5: 9.5% per annum<br>Year 6-25: 7.61% above 5-year government bond yield<br>Year 26 onward: 8.3% above 5-year government bond yield<br>The coupon rate will be adjusted every 5 years in line with government bond yields.  |
| Principal repayment | : | Full repayment on maturity date  |
| Early redemption    | : | The company holds the right to redeem the bonds on maturity date, 5 years from the issue date or under other conditions specified in the prospectus  |
| Credit rating       | : | "BB+/Stable" by Tris Rating Co., Ltd.  |
| Debentures' rating  | : | "B+/Stable" by Tris Rating Co., Ltd.   |
| Trustee             | : | Bank of Ayudhya Public Company Limited   |
| Registrar           | : | Bank of Ayudhya Public Company Limited   |

## (2) PERPETUAL SUBORDINATED DEBENTURES NO.1/2018

|                     |   |   |
|---------------------|---|---|
| Specific name       | : | Property Perfect's No.1/2018 subordinated bonds redeemable when the company ceases business. The company can redeem the bonds prior to maturity and postpone interest payment unconditionally   |
| Type                | : | Perpetual subordinated bonds offering one-time principal repayment. The unsecured and unconvertible bonds with a trustee are redeemable when the company ceases business. The company can redeem the bonds prior to maturity, postpone interest payment and pay the accumulated unpaid interest any day and in any installments as the issuer sees fit. |
| No. of bonds        | : | 60,300 units  |
| Face value          | : | 1,000 Baht  |
| Issue size          | : | Bt60.30 million   |
| Offering method     | : | Offered to institutional investors and/or big-time investors  |
| Issue date          | : | 29 November 2018  |
| Maturity            | : | Perpetual   |
| Maturity date       | : | Perpetual   |
| Interest rate       | : | Year 1-5: 9.5% per annum<br>Year 6-25: 5-year government bond coupon rate+7.33% per annum<br>Year 26 onward: 5-year government bond coupon rate+8.08% per annum<br>The 5-year government bond coupon rate is adjusted every 5 years.  |
| Principal repayment | : | Principal payment on redemption date  |
| Early redemption    | : | The Company holds the right to redeem the debentures 5 years from the issue date or under other conditions specified in the prospectus.   |
| Credit rating       | : | "BB+/Stable" by Tris Rating Co., Ltd.   |
| Debentures' rating  | : | "B+/Stable" by Tris Rating Co., Ltd.  |
| Trustee             | : | Bank of Ayudhya Public Company Limited  |
| Registrar           | : | Bank of Ayudhya Public Company Limited  |

### 3.4 BILLS (BILL OF EXCHANGE AND PROMISSORY NOTES)

As of 31 December 2019, the Company and subsidiaries own a total to Bt576.78million through the issuance of bills of exchange which offer the interest rate of 4.25-4.35% per annum. They will come due within March 2019.



#### 4. DIVIDEND POLICY OF THE COMPANY AND SUBSIDIARIES

The Board of Directors approved at the 5/2007 meeting a change in the dividend policy, which earlier set the dividend payout ratio at 50% of after-tax profits as approved by the shareholders meeting. The change followed the alteration in the accounting measure, which is based on the cost method rather than the equity method. The Company's dividend payment ratio was changed to at least 50% of the non-consolidated net profits after legal reserves. The ratio is also set in accordance with the Company's financial status, liquidity, investment plans and other factors related to the operations.

The company's subsidiaries have dividend payout policy of at least 50% of unconsolidated net profit after deducting legal reserve. Besides, financial position, liquidity, business expansion and other factors related to the company's management are also taken into dividend payment consideration.

Annual dividend payouts as follows:

| Separate Financial Statement              | 2016    | 2017   | 2018   | 2019                |
|---|---------|--------|--------|---------------------|
| Net profit per share (Baht) <sup>1/</sup> | 0.06668 | 0.0761 | 0.1342 | 0.1763              |
| Dividend per share (Baht) <sup>2/</sup>   | 0.04    | 0.05   | 0.066  | 0.111 <sup>4/</sup> |
| Dividend payout (%) <sup>3/</sup>         | 67.78   | 64.40  | 50.29  | 64.33               |

##### Note

1/ Earnings per share are the earnings specified in the statements of comprehensive income.

2/ Dividend per share is dividend paid out each year per company filings to the Stock Exchange of Thailand.

3/ Dividend payout ratio is the ratio of annual dividend to net profits.

4/ Based on the calculated payment of shares in lieu of dividend, at the Bt0.10 dividend payout ratio and cash dividend payment at Bt0.011111111160. Total dividend will be Bt0.111111111160 and rounded to 3 decimal places at Bt0.111.

# MANAGEMENT AND AUTHORIZED PERSON OF THE COMPANY

PROPERTY **PERFECT**

Management and Authorized Person of the Company As of 31 December 2019

| Name-Title   | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years   |  | Company / Business Type   |
|--|-----|---|--------------------|--------------|---|--|---|
|  |     |   |                    |              | Timing  | Designation  |   |
| 1* Dr. Thanong Bidaya<br>Chairman  | 73  | <ul style="list-style-type: none"> <li>Ph.D. in Management, Northwestern University, USA.</li> <li>M.A. in Economics, Northwestern University, USA.</li> <li>B.A. in Economics, Yokohama National University, Japan</li> <li>Director Accreditation Program (DAP) 25/2004, Thai Institute of Directors Association (IOD)</li> </ul> | 0.000%             |              | Nov.2018 - Present<br>Aug.2018 - Present<br>Mar.2018 - Present<br>2014 - Present<br>2012 - Present<br>2012 - 2015<br>2010 - Present<br>2008 - Present | Chairman<br>Chairman / Independent Director<br>Director<br>Chairman / Independent Director<br>Chairman / Independent Director<br>Chairman<br>Chairman<br>Chairman / Independent Director | Property Perfect Public Company Limited<br>S. Khonkaen Foods Public Company Limited<br>Kirirot Resort Holdings Company Limited<br>Scan Inter Public Company Limited<br>CK Power Public Company Limited<br>Srisawad Power 1979 Public Company Limited<br>Xayaburi Power Company Limited<br>TTW Public Company Limited  |
| 2 Mr. Chainid Adhyanasakul<br>Director /<br>Vice Chairman /<br>Chief Executive Officer /<br>Chief Executive Authorized Signatory Directors | 66  | <ul style="list-style-type: none"> <li>Bachelor of Laws, Chulalongkorn University</li> <li>Thai Barrister-at-Law, Thai Bar Association</li> <li>Director Accreditation Program (DAP) 114/2015; Thai Institute of Directors Association (IOD)</li> </ul>   | 7.853%             |              | 1985 - Present<br>2017 - Present<br>2011 - Present<br>2015 - Present<br>2007 - Present<br>2007 - 2015<br>2002 - Aug. 2014<br>1999 - 2015              | Chief Executive Director /<br>Chief Executive Officer<br>Director<br>Director<br>Director<br>Director<br>Director<br>Director<br>Director  | Property Perfect Public Company Limited<br>Grand Star Co., Ltd.<br>We Retail Plc.<br>Grande Asset Hotels and Property Plc.<br>Centrepont Shopping Mall Co., Ltd. /<br>Property Development<br>Bright Development Bangkok Co., Ltd. /<br>Property Development<br>Krungthep Land Plc. / Property Development<br>Estate Perfect Co., Ltd. / Property Development |

| Name-Title   | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years   |   | Company / Business Type  |
|--|-----|---|--------------------|--------------|---|---|--|
|  |     |   |                    |              | Timing  | Designation   |  |
| 3 Mr. Vidhya Nativat<br>Director /<br>Chairman of<br>Nomination and<br>Remuneration<br>Committee   | 66  | <ul style="list-style-type: none"> <li>Master of Laws, The Gorge Washington University, USA.</li> <li>Bachelor of Laws, Thammasart University</li> <li>Director Accreditation Program (DAP) 77/2009; Thai Institute of Directors (IOD)</li> </ul>   | 1.243%             |              | June 2014 - Present<br><br>2004 - Present<br>1986 - Present<br>2004 - June 2014   | Chairman of Nomination and Remuneration Committee<br>Non-Executive Director<br>Managing Director<br>Nomination and Remuneration Committee   | Property Perfect Plc.<br><br>Property Perfect Plc.<br>Bunchong and Vidhya Law Office Ltd. / Law<br>Property Perfect Plc.   |
| 4 Mrs. Nuanual Swadikul<br>Na-Ayudhaya<br>Director /<br>Independent<br>Director /<br>Audit Committee   | 71  | <ul style="list-style-type: none"> <li>Bachelor of Laws, Thammasart University</li> <li>Member of Thai Bar, Bureau of Legal Studies of the Council of Thai Bar Member</li> <li>MINI MBA Thammasart University</li> <li>Financial Institute for Executive V, Thai Banker Association</li> <li>Wor.Por.Ror.Oor. Class 411, National Defense College</li> <li>Director Accreditation Program (DAP) 114/2015 ; Thai Institute of Directors (IOD)</li> </ul> | 0.000%             |              | 2015 - Present<br><br>2009 - 2015<br><br>2010 - 2014<br><br>1996 - 2008<br>1994 - 1996<br><br>1992 - 1994<br>1991 - 1992<br><br>1990 - 1991 | Independent Director / Audit Committee<br>Independent Director / Chairman of Risk Management Committee<br>Independent Director / Nomination and Remuneration Committee<br>Executive Vice President<br>Senior Manager for Commercial Finance and Construction Finance<br>Commercial Finance Manager<br>Industrial and Commercial Finance Manager<br>Credit Development Manager | Property Perfect Plc.<br><br>Property Perfect Plc.<br><br>Property Perfect Plc.<br><br>TMB Bank Plc.<br>TMB Bank Plc.<br><br>TMB Bank Plc.<br>TMB Bank Plc.<br><br>TMB Bank Plc. |
| 5 Ms. Sirrat Wongwattana<br>Director /<br>Executive Director /<br>Nomination and<br>Remuneration<br>Committee /<br>Chief Financial<br>Officer /<br>Authorized<br>Signatory Directors | 58  | <ul style="list-style-type: none"> <li>Master of Science in Finance, University of Houston - Clear Lake, USA</li> <li>B.A. of Science, Economics &amp; Business Administration-Finance, Kasetsart University</li> <li>Director Certification Program (DCP) 126/2009; Thai Institute of Directors (IOD)</li> </ul>   | 0.000%             |              | 2011 - Present<br><br>2015 - Present<br><br>2015 - Present<br>2015 - Present  | Director / Executive Director & Secretary of Executive Director / Chief Financial Officer<br>Director / Nomination and Remuneration Committee<br>Director<br>Director   | Property Perfect Plc.<br><br>Property Perfect Plc.<br><br>Estate Perfect Co., Ltd.<br>Bright Development Bangkok Co., Ltd.   |

| Name-Title  | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years |   | Company / Business Type              |
|---|-----|---|--------------------|--------------|---|---|--------------------------------------|
|   |     |   |                    |              | Timing                                    | Designation   |                                      |
| 6 Mr. Wicharn Sirivejwarawut<br>Director / Executive<br>Director / Chief Operating Officer 1 / Authorized Signatory Directors   | 58  | <ul style="list-style-type: none"> <li>Master of Business Administration, Chulalongkorn University</li> <li>Bachelor of Civil Engineer, Chulalongkorn University</li> <li>Director Certification Program (DCP) 126/2016; Thai Institute of Directors (IOD)</li> </ul>   | 0.006%             |              | 2014 - Present                            | Director / Executive Director / Chief Operating Officer 1   | Property Perfect Plc.                |
|   |     |   |                    |              | 2011 - 2014                               | Executive Director / Act for Chief Operating Officer 1 / Deputy Chief Operating Officer 1                   | Property Perfect Plc.                |
|   |     |   |                    |              | 2003 - 2010                               | Assistant Chief Operating Officer   | Property Perfect Plc.                |
|   |     |   |                    |              | 2016 - Present                            | Managing Director   | Estate Perfect Co., Ltd.             |
| 7 Mr. Pornswat Katechulasriroj<br>Director / Executive<br>Director / Chief Operating Officer 2 / Authorized Signatory Directors | 54  | <ul style="list-style-type: none"> <li>Bachelor of Engineer, King Mongkut's Institute of Technology Ladkrabang</li> <li>Director Certification Program (DCP) 129/2016; Thai Institute of Directors (IOD)</li> </ul>   | 0.000%             |              | 2015 - Present                            | Director  | Property Perfect Plc.                |
|   |     |   |                    |              | 2015 - Present                            | Director  | Thai Property Plc.                   |
|   |     |   |                    |              | 2014 - Present                            | Executive Director / Chief Operating Officer 2  | Property Perfect Plc.                |
|   |     |   |                    |              | 2010 - 2014                               | Executive Director / Act for Chief Operating Officer 2 / Deputy Chief Operating Officer 2                   | Property Perfect Plc.                |
| 8 Mr. Wongsakorn Prasitvipat<br>Managing Director / Director / Executive<br>Director / Authorized Signatory Directors           | 59  | <ul style="list-style-type: none"> <li>Master of Business Administration, Chulalongkorn University</li> <li>Bachelor of Architect, Chulalongkorn University</li> <li>Real Estate Course (RECU#10) Chulalongkorn University</li> <li>Director Certification Program (DCP) 126/2016; Thai Institute of Directors (IOD)</li> </ul> | 0.000%             |              | 2014 - Present                            | Managing Director   | Bright Development Bangkok Co., Ltd. |
|   |     |   |                    |              | 2015 - Present                            | Director  | Bright Development Bangkok Co., Ltd. |
|   |     |   |                    |              | 2014 - 2017                               | Executive Director / Chief Business Development Officer   | Estate Perfect Co., Ltd.             |
|   |     |   |                    |              | 2014 - Present                            | Managing Director   | Property Perfect Plc.                |
| 8 Mr. Wongsakorn Prasitvipat<br>Managing Director / Director / Executive<br>Director / Authorized Signatory Directors           | 59  | <ul style="list-style-type: none"> <li>Master of Business Administration, Chulalongkorn University</li> <li>Bachelor of Architect, Chulalongkorn University</li> <li>Real Estate Course (RECU#10) Chulalongkorn University</li> <li>Director Certification Program (DCP) 126/2016; Thai Institute of Directors (IOD)</li> </ul> | 0.000%             |              | 2014 - Present                            | Executive Director / Act for Chief Business Development Officer / Deputy Chief Business Development Officer | Chiang Mai Development Co., Ltd.     |
|   |     |   |                    |              | 2011 - 2014                               | Business Development Officer  | Property Perfect Plc.                |
|   |     |   |                    |              | 2008 - 2010                               | Assistant Chief Operation Officer   | Property Perfect Plc.                |
|   |     |   |                    |              |   |   |                                      |



| Name-Title  | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years |   | Company / Business Type                                    |
|---|-----|---|--------------------|--------------|---|---|--|
|   |     |   |                    |              | Timing                                    | Designation   |  |
| 9 Prof.Dr.Suchatvee Suwansawat<br>Director / Independent Director / Chairman of Risk Management Committee | 47  | <ul style="list-style-type: none"> <li>Ph.D. in Civil and Environmental Engineering, Massachusetts Institute of Technology (MIT), USA</li> <li>Master of Science (MS.) in Technology and Policy, Massachusetts Institute of Technology (MIT), USA</li> <li>Master of Science (MS.), in Civil and Environmental Engineering, The University of Wisconsin-Madison, USA</li> <li>Bachelor of Engineer (B.Eng.), in Civil Engineering, Honors King Mongkut's Institute of Technology Ladkrabang</li> <li>Audit Committee Program (ACP) 27/2009; Director Certification Program (DCP) 105/2008; Thai Institute of Directors (IOD)</li> <li>Certified of Top Executives in Business and Industrial Development, Institute of Business and Industrial Development. (#1)</li> <li>Certificate of Real Estate Development (#43)</li> <li>Certified of Top Executives, Capital Market Academy (#13)</li> <li>University Governance, Programmed : UGP (#9) Knowledge Network Institute of Thailand</li> <li>Executive Development Program (#11) Thai Listed Companies Association</li> </ul> | 0.000%             |              | 2015 - Present                            | Chairman of Risk Management Committee                             | Property Perfect Plc.                                      |
|   |     |   |                    |              | 2014 - Present                            | Director / Independent Director                                   | Property Perfect Plc.                                      |
|   |     |   |                    |              | 2017 - Present                            | President   | Council of University Presidents in Thailand               |
|   |     |   |                    |              | 2015 - Present                            | President   | King Mongkut's Institute of Technology Ladkrabang          |
|   |     |   |                    |              | 2014 - 2016                               | President of the Association of Engineering Institute of Thailand | The Association of Engineering Institute of Thailand (EIT) |
|   |     |   |                    |              | 2011 - Present                            | Director of Board   | Board of Investment of Thailand                            |
|   |     |   |                    |              | 2012 - 2013                               | President of National Housing Authority                           | National Housing Authority of Thailand                     |
|   |     |   |                    |              | 2010 - 2014                               | Dean of Faculty of Engineering                                    | King Mongkut's Institute of Technology Ladkrabang          |
|   |     |   |                    |              | 2009 - 2010                               | Chairman of the Airport Rail Link Monitoring Committee            | SRT Electrified Train Co.,Ltd. (Airport Rail Link)         |
|   |     |   |                    |              |   |   |  |

| Name-Title  | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years   |  | Company / Business Type  |
|---|-----|---|--------------------|--------------|---|--|--|
|   |     |   |                    |              | Timing  | Designation  |  |
| 10 Mr.Ekamol Kiriwat<br>Director /<br>Independent<br>Director   | 75  | <ul style="list-style-type: none"><li>MBA (Finance), Harvard Graduate School of Business Administration, USA</li><li>B.A. Magna Cum Laude (Economics), Dartmouth College, USA.</li><li>Director Certificate Program (DCP) 2005, Thai Institute of Directors (IOD)</li></ul>   | 0.000%             |              | 2015 - Present<br>2011 - Present<br>2005 - Jan.2015<br>2008 - 2011<br>1997 - 2000   | Independent Director<br>Independent Director<br>Chairman / Independent Director<br>Chairman / Independent Director<br>Member of Court of Governors   | Property Perfect Plc.<br>The Siam Commercial Bank Plc.<br>K.C. Property Plc.<br>Seamico Securities Plc.<br>Bank of Thailand  |
| 11 Mr.Banlue Chantadisai<br>Director /<br>Independent<br>Director /<br>Chairman of<br>Audit Committee | 70  | <ul style="list-style-type: none"><li>MBA, University of Chicago Business School, USA.</li><li>B.Sc., Massachusetts Institute of Technology, USA.</li><li>Joint Public-Private Sector Course, Class 15, National Defense College</li><li>Director Certification Program (DCP) 2001, Thai Institute of Directors (IOD)</li><li>Advanced Audit Committee Program 2017, Thai Institute of Directors (IOD)</li><li>Leadership Program, Class 5, 2007 Capital Market Academy (CMA)</li><li>Financial Institutions Directors' Education Programme 2018, The Icfi Leadership and Governance Centre, Malaysia</li><li>Risk Management Program for Corporate Leaders 2019, Thai Institute of Directors (IOD)</li></ul> | 0.006 %            |              | 2015 - Present<br><br>2018 - Present<br><br>2017 - 2018<br><br>2013 - Present<br><br>2010 - Present<br>2006 - 2019<br>2010 - 2015<br><br>2006 - 2010<br><br>1998 - 2006 | Independent Director /<br>Chairman of Audit Committee<br>Independent Director /<br>Risk Management Committee /<br>Chairman<br>Independent Director /<br>Risk Management Committee /<br>Chairman of Audit Committee<br>Director<br><br>Chairman<br>Chairman<br>Independent Director /<br>Chairman of Audit Committee<br>Senior Executive Vice President,<br>Corporate Accounting & Finance<br>Executive Vice President,<br>Investment Banking | Property Perfect Plc.<br><br>Bangkok Bank Berhad, Malaysia<br><br>Bangkok Bank Berhad, Malaysia<br><br>University Affairs Committee, Urban Community Development College<br>Lynn Phillips Asset Management Co.,Ltd.<br>Lynn Phillips Mortgage Credit Foncier Co.,Ltd.<br>Grande Asset Hotels and Property Plc.<br><br>IRPC Plc.<br><br>Bangkok Bank Plc. |

| Name-Title   | Age | Academic Qualifications  | Equity Holding (%) | Relationship | Career experience within the past 5 years  |  | Company / Business Type  |
|--|-----|--|--------------------|--------------|--|--|--|
|  |     |  |                    |              | Timing   | Designation  |  |
| 12 Mr. Manit Suthaporn Director / Independent Director / Audit Committee | 66  | <ul style="list-style-type: none"> <li>Master of Laws, Chulalongkorn University</li> <li>Thai Barrister-at-Law, Thai Bar Association</li> <li>Bachelor of Laws, Thammasat University</li> <li>National Defense College #399, National Defense College of Thailand</li> <li>Executive Training Course: Vision and Moral Leader of the Civil Service Commission. Office of the Civil Service Commission</li> <li>Director Certification Program (DCP) 134/2553</li> <li>Thai Institute of Directors (IOD)</li> <li>Advanced Security Management Program No. 2, The Association of National Defence College of Thailand under the Royal Patronage of His Majesty the King</li> <li>Thammasat Leadership Program (TLP) (1st) Thammasat University</li> </ul> | 0.000 %            |              | 2015 - Present<br>2015 - Present<br>2018 - 2019<br>2007 - 2014<br>2004 - 2006  | Independent Director / Audit Committee<br>Legal Consultant<br>Secretary to the Minister of Transport<br>Senior Executive Vice President, Corporate Legal<br>Deputy Permanent Secretary, Head of the mission of Justice Promotion Cluster | Property Perfect Plc.<br>IRPC Plc.<br>Ministry of Transport<br>IRPC Plc.<br>Ministry of Justice  |
| 13 Mr. Thongchai Jira-alongkorn Director                                 | 60  | <ul style="list-style-type: none"> <li>Bachelor of Business Administration, Major Marketing, Bangkok University</li> <li>Director Accreditation Programme (DAP) Thai Institute of Directors (IOD)</li> </ul>   | 0.000 %            |              | 2017 - Present<br>2013 - Present<br>2013 - Present<br>2009 - Present<br>1987 - Present<br>1996 - Present<br>1994 - Present<br>1987 - Present | Director<br>Director<br>Director<br>Deputy Managing Director<br>Managing Director<br>Director / Managing Director<br>Director / Managing Director<br>General Manager   | Property Perfect Plc.<br>Bangkok Dusit Medical Service Plc.<br>Sansiri Plc.<br>Viriyah Insurance Plc.<br>Viriyah International Broker Co.,Ltd.<br>Thonburi Automotive Commercial Co.,Ltd.<br>Thonburi Phanich Leasing Co.,Ltd.<br>Viriyah Leasing Co.,Ltd. |

| Name-Title  | Age | Academic Qualifications  | Equity Holding (%) | Relationship | Career experience within the past 5 years  |   | Company / Business Type  |
|---|-----|--|--------------------|--------------|--|---|--|
|   |     |  |                    |              | Timing   | Designation   |  |
| 14 Mr. Pramote Remyindee<br>Company Secretary   | 67  | <ul style="list-style-type: none"> <li>Bachelor of Laws, Chulalongkorn University</li> <li>Thai Barrister-at-Law Thai Bar Association Graduate Diploma in Business Law, Thammasat University</li> <li>Director Certification Program (DCP) 69/2006, Director Accreditation Program (DAP) 43/2005</li> <li>Finance for Non-Finance Director; Thai Institute of Directors (IOD)</li> </ul> | 1.581%             |              | 1998 - Present<br>1992 - Present<br>1994 - 1997  | Company Secretary<br>Partner Manager<br>Executive Director  | Property Perfect Plc.<br>Ordinary Partnership, Thammathit Law Office / Law<br>Saphamrong Securities Limited. / Financial Institution                     |
| 15 Mr. Wason Sirattananpong<br>Director / Executive Director / Chief Business Development Officer | 52  | <ul style="list-style-type: none"> <li>Bachelor of Engineer, Chiang Mai University</li> <li>Master of Business Administration, National Institute of Development Administration</li> </ul>   | 0.000 %            |              | 2019 - Present<br>2018 - Present<br><br>2014 - 2018<br>2011 - 2014<br>2006 - 2011<br>2003 - 2006 | Director<br>Executive Director / Chief Business Development Officer<br>Deputy Chief Business Development Officer<br>Assistant Chief Business Development Officer<br>Project Management Director<br>Deputy Project Management Director | Property Perfect Plc.<br>Estate Perfect Co.,Ltd.<br><br>Property Perfect Plc.<br>Property Perfect Plc.<br>Property Perfect Plc.<br>Property Perfect Plc. |



| Name-Title   | Age | Academic Qualifications   | Equity Holding (%) | Relationship | Career experience within the past 5 years  |  | Company / Business Type  |
|--|-----|---|--------------------|--------------|--|--|--|
|  |     |   |                    |              | Timing   | Designation  |  |
| 16 Ms. Wilawun Leongmark-thongdee<br>Assistant Chief Executive Officer           | 61  | <ul style="list-style-type: none"> <li>Master of Business Administration, Sasin Graduate Institute of Business Administrator of Chulalongkorn University</li> <li>Master of Financial Economics, National Institute of Development Administration</li> <li>Diploma in Professional Studies in Accounting, Chulalongkorn University</li> <li>Bachelor of Arts in Accounting, Thammasart University</li> <li>Director Certification Program (DCP72/2006), Thai Institute of Directors (IOD)</li> <li>Executive Development Program (Class of 2nd), Thai Listed Companies Association Experiences</li> </ul> | 0.000 %            |              | 2015 - Present<br>2015 - Present<br>2015 - Present<br>2013 - 2014<br>2012 - 2014<br>2002 - 2014<br>2002 - 2012 | Assistant Chief Executive Officer<br>Director / Executive Director<br>Director<br>Executive Director<br>Chief Financial Officer<br>Director<br>Assistant Chief Executive Officer, Financial /<br>Assistant Managing Director | Property Perfect Plc.<br>Grande Asset Hotels and Property Plc.<br>Centrepont Shopping Mall Co., Ltd.<br>Krungthep Land Plc.<br>Krungthep Land Plc.<br>Krungthep Land Plc.<br>Krungthep Land Plc. |
| 17 Mr. Surasak Vatcharapong-precha<br>Executive Director / Chief Support Officer | 55  | <ul style="list-style-type: none"> <li>Master of Business Administration, Thammasart University</li> <li>Bachelor of Accountancy, Thammasart University</li> <li>Certified Public Accountant</li> </ul>   | 0.044 %            |              | 2018 - Present<br>2014 - 2018<br>2010 - 2014<br>2013 - 2014  | Executive Director / Chief Support Officer<br>Executive Director / Deputy Chief Financial Officer<br>Assistant Chief Financial Officer<br>Director   | Property Perfect Plc.<br>Property Perfect Plc.<br>Property Perfect Plc.<br>Bright Development Bangkok Co., Ltd.  |

## Detail of Directors, Executive Directors and Authorized Person Director of Property Perfect Plc., Subsidiary, Affiliates and Related Company.

As of 31 December 2019.

| Name                                   | Company         |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
|--|-----------------|----|----|----|-----|-------|-----|-----|----------|-------|-----|----|-----|-----|-----|----|---------|------|----|----|
|  | PF              | EP | BD | R9 | CMD | TPROP | PED | MPH | Sce-Park | GRAND | GRE | HB | OWD | PPI | KRH | VR | C-Point | AI-D | RM | GS |
| 1. Dr.Thanong Bidaya                   | x               |    |    |    |     |       |     |     |          |       |     |    |     |     | /   |    |         |      |    |    |
| 2. Mr.Chainid Ahyanasakul              | xxx, /, /, /, / |    |    |    |     |       |     |     |          |       |     |    |     |     | /   | x  | /       | /    | /  | /  |
| 3. Mr.Vidhya Nativivat                 | /               |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 4. Mrs.Nuanual Sivasdikula-Na-Ayudhaya | *, /            |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 5. Ms.Sirrat Wongwattana               | /, /, /, /      | /  | /  | /  | /   | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 6. Mr.Wicharn Srivejwarawut            | /, /, /, /      | /  | /  | /  | /   | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 7. Mr.Pornswat Katechulasroj           | /, /, /, /      | /  | /  | /  | /   | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 8. Mr.Wongsakorn Prasitvipart          | /, /, /, /      | /  | /  | /  | /   | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 9. Prof.Dr.Suchatavee Suwasawat        | *, /            |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 10. Mr.Ekamol Kiriwat                  | *               |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 11. Mr.Bunlue Chantadisai              | *, /            |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 12. Mr.Manit Suthaporn                 | *, /            |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 13. Mr.Thongchai Jira-alongkorn        | /               |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    |         |      |    |    |
| 14. Mr.Pramote Remyindee               | @               |    |    |    |     | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 15. Mr.Wason Srirattapong              | /, /, /, /      | /  | /  | /  | /   | /     | /   | /   | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 16. Ms.Wilawun Leongnarkthongdee       | /               |    |    |    |     |       |     |     | /        | /     | /   | /  | /   | /   | /   | /  | /       | /    | /  | /  |
| 17. Mr.Surasak Vatcharapongprecha      | /, /, /         |    |    |    |     |       |     |     |          |       |     |    |     |     |     |    | /       | /    | /  | /  |

## Note :

|             |   |  |           |   |   |            |   |  |         |   |                                       |
|-------------|---|--|-----------|---|---|------------|---|--|---------|---|---------------------------------------|
| PF          | = | Property Perfect Public Company Limited  | EP        | = | Estate Perfect Company Limited                          | BD         | = | Bright Development Bangkok Company Limited | R9      | = | Residence Number 9 Company Limited    |
| CMD         | = | Chiangmai Development Company Limited    | TPROP     | = | Thai Property Public Company Limited                    | PED        | = | Pacific Estate Development Company Limited | MPH     | = | Metro Premier Holding Company Limited |
| Sce-Park    | = | Scenery Park Company Limited             | GRAND     | = | Grande Asset Hotels and Property Public Company Limited | GRE        | = | Grand Equity Development Company Limited   | HB      | = | Honor Business Company Limited        |
| OWD         | = | Owendelle Company Limited                | PPI       | = | Property Perfect International Plc.Ltd.                 | KRH        | = | Kiroro Resort Holdings Company Limited     | WR      | = | We Retail Public Company Limited      |
| C-Point     | = | Centrepont Shopping Mall Company Limited | ALL-D     | = | All Discount Company Limited                            | RM         | = | Ramintra Mall Company Limited              | GS      | = | Grand Star Company Limited            |
| GRF         | = | Grand River Forest Company Limited       | U&I       | = | U&I Construction Bangkok Company Limited                | P-PREFAB   | = | Perfect Prefab Company Limited             | PSC     | = | Perfect Sport Club Company Limited    |
| T-Utilities | = | T Utilities Company Limited              | ROH       | = | Royal Orchid (Thailand) Public Company Limited          | HKL-PF     | = | HKL Perfect Company Limited                | PF-HKL1 | = | PFHKL 1 Company Limited               |
| PF-HKL2     | = | PFHKL 2 Company Limited                  | PF-HKL3   | = | PFHKL 3 Company Limited                                 | PF-HKL4    | = | PFHKL 4 Company Limited                    | PF-HKL5 | = | PFHKL 5 Company Limited               |
| PF-HKL6     | = | PFHKL 6 Company Limited                  | PF-SEKSUI | = | PF Seksui JV Company Limited                            | PF-Foresty | = | PF Foresty Company Limited                 |         |   |                                       |

x = Chairman    xx = Deputy Chairman    xxx = Chief Executive Officer    \* = Independent Director    / = Director    // = Executive Director    /// = Executive    @ = Company Secretary

## Details of Directors of Subsidiaries, Affiliates and Related Company as of 31 December 2019

| Company's Name |                      | Name | EP | BD | R9 | CMD | TRPROP | PED | MPH | Soc-Park | GRAND | GRE | HB | OWD | PPI | KRH | WR | C-Point | ALD | RM | GS | GRF | U&I | P-PREFAB | PSC | T-Utilities | ROH | HKLPF | PF-HKL1 | PF-HKL2 | PF-HKL3 | PF-HKL4 | PF-HKL5 | PF-HKL6 | PF-Sekisui | PF-Foresty | PFS1 | PFS2 | TU1 | TU2 | TU3 | TU5 | TU6 | TH-Connect | SOH |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   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|   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |   |
|----------------|----------------------|------|----|----|----|-----|--------|-----|-----|----------|-------|-----|----|-----|-----|-----|----|---------|-----|----|----|-----|-----|----------|-----|-------------|-----|-------|---------|---------|---------|---------|---------|---------|------------|------------|------|------|-----|-----|-----|-----|-----|------------|-----|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|---|-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| Company's Name | 1. Dr.Thanong Bidaya |      |    |    |    |     |        |     |     |          |       |     |    |     |     | /   |    | x       | /   | /  | /  | /   |     |          |     | /           | /   | /     | /       | /       | /       | /       | /       | /       | /          | /          | /    | /    | /   | /   | /   | /   | /   | /          | /   | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / | / |

[illegible]

| Company's Name | Name                              | EP | BD | R9 | CMD | TPROP | PED | MPH | See-Park | GRAND | GRE | HB | OWD | PPI | KRH | C-Point | All-D | RM | GS | GRF | U&I | P-PREFAB | PSC | T-Utilities | ROH | HKL PF | PF-HKL1 | PF-HKL2 | PF-HKL3 | PF-HKL4 | PF-HKL5 | PF-HKL6 | PF-Sekisui | PF-Foresty | PFS1 | PFS2 | TU1 | TU2 | TU3 | TU5 | TU6 | TH-Connect | SOH |  |  |  |  |  |  |
|----------------|-----------------------------------|----|----|----|-----|-------|-----|-----|----------|-------|-----|----|-----|-----|-----|---------|-------|----|----|-----|-----|----------|-----|-------------|-----|--------|---------|---------|---------|---------|---------|---------|------------|------------|------|------|-----|-----|-----|-----|-----|------------|-----|--|--|--|--|--|--|
|                |                                   |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 60. Mr.Lim Tain Meng              |    |    |    |     |       |     |     |          |       |     |    |     |     | /   |         |       |    |    |     |     |          |     |             |     |        | /       |         |         |         |         | /       |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 61. Mr.Anucha Tantrawanich        |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        | /       |         |         |         |         | /       |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 62. Mr.William James Park Bright  |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        | /       |         |         |         |         | /       |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 63. Mr.Lee Hak Ching Terence      |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 64. Mr.Thiti Inkinpan             |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 65. Mr.Ekachai Pukdeemakanon      |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 66. Mr.Tawatchal Noonpukee        |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             | *   |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 67. Dr.Sen Wongmonta              |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     | *           |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 68. Pol.Gen.Aek Angsanant         |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     | *           |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 69. Mr.Amnuay Preemonwong         |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     | *           |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 70. Mr.Kriangkrai Pheanvitayaskul |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 71. Mr.Withawint Srisuriyachan    |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
|                | 72. Mr.Chairoj Chewraprat         |    |    |    |     |       |     |     |          |       |     |    |     |     |     |         |       |    |    |     |     |          |     |             |     |        |         |         |         |         |         |         |            |            |      |      |     |     |     |     |     |            |     |  |  |  |  |  |  |
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|------------|---|------------|--|---------|---|-------------|---|
| EP         | = Estate Perfect Company Limited                          | BD         | = Bright Development Bangkok Company Limited | R9      | = Residence Number 9 Company Limited    | CMD         | = Chiangmai Development Company Limited |
| TPROP      | = Thai Property Public Company Limited                    | PED        | = Pacific Estate Development Company Limited | MPH     | = Metro Premier Holding Company Limited | See-Peak    | = Scenery Peak Company Limited          |
| GRAND      | = Grande Asset Hotels and Property Public Company Limited | GRE        | = Grand Equity Development Company Limited   | HB      | = Honor Business Company Limited        | OWD         | = Owendelle Company Limited             |
| PPI        | = Property Perfect International Pte.Ltd.                 | KRH        | = Kirono Resort Holdings Company Limited     | WR      | = We Retail Public Company Limited      | C-Point     | = Centrepont Shopping Mall Co.,Ltd.     |
| ALL-D      | = All Discount Company Limited                            | RM         | = Ramintra Mall Company Limited              | GS      | = Grand Star Company Limited            | GRF         | = Grand River Forest Company Limited    |
| U&I        | = U&I Construction Bangkok Company Limited                | P-PREFAB   | = Perfect Prefab Company Limited             | PSC     | = Perfect Sport Club Company Limited    | T-Utilities | = T Utilities Company Limited           |
| ROH        | = Royal Orchid (Thailand) Public Company Limited          | HKL-PF     | = HKL Perfect Company Limited                | PF-HKL1 | = PFHKL 1 Company Limited               | PF-HKL2     | = PFHKL 2 Company Limited               |
| PF-HKL3    | = PFHKL 3 Company Limited                                 | PF-HKL4    | = PFHKL 4 Company Limited                    | PF-HKL5 | = PFHKL 5 Company Limited               | PF-HKL6     | = PFHKL 6 Company Limited               |
| PF-SEKISUI | = PF Sekisui JV Company Limited                           | PF-Foresty | = PF Foresty Company Limited                 | PFS1    | = PFS1 Company Limited                  | PFS2        | = PFS2 Company Limited                  |
| TU1        | = TU1 Company Limited                                     | TU2        | = TU2 Company Limited                        | TU3     | = TU3 Company Limited                   | TU5         | = TU5 Company Limited                   |
| TU6        | = TU6 Company Limited                                     | TH-Connect | = Thal Connect 2019 Company Limited          | SOH     | = Southern One Holding Company Limited  |             |   |

x = Chairman    xx = Deputy Chairman    xxx = Chief Executive Officer    \* = Independent Director    / = Director    // = Executive Director    /// = Executive    @ = Company Secretary



## CORPORATE GOVERNANCE POLICY

The Board of Directors recognizes the importance of good corporate governance in enhancing transparency; competitiveness; trust from shareholders, investors and other stakeholders; and long-term business merits. Stakeholders and society's benefits were taken into account. The Company has applied the governance guidelines of the Securities and Exchange Commission and the Stock Exchange of Thailand, which are in line with the OECD Principles of Corporate Governance, in the following elements.

The Company's corporate governance policy covers shareholders' rights, equitable treatment of shareholders, stakeholders' roles, transparent information disclosure and the Board of Directors' responsibilities. Details are as follow:

### SECTION 1: SHAREHOLDERS' RIGHTS

The Board of Directors emphasized shareholders' rights and ensured equitable treatment to all, as prescribed in the company's rules and regulations and relevant laws. Shareholders hold the rights to attend annual meetings, the rights to appoint their proxy to vote at the meetings, the rights to vote on the appointment or removal of individual directors, the rights to cast votes in significant matters, the rights to dividend, the rights to raise opinions and questions at the meetings, and the rights to sufficient and timely information.

The Company encourages all shareholders to attend the general meetings, to take part in the review of significant issues. The general shareholder meeting is organized once a year, within 4 months after the end of an accounting period. Meanwhile, extraordinary meetings can be organized on the date and time and at the venue decided by the Board. In organizing the AGM, the Board puts forward the shareholders' rights. Invitation containing agenda in details and the Board's opinions in Thai and English was dispatched at least 15 days prior to the meeting date, with the proxy form, the list of independent directors and proxy advice. With timely information, shareholders can make decisions prior to the meeting date or could appoint independent directors as their proxy. The AGM was published in daily newspapers for at least 3 consecutive days and at least 3 days ahead of the meeting. The meeting details and agenda were also posted on the company's website 30 days before the meeting, so that shareholders or investors can submit their questions in advance.

### SECTION 2: EQUITABLE TREATMENT TO SHAREHOLDERS

The Company values equitable shareholder treatment. Shareholders' rights are covered in the corporate governance policy and all are treated in a fair manner through these measures:

- Allow minority shareholders to propose their own agenda in advance. An invitation to do so is posted on the Company's website.
- The process to organize AGM is transparent and efficient, in line with the company's rules and regulations and relevant laws. Shareholders are given fair chance to raise opinions and questions, with sufficient time allocation.
- Ensure all directors, high-level executives and the auditor attend AGM, to answer shareholders' questions and clearly explain their concerns.
- Shareholders who show up late can register their attendance and vote on the remaining agenda.
- Shareholders are asked to review and vote on directors on the individual basis, and to approve the directors' remuneration, auditor's appointment, auditor fee and other agenda as described in the meeting invitation.
- Ballots are issued for all agenda.
- Allow shareholders' proxies to observe vote counting and the announcement of votes – Yes, No and abstention — for each agenda.
- The meeting is thoroughly recorded. The meeting minutes contain all significant information like questions, explanations and opinions raised. Meeting resolutions and "Yes, No and abstention" votes are added to the record room.
- Measures against insider trading among directors and executives are in place. All must report their shareholding, as well as the holdings of spouses and under-aged children. They must report on any change in the shareholdings, after acquisition, disposal or transfer, to the Securities and Exchange Commission under the Securities and Exchange Act BE2535's Article 59, within 3 days after the acquisition, disposal or transfer.
- In place are the measures and procedure in approving transactions with possible conflict of interest or connected transactions, with full compliance with the Stock Exchange of Thailand's regulations on connected transactions, for the equitable benefits of shareholders. Moreover, the Audit Committee also thoroughly screened connected transactions and transactions with possible conflict of interest, before submission to the Board, as required by the SET.

### SECTION 3: STAKEHOLDERS' RIGHTS

The company realizes the significance of all stakeholders – shareholders, employees, customers, competitors, creditors (suppliers and contractors), relevant government agencies, society and environment. The policies are geared towards fairness to all groups of stakeholders as follow. (Details are included in "Corporate Social Responsibilities (CSR)")

#### SHAREHOLDERS

The Company will ensure appropriate and fair returns to shareholders and strive to improve the operations for sustainable growth. The Company is concerned about transparency in important information disclosure to all shareholders accurately, completely and timely through channels including the SET's electronic media, the company's website, announcement in newspapers, press releases and written notices.

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## **EMPLOYEES**

Employees are a key driving force of the organization. With this realization, the Company is committed to nurture good relationships with employees. The sense of attachment and harmony is promoted through various activities. There is a human resource development policy and a concrete structure on remuneration and welfare management. For fair management, the remuneration committee is in charge of setting remunerations, promotions accordingly to ability and career path. Employee welfare and benefits are clearly specified, to ensure that all are physically and mentally happy and could perform their tasks at their full potential.

## **CUSTOMERS**

To satisfy customers, the Company puts its focus on the standardized quality of products and services as well as treatments. Customers are guaranteed of quality and standardized services. Promises will be kept while complaints or recommendations will be dealt as soon as possible. Exaggeration on products and services is prohibited. There is a convenient access by which customers can contact the Company or file complaints on product quality.

## **COMPETITORS**

The Company follows the competition rule, upholding fair and transparent principles in line with laws. Free competition is promoted. The Company will not enter into any deal which leads to unfair competition or monopoly. All transactions must yield fair returns to both sides. The Company refrains from using dishonest or inappropriate acts in seeking competitors' trade secrets or using unsubstantiated information to destroy competitors' reputation.

## **CREDITORS**

The Company strictly honors the conditions, contracts and obligations set by all financial institutions and debenture holders. The financial status is reported to creditors accurately, timely, responsibly and transparently. No information is withheld, to cause damage to creditors. The Company's debentures were issued accordingly to the Securities and Exchange Commission's rules and regulations. The Company has strictly complied with shareholders' resolutions reached at the annual meeting. If unable to uphold obligations, the Company will immediately disclose the information to seek resolutions and prevent possible damage.

## **PRODUCT DISTRIBUTORS**

In selecting distributors, the Company clearly announces the selection rules, selection period, and financial information. Equal treatment is promised to all joining the bid. The procurement process is transparent, fair and honest, without intervention. All bids are also kept secret. The Company shall not reveal a bidder's bid or technical data to another for a short-term gain. The Company stays alert on those fishing for others' information. The process is completed under the guidelines specified by ISO 9001:2015, governing the selection process, bid evaluation, extra procurement practices and distributor evaluation.

## **CONTRACTORS**

The Company will award projects to contractors whose quality of work could meet the Company's criteria. These contractors should also have a satisfactory track record and financial capacity. The selection process is transparent, fair and just, without any intervention. All contractors must win approval from the Company's central procurement committee and they will be fairly paid. The contractor selection process is in line with ISO 9001:2015 that sets guidelines in contractor selection, bid hosting, median-price setting and contractor evaluation.

## SECTION 4: INFORMATION DISCLOSURE AND TRANSPARENCY

The Board puts emphasis on information disclosure and transparency, with sufficient information released to all stakeholders and measures to ensure the disclosure of accurate, complete and credible information in a timely manner for equal access.

Key financial information is sufficiently disclosed in the financial statements, in line with the regulations. They are disclosed via the SET system and the company's website. The financial statements are reviewed/audited, with unconditional opinions from the auditor and the Board's approval before the release to shareholders. The Board also expresses its responsibility for the financial statements in the annual report.

The company discloses significant financial and non-financial information through the SET system and the company's website, for accurate, complete, equitable, fair, transparent and timely dissemination to the general public. The Investors Relations and Information Technology Unit is in charge of the dissemination and communicate with local and foreign shareholders, investors, stock analysts accurately, equitably and timely. Investors can contact the Investor Relations Unit for the company's information at Tel: 0-2247-7500, Fax: 0-2247-7399, e-mail: [ir@pf.co.th](mailto:ir@pf.co.th), or [www.pf.co.th/ir](http://www.pf.co.th/ir).

The Board discloses its role and scope of responsibility as well as those of sub-committees, as well as the number of meetings each director attended under item "Management". Remuneration of the directors and top executives are shown in item "Directors' Remuneration".

The company has pursued the Stock Exchange of Thailand's rules and regulations governing connected transactions or acquisition and disposal of assets of listed companies, whichever is the case. Besides the company has set policies and guidelines to prohibit executives and related persons from using inside information for their own interests.

The company has regarded an importance of efficient internal control system for both executives and operational levels. Practices of operational staff and executives are determined and clearly written. The company has set up an internal audit office to exclusively take responsible for efficient operational examination. The internal audit reports the result directly to the Audit Committee.

## SECTION 5: BOARD OF DIRECTOR'S RESPONSIBILITY BOARD OF DIRECTORS' STRUCTURE

The company requires independent directors account for at least one third of all directors, or at least 3. At present, the company's board of directors consists of 14 experienced, knowledgeable and capable directors as follows:

- Executive Director 7 persons
- Non-Executive Director 2 persons
- Independent Director 5 persons

The chairman does not serve as the CEO, to segregate their supervisory and executive roles. All directors possess full independence in giving opinions.

Much emphasis is placed on the opinions of the independent directors. In any issue that draws any suggestions or disagreement from independent directors will be reviewed for transparency.

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The company's management structure consists of the Board of Directors, four sub-committees reporting to the Board of Directors - the Audit Committee, the Nomination Committee, the Remuneration and Human Resources Committee, the Risk Management Committee and the executive committee. (Details of the Board of Directors concerning their names and responsibilities appeared in Management Structure Section and details of sub-committees appeared in Corporate Governance Section.)

#### **RESPONSIBILITIES OF THE BOARD OF DIRECTORS**

The Board consists of knowledgeable, capable, skilled and experienced persons who realize their roles and responsibilities, which resulted in efficient operations. The Board takes part in formulating the vision, mission, strategies, goals, business plans and resource allocation, to ensure the management's efficient and effective implementation.

The Board values good corporate governance, to enhance transparency and the company's competitiveness. To instill trust among shareholders, investors and all stakeholders, there is the written corporate governance policy which is reviewed once a year to fit the environment, business direction and international standards. The Code of Conduct is in place so that employees perform in accordance with the corporate governance policy.

To prevent conflicts of interest or connected transactions, the Board assigned sub-committees with clear segregation of roles. There are policies, code of practices and the procedure to approve transactions which might carry conflict of interest, as guidelines to executives, employees and relevant parties. Such cover the criteria in endorsing connected transactions, the use of inside information and information disclosure. The Board also demands the management to regularly assess business risks and formulate risk preventing and mitigation measures, and report them to the Board. These include the risks that may affect the company's performance, as specified in item "Risk Factors".

#### **BOARD MEETINGS**

The Board holds quarterly meetings, aside from extra meetings as necessary, with clear and prepared agenda, to review the quarterly results as well as monitor progress. The chairman and CEO will jointly review the issues, before bringing them up to the Board's meetings. Each director is allowed to propose their own agenda.

In each meeting, the chairman allocates sufficient and ample time for discussion. Meeting minutes are written and the minutes, approved by the Board, are stored for inspection by the Board and relevant parties. (Details of Board of Directors' meetings appeared in Management Structure section, and sub-committees' meetings appeared in sub-committees section)



**BOARD OF DIRECTORS' SELF ASSESSMENT**

Executive directors conduct a quarterly evaluation to assess performance in part of their responsibility and the performance evaluation is presented to the company's Board of Directors to compare with performance in the past.

**REMUNERATION**

The company has appointed the Nominating and Remuneration Committee to consider remuneration principles and policies for managing director, directors and advisors and determine bonus, salary adjustment annually and during the year, and other benefits to staff in each level. Remuneration determination is based on experience, duty and scope of responsibility, and compare with other companies in the same industry. (Details of directors' remunerations appeared in Item Directors and executives' remunerations.)

**DIRECTORS AND MANAGEMENT IMPROVEMENT**

The company is aware of the importance of human resources in management level by organizing training "Real Estate Business Management", contents of which include real estate knowledge, law, finance, accounting and good corporate governance to prepare the company's high-level executives for being directors in the future. For the company's directors, they participated in trainings held by Thai Institute of Directors and aimed to develop and support directors to take practices of good corporate governance in organization.

**SUPERVISION ON SUBSIDIARIES AND AFFILIATED COMPANIES**

The Company is represented in the subsidiaries and affiliated companies' boards of directors and the management teams, to maintain control on such companies' business direction. This is carried out under corporate governance practices, highlighting business transparency and good governance.

**CONTROL ON INSIDE INFORMATION**

The Company's policy bars directors or executives from directly or indirectly revealing information which is not yet publicly disclosed, for the benefits of their own or others. On top of that is a rule that directors, executives and employees, with access to the Company's financial information, must not take benefit from the information within a 1-month period before the information is disclosed to the public. The directors, executives and employees are instructed to avoid trading the Company's shares before the disclosure of financial statements. Directors and executives are also notified of their duties to report their securities holdings and changes to the Office of the Securities and Exchange Commission under the Securities and Exchange Act BE.2535's Articles 59 and 275.

In the employee manual, the Company has clearly specified disciplinary penalties for employees who violate the company rules and regulations.

## 1. CONNECTED TRANSACTIONS OF PF GROUP

### 1.1 TRANSACTIONS OF THE COMPANY WITH SUBSIDIARIES

| Items   | Amount (Million Baht) |         | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             |                                 | Necessity and Reasonableness of the Transaction and Audit Committee's Comment   |
|---|-----------------------|---------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---------------------------------|---|
|   | 2019                  | 2018    | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others |   |
| Loan  |                       |         |  |   |                       |                             |                                 |  |   |                       |                             |                                 | The company loaned to subsidiaries for working capital.<br><br><b>Audit Committee's comment</b><br><br>The transactions were to provide financial assistance to subsidiaries at the interest rate of 0.25% above the Company average funding cost and the Management believes the subsidiaries are capable of repaying the loans. |
| 1 Jan   | 7,215                 | 6,235   | 3,180  | 3,576   | 408                   | 51                          | -                               | 3,285  | 2,600   | 242                   | 108                         | -                               |   |
| Extra   | 3,408                 | 2,554   | 1,251  | 2,021   | 136                   | -                           | -                               | 1,395  | 993   | 166                   | -                           | -                               |   |
| (Repayment)   | (1,150)               | (1,557) | (1,130)  | -   | -                     | (20)                        | -                               | (1,500)  | -   | -                     | (57)                        | -                               |   |
| Money received from cancellation of a forex transaction | (100)                 | -       | -  | (100)   | -                     | -                           | -                               | -  | -   | -                     | -                           | -                               |   |
| (Borrowing fee)   | -                     | (17)    | -  | -   | -                     | -                           | -                               | -  | (17)  | -                     | -                           | -                               |   |
| Borrowing fee write-off                                 | 17                    | -       | -  | 17  | -                     | -                           | -                               | -  | -   | -                     | -                           | -                               |   |
| Forex differential                                      | (109)                 | -       | -  | (109)   | -                     | -                           | -                               | -  | -   | -                     | -                           | -                               |   |
| 31 Dec.   | 9,281                 | 7,215   | 3,301  | 5,405   | 544                   | 31                          | -                               | 3,180  | 3,576   | 408                   | 51                          | -                               |   |
| Interest Receivables                                    |                       |         |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| 1 Jan.  | 189                   | 167     | 82   | 79  | 28                    | -                           | -                               | 99   | 59  | 8                     | 1                           | -                               |   |
| Interest Income   | 395                   | 279     | 196  | 164   | 32                    | 3                           | -                               | 173  | 81  | 20                    | 5                           | -                               |   |
| (Repayment)   | (343)                 | (257)   | (231)  | (111)   | -                     | (1)                         | -                               | (190)  | (61)  | -                     | (6)                         | -                               |   |
| 31 Dec.   | 241                   | 189     | 47   | 132   | 60                    | 2                           | -                               | 82   | 79  | 28                    | -                           | -                               |   |
| Advance payment for Land purchase                       |                       |         |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Debtor  | 2                     | 2       | 2  | -   | -                     | -                           | -                               | 2  | -   | -                     | -                           | -                               |   |
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|   |                       |         |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|   |                       |         |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |

| Items                                | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             | Necessity and Reasonableness of the Transaction and Audit Committee's Comment |   |
|--------------------------------------|-----------------------|------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---|---|
|                                      | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group |   | Hospitality Business and others   |
| Advance Payment on Operating Expense |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   | The Company paid operating expenses in advance for an overseas rental property and hotel development subsidiary, to cover travel, PR and others incurred by activities in Thailand.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost.  |
| Debtor                               | 18                    | 32   | -  | 18  | -                     | -                           | -                               | -  | 32  | -                     | -                           | -   |   |
|                                      |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |   |
| Sales of Land                        |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   | The Company sold land on which roads inside its development projects are located to subsidiaries. Transferring the ownership to subsidiaries, the Company, as the project developer, needs not transfer the land for public use.<br><b>Audit Committee's comment</b><br>1)The transaction benefits the Company's operations, deemed normal among property developers. Such transfer is a normal practice among property developers.<br>2) The Company and the subsidiary jointly agreed on the price. |
| Revenue from Sales of Land           | 2                     | 363  | 2  | -   | -                     | -                           | -                               | 363  | -   | -                     | -                           | -   |   |
| Cost                                 | 1                     | 300  | 1  | -   | -                     | -                           | -                               | 300  | -   | -                     | -                           | -   |   |
|                                      |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   | The Company bought land plots from subsidiaries in line with its land bank accumulation policy. It also bought the land locating property projects' roads from subsidiaries, so that the subsidiaries need not to give up the land for public use.  |
| Land Purchase                        |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |   |
| Costs                                | 1                     | 33   | 1  | -   | -                     | -                           | -                               | 33   | -   | -                     | -                           | -   |   |

| Items  | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             | Amount in 2018 sorted by business group (Million Baht) |  |                       |                             | Necessity and Reasonableness of the Transaction and Audit Committee's Comment |                                 |
|--|-----------------------|------|--|---|-----------------------|-----------------------------|--|--|-----------------------|-----------------------------|---|---------------------------------|
|  | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others                        | Real Estate Business Development Group | Retail Business Group | Construction Business Group |   | Hospitality Business and others |
|  |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 1) The transaction benefits the Company's operations, deemed normal among property developers. Such transfer is a normal practice among property developers. |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 2) The Company and the subsidiary jointly agreed on the price.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| The Company rented space in its club houses and condominium units to subsidiaries, to set up convenience stores.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 1) Normal business transaction to support the subsidiary's operations.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 2) The price and condition is the same as those offered to outsiders.  |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| The Company rented space in subsidiaries' shopping malls to set up sales gallery.  |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 1) Normal business transaction to support the subsidiary's operations.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 2) The price and condition is the same as those offered to outsiders.  |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| The Company hired subsidiaries to produce, assemble and install pre-fabricated construction materials.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| <b>Audit Committee's comment</b>   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 1) Normal business transaction to support the subsidiary's operations.   |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |
| 2) The Service fee is jointly specified, base on the management cost and service.  |                       |      |  |   |                       |                             |  |  |                       |                             |   |                                 |

| Items                         | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             | Necessity and Reasonableness of the Transaction and Audit Committee's Comment |  |
|-------------------------------|-----------------------|------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---|--|
|                               | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group |   | Hospitality Business and others  |
| Product / service Procurement |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |  |
| Sale expenses                 | 1                     | 2    | -  | 1   | -                     | -                           | -                               | -  | 2   | -                     | -                           | -   | The company bought product and service from subsidiaries.<br><b>Audit Committee's comment</b><br>1) Normal business transaction to support the subsidiary's operations.<br>2) The price and condition is the same as those offered to outsiders. |
| Overdue payments              |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |  |
| Other payable                 | 10                    | -    | -  | 10  | -                     | -                           | -                               | -  | -   | -                     | -                           | -   | The subsidiary made an advance payment for the Company's unpaid expenses.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost  |
| Tool / machinery purchase     |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |  |
| Tools and machine             | -                     | 3    | -  | -   | -                     | -                           | -                               | 3  | -   | -                     | -                           | -   | The Company bought construction tools and equipment from subsidiaries.<br><b>Audit Committee's comment</b><br>The Company and the subsidiary jointly agreed on the accounting price.   |
| Commitment Fee                |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |   |  |
| Debtors                       | 4                     | -    | -  | 4   | -                     | -                           | -                               | -  | -   | -                     | -                           | -   | The Company collected the Commitment fee paid to a lending bank for a loan reloaned to a subsidiary to finance the latter's operations.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost      |



| Items                     | Amount (Million Baht) |       | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             |                                 | Necessity and Reasonableness of the Transaction and Audit Committee's Comment   |
|---------------------------|-----------------------|-------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---------------------------------|---|
|                           | 2019                  | 2018  | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others |   |
| Borrowing                 |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 | The Company loans subsidiaries for working capital.<br><b>Audit Committee's comment</b><br><br>The transaction was part of the Group's liquidity management.<br><br>The interest charge is based on the Group's average funding cost.   |
| 1 Jan.                    | 78                    | 284   | 78   | -   | -                     | -                           | -                               | 284  | -   | -                     | -                           | -                               |   |
| Additional loan           | 715                   | 31    | 715  | -   | -                     | -                           | -                               | 31   | -   | -                     | -                           | -                               |   |
| (Repayment)               | (168)                 | (237) | (168)  | -   | -                     | -                           | -                               | (237)  | -   | -                     | -                           | -                               |   |
| 31 Dec.                   | 625                   | 78    | 625  | -   | -                     | -                           | -                               | 78   | -   | -                     | -                           | -                               |   |
| Accrued Interest expenses |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| 1 Jan.                    | 1                     | 1     | 1  | -   | -                     | -                           | -                               | 1  | -   | -                     | -                           | -                               |   |
| Interest expenses         | 7                     | 13    | 7  | -   | -                     | -                           | -                               | 13   | -   | -                     | -                           | -                               |   |
| (Interest payment)        | (2)                   | (13)  | (2)  | -   | -                     | -                           | -                               | (13)   | -   | -                     | -                           | -                               |   |
| 31 Dec.                   | 6                     | 1     | 6  | -   | -                     | -                           | -                               | 1  | -   | -                     | -                           | -                               |   |
| Guarantee                 |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 | The Company guaranteed a loan from financial institutions to a subsidiary.<br><b>Audit Committee's comment</b><br><br>The transaction was reasonable, aimed to support the subsidiary's operations given the necessity in meeting the lending institution's criteria for the business loan.<br><br>The Company received dividends from subsidiaries.<br><b>Audit Committee's comment</b><br><br>The transaction was the resolution of the subsidiaries' board of directors. |
| Amount                    | 7,508                 | 9,422 | 7,482  | -   | -                     | -                           | 26                              | 9,407  | -   | -                     | -                           | 15                              |   |
| Dividend                  |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Dividend revenue          | 409                   | 21    | 400  | 9   | -                     | -                           | -                               | -  | 2   | -                     | 19                          | -                               |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
|                           |                       |       |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |

## 1.2 CONNECTED TRANSACTIONS BETWEEN PF AND JOINT VENTURES\*

| Items                               | Total value (Million Baht) |             | Amount in 2019 sorted by business group (Million Baht) |  |   |  | Amount in 2018 sorted by business group (Million Baht) |  |   |  | Necessity and Reasonableness of the Transaction and Audit Committee's Comment  |  |
|-------------------------------------|----------------------------|-------------|--|--|---|--|--|--|---|--|--|--|
|                                     | 2019                       | 2018        | Real Estate Development Group JV HKL                   | Real Estate Development Group JV SEKISUI | Real Estate Development Group JV SUMITOMO | Service and utilities business group JV TU | Real Estate Development Group JV HKL                   | Real Estate Development Group JV SEKISUI | Real Estate Development Group JV SUMITOMO | Service and utilities business group JV TU |  |  |
| Laon receivable                     |                            |             |  |  |   |  |  |  |   |  | <p>The Company extended a loan to the joint venture and subscribed to the JV's short- and long-term debentures.</p> <p><b>Audit Committee's comment</b></p> <p>1) The transactions were to support subsidiaries' business operations and to subsidiaries at the interest rate of 0.25% above the Company average funding cost</p> <p>2) The loan was proportionate to the Company's equity and the Management had confidence in the JV's ability to pay.</p> |  |
| 1 Jan.                              | 690                        | -           | 622  | -  | 68  | -  | -  | -  | -   | -  |  |  |
| Additional loan (Repayment)         | 3,120 (1,802)              | 1,419 (729) | 2,333 (1,419)  | -  | 787 (383)                                 | -  | 1,045 (423)  | 306 (306)                                | 68  | -  |  |  |
| 31 Dec.                             | 2,008                      | 690         | 1,536  | -  | 472                                       | -  | 622  | -  | 68  | -  |  |  |
| Interest receivable                 |                            |             |  |  |   |  |  |  |   |  |  |  |
| 1 Jan.                              | 7                          | -           | 5  | -  | 2   | -  | -  | -  | -   | -  |  |  |
| Interest income                     | 72                         | 24          | 56   | -  | 16  | -  | 16   | 5  | 3   | -  |  |  |
| (Interest payment)                  | (52)                       | (17)        | (37)   | -  | (15)                                      | -  | (11)   | (5)                                      | (1)                                       | -  |  |  |
| 31 Dec.                             | 27                         | 7           | 24   | -  | 3   | -  | 5  | -  | 2   | -  |  |  |
| Sales of Land                       |                            |             |  |  |   |  |  |  |   |  | <p>The Company sold developed and undeveloped land plots to joint ventures.</p> <p><b>Audit Committee's comment</b></p> <p>1) The transaction was to achieve the Company's development target.</p> <p>2) The price and payment condition were mutually agreed upon and based on market prices.</p>   |  |
| Revenue from sales of Land          | 2,544                      | 2,369       | 1,118  | 281                                      | 1,145                                     | -  | 1,696  | 673                                      | -   | -  |  |  |
| Cost                                | 1,127                      | 1,313       | 306  | 166                                      | 655                                       | -  | 919  | 394                                      | -   | -  |  |  |
| Pre-development preparation service |                            |             |  |  |   |  |  |  |   |  |  |  |
| Other revenue                       | -                          | 34          | -  | -  | -   | -  | 34   | -  | -   | -  |  |  |
| Land provision for joint ventures   |                            |             |  |  |   |  |  |  |   |  |  |  |
| Other revenue                       | -                          | 6           | -  | -  | -   | -  | -  | -  | 6   | -  |  |  |
| Debtors                             | -                          | 6           | -  | -  | -   | -  | -  | -  | 6   | -  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  | <p>The Company provides joint ventures with pre-development preparation service.</p> <p><b>Audit Committee's comment</b></p> <p>1) The transaction was to support joint ventures' business operations.</p> <p>2) The fee is set by both sides.</p>   |  |
| Land provision for joint ventures   |                            |             |  |  |   |  |  |  |   |  |  |  |
| Other revenue                       | -                          | 6           | -  | -  | -   | -  | -  | -  | 6   | -  |  |  |
| Debtors                             | -                          | 6           | -  | -  | -   | -  | -  | -  | 6   | -  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |
|                                     |                            |             |  |  |   |  |  |  |   |  |  |  |

| Items  | Total value (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |  |   |  | Amount in 2018 sorted by business group (Million Baht) |  |   |  | Necessity and Reasonableness of the Transaction and Audit Committee's Comment  |  |
|--|----------------------------|------|--|--|---|--|--|--|---|--|--|--|
|  | 2019                       | 2018 | Real Estate Development Group JV HKL                   | Real Estate Development Group JV SEKISUI | Real Estate Development Group JV SUMITOMO | Service and utilities business group JV TU | Real Estate Development Group JV HKL                   | Real Estate Development Group JV SEKISUI | Real Estate Development Group JV SUMITOMO | Service and utilities business group JV TU |  |  |
| Project development, sale and general administration service |                            |      |  |  |   |  |  |  |   |  | <p>The Company offered project development, sales and general administration service to joint ventures.</p> <p><b>Audit Committee's comment</b></p> <p>1) The transactions were to support joint ventures' business operations.</p> <p>2) The fee was agreed upon by the Company and the joint ventures.</p> |  |
| Management fee   | 80                         | 14   | 6  | 45                                       | 29  | -  | 8  | 6  | -   | -  |  |  |
| Debtors  | 18                         | 8    | -  | 13                                       | 5   | -  | 8  | -  | -   | -  |  |  |
| Solar panel installation contract                            |                            |      |  |  |   |  |  |  |   |  |  |  |
| Contract value   | 2                          | -    | -  | -  | -   | 2  | -  | -  | -   | -  |  |  |
| Construction cost  | 1                          | -    | -  | -  | -   | 1  | -  | -  | -   | -  | <p>The Company contracted the JV for solar panel installation at the Company's development projects.</p> <p><b>Audit Committee's comment</b></p> <p>1) The transactions were to support joint ventures' business operations.</p> <p>2) The fee was agreed upon by the Company and the joint ventures.</p>    |  |

## 1.3 CONNECTED TRANSACTIONS BETWEEN SUBSIDIARIES

| Items  | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             |                                 | Necessity and Reasonableness of the Transaction and Audit Committee's Comment   |
|--|-----------------------|------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---------------------------------|---|
|  | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others |   |
|  |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Estate Perfect Company Limited (EP)              |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Prefab material supply and installation contract |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Value of Contract                                | 71                    | 172  | -  | -   | -                     | 71                          | -                               | -  | -   | -                     | 172                         | -                               | EP hired a construction subsidiary to supply prefab materials and construct its projects.<br><b>Audit Committee's comment</b><br>1) The transaction was to support EP's operations.<br>2) The Service fee is jointly specified, base on the management cost and service.      |
| Construction Cost                                | 110                   | 191  | -  | -   | -                     | 110                         | -                               | -  | -   | -                     | 191                         | -                               |   |
| Trade accounts payable                           | 13                    | 21   | -  | -   | -                     | 13                          | -                               | -  | -   | -                     | 21                          | -                               |   |
| Bright Development Bangkok Company Limited (BD)  |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Contracted to Construction                       |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Value of Contract                                | 38                    | 673  | -  | -   | -                     | 38                          | -                               | -  | -   | -                     | 673                         | -                               | BD awarded a condominium construction service to a construction subsidiary.<br><b>Audit Committee's comment</b><br>1) The transaction was to support BD's operations.<br>2) The Service fee is jointly specified, base on the management cost and service.                    |
| Construction Cost                                | 387                   | 75   | -  | -   | -                     | 387                         | -                               | -  | -   | -                     | 75                          | -                               |   |
| Advance Payment Contractor                       | 1                     | 37   | -  | -   | -                     | 1                           | -                               | -  | -   | -                     | 37                          | -                               |   |
| Trade accounts payable                           | 68                    | 26   | -  | -   | -                     | 68                          | -                               | -  | -   | -                     | 26                          | -                               |   |
| Residence Number Nine Company Limited (R9)       |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Prefab supply and installation contract          |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Value of Contract                                | 14                    | 25   | -  | -   | -                     | 14                          | -                               | -  | -   | -                     | 25                          | -                               | R9 hired a construction subsidiary to manufacture prefab materials and construct its projects.<br><b>Audit Committee's comment</b><br>1) The transaction was to support R9's operations.<br>2) The Service fee is jointly specified, base on the management cost and service. |
| Construction Cost                                | 18                    | 28   | -  | -   | -                     | 18                          | -                               | -  | -   | -                     | 28                          | -                               |   |
| Trade accounts payable                           | 6                     | 3    | -  | -   | -                     | 6                           | -                               | -  | -   | -                     | 3                           | -                               |   |

| Items  | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             | Amount in 2018 sorted by business group (Million Baht) |  |   |                       | Necessity and Reasonableness of the Transaction and Audit Committee's Comment |                             |   |
|--|-----------------------|------|--|---|-----------------------|-----------------------------|--|--|---|-----------------------|---|-----------------------------|---|
|  | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others                        | Real Estate Business Development Group | Real Estate Business Development Group for rental and Hotel | Retail Business Group |   | Construction Business Group | Hospitality Business and others   |
| Residence Number Nine Company Limited (R9) (Cont.) |                       |      |  |   |                       |                             |  |  |   |                       |   |                             |   |
| Properties Rental                                  |                       |      |  |   |                       |                             |  |  |   |                       |   |                             |   |
| Rent Revenue                                       | 1                     | -    | -  | -   | -                     | -                           | 1  | -                                      | -   | -                     | -   | -                           | R9 rented space in its club houses to subsidiaries, to set up convenience stores.<br><b>Audit Committee's comment</b><br>1) Normal business transaction to support the subsidiary's operations.<br>2) The price and condition is the same as those offered to outsiders.                      |
| Property Perfect International Pte.Ltd. (PPI)      |                       |      |  |   |                       |                             |  |  |   |                       |   |                             |   |
| Charged from subsidiaries                          |                       |      |  |   |                       |                             |  |  |   |                       |   |                             | PPI collected a consulting fee from a rental property and hotel development subsidiary.   |
| Other revenue                                      | 3                     | 3    | -  | 3   | -                     | -                           | -  | -                                      | 3   | -                     | -   | -                           | <b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost  |
| Kiroro Resort Holdings Co. Ltd. (KRH)*             |                       |      |  |   |                       |                             |  |  |   |                       |   |                             |   |
| Loan   |                       |      |  |   |                       |                             |  |  |   |                       |   |                             | KRH extended a working-capital loan to a rental-property and hotel development subsidiary, charging the borrower 2% per annum. In 2019, KRH, KA, KH and KRD were merged, leading to the consolidation of all entities' assets, liabilities and shareholders' equity at respective book value. |
| Loan   | -                     | 868  | -  | -   | -                     | -                           | -  | -                                      | 868   | -                     | -   | -                           | <b>Audit Committee's comment</b><br>1) The loan was a financial support to a subsidiary.<br>2) The consolidation was based on book value and all involved entities were controlled by the same group before and after the merger.   |
| Interest income                                    | 16                    | 14   | -  | 16  | -                     | -                           | -  | -                                      | 14  | -                     | -   | -                           |   |
| Interest receivables                               | -                     | 65   | -  | -   | -                     | -                           | -  | -                                      | 65  | -                     | -   | -                           |   |



| Items                                  | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |       |   |                       |                             | Amount in 2018 sorted by business group (Million Baht) |  |       |                       |                             | Necessity and Reasonableness of the Transaction and Audit Committee's Comment |  |
|--|-----------------------|------|--|-------|---|-----------------------|-----------------------------|--|--|-------|-----------------------|-----------------------------|---|--|
|  | 2019                  | 2018 | Real Estate Business Development Group                 |       | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others                        | Real Estate Business Development Group |       | Retail Business Group | Construction Business Group |   | Hospitality Business and others  |
|  |                       |      | Group  | Group |   |                       |                             |  | for rental and Hotel                   | Group |                       |                             |   |  |
| Kiromo Resort Holdings Co. Ltd. (KRH)* |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   |  |
| Advance Payment for Management Fee     |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   | KRH paid an advance payment for a rental property and hotel development subsidiary.  |
| Debtors                                | -                     | 211  | -  | -     | -   | -                     | -                           | -  | 211                                    | -     | -                     | -                           | -   | <b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost   |
| Leased Assets                          |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   | KRH leased office space to a rental property and hotel development subsidiary.   |
| Revenue from Leasing                   | 157                   | 193  | -  | 157   | -   | -                     | -                           | -  | 193                                    | -     | -                     | -                           | -   | <b>Audit Committee's comment</b><br>1) The transaction was to support subsidiaries 's operations.<br>2)The leasing fee was jointly determined. |
| Kiromo Associates Co., Ltd. (KA)       |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   |  |
| Advance Payment for Management Fee     |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   | KA paid an advance payment for a rental property and hotel development subsidiary.   |
| Debtors                                | -                     | 29   | -  | -     | -   | -                     | -                           | -  | 29                                     | -     | -                     | -                           | -   | <b>Audit Committee's comment</b><br>1) The transaction was to support subsidiaries 's operations.<br>2)The leasing fee was jointly determined. |
| Service to Subsidiaries                |                       |      |  |       |   |                       |                             |  |  |       |                       |                             |   | KA leased office space to a rental property and hotel development subsidiary.  |
| Administration Cost                    | 1                     | -    | -  | 1     | -   | -                     | -                           | -  | -                                      | -     | -                     | -                           | -   | <b>Audit Committee's comment</b><br>The transaction was to support subsidiaries 's operations  |

\*KRH was merged with KA, KH and KRD on 1 November 2019. KA, KH and KRD were dissolved.

| Items                                     | Amount (Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |   |                       |                             |                                 | Amount in 2018 sorted by business group (Million Baht) |   |                       |                             |                                 | Necessity and Reasonableness of the Transaction and Audit Committee's Comment   |
|---|-----------------------|------|--|---|-----------------------|-----------------------------|---------------------------------|--|---|-----------------------|-----------------------------|---------------------------------|---|
|   | 2019                  | 2018 | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others | Real Estate Business Development Group                 | Real Estate Business Development Group for rental and Hotel | Retail Business Group | Construction Business Group | Hospitality Business and others |   |
| Kiroro Hotel Co., Ltd. (KH)               |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Advance Payment for Management Fee        |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Debtors                                   | -                     | 33   | -  | -   | -                     | -                           | -                               | -  | 33  | -                     | -                           | -                               | KH paid an advance payment for a rental property and hotel development subsidiary.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost  |
| Service to Subsidiaries                   |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 | KH leased office space to a rental property and hotel development subsidiary.<br><b>Audit Committee's comment</b><br>The transaction was to support subsidiaries' operations.           |
| Administration Cost                       | 3                     | 1    | -  | 3   | -                     | -                           | -                               | -  | 1   | -                     | -                           | -                               |   |
| Kiroro Resort Development Co., Ltd. (KRD) |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 |   |
| Advance Payment for Management Fee        |                       |      |  |   |                       |                             |                                 |  |   |                       |                             |                                 | KRD paid an advance payment for a rental property and hotel development subsidiary.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost |
| Debtors                                   | -                     | 1    | -  | -   | -                     | -                           | -                               | -  | 1   | -                     | -                           | -                               |   |

KH paid an advance payment for a rental property and hotel development subsidiary.

**Audit Committee's comment**

1) The transaction was actual.

2) The transaction at cost

KH leased office space to a rental property and hotel development subsidiary.

**Audit Committee's comment**

The transaction was to support subsidiaries' operations.

KRD paid an advance payment for a rental property and hotel development subsidiary.

**Audit Committee's comment**

1) The transaction was actual.

2) The transaction at cost

#### 1.4 CONNECTED TRANSACTIONS BETWEEN SUBSIDIARIES AND JOINT VENTURE.

| Items                              | Total value<br>(Million Baht) |      | Amount in 2019 sorted by business group (Million Baht) |     |  |          |  |    | Amount in 2018 sorted by business group (Million Baht) |         |  |         |  |   | Necessity and Reasonableness of the Transaction and Audit Committee's Comment   |
|------------------------------------|-------------------------------|------|--|-----|--|----------|--|----|--|---------|--|---------|--|---|---|
|                                    | 2019                          | 2018 | Real Estate Business Development Group                 |     | Real Estate Business Development Group |          | Real Estate Business Development Group for rental and Hotel JV |    | Real Estate Business Development Group                 |         | Real Estate Business Development Group for rental and Hotel JV |         | Real Estate Business Development Group |   |   |
|                                    |                               |      | JV   | HKL | SEKISUI                                | SUMITOMO | NISADE*  | TU | HKL  | SEKISUI | SUMITOMO   | NISADE* | TU                                     |   |   |
| Solar panel installation contract  |                               |      |  |     |  |          |  |    |  |         |  |         |  |   |   |
| Contract value                     | 3                             | -    | -  | -   | -                                      | -        | 3  | -  | -  | -       | -  | -       | -                                      | - | The subsidiary contracted a JV for solar panel installation at the subsidiary's development project.<br><b>Audit Committee's comment</b><br>1) The transaction was to support subsidiaries 's operations.<br>2) The fee was agreed upon by the Subsidiaries and the joint ventures. |
| Construction cost                  | 1                             | -    | -  | -   | -                                      | -        | 1  | -  | -  | -       | -  | -       | -                                      | - |   |
|                                    |                               |      |  |     |  |          |  |    |  |         |  |         |  |   |   |
| Advance Payment for Management Fee |                               |      |  |     |  |          |  |    |  |         |  |         |  |   |   |
| Debtors                            | 4                             | -    | -  | -   | -                                      | 4        | -  | -  | -  | -       | -  | -       | -                                      | - | The Subsidiaries paid an advance payment for management fee to the joint ventures.<br><b>Audit Committee's comment</b><br>1) The transaction was actual.<br>2) The transaction at cost  |

\* KPH established a joint venture, namely Hokkaido Holiday Services Company Limited, with Niseko Alpine Developments Company Limited ("NISADE") on 19 June 2019.

## 1.5 TRANSACTIONS BETWEEN SUBSIDIARIES AND CONNECTED INDIVIDUALS / ENTITIES.

| Item  | Total value (Million Baht)<br>Connected entities |      | Necessity and Reasonableness of the Transaction<br>and Audit Committee's Comment                           |
|---|--|------|--|
|   | 2019   | 2018 |  |
| <b>U&amp;I Construction Bangkok Company Limited (U&amp;I)</b> |  |      | A construction-related subsidiary is contracted to build a coldstorage building for Queen Frozen Co., Ltd. |
| Construction Service  |  |      | <b>Audit Committee's comment</b>   |
| Contract Value  | -  | -    | The service fee was jointly set, taking into considering the cost and targeted profits.                    |
| Construction service revenue                                  | -  | -    |  |
| Advanced Received   | -  | 1    |  |
| Debtor  | -  | 22   |  |

## 2. CONNECTED TRANSACTIONS CONCERNING TPROP

Connected parties are individuals and juristic entities related directly and indirectly with the Company who have controlling power over the Company, are under the Company's control or controlled by the same groups that control the Company. Connect parties encompass investment companies, associated companies, joint ventures, individuals and juristic entities that have significant influence on the Company, key executives and directors and family members. Included are entities solely or partially controlled by the individuals.

### 2.1 THE COMPANY

PF Group is controlled by the following individuals and juristic entities:

| Company                                 | Relationship | Country of origin | Ownership |           |
|---|--------------|-------------------|-----------|-----------|
|   |              |                   | 2019<br>% | 2018<br>% |
| Property Perfect Public Company Limited | The Company  | Thailand          | 94.60     | 94.60     |

Remaining 5.40% shares were held by the general public.

### 2.2 TRANSACTIONS WITH CONNECTED PARTIES

During the year, PF Group struck transactions with subsidiaries and connected parties, under business agreements with the entities which were part of normal business operations. The transactions are summarized below:

|                                       | Pricing Policy  |
|---------------------------------------|---|
| <u>Transactions with subsidiaries</u> |   |
| Revenue from property sales           | Cost plus profit margin   |
| Management fee                        | Contract price  |
| Interest receivables                  | The Company's average funding cost plus 12-mth fixed deposit rates of 6.25% and 9.00% per annum |
| Dividend received                     | Publicly-announced rate   |
| Other revenue                         | Cost plus profit margin   |
| Interest Expense                      | THBFIX (12-mth) plus fixed premium  |

|  | Pricing Policy   |
|--|--|
| <u>Transaction with Joint Venture</u>      |  |
| Management fee                             | Contract price   |
| Interest income                            | The Company's average funding cost plus fixed premium, and MLR minus for the first loan. Interest rates are reviewed every 6 months. |
| Other Revenue                              | Contract price   |
| <u>Transactions with connected parties</u> |  |
| Management fee                             | Contract price   |
| Interest income                            | Underlying bank loan rates   |
| Received Divided                           | Publicly-announced rate  |
| Accrued rents                              | Contract price   |

## Significant connected transactions

(Unit: Baht)

|                                       | Consolidated |             | Non-consolidated |            |
|---------------------------------------|--------------|-------------|------------------|------------|
|                                       | 2019         | 2018        | 2019             | 2018       |
| <b>Management fee</b>                 |              |             |                  |            |
| Joint Venture                         | 75,000,000   | 54,150,000  | -                | -          |
| <b>Interest receivables</b>           |              |             |                  |            |
| Subsidiaries                          | -            | -           | 18,203,673       | 18,213,515 |
| Joint Venture                         | 20,795,199   | 10,034,509  | -                | -          |
| Real Estate Investment Trust (REIT)   | 1,187,942    | 1,144,942   | -                | -          |
|                                       | 21,845,161   | 11,179,451  | 18,203,673       | 18,213,515 |
| <b>Received Divided</b>               |              |             |                  |            |
| Subsidiaries                          | -            | -           | 4,924,500        | 653,415    |
| Real Estate Investment Trust (REIT)   | 10,530,000   | 7,669,350   | -                | -          |
|                                       | 10,530,000   | 7,669,350   | 4,924,500        | 653,415    |
| <b>Other Income</b>                   |              |             |                  |            |
| Joint Venture                         | 784,453      | -           | -                | -          |
| <b>Gain from asset disposal</b>       |              |             |                  |            |
| Transaction with connected parties    | 10,689       | -           | -                | -          |
| <b>Rental and Administration cost</b> |              |             |                  |            |
| Transaction with connected parties    | 2,380,154    | 30,176,762  | -                | -          |
| <b>Accrued rents</b>                  |              |             |                  |            |
| Real Estate Investment Trust (REIT)   | 131,159,517  | 131,146,262 | -                | -          |
| <b>Administrative Expense</b>         |              |             |                  |            |
| Subsidiaries                          | -            | -           | 7,500            | 9,181      |
| <b>Interest Expense</b>               |              |             |                  |            |
| Subsidiaries                          | -            | -           | 1,824,418        | 1,409,877  |



## 2.3 OUTSTANDING UNPAID AMOUNTS FOR PRODUCTS AND SERVICES

(Unit : Baht)

|                                     | Consolidated |            | Non-consolidated |             |
|-------------------------------------|--------------|------------|------------------|-------------|
|                                     | 2019         | 2018       | 2019             | 2018        |
| <b>Account Receivable</b>           |              |            |                  |             |
| Joint Venture                       | 5,000        | -          | -                | -           |
| Transaction with connected parties  | 7,886        | 444,851    | -                | -           |
|                                     | 12,886       | 444,851    | -                | -           |
| <b>Other debtors</b>                |              |            |                  |             |
| Subsidiaries                        | -            | -          | 876,015          | 791,461     |
| Joint Venture                       | 28,498       | -          | -                | -           |
| Transaction with connected parties  | 9,611,556    | -          | -                | -           |
|                                     | 9,640,054    | -          | 876,015          | 791,461     |
| <b>Interest Receivable</b>          |              |            |                  |             |
| Subsidiaries                        | -            | -          | 97,744,340       | 109,540,667 |
| Joint Venture                       | 9,778,397    | 6,858,844  | -                | -           |
| Real Estate Investment Trust (REIT) | 128,504      | 123,561    | -                | -           |
|                                     | 9,906,901    | 6,982,405  | 97,744,340       | 109,540,667 |
| <b>Lease Gurantee</b>               |              |            |                  |             |
| Real Estate Investment Trust (REIT) | 88,000,000   | 88,000,000 | -                | -           |
| <b>Account Payable</b>              |              |            |                  |             |
| Real Estate Investment Trust (REIT) | 14,407,200   | 14,407,200 | -                | -           |
| <b>Other Payable</b>                |              |            |                  |             |
| Subsidiaries                        | -            | -          | 12,437,324       | 12,437,324  |
| Transaction with connected parties  | -            | 2,595,179  | -                | -           |
|                                     | -            | 2,595,179  | 12,437,324       | 12,437,324  |
| <b>Accrued Expense</b>              |              |            |                  |             |
| Real Estate Investment Trust (REIT) | 16,240,000   | 16,240,000 | -                | -           |
| <b>Accrued Interest Expenses</b>    |              |            |                  |             |
| Subsidiaries                        | -            | -          | 3,234,295        | 1,409,877   |
| Transaction with connected parties  | 29,320,000   | 19,470,000 | -                | -           |
|                                     | 29,320,000   | 19,470,000 | 3,234,295        | 1,409,877   |

## 2.4 LOANS TO RELATED BUSINESSES

(Unit : Baht)

|   | Consolidated       |                    | Non-consolidated   |                    |
|---|--------------------|--------------------|--------------------|--------------------|
|   | 2019               | 2018               | 2019               | 2018               |
| <b>Working Capital</b>                      |                    |                    |                    |                    |
| Short-term loans                            |                    |                    |                    |                    |
| Subsidiaries                                | -                  | -                  | 929,900,000        | 929,900,000        |
| Joint Venture                               | -                  | 315,000,000        | -                  | -                  |
| Total                                       | -                  | 315,000,000        | 929,900,000        | 929,900,000        |
| <b>Non- Working Capital</b>                 |                    |                    |                    |                    |
| Long-term Loans to                          |                    |                    |                    |                    |
| Joint Venture                               | 395,000,000        | -                  | -                  | -                  |
| Total                                       | 395,000,000        | -                  | 929,900,000        | 929,900,000        |
| <b>Total of loans to connected entities</b> | <b>395,000,000</b> | <b>315,000,000</b> | <b>929,900,000</b> | <b>929,900,000</b> |

The movement of short-term loans borrowed from connected entities in the past year ended 31 December 2019 is as follows;

(Unit : Baht)

|   | Consolidated | Non-consolidated |
|---|--------------|------------------|
| <b>Subsidiaries</b>                       |              |                  |
| Amount at beginning of year               | -            | 929,900,000      |
| Additional loans borrowed during the year | -            | -                |
| End-of-year value                         | -            | 929,900,000      |
| <b>Joint Venture</b>                      |              |                  |
| Amount at beginning of year               | 315,000,000  | -                |
| Additional loans borrowed during the year | 80,000,000   | -                |
| End-of-year value                         | 395,000,000  | -                |

Extending short-term loans to connected parties is a normal business transaction. Such loans are not collateralized. The interest rates of 6.25% and 9.00% per year are based on Krungthai Bank's fixed deposit rate plus fixed premiums; the Company's average funding cost plus fixed premium; and MLR minus for the first loan. The interest rates are mutually reviewed every 6 months. The fair value of these loans were close to the accounting value, due to insignificant discount effect. The fair value is calculated from future cash flow, discounted by the interest rates and loan amounts. It is categorized as Level 2 of fair value measurement.

## 2.5 SHORT-TERM LOANS TO CONNECTED ENTITIES

(Unit : Baht)

|              | Non-consolidated |             |
|--------------|------------------|-------------|
|              | 2019             | 2018        |
| Subsidiaries | 145,000,000      | 145,000,000 |
| Total        | 145,000,000      | 145,000,000 |

Short-term loans between connected parties are callable but not collateralized. The fair value of these loans were close to the accounting value, due to insignificant discount effect. The fair value is calculated from future cash flow, discounted by the interest rates. It is categorized as Level 2 of fair value measurement.

## 2.6 REMUNERATION OF KEY EXECUTIVES

Executives include directors (serving as executives or not). Executives' remuneration, paid or unpaid, is as follows:

(Unit : Baht)

|                                | Consolidated |             | Non-consolidated |            |
|--------------------------------|--------------|-------------|------------------|------------|
|                                | 2019         | 2018        | 2019             | 2018       |
| Salary and short-term benefits | 125,940,542  | 99,799,939  | 14,857,123       | 12,656,188 |
| End-of-contract payment        | 4,488,628    | 2,882,466   | 1,762,125        | 534,451    |
| Total                          | 130,429,170  | 102,682,405 | 16,619,248       | 13,190,639 |

## 3. CONNECTED TRANSACTIONS WITH GRAND GROUP

Connected parties are persons or juristic entities directly or indirectly connected with the Company, and have controlling power over the Company or fall under the same controlling groups. They encompass investment ventures, associated companies, joint ventures, persons or entities that have significant power over the Company, key executives, directors and their family members. Business ventures entirely or partially controlled by these persons are deemed connected parties.

### 3.1 THE COMPANY

The Group is controlled by the following persons or entities:

| Company                                 | Relationship | Country of origin | Ownership |       |
|---|--------------|-------------------|-----------|-------|
|   |              |                   | 2019      | 2018  |
| Metro Premier Holding Company Limited   | The Company  | Thailand          | 33.84     | 33.84 |
| Thai Property Public Company Limited    | The Company  | Thailand          | 5.45      | 5.45  |
| Property Perfect Public Company Limited | Top Company  | Thailand          | 9.50      | 9.50  |

The remaining 51.21% shares are owned by the general public.

### 3.2 TRANSACTIONS BETWEEN SUBSIDIARIES AND RELATED COMPANY

During the year, connected transactions were struck with subsidiaries and associated ventures, which were part of normal business operations and in line with business agreements. They are summarized below:

|   | Pricing Policy  |
|---|---|
| <u>Connected transactions with subsidiaries</u> |   |
| Revenue from property sales                     | Cost plus premium   |
| Revenue from management                         | Contractual fee   |
| Interest income                                 | Company's average funding cost plus fixed premium   |
| Devided receivables                             | Publicly-announced rate   |
| Other income                                    | Cost and profit   |
| Interest Expenses                               | 0.25%12-month fixed deposit rate  |
| <u>Transactions with joint ventures</u>         |   |
| Management Revenue                              | Specified in contract   |
| Interest income                                 | Company's average funding cost plus fixed premium and MLR minus for the first loan/interest rates are jointly reviewed every 6 months |
| Other Income                                    | Specified in contract   |
| <u>Transactions with connected parties</u>      |   |
| Interest income                                 | Underlying bank loan rates  |
| Devided receivables                             | Publicly-announced rate   |
| Rent Expense                                    | Specified in contract   |
| Interest Expenses                               | 6.25 - 9.00% per annum  |

Below are significant connected transactions

(Unit : Baht)

|                                     | Consolidated |            | Non-consolidated |            |
|-------------------------------------|--------------|------------|------------------|------------|
|                                     | 2019         | 2018       | 2019             | 2018       |
| <b>Revenue from property sales</b>  |              |            |                  |            |
| Subsiadairies                       | -            | -          | -                | 40,058,200 |
| <b>Revenue from management</b>      |              |            |                  |            |
| Subsiadairies                       | -            | -          | 8,400,000        | 8,400,000  |
| Joint Venture                       | 75,000,000   | 54,150,000 | 75,000,000       | 54,150,000 |
|                                     | 75,000,000   | 54,150,000 | 83,400,000       | 62,550,000 |
| <b>Interest income</b>              |              |            |                  |            |
| Subsiadairies                       | -            | -          | 6,558,181        | 2,898,630  |
| Joint Venture                       | 20,795,199   | 10,034,509 | 20,795,199       | 10,034,509 |
| Real Estate Investment Trust (REIT) | 1,187,942    | 1,144,942  | -                | -          |
|                                     | 21,983,141   | 11,179,451 | 27,353,380       | 12,933,139 |
| <b>Devided receivables</b>          |              |            |                  |            |
| Subsiadairies                       | -            | -          | 127,116,837      | -          |
| Real Estate Investment Trust (REIT) | 10,530,000   | 7,669,350  | 10,530,000       | 7,669,350  |
|                                     | 10,530,000   | 7,669,350  | 137,646,837      | 7,669,350  |

(Unit : Baht)

|                                     | Consolidated |             | Non-consolidated |            |
|-------------------------------------|--------------|-------------|------------------|------------|
|                                     | 2019         | 2018        | 2019             | 2018       |
| <b>Other Revenue</b>                |              |             |                  |            |
| Subsidiaries                        | -            | -           | -                | 8,411,215  |
| Joint Venture                       | 784,453      | -           | 784,453          | -          |
|                                     | 784,453      | -           | 784,453          | 8,411,215  |
| <b>Unpaid Rents</b>                 |              |             |                  |            |
| Real Estate Investment Trust (REIT) | 131,159,517  | 131,146,262 | -                | -          |
| <b>Interest Expenses</b>            |              |             |                  |            |
| Subsidiaries                        | -            | -           | 2,833,753        | 3,447,078  |
| Transactions with connected parties | 9,354,394    | 9,031,090   | 9,390,213        | 9,031,090  |
|                                     | 9,354,394    | 9,031,090   | 12,223,966       | 12,478,168 |

### 3.3 OUTSTANDING UNPAID AMOUNTS FOR SERVICES AND PRODUCTS

(Unit : Baht)

|                                     | Consolidated |            | Non-consolidated |            |
|-------------------------------------|--------------|------------|------------------|------------|
|                                     | 2019         | 2018       | 2019             | 2018       |
| <b>Account Receivable</b>           |              |            |                  |            |
| Joint Venture                       | 5,000        | -          | -                | -          |
| Transactions with connected parties | 7,886        | 444,851    | -                | -          |
|                                     | 12,886       | 444,851    | -                | -          |
| <b>Other debtors</b>                |              |            |                  |            |
| Subsidiaries                        | -            | -          | 616,545          | 3,447,879  |
| Joint Venture                       | 28,498       | -          | 28,498           | -          |
| Transactions with connected parties | 9,611,556    | -          | 9,611,556        | -          |
|                                     | 9,640,054    | -          | 10,256,599       | 3,447,879  |
| <b>Interest Receivables</b>         |              |            |                  |            |
| Subsidiaries                        | -            | -          | 10,056,219       | 3,498,037  |
| Joint Venture                       | 9,778,397    | 6,858,844  | 9,778,397        | 6,858,844  |
| Real Estate Investment Trust (REIT) | 128,504      | 123,561    | -                | -          |
|                                     | 9,906,901    | 6,982,405  | 19,834,616       | 10,356,881 |
| <b>Lease Gurantee</b>               |              |            |                  |            |
| Real Estate Investment Trust (REIT) | 88,000,000   | 88,000,000 | -                | -          |
| Account Payable                     |              |            |                  |            |
| Real Estate Investment Trust (REIT) | 14,407,200   | 14,407,200 | -                | -          |
| <b>Other Creditor</b>               |              |            |                  |            |
| Subsidiaries                        | -            | -          | -                | 13,802     |
| <b>Accrued Expense</b>              |              |            |                  |            |
| Real Estate Investment Trust (REIT) | 16,240,000   | 16,240,000 | -                | -          |
| <b>Accrued Interest Expenses</b>    |              |            |                  |            |
| Subsidiaries                        | -            | -          | 2,115,726        | 103,715    |
| Transactions with connected parties | 29,320,000   | 19,470,000 | 29,320,000       | 19,470,000 |
|                                     | 29,320,000   | 19,470,000 | 31,435,726       | 19,573,715 |



### 3.4 LOANS TO CONNECTED ENTITIES

(Unit : Baht)

|  | Consolidated       |                    | Non-consolidated   |                    |
|--|--------------------|--------------------|--------------------|--------------------|
|  | 2019               | 2018               | 2019               | 2018               |
| <b>Working – Capital</b>                   |                    |                    |                    |                    |
| Shot term loans                            |                    |                    |                    |                    |
| Subsidiaries                               | -                  | -                  | 140,500,000        | 65,000,000         |
| Joint Venture                              | -                  | 315,000,000        | -                  | 315,000,000        |
| Total                                      | -                  | 315,000,000        | 140,500,000        | 380,000,000        |
| <b>Non-Working – Capital</b>               |                    |                    |                    |                    |
| Long term loans                            |                    |                    |                    |                    |
| Joint Venture                              | 395,000,000        | -                  | 395,000,000        | -                  |
| Total                                      | 395,000,000        | -                  | 395,000,000        | -                  |
| <b>Total of loan to connected entities</b> | <b>395,000,000</b> | <b>315,000,000</b> | <b>535,500,000</b> | <b>380,000,000</b> |

The movement of loans to connected entities in the past year ended 31 December 2019 as following;

(Unit : Baht)

|                                       | Consolidated | Non-consolidated |
|---------------------------------------|--------------|------------------|
| <b>Subsidiaries</b>                   |              |                  |
| Accounting value at beginning of year | -            | 65,000,000       |
| Additional laons borrowed             | -            | 75,500,000       |
| Accounting value at the end of year   | -            | 140,500,000      |
| <b>Joint Venture</b>                  |              |                  |
| Accounting value at beginning of year | 315,000,000  | 315,000,000      |
| Additional borrowing                  | 80,000,000   | 80,000,000       |
| Accounting value at the end of year   | 395,000,000  | 395,000,000      |

Extending loans to connected parties is a normal business transaction. Such loans are not collateralized. The interest rates of the first loan are based on the Company's average funding cost plus fixed premium and MLR minus. The interest rates are jointly reviewed every 6 months. The fair value of these loans is close to the accounting value, due to insignificant discount effect. The fair value is calculated from future cash flow, discounted by the interest rates and loan amounts. It is categorized as Level 2 of fair value measurement.

### 3.5 SHORT-TERM LOANS TO CONNECTED PARTIES

(Unit : Baht)

|                     | Consolidated |             | Non-consolidated |             |
|---------------------|--------------|-------------|------------------|-------------|
|                     | 2019         | 2018        | 2019             | 2018        |
| <b>Subsidiaries</b> | -            | -           | 224,000,000      | 224,000,000 |
| Joint Venture       | 140,000,000  | 140,000,000 | 140,000,000      | 140,000,000 |
| Total               | 140,000,000  | 140,000,000 | 364,000,000      | 364,000,000 |

Short-term loans between connected parties are callable but not collateralized. The fair value of these loans are close to the accounting value, due to insignificant discount effect. The fair value is calculated from future cash flow, discounted by the interest rates. It is categorized as Level 2 of fair value measurement.

### 3.6 REMUNERATION OF KEY EXECUTIVES

The paid and unpaid remuneration of the group executives including directors (serving as executives or not) are as follows:

(Unit : Baht)

|                                | Consolidated |            | Non-consolidated |            |
|--------------------------------|--------------|------------|------------------|------------|
|                                | 2019         | 2018       | 2019             | 2018       |
| Salary and short-term benefits | 111,083,419  | 87,143,751 | 60,849,640       | 57,896,806 |
| End-of-contract payment        | 2,726,503    | 2,882,466  | 2,352,594        | 1,786,962  |
| Total                          | 113,809,922  | 90,026,217 | 63,202,234       | 59,683,768 |

## 4 CONNECTED TRANSACTIONS CONCERNING WR

### 4.1 THE COMPANY

The Group is controlled by the following entities:

| Name                                    | Relationship | Percentage of Investment | Country of registration |
|---|--------------|--------------------------|-------------------------|
| Property Perfect Public Company Limited | Top Company  | 94.97                    | Thailand                |

The remaining 5.03% is owned by others.

### 4.2 CONNECTED TRANSACTIONS

Below are connected transactions:

(Unit : Baht)

Unit : Baht

|                                    | Consolidated |            | Non-consolidated |            | Pricing Policy  |
|------------------------------------|--------------|------------|------------------|------------|---|
|                                    | 2019         | 2018       | 2019             | 2018       |   |
| <b>Rental and service Revenue</b>  |              |            |                  |            |   |
| The Company                        | -            | 554,544    | -                | 554,544    | Contract Price  |
| <b>Building management fee</b>     |              |            |                  |            |   |
| Related companies                  | 2,329,698    | 30,176,762 | 2,329,698        | 30,176,762 | Contract Price  |
| <b>Interest Receivable revenue</b> |              |            |                  |            |   |
| Subsidaeries                       | -            | -          | 75,180,233       | 68,757,410 | The Interest Rates are 6.05% per annum and 6.14% per annum  |
| Joint Venture                      | 29,884,336   | 21,156,678 | 29,884,336       | 21,156,678 | The Interest Rates are 6.25% per annum to 15.95 % per annum |
|                                    | 29,884,336   | 21,156,678 | 105,064,569      | 89,914,088 |   |
| <b>Interest Expenses</b>           |              |            |                  |            |   |
| The Company                        | 28,240,156   | 16,753,572 | 28,240,156       | 16,753,572 | The Interest Rates are 6.05% per annum and 6.14% per annum  |
| Related Company                    | 196,138      | -          | 196,138          |            | The Interest Rate is 6.39% per annum                        |
|                                    | 28,436,294   | 16,753,572 | 28,436,294       | 16,753,572 |   |
| <b>Office Equipment Purchase</b>   |              |            |                  |            |   |
| Related Company                    | 47,467       | -          | 47,467           | -          | Market Price  |

### 4.3 OUTSTANDING PAYMENTS FOR UNPAID PRODUCTS AND SERVICES

Outstanding payments to connected parties at end of year are as follows:

(Unit : Baht)

|                                     | Consolidated |            | Non-consolidated |             |
|-------------------------------------|--------------|------------|------------------|-------------|
|                                     | 2019         | 2018       | 2019             | 2018        |
| <b>Connected Debtors</b>            |              |            |                  |             |
| Related Company                     | 5,996        | 2,599,615  | -                | 2,595,179   |
| <b>Interest Received</b>            |              |            |                  |             |
| Subsidiaries                        | -            | -          | 368,924,121      | 323,743,888 |
| Joint Venture                       | 18,389,178   | 14,609,589 | 18,389,178       | 14,609,589  |
|                                     | 18,389,178   | 14,609,589 | 387,313,299      | 338,353,477 |
| <b>Connected parties' creditors</b> |              |            |                  |             |
| The Company                         | -            | 333,814    | -                | 333,814     |
| <b>Interest Payable</b>             |              |            |                  |             |
| The Company                         | 50,096,782   | 21,856,626 | 50,096,782       | 21,856,626  |

### 4.4 SHORT-TERM LAONS TO CONNECTED PARTIES

Changes in short-term loans to connected parties are as follows:

(Unit : Baht)

|                                      | Consolidated |      | Non-consolidated |               |
|--------------------------------------|--------------|------|------------------|---------------|
|                                      | 2019         | 2018 | 2019             | 2018          |
| <b>Subsidiaries:</b>                 |              |      |                  |               |
| Balance as of 1 January              | -            | -    | 1,189,992,000    | 1,143,492,000 |
| Additional borrowing during the year | -            | -    | 45,000,000       | 46,500,000    |
| Value at 31 Decemver                 | -            | -    | 1,234,992,000    | 1,189,992,000 |

Short-term loans to connected parties are callable but not collateralized. The interest charges are 6.05% and 6.14% per annum.

The current loans' fair value is equivalent to the accounting value, due to insignificant discount effect.

#### 4.5 LOANS TO CONNECTED PARTIES – NET

Changes in loans to connected parties — net are as follows:

(Unit : Baht)

|  | Consolidated  |              | Non-consolidated |             |
|--|---------------|--------------|------------------|-------------|
|  | 2019          | 2018         | 2019             | 2018        |
| <b>Joint Venture</b>                         |               |              |                  |             |
| Balance as of 1 January                      | 282,076,059   | 159,142,897  | 405,000,000      | 225,000,000 |
| Additional loans borrowed during the year    | 110,000,000   | 180,000,000  | 110,000,000      | 180,000,000 |
| Deferred Interest                            | (8,772,500)   | -            | (8,772,500)      | -           |
| Deferred interest write-off                  | 550,603       | -            | 550,603          | -           |
| Loan payment during the year                 | (10,000,000)  | -            | (10,000,000)     | -           |
| Loss from joint ventures under equity method | (111,351,081) | (57,066,838) | -                | -           |
| Closing balance as at 31 December            | 262,503,081   | 282,076,059  | 496,778,103      | 405,000,000 |

Extending loans to connected parties is a normal business transaction. Such loans are not collateralized and are to be repaid within 1 year. The interest rates are between 6.25% and 15.95% per annum. As there is no plan to call for repayments in the near future, the loans are thus booked as non-current assets. The Group will review the repayment schedules every year, to classify loans to connected parties.

Loans to connected parties and gain (loss) in joint ventures are summarized below:

(Unit : Baht)

|  | Consolidated  |               |
|--|---------------|---------------|
|  | 2019          | 2018          |
| Loans to connected parties                                   | 496,778,103   | 405,000,000   |
| Minus Accumulated loss in joint ventures under equity method | (234,275,022) | (122,923,941) |
| Loans to connected parties - Net                             | 262,503,081   | 282,076,059   |

#### 4.6 SHORT- TERM LOANS TO CONNECTED PARTIES

Changes in short-term borrowing from connected parties are as follows:

(Unit : Baht)

|                                      | Consolidated |      | Non-consolidated |      |
|--------------------------------------|--------------|------|------------------|------|
|                                      | 2019         | 2018 | 2019             | 2018 |
| <b>Connected parties:</b>            |              |      |                  |      |
| Balance as of 1 January              | -            | -    | -                | -    |
| Additional borrowing during the year | 10,000,000   | -    | 10,000,000       | -    |
| Repayments made during the year      | (10,000,000) | -    | (10,000,000)     | -    |
| Closing balance as of 31 December    | -            | -    | -                | -    |

Short-term borrowings from connected parties are part of normal business operations. The loans are callable but not collateralized. The interest charge is 6.39% per annum.

The fair value of these loans equal to the accounting value, due to insignificant discount effect.

#### 4.7 LOANS FROM CONNECTED PARTIES

Changes in loans from connected parties are as follows:

(Unit : Baht)

|                                      | Consolidated |             | Non-consolidated |             |
|--------------------------------------|--------------|-------------|------------------|-------------|
|                                      | 2019         | 2018        | 2019             | 2018        |
| <b>The Company:</b>                  |              |             |                  |             |
| Balance as of 1 January              | 356,500,000  | 200,000,000 | 356,500,000      | 200,000,000 |
| Additional borrowing during the year | 123,500,000  | 156,500,000 | 123,500,000      | 156,500,000 |
| Closing balance as of 31 December    | 480,000,000  | 356,500,000 | 480,000,000      | 356,500,000 |

Loans from connected parties are part of normal business operations. The loans are callable but not collateralized. The interest charge is 6.14% per annum. Based on the lenders' promise not to demand repayment within the next 12 months, the loans are booked as non-current liabilities.

#### 4.8 REMUNERATION OF KEY EXECUTIVES

The paid and unpaid remuneration of the group executives including directors( serving asexecutive or not) are as follow:

(Unit : Baht)

|                           | Consolidated |           | Non-consolidated |           |
|---------------------------|--------------|-----------|------------------|-----------|
|                           | 2019         | 2018      | 2019             | 2018      |
| Other short-term benefits | 8,464,591    | 6,879,306 | 8,464,591        | 6,879,306 |
| <b>Total</b>              | 8,464,591    | 6,879,306 | 8,464,591        | 6,879,306 |

### 5. CONNECTED TRANSACTIONS WITH ROH GROUP

#### 5.1 TRANSACTIONS WITH SUBDIARIES CONCERNING THE SALE AND LEASE OF LAND, BUILDING, MACHINERY ANDN FURNITURE

In 1988, the Company launhed an organizational and financial restructuring to update the value of land, buildings and other permanent assets and raise commercial opportunities. The process included:

- a) Sale of land, buildings, machinery and furniture to subsidiaries

(Unit : Million Baht)

|                                   | Land | Building, machinery and furniture | Total |
|-----------------------------------|------|-----------------------------------|-------|
| Selling price                     | 173  | 1,248                             | 1,421 |
| Net accounting value              | (55) | (761)                             | (816) |
| Profit margin                     | 118  | 487                               | 605   |
| Transfer fee and related expenses | (4)  | (22)                              | (26)  |
| Net profit                        | 114  | 465                               | 579   |

The selling price was materiallly based on an independent appraiser's estimates, to find the assets' present value.



- b) Lease land, building, machinery and furniture (as mentioned in A) from subsidiaries to operate a hotel business. On 5 October 2018, the lease contract was extended for a year, from 20 October 2018, with a promise to pay a fixed amount of Bt24 million for the annual lease of land and building and Bt20 million for machinery and furniture. The amount will be paid on demand.

On 1 November 2019, the lease contract was extended for another year, from 20 October 2019 with a promise to pay a fixed amount of Bt24 million for land and building and Bt19 million for machinery and furniture. The amount is paid on demand.

During the year, the Company's significant transactions with the subsidiary concerning the aforementioned items and short-term loans are as follows

(Unit: Million Baht)

|                                    | Non-consolidated |      | Pricing Policy           |
|------------------------------------|------------------|------|--------------------------|
|                                    | 2019             | 2018 |                          |
| Land and building rental fee       | 24               | 24   | As specified in contract |
| Machinery and furniture rental fee | 20               | 21   | As specified in contract |
| Interest expenses                  | 21               | 21   | MLR minus 1.25%          |
| Interest receivables               | 30               | 31   | MLR minus 1.25%          |
| Received dividend                  | 10               | 9    | As announced             |

As of 31 December 2019 and 2018, the outstanding amounts were separately shown in the financial statements as follows:

(Unit: Baht)

|                                 | Non-consolidated |             |
|---------------------------------|------------------|-------------|
|                                 | 2019             | 2018        |
| Other debtors – subsidiaries    | 237,339,542      | 219,856,826 |
| Long-term loans to subsidiaries | 605,709,100      | 629,211,200 |
| Trade payables – subsidiaries   | 429,747,311      | 434,994,623 |
| Other creditors – subsidiaries  | 170,569,493      | 149,782,070 |

#### Long-term loans to subsidiaries

During 2012, the Company loaned Bt720 million working capital to subsidiaries and charged MLR minus 1.25% as the interest rate. The loan was not collateralized. The Management intended not to demand repayment within 12 months.

The outstanding loans to subsidiaries as 31 December 2019 and 2018 and the movement of loans were as follows:

(Unit: Baht)

| Company                                 | Relationship | Non-consolidated                   |                          |                          |                                    |
|---|--------------|------------------------------------|--------------------------|--------------------------|------------------------------------|
|   |              | Outstanding as of 31 December 2018 | Increase during the year | Decrease during the year | Outstanding as of 31 December 2019 |
| Thai Royal Orchid Real Estate Co., Ltd. | Subsidiary   | 629,211,200                        | 9,900,000                | (33,402,100)             | 605,709,100                        |
| Total                                   |              | 629,211,200                        | 9,900,000                | (33,402,100)             | 605,709,100                        |

## 5.2 CONNECTED TRANSACTIONS CONCERNING MANAGEMENT CONTRACT

The Company inked a management contract with US-based Sheraton Overseas Management Corporation's business unit in Thailand, binding the latter to manage the Company's hotels. The Company is obligated to pay management fee at the rate, period and calculation method as stated in the contract which took effect on 31 January 1985. In 2006, the contractual party agreed to extend the contract period to 31 December 2011. In 2011, a new contract was struck, to last 10 years from 1 January 2012.

The new hotel management fee took effect on 1 January 2012.

On 25 April 2018, Grande Asset Hotels and Property Public Company Limited bought the Company's 44% stake from Starwood Hotel (Thailand) Co., Ltd., which effectively terminated the Company's connected transactions with the previous major shareholder. The Company's connected transactions with the previous major shareholder were accounted for until 24 April 2018 and the connected transactions dealt with the new shareholder, Grande Asset Hotels and Property, from 25 April 2018.

Despite the ownership change, there is no change to Sheraton Overseas Management Corporation's management contract. As such, in 2018, the Company was obligated to pay approximately Bt26 million for the management fee and marketing expenses to the connected party.

## 5.3 CONNECTED TRANSACTIONS CONCERNING SALES AND SERVICES

On 23 April 2018, Grande Asset Hotels and Property Public Company Limited bought the Company's 24% stake from Thai Airways International Public Company Limited, which effectively terminated the Company's connected transactions with the previous major shareholder on 25 April 2018. The Company's connected transactions with the previous major shareholder were accounted for until 24 April 2018 and the connected transactions dealt with the new shareholder, Grande Asset Hotels and Property, from 25 April 2018.

The Company's connected transactions concerning sale and service with Grande Asset Hotels and Property, the new major shareholder, were valued approximately Bt0.3 million for the year ended 31 December 2019 (against Bt0.4 million in 2018). The value was based on market price. As of 31 December 2019, Grande Asset Hotels and Property's outstanding obligations were worth about Bt0.2 million (against Bt0.4 million in 2018)

#### 5.4 CONNECTED TRANSACTIONS WITH FINANCIAL INSTITUTIONS CONCERNING DEPOSITS

On 4 July 2018, Grande Asset Hotels and Property Public Company Limited filed the preliminary result of the tender offer (Form 247-6 Khor) for the Company's shares (Form 247-3).

In the tender offer, shareholders offered to sell 30.25% of the Company's shares to Grande Asset, including MBK Hotel and Resort Co., Ltd. which owned 29.86%. The transaction effectively terminated the Company's connected transactions with the previous major shareholder on 4 July 2018. The Company's connected transactions with the previous major shareholder were accounted for until 3 July 2018 and the connected transactions dealt with the new shareholder, Grande Asset Hotels and Property, from 4 July 2018 onwards.

The Group deposited money at Thanachart Bank PLC, which was connected through indirect shareholding. During 1 January 2018 and 3 July 2018, the consolidated deferred interest totaled Bt3.1 million and the non-consolidated amount was Bt3.0 million.

On 30 June 2019, the Company guaranteed a bank loan with the Bt201.4 million deposit. As of 31 December 2019, the deposit was freed from the loan guarantee obligation.

#### 5.5 DIRECTORS AND EXECUTIVES' REMUNERATION

In the accounting year ended 31 December 2019 and 2018, the company and a subsidiary paid out the following amounts to directors and executives;

(Unit: Baht)

|                          | Consolidated and non-consolidated financial statements |                   |
|--------------------------|--|-------------------|
|                          | 2019   | 2018              |
| Short-term benefits      | 50,233,779   | 43,067,990        |
| End-of-contract payment  | 370,957  | 1,095,504         |
| Other long-term benefits | 2,952  | 2,544             |
| <b>Total</b>             | <b>50,607,688</b>                                      | <b>44,166,038</b> |



## 1. BUSINESS RISKS

### RISKS FROM FIERCER COMPETITION IN RESIDENTIAL MARKET

The residential market has remained under the influence of large-sized developers, who have been able to adjust themselves to high market volatility. Large-sized developers also own greater potential in the business, with access to various sources of fund thanks to confidence from investors and financial institutions. With the realization in this risk, the Company has put

its focus on research and development to enhance the competitiveness. Detailed study of target customers is emphasised, as well as surveys of market demands. The Company places emphasis on locations, project layout, architectural designs, usable space, value for money and clear categorization of target customers. The Company also works out with financial institutions to increase consumers' purchasing power and reduce their financial burden. This has been the Company's leverage in competing against other major developers.

### RISK FROM CONSTRUCTION COST AND PROJECT FINANCING

The company's policy to sell only complete houses and townhouses, no payments are received prior to the sale and advance funding for the construction grows accordingly. There are also uncertainties that may affect target customers' purchasing power and decision. For example,

- (1) Consumer confidence and purchasing power which move in line with domestic and global economic conditions.
- (2) mortgage rates and commercial banks' lending policy and
- (3) government supports that may influence target customers' purchasing power and decision-making process and produces a risk that the Company may be unable to sell completed houses. Inventory would rise and affect the Company's liquidity and profitability.

The Company has defined the following measures to cope with the risk.

1. Consumer behavior survey: All visitors at project sites are asked about their spending budget, preferable designs, land area, and etc. Combined with historical data, the Company can analyze consumer demands. As a large-sized developer which has stayed in the business for more than 30 years, the Company has an advantage in terms of market data, experience and understanding of target customers' preferences.
2. Each single house and/or townhouse project will be developed in phases. Contractors will be gradually contracted for the construction of each phase. The Company gives importance to construction planning and actual construction. Construction works are proportionate to sale activities and the minimum stock level is set. New units will be constructed only to maintain the average stock in each period at the preset levels, to balance the number of completed units and under-construction units. When sale activities do not meet targets, the Company can speedily adjust the construction work. Or when customers' preferences significantly change, the Company can adjust the size accordingly. On a change in purchasing power, the Company can adjust the property size so that the unit price is lowered to meet their purchasing power.
3. On condominium development, though the Company can partly finance the construction with down payments, the Company still requires a huge sum of money. This requires attention in cost management. The Company's condominium projects are put into two categories: low-rise which is no higher than 8 storeys and high-rise of which height. The construction period of the two types is 12-14 months for low-rises and

18-24 months for high-rises. Low-rise and high-rise development ratio is maintained at an appropriate level, to facilitate construction management and respond to sale activities, revenue realization and financial supports from financial institutions.

4. The Company has clear financing plans for each project. Positive sale activities of the old projects have allowed the Company and subsidiaries to win long-term loans from financial institutions, which were confident in the projects' potential. Meanwhile, though demand for working capital increases in line with the launch of new projects, the Company has shown no difficulty in financing the debt as revenue from other projects can also be used as working capital.

#### **RISK FROM POLITICAL AND ECONOMIC UNCERTAINTIES**

Political uncertainties and economic slowdown pull down the purchasing power. Coupled with commercial banks' more stringent rules on mortgage loan approval, this affects residential property demand. It directly hits sales activities and the transfers of complete units.

The Company adjusted business strategies in line with the political and economic situation. For instance, attention was placed on the launch of new projects, the purchase of new land plots, construction and cash flow management. Project development was adjusted accordingly. The construction volume was in line with sale revenue, to limit inventory. New project launch and land purchases were put off, to achieve effective cash flow management and lower risks from political and economic uncertainties. Aside, the focus is placed on cost management and marketing activities to boost sales and revenue from all property businesses.

#### **RISK FROM DETERIORATION OR OUTDATED DESIGNS OF HOUSES, TOWNHOUSES AND CONDOMINIUM IN STOCK**

The Company and subsidiaries pre-determined sell prices and selling period of each project, in line with construction plans. If the Company cannot meet sale target, the Company and subsidiaries would end up with some left-over single houses, townhouses and condominium units. The deterioration and outdated designs of the property could pose a risk, as it demands expenses for the maintenance. The units could also end up being sold at the below-cost prices.

Nevertheless, the Company is confident that the Company and subsidiaries' single house, townhouse and condominium projects will win positive response thanks to attractive selling points and the marketing plans tailored for each target group. The projects are located in potential areas and priced appropriately. Our business group's sale target and revenue has been close to targets. When the Company has a plan to boost sales at a particular project, Advertising and PR strategies would be adjusted while new marketing promotion would be introduced. For example, discount for the last unit, promotion through sale officers, or other offers.

## **2. CONSTRUCTION-RELATED RISKS**

#### **RISK FROM CONSTRUCTION COST VOLATILITY**

Construction materials are main raw materials of property development. A significant change in construction material prices could affect the construction cost and create a business risk. To mitigate the construction cost volatility of low-rise development projects, single detached houses and townhouses, the Company has sourced some construction materials directly from the manufacturers. The manufacturers



will be invited to a bid which allows the Company to compare prices and quality. This also broadens the choices of materials which could replace old ones. While the direct sourcing reduces the construction cost volatility, the Company also benefits from the economy-of-scale purchases. A similar approach is applied with condominium projects. Sanitary ware and air-conditioners are bought in bulk, resulting in greater bargaining power over the manufacturers.

Moreover, a business unit is directly in charge of monitoring price movement, to effectively keep updated on the prices and control the construction cost.

#### **RISK FROM CONTRACTOR AND LABOR SHORTAGE**

Contractors play a significant part in the Company's operations. The Company has put in place the efficient guidelines for contractor selection and evaluation. Contractors with track records are included in the database, waiting to be selected for the construction works for the Company and subsidiaries' projects. The Company has also adopted the supply chain management system, to help contractors' construction materials sourcing and training. The contractors are categorized accordingly to the quality of their work. The construction cost is also adjusted accordingly to market rates and the cost of construction materials, driven by an increase in the minimum wage. The evaluation process is fair and accountable. The allocation of work is transparently carried out while payments are kept on time. The Company is open wide for new contractors, considering the capacity and qualification of the contractors, to cope with business expansion. These practices have resulted in positive relationship between the Company and the contractors. The Company also coordinated with banks like Small and Medium Enterprise Development Bank (SME Bank) in providing funds to the Company's contractors.

The Company and subsidiaries have awarded contracts to over 100 medium and small-sized contractors. Their qualification and construction cost will be determined before the contracts are signed. The delivery date is also clearly defined in the contracts.

To ease labor shortage, the Company has introduced the prefabrication or precast construction technology, which allows the installation of finished walls and other items. The ratio of precast houses has been raised to reduce the construction period and allows the Company to reduce its dependence on skilled labor. The Company established Perfect Prefab Co., Ltd. in 2011 and joined hand with Center of Standard Precast Co., Ltd. in manufacturing finished construction parts for single houses and townhouse, wall panels of projects' fences, as well as parts for condominium projects. The subsidiary is able to supply materials for 850 houses per annum. Siam Cement Public Company Limited, Italian-Thai Development Public Company Limited, CPanel Co., Ltd. and others are also contracted to manufacture and install prefab parts while Christiani & Nielsen (Thai) Public Company Limited is contracted for the project-level structural and architectural works. In the past year, Perfect Prefab Co., Ltd. raised capital from Bt10 million to Bt60 million. The Company also acquired Perfect Prefab Co., Ltd.'s shares from Center of Standard Precast Co., Ltd., raising its equity in Perfect Prefab Co., Ltd. to 100%. Perfect Prefab Co., Ltd. will relocate its factory and raise production capacity from 850 units per year to 1,700-1,800 units per year in 2020.

The Company also established U & I Construction Bangkok Co., Ltd. as a wholly-owned subsidiary. It involves in the construction business, able to handle the construction of single detached houses, duplex houses, townhouses and low-rise condominium buildings for the group. Flexibility in construction management increases as the Company focuses on the supply chain management and the selection of qualified contractors. This also allows the Company to control the construction cost and construction period. The construction volume and quality can be maintained, while risk of qualified contractor shortage is reduced.

### **3. ADMINISTRATIVE AND MANAGEMENT RISKS**

#### **RISK FROM GUARANTEE TO SUBSIDIARIES**

The Company's outstanding loan guarantee to subsidiaries stood at Bt7,508million, as of 31 December 2019.

The guarantee could pose a risk if the subsidiaries cannot repay the principal and interest to their creditors. However, these subsidiaries borrowed the sum to finance development projects, which are their main business purpose. The Company has a policy in place to closely monitor the subsidiaries' operations, which should guarantee that they can meet debt obligations with their own profits and cash flow. The risk from the loan guarantee to subsidiaries thus remains low.

### **4. FINANCIAL RISKS**

#### **RISK FROM ACCESS TO FUNDING AND DEBT REPAYMENT ABILITY.**

The property development business requires huge capital. The company's policy to boost liquidity is through establishing relationship with several commercial banks. All the projects

under development have won supports from financial institutions. Their offers will be considered so that the company wins the most appropriate cost of fund. The company has also issued unsubordinated and unsecured debentures, with short and long-term maturity depending on requirements, to finance the property development and grow business. (Details in "Securities and Holders") The debentures have been warmly welcomed by investors, thanks to the company's reputation and business track record.

As of 31 December 2019, the consolidated current liabilities totaled Bt14,389 million; including debentures due within 1 year worth Bt7,724 million, long-term loans maturing within 1 year worth Bt436 million, and loans to trade and other creditors worth Bt4,194 million.

As of 31 December 2019, funds committed by creditors but not yet utilized by the Company and subsidiaries were valued at Bt8,699 million. The Group also sits on cash and cash equivalents worth Bt3,869 million, as shown in the annualized financial statements. The amounts are sufficient for the repayment of current liabilities and continuous project development by the Company and subsidiaries.

#### **INTEREST RATE VOLATILITY RISK**

The Company finances project development and operations with borrowings. As such, interest rates carry a significant influence on the funding cost. However, though the applicable rates are floating, the rates are equivalent to minimum loan rates or below. The Company also copes with rate volatility through the issuance of long-term fixed-rate debentures, to partially retire bank loans which are subjected to the higher, floating rates. Short-term bills of exchange are also issued to enjoy low money-market rates. This helps keep the interest expense at an appropriate level.

Interest rates constitute a small impact on buyers' purchasing power, as mortgage loans usually carry long maturity and changes in interest rates slightly affect the monthly payments. Buyers have also paid a part of the price as down payment. In collaboration with commercial banks, the Company also offers special packages for customers. Meanwhile, the Company has a variety of products, at different price levels, to match real buyers' purchasing power. This helps reduced the impacts from interest rate volatility on buyers.

As of 31 December 2019, the consolidated interest-bearing liabilities totaled Bt35,251.67million. Most of them were fixed-rate debentures. In case of an interest rate increase, only project finance loans worth Bt7,614.38 million will post higher interest expenses. The expenses will rise by approximately Bt76 million for every 1 percentage point increase in interest rate.

#### **RISK FROM OBLIGATION TO MAINTAIN THE DEBT TO EQUITY RATIO AT 2.0:1**

Throughout the past years, the Company has ably kept the debt to equity ratio below 2.0:1. As of 31 December 2019, the debt to equity ratio stood at 1.86:1, slightly down from 1.88:1 in 2018.

Property Perfect Public Company Limited's debentures #3/2017, #4/2017, #1/2018 and #2/2018 will mature in 2021. To mature in 2022 are Property Perfect Public Company Limited's debentures #3/2018 and #4/2018. Property Perfect Public Company Limited's debentures #1/2019 Series 1 matured in 2020 while the #1/2019 Series 2 will mature in 2022. Property Perfect Public Company Limited's debentures #2/2019 will mature in 2023 while the #3/2019 issue will mature in 2022. It is specified that the issuer must maintain the net debt to equity ratio at 2.5:1 at the end of each quarter or the end of each accounting year.

\* The net debt refers to the total interest-bearing debt as appeared in the consolidated and audited financial statements. The net debt covers financial obligations and debts that may occur when the issuer guarantees loans or borrow more money for other individuals or juristic entities that are not included in the consolidated financial statements but show in the notes to the consolidated financial statements. The net debt does not cover the obligations related to financial institutions' guarantee forms for land development activities or infrastructure development or other related activities. The net debt is the total amount of outstanding indebtedness minus cash and cash equivalents as appeared in the consolidated financial statements, that encompass bank deposit books pledged with other persons. For the sake of clarity, the net debt does not include trade-related debts, income receivables, obligations related to rental contracts, debts incurring from a change in accounting standards, and zero-interest loans.

#### **GUIDELINES TO CONTROL DEBT TO EQUITY RATIO**

1. Emphasize businesses that generate higher returns such as low-rise development.
2. Speed up the development of purchased land plots or sell the plots which are not supported by clear development plans, to quicken revenue realization.
3. Enhance operational efficiency to meet targets and increase profits and shareholders' equity.

The aforementioned guidelines will increase operating cash flow, which can be used to retire bank loans as well as short-term and long-term debentures. In process, the Company's debt to equity ratio will be maintained at an appropriate level.

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## **5. ACQUISITION-RELATED BUSINESS RISK**

### **RISKS STEMMING FROM THE DIFFERENCE IN NATURE OF BUSINESS OF THE COMPANY AND THAI PROPERTY PLC. AND GRANDE ASSET PLC.**

The Company's main business concerns low-rise and high-rise residential property development while Thai Property and Grande Asset's business concerns rental office buildings and hotel management which carries different risks. As such, the post-acquisition performance depends on economic conditions, various residential demands, and competitiveness of the Company and other developers specialized in the respective areas.

As the acquisition was completed, the Group underwent business restructuring. The Company will take the lead in developing low-rise and high-rise property projects for sale and We Retail Public Company Limited will lead in the development of shopping malls and office buildings for rent. Meanwhile, Grande Asset Hotels and Property Public Company Limited will lead in the development and operation of hotels and the development of upper-market property for sale primarily on land adjacent to its hotels as hotels' facilities may be used to promote the projects.

There is no significant change in the Group's business as the restructuring was primarily aimed at highlighting the Group's specialization and maximizing all business units' capabilities. The Company has already appointed its representatives to the Board of Directors of Thai Property and Grande Asset and voluntarily delisted Thai Property from the Stock Exchange of Thailand on 9 December 2016.

### **RISK FROM ENLARGED HOTEL PORTFOLIO**

After the acquisition, the Group welcomed more hotel management subsidiaries and this may incur risks including volatile revenue and profits following economic uncertainties in Thailand and in the global scale. Focusing on 4 and 5-star properties, the hotel business also faces fierce competition. To cope with economic uncertainties, the subsidiaries stepped up marketing campaigns to attract more foreign customers and penetrating new markets like Japan, Singapore, the United States and China. The Group has also witnessed a slower growth rate in new hotel launches in the inner areas of Bangkok and on Sukhumvit Road, as investment returns dwindle. The situation is expected to alleviate the risk from revenue and profit volatility.

At the 2/2019 meeting on 27 February 2020, the Board of Directors with the presence of all 5 independent directors assessed the Company's internal control against the Office of the SEC's internal control sufficiency assessment procedure. After asking the Management questions, approving the assessment plan prepared by the Management, and reviewing the Audit Committee's report, the Board concluded that the Company's internal control in 5 aspects — organizational control, risk assessment, operational control, ICT and communications, and monitoring process — was sufficient and appropriate. Control officers were appointed to ensure effective compliance. Meanwhile, there was a process to prevent the misuse of the Company's and subsidiaries' assets or transactions with the parties that may have conflicts of interest. Meanwhile, the auditor did not mention any significant flaws in the internal control system that may harm the business. Details of the internal control in the 5 aspects are as follows:

### 1) INTERNAL CONTROL

The Company's environment and organizational structure is supportive to internal control, with the Board of Directors guiding the Company towards a clear business path and appointing individuals to take charge of internal control.

### 2) RISK ASSESSMENT

The Risk Management Committee is tasked to formulate the risk management structure, policy and framework as well as the risk management plan, a review and monitoring. The Board will be consistently updated.

### 3) OPERATION-LEVEL CONTROL

The Company's control measures are appropriate for the organizational risks. Written measures exist to appropriately cover operations: for example, the policy and guidelines on financial transactions, procurement and management in general; and concise specification of role and authority of executives in each level. To prevent corruption, the authority over project approval, accounting and treasury is segregated,

to allow cross evaluation. System assessment is conducted by the Internal Control unit, assigned directly by the Board of Directors to review the internal-control performance. Compliance to recommendations from the Internal Control unit and auditors are monitored. There is also a policy to ensure that transactions by major shareholders, directors, executives and //individuals related to them follow the prescribed process, for the Company's maximum benefits.

### 4) INFORMATION AND COMMUNICATION SYSTEM

The Company ensures the Board of Directors has sufficient information for their decision-making process: the Board can access information necessary for their task. It also ensures efficient internal communications system, supportive to internal control. The Investor Relations department is established to communicate with external stakeholders.

### 5) MONITORING SYSTEM

The Company monitors and appraises the internal control, to ensure complete and appropriate control. Control flaws are timely reported to responsible individuals, high-ranking executives, the Board of Directors and the Risk Management Committee, for timely corrections.

Notably, no significant internal control flaw, which may cause damage to the Company, was mentioned in the auditor's note.

### PROMPT EVALUATION AND REPORT ON INTERNAL CONTROL DISCREPANCIES TO RESPONSIBLE PERSONS, HIGH-LEVEL EXECUTIVES AND THE BOARD OF DIRECTORS

The Audit Committee at the 5/2019 meeting on 17 December 2019 agreed to extend Ms. Duangporn Rermyindee, Assistant Chief Audit officer, 's term as the Company's internal audit head thanks to her educational background, internal audit experience and thorough understanding in the Company's business. Under the Company's guideline, the appointment, dismissal and transfer of the internal audit head must be endorsed by the Audit Committee.



## 1. OVERALL POLICY

### POLICY AND GOOD GOVERNANCE

Property Perfect Public Company Limited operates the property development business, focusing on properties for sale and rent. The emphasis is placed on good governance practices, which take into account stakeholders ranging from consumers, shareholders, employees and suppliers to communities, society and the environment. To ensure that its businesses properly follow the standard of practices and to avoid the impact on community and environment, the Company has strictly adhered to the 3 business principles which include:

1. Integrity and accountability based on professionalism of its employees at every level.
2. Transparency in business operation and Good Internal Control System.
3. Creation of long-term value to all stakeholders and Fiduciary Duties towards Stakeholders.

### THE ROLES OF THE BOARD OF DIRECTORS

Every member of the Board of Directors must have strong leadership and be able to control the management team effectively, ensuring that they can deliver the fair return to the shareholders and all stakeholders. The Board of Directors will work with the management team to define the Company's vision, mission, and corporate value for everyone to follow. The Board of Directors has the responsibilities to comply by the Company's ethics and laws as well as the stakeholders; and they should perform their duties with integrity and express their opinions freely. Their roles also include the improvement of the Company's business guidelines making sure they are in line with the new Code of Conduct principles as defined by the Stock Exchange of Thailand for the listed companies in the Real Estate and Construction sector, taking into account to incorporate CSR Best Practices in the implementation of Social and Environmental Responsibility of the Company.

### BUSINESS VISION

The Company's vision is to become a leading property development enterprise which ceaselessly strives to satisfy customers in all stages of life, community, partners, shareholders and employees through emphasis on quality of life in perfect environment.

### MISSION

1. Develop modern products and services in potential locations for timely and continually response to new living concepts.
2. Strengthen financial position to ensure sustainable development for the organization and stakeholders.
3. Foster management excellence through a team of professionals and standard operating system.
4. Enhance satisfaction on products and services through better environment, quality of life and ability to address needs in different stages of life.
5. Promote reputation and pride with responsible and ethical business principles, taking into account the benefits and impacts of relevant parts of society.

### THE ROLES OF STAKEHOLDERS

In doing the property development business, the projects would affect several stakeholders especially the surrounding communities. In this regard, the Company would conduct studies and analysis, as well as prepare the Environmental Impact Report for the projects that are likely to affect the community, with regards to the environmental quality, natural resources and health hazards as required by the Ministry of Environment and Natural Resources. The Company recognizes the importance of all stakeholder groups whether they are internal stakeholders such as shareholders and employees; or external stakeholders such as customers, competitors, creditors (financial institutes, bondholders), business partners (product distributors, contractors and business partners),

the government and other relevant agencies including those involved with communities, society and environment. The Company has tried to pursue the fair policies that are appropriate to each of the stakeholder groups as follow:

### **SHAREHOLDERS**

The Company is committed to delivering reasonable and fair compensation to the shareholders, while also focusing on the improvement and development of the business operations to achieve sustainable growth. The Company recognizes the importance of transparency in the disclosure of information to shareholders, keeping in mind that it must always be accurate, complete and timely and can be available through various channels including through electronic media of the Stock Exchange of Thailand, the Company's website, the announcement on the newspaper, press releases and written newsletters.

### **EMPLOYEES**

The Company realizes the importance of employees, which is the major driving force of a business organization. Therefore, the Company is committed to strengthening the relationships between the Company and the employees as to create unity among each other. This is achieved through various activities such as developing human resources training policy and ensuring that employees get fair compensation and welfare concretely and continuously. Orientation for new employees are organized on a monthly basis as to equip them with the proper knowledge, skills, and understandings about the corporate culture so that they are able to adjust themselves to the working environment quickly. The new employees will be provided with the clear job description, on-the-job training (OJT) and the opportunity to attend the workshops of both within and outside the business units which are the platform for them to share and exchange knowledge, experience, and other information such as economic and social issues or other and relevant innovation.

The Company focuses on fostering relationships among employees through the team building activities so that they get to know colleagues from other departments and be able to work together smoothly and efficiently. The activities will be held every year and there are also other events such as New Year Staff Party to establish good relationships between the management and employees.

The compensation plan is justified by the Remuneration Committee in order to provide fair compensation for the employees. They also have the duty to consider appropriate staff promotion considering the ability of each individual, making sure that it is in accordance with the career path. Employees' welfare and rights are clearly emphasized to keep employees happy, both physically and mentally, so that they feel motivated to work at full capacity. Welfare include the public holidays, social security, compensation fund, the right for annual leave, sick leave, vacation leave, maternity leave, ordination leave, leave for sterilization, military training leave, leave for training, health and life insurance, health insurance for OPD, provident fund, and scholarships. For employees who want to buy a residential house or unit managed by the Company, they will also get special discount as an employee. They are also allowed to use the Sport Club of each project for exercise to keep their health fit and strong.

The Company provides the opportunity to both executives and employees to share their opinion through various internal communication channels such as the Intranet and newsletter to create a better understanding among every employee. There are also workshops where staff can offer and exchange ideas directly with management on organizational development issues. The workshop is quite an effective two-way communication which has received satisfactory response from the employees. During the workshops, the primary information will be communicated directly and accurately to create better understandings among employees.

In the near future, the Company plans to provide more communication channels for employees to share their ideas and opinion, especially those who are working at the project sites who may not easily access to the existing channels. The attempt is to keep them informed of the changing business situation amidst the high competition. For instance:

- People media: Those who are involved with the business plans will be required to visit sites on a monthly basis as to get comments and opinion and also to update the information for staff in each project such as updates on the Company's new rules, news updates, updates on economic, social or legal trends so that they are able to keep abreast of the changing situation.
- Create communication channel via Social Network through which Human Resources Department will have to propose the Company's year-plan activities and then communicate to employees via these channels.
- Communicate through social activities. In the future, the Company has set the plans to encourage employees to do more social activities. It will be a good opportunity for employees to meet and share ideas or information for future development of the organization.
- Provide educational opportunities for employees to study further in the field related the Company's business, so that they can apply new knowledge, experience and skills for future use in the business development.
- Provide more learning tools for human resources development, apart from classroom or in-house training within the organization. Open opportunities for employees to further studies as to acquire new experience, learn of new technology, innovation, or new techniques and integrate them in the jobs under their responsibility.
- Keep on improving the compensation management plans in accordance with the changing economic situation, cost of living and the inflation rates so that employees have sufficient income for living.
- Keep on improving the welfare scheme in accordance with the changing economic and social situation to ensure of the work-life balance of the employees.

## CUSTOMERS

The Company focuses on producing quality products and services with the standards that meet customer satisfaction. We also place an emphasis on ethics in practice by servicing customers with good care, great responsibility, quality standard of services as well as providing solutions, and handling customer complaints or suggestions as quickly as possible. Products and services information will be accurately provided to customers.. Customers are categorized as follows:

- **Customers Visiting at Site** The Company put emphasis on the customers visiting the project by providing up-to-date information about the project's progress, innovation, or new movement about the project for customers. We also follow up with customers, providing them with updated information, inviting them to revisit the sites any time when the Company organize any activities or launching new products. We keep in touch with customers using communication channels that does not interfere with customers such as SMS or E-mail and so on.
- **Customers who are residents of the project.** The Company places emphasis on customer care. For those who buy residential units in any of the Company's projects, they will get consultation in every process starting from the process of buying to getting bank loans, and product delivery processes. The Company will keep customers informed of the project's progress as well as provide consultation on the ownership transfer for a house / a condominium / or a property. In case, the Company cannot meet the agreement, the customers will be informed and the terms will be jointly resettled. In case customers have any particular needs that would benefit to the general public, the Company will provide the solutions that meet the utmost satisfaction of customers and the public.

The Company also takes into account the customer's care in every project and tries to build good relationships between each other. Therefore, the Company has come up with idea to create the quality society under the 'Happy Living' concept through which the Company will organize activities continuously throughout the year. This is to emphasize the creation of livable communities, for the better quality of living. The priority is to provide useful information for customers. We have the well-trained staff team who would collaborate with other property projects to get useful information regarding the living and services that would benefit residential members. Activities are considered an essential part which provide the opportunities for the project owner and customers to interact with each other and join to create good activities together. The Company considers it essential to provide complete and accurate information to customers so that they can get updated of any movement. We also have the policy to provide the channel through which customers can express and share their opinion or tell about their needs so we can develop the management system according to their preferences. This is to create the better understandings among each other and develop the services further for sustainable growth in the future.

### COMPETITORS

The Company strictly complies by the rules and regulations of the business competition, by adhering to the fairness and transparency in doing business, supporting the ideas of free and fair competition, avoid entering into any contract agreement that would lead to unfair competition or trade monopoly, base the business on the reaping mutual benefits of both parties, avoid searching for or interfering into the trade secrets of the competitors and will not destroy reputation by using any form of accusations towards business competitors.

### CREDITORS

The Company would strictly follows the conditions and contract agreements made with the creditors and bond holders. The financial report of the Company will be updated to creditors accurately and timely with transparency, without concealing any information that will cause any damages to the creditors. The Company has issued the bond according to the requirements

of the Securities and Exchange Commission and strictly complied with the policies and resolutions of the shareholders' meetings. If the Company cannot fulfill its obligations in the contract, it will immediately inform or disclose the information to seek out solutions and measures to prevent any damages that may occur. Creditors are categorized as follows:

- **Partners:** The Company would inquire about the product information and prices from the partners prior to making any purchasing or hiring orders, and will always join them in doing activities. At present, the business relationships has been smooth and we will continue using their products and services in the future.
- **Contract Partners:** The Company would follow up the projects' progress, site development as well as inquire about the problems and obstacles every time after issuing the hiring contract and after receiving complaints from customers. At present, the business relationships has been smooth and we will continue using their products and services in the future.

### DISTRIBUTORS

In sourcing suppliers, the Company will inform the rules, opportunity, timing, information and accurate and complete data to all the suppliers entering the bidding process fairly and equally. This is to ensure that the sourcing process will be treated with transparency, fairness and honesty without any intervention from any influential body. Meanwhile, information obtained from bidding suppliers will be kept confidential without disclosing any figures or technical information of one supplier to another for any short-term benefits. Careful action will be placed on anyone who act as a broker for information or sourcing suppliers. The operations of this process complies with the ISO 9001: 2008 as follows.

- **Vendor Selection Process:** The Company has appointed a working group to consider the procurement and suppliers sourcing processes. The working group also holds responsibility in gathering of information for further consideration such as the legal entity registration documents, the certificate of product quality, the certificate of product standards, products details, and the payment conditions and so on.

- **Price Checking System:** The procurement working group would ask to check the items being purchased. The purchased items must already be listed in the suppliers' pricing system. In case, the items are not listed in the system to make the price comparison, the procurement will examine the materials, ensuring that they conform to the guidelines of material standards. The pricing comparison will be made among at least three vendors.
- **Special Method:** The procurement working committee will examine the completeness and accuracy of the documents or inform to the vendors to get requirements and conditions for bidding proposal. After the vendors has proposed the price, the procurement working committee will then bargain or consider the proposed prices with the budget. After the consideration process is finalized, then comes the process to ask for hiring approval and purchasing orders approval according to the process set forth by the Company.
- **Vendor Assessment:** The Company will have the construction administration and controllers to monitor and assess the suppliers. The evaluation process will be conducted after the project delivery and the assessment will be made once every six months.

Aside from that, the Company also hold the meetings or make phone discussion with the suppliers every 3 months on matters related to construction, such as new technology, new materials, or new techniques and also problems in the workplace and solutions to solve the problems.

## CONTRACTORS

The Company will consider selecting suppliers which has proven track records that meet the Company's standard and whose performance is generally accepted. Suppliers are also required to have strong financial status. The procurement process will be operated with transparency, fairness and honesty, without any intervention from any influential body. Every contractor must be approved by the Company's Board

of Directors. The Company will hire the contractors at the fair price under the requirements as specified by the ISO 9001: 2008 as follows:

- **Subcontractor Selection Process:** The Company has a working group for sourcing out contractors and gather information for consideration such as registered capital or loans given from the banks, the number of personnel, 2-year performance, financial limitation and capacity in handling the project. The profile will then be kept in the database of the Company.
- **Bidding Process:** The working group will send the invitation letters or make announcement inviting contractors to enter the bidding process. In the selection process, there must be three contractors join in the bidding. In case of the contractor has proposed the prices but not wanting to join the bidding process which resulted in less than three contractors, the next step of decision whether to call for more contractors to join the bidding process or to continue the selection process will be upto the Company's consideration.
- **Setting of Standard Prices** The working group would calculate the overall value of construction work by multiplying the unit price of the materials and labor. After the standard price is set and approved by the procurement sub-committee, the approved standard prices will be reviewed twice a year.
- **Contractors Evaluation:** The Company has a working group to evaluate the contractor's performance. The evaluation would be conducted after the project delivery and would be summarized once every 6 month.

Aside from that, the Company also has a meeting or make phone calls for discussions with the contractors every 3 months on matters related to construction such as new technology, new materials, migrant workers, techniques or working procedures, problems and solutions during the construction work and so on.



## 2. CSR IN PROCESS

The Company has set a clear vision and mission, taking into account the Corporate Social Responsibility in the process of doing business (CSR in Process). CSR concepts will be applied in the overall business processes. All stakeholders are also engaged in the Company's activities in various business aspects.

### 2.1 FAIR BUSINESS PRACTICES

**Fair Competition:** The Company strictly follows the rules and regulations of business competition, based on fairness and transparency under legal frameworks. This include the support of free trade, avoid entering in the contracts that would lead to unfair competition or trade monopoly but would base on the mutual benefits of both parties, avoid searching for or interfering with trade secrets of business competitors by any tactical methods, and will not engage in any activities that would destroy the reputation of the competitors. The Company's business practices are based on the following principles:

1. Avoid any engagement into activities that are likely to cause business conflicts. If there are any conflicts happen, there will be the process to resolve the problems based on fairness, transparency and accuracy in information disclosure.
2. Support the fair and free trade and avoid the any behaviors that lead to conspiracy.
3. Do not support any activities that would violate the intellectual property rights.
4. Do not make any propaganda or release out false information that would lead to misunderstandings and cause damages to consumers.

**CSR promotion in the supply chain:** The Company realizes the importance of all stakeholders — internal ones like shareholders and employees and external ones like customers, competitors, creditors (suppliers and contractors), the government sector and other relevant agencies, as well as society and environment. The Company has attempted to be fair and reasonable to all stakeholders.

### 2.2 ANTI-CORRUPTION

**Anti-corruption policy** The Company has policies to run business with transparency, morality, business ethics, under law enforcement, and with anti-corruption measures as following

1. The Company has clear practices indicating that all staff should treat all subcontractors equally. The practices care for balanced benefits of both based on contract. Act or omit to act which benefits subcontractor is considered a severe offense and severe punishment is expected.
2. The Company communicates throughout directors, executives, and operation staff levels and requires them to work with honesty, under Company's ethics and law enforcement.
3. Human Resources Department, the office of the Secretary, and Internal Audit are assigned to provide staff consultancy to avoid unintentional offense.
4. The Company provides channels to report about behavior which may relate to internal corruption.

Moreover, the Company's internal audit body takes full responsibility to monitor operation, purchase, bidding and price checking process. A subcommittee is assigned to look after purchase and hiring.

## 2.3 DEFENCE OF HUMAN RIGHTS

**Policy and practices** The Company's operation depends on human resources from various areas namely

1. Company's staff namely permanent staff, probationary employees, contract employees and full-time workers.
2. Subcontractors
3. Business partners/builders as well as business partners/builders' employees

The Company realizes importance of all people concerned. Business is based on human right defence and humanity. Company's employees, subcontractors and business partners are well treated respectably, equally, fairly, and with humanity without discrimination on sex, religion, race, culture, disability. The Company respects uniqueness, rights and duty, different opinion regarding politic, society, belief, religion and tradition of each people.

The Company does not support Human rights violation, child labour, illegal labour, human trafficking, illegal alien labour, in all methods. The Company strictly considers law restriction as its standard practices. Nevertheless, staff in all departments lends their hands in monitoring human rights violation. This practices get very good support recently.

Asean Economic Community will lead to flow of foreign labour into Thailand, particularly in real estate business. For better understanding and appropriate practices for full compliance with the laws, the Company is preparing for the change and educates its employees and all people related about regulation, proper practices and law enforcement and amendments such as;

- Act/ Ministerial regulations/ all regulations related to alien labour.
- Act/ Ministerial regulations/ all regulations about job descriptions and professions reserved for Thai nationalities. To ensure compliance to the laws.

**Importance measures about labour's rights:** The Company provides safe workplace for all employee and encourage workable, hygienic environ for workers remains healthy, safe and work happily. The policy is as following.

- Set accurate working hours according to labor laws.
- Set appropriate Overtime, shift, public holiday shift work and wage according to Labour Law.
- Employee has right to take leave according to Labor Law.
- Set a welfare committee to sit as as organization among triple entente to set policy, guideline, and measures about labor welfare.
- Provide safety equipments and tools for construction workers such as safety shoes, helmet at work.
- Provide safety course at workplace to educate workers and raise their safety skill.

## 2.4 FAIR LABOR TREATMENT

**Employment and labor relations** The Company has policy on fair employment, by determining wage structure in accordance with positions/ work types/ responsibilities, as well as each employee's professional background. In addition, the Company has designated the remuneration committee to identify appropriate payment which should be paid to employees and set out criteria for promotion decision on the fair basis for all. In terms of labor relations, the Company has designated the business welfare committee to take part in setting out policies, guidance, and measures regarding labor welfare. In this regard, appropriate welfares for all employees have been clearly set out, such as traditional holidays/social security/ compensation fund/ sick leave - errand leave - maternity leave - ordination leave — sterilization leave — military leave — training leave/ health insurance / medical fees for OPD patient / provident fund. When a newly recruited employee commences his/her employment, orientation will be arranged to create correct understanding on rights and welfares which he/she will receive, as well as to introduce information for a new employee to adapt him/herself to the organization as fast as possible. For employees working in each sector,

the Company always provides training to enhance their knowledge, skills, and experiences based on their work and duty requirements so they can perform their work with efficiency and effectiveness to achieve the desired goals. In addition, during business performance, the Company also communicates information, news, and activities within the organization through intranet and open opportunities to hear from employees. The Company opens to employees' suggestion in order to improve wage payment, welfare, and working conditions to enhance employees' quality of life.

## 2.5 RESPONSIBILITY TO CONSUMERS

The Company attempts to develop real estates to meet quality standard by focusing on standardization of design and construction monitoring to meet with customers' satisfaction. This is considered as guidance for determining ISO 9001:2008 standard which covers business performance of real estate development typed land and household construction, emphasizing on the housing and condominium development in Bangkok Metropolis and its suburb areas, including from construction design, construction monitoring, contractor monitoring, machineries, sales processes, procurement, quality control, to products delivery to customers and after-sales services. This is to ensure the customers with quality standard products and services.

The Company's works under the set policy determine responsibilities for each department under the ISO 9001:2015 standard as follows:-

- Human Resource Department: To provide training to employees subject to the determined annual work plan.
- Construction Management Department: To enhance the efficiency of procurement and contractor/ hired people hiring, as well as to control costs and time of construction.
- Sales Management Department: To enhance works related to sales.
- Design Department: To enhance efficiency in controlling and allocating construction layout, and to reduce errors of layout.

- Project Administration Department: To deliver house within the timeline, to reduce errors of construction, and to maximize customers' satisfaction.
- Site Office Department: To provide infrastructures and public assistance on site.
- PF Service Department: To provide repairing services and to deliver repaired works with quality to customers.

The Company received ISO 9001:2008 for horizontal housing development project on 9 Dec 2016, for the period of 3 years, which requires surveillance audit annually.

The emphasis on continual product and service improvement is maintained.

During the great flood in 2011, Construction Management Department assisted employees and residents encountering flood by providing temporary accommodations, assisting in properties relocation, supporting utilities and foods required for survival during the flooding crisis, as well as fixing the conditions of houses in the project affected by flood with full efforts.

In 2014, Construction Management Department had a plan to organize an event by inviting suppliers who are trading partners of the Company to educate residents of Property Perfect PLC.'s projects on products and to sell products at the lower prices than market prices. This could help reduce residents' expenses during the high-cost of living period. There was also the demonstration on D.I.Y. house repair for all residents to further apply it themselves.

In addition, the Company recognizes the importance on the Code of Conduct, by providing care and responsibility to all residents through quality and standard after-sales services to satisfy the residents. The Company also opens channels for residents to share their comments, thoughts, and to report their wishes and problems of the project for better management. This is also to create good understanding and to develop the organization further.

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## 2.6 ENVIRONMENTAL CONSERVATION

Extreme concerns are placed for the environment, reflected the environment management inside development projects and surrounding communities. This results in the quality of life of the projects' dwellers and those living in surrounding communities as well as the general public. Environmental Impact Assessment is conducted for the projects which may cause impacts on community, aside from studies and researches on environmental and health impacts, as required by the Natural Resources and Environment Ministry. The Company also focuses on energy conservation, as reflecting through the designing process, the use of appropriate and environmental-friendly construction materials. Aside from enhancing the quality of life, this will also reduce energy consumption. Aside from energy-saving home designs, the Company also partners with SCG introducing some of energy-saving materials in development projects such as cooling roof tiles.

These practices allowed the Company to win awards. As appear in Marketing and Competition: Environment impact Assessment section.

As the Company emphasis on environment was strengthened. The "Eco Cool" innovation was launched, to offer energy-saving and environmental-friendly benefits achieved by the Eco Design and the use of heat-insulating as well as artificial materials. In collaboration with SCG, the Active AIRflow technology was introduced to increase air ventilation, resulting in cooler air and 16-20% cut in annual air-conditioning bills. Central areas of the development projects were also designed to incorporate the Green Bike Lane. A bike parking lot was provided to ensure safety. From one end to the other of the bike lane, safety signage was installed.

## 2.7 COMMUNITY AND SOCIAL DEVELOPMENT CONTRIBUTIONS TO COMMUNITIES AND SOCIETY

The Company has a policy on continuous social contribution, in particular the Company's recognition on the quality of life improvement of nearby communities on regular and continuous basis. The Company's community and social development projects are as follows:

Environmental conservation such as inspection of water treatment ponds on a monthly basis, the outsourcing of the inspection of water quality in the treatment ponds every 6 months and coordinate with related agencies in cleaning weed in public canals near housing projects.

Infrastructure construction and maintenance including the road pavement and CCTV setting for greater transport convenience of Project residents and dwellers in nearby community.

Community health projects including the quarterly "Waste Recycle", aimed at turning waste into money and reducing household waste volume.

Digital network installation. Internet service becomes a basic part of housing-estate infrastructure and can be a means to enhance daily convenience. The Company joined hand with AIS in introducing "Perfect Digital Village", turning Property Perfect into the first Thai developer that offers high-speed fibre optic linkage to houses and condominium units. Free Super WiFi or WiFi services were also available at central areas.

## 2.8 DISTRIBUTION OF CSR INNOVATIONS

The Company has applied CSR concept in the process and experiences gained in the process have been improved and turned into innovations which could benefit both the operations and society as a whole. Such innovations include the project planning, development and management which takes into consideration social and environmental impacts. Business innovations cultivated through experience and technology are also applied to mitigate and cope with possible problems. The innovations to benefit society and environment are as following examples.

- Alternative energy is being deployed. Solar panels have been installed at Krungthep Kreetha's office and on the rooftops of the sports clubs in projects in Sukhumvit 77 and Suvannabhumi areas; automatic Smart Street Lighting have been installed; and CCTV at projects in Sukhumvit 77 and Suvannabhumi areas are operated by solar power. The Company entered into a memorandum of understanding with the Electricity Generating Authority of Thailand (EGAT) for participation in the Energy Regulatory Commission Sandbox Project (ERC Sandbox), designed to study and develop an energy service model in support of the national energy security. Projects in Chaeng Wattana area are now covered by the project.
- Energy conservation under Green Environment (Happy with Friendly Environment) concept, which is happiness from living in a house close to nature, surrounded by good environment, with more central spaces, including resting park and wide lake providing chilling breeze and fresh air, covering the selection of energy-saving and environmental-friendly materials, such as cool innovation roof by SCG, CPAC Monier tiles with air ventilation system under roof, heat-reduction eaves, light-filtered green mirror, gypsum sheets with anti-heating foil, and the use of alternative materials to help maintain good environment, such as Laminate wood floor which is strength but beautiful like real wood, and aluminum frames which are endure and neat.

## 3. CSR AFTER PROCESS

The Company deeply recognizes our social duties and responsibilities relating to core processes of our business, in particular supporting social projects and activities on continuous basis with an aim to contribute or development and payback to the society with social activities. These works have been performed continuously.

In 2019, greater emphasis was placed on environmental activities. Environmental Conservation Volunteer Activity was hosted, bringing together the Company's executives, employees, Property Perfect's customers and Pak Nam Pran Buri Community members. In kayak, they collected garbage along Pran Buri River in Prachuab Khiri Khan Province, hoping to raise awareness and cooperation in conserving Thailand's mangrove forests chiefly among communities. Garbage weighing 250 kg was collected. Meanwhile, the Company and Pak Nam Pran Buri Community initiated a kayak ecotourism activity, to encourage community members in conserving the marine environment which will create jobs for local people. The Company supported Bangkok Metropolitan Administration's tree plantation under the "1 Province 1 Chalermphrakiat Road" Project in commemorating the royal coronation ceremony. Srinakarin-Romklao Road was designated as Bangkok's Chalermphrakiat Road, where Yellow Star (Ruang Phueng) trees — the symbol of King Maha Vajiralongkorn's reign — were planted along the re-landscaped road. As a developer that develops projects along the road, the Company donated Yellow Star trees. In addition, the Company and 30 organizational partners organized "Ruang Phueng Run", to celebrate the newly-decorated road and promote good health. Partial proceeds from the charity run financed the purchase of medical equipment for BMA-owned Sirindhorn Hospital. The Company hosted "Perfect Happy Giving-One giver for many" activity, whereby project customers could donate blood at clubhouses for the Thai Red Cross Society. The Company announced the policy to reduce plastic use. Under this policy, the volume of drinking water bottles was cut, while plastic straws were replaced by natural products. There was a campaign against single-use plastic bottles. Employees and customers were encouraged to use cloth bags instead of plastic bags and to sort waste. Waste bins serving the sorting were located at club houses. These campaigns were implemented throughout 2019.



## 4. CORRUPTION PREVENTION MEASURES

The Company set out policy to work with transparency, morality, under laws and the Company's code of conduct. As for the Company's set business ethics, all employees are prohibited from asking for any property or benefit from trading partners, contractors, or any relevant person, and are prohibited from using the Company's properties or name or position for personal benefits. All executives and employees should avoid receiving gifts from trading partners or contractors unless such gift is given in accordance with tradition and with reasonable value which should not higher than normal. The Company considers corruption probabilities and evaluates risks. To achieve the corporate goals, the Company thoroughly reviews business objectives to ensure the possibility and reasonable returns. Employees are encouraged to avoid inappropriate acts. Executives are scrutinized by the Independent Committee on corruption probabilities and preventive measures.

### PRACTICES UNDER THE POLICY ON THE PREVENTION OF CORRUPTION INVOLVEMENT

The Company set out practices for all employees to comply with against all contractors on the basis of fairness, based on mutual and fair interests of both sides, under trading agreement made. In addition, the Company does not allow any action or inaction which can provide benefits to the contractor. In case of breaching, the Company will consider as serious commit which will result in high level of punishment. There are activities conducted to prevent corruption involvement as follows:-

- The Company communicates policies throughout the Company, including directors, executives, and employees, requesting operations with honesty, strictly under laws, and following the Company's ethics.
- Assign HR Department, the Company's Secretariat, and Internal Audit Department to provide consultation for employees to prevent unintentional wrongdoings.
- The Company provides reporting channels regarding the suspected occurrence of corruption matters within the Company.

- Provision of cooperation to internal auditors and third party auditors: Personnel at all levels is required to provide fully support and complete information to Internal Audit Department and the Company's auditor in charge of auditing and assessing processes, procedures, and system of internal control whether they are sufficient, effective, and able to completely satisfy the desired targets.

### FOLLOW UP AND EVALUATION OF THE POLICY ON THE PREVENTION OF CORRUPTION INVOLVEMENT

The Company follows and assesses the Policy on the Prevention of Corruption Involvement whereas there are several units providing business monitoring on regular basis, including the auditing committee, Internal Audit Department, HR Department, and the Company's Secretariat. The Company expects everyone to report faithfully on any performance which breaches or may breach the desired principles, directly to the supervisor. In case that it is impossible to report to the supervisor, you may receive advice from the Company's Secretariat, Internal Audit Department, or HR Department. All information reported will be treated confidentially. The supervisor also has a duty to monitor and provide suggestions to his/her subordinates on the basis of hierarchy to comply with the Company's policy and code of conduct within the desired principles on regular basis.

### CODE OF CONDUCT

The Board of Directors has the "Code of Conduct" in place, covering relevant rules, policies and guidelines on treatments of stakeholders. All employees are required to follow the Code of Conduct, which is deemed a part of the regulations on employees. It is published for the acknowledgement of all employees and on the Company's website: [www.pf.co.th/ir](http://www.pf.co.th/ir)



### OVERALL GROUP BUSINESS

The Group of Companies' business and revenue is grouped in 3 main categories as follows:

#### (1) PROPERTY DEVELOPMENT BUSINESS

Property development is the primary business of the Group of Companies. A variety of projects are developed under various brands. By type, they can be categorized into 3 groups.

- Single detached house, duplex house and townhouse (low-rise): The group has developed single detached house and townhouse projects under various brands like Perfect Masterpiece, perfect Residence, Perfect Place, Perfect Park, Modi Villa, The Metro, Modi Villa (Townhome), Bella Del Monte and Lake Legend
- Condominium (low-rise and high-rise): The group has developed low-rise condominiums (with height no more than 8 floors) and high-rise condominiums, with focus on high-potential locations near electric train routes, communities and transport networks. The brands include Hyde, The Sky, Metro Sky, Metro Luxe, The Lake, iCondo, Bella Costa and YU Kiroro in Japan.
- Land bank: The Company's policy is to buy land for project development, However, the Company may consider selling some land plots that show no development potential or land plots near existing projects which do not match the group's future development plans, contains inappropriate shapes or shows no commercial value.

#### (2) HOTEL AND RESORT BUSINESS

The Group earned income from a hotel business following the investment in Kiroro ski resort in the fourth quarter of 2012. The ski resort in Akaigawa Village, Hokkaido, Japan boasts one of the best snow in Japan. The resort is located in a beautiful scenery, making it perfect for tourism in all seasons. Akaigawa Village is renowned as the second most beautiful village in Japan

The portfolio expanded after the acquisition of Thai Property Public Company Limited in June 2015, which owned 3 hotel properties — The Westin Grand Sukhumvit, Sheraton Huahin Resort and Spa and Sheraton Huahin Pranburi Villa. Hyatt Regency Bangkok Sukhumvit is now open.

On 25 April 2019, the Group acquired Royal Orchid which owns Royal Orchid Sheraton Hotel Bangkok. Located on the east bank of the Chao Phraya River, all 726 rooms of this property have the river view. The downtown location also promises convenient access to tourist destinations in Bangkok.

#### (3) RETAIL BUSINESS

The Group operates shopping malls, office buildings and commercial space. We Retail Co., Ltd. has developed and opened community mall, Metro West Town, on Kanlapaphruek Road. On March 2016, We Retail bought a stake in All Discount Co., Ltd., which operates 19 "All-D" discount stores in suburban areas including Bang Phli, Navanakorn Suksawat, Lat Krabang, Chalongsak, Sukhumvit, Nonthaburi and Bang Khunthien. All-D is planned to become part of "Blue Flag" shops.

### SUMMARY OF PAST PERFORMANCE

The Company and subsidiaries continuously launched development projects in line with growing demand in Thailand. In 2017, the consolidated revenue stood at Bt16,735.47 million: Bt13,445.77 million from the real estate development business; Bt2,323.28 million from the hotel business; Bt413.89 million from rents and service fees; Bt1,225.45 million from sale of land; other gains worth Bt211.81 million comprised Bt104.80 million from the sale of land purchase rights and Bt107.01 million from investment in joint ventures; and Bt340.73 million from other businesses. The consolidated cost of the real estate development business was registered at Bt8,875.44 million, while that of the hotel business, rents and service business and the construction business was Bt1,605.83 million, Bt366.09 million and Bt39.11 million, generating the gross profit margins of 33.99%, 30.88%, 4.02% and -20.45%, respectively. The consolidated net profit was Bt474.55 million or 2.84% in net profit margin.

In 2018, the consolidated revenue totaled Bt19,647.02 million: Bt15,586.56 million from real estate development business; Bt2,914.76 million from hotel business; Bt496.49 million from rental and service business; Bt1,233.23 million from sale of land; Bt235.39 million gains from transactions priced below fair value; and Bt566.88 million from other items. In the year, the Company and subsidiaries shouldered Bt10,054.94 million in consolidated real estate development cost; Bt2,008.20

million in hotel business operating cost; Bt547.51 million in rental and service cost; The figures translated to 35.49%, 31.10% and -10.28% in gross profit margin, respectively. The consolidated net profit stood at Bt693.51 million, representing 3.53% in net profit margin.

In 2019, the consolidated revenue totaled Bt21,165.27 million: Bt16,367.13 million from property development business; Bt3,669.57 million from hotel business; Bt269.33 million from service and rental fees; Bt2,499.89 million from sale of land;

Bt70.10 million from land purchase rights; and Bt789.14 million from other businesses. On operating costs, the Company and subsidiaries shouldered Bt10,673.09 million from the property development business; Bt2,388.25 million from hotel business; and Bt371.77 million from service and rental business. The figures were translated to 34.79%, 34.92% and minus 38.03% in gross profit margins, respectively. The consolidated earnings were Bt1,010.27 million, or 4.77% in net profit margin including the parent company's Bt.1,137.9 million shareholders' equity, or 5.6% of net profit margin.

## REVENUE

| Consolidated financial statements       | Accounting year ended |               |                  |               |                  |               |
|---|-----------------------|---------------|------------------|---------------|------------------|---------------|
|   | 31 December 2019      |               | 31 December 2018 |               | 31 December 2017 |               |
|   | Million Baht          | %             | Million Baht     | %             | Million Baht     | %             |
| <b>Revenue</b>                          |                       |               |                  |               |                  |               |
| Revenue from sales of land and houses   | 7,726.41              | 36.51         | 8,818.07         | 44.88         | 7,454.71         | 44.54         |
| Revenue from sales of condominium units | 6,140.83              | 29.01         | 5,535.26         | 28.17         | 4,765.61         | 28.48         |
| Revenue from sale of land               | 2,499.89              | 11.81         | 1,233.23         | 6.28          | 1,225.45         | 7.32          |
| Revenue from hotel operations           | 3,669.57              | 17.34         | 2,914.76         | 14.84         | 2,323.28         | 13.88         |
| Revenue from rental and service         | 269.33                | 1.27          | 496.49           | 2.53          | 413.89           | 2.47          |
| <b>Other incomes</b>                    |                       |               |                  |               |                  |               |
| Other Gains (Loss)                      | 70.10                 | 0.33          | 235.39           | 1.20          | 211.81           | 1.27          |
| Others                                  | 789.14                | 3.73          | 413.82           | 2.11          | 340.73           | 3.30          |
| <b>Total revenue</b>                    | <b>21,165.27</b>      | <b>100.00</b> | <b>19,647.02</b> | <b>100.00</b> | <b>16,735.47</b> | <b>100.00</b> |

In 2017, the consolidated revenue totaled Bt16,735.47 million, increasing by Bt1,182.95 million or 7.61% from 2016. The non-consolidated revenue amounted to Bt8,925.77 million, up by Bt708.46 million or 8.62% from a year earlier.

In 2018, the consolidated revenue totaled Bt19,647.02 million, increasing by Bt2,911.55million or 17.40% from 2017. The non-consolidated revenue amounted to Bt12,236.19 million, up by Bt3,310.42 million or 37.09% from the previous year.

In 2019, the consolidated revenue totaled Bt21,165.27 million, increasing by Bt1,518.25 million or 7.72% from 2018. The non-consolidated revenue amounted to Bt10,701.17 million, down by Bt1,535.02 million or 12.54% from the previous year. Details are as follows:

## REVENUE FROM PROPERTY SALES

The Company and subsidiaries book revenue from the sales of land and houses and condominium units in the statement of comprehensive income after unit transfers to buyers.

- **Revenue from land and house sales**

In 2017, the consolidated revenue from land and house sale totaled Bt7,454.71 million or 44.56% of total revenue, an increase of Bt840.68 million or 12.71% from the previous year, thanks to the economic recovery in the third quarter following the property market contraction in the previous four quarters. In 2018, the consolidated revenue from land and house sale amounted to Bt8,818.07 million or 44.88% of total revenue, an increase of Bt1,363.36 million or 18.29% from the previous year, thanks to revenue from new projects launched in 2018. In 2019, the consolidated revenue from land and house sale reached Bt7,726.41 million or 36.51% of total, a decrease by Bt1,091.66 million or 12.37% from 2018. The drop resulted from negative factors chiefly the Bank of Thailand's loan to value measure as well as economic conditions which caused concerns particularly to lower to middle-income earners.

- **Revenue from condominium sales**

In 2017, the consolidated revenue from condominium sale totaled Bt4,765.61 million or 28.48% of total revenue, a decrease of Bt222 million or 4.45% from the previous year. This is because in 2016, 6 projects were completed and ready for delivery on top of 9 ongoing projects while in 2017, the Company reaped revenue from only 3 new projects and 14 ongoing projects.

In 2018, the consolidated revenue from condominium sale reached Bt5,535.26 million or 28.17% of total revenue, an increase by Bt769.65 million or 16.15% from a year earlier. The increase was attributable to the transfer of completed units in existing and new projects to customers.

In 2019, the consolidated revenue from condominium sale reached Bt6,140.83 million or 29.01% of total revenue, an increase by Bt608.57million or 10.99% from a year earlier, thanks to the transfer of units in 3 projects including one in Japan.

- **Revenue from land sales**

In 2017, the consolidated land sales revenue reached Bt1,225.45million or 7.32% of total, up by Bt361.78million or 41.89% from the previous year due to the sale of land plots in Ladphrao and Romkiao areas.

In 2018, the consolidated land sales revenue reached Bt 1,233.23 million or 6.28 % of total, up by Bt7.79million or 0.64% from the previous year

In 2019, the consolidated land sales revenue reached Bt 2,499.89million or 11.81% of total, up by Bt1,266.65 million or 102.71% from the previous year

## REVENUE FROM HOTEL BUSINESS

In 2017, the hotel business overseas generated Bt1,230.16 million in revenue, up by Bt115.22 million or 10.33% from the previous year, while the hotel business in Thailand generated Bt1,093.12 million, an increase of Bt14.11 million or 1.31%. The combined revenue stood at Bt2,323.28 million, an increase of Bt129.33 million from the previous year.

In 2018, revenue from the overseas hotel business totaled Bt1,175.85 million, down by Bt54.31 million or 4.41% from the previous year. Meanwhile, the hotel business in Thailand generated Bt1,738.91 million in revenue, an increase of Bt645.79 million or 59.08%, thanks to the amalgamation of Royal Orchid Sheraton Hotel's Bt595 million revenue following the takeover of Royal Orchid Hotel (Thailand) Public Company Limited in April 2018. The consolidated revenue from the hotel business thus reached Bt2,914.76 million, an increase of Bt591.48 million from the previous year.

In 2019, revenue from the overseas hotel business totaled Bt1,147.64million, down by Bt28.21million or 2.39% from the previous year. Meanwhile, the hotel business in Thailand generated Bt2,521.93million in revenue, an increase of Bt783.02million or 45.02%, thanks to the amalgamation of Royal Orchid Sheraton Hotel's Bt595 million revenue following the takeover of Royal Orchid Hotel (Thailand) Public Company Limited in April 2018. The opening of Hyatt Regency Bangkok Sukhumvit in the fourth quarter of 2018 increased the consolidated revenue from the hotel business in 2019 to Bt3,669.57 million, which increased by Bt754.81 million from the previous year.

## RENTAL AND SERVICE REVENUE

In 2017, the consolidated rental and service fees were registered at Bt413.89 million or 2.47% of total revenue, increase by Bt20.13 million from the previous year.

In 2018, the consolidated rental and service fees were registered at Bt342.71million or1.74% of total revenue, a decrease by Bt38.69million from the previous year.

In 2019, the consolidated rental and service fees totaled Bt269.33million or 1.27% of total, a decrease by Bt227.16million from the previous year following the expiration of an office building rental contract

Bt15,263.06 million, an increase by Bt1,216.90 million or 8.66% from 2016. The non-consolidated cost and expenses stood at Bt7,160.33 million, up by Bt473.08 million or 7.07% from the previous year.

The consolidated cost and expenses in 2018 amounted to Bt17,724.34 million, an increase by Bt2,461.28 million or 16.13% from 2017. The non-consolidated cost and expenses totaled Bt9,767.78 million, up by Bt2,607.45 million or 36.42% from the previous year.

The consolidated cost and expenses in 2019 amounted to Bt18,725.26 million, an increase by Bt1,000.92 million or 5.65% from 2018. The non-consolidated cost and expenses totaled Bt7,883.42million, down by Bt1,884.36 million or 19.29% from the previous year. Details are as follows

## COST AND EXPENSES RELATED TO SALES, ADMINISTRATION AND OTHERS

The consolidated cost and expenses in 2017 totaled

## COST AND GROSS EARNINGS

| Consolidated financial statements | Accounting year ended |               |                  |               |                  |               |
|-----------------------------------|-----------------------|---------------|------------------|---------------|------------------|---------------|
|                                   | 31 December 2019      |               | 31 December 2018 |               | 31 December 2017 |               |
|                                   | Million Baht          | %             | Million Baht     | %             | Million Baht     | %             |
| <b>Cost and expenses</b>          |                       |               |                  |               |                  |               |
| Cost of land and house sales      | 5,280.23              | 39.31         | 5,869.94         | 46.55         | 4,870.69         | 44.74         |
| Cost of condominium sales         | 4,109.05              | 30.59         | 3,525.41         | 27.96         | 3,097.17         | 28.45         |
| Cost of land sales                | 1,283.81              | 9.56          | 659.59           | 5.23          | 907.58           | 8.34          |
| Hotel operating cost              | 2,388.25              | 17.78         | 2,008.20         | 15.92         | 1,605.83         | 14.75         |
| Rental and service cost           | 371.77                | 2.76          | 547.51           | 4.34          | 366.09           | 3.36          |
| Construction service cost         | -                     | -             | -                | -             | 39.11            | 0.36          |
| <b>Total</b>                      | <b>13,433.11</b>      | <b>100.00</b> | <b>12,610.65</b> | <b>100.00</b> | <b>10,886.47</b> | <b>100.00</b> |

## COST OF LAND AND HOUSE SALES

The cost of land and house sales reflects the net cost, after provisions against the falling project value. It consists of the value of land; the cost for land development, design, infrastructure and construction; borrowing cost; and others.

In 2017, the consolidated cost of low-rise residential projects stood at Bt4,870.69million, showing an increase of Bt590.03million or 13.78% from the previous year. This is in line with an increase in sale revenue in the same period.

In 2018, the consolidated cost of low-rise residential projects stood at Bt5,869.94 million, showing an increase of Bt999.25 million or 20.52% from the previous year. This is in line with an increase in sale revenue in the same period.

In 2019, the consolidated cost of housing development totaled Bt5,280.23million, showing an increase of Bt589.71million or 10.05% from the previous year. This is in line with an increase in sale revenue in the same period.

## COST OF CONDOMINIUM SALES

In 2017, the consolidated condominium sale cost was Bt3,097.17million, a decrease by Bt68.91million or 2.18% from the previous year, in line with a decrease in condominium sale revenue in the corresponding periods.

In 2018, the consolidated condominium sale cost was Bt3,525.41million, a increase by Bt428.24million or 13.83% from the previous year, in line with a increase in condominium sale revenue in the corresponding periods.



In 2019, the consolidated condominium sale cost was Bt4,109.05million, a increase by Bt583.64 million or 16.56% from the previous year, in line with a increase in condominium sale revenue in the corresponding periods.

### COST OF LAND SALES

In 2017, the consolidated cost totaled Bt907.58 million, up by Bt209.18 million from the previous year.

In 2018, the consolidated cost totaled Bt659.59 million, down by Bt247.99million from the previous year.

In 2019, the consolidated cost totaled Bt1,283.81 million, up by Bt624.22million from the previous year which was proportionate to an increase in land sale.

### GROSS PROFIT AND GROSS PROFIT MARGIN

Based on the consolidated revenue and cost, the gross profit of each business is summarized as follows:

|  | Consolidated financial statements |                  |                  |
|--|-----------------------------------|------------------|------------------|
|  | 31 December 2019                  | 31 December 2018 | 31 December 2017 |
| <b>Real estate development business</b>      |                                   |                  |                  |
| <u>Single detached houses and townhouses</u> |                                   |                  |                  |
| Profit (Million Baht)                        | 2,446.18                          | 2,948.13         | 2,584.01         |
| Gross profit margin (%)                      | 31.66                             | 33.43            | 34.66            |
| <u>Condominiums</u>                          |                                   |                  |                  |
| Profit (Million Baht)                        | 2,031.78                          | 2,009.86         | 1,668.44         |
| Gross profit margin (%)                      | 33.09                             | 36.31            | 35.01            |
| <u>Land bank</u>                             |                                   |                  |                  |
| Profit (Million Baht)                        | 1,216.08                          | 573.64           | 317.87           |
| Gross profit margin (%)                      | 48.65                             | 46.52            | 25.94            |
| <b>Hotel business</b>                        |                                   |                  |                  |
| Profit (Million Baht)                        | 1,281.31                          | 717.45           | 620.31           |
| Gross profit margin (%)                      | 34.92                             | 30.88            | 28.27            |

### SELLING EXPENSES

The Company and subsidiaries' main selling expenses contain the expenses on advertising, public relations, and marketing as well as the transfer fee, special business tax and other expenses as follows.

In 2017, the consolidated sale cost was Bt1,572.44 million or 9.74% of total revenue (excluding other revenues), an increase of Bt265.85 million from the previous year, partly due to an increase in sale revenue which raised the special business tax and the expenses involved with the transfer of completed units and promotional campaigns. The cost increased also because of the fees paid to sale agents overseas.

In 2018, the consolidated sale cost was Bt1,943.70 million or 10.31% of total revenue (excluding other revenues), an increase of Bt371.26million from the previous year, partly

due to an increase in sale revenue which raised the special business tax and the expenses involved with the transfer of completed units and promotional campaigns. The cost increased also because of the fees paid to sale agents overseas.

In 2019, the consolidated sale cost reached Bt1,75364 million or 8.64% of total revenue (excluding other revenues), a decrease by Bt190.06 million from 2018. The decrease was a result of the inclusion of sale discount with revenue in accordance with Thai Financial Reporting Standard (TFRS) 15, which took effect on 1 January 2019.

### ADMINISTRATIVE EXPENSES

Administrative expenses cover salary, utilities expenses, fees, depreciation cost, and other relevant expenses.

In 2017, the consolidated administrative cost stood at Bt2,726.55 million or 16.85% of total revenue (excluding other revenue), an increase of Bt143.06 million from the previous year. The increase was partly due to the launch of new projects which boosted the expenses on staff and others as well as amortization.

In 2018, the consolidated administrative cost stood at Bt3,042.24million or 16.01% of total revenue (excluding other revenue), an increase of Bt315.69million from the previous year. The increase was partly due to the launch of new projects which boosted the expenses on staff and others as well as amortization. The cost rose also because of the acquisition of Royal Orchid Hotel in the second quarter of 2018.

In 2019, the consolidated administrative cost stood at Bt3,390.56million or 16.70% of total revenue (excluding other revenue), an increase of Bt348.32 million from the previous year. The cost increased partially because of the opening of a new hotel in 2018, which fully generated income in 2019

## OTHER EXPENSES

- **Loss from asset sale to REIT**

On 2 October 2017, the Office of Securities and Exchange Commission approved Grand Hospitality Real Estate Investment Trust (GAHREIT).

On 12 October 2017, HONOR (a subsidiary) struck contracts which contained the following key elements:

A) A buy-sale contract involving Sheraton Hua hin Resort and Spa Hotel

HONOR entered into a buy-sell contract worth Bt1,695 million with Bualuang Asset Management Co., Ltd. (BBLAM), which is the trustee of GAHREIT. HONOR received the full payment and transferred the property ownership on 12 October 2017.

B) A buy-sell agreement involving Sheraton Hua Hin Resort and Spa

HONOR entered into a buy-sell contract worth Bt55 million with Bualuang Asset Management Co., Ltd. (BBLAM), which is the trustee of GAHREIT. The value was tax inclusive. HONOR received the full payment and transferred the property ownership on 12 October 2017

The Bt71 million loss from asset sale was booked in the 2017 comprehensive income statement as “Loss from asset sale to REIT”. The cost of the sold asset was equivalent to the book value at Bt1,074 million.

## DETAIL OF THE TRANSACTION:

(Unit: Million Baht)

|  | Consolidated financial statement |
|--|----------------------------------|
| Sell price   | 1,746                            |
| Cost   | (1,074)                          |
| Gain from asset sale                                 | 672                              |
| Minus: sale expensens                                | (109)                            |
| Gain from asset sale                                 | 563                              |
| Minus: asset fair value at the transaction date      | (634)                            |
| Loss from asset sale to GAHREIT on the delivery date | (71)                             |

- **Financial expenses**

During 2017-201, the consolidated financial expenses totaled Bt711.07 million, Bt899.98 million and Bt1,010.27million, respectively. It comprises interest expensesand financial charges.

In 2017, the financial expenses dropped by Bt155.92 million despite increasing project construction. The faulty booking of borrowing cost was amended: the financial cost was effectively booked as the borrowing cost for project development.

In 2018, the consolidated financial cost increased by Bt188.91 million, partly due to continued business expansion.

In 2019, the consolidated financial cost at Bt209.52 million was partially due to the completion of a new condominium building of which interest expenses could not be booked as the project cost.

- **Income tax**

In 2017, the consolidated income taxes dropped by Bt64.85 million from the previous year, in line with a decrease in pre-tax profits. Of total, while income taxes for the accounting year increased by Bt89.15 million, deferred income taxes dropped by Bt154 million.

In 2018, the consolidated income taxes increased by Bt108.72 million from the previous year, in line with a rise in pre-tax profits. Of total, while income taxes for the accounting year increased by Bt214.11 million, deferred income taxes dropped by Bt105.39 million.

In 2019, the consolidated income taxes decreased by Bt8.93 million from the previous year. The consolidated income taxes in the year increased to Bt110.17 million while deferred income taxes went up to Bt119.10 million, in line with the Company's financial performance.

## EARNING BEFORE EXPENSES, TAX, DEPRECIATION AND AMORTIZATION (EBITDA)

Earning before expenses, tax, depreciation and amortization (EBITDA) is calculated from the earnings before expenses, tax, depreciation and amortization.

(Unit: Million Baht)

|   | Consolidated financial statements |          |                |
|---|-----------------------------------|----------|----------------|
|   | 2019                              | 2018     | 2017 (Revised) |
| EBITDA                                  | 3,219.78                          | 2,722.83 | 2,176.67       |
| Net profit                              | 1,010.27                          | 693.51   | 474.55         |
| Shareholders' equity                    | 1,137.92                          | 548.65   | 443.04         |
| Subsidiaries' non-controlling interests | (127.66)                          | 144.86   | 31.51          |

In 2017, the consolidated EBITDA totaled Bt2,176.67million, generating the profit margin of 13.01% of total revenue. The EBITDA decreased by Bt55.11million from 2016.

In 2018, the consolidated EBITDA totaled Bt2,722.83million, generating the profit margin of 13.86% of total revenue. The EBITDA increased by Bt546.16million from 2017.

In 2019, the consolidated EBITDA totaled Bt3,219.78million, generating the profit margin of 15.21% of total revenue. The EBITDA increased by Bt496.95million from 2018.

## NET PROFITS AND NET PROFIT MARGIN

The consolidated net profits during 2017-2019 are as follows:

(Unit: Million Baht)

|   | Consolidated financial statements |        |                |
|---|-----------------------------------|--------|----------------|
|   | 2019                              | 2018   | 2017 (Revised) |
| Net profit                              | 1,010.27                          | 693.51 | 474.55         |
| Shareholders' equity                    | 1,137.92                          | 548.65 | 443.04         |
| Subsidiaries' non-controlling interests | (127.66)                          | 144.86 | 31.51          |
| Gross profit margin (%)                 | 4.77                              | 3.53   | 2.84           |

In 2017, the consolidated net profit was registered at Bt474.55 million, up by Bt142.26 million or 42.81% from the previous year.

In 2018, the consolidated net profit amounted to Bt693.51 million, an increase of Bt218.96 million or 46.14% from the previous year thanks to increasing revenue from the real estate development business. House, condominium and land bank sales went up while the Company gained

Bt235.39 million from the acquisition of Royal Orchid Hotel below fair value.

In 2019, the consolidated net profit amounted to Bt1,010.27 million, an increase of Bt316.76 million or 45.67% from the previous year thanks to increasing revenue from condominium, land bank sales and hotel business went up while the Company gained Bt235.39 million. The increase was partially due to the launch of new projects and a new hotel.

## RETURN ON EQUITY

(Unit: Million Baht)

|   | Consolidated financial statements |           |                |
|---|-----------------------------------|-----------|----------------|
|   | 2019                              | 2018      | 2017 (Revised) |
| Net Profit                              | 1,010.27                          | 693.51    | 474.55         |
| PF shareholders' equity                 | 1,137.92                          | 548.65    | 443.04         |
| Subsidiaries' non-controlling interests | (127.66)                          | 144.86    | 31.51          |
| Paid-up capital                         | 8,667.83                          | 8,667.83  | 8,667.83       |
| Shareholders' equity                    | 15,941.67                         | 15,727.74 | 15,254.98      |
| PF shareholders' equity                 | 13,294.38                         | 12,882.13 | 12,664.85      |
| Subsidiaries' non-controlling interests | 2,647.28                          | 2,845.62  | 2,590.13       |
| ROE (%)                                 | 8.69                              | 4.30      | 3.68           |

In 2017- 2019, the Company and subsidiaries' return on earnings (ROE) stood at 3.68%,4.30% and 8.69%, respectively. ROE moves in line with net profits in the years, as well as the number of paid-up shares following the exercise of warrants and the Company's capital increase during 2017

## CONSOLIDATED FINANCIAL POSITION

Table: Consolidated financial position

(Unit: Million Baht)

|                                  | Assets    | Liabilities | Shareholders' equity |
|----------------------------------|-----------|-------------|----------------------|
| As of 31 December 2019           | 59,064.54 | 43,122.88   | 15,941.66            |
| As of 31 December 2018           | 57,565.55 | 41,837.81   | 15,727.74            |
| As of 31 December 2017 (Revised) | 47,684.49 | 32,429.51   | 15,254.98            |

## ASSETS

As of 31 December 2017, the consolidated assets were valued at Bt47,684.49 million, a decrease by Bt1,105.73 million from the previous year. At the end of 2017, the value of property development projects Bt24,242.74 million, accounted for 50.84% of total assets. The value of land, Bt5,741.99 million and advance land-purchase payments worth B760.15 million or 13.64% of total; 11.15% was buildings and equipment worth Bt5,318.43 million, cash and cash equivalents worth Bt3,887.30 million or 8.28%; 4.77% was investment property worth Bt2,276.13 million; and 3.89% was lease rights worth Bt1,855.41 million.

As of 31 December 2018, the consolidated assets were valued at Bt57,565.55 million, an increase by Bt9,881.07 million from the previous year. At the end of 2018, the value of property development projects amounted to Bt26,563.47 million, accounting for 46.14% of total assets. Following were land, building and equipment worth Bt10,382.25 million or 18.04%. The value of land bank worth Bt6,216.31 million and advance land-purchase payments worth B923.27 million accounted for 12.40% of total assets. Cash and cash equivalents worth Bt4,777.17 million accounted for 8.28%; investment property worth Bt2,112.82 million, 3.67%; and lease rights worth Bt1,687.88 million or 2.93%.

As of 31 December 2019, the consolidated assets were valued at Bt59,064.54 million, an increase by Bt1,498.99 million from the previous year. At the end of 2019, the value of property development projects amounted to Bt26,624.19 million, accounting for 45.08 % of total assets. Following were land, building and equipment worth Bt10,517.68 million or 17.81 %. The value of land bank worth Bt4,848.87 million and advance land-purchase payments worth B696.99 million accounted for 9.39 % of total assets. Cash and cash equivalents worth Bt3,869.21 million accounted for 6.55 %; long-term loans to related entities worth Bt2,665.68 million, 4.51%; investment property worth Bt2,307.02 million, 3.91 %; and lease rights worth Bt1,552.43 million or 2.63%.

### PROJECT DEVELOPMENT COST

The property development cost is booked as the development cost in the financial statements. It will be realized as the selling cost in the statement of comprehensive income once the sold units are transferred.

As of 31 December 2017, the consolidated property development cost was valued at Bt24,242.74 million, down by Bt1,061.00 million from the previous year. The value accounted for 50.84 % of total assets.

As of 31 December 2018, the consolidated property development cost was valued at Bt26,563.47 million, an increased by Bt2,320.73 million from the previous year. The value accounted for 46.14 % of total assets. (Details appeared in Assets for Sale: Operating assets Section). As of 31 December 2019, the consolidated property development cost was valued at Bt26,624.19 million, an increased by Bt60.72 million from the previous year. The value accounted for 45.08 % of total assets. (Details appeared in Assets for Sale: Operating assets Section).

### NET LAND BANK

The net land for development consists of the cost of land, the land development cost, the construction cost, and the interest minus the cost which are booked as selling cost, land transferred for debt restructuring purpose and provisions against possible decreases in land value.

The consolidated land bank was valued at Bt5,741.99 million, Bt6,216.31 million, and Bt4,848.87 million at the end of 2017, 2018 and 2019, respectively. The value in 2017 decreased by Bt879.26 million from the previous year, but in 2018 the value increased by Bt474.32 million. The value in 2019 decreased by Bt1,367.44 million from the previous year. The land bank value during the 3-year period accounted for 12.04%, 10.80% and 8.21% of total assets.

Land bank increases or decreases accordingly to the Company's investment plans. The Company plans to cover a number of locations. The value of land will be booked as the development cost when, for example, the land is cleared or the allocation chart is ready to mark the start of the development process. The Company and subsidiaries have accumulated land bank to support high-rise and low-rise development and some land plots are sold to other developers.

As of 31 December 2017, the net land bank of the Group was valued at Bt5,741.99million, down by Bt879.26million from the previous year partly due to the disposal of some land plots. The value accounted for 12.04% of total assets. At the end of 2018, the net land bank of the Group was valued at Bt6,621.25 million, an increase by Bt474.32 million from the previous year due to the purchase of additional land plots. The net value accounted for 10.08% of total assets.

As of 31 December 2019, the Group's net land bank was valued at Bt4,848.87 million, down by Bt1,367.44 million from the previous year as some land plots were either developed or sold to other investors. The value accounted for 8.21% of total assets. *(Details appeared in Operating Assets: Land Bank Section.)*

#### **ADVANCE PAYMENT FOR LAND PURCHASE**

Advance payment for land purchase is the deposit given to landlords or agents commissioned to accumulate land for the company. Once the land purchase was completed the deposit will be booked as the project development cost or in land bank category.

In 2017, the advance payment reached Bt760.15 million, a decrease by Bt161.10 million from the previous year. The advance payment accounted for 1.59% of total assets.

As of 31 December 2017, the payments contained the following details.

- Advance payment to landlords, worth Bt640.15million, in accordance with sale/purchase agreements, signed by the Company and subsidiaries and landlords.
- Advance payment to agents, worth Bt120.00million, for the land of which sale/purchase agreements were in the signing process.

In 2018, the advance payment reached Bt923.27 million, an increase by Bt163.12 million from the previous year. The advance payment accounted for 1.60% of total assets.

As of 31 December 2018, the payments contained the following details.

- Advance payment to landlords, worth Bt633.27million, in accordance with sale/purchase agreements, signed by the Company and subsidiaries and landlords.
- Advance payment to agents, worth Bt290.00million, for the land of which sale/purchase agreements were in the signing process.

In 2019, the advance payment reached Bt696.99million, a decrease by Bt226.28million from the previous year. The advance payment accounted for 1.18% of total assets.

As of 31 December 2019, the payments contained the following details.

- Advance payment to landlords, worth Bt532.99million, in accordance with sale/purchase agreements, signed by the Company and subsidiaries and landlords.
- Advance payment to agents, worth Bt164.00million, for the land of which sale/purchase agreements were in the signing process.

#### **NET LAND, BUILDING AND EQUIPMENT**

As of 31 December 2017, the net value of land, buildings and equipment totaled Bt5,318.43million, down by Bt1,114.98 million at the end of 2017, or 11.15% of total assets, partly due to the sale of a hotel in Hua Hin to a trust.

As of 31 December 2018, the consolidated net value of land, building and equipment reached Bt10,382.25 million, showing an increase of Bt5,063.82 million from a year earlier due to the acquisition of Royal Orchid Hotel (Thailand) Public Company Limited in April 2018. The net value accounted for 18.04% of total assets. *(Details appeared in Operating Assets: Land, Building and Equipment Section.)*

As of 31 December 2019, the consolidated net value of land, building and equipment reached Bt10,517.68 million, showing an increase of Bt135.43 million at the end of 2018, or 17.81% of total assets, *(Details appeared in Operating Assets: Land, Building and Equipment Section.)*



## CASH AND CASH EQUIVALENTS

As of 31 December 2017, cash and cash equivalents totaled Bt3,887.30 million, up by Bt1,438.47 million from the previous year, or 8.15% of total assets.

As of 31 December 2018, cash and cash equivalents totaled Bt4,777.17 million, up by Bt889.87 million from the previous year, or 8.30% of total assets.

As of 31 December 2019, cash and cash equivalents totaled Bt3,869.21million,down by Bt907.96million from the previous year, or 6.55% of total assets.

*(Details appeared in Analysis of consolidated cash flow Section.)*

## LEASE RIGHTS

As of 31 December 2017, the consolidated leasing rights were valued at Bt1,855.41million, down by Bt169.20million from the previous year, or 3.89% of total assets.

As of 31 December 2018, the consolidated leasing rights were valued at Bt1,687.88million, down by Bt169.53million from the previous year, or 2.93% of total assets.

As of 31 December 2019, the consolidated leasing rights were valued at Bt1,552.43million, down by Bt135.45million from the previous year, or 2.63% of total assets  
(Details appeared in Operating Assets: Lease rights Section.)

## INVESTMENT PROPERTIES

At the end of 2017, the investment properties were valued at Bt2,276.13 million, increased by Bt50.25 million from the previous year, or 4.77 % of total assets, partly due to the sale of a hotel in Hua Hin to a trust.

At the end of 2018, the investment properties were valued at Bt2,112.82million, down by Bt163.31million from the previous year, or 3.67% of total assets. *(Details appeared in Operating Assets: Investment Properties Section.)*

At the end of 2019, the investment properties were valued at Bt2,307.02million, down by Bt194.20million from the previous year, or 3.91% of total assets. *(Details appeared in Operating Assets: Investment Properties Section.)*

## INVESTMENT IN JOINT VENTURES

Equity investment in joint ventures at the end of year is as follows:

*(Unit: Thousand Baht)*

|                                       | Consolidated financial statements |           |           |
|---------------------------------------|-----------------------------------|-----------|-----------|
|                                       | 2019                              | 2018      | 2017      |
| Beginning book value                  | 826,205                           | 652,038   | 133,852   |
| Additional investment                 | 316,174                           | 379,070   | 669,203   |
| Net investment                        | -                                 | -         | (136,502) |
| Losses from equity method Investments | (36,616)                          | (70,676)  | (14,515)  |
| <u>Minus</u> connected transactions   | (250,881)                         | (134,227) | -         |
| Year-end book value                   | 854,882                           | 826,205   | 652,038   |

In 2019, PF Forestry Co., Ltd., PF S1 Co., Ltd. and PF S2 Co., Ltd. were established for property investment and development. They are capitalized at Bt500 million, Bt280 million and Bt210 million, respectively.

In June 2019, the Company entered into a joint venture agreement with Sumitomo Forestry Singapore Ltd, whereby a 49% stake in PF Forestry Co., Ltd. will be sold to the Singaporean company. As of 12 June 2019, the Company holds the remaining 51% stake in the subsidiary. Under the

joint venture contract, PF Forestry Co., Ltd.'s management structure, strategic financial decisions and business activities must be approved by both sides. As such, the investment in PF Forestry Co., Ltd. is deemed an investment in joint ventures. On 22 April 2019, the shareholders of Grand River Forest Co., Ltd. (Grand River Forest), a joint venture, approved the recapitalization through the issuance of additional 12 million shares with Bt100 par value from 3 million shares. On 2 July 2019, the first 1 million shares were allocated to shareholders

and the Company and GRAND subscribed and fully paid for 90,000 shares and 420,000 shares, respectively, at the price of Bt100 a share or a total of Bt9 million and Bt42 million, respectively. The transaction maintained the Company and GRAND's stakes at 9% and 42%, respectively. The new shares were registered with the Ministry of Finance on 18 July 2019.

In 2019, All Discount Co., Ltd., a joint venture, established 18 subsidiaries with the registered capital of Bt10,000 each. Each has 1,000 shares at Bt10 par value. All Discount owns a 99.8% stake in all the subsidiaries.

Under the equity method, the Group realized the losses in joint ventures which brought the investment value to zero. The Group booked Bt111.35 million losses (against Bt94.57 million in 2018) above the investment value as loans to connected parties, which are considered normal business transactions with joint ventures. As of 31 December 2019, the Group's losses in joint ventures under the equity method, booked as loans to connected parties, totaled Bt234.28 million (against Bt122.92 million in 2018).

The Group booked deferred gains worth Bt718.96 million from land sale to joint ventures (Bt552.17 million in 2018), on top of realized gain worth Bt4.31 million following joint

ventures' sale of land to customers. As of 31 December 2019, the Group's accumulated deferred gains totaled Bt1,275.44 million (Bt552.17 million in 2018).

The Group wrote off the investment in joint ventures with the deferred gains and the remaining gains boosted the accumulated gains from joint ventures to Bt886.03 million (Bt417.95 million in 2018). The gains were booked as non-current liabilities (deferred gains from transactions from joint ventures). The Group did not realize the Bt25.58 million losses (none in 2018) in joint ventures as the deferred gains covered the entire investment value.

## TRADE DEBTORS AND OTHER DEBTORS

As of 31 December 2017, trade debts and other debts totaled Bt598.56 million or 1.26% of total assets, down by Bt150.86 million from the previous year.

As of 31 December 2018, trade debts and other debts totaled Bt780.89 million or 1.36% of total assets, an increase by Bt182.33 million from the previous year.

As of 31 December 2019, trade debts and other debts totaled Bt877.38 million or 1.49% of total assets, an increase by Bt96.49 million from the previous year

## DEBTS RELATED TO LAND AND CONDOMINIUM SALE – NET

Debts related to the sale of land and condominium units as of 31 December 2019 as follows:

(Unit: Thousand Baht)

|  | Consolidated |      | Non-consolidated |      |
|--|--------------|------|------------------|------|
|  | 2019         | 2018 | 2019             | 2018 |
| Debts related to land and condominium sale     | 859,850      | -    | 689,073          | -    |
| <u>Minus</u> deferred interest                 | (4,570)      | -    | (4,570)          | -    |
| Total  | 855,280      | -    | 684,503          | -    |
| <u>Minus</u> loan-loss provision               | (54,635)     | -    | -                | -    |
| Net debts related to land and condominium sale | 800,645      | -    | 684,503          | -    |

In January and February 2020, the Group received the payments of Bt217.04 million for land and condominium units transferred to customers during 2019. The remaining Bt588.17 million is covered by promissory notes due in 2020.

## LIABILITIES

The consolidated liabilities as of 31 December 2017 were valued at Bt32,429.51 million, a decrease by Bt2,423.93 million from the previous year. The liabilities accounted for 68.01% of total assets. Major changes during 2017 are as follows:

1. The liabilities decreased as the Company owned bills of exchange worth Bt3,289.35 million; trade receivables and other receivables worth Bt385.59 million; and deferred income tax worth Bt177.35 million.
2. The liabilities increased due to the issuance of Bt455.60 million debentures; short-term borrowing from financial institutions worth Bt331.68 million; term loans worth Bt357.16 million; overdue corporate tax payment worth Bt112.72 million; and reserves under equity method for investment in joint ventures worth Bt62.92 million.

The consolidated liabilities as of 31 December 2018 totaled Bt41,837.81 million, an increase of Bt9,408.30 million from the previous year. The liabilities amounted to 72.68% of total assets as of 30 June 2018. Major changes in liabilities during 2018 are as follows:

1. Liabilities decreased due to financial institutions' Bt102.18 million short-term loans and Bt157.38 million advance down payments.
2. Liabilities increased because of Bt4,251.00 million debentures; Bt2,822.61 million term loans; Bt298.99 million bills of exchange; Bt831.57 million trade credits and others; Bt685 million deferred corporate tax; Bt417.95 million deferred gains from transactions with joint ventures; and Bt101.79 million advance revenue.

The consolidated liabilities totaled Bt43,122.88 million as of 31 December 2019, an increase by Bt1,285.07 million from 2018. As of 31 December 2018, total liabilities accounted for 73.01% of total assets. Significant changes in liabilities in 2019 are as follows:

1. Liabilities decreased due to long-term loans from financial institutions worth Bt781.25 million, contractual debt worth Bt291.79 million, and bills of exchange worth Bt159.89 million.
2. Liabilities increased due to debentures worth Bt918.88 million, trade debts and other debts worth Bt884.27 million, deferred gains from transactions with joint ventures worth Bt468.08 million, and short-term borrowings worth Bt281.35 million.

The Company and subsidiaries' liabilities structure at the end of 2017 through the end of 2019 is as follows:

## DEBENTURES

As of 31 December 2017, the consolidated value of debentures was tuned at Bt21,359.78million, up by Bt5,455.60 million from the previous year. The value accounted for 65.87% of total liabilities. The debentures were issued to raise funds for land development purposes, working capital and debt repayments

At the end of 2018, the consolidated value of debentures increased by Bt4,251.00 million to Bt25,610.78 million, or 61.21% of total liabilities. The debentures were issued to finance project development, increase working capital and retire some loans.

At the end of 2019, the consolidated value of debentures increased by Bt918.87 million to Bt26,529.65 million, or 61.52% of total liabilities.

The value of debentures had continually increased in the 3-year period due to a number of new projects, both single houses and condominiums. Additional investment required additional funding. All the debentures were issued by the Company to finance new project development, reserve as working capital and retire loans.

## Details of outstanding debentures as of 31 December 2019:

|  | Value<br>(Million Baht) | Issue Date        | Maturity Date     | Condition   |
|--|-------------------------|-------------------|-------------------|---|
| <b>Unsecured debentures No. 1/2016</b><br>Bt3,000 million, interest 5.60% per annum, payable every 3 months                      | 2,999.74                | 28 January 2016   | 28 January 2020   | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2:1   |
| <b>Unsecured debentures No. 2/2016#2</b><br>Bt1,450million, interest 5.50% per annum,, payable every 3 months                    | 1,449.28                | 2 June 2016       | 2 June 2020       | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2:1   |
| <b>Unsecured debentures No. 3/2016#2</b><br>Bt1,200million, interest 5.30% per annum, payable every 3 months                     | 1,198.99                | 22 September 2016 | 22 September 2020 | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2:1   |
| <b>Unsecured debentures No. 2/2017#2</b><br>Bt724,40million, interest 5.70% per annum, payable every 3 months                    | 723.28                  | 7 July 2017       | 7 April 2021      | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2:1   |
| <b>Unsecured debentures No. 3/2017</b><br>Bt1,509.60million, interest 5.90% per annum, payable every 3 months                    | 1,506.99                | 22 September 2017 | 22 September 2021 | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 4/2017</b><br>Bt1,195.70million, Interest 5.90% per annum, payable every 3 months                    | 1,193.32                | 30 November 2017  | 30 November 2021  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 1/2018</b><br>Bt1,034.50million, Interest 5.75% per annum, payable every 3 months                    | 1,031.43                | 27 April 2018     | 28 April 2021     | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 2/2018</b><br>Bt2,069.4million, Interest year 1-2 = 5.75%, year 3=6.25%, payable every 3 months      | 2,062.25                | 19 July 2018      | 19 July 2021      | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 3/2018</b><br>Bt1,819.9million, Interest 6.00% per annum, payable every 3 months                     | 1,812.45                | 22 August 2018    | 22 February 2022  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 4/2018</b><br>Bt1,789.10 million, Interest 6.00% per annum, payable every 3 months                   | 1,780.86                | 7 December 2018   | 7 June 2022       | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 1/2019 #1</b><br>Bt435.1 million, Interest 4.75% per annum, payable every 3 months                   | 433.62                  | 5 April 2019      | 5 October 2020    | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 1/2019 #2</b><br>Bt. 775 million, interest year 1-2 = 6.25%, year 3-4 = 7.00% payable every 3 months | 770.39                  | 5 April 2019      | 5 October 2020    | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 2/2019</b><br>Bt1,844 million, Interest 6.25% per annum, payable every 3 months                      | 1,832.77                | 10 May 2019       | 10 May 2023       | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Unsecured debentures No. 3/2019</b><br>Bt.888.8 million, Interest 6.25% per annum, payable every 3 months                     | 881.81                  | 26 September 2019 | 26 September 2022 | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 2.5:1 |
| <b>Total-Debtenture of the company</b>   | <b>19,677.16</b>        |                   |                   |   |

|  | Value<br>(Million Baht) | Issue Date       | Maturity Date    | Condition   |
|--|-------------------------|------------------|------------------|---|
| <b>Unsecured debentures No. 1/2017</b><br>Bt. 261 million, interest 5.35% per annum, payable every 3 months      | 260.98                  | 25 January 2017  | 25 January 2020  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 3/2017</b><br>Bt. 491.70 million, interest 5.95% per annum, payable every 3 months   | 491.34                  | 22 June 2017     | 22 June 2020     | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 4/2017</b><br>Bt. 467.90 million, interest 6.25% per annum, payable every 3 months   | 467.33                  | 19 October 2017  | 19 October 2020  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 1/2018</b><br>Bt. 423.50 million, interest 6.00% per annum, payable every 3 months   | 423.20                  | 16 March 2018    | 16 March 2020    | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 2/2018</b><br>Bt. 1,000.00 million, interest 6.25% per annum, payable every 3 months | 996.74                  | 21 June 2018     | 21 June 2021     | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 3/2018</b><br>Bt. 1,344.20 million, interest 6.25% per annum, payable every 3 months | 1,338.77                | 1 November 2018  | 1 November 2021  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 1/2019</b><br>Bt. 1,489.40 million, interest 6.25% per annum, payable every 3 months | 1,482.39                | 18 February 2019 | 18 February 2022 | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Unsecured debentures No. 2/2019</b><br>Bt. 1,402.20 million, interest 6.25% per annum, payable every 3 months | 1,391.74                | 12 July 2019     | 12 October 2022  | The ratio of total loans <sup>1</sup> to shareholders' equity must not exceed 3.0:1 |
| <b>Total- Debenture of subsidiaries<br/>[Grande Asset Hotels and Property Public Company Limited]</b>            | <b>6,852.49</b>         |                  |                  |   |
| <b>Total</b>   | <b>26,529.65</b>        |                  |                  |   |

Note

<sup>1</sup> "Total loans" refer to all interest-bearing or discounted liabilities appearing in the consolidated statement. This include financial obligations to be incurred by the issuer's guarantee and similar obligations to individuals or juristic entities which do not appear in the consolidated financial statements but appear in the Note. This excludes obligations related to the obtaining of financial institutions' letter of guarantee for land or infrastructure development or related activities. "Total loans" are minus cash and equivalents as shown in the consolidated financial statements, including deposits placed as collaterals with any party. For clarity on this, the "total loans" exclude trade receivables, advance income or loans which bear no interest cost.

## LONG-TERM LOANS

As of 31 December 2017, the long-term loan value increased on year by Bt357.16 million to Bt5,573.03 million, or 17.19% of total liabilities. The entire amount was used to finance project development and increase working capital.

At the end of 2018, long-term loans increased on year by Bt2,822.61 million to Bt8,395.64 million or 20.07% of total liabilities. All the loans were used to finance project development and increase working capital

At the end of 2019, long-term loans decreased on year by Bt781.26 million to Bt7,614.38million or 17.66% of total liabilities. All the loans were used to finance project development and increase working capital.

At the end of 2019, the loans with maturity of less than 1 year were worth Bt436.38million and long- term net of current portion were worth Bt 7,178.00million. The details are as follow:

(Unit: Million Baht)

|                                 | Consolidated financial statements |            |            |
|---------------------------------|-----------------------------------|------------|------------|
|                                 | 2019                              | 2018       | 2017       |
| Long – term loans               | 7,614.38                          | 8,395.64   | 5,573.03   |
| Minus- amount due within 1 year | (436.38)                          | (1,326.80) | (1,012.97) |
| Long – term loans (Net)         | 7,178.00                          | 7,068.84   | 4,560.05   |

## TRADE PAYABLES AND OTHERS

As of 31 December 2017, the consolidated trade payables and others were valued at Bt2,478.06 million, down by Bt385.59 million from the previous year. The amount accounted for 7.64% of total liabilities.

As of 31 December 2018, the consolidated trade payables and others were valued at Bt3,309.63million, increased by Bt831.57million from the previous year. The amount accounted for 7.91 % of total liabilities.

As of 31 December 2019, the consolidated trade payables and others were valued at Bt4,193.90million, increased by Bt884.27 million from the previous year. The amount accounted for 9.73% of total liabilities.

As of 31 December 2019, the consolidated short-term loans were valued at Bt530.85 million, up by Bt281.35million from the previous year, or .23% of total liabilities.

## BILLS OF EXCHANGE

As of 31 December 2017, the value of bills of exchange stood at Bt437.68 million, down by Bt3,289.35 million from the end of 2016. The amount accounted for 1.35% of total liabilities. The bills are due in the first and second quarters of 2018.

As of 31 December 2018, the value of bills of exchange stood at Bt736.66million, down by Bt298.98million from the end of 2017. The amount accounted for 1.76% of total liabilities. The bills are due in the first and second quarters of 2019.

As of 31 December 2019, the value of bills of exchange stood at Bt576.78million, down by Bt159.88million from the end of 2018. The amount accounted for 1.34% of total liabilities. The bills of exchange, with maturity in March 2020, carry the interest rates between 4.25%-4.35% per annum.

## SHORT-TERM LOANS FROM FINANCIAL INSTITUTIONS

As of 31 December 2017, the consolidated short-term loans were valued at Bt351.68 million, up by Bt331.68 million from the previous year, or 1.08% of total liabilities.

As of 31 December 2018, the consolidated short-term loans were valued at Bt249.50million, down by Bt102.18million from the previous year, or 0.60% of total liabilities.



## SHAREHOLDERS' EQUITY

### SHAREHOLDERS' EQUITY STRUCTURE

(Unit: Million Baht)

|   | Consolidated financial statements |                  |                               |
|---|-----------------------------------|------------------|-------------------------------|
|   | 31 December 2019                  | 31 December 2018 | 31 December 2017<br>(Revised) |
| Paid-up capital   |                                   |                  |                               |
| Discount on capital stock                                     | (90.50)                           | (90.50)          | (89.73)                       |
| Perpetual subordinated bonds                                  | 508.00                            | 508.00           | 447.70                        |
| Advance payment for shares                                    | -                                 | -                | -                             |
| Retained earnings , allocated and set aside as legal reserves | 473.60                            | 394.60           | 334.60                        |
| Unallocated retained earnings                                 | 3,929.08                          | 3,486.62         | 3,471.94                      |
| Other elements of equity                                      | (193.62)                          | (84.42)          | (167.49)                      |
| PF shareholders' equity                                       | 13,294.39                         | 12,882.13        | 12,664.85                     |
| Non-controlling interests                                     | 2,647.28                          | 2,845.62         | 2,590.13                      |
| <b>Total shareholders' equity</b>                             | <b>15,941.67</b>                  | <b>15,727.75</b> | <b>15,254.98</b>              |

The following is details of the annual changes in the shareholders' equity.

#### As of 31 December 2017

The shareholders' equity of the Company and subsidiaries as of 31 December 2017 stood at Bt15,254.98 million, up by Bt1,318.20 million from the previous year. The increase was attributable to a Bt104.86 million sum incurred from accounting revision, the annual net profit worth Bt466.12 million, a Bt52.45 million loss in the gross/loss profit, a change in the controlling stake in subsidiaries which incurred a Bt10.08 million loss, and a Bt42.01 million gain from loss of controlling stake in subsidiaries, the proceeds from the private placement of 700 million shares on 10 March 2017, the issuance of Bt447.70 million perpetual subordinated bonds, a share loss of Bt16.20 million, Bt346.71 million dividend payment, and a Bt17.06 million dividend for the perpetual subordinated bonds,

#### As of 31 December 2018

The consolidated shareholders' equity as of 31 December 2018 amounted to Bt15,727.74 million, an increase by Bt472.27million from the end of 2017. The increase was attributable to the annual net profit of Bt548.65million, the Bt64 million increase in non-controlling interests, the Bt129.16million additional investment in subsidiaries' stocks, a decrease in dividend payment by Bt433.38 million, subsidiaries' dividend payments worth Bt25.78million, and the dividend payment for perpetual subordinated debentures worth Bt40.59 million.

#### As of 31 December 2019

The Group's consolidated shareholders' equity was Bt15,941.67 million as of 31 December 2019, an increase by Bt213.93 million from the previous year. Boosting the equity was the Bt1,137.68 million net profit in 2019. However, the Group witnessed a decrease in other comprehensive income worth Bt87.58 million; a Bt21.62 million loss following changes in its shareholding in subsidiaries; a Bt199.24 million decrease in subsidiaries' non-controlling interests; the Bt572.06 million dividend payment; the Bt48.26 million dividend to perpetual subordinated debentures; and a Bt5.01 million loss resulting from a change in the accounting policy.

### APPROPRIATENESS OF CAPITAL STRUCTURE

#### • Debt to equity ratio

At the end of 2017, the Group's debt to equity ratio dropped to 2.13:1 due to the issuance of Bt700 million common shares on 10 March 2017 and the issuance of perpetual subordinated bonds worth Bt447.70 million in April 2017 which boosted the shareholders' equity.

At the end of 2018, the Group's debt to equity ratio slightly went up to 2.66:1, because of an increase in borrowing and debentures to support future property development and the construction of existing projects and hotel business expansion of subsidiaries.

As of 31 December 2019, the consolidated debt to equity ratio slightly increased to 2.17:1, as a result of additional debentures issued to support project development and joint ventures' business expansion.

## ANALYSIS OF CONSOLIDATED CASH FLOW

Statements of cash flow as follows:

(Unit: Million Baht)

|                                      | Accounting year ended |                  |                  |
|--------------------------------------|-----------------------|------------------|------------------|
|                                      | 31 December 2019      | 31 December 2018 | 31 December 2017 |
| Cash flow from operating activities  | 3,572.82              | (226.88)         | (1,891.48)       |
| Cash flow from investment activities | (3,868.12)            | (5,760.66)       | (3,629.66)       |
| Cash flow from financing activities  | (638.04)              | 6,874.87         | 4,934.56         |
| Net cash flow increase (decrease)    | (933.34)              | 887.33           | (586.58)         |

- Cash flow from operating activities**

In 2017, the Group registered positive cash flow worth Bt3,438.60 million from operating activities, partly due to the completion of 2 high-rise condominium projects which were ready for unit transfer. In this year, the Company has no high-rise condominium project.

In 2018, the Group's operating cash flow amounted to Bt1,214.19 million.

In 2019, the Group's operating cash flow amounted to Bt3,572.82 million.

- Cash flow from investing activities**

In 2017, the Group's cash flow from investing activities amounted to Bt3,629.66million, chiefly because of land acquisition for future development projects. The advance payment for land purchase was valued at Bt805.57 million, land worth Bt637.41million was sold, the value of buildings and equipment rose by Bt863.86 million, short-term investments increased by Bt665.53 million, investment in joint ventures went up by Bt669.20 million, down payments for common shares were valued at Bt144.38 million, cash from asset sale to REIT was valued at Bt1,637.35 million, the sale of land purchase rights was worth Bt219.29 million

In 2018, the Group's cash flow from investing activities amounted to Bt 5,760.66million. Major items included the Bt3,521.24 million investment in a subsidiary; an increasing

value in land, building and equipment by Bt1,227.50 million and the Bt379.07 million investment in joint ventures.

In 2019, the consolidated cash flow from investing activities totaled Bt3,868.12 million chiefly consisting of loans to connected parties worth Bt1,490.25 million; payments for land, building and equipment worth Bt1,049.21 million; deposits used as loan guarantee worth Bt928.88 million; and the Bt316.17 million investment in joint ventures.

- Cash flow from financing activities**

In 2017, the Group's cash flow from financing activities amounted to Bt4,934.56 million. The components of the financing activities covered Bt331.68 million short-term loans from financial institutions, net increase in long-term loans worth Bt349.50 million, additional debentures worth Bt426.25 million, the issuance of common shares worth Bt684.63million, the issuance of perpetual subordinated bonds worth Bt442.81 million, net redemption to bill of exchange worth Bt3,343.61million, Bt345.97 million dividend payment, Bt21.32 million dividend to the perpetual subordinated bonds, and the loan repayment under hire-purchase and financial lease contracts worth Bt15.02 million.

In 2018, the Group's cash flow from financing activities amounted to Bt6,874.87 million. Of total, Bt2,858.85 million was raised through long-term loans; Bt4,280.60 million through debentures; Bt300.00 million from bills of exchange;

and Bt60.30 million from perpetual subordinated debentures. In the year, the Group paid Bt102.18 million to retire short-term loans; Bt457.23 million as dividend; Bt42.53 million as perpetual subordinated bonds' dividend; and Bt22.73 million to repay loans relating to leasing and financial lease contracts.

In 2019, the consolidated cash flow from financing activities totaled Bt638.04 million, following the retiring of Bt721.90

million long-term loans and Bt926.80 million debentures; the Bt95.01 million payment of long-term loan and debenture fees to financial institutions; net cash payment of Bt196.21 million for bills of exchange; Bt201.57 million net cash received from short-term loans; the Bt618.75 million dividend payment; the Bt48.26 million dividend payment to perpetual subordinated debentures; and the Bt95.01 million fees for long-term loans and debentures.

## DIVIDEND PAYMENTS SINCE 2010

| Accounting year | Dividend per share (Baht) | Total (Million Baht) | Payment date |
|-----------------|---------------------------|----------------------|--------------|
| 2010            | 0.330                     | 259.92               | 27 May 2011  |
| 2011            | 0.040                     | 189.05               | 25 May 2012  |
| 2012            | 0.033                     | 187.53               | 23 May 2013  |
| 2013            |                           | Omission             |              |
| 2014            | 0.044                     | 254.48               | 19 May 2015  |
| 2015            | 0.030                     | 231.01               | 28 May 2016  |
| 2016            | 0.040                     | 346.71               | 26 May 2017  |
| 2017            | 0.050                     | 433.39               | 25 May 2018  |
| 2018            | 0.066                     | 572.06               | 24 May 2019  |
| 2019*           | 0.111                     | 963.09               |              |

\*The Board of Directors approved the dividend payment for the 2019 performance.

## OBLIGATIONS AND CONTINGENT LIABILITIES

As of 31 December 2019, the Group's future obligations and liabilities are as follows:

- **Obligations on capital expenditure**

- A) The Group's obligations on capital expenditure were valued about Bt21,867.32 million (non-consolidated statements: Bt587.57 million), against Bt2,746.36 million and 2,746.36 million yen in 2018 (non-consolidated statements: Bt753.48million). The amount concerned the construction, design and consulting fee for the

development of single house, condominium and hotel projects as well as the improvement of buildings and purchases of condominium units and equipment.

- B) The Group's obligations on the procurement of land, building and equipment were valued at Bt2,484.91 million, (2018: Bt3,142.39million)

- **Obligations on operating and service lease agreements**

The Company and subsidiaries struck rental and service contracts for a period of 1 to 5 years. The contracts were non-cancellable and demand minimum payments as follows:

| Payments due within | 31 December 2018                   | 31 December 2017                   | 31 December 2016                   |
|---------------------|------------------------------------|------------------------------------|------------------------------------|
| 1 year              | Bt.267 million and 2.8 million yen | Bt.318 million and 1.5 million yen | Bt.312 million and 1 million yen   |
| 2-5 years           | Bt.661 million and 7.8 million yen | Bt.1,091 million and 2 million yen | Bt.1,002 million and 1 million yen |
| 5 years up          | Bt.2,786 million                   | Bt.5,534 million                   | Bt.5,817 million                   |

- **Obligations on long-term service contracts**

Under a service contract, a subsidiary is obliged to shoulder minimum payments as follows:

| Payments due within | 31 December 2019 | 31 December 2018 | 31 December 2017 |
|---------------------|------------------|------------------|------------------|
| 1 year              | Bt.46 million    | Bt.29 million    | Bt.28 million    |
| 2-5 years           | Bt.39 million    | Bt.23 million    | Bt.16 million    |
| 5 years up          | Bt.16 million    | -                | -                |

- **Other loan guarantees**

The Company and subsidiaries were issued bank guarantees as follows:

(Unit: Million Baht)

|                | Consolidated    |                 |                 | Non-consolidated |                 |                 |
|----------------|-----------------|-----------------|-----------------|------------------|-----------------|-----------------|
|                | <u>31/12/19</u> | <u>31/12/18</u> | <u>31/12/17</u> | <u>31/12/19</u>  | <u>31/12/18</u> | <u>31/12/17</u> |
| Infrastructure | 3,094           | 1,797           | 1,360           | 1,506            | 1,178           | 946             |



To the shareholders and the Board of Directors of Property Perfect Public Company Limited

## MY OPINION

In my opinion, the consolidated financial statements of Property Perfect Public Company Limited (“the Company”) and its subsidiaries (“the Group”) and the separate financial statements of the Company present fairly, in all material respects, the consolidated and separate financial position of the Group and of the Company as at 31 December 2019, and its consolidated and separate financial performance and its consolidated and separate cash flows for the year then ended in accordance with Thai Financial Reporting Standards (“TFRSs”).

## WHAT I HAVE AUDITED

The consolidated financial statements and the separate financial statements comprise:

- the consolidated and separate statements of financial position as at 31 December 2019;
- the consolidated and separate statements of comprehensive income for the year then ended;
- the consolidated and separate statements of changes in equity for the year then ended;
- the consolidated and separate statements of cash flows for the year then ended; and
- the notes to the consolidated and separate financial statements, which include a summary of significant accounting policies

## BASIS FOR OPINION

I conducted my audit in accordance with Thai Standards on Auditing (“TSAs”). My responsibilities under those standards are further described in the Auditor’s responsibilities for the audit of the consolidated and separate financial statements section of my report. I am independent of the Group and the Company in accordance with the Federation of Accounting Professions under the Royal Patronage of his Majesty the King’s Code of Ethics for Professional Accountants together with the ethical requirements that are relevant to my audit of the consolidated and separate financial statements, and I have fulfilled my other ethical responsibilities in accordance with these requirements. I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my opinion.

## KEY AUDIT MATTERS

Key audit matters are those matters that, in my professional judgment, were of most significance in my audit of the consolidated and separate financial statements of the current period. I determined the impairment assessment of investment in a subsidiary to be a key audit matter and I addressed this in the context of my audit of the consolidated and separate financial statements as a whole and in forming my opinion on them. I do not provide a separate opinion on the matter.

| Key audit matter   | How my audit addressed the key audit matter  |
|--|--|
| <p><b>Impairment assessment of an investment in a subsidiary</b></p> <p>Refer to Note 4 'Critical accounting estimates and judgements', and Note 14 'Investment in subsidiaries' to the financial statements.</p> <p>According to TAS 36, Impairment of Assets, the Company must test the impairment of an investment in a subsidiary if there is any indication of impairment.</p> <p>A subsidiary of the Company has continuously generated losses from its operations, management considered that this situation was an indication of impairment of the investment in this subsidiary. To determine whether an allowance for impairment needed to be set up, the management assessed the recoverable amount based on its value in use through the discounted future cash flow forecast and compared this to the carrying amount.</p> <p>Management determined that it is unnecessary for the Company to set up an allowance for impairment of the investment in this subsidiary because the recoverable amount exceeded its carrying amount.</p> <p>I focussed on this matter because the valuation of the recoverable amount required management's judgement in the estimation of future business plans and in the key assumptions used to forecast the future net cash flows discounted to the net present value. These assumptions included the gross margin, revenue growth rate and discount rate. These key assumptions were sensitive and had a considerable impact on the recoverable amount.</p> | <p>My key audit procedures in relation to the impairment assessment of the investment in the subsidiary included:</p> <ul style="list-style-type: none"> <li>• Obtaining information about the future cash flows forecast from the Group's management and understanding the procedures used to prepare the forecast.</li> <li>• Challenging management on the reasonableness of the procedures and their assumptions used in the forecast, including those relating to the gross margin, revenue growth rate and discount rate. This required the use of supporting documents, reliable sources such as historical information, future business plans, information about comparable industries and competitors, and the component of the weighted average cost of capital (WACC) of comparable companies.</li> <li>• Testing the calculation of key figures derived from the forecast to determine the recoverable amount, and comparing these to the net book value.</li> </ul> <p>From the procedures performed above, I found that the assessment of the recoverable amount and management's key assumptions were reasonable based on the available evidence.</p> |



## OTHER INFORMATION

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

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

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

When I read the annual report, if I conclude that there is a material misstatement therein, I am required to communicate the matter to the audit committee.

## RESPONSIBILITIES OF THE DIRECTORS FOR THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

The directors are responsible for the preparation and fair presentation of the consolidated and separate financial statements in accordance with TFRSs, and for such internal control as the directors determine is necessary to enable the preparation of consolidated and separate financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated and separate financial statements, the directors are responsible for assessing the Group and the Company's ability to continue as a going concern, disclosing,

as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Group and the Company or to cease operations, or has no realistic alternative but to do so.

The audit committee assists the directors in discharging their responsibilities for overseeing the Group's and the Company's financial reporting process.

## AUDITOR'S RESPONSIBILITIES FOR THE AUDIT OF THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

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

As part of an audit in accordance with TSAs, I exercise professional judgement and maintain professional scepticism throughout the audit. I also:

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

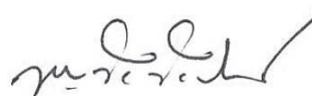
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's and the Company's internal control.
- Evaluate the appropriateness of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

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

PricewaterhouseCoopers ABAS Ltd.



**Chanchai Chaiprasit**

Certified Public Accountant (Thailand) No. 3760

Bangkok

27 February 2020

## STATEMENT OF FINANCIAL POSITION

PROPERTY PERFECT PUBLIC COMPANY LIMITED

AS AT 31 DECEMBER 2019

(Unit: Baht)

|   |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|-------|--------------------------------------|----------------|----------------------------------|----------------|
|   | Notes | 2019                                 | 2018           | 2019                             | 2018           |
| Assets  |       |                                      |                |                                  |                |
| Current assets  |       |                                      |                |                                  |                |
| Cash and cash equivalents   | 7     | 3,869,210,791                        | 4,777,168,372  | 422,370,199                      | 2,342,255,268  |
| Short-term investments  | 8     | 630,883,235                          | 530,634,485    | 579,828                          | 569,958        |
| Trade and other receivables, net                                    | 9     | 877,384,426                          | 780,892,265    | 433,356,271                      | 304,120,841    |
| Receivables from sale of land and<br>condominium building, net      | 10    | 800,644,720                          | -              | 684,502,690                      | -              |
| Inventories   | 11    | 37,156,265                           | 42,333,345     | -                                | -              |
| Project development costs, net                                      | 12    | 26,624,187,558                       | 26,563,467,943 | 15,524,551,219                   | 15,340,910,676 |
| Short-term loans to related parties                                 | 38.3  | -                                    | 1,004,700,000  | -                                | 689,700,000    |
| Advances to contractors   |       | 61,406,208                           | 82,330,831     | 53,584,689                       | 34,833,089     |
| Other current assets  |       | 186,622,300                          | 134,224,492    | 24,249,002                       | 23,803,116     |
| Total current assets  |       | 33,087,495,503                       | 33,915,751,733 | 17,143,193,898                   | 18,736,192,948 |
| Non-current assets  |       |                                      |                |                                  |                |
| Pledged and restricted withdrawal bank<br>deposits                  | 7     | 1,042,154,958                        | 113,272,178    | 151,851,650                      | 63,404,505     |
| Available-for-sale investments                                      | 13    | 163,405,440                          | 168,983,136    | 3,700,440                        | 3,135,636      |
| Investments in subsidiaries   | 14    | -                                    | -              | 8,119,841,386                    | 8,097,989,386  |
| Investments in joint ventures                                       | 15    | 854,881,958                          | 826,204,697    | 680,806,900                      | 406,632,700    |
| Other long-term investments   |       | 1,851,163                            | 1,900,341      | 1,725,000                        | 1,725,000      |
| Long-term loans to related parties                                  | 38.4  | 2,665,681,593                        | 282,076,059    | 11,289,170,099                   | 7,214,647,072  |
| Deposits for acquisition of shares and<br>assets in other companies |       | 40,000,000                           | 40,000,000     | -                                | -              |
| Advance for purchases of land                                       | 16    | 696,989,600                          | 923,271,435    | 676,989,600                      | 797,096,225    |
| Land held for development, net                                      | 17    | 4,848,867,952                        | 6,216,314,616  | 3,545,657,595                    | 4,850,288,125  |
| Investment properties, net  | 18    | 2,307,017,812                        | 2,112,817,071  | 143,343,528                      | 139,764,354    |
| Property, plant and equipment, net                                  | 19    | 10,517,675,866                       | 10,382,251,463 | 127,010,951                      | 144,978,111    |
| Intangible assets, net  | 20    | 135,804,383                          | 69,122,376     | 10,341,590                       | 8,122,861      |
| Leasehold rights, net   | 21    | 1,552,433,993                        | 1,687,881,235  | 31,349,033                       | 35,964,404     |
| Receivables from the Revenue Department                             |       | 132,086,287                          | 20,251,132     | 101,160,603                      | -              |
| Deferred tax assets   | 22    | 760,275,641                          | 503,943,458    | 159,656,757                      | 136,814,639    |
| Other non-current assets  |       | 257,921,195                          | 301,511,173    | 91,546,249                       | 125,730,693    |
| Total non-current assets  |       | 25,977,047,841                       | 23,649,800,370 | 25,134,151,381                   | 22,026,293,711 |
| Total assets  |       | 59,064,543,344                       | 57,565,552,103 | 42,277,345,279                   | 40,762,486,659 |

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

# STATEMENT OF FINANCIAL POSITION (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

AS AT 31 DECEMBER 2019

(Unit: Baht)

|   |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|-------|--------------------------------------|----------------|----------------------------------|----------------|
|   | Notes | 2019                                 | 2018           | 2019                             | 2018           |
| Liabilities and equity  |       |                                      |                |                                  |                |
| Current liabilities   |       |                                      |                |                                  |                |
| Short-term borrowings from financial institutions and a third party |       | 530,852,523                          | 249,500,000    | 351,065,400                      | 249,500,000    |
| Trade and other payables  | 23    | 4,193,900,440                        | 3,309,630,119  | 1,887,239,818                    | 1,541,135,681  |
| Bills of exchange payables  | 24    | 576,778,393                          | 736,664,422    | 427,071,381                      | 387,193,492    |
| Short-term borrowings from related parties                          | 38.5  | -                                    | -              | 624,768,556                      | 78,044,656     |
| Current portion of debentures                                       | 25    | 7,724,467,220                        | 5,904,690,698  | 6,081,616,113                    | 4,625,469,121  |
| Current portion of long-term borrowings from financial institutions | 27    | 436,378,244                          | 1,326,799,862  | 233,204,974                      | 974,861,237    |
| Contract liabilities  | 37    | 485,716,840                          | 786,609,849    | 59,384,471                       | 255,261,515    |
| Corporate income tax payable  |       | 128,614,809                          | 173,541,865    | -                                | 87,033,323     |
| Other current liabilities   |       | 312,694,933                          | 353,793,749    | 87,405,471                       | 97,699,373     |
| Total current liabilities   |       | 14,389,403,402                       | 12,841,230,564 | 9,751,756,184                    | 8,296,198,398  |
| Non-current liabilities   |       |                                      |                |                                  |                |
| Debentures  | 25    | 18,805,186,901                       | 19,706,085,892 | 13,595,540,327                   | 15,736,139,662 |
| Borrowings from financial institutions                              | 27    | 7,178,003,067                        | 7,068,836,340  | 4,505,972,030                    | 3,315,614,535  |
| Employee benefit obligations  | 28    | 455,361,705                          | 334,254,719    | 159,209,867                      | 113,955,659    |
| Provisions  |       | 192,586,847                          | 183,058,696    | 149,995,367                      | 146,029,793    |
| Contract liabilities  | 37    | 9,102,262                            | -              | 6,418,684                        | -              |
| Deferred unrealised profit from transactions with joint ventures    | 15    | 886,025,650                          | 417,946,774    | -                                | -              |
| Unearned lease  |       | 39,194,729                           | 52,630,719     | 29,986,579                       | 32,714,165     |
| Deferred tax liabilities  | 22    | 875,246,655                          | 910,702,807    | -                                | -              |
| Other non-current liabilities                                       |       | 292,766,415                          | 323,063,064    | -                                | -              |
| Total non-current liabilities                                       |       | 28,733,474,231                       | 28,996,579,011 | 18,447,122,854                   | 19,344,453,814 |
| Total liabilities   |       | 43,122,877,633                       | 41,837,809,575 | 28,198,879,038                   | 27,640,652,212 |

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

STATEMENT OF **FINANCIAL POSITION** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

AS AT 31 DECEMBER 2019

(Unit: Baht)

|   |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|-------|--------------------------------------|----------------|----------------------------------|----------------|
|   | Notes | 2019                                 | 2018           | 2019                             | 2018           |
| Liabilities and equity (Cont'd)   |       |                                      |                |                                  |                |
| Equity  |       |                                      |                |                                  |                |
| Share capital   |       |                                      |                |                                  |                |
| Authorised share capital  |       |                                      |                |                                  |                |
| Ordinary shares,<br>10,022,174,312 shares<br>(2018 : 9,000,000,000 shares)<br>at par value of Baht 1 each | 33    | 10,022,174,312                       | 9,000,000,000  | 10,022,174,312                   | 9,000,000,000  |
| Issued and paid-up share capital  |       |                                      |                |                                  |                |
| Ordinary shares,<br>8,667,826,432 shares<br>paid-up at Baht 1 each  | 33    | 8,667,826,432                        | 8,667,826,432  | 8,667,826,432                    | 8,667,826,432  |
| Share discount  | 33    | (90,501,802)                         | (90,501,802)   | (90,501,802)                     | (90,501,802)   |
| Subordinated perpetual debentures   | 26    | 508,000,000                          | 508,000,000    | 508,000,000                      | 508,000,000    |
| Retained earnings   |       |                                      |                |                                  |                |
| Appropriated - Legal reserve  | 34    | 473,600,000                          | 394,600,000    | 473,600,000                      | 394,600,000    |
| Unappropriated  |       | 3,929,080,932                        | 3,486,623,358  | 4,523,117,405                    | 3,646,249,070  |
| Other components of equity  |       | (193,623,046)                        | (84,422,907)   | (3,575,794)                      | (4,339,253)    |
| Equity attributable to owners of the parent   |       | 13,294,382,516                       | 12,882,125,081 | 14,078,466,241                   | 13,121,834,447 |
| Non-controlling interests   |       | 2,647,283,195                        | 2,845,617,447  | -                                | -              |
| Total equity  |       | 15,941,665,711                       | 15,727,742,528 | 14,078,466,241                   | 13,121,834,447 |
| Total liabilities and equity  |       | 59,064,543,344                       | 57,565,552,103 | 42,277,345,279                   | 40,762,486,659 |

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

# STATEMENT OF COMPREHENSIVE INCOME

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

|   |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                         | SEPARATE<br>FINANCIAL STATEMENTS |                        |
|---|-------|--------------------------------------|-------------------------|----------------------------------|------------------------|
|   | Notes | 2019                                 | 2018                    | 2019                             | 2018                   |
| <b>Revenues</b>   |       |                                      |                         |                                  |                        |
| Revenues from sales of land and houses                  |       | 7,726,407,212                        | 8,818,068,866           | 4,930,581,560                    | 6,489,510,304          |
| Revenues from sales of<br>residential condominium units |       | 6,140,832,912                        | 5,535,263,299           | 1,019,766,314                    | 2,382,465,194          |
| Revenues from sales of land                             |       | 2,499,887,891                        | 1,233,233,325           | 3,472,473,594                    | 2,779,174,770          |
| Revenues from hotel operations                          |       | 3,669,565,307                        | 2,914,757,027           | -                                | -                      |
| Revenues from rental and other service income           |       | 269,330,830                          | 496,494,006             | 122,068,641                      | 145,784,903            |
| <b>Total revenues</b>                                   |       | <b>20,306,024,152</b>                | <b>18,997,816,523</b>   | <b>9,544,890,109</b>             | <b>11,796,935,171</b>  |
| <b>Cost of sales of goods and services</b>              |       |                                      |                         |                                  |                        |
| Cost of sales of land and houses                        |       | (5,280,228,096)                      | (5,869,940,472)         | (3,372,921,035)                  | (4,407,168,634)        |
| Cost of sales of residential condominium<br>units       |       | (4,109,050,978)                      | (3,525,405,659)         | (729,862,491)                    | (1,500,811,452)        |
| Cost of sales of land                                   |       | (1,283,808,083)                      | (659,592,617)           | (1,688,674,457)                  | (1,617,424,680)        |
| Cost of hotel operations                                |       | (2,388,253,240)                      | (2,008,203,900)         | -                                | -                      |
| Cost of rental and other services                       |       | (371,765,804)                        | (547,513,665)           | (165,129,167)                    | (167,837,777)          |
| <b>Total cost of sales of goods and services</b>        |       | <b>(13,433,106,201)</b>              | <b>(12,610,656,313)</b> | <b>(5,956,587,150)</b>           | <b>(7,693,242,543)</b> |
| Gross profit  |       | 6,872,917,951                        | 6,387,160,210           | 3,588,302,959                    | 4,103,692,628          |
| Other incomes   | 29    | 789,146,557                          | 413,812,857             | 1,156,280,993                    | 439,251,932            |
| Selling expenses  |       | (1,753,635,658)                      | (1,943,703,995)         | (802,655,824)                    | (1,061,218,172)        |
| Administrative expenses                                 |       | (3,390,556,985)                      | (3,042,244,366)         | (1,124,174,691)                  | (1,013,324,223)        |
| Other profit (loss)                                     |       | 70,100,000                           | 235,393,020             | -                                | -                      |
| Share of loss from investments<br>in joint ventures     |       | (147,959,825)                        | (127,742,347)           | -                                | -                      |
| Profit before finance costs and<br>income tax expense   |       | 2,440,012,040                        | 1,922,675,379           | 2,817,753,437                    | 2,468,402,165          |
| Finance costs   |       | (1,109,498,346)                      | (899,983,188)           | (929,681,034)                    | (908,468,393)          |
| Profit before income tax expense                        |       | 1,330,513,694                        | 1,022,692,191           | 1,888,072,403                    | 1,559,933,772          |
| Income tax expense                                      | 31    | (320,248,204)                        | (329,177,525)           | (311,883,798)                    | (362,369,318)          |
| <b>Profit for the year</b>                              |       | <b>1,010,265,490</b>                 | <b>693,514,666</b>      | <b>1,576,188,605</b>             | <b>1,197,564,454</b>   |

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



STATEMENT OF **COMPREHENSIVE INCOME** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

|   |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |              | SEPARATE<br>FINANCIAL STATEMENTS |               |
|---|-------|--------------------------------------|--------------|----------------------------------|---------------|
|   | Notes | 2019                                 | 2018         | 2019                             | 2018          |
| Other comprehensive income (expense):   |       |                                      |              |                                  |               |
| Items that will be reclassified subsequently to profit or loss                  |       |                                      |              |                                  |               |
| Exchange differences on translation of financial statements in foreign currency |       | (107,977,444)                        | 42,807,195   | -                                | -             |
| Change in value of available-for-sale investments                               | 13    | (5,188,176)                          | (10,470,492) | 954,324                          | (817,992)     |
| Income tax on item that will be reclassified                                    |       | 22,633,124                           | (6,467,341)  | (190,865)                        | 163,599       |
| Total items that will be reclassified subsequently to profit or loss            |       | (90,532,496)                         | 25,869,362   | 763,459                          | (654,393)     |
| Items that will not be reclassified subsequently to profit or loss              |       |                                      |              |                                  |               |
| Actuarial gain  | 28    | 1,445,248                            | -            | -                                | -             |
| Income tax on items that will not be reclassified                               |       | (493,536)                            | -            | -                                | -             |
| Total items that will not be reclassified subsequently to profit or loss        |       | 951,712                              | -            | -                                | -             |
| Other comprehensive income (expense) for the year, net of tax                   |       | (89,580,784)                         | 25,869,362   | 763,459                          | (654,393)     |
| Total comprehensive income for the year   |       | 920,684,706                          | 719,384,028  | 1,576,952,064                    | 1,196,910,061 |
| Profit attributable to:   |       |                                      |              |                                  |               |
| Owners of the parent  |       | 1,137,924,941                        | 548,654,336  | 1,576,188,605                    | 1,197,564,454 |
| Non-controlling interests   |       | (127,659,451)                        | 144,860,330  | -                                | -             |
|   |       | 1,010,265,490                        | 693,514,666  | 1,576,188,605                    | 1,197,564,454 |
| Total comprehensive income attributable to:                                     |       |                                      |              |                                  |               |
| Owners of the parent  |       | 1,050,096,234                        | 579,613,942  | 1,576,952,064                    | 1,196,910,061 |
| Non-controlling interests   |       | (129,411,528)                        | 139,770,086  | -                                | -             |
|   |       | 920,684,706                          | 719,384,028  | 1,576,952,064                    | 1,196,910,061 |
| Earnings per share  |       |                                      |              |                                  |               |
| Basic earnings per share (Baht)   | 32    | 0.1257                               | 0.0593       | 0.1763                           | 0.1342        |

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

PROPERTY PERFECT PUBLIC COMPANY LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2019

## CONSOLIDATED FINANCIAL STATEMENTS

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

STATEMENT OF **CHANGES IN EQUITY** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

**CONSOLIDATED FINANCIAL STATEMENTS**

| Attributable to owners of the parent                                   |                                  |                |                                   |                              |                |   |                                |   |   |   |                                 |                            |                           |              |
|--|----------------------------------|----------------|-----------------------------------|------------------------------|----------------|---|--------------------------------|---|---|---|---------------------------------|----------------------------|---------------------------|--------------|
|  | Other component of equity        |                |                                   |                              |                |   |                                |   |   |   |                                 |                            |                           |              |
|  | Retained earnings                |                |                                   |                              |                | Other comprehensive income (expense)      |                                |   |   |   |                                 |                            |                           |              |
|  | Issued and paid-up share capital | Share discount | Subordinated perpetual debentures | Appropriated - legal reserve | Unappropriated | Changes in value of available investments | Exchange                       |   | Difference resulting from share swap between the subsidiaries | Deficit from the changes in the ownership interests | Total other component of equity | Total owners of the parent | Non-controlling interests |              |
|  |                                  |                |                                   |                              |                |   | statements in foreign currency | differences on translation of financial |   |   |                                 |                            |                           |              |
|  |                                  |                |                                   |                              |                |   |                                |   |   |   |                                 |                            |                           | Total equity |
| Opening balance at 1 January 2019                                      | 8,667,826,432                    | (90,501,802)   | 508,000,000                       | 394,600,000                  | 3,486,623,358  | (7,045,445)                               | 14,538,817                     | (46,091,945)                            | (45,824,334)  | (84,422,907)  | 12,882,125,081                  | 2,845,617,447              | 15,727,742,528            |              |
| Retrospective adjustment from changes in accounting policy (Note 2)    | -                                | -              | -                                 | -                            | 4,097,652      | -   | -                              | -                                       | -   | -   | 4,097,652                       | 907,404                    | 5,005,056                 |              |
| Opening balance after retrospective adjustments                        | 8,667,826,432                    | (90,501,802)   | 508,000,000                       | 394,600,000                  | 3,490,721,010  | (7,045,445)                               | 14,538,817                     | (46,091,945)                            | (45,824,334)  | (84,422,907)  | 12,886,222,733                  | 2,846,524,851              | 15,732,747,584            |              |
| Changes in equity for the year   |                                  |                |                                   |                              |                |   |                                |   |   |   |                                 |                            |                           |              |
| Dividend paid (Note 35)  | -                                | -              | -                                 | -                            | (572,060,270)  | -   | -                              | -                                       | -   | -   | (572,060,270)                   | -                          | (572,060,270)             |              |
| Dividend paid on subordinated perpetual debentures - net of income tax | -                                | -              | -                                 | -                            | (48,260,000)   | -   | -                              | -                                       | -   | -   | (48,260,000)                    | -                          | (48,260,000)              |              |
| Dividend paid from subsidiaries  | -                                | -              | -                                 | -                            | -              | -   | -                              | -                                       | -   | -   | -                               | (48,244,885)               | (48,244,885)              |              |
| Effect of changes in ownership interest in subsidiaries                | -                                | -              | -                                 | -                            | -              | -   | -                              | -                                       | (21,616,181)  | (21,616,181)  | (21,616,181)                    | (16,201,117)               | (37,817,298)              |              |
| Liquidation of subsidiaries  | -                                | -              | -                                 | -                            | -              | -   | -                              | -                                       | -   | -   | -                               | (5,384,126)                | (5,384,126)               |              |
| Legal reserve (Note 34)  | -                                | -              | -                                 | 79,000,000                   | (79,000,000)   | -   | -                              | -                                       | -   | -   | -                               | -                          | -                         |              |
| Total comprehensive income for the year                                | -                                | -              | -                                 | -                            | 1,137,680,192  | (1,529,637)                               | (86,054,321)                   | -                                       | -   | (87,583,958)  | 1,050,096,234                   | (129,411,528)              | 920,684,706               |              |
| Closing balance at 31 December 2019                                    | 8,667,826,432                    | (90,501,802)   | 508,000,000                       | 473,600,000                  | 3,929,080,932  | (8,575,082)                               | (71,515,504)                   | (46,091,945)                            | (67,440,515)  | (193,623,046)                                       | 13,294,382,516                  | 2,647,283,195              | 15,941,665,711            |              |

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

# STATEMENT OF CHANGES IN EQUITY (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED  
FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

|  | SEPARATE FINANCIAL STATEMENTS    |                     |                                   |                              |                      |                                      |                       |
|--|----------------------------------|---------------------|-----------------------------------|------------------------------|----------------------|--------------------------------------|-----------------------|
|  | Retained earnings                |                     |                                   | Changes in                   |                      | Other comprehensive income (expense) | Total equity          |
|  | Issued and paid-up share capital | Share discount      | Subordinated perpetual debentures | Appropriated - legal reserve | Unappropriated       | available-for-sale investments       |                       |
| <b>Opening balance as at 1 January 2018</b>                            | 8,667,826,432                    | (89,727,550)        | 447,700,000                       | 334,600,000                  | 2,982,654,845        | (3,684,860)                          | 12,339,368,867        |
| <b>Changes in equity for the year</b>                                  |                                  |                     |                                   |                              |                      |                                      |                       |
| Issuance of new subordinated perpetual debentures                      | -                                | (774,252)           | 60,300,000                        | -                            | -                    | -                                    | 59,525,748            |
| Legal reserve (Note 34)  | -                                | -                   | -                                 | 60,000,000                   | (60,000,000)         | -                                    | -                     |
| Dividend paid (Note 35)  | -                                | -                   | -                                 | -                            | (433,378,191)        | -                                    | (433,378,191)         |
| Dividend paid on subordinated perpetual debentures - net of income tax | -                                | -                   | -                                 | -                            | (40,592,038)         | -                                    | (40,592,038)          |
| Total comprehensive income for the year                                | -                                | -                   | -                                 | -                            | 1,197,564,454        | (654,393)                            | 1,196,910,061         |
| <b>Closing balance as at 31 December 2018</b>                          | <b>8,667,826,432</b>             | <b>(90,501,802)</b> | <b>508,000,000</b>                | <b>394,600,000</b>           | <b>3,646,249,070</b> | <b>(4,339,253)</b>                   | <b>13,121,834,447</b> |
| <b>Opening balance at 1 January 2019</b>                               | 8,667,826,432                    | (90,501,802)        | 508,000,000                       | 394,600,000                  | 3,646,249,070        | (4,339,253)                          | 13,121,834,447        |
| <b>Changes in equity for the year</b>                                  |                                  |                     |                                   |                              |                      |                                      |                       |
| Issuance of new subordinated perpetual debentures                      | -                                | -                   | -                                 | -                            | -                    | -                                    | -                     |
| Legal reserve (Note 34)  | -                                | -                   | -                                 | 79,000,000                   | (79,000,000)         | -                                    | -                     |
| Dividend paid (Note 35)  | -                                | -                   | -                                 | -                            | (572,060,270)        | -                                    | (572,060,270)         |
| Dividend paid on subordinated perpetual debentures - net of income tax | -                                | -                   | -                                 | -                            | (48,260,000)         | -                                    | (48,260,000)          |
| Total comprehensive income for the year                                | -                                | -                   | -                                 | -                            | 1,576,188,605        | 763,459                              | 1,576,952,064         |
| <b>Closing balance at 31 December 2019</b>                             | <b>8,667,826,432</b>             | <b>(90,501,802)</b> | <b>508,000,000</b>                | <b>473,600,000</b>           | <b>4,523,117,405</b> | <b>(3,575,794)</b>                   | <b>14,078,466,241</b> |

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

STATEMENT OF **CASH FLOWS**

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

| Notes   | CONSOLIDATED<br>FINANCIAL STATEMENTS |               | SEPARATE<br>FINANCIAL STATEMENTS |               |
|---|--------------------------------------|---------------|----------------------------------|---------------|
|   | 2019                                 | 2018          | 2019                             | 2018          |
| <b>Cash flows from operating activities</b>   |                                      |               |                                  |               |
| Profit before income tax  | 1,330,513,694                        | 1,022,692,191 | 1,888,072,403                    | 1,559,933,772 |
| Adjustments for:  |                                      |               |                                  |               |
| Unrealised profit from transactions with joint ventures                                 | 15                                   | 723,264,815   | 552,174,726                      | -             |
| Depreciation and amortisation   | 30                                   | 779,769,660   | 800,155,864                      | 45,993,165    |
| (Decrease) increase in allowance for doubtful accounts                                  |                                      | 86,061,955    | 1,212,221                        | -             |
| Adjustment on net realisable value  | 12                                   | 57,745,381    | (9,650,133)                      | 57,745,381    |
| Loss on impairment of investment property   | 18                                   | 35,120,789    | 10,648,598                       | -             |
| Amortisation of front end fees on borrowings from financial institutions and debentures |                                      | 61,913,270    | 33,714,326                       | 62,005,196    |
| Amortisation of front end fees on long-term borrowings to related parties               | 38.4                                 | -             | -                                | (16,614,762)  |
| Unrealised (gain) loss on foreign currency exchange                                     |                                      | (68,081,576)  | 16,636,200                       | 40,745,670    |
| Amortisation of unearned lease rights   |                                      | (22,573,573)  | (28,470,525)                     | (9,729,017)   |
| Changes in fair value of short-term investments   |                                      | (9,870)       | 129,377                          | (9,870)       |
| (Gain) loss on disposal of property, plant and equipment, and intangible assets         |                                      | 50,236        | (636,578)                        | (34,577)      |
| Warranty provision for real estate projects   |                                      | 3,625,398     | 17,243,878                       | -             |
| Employee benefit expenses   | 28                                   | 138,253,379   | 40,180,431                       | 47,542,848    |
| Gain on bargain purchase  |                                      | -             | (235,393,020)                    | -             |
| Dividend income   | 29                                   | (276,264)     | (139,732)                        | (408,865,294) |
| Interest income   | 29                                   | (237,124,155) | (121,449,293)                    | (532,910,176) |
| Finance costs   |                                      | 1,047,585,075 | 866,268,862                      | 867,675,838   |
| Share of loss from investments in joint ventures  |                                      | 147,959,825   | 127,742,347                      | -             |

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

## STATEMENT OF **CASH FLOWS** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

| Notes   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                      | SEPARATE<br>FINANCIAL STATEMENTS |                    |
|---|--------------------------------------|----------------------|----------------------------------|--------------------|
|   | 2019                                 | 2018                 | 2019                             | 2018               |
| Changes in operating assets and liabilities :                       |                                      |                      |                                  |                    |
| Trade and other receivables, net                                    | (34,444,947)                         | (163,049,848)        | (76,944,006)                     | (44,034,056)       |
| Receivables from the Revenue Department                             | (111,835,155)                        | -                    | (101,160,603)                    | -                  |
| Receivable from sales of land and<br>condominium buildings, net     | (774,682,840)                        | 340,500,000          | (658,540,810)                    | 340,500,000        |
| Inventories   | 5,177,080                            | 1,940,488            | -                                | -                  |
| Project development costs, net                                      | 1,396,805,316                        | (586,941,612)        | 564,522,878                      | 45,093,165         |
| Advances to contractors   | 20,924,623                           | (29,536,178)         | (18,751,600)                     | 8,565,967          |
| Other current assets  | 72,660,112                           | (38,339,359)         | (445,886)                        | (12,587,838)       |
| Advance for purchase of land  | (53,332,115)                         | (790,145,962)        | 21,552,885                       | (632,373,225)      |
| Land held for development, net                                      | 1,126,184,064                        | (650,931,690)        | 1,174,408,643                    | (334,952,607)      |
| Other non-current assets  | 22,904,018                           | (12,872,324)         | 135,345,047                      | 6,503              |
| Trade and other payables  | 935,435,934                          | 597,067,113          | 337,147,247                      | 344,311,417        |
| Contract liabilities  | (292,339,240)                        | (54,844,773)         | (189,458,360)                    | 32,175,354         |
| Other current liabilities   | (592,438)                            | (18,309,761)         | (12,093,265)                     | (5,011,749)        |
| Unearned lease rights   | 9,137,583                            | 7,969,831            | 7,001,430                        | 6,883,568          |
| Deferred unrealised profit from<br>transactions with joint ventures | 15 (4,305,258)                       | -                    | -                                | -                  |
| Employee benefit obligations  | (15,701,145)                         | (21,159,205)         | (2,288,640)                      | (9,085,340)        |
| Non-current provision   | 9,528,151                            | 22,618,104           | 3,965,574                        | 19,582,419         |
| Other non-current liabilities                                       | (51,054,920)                         | 70,245,397           | -                                | -                  |
| Cash generated from operating activities                            | 6,344,266,862                        | 1,767,269,961        | 3,225,877,339                    | 1,883,204,766      |
| Interest paid   | (2,081,416,203)                      | (1,551,940,839)      | (1,412,789,214)                  | (1,288,365,360)    |
| Income tax paid   | (781,659,398)                        | (575,621,474)        | (523,110,706)                    | (306,747,040)      |
| Interest received   | 91,630,364                           | 133,409,572          | 61,620,159                       | 57,216,754         |
| <b>Net cash generated from (used in) operating activities</b>       | <b>3,572,821,625</b>                 | <b>(226,882,780)</b> | <b>1,351,597,578</b>             | <b>345,309,120</b> |

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



STATEMENT OF **CASH FLOWS** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

|   |            | CONSOLIDATED<br>FINANCIAL STATEMENTS |                 | SEPARATE<br>FINANCIAL STATEMENTS |                 |
|---|------------|--------------------------------------|-----------------|----------------------------------|-----------------|
|   | Notes      | 2019                                 | 2018            | 2019                             | 2018            |
| Cash flows from investing activities  |            |                                      |                 |                                  |                 |
| (Increase) decrease in pledged and restricted bank deposits                   | 7          | (928,882,780)                        | 12,355,373      | (88,447,145)                     | 27,538,852      |
| Proceed from disposal of available-for-sale investments                       |            | 389,520                              | -               | 389,520                          | -               |
| Purchases of short-term investments   |            | (100,238,880)                        | (40,064,526)    | -                                | -               |
| Payment for borrowings to related parties                                     | 38.3, 38.4 | (3,292,049,103)                      | (1,914,000,000) | (6,528,742,639)                  | (3,973,296,400) |
| Proceed from borrowings to related parties                                    | 38.3, 38.4 | 1,801,800,000                        | 1,169,828,220   | 3,051,786,998                    | 2,286,910,461   |
| Front end fee of long term loan received from related parties                 |            | -                                    | -               | -                                | 16,686,563      |
| Proceed from deposits for acquisition of shares and assets in other companies |            | -                                    | 144,375,823     | -                                | -               |
| Purchases of investments in subsidiaries                                      | 14         | (14,999,700)                         | (3,521,243,346) | (36,851,700)                     | (354,224,678)   |
| Purchases of investments in joint ventures                                    | 15         | (316,174,200)                        | (379,070,200)   | (274,174,200)                    | (215,570,200)   |
| Proceeds from disposals of investment in subsidiary                           | 14         | 14,999,700                           | 14,999,700      | 14,999,700                       | 14,999,700      |
| Decrease (increase) in other long-term investments                            |            | 38,919                               | (212,400)       | -                                | -               |
| Payment for property, plant and equipment                                     |            | (1,049,209,256)                      | (1,227,504,918) | (19,259,376)                     | (49,633,058)    |
| Payment for intangible assets   |            | (69,822,297)                         | (28,506,284)    | (5,875,477)                      | (1,356,118)     |
| Payment for deposits for hotel construction                                   |            | (1,710)                              | (11,465,559)    | -                                | -               |
| Proceeds from disposals of equipment  |            | 3,601,589                            | 20,046,077      | 34,579                           | 1,878,790       |
| Payment for investment properties   |            | (29,217,451)                         | (339,210)       | (2,034,533)                      | -               |
| Interest received   |            | 111,370,177                          | -               | 393,198,579                      | 283,244,134     |
| Dividends received  |            | 276,264                              | 139,732         | 408,865,294                      | 19,482,869      |
| Net cash used in investing activities   |            | (3,868,119,208)                      | (5,760,661,518) | (3,086,110,400)                  | (1,943,339,085) |

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

# STATEMENT OF **CASH FLOWS** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

|  |       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                 | SEPARATE<br>FINANCIAL STATEMENTS |                 |
|--|-------|--------------------------------------|-----------------|----------------------------------|-----------------|
|  | Notes | 2019                                 | 2018            | 2019                             | 2018            |
| Cash flows from financing activities   |       |                                      |                 |                                  |                 |
| Short-term borrowings from financial institutions, net                                       |       | 201,565,400                          | (102,177,352)   | 101,565,400                      | 226,427,985     |
| Short-term borrowings from a related party, net  |       | -                                    | -               | 546,723,900                      | (206,041,670)   |
| Proceeds from bills of exchange payable  | 24    | 2,283,791,595                        | 2,940,079,397   | 1,349,956,313                    | 1,535,799,290   |
| Repayments of bills of exchange payable  | 24    | (2,480,000,000)                      | (2,670,000,000) | (1,330,000,000)                  | (1,350,000,000) |
| Proceeds from debentures   | 25    | 6,835,100,000                        | 9,480,600,000   | 3,943,500,000                    | 6,712,900,000   |
| Repayments of debentures   | 25    | (5,908,300,000)                      | (5,200,000,000) | (4,628,300,000)                  | (4,750,000,000) |
| Proceeds from long-term borrowings from financial institutions                               | 27    | 7,824,370,182                        | 10,465,211,861  | 6,151,518,404                    | 5,581,588,129   |
| Repayments of long-term borrowings from financial institutions                               | 27    | (8,546,272,767)                      | (7,606,358,860) | (5,645,740,006)                  | (4,675,157,426) |
| Proceeds from issue of ordinary shares of subsidiaries from non-controlling interests        |       | 676,052                              | 129,612,993     | -                                | -               |
| Payment for non-controlling interests of subsidiaries  |       | (38,423,134)                         | -               | -                                | -               |
| Payment of liquidation of a subsidiary   | 14    | (5,384,126)                          | -               | -                                | -               |
| Proceeds from issuance of subordinated perpetual debentures                                  | 26    | -                                    | 60,300,000      | -                                | 60,300,000      |
| Payment to liabilities under finance lease agreements  |       | (43,142,916)                         | (22,729,225)    | -                                | -               |
| Payment on front end fees of long-term borrowings from financial institutions and debentures |       | (95,012,516)                         | (99,910,351)    | (55,833,614)                     | (72,423,383)    |
| Dividends paid to subordinated perpetual debentures  |       | (48,260,000)                         | (42,531,501)    | (48,260,000)                     | (42,531,501)    |
| Dividends paid   |       | (618,747,594)                        | (457,227,581)   | (570,502,644)                    | (431,445,679)   |
| Net cash (used in) generated from financing activities                                       |       | (638,039,824)                        | 6,874,869,381   | (185,372,247)                    | 2,589,415,745   |

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

STATEMENT OF **CASH FLOWS** (CONTINUED)

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

(Unit: Baht)

| Notes  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                      | SEPARATE<br>FINANCIAL STATEMENTS |                      |
|--|--------------------------------------|----------------------|----------------------------------|----------------------|
|  | 2019                                 | 2018                 | 2019                             | 2018                 |
| <b>Net (decrease) increase in cash and cash equivalents</b>                                    | (933,337,407)                        | 887,325,083          | (1,919,885,069)                  | 991,385,780          |
| Translation adjustment   | 25,379,826                           | 2,546,750            | -                                | -                    |
| Cash and cash equivalents at the beginning of the year   | 4,777,168,372                        | 3,887,296,539        | 2,342,255,268                    | 1,350,869,488        |
| <b>Cash and cash equivalents at the end of the year</b>  | <b>3,869,210,791</b>                 | <b>4,777,168,372</b> | <b>422,370,199</b>               | <b>2,342,255,268</b> |
| <b>Non-cash transactions</b>   |                                      |                      |                                  |                      |
| Significant non-cash transactions are as follows:  |                                      |                      |                                  |                      |
| • Transfer project development costs to land held for development                              | 29,122,445                           | 146,232,132          | -                                | -                    |
| • Transfer project development costs to investment property                                    | 28,580,281                           | -                    | 2,039,151                        | -                    |
| • Transfer property, plant and equipment to project development cost                           | 31,826,698                           | -                    | -                                | -                    |
| • Transfer property, plant and equipment to investment property                                | 213,631,920                          | -                    | -                                | -                    |
| • Transfer land held for development to project development costs                              | 429,649,933                          | 646,473,728          | 190,326,886                      | 539,682,412          |
| • Transfer short-term borrowings to related parties to long-term borrowings to related parties | 382,500,000                          | -                    | 67,500,000                       | -                    |

# NOTES TO THE CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS

PROPERTY PERFECT PUBLIC COMPANY LIMITED

FOR THE YEAR ENDED 31 DECEMBER 2019

## 1 GENERAL INFORMATION

Property Perfect Public Company Limited (“the Company”) is a public limited company which listed on the Stock Exchange of Thailand. The Company is incorporated and domiciled in Thailand. The address of the Company’s registered office is as follows:

No. 100/1 Vorasombat Building, 17th Floor, Rama 9 Road, Huaykwang, Bangkok.

For reporting purposes, the Company and its subsidiaries are referred to as “the Group”.

The Group is principally engaged in the property development business, hotel business, and other rental and service business.

These consolidated and separate financial statements were authorised for issue by the Board of Directors on 27 February 2020.

## 2 ACCOUNTING POLICIES

The principal of accounting policies applied in the preparation of these consolidated and separate financial statements are set out below:

### 2.1 BASIS OF PREPARATION

The consolidated and separate financial statements have been prepared in accordance with Thai Financial Reporting Standards (“TFRS”) and the financial reporting requirements issued under the Securities and Exchange Act.

The consolidated and separate financial statements have been prepared under the historical cost convention except available-for-sale investments.

The preparation of financial statements in conformity with TFRS requires management to use certain critical accounting estimates and to exercise its judgement in applying the Group’s accounting policies. The areas involving a higher degree of judgement or complexity, or areas that are more likely to be materially adjusted due to changes in estimates and assumptions are disclosed in Note 4.

An English version of the consolidated and separate financial statements have been prepared from the statutory financial statements that are in the Thai language. In the event of a conflict or a difference in interpretation between the two languages, the Thai language statutory financial statements shall prevail.

The purpose of reclassifications in presentation is to be more conformable to nature of accounts. Comparative figures have been reclassified to conform with the current year.

### 2.2 NEW AND AMENDED FINANCIAL REPORTING STANDARDS THAT ARE RELEVANT AND HAVE SIGNIFICANT IMPACTS TO THE GROUP

#### 2.2.1 New and amended financial reporting standards are effective for annual periods beginning on or after 1 January 2019

##### Thai Financial Reporting Standard no.15 (TFRS 15), Revenue from contracts with customers

The standard provides principle and approach of revenue recognition under five-step process. The underlying principle is that the Group will recognise revenue to depict the transfer of goods or services to customers at an amount that the entity expects to be entitled to in exchange for those goods or services. It replaces the principles of transferring the significant risks and rewards of ownership of the goods or services to the buyer in accordance with TAS 18, Revenue and related interpretations.

The Group has adopted the new TFRS 15, Revenue from contracts with customers from 1 January 2019 by applying the modified retrospective approach and the comparative figures have not been restated. The Group applied practical expedient relates to completed contracts and contract modifications as allowed by TFRS 15.

The following tables show the adjustments made to the amounts recognised in each line item in the statement of financial position upon adoption of TFRS 15.

(Unit : Thousand Baht)

| STATEMENT OF<br>FINANCIAL POSITION | CONSOLIDATED FINANCIAL INFORMATION |             |                         |
|------------------------------------|------------------------------------|-------------|-------------------------|
|                                    | AS AT<br>31 DECEMBER 2018          |             | AS AT<br>1 JANUARY 2019 |
|                                    | PREVIOUSLY REPORTED                | ADJUSTMENTS | RESTATED                |
| Trade and other receivables, net   | 780,892                            | 6,256       | 787,148                 |
| Deferred tax assets                | 503,943                            | (1,251)     | 502,692                 |
| Retained earnings - Unappropriated | (3,486,623)                        | (4,098)     | (3,490,721)             |
| Non-controlling interests          | (2,845,617)                        | (907)       | (2,846,524)             |

The adoption of TFRS 15 has no significant impact to the Company's statement of financial position as at 1 January 2019.

The adoption of TFRS 15 mainly affects the Group's accounting treatment on incremental cost of obtaining the contracts with customers.

Before 2019, real estate sales commissions were recognised as selling expenses in the statement of comprehensive income as incurred. However, the costs relate directly to the contracts with customers and are expected to be recovered from consideration received from the contracts with customers. They were therefore capitalised as assets following the adoption of TFRS 15 and recognised as incremental cost of obtaining the contracts with customers which is presented under "trade and other receivables, net". The asset is then amortised to expense to match with revenue recognition pattern of contracts. In addition, the Group recognises the related deferred tax liability, resulting in net adjustment of retained earnings and non-controlling interest.

The Group has transaction payment on behalf of customers which previously recognised as cost of sales and selling expenses in the statement of comprehensive income. Under TFRS15, those transactions are presented net from revenue from contract sales.

The following tables show the amounts of affected line items in the current year from the adoption of TFRS 15 compared to the previous revenue recognition standards.

(Unit : Thousand Baht)

**CONSOLIDATED FINANCIAL INFORMATION**

|   | BALANCE<br>AS REPORTED | IMPACTS FROM<br>TFRS 15 | BALANCE UNDER<br>THE PREVIOUS REVENUE<br>STANDARDS |
|---|------------------------|-------------------------|--|
| <b>Statement of financial position</b>                  |                        |                         |  |
| <b>as at 31 December 2019</b>                           |                        |                         |  |
| Trade and other receivables, net                        | 877,384                | 6,262                   | 871,122  |
| Investment in joint ventures                            | 854,882                | 14,586                  | 840,296  |
| Deferred tax assets                                     | 760,276                | 568                     | 759,708  |
| Contract liabilities - Non-current                      | (9,102)                | (9,102)                 | -  |
| Retained earnings - Unappropriated                      | (3,929,081)            | (5,534)                 | (3,923,547)  |
| Non-controlling interests                               | (2,647,283)            | (6,780)                 | (2,640,503)  |
| <b>Statement of comprehensive income</b>                |                        |                         |  |
| <b>for the year ended 31 December 2019</b>              |                        |                         |  |
| <b>Profit or loss:</b>                                  |                        |                         |  |
| Revenues from sales of land and houses                  | 7,726,407              | (379,552)               | 8,105,959  |
| Revenues from sales of residential<br>condominium units | 6,140,833              | (111,395)               | 6,252,228  |
| Cost of sales of land and houses                        | (5,280,228)            | 21,661                  | (5,301,889)  |
| Cost of sales of residential condominium units          | (4,109,051)            | 4,299                   | (4,113,350)  |
| Selling expenses  | (1,753,636)            | 455,891                 | (2,209,527)  |
| Share of loss from investments in joint ventures        | (147,960)              | 14,586                  | (162,546)  |
| Income tax expenses                                     | (320,248)              | 1,819                   | (322,067)  |
| Profit for the year                                     | 1,010,265              | 7,309                   | 1,002,956  |
| <b>Profit (loss) attributable to:</b>                   |                        |                         |  |
| Owners of the parent                                    | 1,137,925              | 1,436                   | 1,136,489  |
| Non-controlling interests                               | (127,659)              | 5,873                   | (133,532)  |
| <b>Total comprehensive income (expense)</b>             |                        |                         |  |
| <b>attributable to:</b>                                 |                        |                         |  |
| Owners of the parent                                    | 1,050,096              | 1,436                   | 1,048,660  |
| Non-controlling interests                               | (129,412)              | 5,873                   | (135,285)  |
| <b>Earnings per share:</b>                              |                        |                         |  |
| Basic earnings per share (Baht)                         | 0.1257                 | 0.0002                  | 0.1255   |



(Unit: Thousand Baht)

## SEPARATE FINANCIAL INFORMATION

|   | BALANCE<br>AS REPORTED | IMPACTS FROM<br>TFRS 15 | BALANCE UNDER THE<br>PREVIOUS REVENUE<br>STANDARDS |
|---|------------------------|-------------------------|--|
| <b>Statement of financial position</b>                  |                        |                         |  |
| <b>as at 31 December 2019</b>                           |                        |                         |  |
| Trade and other receivables, net                        | 433,356                | -                       | 433,356  |
| Investment in joint ventures                            | 680,807                | -                       | 680,807  |
| Deferred tax assets                                     | 159,657                | 1,284                   | 158,373  |
| Contract liabilities - Non-current                      | (6,419)                | (6,419)                 | -  |
| Retained earnings - Unappropriated                      | (4,523,117)            | 5,135                   | (4,528,252)  |
| <b>Statement of comprehensive income</b>                |                        |                         |  |
| <b>for the year ended 31 December 2019</b>              |                        |                         |  |
| <b>Profit or loss:</b>                                  |                        |                         |  |
| Revenues from sales of land and houses                  | 4,930,582              | (286,643)               | 5,217,225  |
| Revenues from sales of residential<br>condominium units | 1,019,766              | (47,598)                | 1,067,364  |
| Cost of sales of land and houses                        | (3,372,921)            | 15,118                  | (3,388,039)  |
| Cost of sales of residential condominium units          | (729,862)              | 4,522                   | (734,384)  |
| Selling expenses  | (802,656)              | 308,182                 | (1,110,838)  |
| Income tax  | (311,884)              | 1,284                   | (313,168)  |
| Profit for the year                                     | 1,576,189              | (5,135)                 | 1,581,324  |
| <b>Profit attributable to:</b>                          |                        |                         |  |
| Owners of the parent                                    | 1,576,189              | (5,135)                 | 1,581,324  |
| <b>Total comprehensive income</b>                       |                        |                         |  |
| <b>attributable to:</b>                                 |                        |                         |  |
| Owners of the parent                                    | 1,576,189              | (5,135)                 | 1,581,324  |
| <b>Earnings per share:</b>                              |                        |                         |  |
| Basic earnings per share (Baht)                         | 0.1763                 | (0.0006)                | 0.1769   |

## 2.2.2 New and amended financial reporting standards that are effective for accounting period beginning or after 1 January 2020

### a) Financial instruments

The new financial standards relate to financial instruments are:

|          |   |
|----------|---|
| TAS 32   | Financial instruments: Presentation                         |
| TFRS 7   | Financial Instruments: Disclosures                          |
| TFRS 9   | Financial Instruments                                       |
| TFRIC 16 | Hedges of a Net Investment in a Foreign Operation           |
| TFRIC 19 | Extinguishing Financial Liabilities with Equity Instruments |

These new standards address the classification, measurement, derecognition of financial assets and financial liabilities, impairment of financial assets, hedge accounting, and presentation and disclosure of financial instruments.

### b) TFRS 16, Leases

Where the Group is a lessee, TFRS 16, Leases will result in almost all leases being recognised on the balance sheet as the distinction between operating and finance leases is removed. A right-of-use asset and a lease liability will be recognised, with exception on short-term and low-value leases.

The Group has not yet early adopted the new and revised financial reporting standards which are effective on 1 January 2020. The Group's management is currently reviewing the impacts of adoption of these standards

## 2.3 PRINCIPLES OF CONSOLIDATION

### a) Subsidiaries

Subsidiaries are all entities over which the Group has control. The Group controls an entity when the Group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. Subsidiaries are consolidated from the date on which control is transferred to the Group until the date that control ceases.

In the separate financial statements, investments in subsidiaries are accounted for using cost method. The direct costs associated with the purchase of the investment are recognised as part of the initial cost of the investment.

### b) Joint arrangements

Investments in joint arrangements are classified as either joint operations or joint ventures depending on the contractual rights and obligations of each investor, rather than the legal structure of the joint arrangements.

#### *Joint venture*

A joint venture is a joint arrangement whereby the Group has rights to the net assets of the arrangement. Interests in joint ventures are accounted for using the equity method.

In the separate financial statements, investments in joint ventures are accounted for using cost method.

**c) Equity method**

The investment is initially recognised at cost which is consideration paid and directly attributable costs.

The Group's subsequently recognises shares of its associates and joint ventures' profits or losses and other comprehensive income in the profit or loss and other comprehensive income, respectively. The subsequent cumulative movements are adjusted against the carrying amount of the investment.

When the Group's share of losses in associates and joint ventures equals or exceeds its interest in the associates and joint ventures, the Group does not recognise further losses, unless it has incurred obligations or made payments on behalf of the associates and joint ventures.

**d) Changes in ownership interests**

The Group treats transactions with non-controlling interests that do not result in a loss of control as transactions with equity owners of the Group. A difference between the amount of the adjustment to non-controlling interests to reflect their relative interest in the subsidiary and any consideration paid or received is recognised within equity.

If the ownership interest in associates and joint ventures is reduced but significant influence and joint control is retained, only a proportionate share of the amounts previously recognised in other comprehensive income is reclassified to profit or loss where appropriate. Profit or loss from reduce of the ownership interest in associates and joint ventures is recognise in profit or loss.

When the Group losses control, joint control or significant influence over investments, any retained interest in the investment is remeasured to its fair value, with the change in carrying amount recognised in profit or loss. The fair value becomes the initial carrying amount of the retained interest which is reclassified to investment in an associate, or a joint venture or a financial asset accordingly.

**e) Intercompany transactions on consolidation**

Intra-group transactions, balances and unrealised gains on transactions are eliminated. Unrealised gains on transactions between the Group and its associates and joint ventures are eliminated to the extent of the Group's interest in the associates and joint ventures. Unrealised losses are also eliminated in the same manner unless the transaction provides evidence of an impairment of the asset transferred.

**2.4 FOREIGN CURRENCY TRANSLATION****a) Functional and presentation currency**

The financial statements are presented in Thai Baht, which is the Company's functional currency and the Group's functional and presentation currency.

**b) Transactions and balances**

Foreign currency transactions are translated into the functional currency using the exchange rates prevailing at the dates of the transactions

Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates of monetary assets and liabilities denominated in foreign currencies are recognised in the profit or loss.

When a gain or loss on a non-monetary item is recognised in other comprehensive income, any exchange component of that gain or loss is recognised in other comprehensive income. Conversely, when a gain or loss on a non-monetary item is recognised in profit and loss, any exchange component of that gain or loss is recognised in profit and loss.

### **(c) Group companies**

The results and financial position of all the group entities (none of which has the currency of a hyper-inflationary economy) that have a functional currency different from the presentation currency are translated into the presentation currency as follows:

- Assets and liabilities for each statement of financial position presented are translated at the closing rate at the date of that statement of financial position;
- Income and expenses for statement of comprehensive income are translated at average exchange rates; and
- All resulting exchange differences are recognised in other comprehensive income.

## **2.5 CASH AND CASH EQUIVALENTS**

In the statements of cash flows, cash and cash equivalents includes cash on hand, deposits held at call with banks, other short-term highly liquid investments with original maturities of three months or less and bank overdrafts. In the statements of financial position, bank overdrafts are shown within borrowings in current liabilities.

## **2.6 SHORT-TERM INVESTMENTS**

Short-term investments comprise fixed deposits with banks with original maturities over than three months and investment in debt mutual fund which is initially recognised at cost, which is equal to the fair value of consideration paid plus transaction cost and is subsequently measured at fair value. The fair value of investment is based on Net Asset Value (NAV) announced by the Asset Management Company. The unrealised gains and losses of available-for-sale investments are recognised in other comprehensive income.

## **2.7 TRADE ACCOUNTS RECEIVABLE**

Trade receivables are amounts due from customers for goods sold or service performed in the ordinary course of business.

Trade receivables are recognised initially at the amount of consideration that is unconditionally unless they contain significant financing components, when they are recognised at its present value. The trade receivables are subsequently measured at cost less allowance for doubtful accounts.

## **2.8 INVENTORIES**

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

Cost of inventories is determined by the first-in, first-out method. Cost of raw materials comprise all purchase cost and costs directly attributable to the acquisition of the inventory less all attributable discounts. The cost of finished goods and work in progress comprises raw materials, direct labour, other direct costs and directly attributable costs in bringing the inventories to their present location and condition.

## **2.9 PROJECT DEVELOPMENT COSTS**

Cost of real estate development including properties under development are those properties which are held with the intention of development and sale in the ordinary course of business. They are stated at the lower of cost or net realisable value. Cost consists of land cost, expenses directly related to the project (design expense, public utilities expense, construction cost) and borrowing costs on loans funding a development property capitalised, on a specific identification basis, as part of the cost of the development property until the completion of development. Net realisable value being the estimated sale value in the course of normal business less by necessary expenses for such sale.

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets.

## 2.10 INVESTMENTS IN DEBTS AND EQUITY

Investments other than investments in subsidiaries, associates and joint ventures are initially recognised at fair value of consideration paid plus direct transaction cost.

### *Trading and available-for-sale investments*

Trading investments and available-for-sale investments are subsequently measured at fair value. The unrealised gains and losses of trading investments are recognised in profit or loss. The unrealised gains and losses of available for sale investments are recognised in other comprehensive income and are subsequently reclassified to profit or loss when the investment is disposed.

### *Disposal of investments*

On a disposal of an investment, the difference between the net disposal proceeds and the carrying amount (including cumulative changes in fair value recognised in equity) is recognised to the profit or loss. When the Group disposes an investment partially, the carrying amount of the disposed part is determined by the first-in, first-out method.

## 2.11 LAND HELD FOR DEVELOPMENT

Land held for development are consisted of cost of land and expenses directly related shown at cost net from accumulated allowance for impairment (if any).

## 2.12 INVESTMENT PROPERTY

Investment property is measured initially at its cost, including related transaction costs and borrowing costs. Borrowing costs are incurred for the purpose of acquiring, constructing a qualifying investment property are capitalised as part of its cost.

After initial recognition, investment property is carried at cost less any accumulated depreciation and any accumulated impairment losses.

Land is not depreciated. Depreciation on other investment properties is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives, as follows:

|                      |               |
|----------------------|---------------|
| Buildings            | 30 - 50 years |
| Building improvement | 10 - 25 years |

Subsequent expenditure is capitalised to the asset's carrying amount only when it is probable that future economic benefits associated with the expenditure will flow to the Group and the cost of the item can be measured reliably. All other repairs and maintenance costs are expensed when incurred. When part of an investment property is replaced, the carrying amount of the replaced part is derecognised.

No depreciation is provided on investment properties in progress.

## 2.13 PROPERTY, PLANT AND EQUIPMENT

Property, plant and equipment are stated at historical cost. Historical cost includes expenditure that is directly attributable to the acquisition of the items. Land are stated at historical. Plant and equipment are stated at historical cost less accumulated depreciation cost and allowance of impairment loss (if any).

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets are added to the cost of those assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are charged to profit or loss during the financial period in which they are incurred.

Land is not depreciated. Depreciation on other assets is calculated using the straight-line method to allocate their cost to their residual values over their estimated useful lives as follows:

|                       |  |
|-----------------------|--|
| Land improvements     | Lease period of 5 and 20 years           |
| Buildings             | Lease period of 20, 30 and 70 years      |
| Building improvements | Shorter of lease period or 2 to 30 years |
| Operating equipment   | 5 and 15 years                           |
| Office equipment      | 3 and 5 years                            |
| Vehicles              | 5 years                                  |
| Others                | 5 years                                  |

The assets' residual values and useful lives are reviewed and adjusted, if appropriate, at the end of each reporting period.

The asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

Gains or losses on disposals on property, plant and equipment are determined by comparing the proceeds with the carrying amount and are recognised in profit or loss.

There is no calculated depreciation charge for land and construction in progress.

## 2.14 INTANGIBLE ASSETS

Acquired computer software licenses are capitalised on the basis of the costs incurred to acquire and bring to use the specific software. These costs are amortised over their estimated useful lives of 3 - 10 years.

## 2.15 LEASEHOLD RIGHTS

Leasehold right is stated at cost less accumulated amortisation and allowance for loss on impairment of assets (if any). Amortisation of leasehold right is calculated by reference to its cost on a straight-line basis over the leasehold period of 10 - 30 years.

## 2.16 IMPAIRMENT OF ASSETS

Assets that have an indefinite useful life are tested annually for impairment, or more frequently if events or changes in circumstances indicate that it might be impaired. Assets that are subject to amortisation are reviewed for impairment whenever there is an indication of impairment. An impairment loss is recognised for the amount by which the carrying amount of the assets exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use.

Where the reasons for previously recognised impairments no longer exist, the impairment losses on the assets concerned other than goodwill is reversed.

## 2.17 LEASES

### Where the Group is the lessee

Payments made under operating leases (net of any incentives received from the lessor) are charged to profit or loss on a straight-line basis over the period of the lease.

At the inception of finance lease, the lower of the fair value of the leased property and the present value of the minimum lease payments is capitalised. Each lease payment is allocated between the liability and finance charges to achieve a constant rate on the liabilities balance outstanding. The corresponding rental obligations is presented net of finance charges. Finance cost is charged to profit or loss over the lease period.



### Where the Group is the lessor

When assets are leased out under a finance lease, the present value of the lease payments is recognised as a receivable. The difference between the gross receivable and the present value of the receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method, which reflects a constant periodic rate of return. Initial direct costs are included in initial measurement of the finance lease receivable and reduce the amount of income recognised over the lease term.

Assets leased out under operating leases are included in investment properties in the statement of financial position. They are depreciated over their expected useful lives on a basis consistent with other similar property, plant and equipment owned by the Group. Rental income (net of any incentives given to lessees) is recognised on a straight-line basis over the lease term.

## 2.18 BORROWINGS

Borrowings are recognised initially at the fair value, net of directly attributable transaction costs incurred. Borrowings are subsequently stated at amortised cost.

Fees paid on the establishment of loan facilities are recognised as transaction costs of the loan to the extent that it will be drawn down. The fee is deferred until the drawn down occurs and included in effective interest calculation. However, if it is probable that facility will not be drawn down, that portion of the fee paid is recognised as a prepayment and amortised over the period of related facility.

Borrowings are removed from the statement of financial position when the obligation specified in the contract is discharged, cancelled, or expired. The difference between the carrying amount of a financial liability that has been extinguished or transferred to another party and the consideration paid, including any non-cash assets transferred or liabilities assumed, is recognised in profit or loss as finance costs.

Borrowings are classified as current liabilities unless the Group has an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

### *Borrowing costs*

General and specific borrowing costs directly attributable to the acquisition, construction or production of qualifying assets. These are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

All other borrowing costs are recognised in profit or loss in the period in which they are incurred.

## 2.19 CURRENT AND DEFERRED INCOME TAXES

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity.

### *Current tax*

The current income tax is calculated on the basis of the tax laws enacted or substantively enacted at the end of the reporting period. Management periodically evaluates positions taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation. It establishes provisions where appropriate on the basis of amounts expected to be paid to the tax authorities.

### *Deferred income tax*

Deferred income tax is recognised on temporary differences arising from differences between the tax base of assets and liabilities and their carrying amounts in the financial statements. However, deferred income tax is not recognised for temporary differences arise from:

- initial recognition of an asset or liability in a transaction other than a business combination that affects neither accounting nor taxable profit or loss is not recognized;
- investments in subsidiaries, associates and joint arrangements where the timing of the reversal of the temporary difference is controlled by the Group and it is probable that the temporary difference will not reverse in the foreseeable future.

Deferred income tax is measured using tax rates of the period in which temporary difference is expected to be reversed, based on tax rates and laws that have been enacted or substantially enacted by the end of the reporting period.

Deferred tax assets are recognised only to the extent that it is probable that future taxable profit will be available against which the temporary differences can be utilised.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances relate to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realise the asset and settle the liability simultaneously.

## 2.20 EMPLOYEE BENEFITS

### *Short-term employee benefits*

Liabilities for short-term employee benefits such as wages, salaries, paid annual leave and paid sick leave, profit-sharing and bonuses, and medical care that are expected to be settled wholly within 12 months after the end of the period are recognised in respect of employees' service up to the end of the reporting period. They are measured at the amount expected to be paid.

### *Defined contribution plan*

The Group pays contributions to a separate fund on a mandatory basis. The Group has no further payment obligations once the contributions have been paid. The contributions are recognised as employee benefit expense when they are due.

### *Defined benefit plans*

Amount of retirement benefits is defined by the agreed benefits the employees will receive after the completion of employment. It usually depends on factors such as age, years of service and an employee's latest compensation at retirement.

The defined benefit obligation is calculated by an independent actuary using the projected unit credit method. The present value of the defined benefit obligation is determined by discounting the estimated future cash outflows using market yield of government bonds that matches the terms and currency of the expected cash outflows.

Remeasurement gains and losses are recognised directly to other comprehensive income in the period in which they arise. They are presented as a separate item in statements of changes in equity.

Past-service costs are recognised immediately in profit or loss

## 2.21 PROVISIONS

Provisions are recognised when the Group has a present legal or constructive obligation as a result of past events; it is probable that an outflow of resources will be required to settle the obligation; and the amount has been reliably estimated.

Provisions are measured at the present value of the expenditures expected to be required to settle the obligation. The increase in the provision due to passage of time is recognised as interest expense.

## 2.22 SHARE CAPITAL

Ordinary shares with discretionary dividends are classified as equity.

Incremental costs directly attributable to the issue of new shares or options are shown in equity as a deduction, net of tax, from the proceeds.

## 2.23 SUBORDINATED PERPETUAL BOND

Subordinated perpetual bond is recognised as equity. In accordance with TAS 32, Financial Instruments: Presentation, the perpetual bonds must be presented as financial liabilities. However, the Federation of Accounting Professions (TFAC) issued an announcement no. 95/2562 to provide a relief from reclassification of the perpetual bonds that was issued and paid-up before 31 December 2019. The relief is granted until 31 December 2022.

## 2.24 REVENUE RECOGNITION

Major revenues include all revenues from sales of real estate, hotel operations, and rental income which result from ordinary business activities. All ancillary income in connection with the delivery of goods and rendering of services in the course of the Group's ordinary activities is also presented as revenue.

### *Revenues from sales of real estate*

The Group develops and sells residential properties. Revenue is recognised when control over the property has been transferred to the customer. The properties have generally no alternative use for the Group due to contractual restrictions. However, an enforceable right to payment does not arise until legal title has passed to the customer.

Revenue is recognised at a point in time when the legal title has passed to the customer. The revenue is measured at the transaction price agreed under the contract. In most cases, the consideration is due when legal title has been transferred. While deferred payment terms may be agreed in rare circumstances, the deferral does not usually exceed 12 months. The transaction price is therefore not adjusted for the effects of a significant financing component.

### *Revenues from hotel operations*

Revenue from hotel operations comprises amounts earned in respect of rental of rooms, food and beverage sales, and other ancillary services. Revenue is recognised over the period when rooms are occupied or services are performed. Revenue from the sale of food and beverages and goods is recognised at the point of sale when the food and beverages and goods are delivered to customers. Payment is due immediately when the hotel guest occupies the room and receives the services a goods.

#### *Revenues from rental income*

The Group recognises rental income with a continuous service provision as revenue on a straight-line basis over the contract term, regardless of the payment pattern.

#### *Interest income*

Interest income is recognised in proportion of time using the effective interest method from point of time to maturity date and using outstanding principal as a basis to recognise interest receivable.

#### *Dividend income*

Dividend income is recognised when the right of receipt occurred.

#### *Contract assets and contract liabilities*

A contract asset is recognised where the Group records revenue for fulfillment of a contractual performance obligation before the customer paid consideration or before the requirements for billing. A contract liability is recognised when the customer paid consideration or a receivable from the customer that is due before the Group fulfilled a contractual performance obligation.

For each customer contract, contract liabilities are set off against contract assets and presented under “trade and other receivables, net” or “deposits and cash received in advance” in the statement of financial position.

#### *Incremental costs of obtaining a contract*

The Group capitalises incremental costs of obtaining a contract, mainly real estate sales commissions to third parties and to employees, which present under “trade and other receivables, net” in the statement of financial position and amortise to selling expenses in the same pattern of related revenue recognition.

## **2.25 DIVIDENDS**

Annual dividends are recorded in the consolidated and separate financial statements in the period in which they are approved by the shareholders' meetings of the Company and the subsidiaries.

Interim dividends are recorded in consolidated and separate financial statements in the period in which they are approved by the board of directors' meetings of the Company and the subsidiaries.

## **2.26 SEGMENT REPORTING**

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Chief Executive Officer that makes strategic decisions.

# **3 FINANCIAL RISK MANAGEMENT**

## **3.1 FINANCIAL RISK FACTORS**

The Group's activities expose it to a variety of financial risks including currency risk and interest rate risk.

The Group's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Group's financial performance. The Group uses derivative financial instruments such as interest rate swap contracts to hedge certain exposures.

Risk management is carried out by a central group treasury department. The central group treasury department identifies, evaluates and hedges financial risks in close co-operation with the Group's operating units. The Group follows written principles for overall risk management, as well as written policies covering specific areas, such as foreign exchange risk, interest rate risk, use of derivative financial instruments. The Group does not have policy to use financial instruments for speculative or trading purposes.

### 3.1.1 Foreign exchange risk

The Group has an investment in foreign subsidiary which may has risk from foreign exchange, primarily denominated in Yen. Currency exposure to the asset, liabilities and net investment of the Group's subsidiary. The Group uses cross currency swap to hedge their exposure to foreign currency risk.†

### 3.1.2 Interest rate swap contracts

Interest rate swap contracts protect the Group from movements in interest rates. Any differential to be paid or received on an interest rate swap agreement is recognised as a component of interest expense over the period of the agreement.

### 3.1.3 Interest rate risk

The Group's manage the risk of interest rate by diversifying on both short-term and long-term borrowings with fixed interest rate and floating interest rate in consistent with the Group's investments.

### 3.1.4 Credit risk

The Group has no significant concentrations of credit risks. The Group has policies in place to ensure that sales of products and services are made to customers with an appropriate credit history. Derivative counterparties and cash transactions are limited to high credit quality financial institutions. The Group has policies that limit the amount of credit exposure to any one financial institution.

### 3.1.5 Liquidity risk

Prudent liquidity risk management implies maintaining sufficient cash and marketable securities, the availability of funding through an adequate amount of committed credit facilities, and the ability to close out market positions. Due to the dynamic nature of the underlying business, the Group treasury aims at maintaining flexibility in funding by keeping committed credit lines available.

## 3.2 CAPITAL RISK MANAGEMENT

The Group's objectives when managing capital are to safeguard the Group's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital.

## 4 CRITICAL ACCOUNTING ESTIMATES AND JUDGEMENTS

Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

### 4.1 CRITICAL ACCOUNTING ESTIMATES

The Group makes estimates and assumptions concerning the future. The result of accounting estimates will, by definition, seldom equal the related actual results. The estimates and assumptions that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are outlined below.

#### *Allowance for doubtful accounts*

In determining an allowance for doubtful accounts, the management needs to make judgment and estimates based upon, among other things, past collection history, aging profile of outstanding debts and the prevailing economic condition.

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#### *Impairment of investments*

The Group treat 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 judgement of the management.

#### *Property plant and equipment and 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 estimated 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.

#### *Deferred tax assets*

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

#### *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.

#### *Retirement benefits*

The present value of the retirement benefits obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. Including the discount rate. Any changes in these assumptions will have an impact on the carrying amount of retirement benefits obligation.

The Group determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the retirement benefits obligations. In determining the appropriate discount rate, the Group considers the market yield of high quality corporate bonds or government bonds that are denominated in the currency in which the benefits will be paid, and that have terms to maturity approximating the terms of the related retirement benefits liability.

Additional information of other key assumptions for retirement benefits obligations other is disclosed in Note 28.

#### *Litigation*

The Group has contingent liabilities as a result of litigation. The management of the Group applies judgement 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.



## 4.2 CRITICAL JUDGEMENTS IN APPLYING THE ACCOUNTING POLICIES

### *Joint arrangements*

The Group holds 50% of the voting rights of its joint arrangement. The Group has joint control over this arrangement as under the contractual agreements, unanimous consent is Group required from all parties to the agreements for all relevant activities.

The Group's joint arrangement is structured as a limited company and provides the Group and the parties to the agreements with rights to the net assets of the limited company under the arrangements. Therefore, this arrangement is classified as a joint venture.

## 5 SEGMENT INFORMATION

The Group reported operating segments in a manner consistent with the internal reporting provided to the chief operating decision-maker. The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as Board of Directors that makes strategic decisions.

The factors used to identify the Group's reportable segments include types of products and services. There are three reportable segments; that are (1) property development business (2) hotel business and (3) others.

The Board of Director assesses the performance of the operating segments based on revenues from segment, interest income, other income, selling expenses, administrative expenses, share of loss from investments in joint ventures, finance cost and income tax are not allocated to segments, as this type of activity is driven by the central treasury function, which manages the cash position of the Group.

The Group's revenues between segments are carried out at arm's length. The revenue from external parties reported to the Board of Director is measured in a manner consistent with that in the income statement.

Segment revenue and profit of the Group results in the consolidated financial statements for the year ended 31 December were as follows:

(Unit : Thousand Baht)

|  | PROPERTY DEVELOPMENT<br>SEGMENT |                   | HOTEL SEGMENT    |                  | OTHERS           |                  | ELIMINATION        |                    | CONSOLIDATION     |                   |
|--|---------------------------------|-------------------|------------------|------------------|------------------|------------------|--------------------|--------------------|-------------------|-------------------|
|  | 2019                            | 2018              | 2019             | 2018             | 2019             | 2018             | 2019               | 2018               | 2019              | 2018              |
| Revenue from external customers                  | 16,367,128                      | 15,586,565        | 3,669,565        | 2,914,757        | 269,331          | 342,714          | -                  | -                  | 20,306,024        | 18,844,036        |
| Intersegment revenues                            | 1,299,787                       | 1,634,946         | -                | -                | 723,792          | 689,755          | (2,023,579)        | (2,324,701)        | -                 | -                 |
| <b>Total revenues</b>                            | <b>17,666,915</b>               | <b>17,221,511</b> | <b>3,669,565</b> | <b>2,914,757</b> | <b>993,123</b>   | <b>1,032,469</b> | <b>(2,023,579)</b> | <b>(2,324,701)</b> | <b>20,306,024</b> | <b>18,844,036</b> |
| <b>Segment operating profit (loss)</b>           | <b>5,694,041</b>                | <b>5,531,627</b>  | <b>1,281,312</b> | <b>906,553</b>   | <b>(102,435)</b> | <b>(8,048)</b>   | <b>-</b>           | <b>-</b>           | <b>6,872,918</b>  | <b>6,430,132</b>  |
| <b>Unallocated income and expenses:</b>          |                                 |                   |                  |                  |                  |                  |                    |                    |                   |                   |
| Other income                                     |                                 |                   |                  |                  |                  |                  |                    |                    | 789,146           | 567,593           |
| Other profit (loss)                              |                                 |                   |                  |                  |                  |                  |                    |                    | 70,100            | 235,393           |
| Selling expenses                                 |                                 |                   |                  |                  |                  |                  |                    |                    | (1,753,636)       | (1,943,704)       |
| Administrative expenses                          |                                 |                   |                  |                  |                  |                  |                    |                    | (3,390,557)       | (3,238,996)       |
| Share of loss from investments in joint ventures |                                 |                   |                  |                  |                  |                  |                    |                    | (147,960)         | (127,742)         |
| Finance costs                                    |                                 |                   |                  |                  |                  |                  |                    |                    | (1,109,498)       | (899,983)         |
| Income tax                                       |                                 |                   |                  |                  |                  |                  |                    |                    | (320,248)         | (329,178)         |
| <b>Profit for the year</b>                       |                                 |                   |                  |                  |                  |                  |                    |                    | <b>1,010,265</b>  | <b>693,515</b>    |
| <b>Timing of revenue recognition</b>             |                                 |                   |                  |                  |                  |                  |                    |                    |                   |                   |
| At a point in time                               | 17,666,915                      | 17,221,511        | 1,531,745        | 1,303,629        | -                | -                | (1,299,787)        | (1,634,946)        | 20,036,693        | 18,501,322        |
| Over time  | -                               | -                 | 2,137,820        | 1,611,128        | 993,123          | 1,032,469        | (723,792)          | (689,755)          | 269,331           | 342,714           |
| <b>Total revenues</b>                            | <b>17,666,915</b>               | <b>17,221,511</b> | <b>3,669,565</b> | <b>2,914,757</b> | <b>993,123</b>   | <b>1,032,469</b> | <b>(2,023,579)</b> | <b>(2,324,701)</b> | <b>20,306,024</b> | <b>18,844,036</b> |

## 6 FAIR VALUE

The table below analyses financial instruments carried at fair value, by valuation method. The different levels have been defined as follows:

- Level 1 : Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 : Inputs other than quoted prices included within level 1 that are observable for the assets or liabilities, either directly (that is, as prices) or indirectly (that is, derived from prices).
- Level 3 : Inputs for the assets or liabilities that are not based on observable market data (that is, unobservable inputs).

The following table presents financial assets that are measured and recognised at fair value at 31 December.

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |              |
|--|--------------------------------------|----------------|----------------------------------|--------------|
|  | LEVEL 1                              |                | LEVEL 1                          |              |
|  | 2019                                 | 2018           | 2019                             | 2018         |
| <b>Assets</b>                            |                                      |                |                                  |              |
| Trading investment (Note 8)              | 580                                  | 570            | 580                              | 570          |
| Available-for-sale investments (Note 13) | 163,405                              | 168,983        | 3,700                            | 3,136        |
| <b>Total</b>                             | <b>163,985</b>                       | <b>169,553</b> | <b>4,280</b>                     | <b>3,706</b> |

### Financial instruments in Level 1

The fair value of financial instruments traded in active markets is based on quoted market prices at the statement of financial position date. A market is regarded as active if quoted prices are readily and regularly available. Instruments included in Level 1 comprise primarily equity securities classified as trading and available-for-sale.

## 7 CASH AND CASH EQUIVALENTS

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                  |
|--|--------------------------------------|------------------|----------------------------------|------------------|
|  | 2019                                 | 2018             | 2019                             | 2018             |
| Cash on hand   | 61,114                               | 16,752           | 1,142                            | 1,142            |
| Bank deposits  | 3,534,507                            | 4,873,688        | 573,080                          | 2,404,518        |
| Bank deposits<br>- restricted for repayment of loans | 1,315,745                            | -                | -                                | -                |
| Total cash on hand and bank deposits                 | 4,911,366                            | 4,890,440        | 574,222                          | 2,405,660        |
| Less Bank deposits pledged as security               | (1,042,155)                          | (113,272)        | (151,852)                        | (63,405)         |
| <b>Total</b>   | <b>3,869,211</b>                     | <b>4,777,168</b> | <b>422,370</b>                   | <b>2,342,255</b> |

As at 31 December 2019, the effective interest rate on bank deposits was 0.10% to 1.60% per annum (2018: 0.10% to 1.05% per annum).

## 8 SHORT-TERM INVESTMENTS

(Unit : Thousand Baht)

|                               | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |            |
|-------------------------------|--------------------------------------|----------------|----------------------------------|------------|
|                               | 2019                                 | 2018           | 2019                             | 2018       |
| <b>Short-term investments</b> |                                      |                |                                  |            |
| Trading securities            | 580                                  | 570            | 580                              | 570        |
| Fixed deposits                | 630,303                              | 530,064        | -                                | -          |
| <b>Total</b>                  | <b>630,883</b>                       | <b>530,634</b> | <b>580</b>                       | <b>570</b> |

The interest rate on fixed deposits which is later than 3 months but not over 1 year was 1.50% - 1.75% per annum (2018: 1.30% - 2.75% per annum).

The analysis of the trading securities is as follows:

(Unit : Thousand Baht)

|                    | CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS |            |            |            |
|--------------------|--|------------|------------|------------|
|                    | 2019   |            | 2018       |            |
|                    | COST   | FAIR VALUE | COST       | FAIR VALUE |
| Trading securities | 800  | 580        | 800        | 570        |
| <b>Total</b>       | <b>800</b>                                     | <b>580</b> | <b>800</b> | <b>570</b> |

The movements of trading securities during the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

|                            | CONSOLIDATED AND SEPARATE<br>FINANCIAL STATEMENTS |
|----------------------------|---|
| Opening book amount        | 570   |
| Change in fair value       | 10  |
| <b>Closing book amount</b> | <b>580</b>  |

## 9 TRADE AND OTHER RECEIVABLES, NET

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|--------------------------------------|----------------|----------------------------------|----------------|
|   | 2019                                 | 2018           | 2019                             | 2018           |
| Trade receivables - third parties           | 342,700                              | 339,679        | 5,863                            | 4,063          |
| <u>Less</u> Allowance for doubtful accounts | (86,704)                             | (88,278)       | (4,063)                          | (4,063)        |
| Trade receivables - third parties, net      | 255,996                              | 251,401        | 1,800                            | -              |
| Trade receivables - related parties         | 3,697                                | 20,858         | -                                | -              |
| <u>Less</u> Allowance for doubtful accounts | -                                    | -              | -                                | -              |
| Trade receivables                           |                                      |                |                                  |                |
| - related parties, net (Note 38.2)          | 3,697                                | 20,858         | -                                | -              |
| Trade receivables, net                      | 259,693                              | 272,259        | 1,800                            | -              |
| Advances                                    | 15,974                               | 7,195          | 3,877                            | 3,539          |
| Advances                                    |                                      |                |                                  |                |
| - related parties (Note 38.2)               | -                                    | -              | 19,290                           | 33,838         |
| Advance payment for purchase of land        | 287,789                              | 190,000        | -                                | -              |
| Accrued income                              | 7,723                                | 9,870          | -                                | -              |
| Interest receivables                        | 10,741                               | 6,944          | 9,305                            | 6,945          |
| Interest receivables                        |                                      |                |                                  |                |
| - related parties (Note 38.2)               | 55,640                               | 28,359         | 267,525                          | 195,780        |
| Prepaid expenses                            | 96,847                               | 88,818         | 49,872                           | 29,794         |
| Other receivables                           | 102,518                              | 51,745         | 58,217                           | 200            |
| Other receivables                           |                                      |                |                                  |                |
| - related parties (Note 38.2)               | 19,003                               | 15,283         | 23,470                           | 34,025         |
| Receivables from the Revenue Department     | 21,456                               | 110,419        | -                                | -              |
| <b>Trade and other receivables, net</b>     | <b>877,384</b>                       | <b>780,892</b> | <b>433,356</b>                   | <b>304,121</b> |

Outstanding trade accounts receivable, net can be analysed as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |          |
|--|--------------------------------------|----------------|----------------------------------|----------|
|  | 2019                                 | 2018           | 2019                             | 2018     |
| <b>Trade receivables - third parties</b> |                                      |                |                                  |          |
| Not yet due                              | 227,610                              | 224,884        | -                                | -        |
| Up to 3 months                           | 26,793                               | 26,029         | 1,800                            | -        |
| 3 - 6 months                             | 647                                  | 2,534          | -                                | -        |
| 6 - 12 months                            | 1,370                                | 4,253          | -                                | -        |
| Over 12 months                           | 86,280                               | 81,979         | 4,063                            | 4,063    |
| Total                                    | 342,700                              | 339,679        | 5,863                            | 4,063    |
| Less Allowance for doubtful accounts     | (86,704)                             | (88,278)       | (4,063)                          | (4,063)  |
| <b>Total trade receivables, net</b>      | <b>255,996</b>                       | <b>251,401</b> | <b>1,800</b>                     | <b>-</b> |

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |               | SEPARATE<br>FINANCIAL STATEMENTS |          |
|--|--------------------------------------|---------------|----------------------------------|----------|
|  | 2019                                 | 2018          | 2019                             | 2018     |
| <b>Trade receivables - related parties</b>           |                                      | -             | -                                | -        |
| Not yet due  | 3,692                                | -             | -                                | -        |
| Up to 3 months                                       | 5                                    | -             | -                                | -        |
| 3 - 6 months   | -                                    | -             | -                                | -        |
| 6 - 12 months  | -                                    | -             | -                                | -        |
| Over 12 months                                       | -                                    | 20,858        | -                                | -        |
| Total  | 3,697                                | 20,858        | -                                | -        |
| Less Allowance for doubtful accounts                 | -                                    | -             | -                                | -        |
| <b>Total trade receivables- related parties, net</b> | <b>3,697</b>                         | <b>20,858</b> | <b>-</b>                         | <b>-</b> |



## 10 RECEIVABLES FROM SALE OF LAND AND CONDOMINIUM BUILDING, NET

Receivables from sale of land and condominium building as at 31 December comprise the following:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |          | SEPARATE<br>FINANCIAL STATEMENTS |          |
|---|--------------------------------------|----------|----------------------------------|----------|
|   | 2019                                 | 2018     | 2019                             | 2018     |
| Receivables from sale of land and<br>condominium building | 859,850                              | -        | 689,073                          | -        |
| Less Deferred interest income                             | (4,570)                              | -        | (4,570)                          | -        |
| Total   | 855,280                              | -        | 684,503                          | -        |
| Less Allowance for doubtful accounts                      | (54,635)                             | -        | -                                | -        |
| <b>Receivable from sale of land, net</b>                  | <b>800,645</b>                       | <b>-</b> | <b>684,503</b>                   | <b>-</b> |

As at 31 December 2019, the Group had accounts receivable from sale of land and condominium building. The legal title of land and condominium building have already been transferred to the buyers. In January and February 2020, the Group and the Company have received payment of Baht 217.04 million. The promissory notes on the remaining amount of Baht 588.17 million will be due 2020.

## 11 INVENTORIES

(Unit : Thousand Baht)

|                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |               |
|---------------------|--------------------------------------|---------------|
|                     | 2019                                 | 2018          |
| Food and beverage   | 15,794                               | 13,898        |
| Supplies and others | 21,362                               | 28,435        |
| <b>Total</b>        | <b>37,156</b>                        | <b>42,333</b> |

## 12 PROJECT DEVELOPMENT COSTS, NET

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |             | SEPARATE<br>FINANCIAL STATEMENTS |             |
|---|--------------------------------------|-------------|----------------------------------|-------------|
|   | 2019                                 | 2018        | 2019                             | 2018        |
| Land and construction developed   | 10,664,824                           | 8,846,868   | 5,899,881                        | 5,178,039   |
| Land and construction under development                                     | 16,085,973                           | 17,774,372  | 9,750,753                        | 10,220,118  |
| Total   | 26,750,797                           | 26,621,240  | 15,650,634                       | 15,398,157  |
| Less Reduction of cost to net realisable value                              | (126,609)                            | (57,772)    | (126,083)                        | (57,246)    |
| Project development costs, net  | 26,624,188                           | 26,563,468  | 15,524,551                       | 15,340,911  |
| Borrowing costs   | 1,058,647                            | 840,741     | 579,172                          | 456,497     |
| Capitalisation rate (%)   | 3.50 - 7.00                          | 3.90 - 6.50 | 3.50 - 7.00                      | 3.90 - 6.50 |
| Mortgaged as collateral for credit<br>facilities, guarantees and debentures | 19,657,287                           | 17,967,608  | 12,668,382                       | 11,688,438  |

Reduction of cost to net realisable value (reversal) was as follows:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                 | SEPARATE<br>FINANCIAL STATEMENTS |                 |
|---|--------------------------------------|-----------------|----------------------------------|-----------------|
|   | 2019                                 | 2018            | 2019                             | 2018            |
| Increase                                | 69,087                               | -               | 69,087                           | -               |
| Transfer from land held for development | 11,092                               | 63              | 11,092                           | 63              |
| Reversal                                | (11,342)                             | (12,259)        | (11,342)                         | (10,417)        |
| <b>Net</b>                              | <b>68,837</b>                        | <b>(12,196)</b> | <b>68,837</b>                    | <b>(10,354)</b> |

### 13 AVAILABLE-FOR-SALE INVESTMENTS

The movement of available-for-sale investments during the year ended 31 December is as follows:

(Unit : Thousand Baht)

|                            | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |              |
|----------------------------|--------------------------------------|----------------|----------------------------------|--------------|
|                            | 2019                                 | 2018           | 2019                             | 2018         |
| Opening book amount        | 168,984                              | 179,454        | 3,136                            | 3,954        |
| Capital reduction          | (593)                                | (202)          | (390)                            | -            |
| Reversal of impairment     | 202                                  | 202            | -                                | -            |
| Change in fair value       | (5,188)                              | (10,471)       | 954                              | (818)        |
| <b>Closing book amount</b> | <b>163,405</b>                       | <b>168,983</b> | <b>3,700</b>                     | <b>3,136</b> |

Fair value of available-for-sale investments is as follows:

(Unit : Thousand Baht)

|                 | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |              |
|-----------------|--------------------------------------|----------------|----------------------------------|--------------|
|                 | 2019                                 | 2018           | 2019                             | 2018         |
| Cost            | 174,220                              | 184,263        | 8,170                            | 8,560        |
| Unrealised loss | (10,613)                             | (15,280)       | (4,470)                          | (5,424)      |
| Impairment loss | (202)                                | -              | -                                | -            |
|                 | <b>163,405</b>                       | <b>168,983</b> | <b>3,700</b>                     | <b>3,136</b> |

The fair values of Grande Hospitality Real Estate Investment Trust and KTech Construction Public Company Limited are based on latest quoted market prices. The fair values are within level 1 of the fair value hierarchy.

## 14 INVESTMENTS IN SUBSIDIARIES

The investments in subsidiaries as at the 31 December are as follows:

|   |                          |  | PERCENTAGE OF SHAREHOLDING BY THE GROUP |            | PERCENTAGE OF SHAREHOLDING BY THE COMPANY |            |
|---|--------------------------|--|---|------------|---|------------|
|   |                          |  | 2019                                    | 2018       | 2019                                      | 2018       |
|   | COUNTRY OF INCORPORATION | NATURE OF BUSINESS                                       | PERCENTAGE                              | PERCENTAGE | PERCENTAGE                                | PERCENTAGE |
| <b>Subsidiaries directly owned by the Company</b>   |                          |  |   |            |   |            |
| Thai Property Public Company Limited  | Thailand                 | Property development                                     | 94.60                                   | 94.60      | 94.60                                     | 94.60      |
| We Retail Public Company Limited  | Thailand                 | Property development, shopping mall and commercial areas | 94.97                                   | 94.97      | 94.97                                     | 94.97      |
| Estate Perfect Company Limited  | Thailand                 | Property development                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Bright Development Bangkok Company Limited  | Thailand                 | Property development                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Residence Number Nine Limited   | Thailand                 | Property development                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Chiangmai Development Company Limited   | Thailand                 | Property development                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Ramintra Mall Company Limited   | Thailand                 | Property development                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| U&I Construction Bangkok Company Limited  | Thailand                 | Construction service                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Perfect Prefab Company Limited  | Thailand                 | Producing and assembling prefabricated building system   | 100.00                                  | 80.00      | 100.00                                    | 80.00      |
| Perfect Sport Club Company Limited  | Thailand                 | Clubhouse management                                     | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Thai Connect 2019 Limited   | Thailand                 | Apartment service  | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| Property Perfect International Pte. Ltd.  | Singapore                | Investment in overseas projects                          | 100.00                                  | 100.00     | 100.00                                    | 100.00     |
| <b>Subsidiaries which the Company owns through Thai Property Public Company Limited ("TPROP")</b> |                          |  |   |            |   |            |
| Pacific Estate Development Limited  | Thailand                 | Office building rental and providing services            | 94.60                                   | 94.60      | -   | -          |
| Scenery Peak Limited  | British Virgin Islands   | Investment in other companies                            | 94.60                                   | 94.60      | -   | -          |
| Metro Premier Holding Company Limited   | Thailand                 | Investment in other companies                            | 94.60                                   | 94.60      | -   | -          |

|   |                          |   | PERCENTAGE OF SHAREHOLDING BY THE GROUP |            | PERCENTAGE OF SHAREHOLDING BY THE COMPANY |            |
|---|--------------------------|---|---|------------|---|------------|
|   |                          |   | 2019                                    | 2018       | 2019                                      | 2018       |
|   | COUNTRY OF INCORPORATION | NATURE OF BUSINESS  | PERCENTAGE                              | PERCENTAGE | PERCENTAGE                                | PERCENTAGE |
| <b>Subsidiaries directly owned by the Company and owned through TPROP and Metro Premier Holding Company Limited</b> |                          |   |   |            |   |            |
| Grande Asset Hotels and Property Public Company Limited   | Thailand                 | Hotel business, rental of shopping plaza and property development | 46.67                                   | 46.67      | 9.50                                      | 9.50       |
| <b>Subsidiaries which the Company owns through Grande Asset Hotels and Property Public Company Limited</b>          |                          |   |   |            |   |            |
| Honor Business Company Limited  | Thailand                 | Hotel   | 46.67                                   | 46.67      | -   | -          |
| Grande Equity Development Company Limited   | Thailand                 | Temporarily ceased operations                                     | 46.67                                   | 46.67      | -   | -          |
| Owendelle Company Limited   | Thailand                 | Hotel   | 46.67                                   | 46.67      | -   | -          |
| Royal Orchid Hotel (Thailand) Public Company Limited  | Thailand                 | Hotel   | 45.96                                   | 45.96      | -   | -          |
| <b>Subsidiary which the Company owns through Royal Orchid Hotel (Thailand) Public Company Limited</b>               |                          |   |   |            |   |            |
| Thai Royal Orchid Real Estate Company   | Thailand                 | Rental of assets  | 45.95                                   | 45.95      | -   | -          |
| <b>Subsidiary which the Company owns through We Retail Public Company Limited</b>                                   |                          |   |   |            |   |            |
| Centrepoint Shopping Mall Company Limited   | Thailand                 | Property development, shopping mall and commercial areas          | 94.97                                   | 94.97      | -   | -          |
| <b>Subsidiary which the Company owns through Property Perfect International Pte. Ltd.</b>                           |                          |   |   |            |   |            |
| Kiroro Resort Holdings Company Limited.   | Japan                    | Investment in hotel business                                      | 99.70                                   | 98.13      | 31.42                                     | 31.42      |
| <b>Subsidiaries which the Company owns through Kiroro Resort Holdings Company Limited ("KRH")</b>                   |                          |   |   |            |   |            |
| Hokkaido Holiday Services Company Limited   | Japan                    | Residential agency  | 50.85                                   | -          | -   | -          |

The movements of investments in subsidiaries during the year ended 31 December are as follows:

(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS          |                  |                  |
|--|------------------|------------------|
|  | 2019             | 2018             |
| Opening book amount                    | 8,097,989        | 7,758,764        |
| Additions                              | 36,852           | 354,225          |
| Disposal of investment in subsidiaries | (15,000)         | (15,000)         |
| <b>Closing book amount</b>             | <b>8,119,841</b> | <b>8,097,989</b> |

On 18 December 2018, the Extraordinary General Meeting of shareholders of Sheraton Royal Orchid Company Limited, which was a subsidiary of the Company that was indirectly held through Grande Asset Hotels and Property Public Company Limited ("GRAND"), passed a resolution to approve the dissolution of the entity. Sheraton Royal Orchid Company Limited registered its dissolution with the Ministry of Commerce on 25 December 2018.

Subsequently, on 27 March 2019, Royal Orchid Hotel (Thailand) Public Company Limited received a return on its investment of Baht 5.60 million as a result of the dissolution of Sheraton Royal Orchid Company Limited. This amount includes a Baht 0.50 million gain. In addition, Sheraton Royal Orchid Company Limited returned the capital of Baht 5.38 million to its minority shareholders. Sheraton Royal Orchid Company Limited already completed its liquidation process.

On 11 March 2019, pursuant to Extraordinary General Meeting of Shareholders of Uniloft Service (Thailand) Company Limited, the Company's subsidiary, No. 1/2019, the resolution was passed to approve a change of the Company's name from Uniloft Services (Thailand) Limited. to "Thai Connect 2019 Limited". Uniloft Service (Thailand) has registered the changes its name with the Ministry of Commerce on 13 March 2019.

On 20 February 2019, the Company purchased shares of Perfect Prefab Company Limited from Center of Standard Precast Company Limited, totalling baht 21.85 million. As a result, the Company's shareholding increased from 80% to 100%.

On 19 June 2019, Kiroro Resort Holdings Company Limited co - invested with Niseko Alpine Developments Company Limited ("NISADE") registered Hokkaido Holiday Services Company Limited to operate in management and letting of Yu Kiroro condominium. The registered capital in 5,000,000 yen with 100 ordinary shares with a par value of 50,000 yen per share, and fully paid up. Kiroro Resort Holdings Company Limited holds 51% of the shares amount 2,550,000 Yen or 671,053 Baht.

On 8 July 2019, Property Perfect International Private Limited. ("PPI"), the Company's subsidiary, purchased shares of Kiroro Resort Holding Company Limited. from non-controlling interest shareholders, Baht 20.32 million. As a result, PPI's shareholding increased from 66.71% to 68.58% and the Group's shareholding increased from 98.13% to 99.70%.

On 5 August 2019, pursuant to Statement of directors of Kiroro Resort Holdings Company Limited. ("KRH"), Kabushiki Kaisha Kiroro Associates Company Limited ("KA"), Kiroro Hotels Company Limited ("KH") and Kiroro Resort Development Company Limited ("KRD"), the Company's subsidiaries that were indirectly held through, the resolution was passed to approve the execution of the merger agreement by and among KRH, KA, KH and KRD.

Subsequently, on 1 November 2019, KRH, KA, KH and KRD merged into KRH. KA, KH and KRD registered its dissolution and merged into KRH with the Ministry of Commerce, Japan on 6 November 2019.

Since KRH, KA, KH and KRD are ultimately controlled by the same party and/or parties both before and after the business combination; the Company applied the amalgamation basis in combining KRH, KA, KH and KRD. Therefore, the consolidated financial statements were prepared by combining assets, liabilities, and shareholders' equity of KRH, KA, KH and KRD by using the book value as at 1 November 2019.

The Group has a subsidiary, GRAND, which has significant non-controlling interests. GRAND is a listed company in the Stock Exchange of Thailand and has already publicly disclosed. The Group has no material related transaction.

## 15 INVESTMENTS IN JOINT VENTURES

The investments in joint ventures as at 31 December are as follows:

|   | COUNTRY OF INCORPORATION | NATURE OF BUSINESS   | PERCENTAGE OF SHAREHOLDING BY THE GROUP |            | PERCENTAGE OF SHAREHOLDING BY THE COMPANY |            |
|---|--------------------------|----------------------|---|------------|---|------------|
|   |                          |                      | 2019                                    | 2018       | 2019                                      | 2018       |
|   |                          |                      | PERCENTAGE                              | PERCENTAGE | PERCENTAGE                                | PERCENTAGE |
| <b>Jointly controlled entities</b>  |                          |                      |   |            |   |            |
| T Utilities Company Limited and its subsidiaries  | Thailand                 | Utilities business   | 45.00                                   | 45.00      | 45.00                                     | 45.00      |
| HKL Perfect Company Limited   | Thailand                 | Property development | 51.00                                   | 51.00      | 51.00                                     | 51.00      |
| PF-Sekisui JV Company Limited   | Thailand                 | Property development | 51.00                                   | 51.00      | 51.00                                     | 51.00      |
| PF Forestry Company Limited   | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| <b>Jointly controlled entities and owns through HKL Perfect Company Limited</b>                             |                          |                      |   |            |   |            |
| PFHKL1 Company Limited  | Thailand                 | Property development | 51.00                                   | 51.00      | 51.00                                     | 51.00      |
| PFHKL2 Company Limited  | Thailand                 | Property development | 51.00                                   | 51.00      | 51.00                                     | 51.00      |
| PFHKL3 Company Limited  | Thailand                 | Property development | 51.00                                   | 51.00      | 51.00                                     | 51.00      |
| PFHKL4 Company Limited  | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| PFHKL5 Company Limited  | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| PFHKL6 Company Limited  | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| <b>Jointly controlled entities owns through PF Forestry Company Limited</b>                                 |                          |                      |   |            |   |            |
| PFS 1 Company Limited   | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| PFS 2 Company Limited   | Thailand                 | Property development | 51.00                                   | -          | 51.00                                     | -          |
| <b>Jointly controlled entities and owns through Grande Asset Hotels and Property Public Company Limited</b> |                          |                      |   |            |   |            |
| Grand Star Company Limited  | Thailand                 | Property development | 51.00                                   | 51.00      | 11.00                                     | 11.00      |
| Grand River Forest Company Limited  | Thailand                 | Property development | 51.00                                   | 51.00      | 9.00                                      | 9.00       |
| <b>Jointly controlled entities owns through We Retail Public Company Limited</b>                            |                          |                      |   |            |   |            |
| All Discount Company Limited and its subsidiaries   | Thailand                 | Retails              | 50.00                                   | 50.00      | -   | -          |



The movements of interests in joint ventures during the year ended 31 December are as follows:

(Unit : Thousand Baht)

|                            | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|----------------------------|--------------------------------------|----------------|----------------------------------|----------------|
|                            | 2019                                 | 2018           | 2019                             | 2018           |
| Opening book amount        | 826,205                              | 652,038        | 406,633                          | 191,063        |
| Additions                  | 316,174                              | 379,070        | 274,174                          | 215,570        |
| Share of losses            | (36,616)                             | (70,676)       | -                                | -              |
| Less Elimination           | (250,881)                            | (134,227)      | -                                | -              |
| <b>Closing book amount</b> | <b>854,882</b>                       | <b>826,205</b> | <b>680,807</b>                   | <b>406,633</b> |

During the year 2019, the Company incorporated PF Forestry Company Limited ("PF Forestry") and its subsidiaries, PFS1 Company Limited ("PFS1") and PFS2 Company Limited ("PFS2") which engage in the business of investment and property development businesses. The registered capital of PF Forestry is of Baht 500 million. The registered capital of PFS1 and PFS2 are Baht 280 million and 210 million, respectively.

During June 2019, the Company entered into a Shareholders Agreement with Sumitomo Forestry Singapore Limited to sell 49% interest in PF Forestry's shares. The remaining shareholding proportion of the Company is 51% of the registered capital on 12 June 2019. According to the Shareholders Agreement, the assigned structure of the business operation and the strategic, operating and financing decisions requires consent from all parties. Therefore, the Group classified the investment in PF Forestry as an investment in joint ventures.

On 22 April 2019, the Annual General Meeting of Shareholders of Grand River Forest Company Limited ("Grand River Forest"), a joint venture, passed a resolution to increase the authorised share capital from 3 million ordinary shares with a par value of Baht 100 per share to 15 million ordinary shares with a par value of Baht 100 per share, which will be allotted to existing shareholders according to the proportion of shareholding. Grand River Forest initially offered

1 million new ordinary shares which were priced at Baht 100 per share. On 2 July 2019, the Company and GRAND paid for the subscription of 90,000 and 420,000 additional shares, respectively at Baht 100 par value which were priced at Baht 100 per share, amounting to Baht 9 million and 42 million. All issued shares are fully paid. The Company holds 9% ownership interest and GRAND holds 42% ownership interest in Grand River Forest. Grand River Forest registered the increased share capital with the ministry of commerce on 18 July 2019.

During the year 2019 All Discount Company Limited, a joint venture of the Group, established new 18 subsidiaries. The registered capital of each subsidiary was Baht 10,000. 1,000 ordinary shares with a par value of Baht 10 per share, and fully paid up. The joint venture holds 99.8% of the registered capital.

The Group recognised its share of loss until the carrying amount of investment in the joint venture was reduced to zero and recognised loss exceeding the investment in the joint venture to borrowings to a related party as part of the net investment in joint ventures. The Group recognised its share of loss of joint venture by applying the equity method of Baht 111.35 million (31 December 2018: Baht 94.57 million). As of 31 December 2019, the Group has a cumulative share of loss from investment in joint ventures recognised in borrowings to a related party totaling Baht 234.28 million (31 December 2018: Baht 122.92 million).

The Group had unrealised profit from land sales to joint ventures of Baht 718.96 million (2019: Baht 552.17 million) net from the realised profit on a portion that a joint venture was able to sell the land to customers of Baht 4.31 million. As of 31 December 2019, the Group had net cumulative unrealised profit from transactions with joint ventures of Baht 1,275.44 million (31 December 2018: Baht 552.17 million) and the unrealised profit is recognised to the investment in joint ventures until the carrying amount of the investment in joint ventures is reduced to zero. The remaining of Baht 886.03 million

(2018: Baht 417.95 million) is recognised as deferred unrealised profit from transactions with joint ventures as a part of non-current liabilities presented under deferred unrealised profit from transactions with joint ventures. However, the Group has not recognised the share of loss from investment in joint ventures of Baht 25.58 million (2018: nil) since the Group had already recognised the share of loss and the remaining unrealised profit equal to the value of the investment.

#### Summarised financial information for joint ventures

Set out below are the summarised financial information for the joint ventures that are material to the Group.

The information disclosed reflects the amounting presented in the financial statements of the relevant joint ventures (not the Group's shares of those amounts). They have been amended to reflect adjustments made using the equity method.

#### Summarised statement of financial position

(Unit : Thousand Baht)

|  | <b>HKL PERFECT COMPANY LIMITED</b><br><b>CONSOLIDATED FINANCIAL STATEMENTS</b> |            |
|--|--|------------|
|  | 2019   | 2018       |
| <b>Current assets</b>                            |  |            |
| Cash and cash equivalents                        | 384,205  | 173,214    |
| Project development costs                        | 4,371,445  | 2,446,115  |
| Other current assets                             | 2,732  | 1,010      |
| Total current assets                             | 4,758,382  | 2,620,339  |
| <b>Non-current assets</b>                        |  |            |
| Non-current assets                               | 3,945  | 223        |
| Total non-current assets                         | 3,945  | 223        |
| <b>Total assets</b>                              | 4,762,327  | 2,620,562  |
| <b>หนี้สินหมุนเวียน</b>                          |  |            |
| Financial liabilities                            | 124,874  | 19,280     |
| Promissory notes                                 | 863,470  | 863,470    |
| Debentures from related parties                  | -  | 597,800    |
| Other current liabilities                        | 2,111  | 18,240     |
| Total current liabilities                        | 990,455  | 1,498,790  |
| <b>Non-current liabilities</b>                   |  |            |
| Long-term borrowings from related parties        | 3,012,100  | 622,200    |
| Long-term borrowings from financial institutions | 752,667  | 498,582    |
| Total non-current liabilities                    | 3,764,767  | 1,120,782  |
| <b>Total liabilities</b>                         | 4,755,222  | 2,619,572  |
| <b>Net assets</b>                                | <b>7,105</b>   | <b>990</b> |

## Summarised statement of comprehensive income

(Unit : Thousand Baht)

| HKL PERFECT COMPANY LIMITED<br>CONSOLIDATED FINANCIAL STATEMENTS |                 |                 |
|--|-----------------|-----------------|
|  | 2019            | 2018            |
| Interest income  | 503             | 260             |
| Other income   | 188             | -               |
| Selling expenses   | (977)           | -               |
| Administrative expenses  | (12,420)        | (11,185)        |
| Interest expense   | (1,129)         | (8,135)         |
| <b>Loss before income tax</b>                                    | <b>(13,835)</b> | <b>(19,060)</b> |
| Income tax   | -               | -               |
| <b>Loss for the year</b>   | <b>(13,835)</b> | <b>(19,060)</b> |

## Reconciliation of summarised financial information

Reconciliation of the summarised financial information presented to the carrying amount of its interest in joint ventures

(Unit : Thousand Baht)

| HKL PERFECT COMPANY LIMITED<br>CONSOLIDATED FINANCIAL STATEMENTS           |                  |                  |
|--|------------------|------------------|
| Summarised financial information   | 2019             | 2018             |
| <b>Opening net assets as at 1 January</b>                                  | <b>990</b>       | <b>-</b>         |
| Issued ordinary share  | 19,950           | 20,050           |
| Loss for the year  | (13,835)         | (19,060)         |
| <b>Closing net assets as at 31 December</b>                                | <b>7,1057</b>    | <b>990</b>       |
| Interest in joint venture (51%)  | 3,624            | 505              |
| Less Elimination of deferred related transactions                          | (824,289)        | (410,121)        |
| Additional initial costs   | 35,845           | 35,845           |
| Cumulative loss exceeding the investment in joint venture                  | (784,820)        | (373,771)        |
| Carrying value   | -                | -                |
| <b>Deferred revenue under equity method of investment in joint venture</b> | <b>(784,820)</b> | <b>(373,771)</b> |

In addition to the joint venture above, Grand River Forest Company Limited is another significant joint venture of the Group whose summarised financial information is already disclosed in GRAND's publicly available financial statements.

## 16 ADVANCE PAYMENT FOR PURCHASE OF LAND, NET

The movements of advance payment for purchase of land during the year ended 31 December are as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|--|--------------------------------------|----------------------------------|
|  | 2019                                 | 2018                             |
| Opening book amount                      | 1,113,271                            | 797,096                          |
| Additions                                | 235,165                              | 159,767                          |
| Transferred to project development costs | (44,449)                             | (38,449)                         |
| Transferred to land held for development | (80,355)                             | (60,105)                         |
| Less Provision for impairment            | (33,000)                             | -                                |
| Refund                                   | (205,853)                            | (181,319)                        |
| <b>Closing book amount</b>               | <b>984,779</b>                       | <b>676,990</b>                   |
| Current portion                          | 287,789                              | -                                |
| Non-current portion                      | 696,990                              | 676,990                          |

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|--------------------------------------|------------------|----------------------------------|----------------|
|   | 2019                                 | 2018             | 2019                             | 2018           |
| Advances paid to landowners under<br>the sale and purchase agreements | 820,779                              | 823,271          | 532,990                          | 527,096        |
| Advances paid to agents in acquiring land                             | 164,000                              | 290,000          | 144,000                          | 270,000        |
| <b>Total advance payment for purchase of land</b>                     | <b>984,779</b>                       | <b>1,113,271</b> | <b>676,990</b>                   | <b>797,096</b> |
| Values of the sale and purchase agreements                            | 2,622,143                            | 3,913,367        | 2,110,285                        | 2,513,490      |

## 17 LAND HELD FOR DEVELOPMENT, NET

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                  |
|--|--------------------------------------|------------------|----------------------------------|------------------|
|  | 2019                                 | 2018             | 2019                             | 2018             |
| Land, construction costs and others                            | 4,897,074                            | 6,275,351        | 3,574,349                        | 4,890,071        |
| Less Allowance for devaluation<br>on land held for development | (48,206)                             | (59,036)         | (28,691)                         | (39,783)         |
| <b>Total land held for development, net</b>                    | <b>4,848,868</b>                     | <b>6,216,315</b> | <b>3,545,658</b>                 | <b>4,850,288</b> |

The Group has mortgaged the land held for development with the financial institutions as collateral for credit facilities and guarantees as detailed below:

(Unit : Thousand Baht)

|            | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|------------|--------------------------------------|-----------|----------------------------------|-----------|
|            | 2019                                 | 2018      | 2019                             | 2018      |
| Book value | 1,799,792                            | 2,685,452 | 1,374,519                        | 2,249,584 |

## 18 INVESTMENT PROPERTIES, NET

(Unit : Thousand Baht)

|  | CONSOLIDATED FINANCIAL STATEMENTS                       |                                |                             |                       |                  |
|--|---|--------------------------------|-----------------------------|-----------------------|------------------|
|  | SHOPPING<br>MALLS AND<br>COMMERCIAL<br>AREA FOR<br>RENT | OFFICE<br>BUILDING<br>FOR RENT | CONSTRUCTION<br>IN PROGRESS | APARTMENT<br>FOR RENT | TOTAL            |
| <b>As at 1 January 2018</b>                                |   |                                |                             |                       |                  |
| Cost   | 715,125   | 566,003                        | 976,899                     | 460,335               | 2,718,362        |
| Less Accumulated depreciation                              | (61,545)  | (288,304)                      | -                           | (66,802)              | (416,651)        |
| Less Provision for impairment                              | (11,500)  | (12,078)                       | (2,000)                     | -                     | (25,578)         |
| <b>Net book amount</b>                                     | <b>642,080</b>  | <b>265,621</b>                 | <b>974,899</b>              | <b>393,533</b>        | <b>2,276,133</b> |
| <b>For the year ended<br/>31 December 2018</b>             |   |                                |                             |                       |                  |
| Opening net book amount                                    | 642,080   | 265,621                        | 974,899                     | 393,533               | 2,276,133        |
| Additions  | -   | 221                            | -                           | 118                   | 339              |
| Depreciation charge  | (25,241)  | (116,399)                      | -                           | (11,366)              | (153,006)        |
| Impairment charge  | (10,000)  | -                              | (649)                       | -                     | (10,649)         |
| <b>Closing net book amount</b>                             | <b>606,839</b>  | <b>149,443</b>                 | <b>974,250</b>              | <b>382,285</b>        | <b>2,112,817</b> |
| <b>As at 31 December 2018</b>                              |   |                                |                             |                       |                  |
| Cost   | 715,125   | 566,224                        | 976,899                     | 460,453               | 2,718,701        |
| Less Accumulated depreciation                              | (86,786)  | (404,703)                      | -                           | (78,168)              | (569,657)        |
| Less Provision for impairment                              | (21,500)  | (12,078)                       | (2,649)                     | -                     | (36,227)         |
| <b>Net book amount</b>                                     | <b>606,839</b>  | <b>149,443</b>                 | <b>974,250</b>              | <b>382,285</b>        | <b>2,112,817</b> |
| Fair value   | 820,000   | 293,102                        | 974,250                     | 552,200               | 2,639,552        |
| <b>For the year ended<br/>31 December 2019</b>             |   |                                |                             |                       |                  |
| Opening net book amount                                    | 606,839   | 149,443                        | 974,250                     | 382,285               | 2,112,817        |
| Additions  | 39,676  | -                              | 2,039                       | -                     | 41,715           |
| Transferred from property plant and<br>equipment (Note 19) | 213,632   | -                              | -                           | -                     | 213,632          |

(Unit : Thousand Baht)

## CONSOLIDATED FINANCIAL STATEMENTS

|   | SHOPPING<br>MALLS AND<br>COMMERCIAL<br>AREA FOR<br>RENT | OFFICE<br>BUILDING<br>FOR RENT | CONSTRUCTION<br>IN PROGRESS | APARTMENT<br>FOR RENT | TOTAL            |
|---|---|--------------------------------|-----------------------------|-----------------------|------------------|
| Transferred from<br>project development |   |                                |                             |                       |                  |
| costs                                   | -   | -                              | -                           | 28,580                | 28,580           |
| Disposal - cost                         | -   | (412,692)                      | -                           | -                     | (412,692)        |
| Disposal - accumulated depreciation     | -   | 412,692                        | -                           | -                     | 412,692          |
| Depreciation charge                     | (32,652)  | (10,173)                       | -                           | (11,780)              | (54,605)         |
| Impairment charge                       | (35,121)  | -                              | -                           | -                     | (35,121)         |
| <b>Closing net book amount</b>          | <b>792,374</b>  | <b>139,270</b>                 | <b>976,289</b>              | <b>399,085</b>        | <b>2,307,018</b> |
| As at 31 December 2019                  |   |                                |                             |                       |                  |
| Cost                                    | 968,433   | 153,532                        | 978,938                     | 489,033               | 2,589,936        |
| Less Accumulated depreciation           | (119,438)   | (2,184)                        | -                           | (89,948)              | (211,570)        |
| Less Provision for impairment           | (56,621)  | (12,078)                       | (2,649)                     | -                     | (71,348)         |
| <b>Net book amount</b>                  | <b>792,374</b>  | <b>139,270</b>                 | <b>976,289</b>              | <b>399,085</b>        | <b>2,307,018</b> |
| Fair value                              | 1,125,942   | 141,450                        | 2,576,235                   | 586,726               | 4,430,353        |

(Unit : Thousand Baht)

## SEPARATE FINANCIAL STATEMENTS

|  | BUILDING<br>FOR RENT | LAND FOR RENT | CONSTRUCTION IN<br>PROGRESS | TOTAL          |
|--|----------------------|---------------|-----------------------------|----------------|
| <b>As at 1 January 2018</b>                |                      |               |                             |                |
| Cost                                       | 153,532              | -             | -                           | 153,532        |
| Less Accumulated depreciation              | (1,195)              | -             | -                           | (1,195)        |
| Less Provision for impairment              | (12,078)             | -             | -                           | (12,078)       |
| <b>Net book amount</b>                     | <b>140,259</b>       | <b>-</b>      | <b>-</b>                    | <b>140,259</b> |
| <b>For the year ended 31 December 2018</b> |                      |               |                             |                |
| Opening net book amount                    | 140,259              | -             | -                           | 140,259        |
| Depreciation charge                        | (495)                | -             | -                           | (495)          |
| <b>Closing net book amount</b>             | <b>139,764</b>       | <b>-</b>      | <b>-</b>                    | <b>139,764</b> |
| <b>As at 31 December 2018</b>              |                      |               |                             |                |
| Cost                                       | 153,532              | -             | -                           | 153,532        |
| Less Accumulated depreciation              | (1,690)              | -             | -                           | (1,690)        |
| Less Provision for impairment              | (12,078)             | -             | -                           | (12,078)       |
| <b>Net book amount</b>                     | <b>139,764</b>       | <b>-</b>      | <b>-</b>                    | <b>139,764</b> |
| Fair value                                 | 141,454              | -             | -                           | 141,454        |



(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS              |                      |               |                             |                |
|--|----------------------|---------------|-----------------------------|----------------|
|  | BUILDING<br>FOR RENT | LAND FOR RENT | CONSTRUCTION IN<br>PROGRESS | TOTAL          |
| <b>For the year ended 31 December 2019</b> |                      |               |                             |                |
| Opening net book amount                    | 139,764              | -             | -                           | 139,764        |
| Additions                                  | -                    | -             | 2,035                       | 2,035          |
| Transferred from project development costs | -                    | 2,039         | -                           | 2,039          |
| Depreciation charge                        | (495)                | -             | -                           | (495)          |
| <b>Closing net book amount</b>             | <b>139,269</b>       | <b>2,039</b>  | <b>2,035</b>                | <b>143,343</b> |
| <b>As at 31 December 2019</b>              |                      |               |                             |                |
| Cost                                       | 153,532              | 2,039         | 2,035                       | 157,606        |
| Less Accumulated depreciation              | (2,185)              | -             | -                           | (2,185)        |
| Less Provision for impairment              | (12,078)             | -             | -                           | (12,078)       |
| <b>Net book amount</b>                     | <b>139,269</b>       | <b>2,039</b>  | <b>2,035</b>                | <b>143,343</b> |
| Fair value                                 | 141,450              | 6,207         | 2,035                       | 149,692        |

The fair values of investment properties which are ready-to-use and in-use disclosed are within level 3 of the fair value hierarchy.

Management assessed the fair value of investment properties according to the income approach by an independent professionally qualified appraiser by considering the present value of the future cash flows expected to be derived from cash-generating units, which refers to ready-to-use and in-use investment properties, as well as leasehold rights.

Key assumptions used in the valuation include business growth in the industry, discount rates, and occupancy rates.

According to the valuation, the Group recognised an impairment loss of Baht 35.12 million in the statement of comprehensive income for the year 2019.

Fair value of investment properties for office and apartment buildings for rent is based on replacement cost instead of using market analysis method by scoring according to quality level. Key assumptions used in the valuation include construction price and depreciation are based on construction price standard of the Valuers Association of Thailand, the Group's internal information and other factors that affect to the comparison of the assessed assets to the market price; for instance, location, city plan, land plot size, utilised area and building condition. Independent appraisers who are certified according to professional standards.

The Group expects to reliably measure the fair values of investment properties under construction when the construction is completed. Management considered that the fair values of these assets corresponded with their net book value.

There were no changes to the valuation techniques and fair value hierarchy level during the year.

Investment properties in amount of Baht 707.99 million (2018: 120.18 million) are secured as short term loans from financial institutions and a third party, and long term loans from financial institutions.

Amounts recognised in profit and loss that are related to investment property are as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | SEPARATE<br>FINANCIAL STATEMENTS |       |
|--|--------------------------------------|---------|----------------------------------|-------|
|  | 2019                                 | 2018    | 2019                             | 2018  |
| Rental income  | 119,172                              | 317,232 | 4,919                            | 4,884 |
| Direct operating expense arisen from investment property that generated rental income        | 145,082                              | 144,829 | 495                              | 495   |
| Direct operating expense arisen from investment property that did not generate rental income | 103,282                              | 95,781  | 6,052                            | -     |

## 19 PROPERTY, PLANT AND EQUIPMENT, NET

(Unit : Thousand Baht)

| CONSOLIDATED FINANCIAL STATEMENTS          |                  |                   |                  |                       |                               |                |                          |
|--|------------------|-------------------|------------------|-----------------------|-------------------------------|----------------|--------------------------|
|  | LAND             | LAND IMPROVEMENTS | BUILDINGS        | BUILDING IMPROVEMENTS | OPERATING AND OTHER EQUIPMENT | MOTOR VEHICLE  | CONSTRUCTION IN PROGRESS |
| As at 1 January 2018                       |                  |                   |                  |                       |                               |                | TOTAL                    |
| Cost                                       | 998,957          | 20,425            | 1,038,790        | 567,132               | 1,049,781                     | 150,792        | 2,207,937                |
| Less Accumulated depreciation              | -                | (14,355)          | (135,460)        | (169,833)             | (300,950)                     | (57,816)       | -                        |
| Less Provision for impairment              | (32,272)         | -                 | (4,403)          | -                     | (297)                         | -              | -                        |
| <b>Net book amount</b>                     | <b>966,685</b>   | <b>6,070</b>      | <b>898,927</b>   | <b>397,299</b>        | <b>748,534</b>                | <b>92,976</b>  | <b>5,318,428</b>         |
| <b>For the year ended 31 December 2018</b> |                  |                   |                  |                       |                               |                |                          |
| Opening net book amount                    | 966,685          | 6,070             | 898,927          | 397,299               | 748,534                       | 92,976         | 5,318,428                |
| Additions                                  | -                | 56                | 11,953           | 18,029                | 126,473                       | 41,559         | 1,037,301                |
| Disposals                                  | -                | -                 | (2,913)          | -                     | (10,111)                      | (3,258)        | (67)                     |
| Transfer in (out)                          | -                | -                 | 1,858,194        | 15,917                | 154,018                       | -              | (2,028,129)              |
| Depreciation charge                        | -                | (3,258)           | (112,383)        | (58,332)              | (272,500)                     | (19,872)       | -                        |
| Transfer from advance to contractor        | -                | -                 | -                | -                     | -                             | -              | 72,091                   |
| Transfer to land held for development      | (12,370)         | -                 | -                | -                     | -                             | -              | -                        |
| Transfer from (to)                         |                  |                   |                  |                       |                               |                |                          |
| project development costs                  | (22,206)         | -                 | -                | -                     | -                             | -              | 9,646                    |
| Acquisition of subsidiary                  | 2,165,000        | -                 | 1,545,247        | 12,017                | 510,124                       | 1,323          | 12,480                   |
| Currency translation                       | 489              | -                 | 6,809            | 3,913                 | 4,809                         | 883            | 890                      |
| <b>Closing net book amount</b>             | <b>3,097,598</b> | <b>2,868</b>      | <b>4,205,834</b> | <b>388,843</b>        | <b>1,261,347</b>              | <b>113,611</b> | <b>10,382,250</b>        |
| <b>As at 31 December 2018</b>              |                  |                   |                  |                       |                               |                |                          |
| Cost                                       | 3,129,870        | 20,481            | 5,807,935        | 1,559,988             | 4,055,071                     | 226,061        | 16,111,555               |
| Less Accumulated depreciation              | -                | (17,613)          | (1,597,699)      | (1,171,145)           | (2,793,427)                   | (112,450)      | -                        |
| Less Provision for impairment              | (32,272)         | -                 | (4,402)          | -                     | (297)                         | -              | -                        |
| <b>Net book amount</b>                     | <b>3,097,598</b> | <b>2,868</b>      | <b>4,205,834</b> | <b>388,843</b>        | <b>1,261,347</b>              | <b>113,611</b> | <b>10,382,250</b>        |

(Unit : Thousand Baht)

## CONSOLIDATED FINANCIAL STATEMENTS

## For the year ended 31 December 2019

|   | LAND             | LAND IMPROVEMENTS | BUILDINGS        | BUILDING IMPROVEMENTS | OPERATING AND OTHER EQUIPMENT | MOTOR VEHICLE  | CONSTRUCTION IN PROGRESS | TOTAL             |
|---|------------------|-------------------|------------------|-----------------------|-------------------------------|----------------|--------------------------|-------------------|
| Opening net book amount                       | 3,097,598        | 2,868             | 4,205,834        | 388,843               | 1,261,347                     | 113,611        | 1,312,149                | 10,382,250        |
| Additions                                     | -                | 1,850             | 46,267           | 34,237                | 207,700                       | 44,121         | 733,605                  | 1,067,780         |
| Disposals                                     | -                | -                 | -                | -                     | (1,840)                       | (805)          | (1,006)                  | (3,651)           |
| Transfer in (out)                             | (212)            | 13,024            | 909,846          | 180,328               | 574,991                       | -              | (1,677,977)              | -                 |
| Depreciation charge                           | -                | (2,521)           | (158,449)        | (53,726)              | (330,446)                     | (20,198)       | -                        | (565,340)         |
| Transfer from deposits for hotel construction | -                | -                 | -                | -                     | -                             | -              | 20,686                   | 20,686            |
| Transfer to project development costs         | -                | -                 | -                | -                     | -                             | -              | (31,827)                 | (31,827)          |
| Transfer to intangible assets                 | -                | -                 | -                | -                     | -                             | -              | (22,865)                 | (22,865)          |
| Transfer to investment property (Note 18)     | -                | -                 | -                | -                     | -                             | -              | (213,632)                | (213,632)         |
| Currency translation                          | (2,548)          | -                 | (43,488)         | (24,512)              | (31,875)                      | (6,101)        | (7,201)                  | (115,725)         |
| <b>Closing net book amount</b>                | <b>3,094,838</b> | <b>15,221</b>     | <b>4,960,010</b> | <b>525,170</b>        | <b>1,679,877</b>              | <b>130,628</b> | <b>111,932</b>           | <b>10,517,676</b> |
| <b>As at 31 December 2019</b>                 |                  |                   |                  |                       |                               |                |                          |                   |
| Cost  | 3,127,110        | 35,355            | 6,415,149        | 878,813               | 3,556,476                     | 245,282        | 111,932                  | 14,370,117        |
| Less Accumulated depreciation                 | -                | (20,134)          | (1,450,737)      | (353,643)             | (1,876,302)                   | (114,654)      | -                        | (3,815,470)       |
| Less Provision for impairment                 | (32,272)         | -                 | (4,402)          | -                     | (297)                         | -              | -                        | (36,971)          |
| <b>Net book amount</b>                        | <b>3,094,838</b> | <b>15,221</b>     | <b>4,960,010</b> | <b>525,170</b>        | <b>1,679,877</b>              | <b>130,628</b> | <b>111,932</b>           | <b>10,517,676</b> |

(Unit : Thousand Baht)

SEPARATE FINANCIAL STATEMENTS

|  | LAND          | BUILDINGS     | OPERATING AND<br>OTHER EQUIPMENT | MOTOR VEHICLE | CONSTRUCTION<br>IN PROGRESS | TOTAL          |
|--|---------------|---------------|----------------------------------|---------------|-----------------------------|----------------|
| <b>As at 1 January 2018</b>                |               |               |                                  |               |                             |                |
| Cost                                       | 42,317        | 126,320       | 192,581                          | 26,520        | 1,041                       | 388,779        |
| Less Accumulated depreciation              | -             | (90,186)      | (110,332)                        | (19,680)      | -                           | (220,198)      |
| Less Provision for impairment              | (32,272)      | (4,402)       | (297)                            | -             | -                           | (36,971)       |
| <b>Net book amount</b>                     | <b>10,045</b> | <b>31,732</b> | <b>81,952</b>                    | <b>6,840</b>  | <b>1,041</b>                | <b>131,610</b> |
| <b>For the year ended 31 December 2018</b> |               |               |                                  |               |                             |                |
| Opening net book amount                    | 10,045        | 31,732        | 81,952                           | 6,840         | 1,041                       | 131,610        |
| Additions                                  | -             | -             | 46,492                           | 3,140         | -                           | 49,632         |
| Disposals                                  | -             | (1,343)       | -                                | (1,460)       | (67)                        | (2,870)        |
| Transfer in (out)                          | -             | -             | 974                              | -             | (974)                       | -              |
| Depreciation charge                        | -             | (2,936)       | (28,462)                         | (1,996)       | -                           | (33,394)       |
| <b>Closing net book amount</b>             | <b>10,045</b> | <b>27,453</b> | <b>100,956</b>                   | <b>6,524</b>  | <b>-</b>                    | <b>144,978</b> |
| <b>As at 31 December 2018</b>              |               |               |                                  |               |                             |                |
| Cost                                       | 42,317        | 122,787       | 240,047                          | 24,035        | -                           | 429,186        |
| Less Accumulated depreciation              | -             | (90,932)      | (138,794)                        | (17,511)      | -                           | (247,237)      |
| Less Provision for impairment              | (32,272)      | (4,402)       | (297)                            | -             | -                           | (36,971)       |
| <b>Net book amount</b>                     | <b>10,045</b> | <b>27,453</b> | <b>100,956</b>                   | <b>6,524</b>  | <b>-</b>                    | <b>144,978</b> |

(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS              |               |               |                                  |               |                             |
|--|---------------|---------------|----------------------------------|---------------|-----------------------------|
|  | LAND          | BUILDINGS     | OPERATING AND<br>OTHER EQUIPMENT | MOTOR VEHICLE | CONSTRUCTION<br>IN PROGRESS |
| TOTAL                                      |               |               |                                  |               |                             |
| <b>For the year ended 31 December 2019</b> |               |               |                                  |               |                             |
| Opening net book amount                    | 10,045        | 27,453        | 100,956                          | 6,524         | -                           |
|  |               |               |                                  |               | 144,978                     |
| Additions                                  | -             | -             | 17,952                           | 1,309         | -                           |
|  |               |               |                                  |               | 19,261                      |
| Disposals                                  | -             | -             | -                                | (2)           | -                           |
|  |               |               |                                  |               | (2)                         |
| Depreciation charge                        | -             | (2,908)       | (32,513)                         | (1,805)       | -                           |
|  |               |               |                                  |               | (37,226)                    |
| <b>Closing net book amount</b>             | <b>10,045</b> | <b>24,545</b> | <b>86,395</b>                    | <b>6,026</b>  | <b>-</b>                    |
|  |               |               |                                  |               | <b>127,011</b>              |
| <b>As at 31 December 2019</b>              |               |               |                                  |               |                             |
| Cost                                       | 42,317        | 122,787       | 257,999                          | 24,933        | -                           |
|  |               |               |                                  |               | 448,036                     |
| Less Accumulated depreciation              | -             | (93,840)      | (171,307)                        | (18,907)      | -                           |
|  |               |               |                                  |               | (284,054)                   |
| Less Provision for impairment              | (32,272)      | (4,402)       | (297)                            | -             | -                           |
|  |               |               |                                  |               | (36,971)                    |
| <b>Net book amount</b>                     | <b>10,045</b> | <b>24,545</b> | <b>86,395</b>                    | <b>6,026</b>  | <b>-</b>                    |
|  |               |               |                                  |               | <b>127,011</b>              |

Additions include Baht 33.67 million (2018: Baht 11.89 million) assets leased under finance leases (where the Group is the lessee).

Leased assets included above, where the Group is a lessee under a finance lease, comprise of equipment, computer and vehicle.

(Unit : Thousand Baht)

|                                      | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS</b> |               |
|--------------------------------------|--|---------------|
|                                      | <b>2019</b>                                  | <b>2018</b>   |
| Cost                                 | 36,955                                       | 26,302        |
| <u>Less</u> Accumulated depreciation | (11,426)                                     | (12,193)      |
| <b>Net book amount</b>               | <b>25,529</b>                                | <b>14,109</b> |

During the year, the Group capitalised borrowing costs of Baht 0.59 million (2018: Baht 87.93 million) as assets as included in addition of assets. These were determined by applying capitalisation rates.

The Group has mortgaged the following land with structures thereon of Baht 4,449 million (2018: Baht 3,132 million) as collateral for the Group's long-term borrowings from financial institutions (Note 27).

## 20 INTANGIBLE ASSETS, NET

(Unit : Thousand Baht)

|  | <b>COMPUTER SOFTWARE</b>                     |  |
|--|--|--|
|  | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS</b> | <b>SEPARATE<br/>FINANCIAL STATEMENTS</b> |
| <b>At 1 January 2018</b>                   |  |  |
| Cost                                       | 60,143                                       | 21,512                                   |
| <u>Less</u> Accumulated amortisation       | (13,582)                                     | (12,218)                                 |
| <b>Net book amount</b>                     | <b>46,561</b>                                | <b>9,294</b>                             |
| <b>For the year ended 31 December 2018</b> |  |  |
| Opening net book amount                    | 46,561                                       | 9,294                                    |
| Additions                                  | 28,507                                       | 1,356                                    |
| Acquisition of subsidiary                  | 7,089  | -  |
| Disposals, net                             | (32)   | -  |
| Amortisation charge                        | (13,278)                                     | (2,527)                                  |
| Exchange difference                        | 275  | -  |
| <b>Closing net book amount</b>             | <b>69,122</b>                                | <b>8,123</b>                             |
| <b>At 31 December 2018</b>                 |  |  |
| Cost                                       | 96,151                                       | 22,868                                   |
| <u>Less</u> Accumulated amortisation       | (27,029)                                     | (14,745)                                 |
| <b>Net book amount</b>                     | <b>69,122</b>                                | <b>8,123</b>                             |



(Unit : Thousand Baht)

|   | <b>COMPUTER SOFTWARE</b>                     |  |
|---|--|--|
|   | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS</b> | <b>SEPARATE<br/>FINANCIAL STATEMENTS</b> |
| <b>For the year ended 31 December 2019</b>              |  |  |
| Opening net book amount                                 | 69,122                                       | 8,123                                    |
| Additions   | 70,272                                       | 5,876                                    |
| Transferred from property plant and equipment (Note 19) | 22,865                                       | -  |
| Transferred from project development costs              | 336  | -  |
| Amortisation charge                                     | (24,828)                                     | (3,657)                                  |
| Exchange difference                                     | (1,963)                                      | -  |
| <b>Closing net book amount</b>                          | <b>135,804</b>                               | <b>10,342</b>                            |
| <b>At 31 December 2019</b>                              |  |  |
| Cost  | 187,661                                      | 28,744                                   |
| <u>Less</u> Accumulated amortisation                    | (51,857)                                     | (18,402)                                 |
| <b>Net book amount</b>                                  | <b>135,804</b>                               | <b>10,342</b>                            |

## 21 LEASEHOLD RIGHTS, NET

(Unit : Thousand Baht)

|  | <b>CONSOLIDATED<br/>FINANCIAL STATEMENTS</b> | <b>SEPARATE<br/>FINANCIAL STATEMENTS</b> |
|--|--|--|
| <b>At 1 January 2018</b>                   |  |  |
| Cost                                       | 2,894,736                                    | 107,000                                  |
| <u>Less</u> Accumulated amortisation       | (1,039,328)                                  | (66,324)                                 |
| <b>Net book amount</b>                     | <b>1,855,408</b>                             | <b>40,676</b>                            |
| <b>For the year ended 31 December 2018</b> |  |  |
| Opening net book amount                    | 1,855,408                                    | 40,676                                   |
| Amortisation charge                        | (167,527)                                    | (4,712)                                  |
| <b>Closing net book amount</b>             | <b>1,687,881</b>                             | <b>35,964</b>                            |
| <b>At 31 December 2018</b>                 |  |  |
| Cost                                       | 2,894,736                                    | 107,000                                  |
| <u>Less</u> Accumulated amortisation       | (1,206,855)                                  | (71,036)                                 |
| <b>Net book amount</b>                     | <b>1,687,881</b>                             | <b>35,964</b>                            |

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|--|--------------------------------------|----------------------------------|
| <b>For the year ended 31 December 2019</b> |                                      |                                  |
| Opening net book amount                    | 1,687,881                            | 35,964                           |
| Amortisation charge                        | (135,447)                            | (4,615)                          |
| <b>Closing net book amount</b>             | <b>1,552,434</b>                     | <b>31,349</b>                    |
| <b>At 31 December 2019</b>                 |                                      |                                  |
| Cost                                       | 2,894,736                            | 107,000                          |
| Less Accumulated amortisation              | (1,342,302)                          | (75,651)                         |
| <b>Net book amount</b>                     | <b>1,552,434</b>                     | <b>31,349</b>                    |

## 22 DEFERRED INCOME TAXES

Deferred income tax assets and liabilities comprised of:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                 |
|---|--------------------------------------|------------------|----------------------------------|-----------------|
|   | 2019                                 | 2018             | 2019                             | 2018            |
| <b>Deferred income tax assets:</b>      |                                      |                  |                                  |                 |
| within 12 months                        | 151,322                              | 277,499          | 37,228                           | 24,597          |
| more than 12 months                     | 702,241                              | 296,922          | 181,930                          | 148,798         |
|   | <b>853,563</b>                       | <b>574,421</b>   | <b>219,158</b>                   | <b>173,395</b>  |
| <b>Deferred income tax liabilities:</b> |                                      |                  |                                  |                 |
| within 12 months                        | (16,819)                             | (14,722)         | -                                | -               |
| more than 12 months                     | (951,715)                            | (966,459)        | (59,501)                         | (36,581)        |
|   | <b>(968,534)</b>                     | <b>(981,181)</b> | <b>(59,501)</b>                  | <b>(36,581)</b> |
| <b>Deferred tax assets, net</b>         | <b>760,276</b>                       | <b>503,943</b>   | <b>159,657</b>                   | <b>136,814</b>  |
| <b>Deferred tax liabilities, net</b>    | <b>(875,247)</b>                     | <b>(910,703)</b> | <b>-</b>                         | <b>-</b>        |

The gross movement of the deferred income tax account is as follows:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|--------------------------------------|------------------|----------------------------------|----------------|
|   | 2019                                 | 2018             | 2019                             | 2018           |
| As at 1 January                           |                                      | 59,102           | 136,814                          | 139,713        |
| Acquisition of subsidiary                 | -                                    | (723,848)        | -                                | -              |
| Increase to profit or loss                | 319,763                              | 227,067          | 23,034                           | (3,063)        |
| Increase to other<br>comprehensive income | 1,038                                | 2,095            | (191)                            | 164            |
| Increase directly to equity               | (188)                                | -                | -                                | -              |
| <b>As at 31 December</b>                  | <b>(114,971)</b>                     | <b>(435,584)</b> | <b>159,657</b>                   | <b>136,814</b> |

The gross movements in deferred tax assets and liabilities during the years are as follows:

(Unit : Thousand Baht)

|   | CONSOLIDATED FINANCIAL STATEMENTS |  |   |   |                          |                     |
|---|-----------------------------------|--|---|---|--------------------------|---------------------|
|   | 1 JANUARY<br>2019                 | CHARGED/<br>(CREDITED)<br>TO PROFIT<br>OR LOSS | CHARGED/<br>(CREDITED)<br>TO OTHER<br>COMPREHENSIVE<br>INCOME | CHARGED/<br>(CREDITED)<br>DIRECTLY TO<br>EQUITY | BUSINESS<br>ACQUISITIONS | 31 DECEMBER<br>2019 |
| <b>Deferred tax assets</b>  |                                   |  |   |   |                          |                     |
| Provision for impairment of assets                                | 33,571                            | 19,760   | -   | -   | -                        | 53,331              |
| Depreciation  | 53,249                            | 7,606  | -   | -   | -                        | 60,855              |
| Employee benefit obligations                                      | 65,157                            | 23,236   | -   | (494)   | -                        | 87,899              |
| Provision for compensation for<br>Housing Estate Juristic Persons | 36,843                            | (1,480)  | -   | -   | -                        | 35,363              |
| Borrowing costs   | 69,611                            | (2,528)  | -   | -   | -                        | 67,083              |
| Warranty  | 3,548                             | (126)  | -   | -   | -                        | 3,422               |
| Unearned income   | 182,039                           | 148,707  | -   | -   | -                        | 330,746             |
| Tax loss carried forward  | 64,245                            | 84,422   | -   | -   | -                        | 148,667             |
| Others  | 37,332                            | 28,585   | 1,038   | (758)   | -                        | 66,197              |
|   | 545,595                           | 308,182  | 1,038   | (1,252)   | -                        | 853,563             |
| <b>Deferred tax liabilities</b>                                   |                                   |  |   |   |                          |                     |
| Difference on cross currency<br>swap rate and closing rate        | (36,581)                          | (23,985)                                       | -   | 1,064   | -                        | (59,502)            |
| Fair value adjustment of net<br>assets at acquisition date        | (884,068)                         | 41,232   | -   | -   | -                        | (842,836)           |
| Others  | (60,530)                          | (5,666)  | -   | -   | -                        | (66,196)            |
|   | (981,179)                         | 11,581   | -   | 1,064   | -                        | (968,534)           |

The gross movements in deferred tax assets and liabilities during the years are as follows:

(Unit : Thousand Baht)

| CONSOLIDATED FINANCIAL STATEMENTS                                 |                   |  |   |                          |                     |
|---|-------------------|--|---|--------------------------|---------------------|
|   | 1 JANUARY<br>2018 | CHARGED/<br>(CREDITED)<br>TO PROFIT<br>OR LOSS | CHARGED/<br>(CREDITED)<br>TO OTHER<br>COMPREHENSIVE<br>INCOME | BUSINESS<br>ACQUISITIONS | 31 DECEMBER<br>2018 |
| <b>Deferred tax assets</b>  |                   |  |   |                          |                     |
| Provision for impairment of assets                                | 35,537            | (1,944)  | -   | (22)                     | 33,571              |
| Depreciation  | 51,246            | 2,003  | -   | -                        | 53,249              |
| Employee benefit obligations                                      | 38,263            | 14,847   | -   | 12,047                   | 65,157              |
| Provision for compensation for<br>Housing Estate Juristic Persons | 31,083            | 5,760  | -   | -                        | 36,843              |
| Borrowing costs   | 41,694            | 27,917   | -   | -                        | 69,611              |
| Warranty  | 2,005             | 1,543  | -   | -                        | 3,548               |
| Unearned income   | 9,246             | 172,793  | -   | -                        | 182,039             |
| Tax loss carried forward  | 59,455            | (1,639)  | -   | 6,429                    | 64,245              |
| Others  | 93,643            | (58,406)                                       | 2,095   | -                        | 37,332              |
|   | 362,172           | 162,874  | 2,095   | 18,454                   | 545,595             |
| <b>Deferred tax liabilities</b>                                   |                   |  |   |                          |                     |
| Difference on cross currency<br>swap rate and closing rate        | (38,232)          | 1,651  | -   | -                        | (36,581)            |
| Fair value adjustment of net<br>assets at acquisition date        | (198,546)         | 58,549   | -   | (744,071)                | (884,068)           |
| Others  | (66,292)          | 3,993  | -   | 1,769                    | (60,530)            |
|   | (303,070)         | 64,193   | -   | (742,302)                | (981,179)           |

(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS                                     |                   |  |   |                     |
|---|-------------------|--|---|---------------------|
|   | 1 JANUARY<br>2019 | CHARGED/<br>(CREDITED)<br>TO PROFIT<br>OR LOSS | CHARGED/<br>(CREDITED)<br>TO OTHER<br>COMPREHENSIVE<br>INCOME | 31 DECEMBER<br>2019 |
| <b>Deferred income tax assets</b>                                 |                   |  |   |                     |
| Provision for impairment of assets                                | 28,475            | 11,549   | -   | 40,024              |
| Depreciation  | 37,771            | 6,985  | -   | 44,756              |
| Employee benefit obligations                                      | 22,791            | 9,051  | -   | 31,842              |
| Provision for compensation for<br>Housing Estate Juristic Persons | 29,206            | 755  | -   | 29,961              |
| Borrowing costs   | 36,192            | (3,969)  | -   | 32,223              |
| Warranty  | 3,548             | (126)  | -   | 3,422               |

(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS                              |                   |  |   |                     |
|--|-------------------|--|---|---------------------|
|  | 1 JANUARY<br>2019 | CHARGED/<br>(CREDITED)<br>TO PROFIT<br>OR LOSS | CHARGED/<br>(CREDITED)<br>TO OTHER<br>COMPREHENSIVE<br>INCOME | 31 DECEMBER<br>2019 |
| Unearned income  | -                 | 914  | -   | 914                 |
| Others   | 15,412            | 20,795   | (191)   | 36,016              |
|  | 173,395           | 45,954   | (191)   | 219,158             |
| <b>Deferred income tax liabilities</b>                     |                   |  |   |                     |
| Difference on cross currency<br>swap rate and closing rate | (36,581)          | (22,920)                                       | -   | (59,501)            |
| <b>Deferred income tax assets, net</b>                     | <b>136,814</b>    | <b>23,034</b>                                  | <b>(191)</b>  | <b>159,657</b>      |

(Unit : Thousand Baht)

| SEPARATE FINANCIAL STATEMENTS                                     |                   |  |   |                     |
|---|-------------------|--|---|---------------------|
|   | 1 JANUARY<br>2018 | CHARGED/<br>(CREDITED)<br>TO PROFIT<br>OR LOSS | CHARGED/<br>(CREDITED)<br>TO OTHER<br>COMPREHENSIVE<br>INCOME | 31 DECEMBER<br>2018 |
| <b>Deferred income tax assets</b>                                 |                   |  |   |                     |
| Provision for impairment of assets                                | 30,018            | (1,543)  | -   | 28,475              |
| Depreciation  | 39,412            | (1,641)  | -   | 37,771              |
| Employee benefit obligations                                      | 22,165            | 626  | -   | 22,791              |
| Provision for compensation for<br>Housing Estate Juristic Persons | 24,091            | 5,115  | -   | 29,206              |
| Borrowing costs   | 41,694            | (5,502)  | -   | 36,192              |
| Warranty  | 2,005             | 1,543  | -   | 3,548               |
| Unearned income   | 9,246             | (9,246)  | -   | -                   |
| Others  | 9,314             | 5,934  | 164   | 15,412              |
|   | 177,945           | (4,714)  | 164   | 173,395             |
| <b>Deferred income tax liabilities</b>                            |                   |  |   |                     |
| Difference on cross currency<br>swap rate and closing rate        | (38,232)          | 1,651  | -   | (36,581)            |
| <b>Deferred income tax assets, net</b>                            | <b>139,713</b>    | <b>(3,063)</b>                                 | <b>164</b>  | <b>136,814</b>      |

## 23 TRADE AND OTHER PAYABLES

(Unit : Thousand Baht)

|                                       | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                  |
|---------------------------------------|--------------------------------------|------------------|----------------------------------|------------------|
|                                       | 2019                                 | 2018             | 2019                             | 2018             |
| Trade accounts payable                | 2,204,561                            | 1,647,787        | 834,868                          | 828,883          |
| Trade accounts payable                |                                      |                  |                                  |                  |
| - related parties (Note 38.2)         | 14,407                               | 13,885           | 129,568                          | 55,088           |
| Creditors per rehabilitation plan     | 6,812                                | 6,812            | -                                | -                |
| Hotel construction payable            | 84,620                               | -                | -                                | -                |
| Retention payable                     | 161,188                              | 157,460          | 63,127                           | 58,707           |
| Retention payable                     |                                      |                  |                                  |                  |
| - related parties (Note 38.2)         | -                                    | -                | 156                              | -                |
| Accrued interest expenses             | 173,325                              | 170,505          | 166,711                          | 161,481          |
| Accrued interest expenses             | -                                    | -                | 5,966                            | 977              |
| Accrued expenses                      | 1,034,930                            | 774,718          | 507,845                          | 357,997          |
| Accrued expenses                      |                                      |                  |                                  |                  |
| - related parties (Note 38.2)         | 16,240                               | 16,267           | 9,780                            | 31               |
| Other payables                        | 494,929                              | 505,194          | 169,219                          | 77,972           |
| Other payables                        |                                      |                  |                                  |                  |
| - related parties (Note 38.6)         | 2,888                                | 17,002           | -                                | -                |
| <b>Total trade and other payables</b> | <b>4,193,900</b>                     | <b>3,309,630</b> | <b>1,887,240</b>                 | <b>1,541,136</b> |

## 24 BILLS OF EXCHANGE PAYABLES

The movements of bills of exchange payables during the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|---|--------------------------------------|----------------------------------|
| Opening book amount                       | 736,664                              | 387,193                          |
| Issuance of bills of exchange             | 2,320,000                            | 1,370,000                        |
| Repayments                                | (2,480,000)                          | (1,330,000)                      |
| Prepaid interest expenses                 | (33,282)                             | (20,044)                         |
| Amortisation of prepaid interest expenses | 33,396                               | 19,922                           |
| Closing book amount                       | 576,778                              | 427,071                          |

The bills of exchange are subject to interest at rates of 4.25% - 4.35% per annum (2018: 3.90% - 4.65% per annum) and mature during March 2020. There is no collateral on the bills of exchange.



## 25 DEBENTURES

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                   | SEPARATE<br>FINANCIAL STATEMENTS |                   |
|---|--------------------------------------|-------------------|----------------------------------|-------------------|
|   | 2019                                 | 2018              | 2019                             | 2018              |
| <b>Current</b>                          |                                      |                   |                                  |                   |
| Current portion of debentures           | 7,729,200                            | 5,908,300         | 6,085,100                        | 4,628,300         |
| Less Front end fees                     | (4,733)                              | (3,609)           | (3,484)                          | (2,831)           |
| Total current portion of debentures     | 7,724,467                            | 5,904,691         | 6,081,616                        | 4,625,469         |
| <b>Non-current</b>                      |                                      |                   |                                  |                   |
| Debentures                              | 18,886,800                           | 19,780,900        | 13,651,000                       | 15,792,600        |
| Less Front end fees                     | (81,613)                             | (74,814)          | (55,460)                         | (56,460)          |
| Total non-current portion of debentures | 18,805,187                           | 19,706,086        | 13,595,540                       | 15,736,140        |
| <b>Total debentures</b>                 | <b>26,529,654</b>                    | <b>25,610,777</b> | <b>19,677,156</b>                | <b>20,361,609</b> |

The movements of debentures during the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

|                                | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|--------------------------------|--------------------------------------|----------------------------------|
| Opening book amount            | 25,610,777                           | 20,361,609                       |
| Proceed from debentures        | 6,835,100                            | 3,943,500                        |
| Repayments for debentures      | (5,908,300)                          | (4,628,300)                      |
| Payments of front end fees     | (55,547)                             | (33,476)                         |
| Amortisation of front end fees | 47,624                               | 33,823                           |
| Closing book amount            | 26,529,654                           | 19,677,156                       |

As at 31 December 2019, the outstanding balances are detailed below:

| Debentures                                | UNIT      | UNIT PAR<br>(BAHT) | TOTAL VALUE<br>(THOUSAND BAHT) | ISSUED DATE       | TERM                | MATURITY DATE     | COUPON RATE<br>(% PER ANNUM)   |
|---|-----------|--------------------|--------------------------------|-------------------|---------------------|-------------------|--------------------------------|
| <b>The Company</b>                        |           |                    |                                |                   |                     |                   |                                |
| Unsecured debentures No. 1/2016           | 3,000,000 | 1,000              | 3,000,000                      | 28 January 2016   | 4 years             | 28 January 2020   | 5.60                           |
| Unsecured debentures No. 2/2016 tranche 2 | 1,450,000 | 1,000              | 1,450,000                      | 2 June 2016       | 4 years             | 2 June 2020       | 5.50                           |
| Unsecured debentures No. 3/2016 tranche 2 | 1,200,000 | 1,000              | 1,200,000                      | 22 September 2016 | 4 years             | 22 September 2020 | 5.30                           |
| Unsecured debentures No. 2/2017 tranche 2 | 724,400   | 1,000              | 724,400                        | 7 July 2017       | 3 years<br>9 months | 7 April 2021      | 5.70                           |
| Unsecured debentures No. 3/2017           | 1,509,600 | 1,000              | 1,509,600                      | 22 September 2017 | 4 years             | 22 September 2021 | 5.90                           |
| Unsecured debentures No. 4/2017           | 1,195,700 | 1,000              | 1,195,700                      | 30 November 2017  | 4 years             | 30 November 2021  | 5.90                           |
| Unsecured debentures No. 1/2018           | 1,034,500 | 1,000              | 1,034,500                      | 27 April 2018     | 3 years             | 27 April 2021     | 5.75                           |
| Unsecured debentures No. 2/2018           | 2,069,400 | 1,000              | 2,069,400                      | 19 July 2018      | 3 years             | 19 July 2021      | Year 1-2 5.75<br>Year 3 6.25   |
| Unsecured debentures No. 3/2018           | 1,819,900 | 1,000              | 1,819,900                      | 22 August 2018    | 3 years<br>6 months | 22 February 2022  | 6.00                           |
| Unsecured debentures No. 4/2018           | 1,789,100 | 1,000              | 1,789,100                      | 7 December 2018   | 3 years<br>6 months | 7 June 2022       | 6.00                           |
| Unsecured debentures No. 1/2019 tranche 1 | 435,100   | 1,000              | 435,100                        | 5 April 2019      | 1 year<br>6 months  | 5 October 2020    | 4.75                           |
| Unsecured debentures No. 1/2019 tranche 2 | 775,000   | 1,000              | 775,000                        | 5 April 2019      | 3 years<br>6 months | 5 October 2022    | 6.25                           |
| Unsecured debentures No. 2/2019           | 1,844,600 | 1,000              | 1,844,600                      | 10 May 2019       | 4 years<br>1 month  | 10 June 2023      | Year 1-2 6.25<br>Year 3-4 7.00 |
| Unsecured debentures No. 3/2019           | 888,800   | 1,000              | 888,800                        | 26 September 2019 | 3 years             | 26 September 2022 | 6.25                           |

As at 31 December 2019, the outstanding balances are detailed below:

| Debentures                      | UNIT      | UNIT PAR<br>(BAHT) | TOTAL VALUE<br>(THOUSAND BAHT) | ISSUED DATE      | TERM                            | MATURITY DATE    | COUPON RATE<br>(% PER ANNUM) |
|---------------------------------|-----------|--------------------|--------------------------------|------------------|---------------------------------|------------------|------------------------------|
| <b>GRAND</b>                    |           |                    |                                |                  |                                 |                  |                              |
| Unsecured debentures No. 1/2017 | 261,000   | 1,000              | 261,000                        | 26 January 2017  | 2 years<br>11 months<br>28 days | 23 January 2020  | 5.35                         |
| Unsecured debentures No. 3/2017 | 491,700   | 1,000              | 491,700                        | 22 June 2017     | 3 years                         | 22 June 2020     | 5.95                         |
| Unsecured debentures No. 4/2017 | 467,900   | 1,000              | 467,900                        | 19 October 2017  | 3 years                         | 19 October 2020  | 6.25                         |
| Unsecured debentures No. 1/2018 | 423,500   | 1,000              | 423,500                        | 16 March 2018    | 2 years                         | 16 March 2020    | 6.00                         |
| Unsecured debentures No. 2/2018 | 1,000,000 | 1,000              | 1,000,000                      | 21 June 2018     | 3 years                         | 21 June 2021     | 6.25                         |
| Unsecured debentures No. 3/2018 | 1,344,200 | 1,000              | 1,344,200                      | 1 November 2018  | 3 years                         | 1 November 2021  | 6.25                         |
| Unsecured debentures No. 1/2019 | 1,489,400 | 1,000              | 1,489,400                      | 18 February 2019 | 3 years                         | 18 February 2022 | 6.25                         |
| Unsecured debentures No. 2/2019 | 1,402,200 | 1,000              | 1,402,200                      | 12 July 2019     | 3 years<br>3 months             | 12 October 2022  | 6.75                         |

The debenture agreements contain several covenants which, among other things, require the Group to maintain interest bearing debt to equity ratio at the rate prescribed in the agreements.

Interest rates of the Group's debentures are at fixed rate. The effective interest rates at the statement of financial position date were at 5.19% - 6.77% per annum (2018: 4.85% - 6.25% per annum).

The fair value of debentures is disclosed to their carrying amount as the impact of discounting is not significant. The fair values are based on discounted cash flows using a discount rate based upon the borrowing rate of 4.52% - 6.21% per annum (2018: 4.93% - 6.01% per annum) and are within level 2 of the fair value hierarchy.

Maturity of debentures is as follows:

*(Unit : Thousand Baht)*

|                                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |                   | SEPARATE<br>FINANCIAL STATEMENTS |                   |
|-------------------------------------|--------------------------------------|-------------------|----------------------------------|-------------------|
|                                     | 2019                                 | 2018              | 2019                             | 2018              |
| Later than 1 year but over 2 years  | 8,852,774                            | 5,641,533         | 6,517,265                        | 5,641,533         |
| Later than 2 years but over 5 years | 9,952,413                            | 14,064,553        | 7,078,275                        | 10,094,607        |
|                                     | <b>18,805,187</b>                    | <b>19,706,086</b> | <b>13,595,540</b>                | <b>15,736,140</b> |

## 26 SUBORDINATED PERPETUAL DEBENTURES

On 16 November 2018, the Company issued Baht 60 million (comprising 60,300 units of Baht 1,000 each) of subordinated perpetual debentures (“the debentures”) to institutional investors and high net worth investors.

The debentures are registered, unsecured, unconvertible, with a debenture holders’ representative and are to be redeemed in a lump sum when the Company ceases its business. Interest is payable every three months. The Company has an option to defer interest payment and accumulate interest to pay at any date at its discretion. In the event that the Company defers interest payment it may not declare or pay any dividend, or pay interest or distribute assets to the holders of securities of the Company that legally have equal seniority or are subordinate to the debentures, and it cannot recall, decrease, cancel, purchase or repurchase those of its securities that legally have equal seniority or are subordinate to the debentures. The Company is entitled to redeem the debentures at a date five years from the issue date or in accordance with other conditions stipulated in the prospectus. (Note 2.23)

The interest rate of the debentures can be summarised as follows:

|                 |   |
|-----------------|---|
| Years 1 - 5     | 9.50% per annum                                 |
| Years 6 - 25    | 5-year government bond yields + 7.61% per annum |
| Year 26 onwards | 5-year government bond yields + 8.36% per annum |

The five years government bond yields will be adjusted every five years.

The movement of subordinated perpetual debentures for the year ended 31 December 2019 as follows:

*(Unit : Thousand Baht)*

| CONSOLIDATED AND SEPARATE FINANCIAL STATEMENTS |                |
|--|----------------|
| Opening book amount                            | 508,000        |
| Additions                                      | -              |
| <b>Closing book amount</b>                     | <b>508,000</b> |

## 27 LONG-TERM BORROWINGS FROM FINANCIAL INSTITUTIONS

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                  |
|--|--------------------------------------|------------------|----------------------------------|------------------|
|  | 2019                                 | 2018             | 2019                             | 2018             |
| <b>Current</b>   |                                      |                  |                                  |                  |
| Current portion of long-term borrowings<br>from financial institutions           | 443,943                              | 1,327,175        | 237,751                          | 974,861          |
| Less Front end fees  | (7,565)                              | (375)            | (4,546)                          | -                |
| Total current portion of long-term borrowings<br>from financial institutions     | 436,378                              | 1,326,800        | 233,205                          | 974,861          |
| <b>Non-current</b>   |                                      |                  |                                  |                  |
| Long-term borrowings from financial institutions                                 | 7,200,329                            | 7,107,810        | 4,517,786                        | 3,342,854        |
| Less Front end fees  | (22,326)                             | (38,974)         | (11,814)                         | (27,239)         |
| Total non-current portion of long-term<br>borrowings from financial institutions | 7,178,003                            | 7,068,836        | 4,505,972                        | 3,315,615        |
| <b>Total long-term borrowings from<br/>financial institutions</b>                | <b>7,614,381</b>                     | <b>8,395,636</b> | <b>4,739,177</b>                 | <b>4,290,476</b> |

The movement of long-term borrowings from financial institutions for the year ended 31 December 2019 is as follows:

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|---|--------------------------------------|----------------------------------|
| Opening book amount   | 8,395,636                            | 4,290,476                        |
| Proceeds from long-term borrowings from financial institutions  | 7,824,370                            | 6,151,518                        |
| Repayments for long-term borrowings from financial institutions | (8,546,273)                          | (5,645,740)                      |
| Amortisation of front end fees of borrowings                    | 8,604                                | 10,879                           |
| Exchange differences  | (67,956)                             | (67,956)                         |
| <b>Closing book amount</b>                                      | <b>7,614,381</b>                     | <b>4,739,177</b>                 |

The borrowing agreements contain several covenants which, among other things, require the Group to maintain net debt-to-equity ratio at the rates prescribed in the agreements.

The interest rate exposure on the borrowings of the Group is as follows:

(Unit : Thousand Baht)

|                  | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|------------------|--------------------------------------|-----------|----------------------------------|-----------|
|                  | 2019                                 | 2018      | 2019                             | 2018      |
| Fixed rates      | 1,546,450                            | 3,049,168 | 558,457                          | 1,630,326 |
| Floating rates   | 6,067,931                            | 5,346,468 | 4,180,720                        | 2,660,150 |
| Total borrowings | 7,614,381                            | 8,395,636 | 4,739,177                        | 4,290,476 |

The interest rate of long-term borrowings from financial institutions at the statement of financial position date were at 3.50% - 6.50% per annum (2018: 5.87% - 6.25% per annum).

The fair value of the borrowings is closed to their carrying amount as the impact of discounting is not significant.

The fair values are based on discounted cash flow using a discount rate based upon the borrowing rate and are within level 2 of the fair value hierarchy.

Maturity of long-term borrowings is as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|--|--------------------------------------|-----------|----------------------------------|-----------|
|  | 2019                                 | 2018      | 2019                             | 2018      |
| Within 1 year                          | 436,378                              | 1,326,800 | 233,205                          | 974,861   |
| Later than 1 year but not over 5 years | 6,026,175                            | 6,344,298 | 4,505,972                        | 3,315,615 |
| Over 5 years                           | 1,151,828                            | 724,538   | -                                | -         |
|  | 7,614,381                            | 8,395,636 | 4,739,177                        | 4,290,476 |

#### Credit facility

The Group has the following undrawn committed borrowing facilities:

(Unit : Thousand Baht)

|                             | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                  |
|-----------------------------|--------------------------------------|------------------|----------------------------------|------------------|
|                             | 2019                                 | 2018             | 2019                             | 2018             |
| <b>Floating rate</b>        |                                      |                  |                                  |                  |
| • expiring within 1 year    | 1,649,852                            | 449,867          | 561,439                          | 57,588           |
| • expiring over than 1 year | 4,146,962                            | 8,227,304        | 3,644,042                        | 4,354,431        |
| <b>Fixed rate</b>           |                                      |                  |                                  |                  |
| • expiring within 1 year    | 1,166,080                            | 108,762          | 1,158,080                        | 108,762          |
| • expiring over than 1 year | 1,736,085                            | 342,613          | 267,583                          | 342,613          |
| <b>Total</b>                | <b>8,698,979</b>                     | <b>9,128,546</b> | <b>5,631,144</b>                 | <b>4,863,394</b> |

The Group has pledged project development cost, net (Note 12), land held for development, net (Note 17), and investment properties, net (Note 18) thereon to secure credit facility and long-term borrowings from its financial institutions.



## 28 EMPLOYEE BENEFIT OBLIGATIONS

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | SEPARATE<br>FINANCIAL STATEMENTS |         |
|--|--------------------------------------|---------|----------------------------------|---------|
|  | 2019                                 | 2018    | 2019                             | 2018    |
| Statement of financial position:                           |                                      |         |                                  |         |
| Retirement benefits  | 455,362                              | 334,255 | 159,210                          | 113,955 |
| Liability in the statement of financial position           | 455,362                              | 334,255 | 159,210                          | 113,955 |
| Profit or loss charge included<br>in operating profit for: |                                      |         |                                  |         |
| Retirement benefits  | 138,253                              | 40,230  | 47,543                           | 12,216  |
|  | 138,253                              | 40,230  | 47,543                           | 12,216  |
| Remeasurement for:   |                                      |         |                                  |         |
| Retirement benefits  | (1,445)                              | -       | -                                | -       |
|  | <b>(1,445)</b>                       | -       | -                                | -       |

The movement in the defined benefit obligation over the year is as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|--|--------------------------------------|----------------|----------------------------------|----------------|
|  | 2019                                 | 2018           | 2019                             | 2018           |
| As at 1 January                                | 334,255                              | 256,003        | 113,956                          | 110,825        |
| Acquisition of subsidiary                      | -                                    | 59,181         | -                                | -              |
| Current service cost                           | 40,793                               | 31,600         | 11,179                           | 9,253          |
| Past service cost                              | 43,559                               | 1,254          | 4,196                            | -              |
| Interest expense                               | 53,902                               | 7,376          | 32,168                           | 2,963          |
|  | <b>472,509</b>                       | <b>355,414</b> | <b>161,499</b>                   | <b>123,041</b> |
| Remeasurements:                                |                                      |                |                                  |                |
| Loss from change in<br>demographic assumptions | 1,124                                | -              | -                                | -              |
| (Gain) from change in<br>financial assumptions | (3,970)                              | -              | -                                | -              |
| Experience loss                                | 1,401                                | -              | -                                | -              |
|  | <b>(1,445)</b>                       | -              | -                                | -              |
| Payment from plan:                             |                                      |                |                                  |                |
| Benefit payment                                | (15,701)                             | (21,159)       | (2,289)                          | (9,085)        |
| <b>As at 31 December</b>                       | <b>455,362</b>                       | <b>334,255</b> | <b>159,210</b>                   | <b>113,956</b> |

On 5 April 2019, an amendment bill to the Labour Protection Law was published in the Government Gazette. The amended law will become effective 30 days after its publication. The main amendment is that the compensation for employees who have retired and have more than or equal to 20 years of service has changed from 300 day's pay to 400 day's pay. The effects of the amendment were recognised as past service cost during the year

The principal actuarial assumptions used were as follows:

|                    | CONSOLIDATED<br>FINANCIAL STATEMENTS |             | SEPARATE<br>FINANCIAL STATEMENTS |             |
|--------------------|--------------------------------------|-------------|----------------------------------|-------------|
|                    | 2019                                 | 2018        | 2019                             | 2018        |
|                    | PERCENTAGE                           | PERCENTAGE  | PERCENTAGE                       | PERCENTAGE  |
| Discount rate      | 1.19 - 2.90                          | 1.20 - 3.95 | 2.90                             | 2.90        |
| Salary growth rate | 3.00 - 6.00                          | 5.00 - 7.00 | 5.00 - 6.00                      | 5.00 - 6.00 |

Sensitivity analysis for each significant assumption used is as follows:

|                    | IMPACT ON DEFINED BENEFIT OBLIGATIONS |                     |                                      |          |                                  |          |
|--------------------|---------------------------------------|---------------------|--------------------------------------|----------|----------------------------------|----------|
|                    | CHANGE IN ASSUMPTION                  |                     | CONSOLIDATED<br>FINANCIAL STATEMENTS |          | SEPARATE<br>FINANCIAL STATEMENTS |          |
|                    | 2019                                  | 2018                | 2019                                 | 2018     | 2019                             | 2018     |
| Discount rate      | Increase by<br>1.00                   | Increase by<br>1.00 | (55,546)                             | (35,775) | (14,837)                         | (10,225) |
| Discount rate      | Decrease by<br>1.00                   | Decrease by<br>1.00 | 64,254                               | 34,869   | 17,186                           | 11,830   |
| Salary growth rate | Increase by<br>1.00                   | Increase by<br>1.00 | 61,450                               | 57,340   | 16,500                           | 11,358   |
| Salary growth rate | Decrease by<br>1.00                   | Decrease by<br>1.00 | (54,129)                             | (42,806) | (14,580)                         | (10,048) |

The above sensitivity analyses are based on a change in an assumption while holding all other assumptions constant. In practice, this is unlikely to occur, and changes in some of the assumptions may be correlated. When calculating the sensitivity of the defined benefit obligation to significant actuarial assumptions the same method has been applied as when calculating the retirement benefits recognised within the statement of financial position.

The methods and types of assumptions used in preparing the sensitivity analysis did not change compared to the previous period.

## 29 OTHER INCOME

(Unit : Thousand Baht)

|                          | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|--------------------------|--------------------------------------|----------------|----------------------------------|----------------|
|                          | 2019                                 | 2018           | 2019                             | 2018           |
| Management income        | 153,813                              | 71,815         | 79,108                           | 17,665         |
| Interest income          | 237,124                              | 121,449        | 549,525                          | 360,358        |
| Dividend income          | 276                                  | 140            | 408,865                          | 19,483         |
| Income from cancellation | 46,351                               | 59,220         | 27,161                           | 13,009         |
| Exchange gain            | 100,000                              | -              | 27,074                           | -              |
| Others                   | 251,583                              | 314,969        | 64,548                           | 151,087        |
| <b>Total</b>             | <b>789,147</b>                       | <b>567,593</b> | <b>1,156,281</b>                 | <b>561,602</b> |

## 30 EXPENSES BY NATURE

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |            | SEPARATE<br>FINANCIAL STATEMENTS |           |
|--|--------------------------------------|------------|----------------------------------|-----------|
|  | 2019                                 | 2018       | 2019                             | 2018      |
| Project development costs                                  | 10,553,306                           | 11,063,664 | 5,791,460                        | 7,525,405 |
| Salary and employee benefit expense                        | 2,223,734                            | 1,822,496  | 449,683                          | 404,073   |
| Depreciation and amortization expense                      | 712,340                              | 800,156    | 45,993                           | 41,127    |
| Marketing expense  | 835,692                              | 639,514    | 385,758                          | 299,179   |
| Rental and service expense from<br>operating leases        | 553,591                              | 544,275    | 243,356                          | 242,400   |
| Administrative expense                                     | 1,130,217                            | 1,248,949  | 222,697                          | 201,582   |
| Special business tax and transfer fees                     | 640,787                              | 689,938    | 363,391                          | 454,882   |
| Interest expense<br>(included capitalised borrowing costs) | 2,047,480                            | 1,740,724  | 1,508,853                        | 1,364,966 |

## 31 INCOME TAXES

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  | SEPARATE<br>FINANCIAL STATEMENTS |                |
|---|--------------------------------------|------------------|----------------------------------|----------------|
|   | 2019                                 | 2018             | 2019                             | 2018           |
| Current tax:  |                                      |                  |                                  |                |
| Current tax on profits for the year                       | 631,836                              | 571,155          | 325,265                          | 350,697        |
| Income tax directly related to shareholders' equity       | 9,652                                | 8,608            | 9,652                            | 8,608          |
| Adjustments in respect of prior year                      | (1,477)                              | 5,306            | -                                | -              |
| <b>Total current tax</b>                                  | <b>640,011</b>                       | <b>585,069</b>   | <b>334,917</b>                   | <b>359,305</b> |
| Deferred tax:   |                                      |                  |                                  |                |
| Increase (decrease) in deferred tax assets (Note 22)      | (308,182)                            | (191,700)        | (45,954)                         | 4,714          |
| Increase (decrease) in deferred tax liabilities (Note 22) | (11,581)                             | (64,191)         | 22,920                           | (1,651)        |
| <b>Total deferred tax</b>                                 | <b>(319,763)</b>                     | <b>(255,891)</b> | <b>(23,034)</b>                  | <b>3,063</b>   |
| <b>Income tax expense</b>                                 | <b>320,248</b>                       | <b>329,178</b>   | <b>311,883</b>                   | <b>362,368</b> |

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the basic weighted average tax rate applicable to profit of the home country of the Company as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|--|--------------------------------------|-----------|----------------------------------|-----------|
|  | 2019                                 | 2018      | 2019                             | 2018      |
| Profit before tax  | 1,330,514                            | 1,022,692 | 1,888,072                        | 1,559,934 |
| Tax calculated at a tax rate of 20%<br>(2018: 20%)               | 266,103                              | 204,538   | 377,614                          | 311,987   |
| Adjustment in respect of prior year                              | (1,799)                              | 5,306     | -                                | -         |
| Tax effect of:   |                                      |           |                                  |           |
| Joint ventures' results reported net of tax                      | 29,592                               | 20,536    | -                                | -         |
| Income subject to tax  | 17,859                               | 39,355    | 12,345                           | 37,668    |
| Income not subject to tax  | (22,972)                             | (51,308)  | (81,773)                         | (3,897)   |
| Expenses not deductible for tax purpose                          | 73,328                               | 68,205    | 13,349                           | 25,396    |
| Taxable expenditure  | (21,818)                             | (25,704)  | (9,652)                          | (8,786)   |
| Effect of tax temporary difference                               | (13,956)                             | (5,393)   | -                                | -         |
| Tax losses for which no deferred income tax asset was recognised | (9,102)                              | (2,237)   | -                                | -         |

(Unit : Thousand Baht)

|                                  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|----------------------------------|--------------------------------------|----------------|----------------------------------|----------------|
|                                  | 2019                                 | 2018           | 2019                             | 2018           |
| Tax losses for which no deferred |                                      |                |                                  |                |
| income tax asset was recognised  | 50,067                               | 44,835         | -                                | -              |
| Difference in overseas tax rate  | (47,054)                             | 31,045         | -                                | -              |
| <b>Income tax</b>                | <b>320,248</b>                       | <b>329,178</b> | <b>311,883</b>                   | <b>362,368</b> |

The tax credit relating to component of other comprehensive income is as follows:

(Unit : Thousand Baht)

|                                    | CONSOLIDATED FINANCIAL STATEMENTS |               |           |            |               |           |
|------------------------------------|-----------------------------------|---------------|-----------|------------|---------------|-----------|
|                                    | 2019                              |               |           | 2018       |               |           |
|                                    | BEFORE<br>TAX                     | TAX<br>CREDIT | AFTER TAX | BEFORE TAX | TAX<br>CREDIT | AFTER TAX |
| Fair value adjustment on           |                                   |               |           |            |               |           |
| available-for-sale financial asset | (5,188)                           | 1,038         | (4,150)   | (10,471)   | 2,095         | (8,376)   |
| Remeasurement gains of             |                                   |               |           |            |               |           |
| employee benefit obligations       | 1,445                             | (493)         | 952       | -          | -             | -         |

(Unit : Thousand Baht)

|                                    | SEPARATE FINANCIAL STATEMENTS |               |           |            |               |           |
|------------------------------------|-------------------------------|---------------|-----------|------------|---------------|-----------|
|                                    | 2019                          |               |           | 2018       |               |           |
|                                    | BEFORE<br>TAX                 | TAX<br>CREDIT | AFTER TAX | BEFORE TAX | TAX<br>CREDIT | AFTER TAX |
| Fair value adjustment on           |                               |               |           |            |               |           |
| available-for-sale financial asset | 954                           | (191)         | 763       | (818)      | 164           | (654)     |

## 32 EARNINGS PER SHARE

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

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |               | SEPARATE<br>FINANCIAL STATEMENTS |               |
|--|--------------------------------------|---------------|----------------------------------|---------------|
|  | 2019                                 | 2018          | 2019                             | 2018          |
| Net profit for the year attributable to ordinary shareholders of the Company (Thousand Baht) | 1,137,925                            | 548,654       | 1,576,189                        | 1,197,564     |
| Less Cumulative interest for the year on subordinated perpetual debenture                    | (48,260)                             | (34,440)      | (48,260)                         | (34,440)      |
| Profit used in calculations of earnings per share  | 1,089,665                            | 514,214       | 1,527,929                        | 1,163,124     |
| Weighted average number of ordinary shares outstanding (shares)                              | 8,667,826                            | 8,667,826     | 8,667,826                        | 8,667,826     |
| <b>Basic earnings per share (Baht per share)</b>   | <b>0.1257</b>                        | <b>0.0593</b> | <b>0.1763</b>                    | <b>0.1342</b> |

There are no potential dilutive ordinary shares issued for the year 2019 and 2018.

## 33 SHARE CAPITAL AND SHARE DISCOUNT

|                               | PAR VALUE   | NUMBER OF<br>AUTHORISED<br>ORDINARY SHARES | NUMBER OF ISSUED<br>AND PAID-UP<br>ORDINARY SHARES | SHARE<br>DISCOUNT | ISSUED<br>AND PAID-UP<br>ORDINARY SHARES |
|-------------------------------|-------------|--|--|-------------------|--|
|                               | BAHT        | SHARES                                     | SHARES   | THOUSAND<br>BAHT  | THOUSAND BAHT                            |
| As at 1 January 2019          | 1.00        | 9,000,000,000                              | 8,667,826,432                                      | (90,502)          | 8,667,826                                |
| Capital reduction             | 1.00        | (332,173,568)                              | -  | -                 | -  |
| Capital increase              | 1.00        | 1,354,347,880                              | -  | -                 | -  |
| <b>As at 31 December 2019</b> | <b>1.00</b> | <b>10,022,174,312</b>                      | <b>8,667,826,432</b>                               | <b>(90,502)</b>   | <b>8,667,826</b>                         |

At the Extraordinary General Meeting of Shareholders No. 1/2019 on 27 September 2019, the shareholders approved a decrease in the Company's registered capital, from 9,000,000,000 ordinary shares at par value of 1 Baht per share to 8,667,826,432 ordinary shares at par value of 1 Baht per share and an increase in Company's registered capital from 8,667,826,432 ordinary shares at par value of 1 Baht per share to 10,022,174,312 ordinary shares at par value of 1 Baht per share. The Company registered the changes with the Ministry of Commerce on 17 October 2019.



### 34 LEGAL RESERVE

(Unit : Thousand Baht)

|                               | CONSOLIDATED<br>FINANCIAL STATEMENTS |         |
|-------------------------------|--------------------------------------|---------|
|                               | 2019                                 | 2018    |
| Opening book amount           | 394,600                              | 334,600 |
| Appropriation during the year | 79,000                               | 60,000  |
| Closing book amount           | 473,600                              | 394,600 |

Under the Public Limited Company Act., B.E. 2535, the Company is required to set aside as a legal reserve at least 5% of its net profit after accumulated deficit brought forward (if any) until the reserve is not less than 10% of the registered capital. The legal reserve is non-distributable.

### 35 DIVIDENDS PAID

At the Company's Annual General Meeting held on 25 April 2019, the shareholders approved the payment of annual dividends in respect of the net profit for the year of 2018 which was paid by cash at Baht 0.066 per share, totalling Baht 572.06 million. The Company paid the dividends on 24 May 2019.

At the Company's Annual General Meeting held on 26 April 2018, the shareholders approved the payment of annual dividends in respect of the net profit for the year of 2017 which was paid by cash at Baht 0.050 per share, totalling Baht 433.38 million. The Company paid the dividends on 25 May 2018.

### 36 COMMITMENTS AND CONTINGENT LIABILITIES

#### 36.1) CAPITAL EXPENDITURE COMMITMENTS

Capital expenditure contracted as at the statement of financial position date but not recognised in the financial statements are as follows:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |          |                  |                  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  |
|--|--------------------------------------|----------|------------------|------------------|--------------------------------------|------------------|
|  | 2019                                 | 2018     | 2019             | 2018             | 2019                                 | 2018             |
| Capital expenditure for cost of<br>real estate development | 1,867,320                            | -        | 2,746,361        | 6,419,646        | 587,571                              | 753,477          |
| Capital expenditure for property,<br>plant and equipment   | 2,484,910                            | -        | 3,142,392        | -                | 1,577,295                            | 1,986,394        |
| <b>Total</b>   | <b>4,352,230</b>                     | <b>-</b> | <b>5,888,753</b> | <b>6,419,646</b> | <b>2,164,866</b>                     | <b>2,739,871</b> |

The Group has outstanding capital expenditure commitments in respect of construction, design and consultation for land and house projects, residential condominium units, hotel buildings, office building improvement, purchase of residential condominium units, and equipment.

### 36.2) OPERATING LEASE COMMITMENTS

The Group has entered into operating lease agreements in respect of the lease of land, condominium, vehicles, advertising board, and various services. The Group has future minimum lease payments required under these non-cancellable operating lease was as follows:

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                 |                  |                 | CONSOLIDATED<br>FINANCIAL STATEMENTS |                  |
|--|--------------------------------------|-----------------|------------------|-----------------|--------------------------------------|------------------|
|  | 2019                                 |                 | 2018             |                 | 2019                                 | 2018             |
|  | THOUSAND<br>BAHT                     | THOUSAND<br>YEN | THOUSAND<br>BAHT | THOUSAND<br>YEN | THOUSAND<br>BAHT                     | THOUSAND<br>YEN  |
| Within 1 year                          | 267,263                              | 2,763           | 317,615          | 1,464           | 92,352                               | 94,816           |
| Later than 1 year but not over 5 years | 660,908                              | 7,846           | 1,091,160        | 2,065           | 214,449                              | 272,751          |
| Over 5 years                           | 2,785,511                            | -               | 5,533,860        | -               | 2,210,494                            | 2,188,753        |
| <b>Total</b>                           | <b>3,713,682</b>                     | <b>10,609</b>   | <b>6,942,635</b> | <b>3,529</b>    | <b>2,517,295</b>                     | <b>2,556,320</b> |

### 36.3) LONG-TERM SERVICE COMMITMENTS

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |               |
|--|--------------------------------------|---------------|
|  | 2019                                 | 2018          |
| Within 1 year                          | 46,215                               | 29,098        |
| Later than 1 year but not over 5 years | 38,788                               | 22,862        |
| Over 5 years                           | 16,312                               | -             |
| <b>Total</b>                           | <b>101,315</b>                       | <b>51,960</b> |

### 36.4) GUARANTEES FROM FINANCIAL INSTITUTIONS

The Group has bank guarantees issued by the banks on behalf of the Company and its subsidiaries as follows:

(Unit : Thousand Baht)

|                      | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|----------------------|--------------------------------------|-----------|----------------------------------|-----------|
|                      | 2019                                 | 2018      | 2019                             | 2018      |
| Utilities facilities | 3,093,979                            | 1,797,308 | 1,505,775                        | 1,177,869 |

At 31 December 2019, the Group had the outstanding letters of guarantee issued by the banks on behalf of the Group in respect of normal business obligations. The Group pledged its bank deposits amounting to Baht 1,042 million (2018: Baht 113 million) as collaterals for these bank guarantees.

### 36.5) CONTINGENT LIABILITIES

As at 31 December 2019, the Company has guaranteed credit facilities of its subsidiaries amounting to Baht 7,508 million (2018: Baht 9,422 million).

### 36.6) SIGNIFICANT LITIGATIONS

As at 31 December 2019, outstanding significant litigations were changed from the disclosure in noted to financial statement as at 31 December 2018 as detailed below:

- a) The Company was sued by a group of residents related to the same project because the project's entrance through the land of the State Railway of Thailand. When asking permission for land division, the Company arranged access to Pattanakarn Road, but for the convenience of the residents, the Company asked to lease land from the State Railway of Thailand so that it could provide a secondary access road leading to the New Bangkok-Chonburi Expressway (Motorway) which was an additional route planned to allow access into the project. However, the residents want the Company to arrange the road to be a legal access route. They've asked the Company to enter into a rental contract with the State Railway of Thailand and ask the Company to register the rights of servitude for the land.

Since 2015, a group of eight residents have been suing for damages of approximately Baht 154 million. In May 2017, another group of residents sued for damages of about Baht 44 million. Later, in December 2017, an additional group of residents sued the Company and it received the complaints on February 2018, which totalled 261 cases combined into one case. The total amount of damages claimed is approximately Baht 2,600 million which is a higher amount than the prices of the land and houses that they bought from the Company.

The defendant has already submitted a new testimony. In June 2017, the Civil Court made a judgement on the case of the first group of eight residents which had sued the Company in 2015 and ordered the Company to register the rights of servitude on the Company land that was connected with the expressway. The Company filed an appeal against the judgement of the Civil Court. On 19 October 2018, the Civil Court read the judgement from the Court of Appeal dated 29 August 2018 of the case relating to the same case for the project's exit to the public road. This case has a damage claim of about Baht 154 million. The Court of Appeal dismissed the plaintiffs' claim since there were no damages to the plaintiffs and the defendant did not breach the contract. As a result, the Company did not get any damages from the case.

However, in August 2018, to allow the residents to legally pass through entrance, the management entered into a land lease contract with the State Railway of Thailand for the project's access to the public road. The land lease contract is 30 years for the period 1 October 2007 to 30 September 2037. The lump sum rental is recorded as part of the cost of the sales of the land and houses in the statement of comprehensive income that meant the case had no issues for damages, as all plaintiffs sued.

In March 2019, the Civil Court read the judgement and dismissed 259 out of the 261 plaintiffs' claims. This is because the two other plaintiffs had already withdrawn their claims.

Currently, plaintiffs of the first two groups, for whom the Court of Appeal had dismissed the cases against the judgement of the Civil Court, and have filed a petition for a dika appeal to the Supreme Court. The Supreme Court is deciding on whether to give it further consideration. The 261 plaintiffs in the separate case have also appealed to the Court of Appeal, which is considered the case. The Company has therefore not set aside provisions for losses resulting from the litigation.

- b) As disclosed in Note 38.5 (b) of the financial statements for the year ended 31 December 2018, in April 2018, the Company was sued by two groups of residents (173 people and 162 people) of another project about the project's entrance which the Company has entitled its partial area with claims for damages totalling Baht 450 million and Baht 340 million respectively. The first case is currently being considered by the Court of Appeal, while the second case was dismissed by the Civil Court and is currently being considered by the Court of Appeal. The Company's management believes that the Company won't incur significant losses from the claims, and so has therefore not set aside provisions for losses resulting from the litigation.
- c) In September 2019, the Company was sued by the additional group of residents of the same project regarding the project's entrance, totalling 11 cases with the claims amount being a total of Baht 11.97 million. Currently, the case is being considered by the Civil Court. However, the Company has set aside some provision for liabilities that may arise as a result of these cases, based on the best estimate and judgement of the management.
- d) In January 2019, a subsidiary was sued by one property management company for issues related to a breach of contract, the description of common property, and contract compliance. The total claim amount is about Baht

748 million. Currently, the case is being considered by the Civil Court. The Group's management believes that the Group won't incur significant losses from the claim. The Group has therefore not set aside provisions for losses resulting from the litigation.

- e) In November 2019, the Company and a subsidiary were sued by a group of residents of a subsidiary's project because the Official Receiver has abated the transfer ownership of houses and land of 267 people and 271 people with claims totalling Baht 106.40 million and Baht 107.20 million respectively. Currently, the cases are being considered by the Civil Court. The Group's management believes that the Group won't incur significant losses from the claim. The Group has therefore not set aside provisions for losses resulting from the litigation.

### 37 LIABILITIES RELATING TO CONTRACTS WITH CUSTOMERS

The Group has recognised the following liabilities related to contracts with customers:

(Unit : Thousand Baht)

|                                   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |                |
|-----------------------------------|--------------------------------------|----------------|----------------------------------|----------------|
|                                   | 2019                                 | 2018           | 2019                             | 2018           |
| Contract liabilities              |                                      |                |                                  |                |
| • Current                         | 485,717                              | 786,610        | 59,384                           | 255,262        |
| • Non-current                     | 9,102                                | -              | 6,419                            | -              |
| <b>Total contract liabilities</b> | <b>494,819</b>                       | <b>786,610</b> | <b>65,803</b>                    | <b>255,262</b> |

Revenue recognised in the current reporting period relates to carried-forward contract liabilities and how much relates to performance obligations that were satisfied in a prior year.

(Unit : Thousand Baht)

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |               |
|---|--------------------------------------|----------------|----------------------------------|---------------|
|   | 2019                                 | 2018           | 2019                             | 2018          |
| Revenue recognised that was included in the contract liability balance at the beginning of the period |                                      |                |                                  |               |
| • Revenue from sales of land and houses   | 310,258                              | 36,717         | 212,832                          | 19,785        |
| • Revenue from sales of residential condominium units   | 174,307                              | 407,147        | 23,562                           | 79,717        |
| • Revenue from hotel services   | 199,939                              | 84,684         | -                                | -             |
| <b>Total revenue recognised</b>   | <b>684,504</b>                       | <b>528,548</b> | <b>236,394</b>                   | <b>99,502</b> |

## 38 RELATED PARTY TRANSACTIONS

Enterprises and individuals that directly, or indirectly through one or more intermediaries, control, or are controlled

by, or are under common control with, the Company, including holding companies, subsidiaries and fellow subsidiaries are related parties of the Company. Associates and individuals owning, directly or indirectly, an interest in the voting power of the Company that gives them significant influence over the enterprise, key management personnel, including directors and officers of the Company and close members of the family of these individuals and companies associated with these individuals also constitute related parties.

In considering each possible related party relationship, attention is directed to the substance of the relationship, and not merely the legal form.

The following material transactions were carried out with related parties:

### 38.1) TRANSACTIONS WITH RELATED PARTIES

Transactions with related parties for the year ended 31 December are as follows:

| (Unit : Thousand Baht)                  |                                      |           |                                  |           |
|---|--------------------------------------|-----------|----------------------------------|-----------|
|   | CONSOLIDATED<br>FINANCIAL STATEMENTS |           | SEPARATE<br>FINANCIAL STATEMENTS |           |
|   | 2019                                 | 2018      | 2019                             | 2018      |
| <b>Revenue from sales of lands</b>      |                                      |           |                                  |           |
| Subsidiaries                            | -                                    | -         | 1,753                            | 362,913   |
| Joint ventures                          | 1,246,485                            | 1,181,267 | 2,543,846                        | 2,369,416 |
|   | 1,246,485                            | 1,181,267 | 2,545,599                        | 2,732,329 |
| <b>Revenue from rental and services</b> |                                      |           |                                  |           |
| Subsidiaries                            | -                                    | -         | 3,999                            | 3,475     |
| <b>Dividend income</b>                  |                                      |           |                                  |           |
| Subsidiaries                            | -                                    | -         | 408,589                          | 19,125    |
| Other related parties                   | 10,530                               | 7,669     | -                                | -         |
|   | 10,530                               | 7,669     | 408,589                          | 19,125    |
| <b>Management income</b>                |                                      |           |                                  |           |
| Joint ventures                          | 155,357                              | 69,388    | 80,357                           | 15,238    |
| <b>Interest income</b>                  |                                      |           |                                  |           |
| Subsidiaries                            | -                                    | -         | 394,528                          | 288,190   |
| Joint ventures                          | 124,727                              | 54,619    | 74,048                           | 23,427    |
| Other related parties                   | 1,188                                | 1,145     | -                                | -         |
|   | 125,915                              | 55,764    | 468,576                          | 311,617   |
| <b>Other income</b>                     |                                      |           |                                  |           |
| Subsidiaries                            | -                                    | -         | 643                              | 345       |

(Unit : Thousand Baht)

|                                   | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | SEPARATE<br>FINANCIAL STATEMENTS |           |
|-----------------------------------|--------------------------------------|---------|----------------------------------|-----------|
|                                   | 2019                                 | 2018    | 2019                             | 2018      |
| Joint ventures                    | 1,290                                | 40,276  | 506                              | 40,276    |
|                                   | 1,290                                | 40,276  | 1,149                            | 40,621    |
| <b>Costs from sales of lands</b>  |                                      |         |                                  |           |
| Subsidiaries                      | -                                    | -       | 1,119                            | 299,644   |
| Joint ventures                    | 552,129                              | 591,767 | 1,126,794                        | 1,312,919 |
|                                   | 552,129                              | 591,767 | 1,127,913                        | 1,612,563 |
| <b>Cost of sale of margin</b>     |                                      |         |                                  |           |
| Subsidiaries                      | -                                    | -       | 193,952                          | 278,802   |
| <b>Rental expenses</b>            |                                      |         |                                  |           |
| Other related parties             | 131,160                              | 131,146 | -                                | -         |
| <b>Interest expenses</b>          |                                      |         |                                  |           |
| Subsidiaries                      | -                                    | -       | 6,785                            | 12,200    |
| <b>Cost of house construction</b> |                                      |         |                                  |           |
| Subsidiaries                      | -                                    | -       | 296,623                          | 438,493   |
| <b>Operating expenses</b>         |                                      |         |                                  |           |
| Subsidiaries                      | -                                    | -       | 1,393                            | 2,470     |

**38.2) OUTSTANDING BALANCES ARISING FROM SALES/PURCHASES OF GOODS AND SERVICES**

The outstanding balances at the end of the reporting period in relation to transactions with related parties are as follows:

(Unit : Thousand Baht)

|                                    | CONSOLIDATED<br>FINANCIAL STATEMENTS |        | SEPARATE<br>FINANCIAL STATEMENTS |         |
|------------------------------------|--------------------------------------|--------|----------------------------------|---------|
|                                    | 2019                                 | 2018   | 2019                             | 2018    |
| <b>Trade and other receivables</b> |                                      |        |                                  |         |
| Subsidiaries                       | -                                    | -      | 23,830                           | 61,441  |
| Joint ventures                     | 22,700                               | 15,281 | 18,930                           | 6,420   |
| Other related parties              | -                                    | 20,860 | -                                | 2       |
| <b>Advance to contractors</b>      |                                      |        |                                  |         |
| Subsidiaries                       | -                                    | -      | 833                              | 1,319   |
| Other related parties              | -                                    | 2,131  | -                                | 2,131   |
| <b>Accrued interest income</b>     |                                      |        |                                  |         |
| Subsidiaries                       | -                                    | -      | 240,182                          | 189,013 |



(Unit : Thousand Baht)

|                                  | CONSOLIDATED<br>FINANCIAL STATEMENTS |         | SEPARATE<br>FINANCIAL STATEMENTS |         |
|----------------------------------|--------------------------------------|---------|----------------------------------|---------|
|                                  | 2019                                 | 2018    | 2019                             | 2018    |
| Joint ventures                   | 55,511                               | 28,235  | 27,343                           | 6,767   |
| Other related parties            | 129                                  | 124     | -                                | -       |
| <b>Deposit rental</b>            |                                      |         |                                  |         |
| Other related parties            | 88,000                               | 88,000  | -                                | -       |
|                                  | 166,340                              | 154,631 | 311,119                          | 267,093 |
| <b>Trade and other payables</b>  |                                      |         |                                  |         |
| Subsidiaries                     | -                                    | -       | 139,504                          | 44,382  |
| Joint ventures                   | 2,888                                | -       | -                                | -       |
| Other related parties            | 30,647                               | 30,152  | -                                | 10,737  |
| <b>Accrued interest expenses</b> |                                      |         |                                  |         |
| Subsidiaries                     | -                                    | -       | 5,966                            | 977     |
|                                  | 33,535                               | 30,152  | 145,470                          | 56,096  |

**38.3) SHORT-TERM BORROWINGS TO RELATED PARTIES**

The movements of short-term borrowings to related parties for the year ended 31 December 2019 are as follows:

(Unit : Thousand Baht)

|                                  | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|----------------------------------|--------------------------------------|----------------------------------|
|                                  | 2019                                 | 2018                             |
| <b>Joint ventures</b>            |                                      |                                  |
| Opening net book value           | 1,004,700                            | 689,700                          |
| Additions                        | 797,100                              | 797,100                          |
| Repayments                       | (1,419,300)                          | (1,419,300)                      |
| Transfer to long-term borrowings | (382,500)                            | (67,500)                         |
| <b>Closing net book value</b>    | -                                    | -                                |

The short-term borrowings to related parties were made on commercial terms and conditions without collateral and due at call. The carrying the interest at weighted average finance costs of the Group plus fixed rate and MLR minus fixed rate.

### 38.4) LONG-TERM BORROWINGS TO RELATED PARTIES

The movements of long-term borrowings to related parties for the year ended 31 December 2019 are as follows:

*(Unit : Thousand Baht)*

|   | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|---|--------------------------------------|----------------------------------|
| <b>Subsidiaries</b>                                       |                                      |                                  |
| Opening net book value                                    | -                                    | 7,214,647                        |
| Addition  | -                                    | 3,408,472                        |
| Repayment   | -                                    | (1,149,989)                      |
| Cash received from SWAP contract termination              | -                                    | (100,000)                        |
| Amortisation of front end fees of borrowings              | -                                    | 16,615                           |
| Exchange differences                                      | -                                    | (108,747)                        |
| <b>Closing net book value</b>                             | <b>-</b>                             | <b>9,281,000</b>                 |
| <b>Joint ventures</b>                                     |                                      |                                  |
| Opening net book value                                    | 282,076                              | -                                |
| Transfer from short-term borrowings                       | 382,500                              | 67,500                           |
| Addition  | 2,494,949                            | 2,323,171                        |
| Repayment   | (382,500)                            | (382,500)                        |
| Share of loss from investment in joint ventures (Note 15) | (111,344)                            | -                                |
| <b>Closing net book value</b>                             | <b>2,665,681</b>                     | <b>2,008,171</b>                 |

The long-term borrowings to related parties were made on commercial terms and conditions without collateral and due at call. Carrying the interest at weighted average finance costs of the company plus fixed rate and MLR minus fixed rate.

### 38.5) SHORT-TERM BORROWING FROM A RELATED PARTY

The movement of short-term borrowing from a related party for the year ended 31 December 2019 is as follows:

*(Unit : Thousand Baht)*

|                               | CONSOLIDATED<br>FINANCIAL STATEMENTS | SEPARATE<br>FINANCIAL STATEMENTS |
|-------------------------------|--------------------------------------|----------------------------------|
| <b>Subsidiary</b>             |                                      |                                  |
| Opening net book value        | -                                    | 78,045                           |
| Addition                      | -                                    | 714,769                          |
| Repayment                     | -                                    | (168,045)                        |
| <b>Closing net book value</b> | <b>-</b>                             | <b>624,769</b>                   |

The borrowing from a related party was made on commercial terms and conditions without collateral and due at call bearing interest at weighted average finance costs of the Group plus a fixed rate.

### 38.6) KEY MANAGEMENT COMPENSATION

Key management includes directors (executive and non-executive). The compensation paid or payable to key management is shown below:

(Unit : Thousand Baht)

|  | CONSOLIDATED<br>FINANCIAL STATEMENTS |                | SEPARATE<br>FINANCIAL STATEMENTS |               |
|--|--------------------------------------|----------------|----------------------------------|---------------|
|  | 2019                                 | 2018           | 2019                             | 2018          |
| Salaries and other short-term<br>employee benefits | 263,723                              | 266,083        | 75,524                           | 84,994        |
| Post-employment benefits                           | 8,798                                | 5,750          | 5,909                            | 1,924         |
| <b>Total</b>                                       | <b>272,521</b>                       | <b>211,833</b> | <b>81,433</b>                    | <b>86,918</b> |

## 39 EVENTS OCCURRING AFTER THE REPORTING DATE

### 39.1) DEBENTURE ISSUANCE APPROVAL

On 17 January 2020, GRAND had issued baht-denominated debentures (No.1/2020) which were name-registered, unsubordinated, unsecured and with a debenture holders' representative, worth 600m baht. These debentures bear yearly interest at a 6% fixed rate, which must be paid every three months. The debentures have maturities of one year from the issue date. So, the maturity date is 17 January 2021. GRAND intended to use the proceeds from these issuances for repayment of debentures due and/or for working capital for business operations.

On 31 January 2020, the Company had issued more baht-denominated debentures (No. 1/2020) which were name-registered, unsubordinated, unsecured and with a debenture holders' representative, worth 1,665m baht. These debentures bear yearly interest at a 6.25% fixed rate, which must be paid every three months. The debentures have maturities of three years from date of issue. So, the maturity date is 31 January 2023. The Company intended to use the proceeds from both these issuances for repayment of debentures due and/or for working capital for business operations.

### 39.2) DIVIDEND APPROVAL

On 12 February 2020, during a Board of Directors meeting of the Royal Orchid Hotel (Thailand) Public Company Limited, a subsidiary, the Board approved a dividend payment from the 2019 retained earnings to its shareholders at Baht 1.4346 per share, worth approximately Baht 134.49 million.

On 27 February 2020, the Board of Directors approved the payment of dividends of 0.111 Baht per share on 8,667,826,432 shares from the operating results for the year 2019, up to totalling Baht 963,091,826. This dividend payment will be made in the form of 8,667,826,432 ordinary shares with a par value of 1 Baht per share, in the proportion of ten existing shares for one dividend stock, up to totalling 866,782,643 Baht. The dividend payout ratio is 0.10 Baht per share. If any shareholder has fractional shares after the allotment of the stock dividends, cash dividends must be paid instead of stock dividends at the rate of 0.011 Baht per share, capped at Baht 96,309,183.

### 39.3) APPROVAL OF CANCELLATION OF CHANGES IN THE COMPANY'S REGISTERED CAPITAL

On 27 February 2020, the Board of Directors approved the cancellation of the previously approved resolution of the Extraordinary General Meeting of the Shareholders dated 27 September 2019. The previous decision was on the increase in registered capital of Baht 1,354,347,880 (1,354,347,880 shares with a par value of 1 Baht per share) (note 33). The registered capital after reduction will be Baht 8,667,826,432 (8,667,826,432 shares with a par value of 1 Baht per share).

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#### **39.4) APPROVAL OF A DEBT TO EQUITY CONVERSION OF KRH AND A DECREASE IN THE KRH'S REGISTERED CAPITAL.**

On 27 February 2020, the Board of Directors approved the following resolutions:

- 1) Converting the debt of Yen 4,000 million to 800,000 ordinary shares. The conversion value is 5,000 Yen per share. Therefore, the shareholders' equity in the consolidated financial statements of KRH and its subsidiaries would not incur losses exceeding its equity.
- 2) Decreasing KRH's authorised capital from Yen 2,100 million to Yen 100 million after the debt to ordinary share conversion in order to pay-out the accumulated deficits.

## ● THE BOARD OF DIRECTORS' RESPONSIBILITIES FOR FINANCIAL REPORTS

Property Perfect Public Company Limited's and subsidiaries' financial statements are prepared in compliance with accounting standard stipulated in the Accounting Professions Act B.E.2547, presented in accordance with the requirements in the Department of Business Development's announcement on 14 September 2001 regarding in the Accounting ACT.B.E.2543, and adjusts accounting practices to be in line with the Federation of Accounting Professions Notification 9/2007, 38/2007 and 62/2007 concerning the accounting standard.

The Board of Directors has appointed the Audit Committee comprising non-executive directors to take responsible for financial reports to follow the account standard and related regulators, disclose adequate and on-time information, and have internal control system to supervise internal control activities and the Audit Committee's Opinions in the Audit Committee's reports shown in the annual report

The Board of Directors takes responsible for Property Perfect's and its subsidiaries' financial reports prepared to ensure that financial position, revenue, expense and cash flow are presented accurately and reasonably. The Board of Directors prepares accurate and complete accounting records to maintain assets, and internal control system to prevent fraudulent irregularities activities. The Board of Directors has selected the appropriated and constantly practical accounting policy in preparing the financial reports to reflect the company's actual performance in compliance with the Generally Accepted Accounting principles and adequate information disclosure in notes to financial statements. Auditor expresses opinions on Property Perfect's and subsidiaries' financial statements in auditors' report.



**Dr. Thanong Bidaya**  
Chairman



**Chainid Adhyanasakul**  
Chief Executive Officer



## AUDIT COMMITTEE REPORT

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### TO ALL SHAREHOLDERS,

Property Perfect Public Company Limited's Audit Committee, consisting of 3 independent directors – Mr. Banlue Chantadisai, Mrs. Nuanual Swasdikula Na Ayudhya and Mr. Manit Suthaporn, had completed its assignments in accordance with the Stock Exchange of Thailand's defined scope and responsibility of the Audit Committee as well as the Board of Directors-endorsed charter. The Audit Committee had completed its assignments with sufficient knowledge, caution, thoroughness and independence. There was no barrier in tapping for information from the Management, employees and relevant individuals.

In 2019, The Audit Committee convened 5 meetings with full attendance of all members. The meeting minutes were submitted to the Board of Directors on a quarterly basis and the committee's performance was evaluated on an annual basis and the results were satisfactory. The Audit Committee's performance is summarized as follows:

#### 1. FINANCIAL STATEMENTS AUDIT

The Audit Committee reviewed Property Perfect Public Company Limited's quarterly and annualized consolidated and non-consolidated financial statements for the year 2019 which were audited without any special note. The statements were subsequently submitted to the Board of Directors' approval.

The Audit Committee's review was focused on significant issues of the statements and the auditor and relevant executives were asked to verify the accuracy and completeness. With their satisfactory clarification that the financial statements and notes were disclosed in accordance with legal and reporting requirements, the Audit Committee endorsed the statements. The Committee also convened a meeting with the auditor without the Management's presence, for free discussions on key issues of the statements.

The Audit Committee is of the view that the Company's financial statements were completed appropriately and sufficiently, and in line with accounting standards.

#### 2. REVIEW OF INTERNAL CONTROL AND RISK MANAGEMENT

The Audit Committee reviewed the internal control and evaluated the appropriateness and sufficiency of the internal control accordingly to the guidelines of the Office of the Securities and Exchange Commission (SEC). It reviewed the risk management guidelines prepared by the internal audit office and the office's internal control evaluation result, as well as followed up on the Company's compliance with the office and auditor's recommendations.

The review showed no significant defect in the internal control system. The Audit Committee is of the view that the system is sufficient for the Company's operations. The Audit Committee continuously followed up on the Risk Management Committee's plans and results, to ensure the effectiveness of the Company's risk management.

#### 3. REVIEW OF COMPLIANCE WITH RELEVANT LAWS

The Audit Committee reviewed the Company's compliance with the Securities and Exchange Act and relevant regulations.

The review showed no indication that the Company had intention to sidestep the compliance or embark on any actions in violation of the law.

#### 4. REVIEW OF CONNECTED TRANSACTIONS OR TRANSACTIONS WITH POSSIBLE CONFLICT OF INTEREST

The Audit Committee reviewed the appropriateness and sufficiency of the procedures concerning connected transactions with related individuals and juristic entities. The transactions struck in 2019 were reviewed if they met the prescribed criteria and procedures and if they were necessary and reasonable, with the Company's best interests being the top priority.

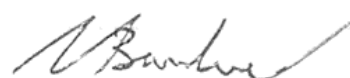
The Audit Committee viewed that the connected transactions were made to bolster the Company's and subsidiaries' businesses, as a normal business practice. All were completely disclosed as required by relevant regulations.

#### 5. SUPERVISION OF INTERNAL AUDIT

The Audit Committee reviewed the committee's charter and the internal control office's charter on an annual basis. The Audit Committee reviewed the Internal Audit Office's mission, scope of work and responsibilities, independence, work structure and manpower. The office's audit plan and the knowledge enhancement program for the team was reviewed and approved. The Audit Committee is of the view that the Internal Audit Office acts independently and effectively.

#### 6. SELECTION OF AUDITOR FOR 2020

The Audit Committee selected and nominated the auditor as well as set the auditing fee for the year 2020. The nomination was reviewed by the Board of Directors before being forwarded for shareholders' approval at the annual meeting. The selection was based on qualifications, independence, and performance in the previous year. The Board of Directors agreed with the Audit Committee that PricewaterhouseCoopers ABAS Limited performed satisfactorily independently with appropriate knowledge, experiences and useful advice on related issues. The Board of Directors thus agreed to the Audit Committee's nominations — Mr. Charnchai Chaiprasit (certified auditor No. 3760), Mr. Paiboon Tunkul (certified auditor No. 4298) and Miss Napanuch Apichartsathien (certified auditor No. 5266) from PricewaterhouseCoopers ABAS Limited — as the Company's auditor for the year 2020.



**(Mr. Banlue Chantadisai)**

Chairman of the Audit Committee  
26 February 2020



## AUDITOR FEE ACCURACY SANCTIFICATION FORM

The Fiscal Year End on 31 December 2019

### AUDIT FEE

| Item             | Payer                                   | Auditor                           | Fee               |
|------------------|---|-----------------------------------|-------------------|
| 1                | Property Perfect Public Company Limited | Pricewaterhouse Coopers ABAS Ltd. | 2,900,000         |
| 2                | Subsidiaries                            | Pricewaterhouse Coopers ABAS Ltd. | 10,370,000        |
| 3                | Joint Venture                           | Pricewaterhouse Coopers ABAS Ltd. | 3,076,000         |
| <b>Audit Fee</b> |   |                                   | <b>16,346,000</b> |

### NON-AUDIT FEE

| Item                 | Payer                                   | Non-audit service | Auditor                           | Fee            |
|----------------------|---|-------------------|-----------------------------------|----------------|
| 4                    | Property Perfect Public Company Limited | Consultant        | Pricewaterhouse Coopers ABAS Ltd. | 480,000        |
| <b>Non-Audit Fee</b> |   |                   |                                   | <b>480,000</b> |

PROPERTY **PERFECT**

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