

MOVING FORWARD

# STRONG AND STABLE



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ANNUAL REPORT 2016



# GENERAL INFORMATION

Name	RAIMON LAND PUBLIC COMPANY LIMITED	
Type Of Business	Property Development	
Address	3 Rajanakarn Building 19 <sup>th</sup> Floor, South Sathorn Road, Yannawa , Sathorn , Bangkok 10120	
Company Registration	0107536001508	
Homepage	www.raimonland.com	
Email	info@raimonland.com	
Investor Relations	ir@raimonland.com	
Telephone	66 (0) 2029 1889	
Facsimile	66 (0) 2029 1891	
Capital As At 31 <sup>st</sup> December 2016	Registered Capital	Baht 4,558,354,509
	Paid - up Capital	Baht 3,575,483,607

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## MESSAGE FROM CHAIRMAN

Dear Shareholders,

Raimon Land's outstanding financial result in 2016 reflects our excellent operating performance. Raimon Land's consolidated revenue and net profit are Baht 5,206 million and Baht 850.7 million, respectively. Also Raimon Land has Net Interest-Bearing Debt to Equity ratio of only 0.35x as of 31 December 2016.

In 2016, Raimon Land has completed the construction of The Lofts Ekkamai with project value of Baht 2.2 million and already started the transfer. The Lofts Ekkamai is very successful and completely sold out now. We will continue to transfer ownership and recognize revenues from this project going forward. In addition, the construction of Mews Yen Akat, our Limited Edition Series Project, is scheduled to be completed in Q1/2017. We expect to sale and transfer units to buyers in 2017. Moreover, Raimon Land also has revenue from other completed projects and in process of handover the units to buyers such as Zire Wong Amat, Unixx South Pattaya and 185 Rajadamri. On the other hand, The Lofts Asoke, which is officially launched in May 2016, has achieved overwhelming support with over 50% sold as of today. The project is expected to be completed and will start the transfer by end of 2018. Moreover, Raimon Land successfully acquired 2 prime land plots in CBD for future residential project developments.

Raimon Land continues to receive accolades from various well-respected organizations showing our leadership and achievement in real estate development market. For examples, The Lofts Asoke won "Product Leadership Award : Property Development from Frost & Sullivan". We also won "Asia Pacific Property Awards: "Highly Commended, Condominium Thailand" for Zire Wongamat and "Asia Pacific Property Awards: 5 Star, Best Residential High-Rise Development Thailand" for The Lofts Ekkamai.

Moving forward, Raimon Land is committed to introduce luxury/super luxury project development in prime, freehold land in Bangkok and main resort destinations in which we are leader in the segment. On the other side, Raimon Land has a strategic plan to diversify our property portfolio into commercial assets in order to create more recurring income. In sum, Raimon Land will commit and dedicate ourselves to become "the premier development and property company".

Year 2017 is Raimon Land's 30<sup>th</sup> anniversary of establishing and being the leading high-end real estate developer. Raimon Land recognized the importance of making contribution to develop stronger and better society, we are proud to announce the establishment of the Raimon Land Foundation. We will annually allocate the reasonable amount to support the foundation, start from 2017 onwards.

On behalf of the Board of Directors, executives and employees of Raimon Land, I wish to extend my sincerest gratitude to all shareholders and stakeholders for your confidence and support given to Raimon Land throughout these years making us successful as today. We strongly believe that Raimon Land will continue to grow strong and stable and together create sustainable and successful organization.



**Pradit Phataraprasit**  
Chairman of the Board of Directors  
Raimon Land Public Company Limited

Dear Shareholders,

2016 has been a year full of challenges, opportunities and market uncertainty both globally and domestically. Given the environment, Raimon Land has exerted great effort to continuously adapted ourselves to achieve the best results. We are once again proud to report outstanding sales and profits amid a slowdown in the real estate market and Thailand's economy. With strong intentions to develop new projects with distinguish design and unique characteristic to fulfil customers' demand in luxury and super luxury segments, Raimon Land launched "The Lofts Asoke" which received overwhelming support and great feedback from our existing and new customers.

Raimon Land continues to be financially strong backed by a veteran management team with a diverse set of experiences and expertise. Our goal is "Growing Strong and Stable", with a vision to expand our business portfolio into different market segments. Raimon Land's sustainable growth will reply on 3 strategies:

1. Raimon Land will continue to grow our core business of freehold luxury and/or super luxury residential development, where we have over the years developed strong expertises and a solid customer base. We will see to launch at least 1 project in 2017.
2. Raimon Land will diversify into development of mixed-use commercial/office building in Bangkok's CBD with the intention to generate more recurring income and reduce the risk and volatility of our current revenue stream. Raimon Land has done comprehensive research have identified the lack of grade A office space as an opportunity. We have already secured one of the last pieces of undeveloped land on Ploen chit Road which will house our very first office building.
3. Raimon Land intends to seek investment opportunities for Alternative Investment class such as distressed assets which have strong potential for high return with limited risk as asset prices are at distress levels. This strategy has a 2-prong benefit approach. Firstly, it will allow the business to grow into other business segments at a low cost. Secondly it will allow the company to diversify its resources and risk away from just pure property development.

All of Raimon Land's successes and achievements throughout 2016 would not happen without the tremendous supports from all stakeholders. I would like to extend my heartfelt thanks to our board of directors, partners and all our staff. Raimon Land will continue to endeavor and is committed to grow our company solidly with the aim to deliver best results, financially and operationally, for our all our stakeholders.

## MESSAGE FROM CEO



**Lee Chye Cheng Adrian**  
Chief Executive Officer  
Raimon Land Public Company Limited



## BUILDING BETTER LIVES

## HIGHLIGHT RAIMON LAND HISTORY

- Renamed as "Raimon Land Co., Ltd.", after a successful development of commercial building projects.
- Launched & Completed first batch of housing projects after name changed to "Raimon Land"
  - Single Detached House, "Bann Burarun"
  - Townhouse "Cliff & Beach Villas"
- In 1993, became a "Public and Listed Company" in The Stock Exchange of Thailand

- Raimon Land successfully and continuously launched and completed condominium projects in Bangkok and major touristic cities such as "The Lakes", "Northshore", "Kata Gardens" "The Lofts Yennakat", "The Heights Phuket" and etc.



- Completed "The River", the first mega project and tallest premium riverside residential condominium and Raimon Land's highest project value of all time.



- Record breaking net profit of THB 1,225 million
- Completed 2 award winning projects which are "185 Rajadamri" the super-luxury residential condominium in Bangkok and "Zire Wongamat" residential condominium in Pattaya.

- Officially open "Mews Yen Akat by Raimon Land" sales gallery in March
- Pre-sales "The Lofts Silom" starting in April



- 1987 • Initially incorporated as a garment manufacturing "Plaza Garment Co., Ltd."
- Subsequently, the founder changed the Company's focus to an investment and property development company.
- 1990
- 1991 - 1993
  - Single Detached House, "Bann Burarun"
  - Townhouse "Cliff & Beach Villas"
- 1994 - 1999
  - Continuously launched and completed successful housing project "Raimon Park" comprised with:
    - Townhouse "Raimon Park 1" and "Raimon Park 2"
    - Single Detached House "Raimon Park" and "Raimon Park 3"
- 2004 - 2008
  - Completed first batch of condominium projects in Bangkok "City Villa" and "Raintree Villa"
- 2010 • Completed award-winning, contemporary, two-tower condominium "Northpoint", recognized as the 'Best Condo Development (Eastern Seaboard)'
- 2012
  - Completed "The River", the first mega project and tallest premium riverside residential condominium and Raimon Land's highest project value of all time.
- 2013 • JS Asset became the new principal shareholder of Raimon Land.
- 2014
- 2016
  - Officially launched "The Lofts Asoke", guaranteed with Product Leadership Award from Frost & Sullivan
  - Completed the award winning condominium project "The Lofts Ekkamai" with highest achievement of 100% sold.
- 2017





RAIMON LAND  
PROJECTS

BY YEAR OF COMPLETION



\* Indicative only : subject to change





1	2
3	

- 1. Walk-in Closet
- 2. Master Bedroom
- 3. Living Kitchen

*new project*

## MEWS YEN AKAT

*Yen Akat, Bangkok*



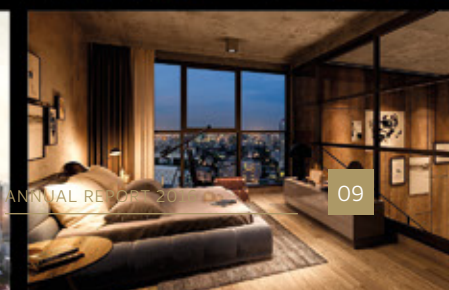
*new project*

## THE LOFT ASOKE

*Sukhumvit, Bangkok*

	1
3	2

- 1. Lobby
- 2. Master Bedroom
- 3. Rear View





SOMETHING EXCITING  
IS COMING IN SILOM

## 2016 AWARDS & RECOGNITION



THE  
LOFTS  
EKKAMAI

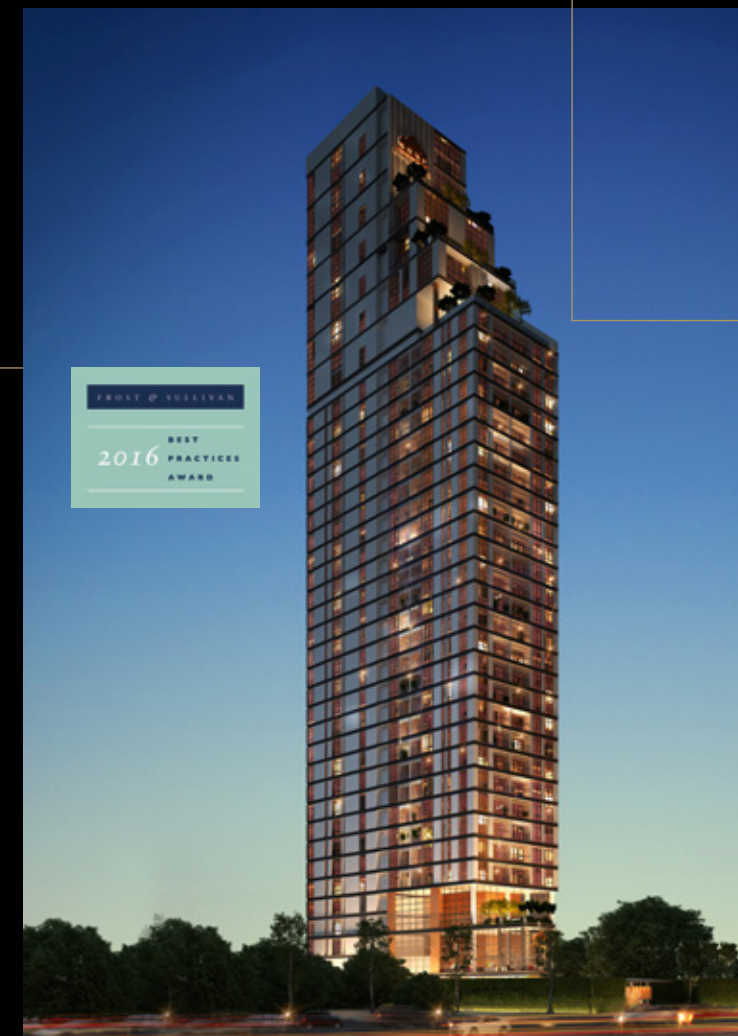
### THE LOFTS EKKAMAI

*Sukhumvit, Bangkok*

THE  
LOFTS  
ASOKE

### THE LOFTS ASOKE

*Asoke, Bangkok*



ZIRE  
WONGAMAT

### ZIRE WONGAMAT

*Wongamat, Pattaya*





# MESSAGE FROM CHAIRMAN OF THE AUDIT COMMITTEE

Dear Shareholders of Raimon Land Public Company Limited,

The Audit Committee of Raimon Land Public Company Limited (the “Committee”) was appointed according to a resolution of the Board of Directors, comprising of three Independent Directors: Mr. Kittti Gajanandana, Chairman of the Committee; Mr. Pradit Phataraprasit; and Dr. Siri Ganjarerndee. The Committee members are fully qualified in accordance with the various requirements and regulations (relating to Independent Directors and Audit Committee members). The Secretary to the Committee is Mr. Jakkalin Kornkul, who also serves as the Head of Internal Audit Department. The Audit Committee has carried out its duties and responsibilities in accordance with the established best practices guidelines for Audit Committees as announced by the SET, in accordance with the Company's Audit Committee Charter, and which is assigned by the Board of Directors.

During 2016, the Audit Committee held seven Committee meetings, while up to the date of this Report there were two Committee meetings in 2017. The number of each director's attendance in 2016 is summarized as follows:

Name	Position Title	Number of Attendance / Number of Meetings
Mr. Kittti Gajanandana	Chairman of Audit Committee	7/7
Mr. Pradit Phataraprasit	Audit Committee Member	7/7
Dr. Siri Ganjarerndee	Audit Committee Member	7/7

These committee meetings were held together with the Company's Management, External Auditors, and Head of Internal Audit Office which include a meeting without presence of the Company's Management. All committee members completely attended the committee meetings and a summary of tasks performed in 2016 is as follows.

## 1. Review of Financial Statements

The Audit Committee reviewed and consented to the Quarterly and Annual Financial Statements 2016 of the Company and its Subsidiaries prior to proposal to the Board of Directors for consideration and acceptance; whereby the financial statements were considered together with the Management and Auditors. The Audit Committee concurs with the Auditors that the financial



statements present fairly, in all material respects, as well as the sufficiency of note to financial statements disclosures in accordance with Thai Accounting Standards and Thai Financial Reporting Standard. In addition, the Auditors have audited and issue audit opinion independently with good support from the Company.

## 2. Review and evaluate the adequacy of the Internal Controls System and Internal Audit

Within the established framework and guidelines of the SEC and the SET and the review undertaken by the Internal Audit Department, in order to assess that the existing system of internal controls and the Company and its subsidiaries' business operations; whereby an assessment by the Audit Committee of the internal audit reports are made, regularly on a quarterly basis. This review covers the major operating systems of the Company as well as regular monitoring that ongoing improvements are being implemented by the Management group according to the recommendations made by the Internal Audit Department. Additionally, regular follow-ups, by the Committee, are made on the results of the internal audit exercises, together with ongoing assessments to ensure that oversight of business operations and activities of the Company and its Subsidiary Companies are sufficient, appropriate and effective. The Audit Committee is of the opinion that an appropriate system of internal controls is in place to sufficiently and effectively oversee, monitor that the Company's operations and activities are all in accordance with the established objectives, goals, legal requirements and regulations, as well as manage risks to an acceptable level.

## 3. Review Compliance to Various Laws and Regulations

Such as: laws and rules relating to securities and the SET, regulations of the SET and any other relevant laws relating to the Company's business as well as with any commitments and agreements made with other third parties; whereby the Audit Committee is of the opinion that no issues of irregularity or non-compliance of any significance, that may affect the Company's reputation and financial position, have been found.

## 4. Review of Risks Management System

The Company has Risk Management Committee having duties to implement the policy and procedure for risk assessment and risk management. The Risk Management Committee assesses risks that may impact to the Company's business operations and reports the result to the Board of Directors regularly on a quarterly basis.

## 5. Review of Connected Transactions and those that may involve a Conflict of Interests

In accordance with the relevant laws as well as the requirements of the SEC and the SET in regards to information disclosures of such transactions, and based on the Auditor's opinion that those transactions of any significance with connected parties have been fully disclosed in the financial statements and associated notes; thus the Audit Committee is in agreement with the Auditors and is also of the opinion that these connected transactions are considered reasonable and to the best benefit for the Company's business operations as well as have been fully disclosed as required.

## 6. Review of the Anti-Corruption Policy and Program

The Audit Committee assessed whether the Anti-Corruption Policy and Program are appropriate and effective, and encourage policy implementation to effectively prevent corruption acts.

## 7. Review the Internal Audit Activities of Internal Audit Department

Assessed the role, scope of work and activities, duties and responsibilities, degree of independence, manpower requirements, staff qualifications, and budget of the Internal Audit department, as well as reviewed the annual internal audit plans of the year 2016 together with approval of the appointment, performance evaluation, and proposed transfer or termination of the Head of the Internal Audit Department.

## 8. Consideration of Selecting and Nominating External Auditors together with the Audit Fee for 2017.

Consideration was made in regard to selecting qualified external Auditors, in order to nominate them for approval by the 2017 AGM; whereby the Audit Committee assessed their performance and degree of independence together with the appropriate Audit Fee and is of the opinion that the nomination of Mrs. Chonlaros Suntasvaraporn - CPA No. 4523, or Miss Waraporn Prapasirikul - CPA No.4579, or Mr. Supachai Phanyawattano - CPA No. 3930 of EY Office Limited be made to appoint these persons as the Company's External Auditors for the 2017 financial year, together with a proposed Auditor's Fee for the Company and its subsidiaries not exceeding Baht 4,280,000. The Audit Committee is of the opinion regarding audit work in previous year and nominated external auditor for 2017 as follows;

During the past financial period, the External Auditors have performed their duties with full professional abilities, have proposed various recommendations relating to the internal controls and risks management systems, and have demonstrated a high degree of independence in their activities. They have also performed in full accordance with the requirements of the SEC and SET.

In view of the fact that listed companies are required to rotate the External Auditor, who is authorised to sign off on the Financial Statements and reports of the Company, every 5 financial years, please note that if the above Auditors are approved by the AGM for the 2017 financial it will be their second consecutive year as the authorized External Auditor; and please note also that these External Auditors have no relationships or connections whatsoever with the Company and its Subsidiary Companies.

## Opinion / Comments on the Performance of the Audit Committee's Duties

In summary, the Audit Committee has fully discharged its duties and responsibilities in accordance with the Audit Committee's Charter that has been approved by the Board of Directors; whereby the Audit Committee has reviewed the above matters and is of the opinion that the Company has made and maintained accurate and correct accounts of its operations and associated financial information; as well as has in place a good internal controls system, has continuously monitored the results of its business activities, has fully complied to all laws and regulations and other commitments made, has fully disclosed all connected transactions, and, lastly, has adhered to the principles of good corporate governance.

24 February 2017  
On behalf of the Audit Committee,  
  
Mr. Kittti Gajanandana  
Chairman, Audit Committee.



# REPORT OF THE NOMINATION AND REMUNERATION COMMITTEE

Dear Shareholders,

The Nomination and Remuneration Committee comprises three directors, two of whom are Independent Directors and one of whom is Executive Director of the Company namely;

	NUMBER OF ATTENDANCE
1. Mr. Pradit Phataraprasit (Independent Director) Chairman of Nomination and Remuneration Committee	5/5
2. Mr. Kittti Gajanandana (Independent Director) Member of Nomination and Remuneration Committee	5/5
3. Mr. Lee Chye Tek Lionel Member of Nomination and Remuneration Committee	5/5



Yours sincerely,

**Mr. Pradit Phataraprasit**

Chairman of Nomination  
and Remuneration Committee

In 2016, the Nomination and Remuneration Committee held 5 meetings to consider various agendas and proposed the report of meeting together with comments and recommendation to the Board of Directors' Meeting as follows;

1. To acknowledge 2016 Staff salary increase and 2015 bonus payment to staff.
2. To consider and approve salary increase and bonus to Chief Executive Officer, Chief Financial Officer and Executive Director.
3. To consider and approve 2015 bonus payment to Independent Director.
4. To consider and approve 2016 Exco Chairman compensation and Directors fee.
5. To acknowledge the resignation of Chief Executive Officer.
6. To consider and approve remuneration for new Deputy CEO and Acting CEO.

# REPORT OF THE RISK MANAGEMENT COMMITTEE

To the Shareholders

The Board of Directors of Raimon Land Public Company Limited appointed the Risk Management Committee to steer enterprise risk management and fulfill the Company's goal achievement, fostering confidence and credibility among investors and shareholders. The current committee consists of five members who are competent and experienced in this business:

1. Dr. Siri Ganjarerndee	Chairman of the Risk Management Committee (Independent Director)
2. Mr. Roland Pang Tze Vui	Member of the Risk Management Committee (Director)
3. Mr. Lee Chye Tek Lionel	Member of the Risk Management Committee (Director)
4. Mr. Lee Chye Cheng Adrian	Member of the Risk Management Committee (Director / Chief Executive Officer)
5. Mr. Sataporn Amornvorapak	Member and Secretary of the Risk Management Committee (Director / Chief Financial Officer)

## Performance of the Risk Management Committee in 2016

The Risk Management Committee defined and reviewed the enterprise risk management framework, policy, and processes as defined in its charter. This year, the Risk Management Committee met 3 times with a quorum, with the following summary actions:

### 1. Endorsed for the Board consideration for the following items:

- 1.1 The Risk Management Committee specified compositions of the Charter of the Risk Management Committee so that it is consistent with good governance and Checks and Balances principles as well as maintain efficient and effective risk management and internal control.
- 1.2 The Risk Management Committee has arranged the assessment of enterprise risk in 4 categories, namely strategic, operational, compliance and financial risks. This is to rank importance and to assign work to risk owners for furnishing risk management plan to reduce risk to the acceptable level.

February 24, 2017  
On behalf of the Risk  
Management Committee



**Dr. Siri Ganjarerndee**

Chairman of the Risk  
Management Committee  
Raimon Land Public Company Limited

## 2. Approved the Risk Management Policy and Framework

Board of Directors has arranged to set the Framework and Risk Management Policy and announced to all staff for their awareness. This is to ensure that all managements and staff understand the importance of participation in risk management. In addition, they can also understand role of Risk Management Committee, Chief Executive Officer and Managements in each department, risk management department who play important roles in Enterprise Risk Management.

## 3. Monitoring the Company's risk profile in various dimensions

The Risk Management Committee ensured the impact analysis of changes in economic, social, political, competitors, regulatory factors on the overall Company's enterprise risks, and providing guidance regarding approaches as well as formulating risk management strategy in anticipation of changing environment.

## 4. Self-assessment of the Risk Management Committee

The Risk Management Committee performed self-assessment based on the composition of the Risk Management Committee, meeting attendance, overall performance of the committee according to the good practice of the Stock Exchange of Thailand. The Risk Management Committee found that the scope and duties are in accordance with the guidelines of good practice and the Charter of the Risk Management Committee. It contributed to strengthen the good corporate governance. The Risk Management Committee has performed its duties and responsibilities as assigned by using of knowledge, capability, caution, and independent. There is no limitation in obtaining information from the management, employees, and related person as well as provided useful comments and suggestions to all stakeholders.

On the whole, the Risk Management Committee considers that, for the past year, the Company has developed its enterprise risk management practices to cover all risk factors, with continued risk management in line with evolving circumstances. The Company has efficiently and suitably managed key corporate risks, while keeping them manageable.



# BOARD OF DIRECTORS

MR. LEE CHYE CHENG ADRIAN  
Executive Director / Enterprise Risk Management Committee Member



MR. LEE CHYE TEK LIONEL  
Chairman of Executive Committee / Nomination & Remuneration Committee Member / Enterprise Risk Management Committee Member



MR. PRADIT PHATARAPRASIT  
Chairman of the Board of Directors / Independent Director / Audit Committee Member / Chairman of Nomination & Remuneration Committee



MS. NUCH KALYAWONGSA  
Director



MR. TAN CHIN KWANG JOHNSON  
Executive Director



DR. SATAPORN AMORNVORAPAK  
Executive Director / Enterprise Risk Management Committee Member



MR. ROLAND PANG TZE VUI  
Director / Enterprise Risk Management Committee Member



DR. SIRI GANJARERNDDEE  
Independent Director / Chairman of Enterprise Risk Management Committee / Audit Committee Member



MR. KITTI GAJANANDANA  
Independent Director / Chairman of Audit Committee / Nomination & Remuneration Committee Member



Raimon Land has assembled a group of strong, well-respected persons to form its Board of Directors. These individuals are well-qualified in various management disciplines. The Board of Directors possesses an extensive wealth of property development knowledge in relation to a diverse range of property segments. As a result, the Board of Directors is well-positioned to effectively guide and advise the Executive Management to achieve long-term value creation for all shareholders and stakeholders on a sustainable basis. The Board of Directors comprises of these persons:

# DETAILS OF DIRECTORS AND EXECUTIVE OFFICERS OF THE COMPANY

as of December 31, 2016

01

MR. PRADIT PHATARAPRASIT Age 61

DATE OF APPOINTMENT:  
1 February 2013

EDUCATION / TRAINING

- Master's Degree in Political Science  
Thammasat University
- Bachelor's Degree in Economics Franklin  
Pierce University, USA

SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

2013 - Present  
Chairman of the Board / Independent Director /  
Audit Committee Member / Chairman of  
Nomination & Remuneration Committee  
Raimon Land Plc

Positions in Non - Listed Companies :

2011 - Present  
Chief Executive Officer  
Winvestment Co., Ltd.

Present  
Chairman of the Board  
Thai Argo Exchange Co., Ltd.

Directorship in Related Companies : None

02

MR. LEE CHYE TEK LIONEL Age 43

DATE OF APPOINTMENT:  
1 February 2013

EDUCATION / TRAINING

- Graduate Diploma in Business Administration,  
Western Sydney International College

SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : 893,000,000  
Shares (24.98%)
- RML-W4 : 123,250,000 Units

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

Older Brother of Mr.Lee Chye Cheng Adrian  
(Director)

WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

2013 - Present  
Chairman of Executive Committee / Nomination  
& Remuneration Committee member /  
Enterprise Risk Management Committee member  
Raimon Land Plc

Positions in Non - Listed Companies :

1996 - Present  
Managing Director  
Ezra Holdings Limited, Group

Directorship in Related Companies :  
CP, RV, TP, RD, RES, RU, RS, RE, RP, PV, AS,  
RLE, DS, PS

03

MR. LEE CHYE CHENG ADRIAN Age 36

DATE OF APPOINTMENT:  
4 February 2013

EDUCATION / TRAINING

- Bachelor's Degree in Finance, University  
of Strathclyde Glasgow

SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None
- RML-W4 : None
- RML-WB : 44,500,000 Units

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

Younger Brother of Mr. Lee Chye Tek Lionel  
(Director)

WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Executive Director / Enterprise Risk  
Management Committee member /  
Deputy Chief Executive Officer  
Raimon Land Plc

Positions in Non - Listed Companies :

Present  
Director  
Jit Sun Investment Pte. Ltd.

Present  
Director  
Loyz Energy Limited

Present  
Director  
Select Group Limited

Present  
Director  
Interlink Petroleum Limited

Directorship in Related Companies :  
CP, RV, TP, RD, RES, RU, RS, RE, RP, PV, RSL,  
AS, RLE, DS, PS

CP	RV	TP	RR
RD	RES	RU	RS
RE	RP	PV	RSL
AS	RLE	DS	PS

CP = Contemporary Property Co., Ltd.  
RV = The River Co., Ltd.  
TP = Taksin Properties Co., Ltd.  
RR = Raimon Land Resorts Co., Ltd.  
RD = Raimon Land Development Co., Ltd.  
RES = Raimon Land Residences Co., Ltd.  
RU = Raimon Land Unixx Co., Ltd.  
RS = Raimon Land Services Co., Ltd.  
RE = Raimon Land Ekkamai Co., Ltd.  
RP = Raimon Land Planner Co., Ltd.

PV = Raimon Land Park View  
Development Co., Ltd.  
RSL = Raimon Land Silom Co., Ltd.  
DS = Raimon Land Development  
(Singapore) Pte. Ltd.  
PS = Raimon Land Properties  
(Singapore) Pte. Ltd.  
AS = Asangha Realty Co., Ltd.  
RLE = Raimon Land Estate Co.,Ltd.



MR. TAN CHIN  
KWANG JOHNSON

Age 55

DATE OF APPOINTMENT:  
1 February 2013

## EDUCATION

- Bachelor of Arts and Social Science Economics, National University Singapore (Honors)

## TRAINING

- Director Certification Program (DCP 175/2013)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : 19,282,900 Shares (0.5%)
- RML-WB : 44,500,000 Units
- RML-W4 : 4,820,725 Units

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Executive Director  
Raimon Land Plc

Positions in Non - Listed Companies :

2009 - Present  
Director  
IB Partners Pte. Ltd.

Directorship in Related Companies : None

MR. SATAPORN  
AMORNVORAPAK

Age 44

DATE OF APPOINTMENT:  
14 August 2014

## EDUCATION / TRAINING

- Master's Degree of Business Administration Major Finance Kasetsart University
- Bachelor's Degree of Business Administration Major Accounting Rajamangala University of Technology - Centre

## TRAINING

- Director Certification Program (DCP 213/2015)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Executive Director / Enterprise Risk Management Committee member / Chief Finance Officer / Company Secretary  
Raimon Land Plc

2011 - 2013  
Chief Financial Officer  
Univentures Plc.

Positions in Non - Listed Companies :  
NoneDirectorship in Related Companies :  
TP, RR, RD, RU, RE, RSL, AS, RLEMISS NUCH  
KALYAWONGSA

Age 63

DATE OF APPOINTMENT:  
4 February 2013

## EDUCATION / TRAINING

- Masters of Science in Accounting Thammasat University
- Bachelor's Degree in Accounting Chulalongkorn University

## TRAINING

- Director Certification Program (DCP 210/2015)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Director  
Raimon Land Plc

Feb 2013 - Aug 2014  
Chief Financial Officer  
Raimon Land Plc

2012 - Feb 2013  
Finance and Accounting Manager  
K2 Shipping Asia Limited - Sea freight Forwarder

Positions in Non - Listed Companies :  
None

Directorship in Related Companies : TP

MR. KITTI  
GAJANANDANA

Age 65

DATE OF APPOINTMENT:  
8 April 2004

## EDUCATION

- Master Degree in Business Administration (MBA) North Texas State University
- Bachelor's Degree in Accounting Chulalongkorn University

## TRAINING

- Director Certification Program (DCP 215/2016)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

2004 - Present  
Independent Director,  
Chairman of Audit Committee, Nomination & Remuneration Committee Member  
Raimon Land Plc

Positions in Non - Listed Companies :

2015 - Present  
Advisor  
Chaopraya Elevator Company Limited

Directorship in Related Companies : None

DR. SIRI  
GANJARERNDÉE

Age 68

DATE OF APPOINTMENT:  
14 August 2014

## EDUCATION

- Phd. In Monetary Economics, Econometrics and Operations Research Monash University, Australia
- Master of Economics, (Economic Statistics and Monetary Economics) University of Sydney, Australia
- Bachelor of Economics (Hons) University of Sydney Australia.

## TRAINING

- Audit Committee Program (ACP 6/2005)
- Directors Certification Program (DCP 60/2004)
- Directors Accreditation Program (DAP 4/2003)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Independent Director / Audit Committee Member / Chairman of Enterprise Risk Management Committee  
Raimon Land Plc

2010 - Present  
Independent Director, Member of the Audit Committee and Member of the Nomination, Compensation and Corporate Governance Committee  
Indorama Venture PLC.

2000 - Present  
Independent Director, Chairman of the Audit Committee, and Member of the Nomination and Remuneration Committee  
The Post Publishing PLC.

2000 - Present  
Vice Chairman (Independent Director), Chairman of the Audit Committee, Member of Corporate Governance, Nomination and Remuneration Committee  
The Thai Vegetable Oil PLC.

1999 - Present  
Director, Board of Directors, Member of the Executive Committee; Chairman of the Nomination and Remuneration Committee  
Bangkok Life Insurance PLC.

2014 - Present  
Independent Director, Audit committee Member  
Samitivej Public Company Limited

Positions in Non - Listed Companies :

2003 - Present  
Director  
TRIS Corporation Co., Ltd

Directorship in Related Companies : None

MR. ROLAND  
PANG TZE VUI

Age 39

DATE OF APPOINTMENT:  
16 May 2012

## EDUCATION

- Master's Degree in Finance University of Manchester, UK
- Bachelor's Degree in Economics London School of Economics, UK

## TRAINING

- Director Certification Program (DCP 165/2012)

## SHAREHOLDING PROPORTION (%)

- Ordinary Shares (RML) : None

FAMILY'S RELATIONSHIP BETWEEN  
MANAGEMENT

-

## WORK EXPERIENCES (last 5 years)

Positions in Listed Companies :

Present  
Director / Enterprise Risk Management Committee member  
Raimon Land Plc

Positions in Non - Listed Companies :

2004 - Present  
Investment Manager  
Thai Prosperity Advisory Co., Ltd.

Directorship in Related Companies : None

CP	RV	TP	RR
RD	RES	RU	RS
RE	RP	PV	RSL
AS	RLE	DS	PS

CP = Contemporary Property Co., Ltd.  
RV = The River Co., Ltd.  
TP = Taksin Properties Co., Ltd.  
RR = Raimon Land Resorts Co., Ltd.  
RD = Raimon Land Development Co., Ltd.  
RES = Raimon Land Residences Co., Ltd.  
RU = Raimon Land Unix Co., Ltd.  
RS = Raimon Land Services Co., Ltd.  
RE = Raimon Land Ekkamai Co., Ltd.  
RP = Raimon Land Planner Co., Ltd.

PV = Raimon Land Park View Development Co., Ltd.  
RSL = Raimon Land Silom Co., Ltd.  
DS = Raimon Land Development (Singapore) Pte. Ltd.  
PS = Raimon Land Properties (Singapore) Pte. Ltd.  
AS = Asangha Realty Co., Ltd.  
RLE = Raimon Land Estate Co.,Ltd.



OPERATION HIGHLIGHTS

Consolidate Revenues

(Million Baht)



Gross Profit from Core Revenues

(Million Baht)



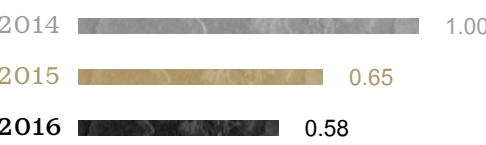
Net Profit Margin

(%)



Interest Bearing Debts to Equity Ratio

(Times)



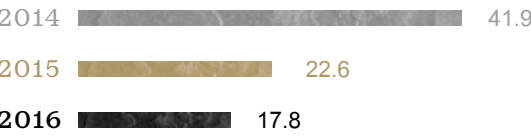
Total Shareholders Equity

(Million Baht)



Returns to Shareholders Equity

(%)



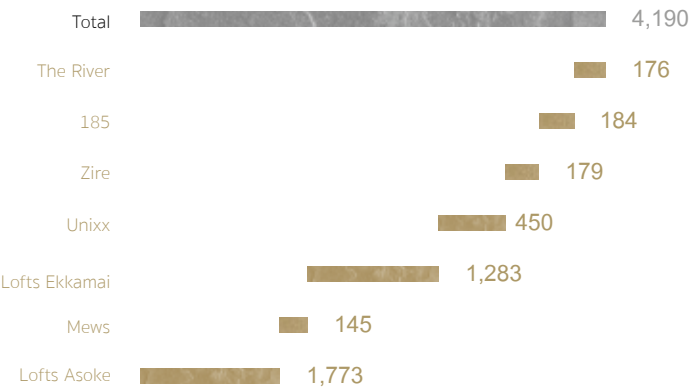
Earning per Share

(Baht)



Backlog

(Million Baht)



FINANCIAL HIGHLIGHTS

(CONSOLIDATED FINANCIAL STATEMENTS)

	FY 2016	FY 2015	FY 2014
(Baht in millions, except share, per share data and ratio)			
STATEMENT OF INCOME			
Sales of residential condominium units	5,073.58	5,042.34	6,547.11
Total revenues	5,206.43	5,145.49	6,647.15
Cost of residential condominium units sold	3,181.42	3,016.13	3,832.48
Total expenses	4,037.05	3,846.15	4,874.80
Gross profit from core business	1,892.17	2,026.21	2,714.64
Net profit (loss)	850.60	900.46	1,224.50
Net profit (loss) - Equity holders of the Company	850.65	900.90	1,224.52
STATEMENT OF FINANCIAL POSITION			
Total assets	9,700.13	9,946.98	11,190.70
Total liabilities	4,592.24	5,495.99	7,646.52
Issued and paid up share capital	3,575.48	3,575.48	3,575.42
Total shareholders' equity	5,107.89	4,450.99	3,544.17
Equity attributable to owners of the Company	5,105.38	4,448.42	3,541.17
LIQUIDITY RATIOS (TIMES)			
Current ratio	3.01	2.09	1.57
Quick ratio	0.52	0.18	0.17
PROFITABILITY RATIOS (%)			
Gross profit margin <sup>(1)</sup>	37.29%	40.18%	41.46%
Net profit margin	16.34%	17.50%	18.42%
Return on equity <sup>(2)</sup>	17.81%	22.55%	41.91%
Return on assets	8.66%	8.52%	9.89%
EFFICIENCY RATIOS (TIMES)			
Total assets turnover	0.52	0.51	0.59
LEVERAGE RATIOS (TIMES)			
Debt to equity ratio	0.90	1.23	2.16
Interest-bearing debt to Equity	0.58	0.65	1.00
Net debt to Equity <sup>(3)</sup>	0.35	0.53	0.86
Interest coverage ratio <sup>(4)</sup>	12.42	8.48	13.28
PERCENTAGE OF GROWTH (% PER YEAR)			
Total asset growth	-2.48%	-11.11%	-17.62%
Total liabilities growth	-16.44%	-28.12%	-32.20%
Total shareholder's equity growth	14.76%	25.59%	53.66%
Total revenues growth	1.18%	-22.59%	15.29%
Total expenses growth <sup>(5)</sup>	4.03%	-18.68%	5.88%
PER SHARE RATIOS (BAHT)			
Earning per share	0.24	0.25	0.34
Book value per share <sup>(6)</sup>	1.43	1.24	0.99
OTHER FINANCIAL DATA			
Net cash flows from operating activities	1,592.63	657.76	1,914.42
Net cash flows from investing activities	(814.06)	9.20	(61.74)
Net cash flows from financing activities	(148.99)	(659.63)	(1,910.73)

<sup>(1)</sup> Gross profit margin = (total sales-cost of sales)/total sales, whereas total sales consists of sale of residential condominium units

<sup>(2)</sup> Return on equity = Profit (loss) -Equity holders of the Company/the average of total shareholders' equity of this year and last year

<sup>(3)</sup> Net debt to equity = Total debt less cash and cash equivalent/total shareholders' equity

<sup>(4)</sup> Interest coverage ratio = Profit (loss) before finance cost and income tax/finance cost, finance cost means interest and other charges associated with financing eg. front end fee, etc.

<sup>(5)</sup> Exclude the impairment loss of investment properties and reduction of project development cost to net realisable value

<sup>(6)</sup> Book value include non-controlling interests of the subsidiaries



# MANAGEMENT DISCUSSION AND ANALYSIS

## Overall Performance

For FY2016, The Group achieved consolidated net profit and EBITDA of Baht 851 million and Baht 1,270 million respectively. Consolidated gross margin marginally decreased from 40% in FY2015 to 37% in FY2016.

As of 31 December 2016, backlog totaled Baht 4,045 million, with the Lofts Asoke contributing to 44% of total amount. The Lofts Ekkamai constituted 32% of total backlog, with Unixx South Pattaya, 185 Rajadamri, Zire Wongamat, and the River constituting 11%, 5%, 11%, 4% and 4%, respectively.

Due to steady transfer of units at Unixx South Pattaya, 185 Rajadamri, and the Lofts Ekkamai, the Group was able to pay back its debt resulting in decrease of interest-bearing debts approximate Baht 54 million. As a result, consolidated interest-bearing debts to equity ratio stood at 0.58 times as of 31 December 2016, a reduction from 0.65 times as of 31 December 2015.

## Discussion on Profit and Loss

### Revenues

In FY2016, the Group recorded consolidated revenues of Baht 5,206 million, a decrease of Baht 61 million (or 1%) when compared with FY2015. 97% of consolidated revenues was derived from recognized sales income (i.e. transfer income) from residential condominium units for 5 projects, namely: Unixx South Pattaya (Baht 1,922 million or 37%), 185 Rajadamri (Baht 1,195 million or 23%), the Lofts Ekkamai (Baht 874 million or 17%), Zire Wongamat (Baht 718 million or 14%), and The River (Baht 365 million or 7%).

PROJECT	FY2016		FY2015	
	Revenue (Million Baht)	%	Revenue (Million Baht)	%
Unixx South Pattaya	1,922	37%	18	1%
185 Rajadamri	1,195	23%	2,795	54%
The Lofts Ekkamai	874	17%	-	0%
Zire Wongamat	718	14%	1,716	33%
The River	365	7%	513	10%
Others*	132	3%	103	2%
TOTAL	5,206	100%	5,145	100%

\* Include rental and service income, marketing commission income, project management fee, interest, and others

### Cost of Goods Sold

In FY2016, consolidated cost of goods sold increased mainly from addition of transfer units at Unixx South Pattaya and the Lofts Ekkamai, net of the reduction of transfer units at 185 Rajadamri and Zire Wongamat.

PROJECT	FY2016		FY2015	
	Cost of sales (Million Baht)	%	Cost of sales (Million Baht)	%
Unixx South Pattaya	1,212	38%	11	0%
185 Rajadamri	563	18%	1,472	49%
The Lofts Ekkamai	656	20%	-	0%
Zire Wongamat	503	16%	1,208	40%
The River	247	8%	325	11%
TOTAL	3,181	100%	3,016	100%

### Gross Profit Margin

Consolidated gross profit margin reduced marginally to 37% in FY2016, a reduction from 40% in FY2015. However, the Group still maintained healthy gross profit margin with insignificant change.

### Selling and Administrative Expenses

Consolidated selling and administrative expenses were second largest expenses for the Group. Consolidated selling and administrative expenses represented 21% of total expenses for FY2016. The amount increased from Baht 830 million in FY2015 to Baht 856 million in FY2016 (a 3% increase).

SELLING AND ADMINISTRATIVE EXPENSES	FY2016 (Million Baht)	FY2015 (Million Baht)	FY2014 (Million Baht)	CHANGE FY2014-2016 (%)
Salary and staff benefits and management's remuneration	223.1	224.3	252.0	-11.5%
Special business tax & transfer fees	190.2	210.4	283.5	-32.9%
Other selling expenses	100.9	116.0	127.7	-21.0%
Other expenses	341.4	279.3	379.1	-9.9%
TOTAL	855.6	830.0	1,042.3	-17.9%

### Cost of Financing

Consolidated cost of financing primarily resulted from interest costs in association with project loans, which are capitalized as development costs for respective projects till completion. Thereafter, such interest costs will be recorded as finance costs in the Statement of Income. Upon project completion, loans are repaid in installments along with transfer of ownerships. For FY2016, the Group's consolidated cost of financing decreased approx. Baht 59 million due to the facts that Unixx South Pattaya and the Lofts Ekkamai completed and started the transfer of ownerships in 4Q2015 and 3Q2016, respectively, thus the loan associated with Unixx South Pattaya project was fully paid at the beginning of 3Q2016. Also, major loans associated with the Lofts Ekkamai were paid during the year. This resulted cost of financing decreased year-on-year; although, the Company issued THB 1,000 million unsecured debenture on 21 September 2016 and drew down the loan for a subsidiary's project development costs totaling Baht 510 million around the end of December 2016.

### Net Profits (Losses)

In FY2016, The Group had consolidated net profit of Baht 851 million, compared with Baht 900 million in FY2015. The decrease was mainly because the Group's consolidated gross margin decreased marginally from 40% in FY0215 to 37% in FY0216.

FY2016 Earnings Per Share was 0.24 Baht (FY2015: Earning Per Share 0.25 Baht)

## Discussion on Balance Sheet

### Assets

The Group's consolidated total assets as at 31 December 2016 decreased by Baht 247 million (YoY decrease of 2%) when compared to that of 31 December 2015. Significant changes in consolidated total assets were primarily from the reduction of project development costs due to unit transfer associated mainly with Unixx South Pattaya, 185 Rajadamri, and the Lofts Ekkamai, net of additions of land for development cost, land awaiting development and deposit for leasehold right at the amount of Baht 810 million, Baht 492 million, and Baht 300 million, respectively.

### Liabilities

As of 31 December 2016, the Group's consolidated total liabilities decreased by Baht 904 million (YoY decrease of 16%). The reduction was due mainly for revenue recognition associated with deposits mainly attributable to the unit delivery at 5 projects.

### Shareholders' Equity

As of 31 December 2016, consolidated Shareholders' Equity totaled Baht 5,108 million, an increase of Baht 656 million (or 15%YoY) from FY2015, due to consolidated net profit totaling of Baht 851 million for the FY2016, offset with dividend payment of Baht 197 million.



Discussion on Cash Flows and Capitalization

Cash Flows

	FY2016 (Million Baht)
Cash and cash equivalents at the beginning of the year	486
Net cash flow from operating activities	1,592
Net cash flow from investing activities	(796)
Net cash flow from financing activities	(149)
Cash and cash equivalents at the end of the year	1,133

During 2016, the Group had a positive net cash flow from operating activities totaling Baht 1,592 million, primarily resulting from cash inflow associated with unit delivery at Unixx South Pattaya and 185 Rajadamri during the year.

During 2016, the Group had a negative net cash flow from investing activities totaling Baht 796 million, primarily resulting from the purchase of land awaiting development and deposit for leasehold right totaling Baht 492 million and Baht 300 million, respectively.

During 2016, the Group had a negative net cash flow from financing activities totaling Baht 149 million, primarily due to loan repayment totaling Baht 1,310 million which mainly from the transfer of ownership of Unixx South Pattaya and the Lofts Ekkamai starting in 4Q2015 and 3Q2016, respectively, also, dividend payment of Baht 197 million, net of issuance of unsecured debenture and project loan drawn down at subsidiaries totaling Baht 1,367 million.

Overall, the ability to transfer units in the Group's increased consolidated interest-bearing debts by approximately Baht 54 million only. In addition, FY2016 consolidated net profit of Baht 851 million increased shareholders' equity base, resulting in interest-bearing debts to equity ratio reduced from 0.65x to 0.58x for FY2015 and FY2016 respectively.

Commitments and contingent liabilities

The Group has pending litigation cases, relating to allegations of breaches of agreements to purchase and to sell from some customers and torts. However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Group will not have a material effect from the litigation, no addition entries have been made in respect of these cases beyond provision already recorded.



MARKET OUTLOOK  
& RML STRATEGY OVERVIEW

THAILAND ECONOMY OVERVIEW 2016

In 2016, Thailand's economy witnesses a slight growth with GDP expected at 3%. Government's spending remains a key driving force of the economy. In addition to that, Thailand's export witnesses an evident growth in the fourth quarter of 2016; with an increase in both prices and volumes in comparison to the previous year which is in line with Manufacturing Production Index (MPI). Furthermore, Thailand's tourism sector continues to expand with the number of international tourists in 2016 summing up to 32.6 million visitors, representing 8.9 percent growth year on year. The number of Chinese tourists still ranks at the top representing a share of 27.0 percent. Meanwhile, private consumption has seen an improvement as a result of an increase in consumer's confidence and economic stimulus package introduced by government during year end with the aim to boost domestic consumption and tourism. A continuous improvement in private investments is also visible, but still limited to certain sectors.



Thailand is an export oriented economy with exports accounting for 70 percent of country Gross Domestic Product (GDP). Therefore, the global economy plays an important role to Thailand's economy especially from key trading counterparties such as the United States, China, countries within The Association of Southeast Asian Nations (ASEAN) and The European Union (EU). Even though there are still some uncertainties in those countries' economy, Thailand's economy is expected to slowly recuperate.



## BANGKOK'S CONDOMINIUM MARKET OVERVIEW

Bangkok's condominium market in 2016 was expecting to decrease by 25 percent year on year. With only 40,000 new units launched in comparison to 53,000 units in 2015<sup>1</sup>. The economic slowdown was the key factor for a declination of new project launched. Meanwhile, high household debts continue to affect consumer's purchasing power and sentiments.

During the past year, real estate developers have focused on organizing promotional campaigns on their existing projects to boost sales and clear unsold inventories. The governmental has implemented a series of stimulus measures (ended on April 28, 2016), providing incentives to property buyers with the aim to boost Thailand's sluggish property sector.

On the other hand, high level of household debts has created concerns for financial institutions and caused them to implement stricter mortgage lending for buyers. Consequently, many real estate developers are experiencing trouble on ownership transfer to their customers.



Despite the slowdown, selling prices for new condominium projects are still soaring, with an increase of 15-20 percent per year due to the continuous increase in land prices and the scarcity of prime land in Bangkok Commercial Business District (CBD). However, many new projects have been postponed their launch schedule in the fourth quarter of 2016 to be in 2017 instead due to global economy slowdown and mourning period.

Condominiums in super luxury and luxury segments, with an average selling price of more than 250k Baht/sqm and 180k-250k Baht/sqm respectively, still have strong potential to grow. The consumers within these two segments possess a very strong purchasing power and financial capability. They are not affected by the austerity measures from banks. As a result, many real estate developers are diverting their attention into luxury segment especially in Bangkok CBD where there is still strong demand and high take up rate. Key success factors for the projects include not only location, design, and quality but also reputation of developers.

Remark:  
1 referred from residential property market survey by Nexus Property Marketing Co., Ltd.

## Market Outlook & RML Strategy Overview for 2017

Several factors that have been carried on from 2016 such as banks' strict lending measures, high mortgage rejection rate, and high household debts will impact the real estate market in 2017. Beyond factors mentioned above, export will continue to play major role for Thailand's economy.

Nonetheless, the Company is confident that the market trend for super luxury and luxury condominiums still has strong growth potential due to solid consumer demand in these segments. For super luxury segment, price is not the key criteria for this customer group in making purchasing decision but the emphasis is put mainly on prime location and projects' premium quality. On the other hand, customer for the luxury segment will consider and make decision based on price and location as well as its worthiness. Nonetheless, customers for these segments are mostly second home buyers, either as an investment or living, therefore the purchase decision will be based on the familiarity of projects' location and its living functions i.e. layout, amenities, etc.

The Company will continue to focus on development of luxury and super luxury projects in prime CBD locations on freehold lands. With the Company's excellent track record, the Company has been regarded by our customers the top developer for upscale residences. Our projects have continuously received exceptional feedbacks from our customers in the past year. Furthermore, as our products are catered for buyers in super luxury and luxury segments, our customers are not affected by banks' stringent lending policy. As a result, the Company's Transfer Failure Rate is less than 1 percent.

Nowadays, customers have become more sophisticated and knowledgeable in making purchase decision considering various elements including quality, location, design, facility, and amenity, etc. Therefore, the Company has put serious attention on every detail of our projects without neglecting one factor or another in order to respond to our customers' need both functional and emotional aspects. On the other hands, some developers focus on launching numbers of projects and paying less attention on critical detail. Customers also currently pay attention to financial situation and reputation of developers.

The Company continues to be proactive in seeking potential lands for residential developments; with emphasis on locations within CBD and on Freehold title. We expect to see a moderate increase in land price due to the scarcity of lands available in these prime locations. In addition, many developers have decided to put their focus on clearing unsold inventories instead of launching new projects. Also they are taking more time and more selective in making land purchases decision. Developers prefer to launch projects immediately after acquiring the lands instead of keep them as land banks.

Aside from developing residential projects within Bangkok, in order to keep up with the needs and demands of consumers; the Company also seeks opportunities to develop residential projects/villas in major touristic cities such as Pattaya, Samui, Phuket, and Chiang Mai. The Company is known to be one of the leading developers with strong track record in luxury and super luxury residential projects in Pattaya and Phuket since year 2000.

The Company also actively searches for opportunities in the commercial real estate market in Bangkok. As a result of our continuous effort, the Company has successfully entered into a long-term lease agreement for a large plot of land in a prime location in the middle of CBD Bangkok for mixed-use commercial development. The design is now in progress and the construction is expected to commence in 2018. The Company has done comprehensive research for rental office markets and observed opportunity in this market as occupancy rate is higher than 90% and especially strong demand for Grade A office building. The Company has recognized this attractive opportunity to generate recurring income to reduce volatility and stabilize cash flow for the Company in the long run.

The Company believes that our projects will receive positive responses from our customers in 2017. We expect that Thailand's economy will improve this year as a result of government's continuous effort to boost economy via public spending especially on infrastructure projects. In addition, overall demand for products and services on regional level is expected to improve. Thailand's tourism and high-end real estate sector is portraying a very bright prospect comparing to other countries within Southeast Asia.





# PROJECTS IN 2016

Completed  
Project

## The River

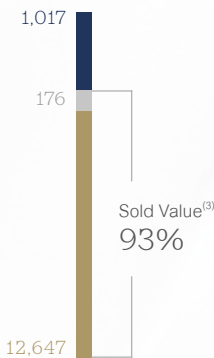
Chareonnakorn Soi 13, Bangkok

THE RESIDENCE. THE LIFESTYLE. THE ADDRESS.  
**THE RIVER**



Comprised of 837 units and situated next to the Chaophraya River in Bangkok, The River is the tallest premium riverside residential condominium project in Bangkok. In 2012, the project received the “Best Luxury Condo Development (Bangkok)” in the Development Category as well as “Best Condo (Thailand)” in the Architectural/Interior Design Category at the 2012 Thailand Property Awards.

At the end of 2016, the project has a total combined saleable value of approximately Baht 14 billion. Currently, the project has achieved total sales of approximately Baht 12.8 billion, equivalent to 93% of the project value or 96% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 12.6 billion. Average selling price for unsold units currently stands at approximately 284,000 baht per square meter.

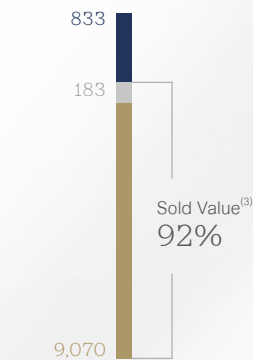


Project Value  
(million bath) **13,840**

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
96%	98%	100%

## 185 Rajadamri

Rajadamri, Bangkok



Project Value  
(million bath) **10,087**

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
94%	94%	100%

Comprised of 266 units, 185 Rajadamri is a super-luxury residential condominium project, situated on the freehold plot on Rajadamri Road in central Bangkok. The location is in the central business district, nearby premium shopping malls, top schools, foreign embassies and consulates, 5-star luxury hotels, Lumpini Park with its peaceful green spaces, and the elite Royal Bangkok Sports Club. As validation of the project's premium quality positioning, 185 Rajadamri project received “Best Luxury Condo Development Award (Bangkok)” at the 2013 Thailand Property Awards and also “Best Condominium Development of the Year Award-Thailand” at the 2013 South East Asia Property Awards.

At the end of 2016, the project has a total combined saleable value of approximately Baht 10 billion. Currently, the project has achieved total sales of approximately Baht 9,253 million, equivalent to 92% of the project value or 94% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 9,070 million. Average selling price for unsold units currently stands approximately at 354,000 baht per square meter.

### Note

1. Includes value of units not transferred but with 100% cash received
2. Based on latest price of unsold units
3. Total sold value to total project value
4. Total sold area to total project's saleable area
5. Total sold units to total project's saleable units
6. Main building work completion



## Zire Wongamat

Wongamat, Pattaya

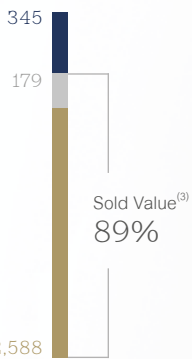
**ZIRE**  
WONGAMAT



The project consists of 465 residential condominium units in varying styles and formats -from studio units, 1-2 bed room units, and duplexes. Zire Wongamat is the third residential condominium project in Pattaya by Raimon Land. Situated on Wongamat Beach and adjacent to Northpoint (a Raimon Land project completed in 2011), the project is only 90 kilometers away from Bangkok. Developed on a 5-rai plot of beachfront land, Zire Wongamat comprises of two uniquely designed towers of 37 and 53 floors, and offers breathtaking panoramic views of the

Gulf of Thailand. In 2016, Zire Wongamat received the Highly Commended, Condominium Thailand Award from Asia-Pacific Property Awards.

At the end of 2016, the project has a total combined saleable value of approximately Baht 3,112 million. As of December 2016, the project has achieved total sales of approximately Baht 2,767 million, equivalent to 89% of the project value or 91% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 2,588 million. Average selling price for unsold units currently stands approximately at 136,000 baht per square meter.



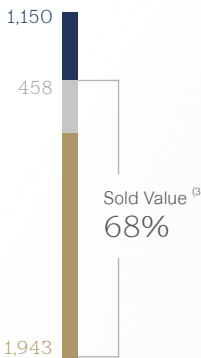
Project Value  
(million bath) **3,112**

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
91%	94%	100%

## Unixx South Pattaya

Pratumnak, Pattaya

**UNIXX**  
SOUTH PATTAYA



Project Value  
(million bath) **3,552**

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
70%	72%	100%

Unixx South Pattaya consists of 1,210 units with an average size of not more than 40 square meter. The project is the fourth condominium project in Pattaya by Raimon Land and was conceived to meet the demands of mid-market clients, targeting both Thai and foreign buyers. The project is developed with those living in Pattaya as well as those in Bangkok looking for a weekend getaway property. The project is situated on a land plot of more than 7 rai on Pratumnak Road and belongs to a subsidiary company of Raimon Land.

At the end of 2016, the project has a total combined saleable value of approximately Baht 3,552 million.

As of December 2016, the project has achieved total sales of approximately Baht 2,401 million, equivalent to 68% of the project value or 70% of the total saleable area. Ownership transfers to buyers for units in this project have been made amounting to a total value of Baht 1,943 million. Average selling price for unsold units currently stands approximately at 83,000 baht per square meter.

### Note

1. Includes value of units not transferred but with 100% cash received
2. Based on latest price of unsold units
3. Total sold value to total project value
4. Total sold area to total project's saleable area
5. Total sold units to total project's saleable units
6. Main building work completion





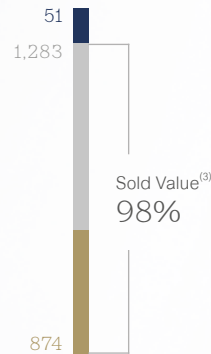
### The Lofts Ekkamai

Sukhumvit, Bangkok



Comprised of 263 units, The Lofts Ekkamai, situated only 150 meters from Ekkamai BTS station and only a few minutes' drive from expressways, is a residential project located right in central Bangkok. It is neighbored by popular shopping malls and one of the city's most frequented dining and entertainment areas, known as Thonglor-Ekkamai. The project is located on a freehold land plot of approximately 2 rai. In 2016, The Lofts Ekkamai won 5 Star, Best Residential High-rise Development Thailand Award from Asia-Pacific Property Awards.

At the end of 2016, the project has a total combined saleable value of approximately Baht 2,208 million. As of December 2016, the project has achieved total sales of approximately Baht 2,157 million, equivalent to 98% of the project value or 98% of the total saleable area. Transfer of ownership commenced in the third quarter of 2016 with transfer at the end of 2016 of THB 874 million. Average selling price for unsold units currently stands approximately at 179,000 baht per square meter.

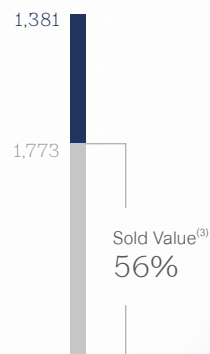


Project Value (million bath)

2,208

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
98%	99%	100%

### Projects Under Development



Project Value (million bath)

3,154

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
56%	63%	1%



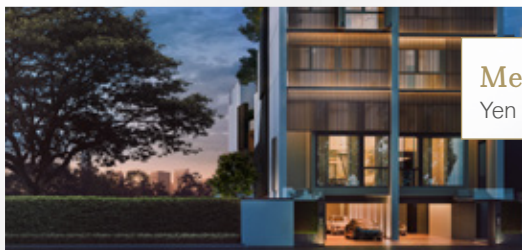
### The Lofts Asoke

Asoke, Bangkok



The Lofts Asoke features 211 freehold units, ranging from 1 & 2 loft simplexes (35-87sq.m.) up to sky loft duplexes (76-145sq.m.), with raw and bold living spaces. The Lofts Asoke enjoys a prime location in Sukhumvit, surrounded by shopping, dining, work and play-next to the upcoming Bangkok Rama IX CBD and Makkasan Complex. Travel from the development is made easy with direct access to MRT, Airport Link, Expressway and vicinity to BTS. In 2016, The Lofts Asoke received Property Development Product Leadership Award from Frost & Sullivan.

Sale of the project was officially launched in the second quarter of 2016 with project value of 3,154 million baht. As of December 2016, the project has achieved total sales of approximately Baht 1,773 million, equivalent to 56% of the project value or 56% of the total saleable area. Transfer of ownership is expected to commence end of 2018. Average selling price for unsold units currently stands approximately at 207,000 baht per square meter.



### Mews Yen Akat

Yen Akat, Bangkok



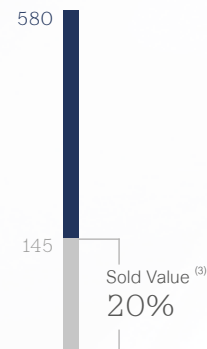
Situated on Soi Yen Akat 2, Mews Yen Akat is the inaugural project of Limited Edition Series. The project is located on a freehold land plot of approximately 2 rai with 9 units for sale. Sale of the project was launched in 2015 with project value of 725 million baht. As of December 2016, the project has achieved total sales of approximately

Baht 145 million, equivalent to 20% of the project value or 22% of the total saleable area. Transfer of ownership is expected to commence in early 2017. Average selling price for unsold units currently stands approximately at 134,000 baht per square meter.

Project Value (million bath)

725

Area <sup>(4)</sup>	Unit <sup>(5)</sup>	Construction <sup>(6)</sup>
22%	22%	82%



#### Note

- Recognized Value<sup>1</sup>
- Backlog
- Unsold Value<sup>2</sup>

- Includes value of units not transferred but with 100% cash received
- Based on latest price of unsold units
- Total sold value to total project value

- Total sold area to total project's saleable area
- Total sold units to total project's saleable units
- Main building work completion

As part of our mission to develop a balanced business portfolio, the Company has the strategy to acquire and/or develop fixed assets to generate stable income stream. As of 31 December 2016, the Company had three fixed asset development under its portfolio.

### Project for Lease

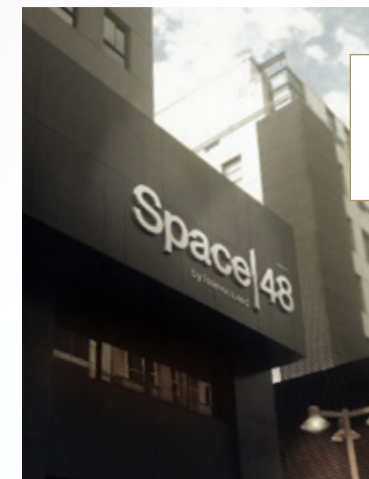
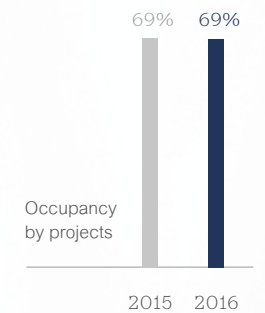
### The Vue,

Charoennakorn, Bangkok



Vue is a lifestyle shopping centre project of approximately 4,118 square meters, situated in front of The River condominium project, located on Charoen Nakorn Road. It sits on a land plot approximately 3 rai in size. The building has 4

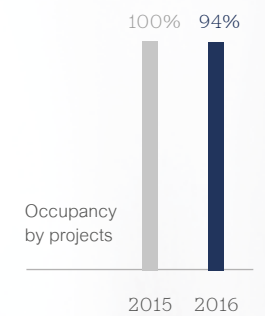
above-ground and one underground floors, with a 'Max Valu' Supermarket as an anchor tenant. Other tenants include the well-known Korean coffeehouse brand Tom N Tom's and King Kong Yakini, as well as other restaurants, coffee shops, and bakeries, medical clinics, and banks. As of 31 December 2016, the occupancy rate is 69%.



### Space 48 at Preecha Complex Office Building

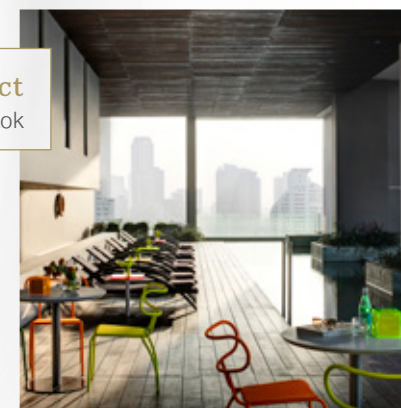
Rajadapisek, Bangkok

This office building, situated within the Preecha Complex, has a total area of 2,200 square meters and is located on Rajadapisek Road approximately 260 meters from Suthisarn MRT Station. The building has 8 office floors and additional car parking floors. The Company has redesigned and refurbished the facilities in 2013. As of 31 December 2016, 94% of the available space has been rented out.

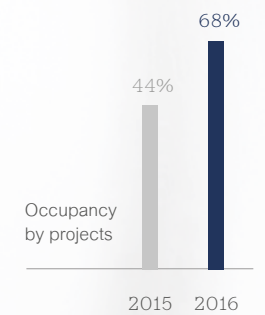


### Klapsons" Project

Charoennakorn, Bangkok

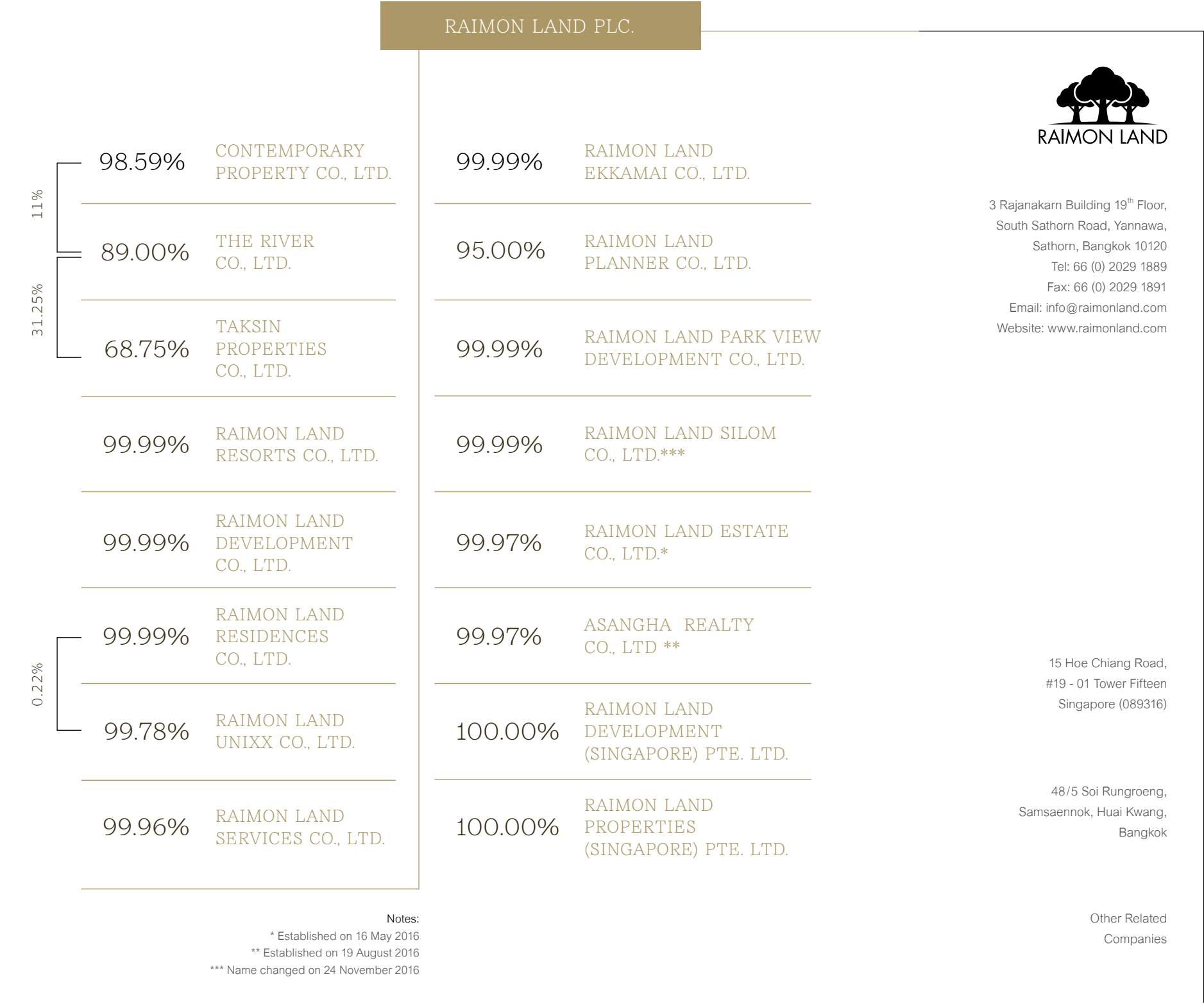


Nestled inside the award-winning property, The River, situated at a prime waterfront location on the banks of the Chao Phraya River, klapsons The River Residences features 92 stunning river-view rooms with intelligently designed living spaces and generous facilities. Unit size ranges from 58 to 146 sqm. This serviced apartment development had an average occupancy rate for December 2016 of 68%.





CORPORATE STRUCTURE  
OF RAIMON LAND PLC.



RAIMON LAND  
EKKAMAI CO., LTD.

99.99%

RAIMON LAND  
PLANNER CO., LTD.

95.00%

RAIMON LAND PARK VIEW  
DEVELOPMENT CO., LTD.

99.99%

RAIMON LAND SILOM  
CO., LTD.\*\*\*

99.97%

RAIMON LAND ESTATE  
CO., LTD.\*

99.97%

ASANGHA REALTY  
CO., LTD \*\*

100.00%

RAIMON LAND  
DEVELOPMENT  
(SINGAPORE) PTE. LTD.

100.00%

RAIMON LAND  
PROPERTIES  
(SINGAPORE) PTE. LTD.

RAIMON LAND  
PLC.

3 Rajanakarn Building 19<sup>th</sup> Floor,  
South Sathorn Road, Yannawa,  
Sathorn, Bangkok 10120  
Tel: 66 (0) 2029 1889  
Fax: 66 (0) 2029 1891  
Email: info@raimonland.com  
Website: www.raimonland.com

15 Hoe Chiang Road,  
#19 - 01 Tower Fifteen  
Singapore (089316)

48/5 Soi Rungroeng,  
Samsaennok, Huai Kwang,  
Bangkok

Other Related  
Companies

Notes:

\* Established on 16 May 2016

\*\* Established on 19 August 2016

\*\*\* Name changed on 24 November 2016

GENERAL INFORMATION OF THE COMPANY,  
SUBSIDIARIES AND OTHER RELATED COMPANIES

RAIMON LAND PLC.			Name
4,558,354,509 3,575,483,607			Authorized Shares Issued Shares
The River Co., Ltd.	Taksin Properties Co., Ltd.	Contemporary Property Co., Ltd.	
1,232,030,000 1,232,030,000	1,200,000,000 1,200,000,000	200,000,000 200,000,000	
Raimon Land Resorts Co., Ltd.	Raimon Land Planner Co., Ltd.	Raimon Land Park View Development Co., Ltd.	
7,000,000 7,000,000	2,000,000 2,000,000	100,000,000 100,000,000	
Raimon Land Development Co., Ltd.	Raimon Land Residences Co., Ltd.	Raimon Land Services Co., Ltd.	
500,000,000 500,000,000	10,000,000 10,000,000	500,000 500,000	
Raimon Land Unixx Co., Ltd.	Raimon Land Ekkamai Co., Ltd.	Asangha Realty Co., Ltd.	
2,300,000,000 2,300,000,000	10,000,000 10,000,000	1,000,000 1,000,000	
Raimon Land Development (Singapore) Pte. Ltd.		Raimon Land Properties (Singapore) Pte. Ltd.	
SGD 2 SGD 2		SGD 2 SGD 2	
Raimon Land Silom Co., Ltd.		Raimon Land Estate Co., Ltd.	
45,000,000 45,000,000		1,000,000 1,000,000	
EY Thailand	The Capital Law Office Limited	Thailand Securities Depository Co., Ltd.	
External Auditor for the Company and Subsidiaries	Legal Advisor to the Company	Securities Registrar	

Note: Further details of subsidiaries can be found in Form 56 - 1



# SHAREHOLDERS AND CAPITAL STRUCTURE

As of 14 March 2017

## 1. Ordinary Shares (RML)

Common Stock	
Authorized	4,558,354,509
Issued	3,575,483,607
Par Value (baht)	1.00
Market	SET
Industry	Property & Construction
Sector	Property Development
First Trade Date	10/09/1993
Securities Code	RML
Number of shareholders	8,823
Foreign Limit	49.0%
Foreign Holding	29.7%

RML-W4	
Total as of 01/01/2016	893,853,790
Exercised during 2016	-
Total as of 31/12/2016	893,853,790
Market	SET
Securities Code	RML- W4
Last Exercise Date	14/06/2018
Expiration Date	14/06/2018
Exercise Frequency	Quarterly

RML-WB	
Total as of 01/01/2016	89,000,000
Exercised during 2016	-
Total as of 31/12/2016	89,000,000
Market	N/A
Securities Code	N/A
Last Exercise Date	14/11/2018
Expiration Date	14/11/2018
Exercise Frequency	Monthly

50 million or more	10 million - 50 million	1 million - 10 million	100,000 - 1 million	Less than 100,000
53.37%	11.99%	18.49%	12.51%	3.64%

## 2. Shareholders

Principal Shareholders			
	Shares	Stake	
JS ASSET MANAGEMENT PTE. LTD.	893,000,000	24.98%	
Thai Prosperity Fund II	250,000,000	6.99%	
Thai NVDR Co., Ltd.	248,276,756	6.94%	
Mr. Jirawud Kuvanant	194,080,300	5.43%	
Mr. Jirawud Kuvanant by Siam Knight Fund Management Securities Co., Ltd.	76,449,200	2.14%	
Mr. Surachai Suwanthanakul	69,319,900	1.94%	
Mr. Apisak Theppadungporn	66,900,000	1.87%	
Mr. Supachai Suthipongchai	60,000,000	1.68%	
Ms. Urapa Suthipongchai	50,000,000	1.40%	
UBS AG SINGAPORE BRANCH	43,169,500	1.21%	
Ms. Orachorn Charoenponganant	36,857,382	1.03%	
Mr. Narat Sukthinthai	27,500,000	0.77%	
Mr. Peeranat Tantipoj	24,087,200	0.67%	
Mr. Sirianont Srikureja	23,000,000	0.64%	
Mr. Jakkapan Pajarn	21,400,000	0.60%	
EAST FOURTEEN LIMITED-DFA EMERG MARKET CORE EQ PORT	20,329,300	0.57%	
Mr. Somchai Tangsawasdumrong	20,000,200	0.56%	
UOB KAY HIAN PRIVATE LIMITED	19,282,900	0.54%	
Mr. Somkiat Jirasawastrakul	18,520,000	0.52%	

Shareholding by Scale			
	Shares	Stake	
50 million or more	1,908,026,156	53.37%	
10 million - 50 million	428,773,682	11.99%	
1 million - 10 million	661,204,670	18.49%	
100,000 - 1 million	447,257,565	12.51%	
Less than 100,000	130,221,534	3.64%	

## 3. Other Securities

### 3.1 Warrants (RML-W4)

On 15 June 2015, the Company issued 893,853,790 warrants (RML-W4), which can be exercised to subscribe for newly issued ordinary shares of the Company at the rate of 1 warrant per 1 ordinary share with the exercise price of Baht 1.97. These warrants can be exercised on the last business day of each March, June, September and December starting from 30 September 2015 to 15 June 2018.

During 2016, no warrants holders exercised their rights to purchase ordinary shares of the Company, with the following details:

WARRANT (Units)	
Total No. of warrants units as at 1 January 2016	893,853,790
Total No. of warrants exercised during 2016	-
Remaining total No. of warrants units as at 31 December 2016	893,853,790

### 3.2 ESOP - Warrants (RML-WB)

On 1 November 2013, a resolution was passed at the EGM No. 1/2013 of the Company approving the issue and offer for sale of 89 million ESOP warrant units at the offering price of

Baht 0.00 per unit. The warrant unit has an exercise conversion rate of 1 warrant unit per 1 ordinary share, with the exercise price of Baht 1.67. The warrants were offered to 2 executive directors of the Company at 44.5 million units each.

On 12 November 2013, a resolution was passed at the Board of Directors meeting No.12/2013 approving the issue of 89 million warrants of the Company (RML-WB) on 15 November 2013, whereby the holders of these warrants can exercise their rights to purchase ordinary shares of the Company on the last business day of every month during the period of not more than 5 years, starting from the issue date of the warrants.

As at 31 December 2016, no RML-WB warrant unit holder has exercised his right to purchase ordinary shares of the Company.

WARRANT (Units)	
Total No. of warrant units as at 1 January 2016	89,000000
Total No. of warrant units exercised during 2016	-
Remaining total No. of warrant units as at 31 December 2016	89,000,000

## 4. Debt Financing:

The Company has following debt financing:

TYPE OF LIABILITIES (Baht - Million)	31 DECEMBER 2016
Short term loans from financial institutions*	467
Long term loans from financial institutions**	2,470
<b>Total interest-bearing liabilities</b>	<b>2,937</b>

Remarks :

\* Bill of Exchanges - details as per section 4.1

\*\* Includes current portion of the loans and debentures

### 4.1 Bill of Exchange

As of 31 December 2016, the Company has following bills of exchange outstanding:

ISSUER	ISSUE DATE	DISCOUNT	DUE DATE	FACE VALUE
Asia Plus PLC	16 August 2016	1,636,340.12	16 February 2017	100,000,000.00
Asia Plus PLC	27 October 2016	1,618,841.74	27 April 2017	100,000,000.00
<b>Total</b>				<b>200,000,000.00</b>



4.2 Debentures

As of 31 December 2016, the Company has following debentures outstanding:

DETAIL	VALUE (Million)	TERMS (Year)	INTEREST RATE* (%)	FACE VALUE
Debenture of Raimon Land PCL No. 1/2015, maturity in 2018	500	3	4.80	29 July 2018
Debenture of Raimon Land PCL No. 1/2016, maturity in 2019	1,000	3	4.70	21 September 2019

\*The interest is paid every 3 months.

The debenture agreement contains covenants as specified in the agreement and restrictions on the Company, related to such matters as the maintenance of a certain debt to equity ratio.

5. Dividend Policy

5.1 Company's Policy

In the case the Company achieves a net profit and there is no existing accumulated loss carried forward, the Company shall pay out dividends, in the form of cash, of no more than 50% of total net profit after tax, net of allocation for any required legal reserves.

5.2 Statutory Reserve for the Company

According to clause 116 of Public Company Limited Act (B.E. 2535), the Company is required to allocate at least 5 percent of its total net profit after tax (net of accumulated loss carried forward, if any) as statutory reserve. The Company is required to allocate for statutory reserve until such reserve has reached an amount equivalent to 10 percent of the Company's registered capital. This statutory reserve cannot be used for dividend payment purpose.

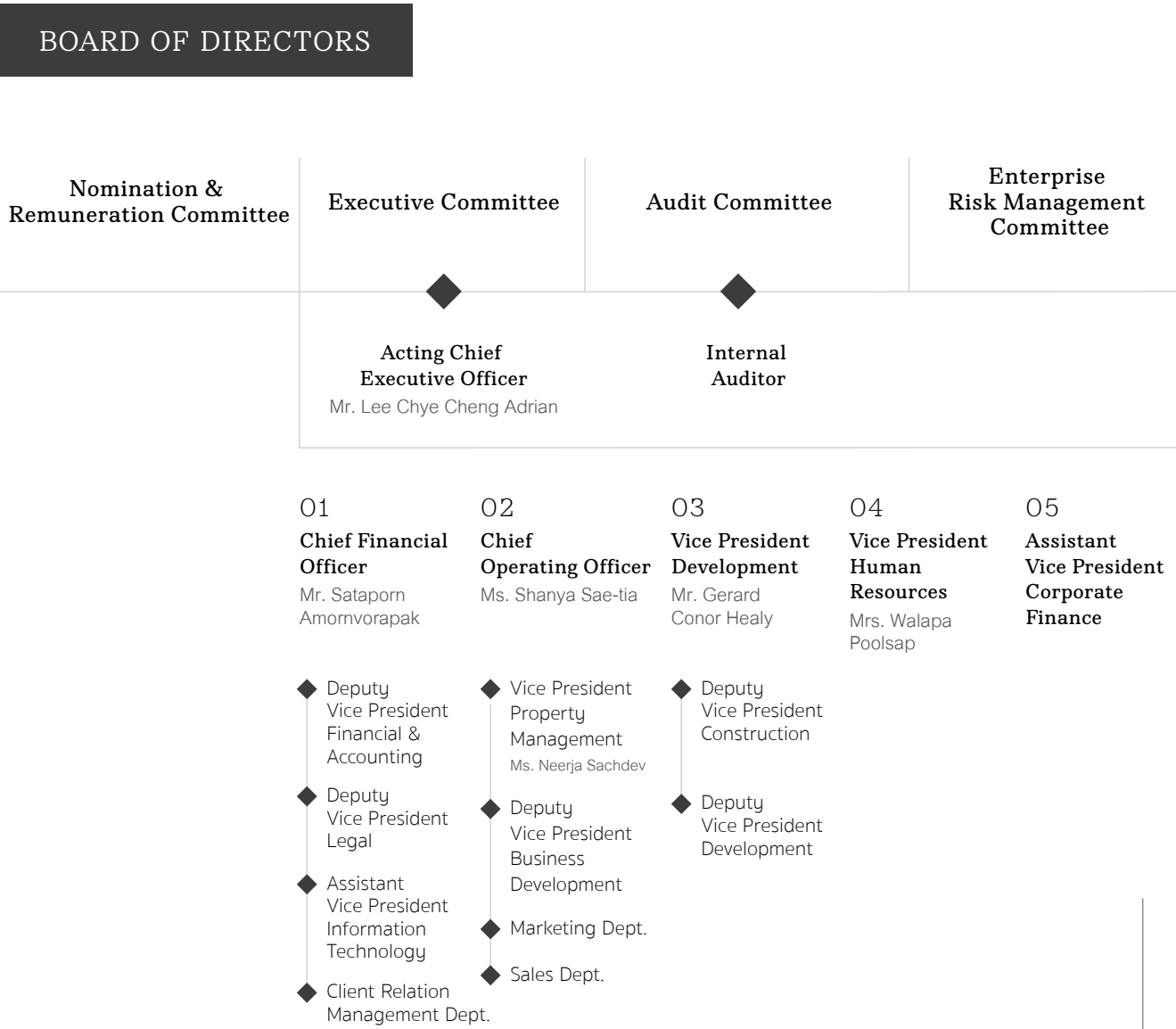
5.3 Subsidiaries' Policy

Board of directors of each respective subsidiary is authorized to provide resolutions for dividend payment. The dividend payment shall be paid out of total net profit after tax only. For interim dividend payment, the board of directors of each respective subsidiary may consider to affect such payment as long as it is deemed that such subsidiary has enough net profit after tax to do so.

5.4 Statutory Reserve for the Subsidiaries

Upon each dividend payment, subsidiaries are required to allocate at least one twentieth of their respective net profit after tax for statutory reserve. The subsidiaries are required to allocate for their respective statutory reserves until such reserves have reached one tenth of the subsidiaries' respective capital.

MANAGEMENT STRUCTURE



Management Structure of Raimon Land Public Companay Limited as of 31 December 2016



# BOARD OF DIRECTORS

## Attendance at Board of Directors Meetings in 2016

In 2016, there were a total of 7 Board of Directors meetings, whereby the attendance record of directors is as follows:

	Name	Date of Appointment	Number of Attendances
1	Mr. Pradit Phataraprasit	1 February 2013	6/7
2	Mr. Lee Chye Tek Lionel	1 February 2013	6/7
3	Mr. Tan Chin Kwang Johnson	1 February 2013	7/7
4	Mr. Lee Chye Cheng Adrian	4 February 2013	6/7
5	Ms. Nuch Kalyawongsa	4 February 2013	7/7
6	Mr. Roland Pang Tze Vui	16 May 2014	7/7
7	Mr. Kitti Gajanandana	8 April 2004	7/7
8	Mr. Sataporn Amornvorapak	14 August 2014	7/7
9	Dr. Siri Ganjarende	14 August 2014	7/7

## Management Team

List of the Company's Management according to Tor. Jor. 23/2551 (Clause 89/1)

1	Mr. Lee Chye Cheng Adrian	Acting Chief Executive Officer
2	Mr. Sataporn Amornvorapak	Chief Finance Officer
3	Ms. Shanya Sae-tia	Chief Operating Officer
4	Mr. Gerard Conor Healy	Vice President, Development
5	Ms. Neerja Sachdev	Vice President, Property Management
6	Ms. Walapa Poolsap	Vice President, Human Resources

# COMPANY SECRETARY

Mr. Sataporn Amornvorapak

## Policy Governing Company Secretary

The Board of Directors has stipulated a requirement for Company Secretary. Appointment of Company Secretary takes into considerations relevant rules, regulations and good corporate governance. The Company Secretary is required to have background in laws or accounting, and preferably been trained under relevant programs. The Company Secretary is expected to provide legal advices to the Board of Directors in conjunction with supervising activities of Board of Directors. In addition, the Company Secretary is required to organize meetings, prepare relevant documents, and ensure that resolutions of the Board of Directors have been carried out.

In 2016, the Board of Directors appointed Mr. Sataporn Amornvorapak, Executive Director, Risk Management Director and Chief Finance Officer, as the Company Secretary on the ground that Mr. Sataporn Amornvorapak has relevant experience and is qualified for such position.

## Required Attributes for Company Secretary

1. Has a thorough understanding on the Company's business, roles and responsibilities of Company Secretary, responsibilities of the Board of Directors, and possesses knowledge of relevant rules and regulations
2. Performs roles and responsibilities according to applicable rules and regulations, codes, article of associations with the utmost care, honesty, integrity, and commitment with the aim to achieve the Company's objectives under good corporate governance
3. Strictly adheres to integrity and good conducts and always takes into consideration every stakeholder, in addition to refraining from any activities that might negatively affect the Company's reputation
4. Ensures the Company's confidentiality and does not seek any personal benefits or gains from any type of business dealings
5. Has excellent interpersonal skill and is capable of coordinating with various internal and external parties

## Roles and Responsibilities of Company Secretary

1. Provides preliminary advices to the Board of Directors in relation to rules and regulations of the Company as well as ensures that such rules and regulations are being enforced
2. Coordinating and facilitating shareholder and Board of Director meetings as per stipulated by the Company's rules and regulations
3. Organizing, preparing agendas for and taking minutes of board meetings and annual general meetings as well as ensuring that all resolutions either by shareholders or by the Board of Directors are carried out
4. Organizing and preparing statutory books including: Register of Board of Directors, Annual Reports, Invitation Letters for shareholder and Board of Director meetings
5. Bookkeeping of report of conflict of interests whether by Directors and/or management as well as ensuring that such report is submitted to relevant authorities
6. Overseeing information distribution and disclosure to relevant authorities as per applicable rules and regulations



# BOARD OF DIRECTORS

## Director Remuneration

The Company has established a transparent policy on Director Remuneration whether in the form of monetary or non-monetary benefits. Amount of remuneration is based on responsibility, duty, and benefits the Company expected to derive from a board member. In addition, such remuneration is required to be comparable with those of other publicly listed company on the Stock Exchange of Thailand; provided that such comparable companies are of similar industry and size. Finally, remuneration is required to be sufficiently attractive to retain and motivate board members to perform their duties with utmost transparency, with the aim to achieve the Company's goal. The Nomination and Remuneration Committee is required to define general guidelines for the Company's incentive pay to the Board of Directors and Executive Management, which must be ultimately approved by the general meeting of the Company.

# MONETARY REMUNERATION

## Directors' Remuneration

Name	Remuneration in 2016 (Baht)
Mr. Pradit Phataraprasit	1,020,000
Mr. Kitti Gajanandana	480,000
Mr. Siri Ganjarerndee	480,000
Mr. Lee Chye Tek Lionel	3,000,000
Mr. Roland Pang Tze Vui	300,000
Mr. Tan Chin Kwang Johnson	1,608,333
TOTAL	6,888,333

## Management's Remuneration

Types of Remuneration	Remuneration in 2016 (Baht)
Salary	40,991,888.00
Bonus	16,463,645.00
Contribution to Provident Fund	1,570,975.47
Others	19,727,945.47
TOTAL	78,754,453.94

## Management Remuneration

The Board of Director takes into consideration responsibilities, duties, and performance of each individual executive when determining incentive pay for the management. The Nomination and Remuneration Committee is required to define guidelines for the Company's incentive pay to the management. Such pay is expected to be sufficiently attractive in order to retain and motivate the management of the Company.

# OTHER TYPES OF REMUNERATION

## Summary of Warrants to the Directors, Management and/or the Employees of the Company, under the ESOP Plan (RML-WB)

### Program Objectives

1. To retain key person(s) within the organization and to maintain commitment of such person(s)
2. To allow Directors to participate in ownership of the Company
3. To retain personnel with high capability and efficiency on a long-term basis, and also to support the Directors' motivation to work for the Company's long-term benefits

### Key details of the ESOP-Warrants to be issued and allocated to the Directors of the Company

- The term of the ESOP-Warrants shall be 5 years, from the date of the first issue and allocation
- The total number of ESOP-Warrants to be issued and offered is 89,000,000 units, or representing 2.49% of the Company's paid-up shares outstanding
- Offering price of 0 Baht per unit
- The ESOP-Warrants shall be allocated as follows:

NAME	Position at the time of issuance	Allotment	
		Units	Percentage of total issuance
Mr. Tan Chin Kwang Johnson	Chief Executive Officer and Executive Director	44,500,000	50.00
Mr. Lee Chye Cheng Adrian	Executive Director	44,500,000	50.00

- Each unit of ESOP-Warrants shall be convertible into one ordinary share
- The exercise price of Baht 1.67 per share, which is 25% higher than the weighted average closing price of the Company's ordinary shares trading on SET during 15 consecutive business days prior to the approval date by the Board of Directors on this matter (between 5-25 September 2013), which is equal to Baht 1.34 per share



# HUMAN RESOURCES

## Total Employees, Categorized by Departments

As of 31 December 2016, the Company had a total of 186 employees not including Directors and senior management. Details of employees as per departments as following:

Departments	Number of Employees
Research & Business Development	5
Customer Relations Management	26
Project Development	11
Direct Marketing	8
Executive Office	2
Customer Relations Management - Post Handover	12
Finance & Accounting	23
Human Resources	2
Administration	16
Internal Audit	2
Information Technology	4
Legal	2
Marketing	9
Property Management	2
Property Management (Raimon Land Services Co. Ltd.)	38
Sales	24
TOTAL	186

## Employee Remuneration

Types of Remuneration	Total Remuneration in 2016 (Baht)
Salaries and Overtime	84,581,544
Bonus	14,916,774
Sales Commission	16,726,269
Contribution to the Employee provident fund	3,550,955
Others	4,316,656
TOTAL	124,092,198

## Policy for Staff Development

The Company greatly emphasizes on staff development. Details of such policy can be found on the Company's website: <http://rml.listedcompany.com/>

## Summary Table of Staff Training

Item	Details	Hours
1	Analysis of latest supreme court judgement on labour law cases	7.00
2	Integrated Audit	7.00
3	Enterprise Risk Management	7.30
4	Mini Master in HR Management	30.00
5	REIT / IFF: Relevant tax and regulations	5.00
6	SCP Straight Through (SET Portal)	3.30
7	M-Score for Forensic Accounting	7.30
8	Beyond Treasury Management	7.30
9	IIA Thailand Annual Conference 2016	8.30
10	Cyber Defense Initiative Conference (CDIC) 2016	7.00
11	New securities and exchange law: the legitimate practice	4.00
12	Strategic Shareholder / FSCOM	4.00
13	Risk Management (Advance)	7.30
14	Risk Management (Advance) 2 <sup>nd</sup> edition	15.00
15	Smart Disclosure Program (SDP)	8.30
16	Various issue of withholding tax of 2016	16.00
17	Withholding tax for leasing cases according to Tor.Por.259 and other rental cases: Similarities, differences, exceptions and cautions	8.00
18	SharePoint Online	7.00
19	Analysis and Voluntary of Insurance and Consumer Product Business	3.30
20	Tax invoice issuance problems, prohibited input tax and solutions	8.00
21	Anti-Corruption 2016	194.00
22	Cash management system and statements of cashflow analysis	7.30
TOTAL		371.70

Remarks: Average training session for staff is 2 hour per person



# CORPORATE SOCIAL RESPONSILBILITY TOWARDS SOCIETY AND THE ENVIRONMENT

## Organizational Governance, Human Rights, and Labor Practices

The Company is committed to good organizational governance, fair human rights and labor practices. The Company has stipulated code of conduct which is published on the Company's website: <http://rml.listedcompany.com/>. In addition, in order to promote the Company's staff to comply with code of conduct, the Company has provided employees with access to information via the Company's internal system called sharepoint.

## Responsibility Towards Customers

The Company emphasizes on customers' benefits during the process of project concept design all the way through selection of construction materials (details of each project may vary) with key following points:

- Ample common area and sufficient parking space for customers
- Rigorous security system including elevator key card access and strict policy on external visitors
- Design and construction materials which help reduce energy consumption and customers' energy - related expenses
- Double glaze glass to prevent noise pollution

In addition, in the case of unpredictable events that render customers unable to affect a transfer, the Company, on case by case basis, has a policy to assist customers as followings:

- In the case of death or severe sickness, the Company will return deposits without penalties.
- In the case of sudden change in customers' financial position arising from abrupt unemployment or significant change in foreign exchange rate, the Company shall hold the customers' deposit for a period of one year with the purpose of re - deploying the amount as deposits for an alternative unit within the same or other project
- In the case customers have not fully paid for deposits and there is a sudden change in customers' financial position, the Company shall recommend customers to switch to a more economical unit

## Environment Protection

The Company emphasizes environment protection during the process of project concept design all the way through selection of construction materials (details of each project may vary) with key following points:

1. **Energy Conservation**
  - Double Glazing and / or additional Low E coating (solar barrier) - to reduced heat (lower A / C and electrical load) and noise gain
  - Use of automatic control air conditioning systems that make use of chilled water to reduce energy usage and to be more environmentally - friendly
  - Use of an electrical system that supports the use of LED light bulbs thus helping to save energy
2. **Environment Preservation**
  - Re - cycling of 'grey' water from units to use for landscape irrigation or floor cleaning
  - Low water consumption bathroom / toilet fittings, example: 4 litres per minute rather than 6 liters / minute, dual flush cisterns
  - Efficient pressure control systems for all water / plumbing outlets that help to conserve overall water usage
  - Salt water chlorination system for swimming pools to reduce pollution arising from chlorine purification
  - Use of wood laminated materials in the construction work that help reduce the overall quantity of solid wood material and, thus, the number of tress that are felled. In the case of wood, forested (renewable) timber is used rather than rain forest timber
  - Ceramic tile, using this product rather than natural stone or even timber
  - Preservation of existing mature trees on projects, where possible
3. **Design Element**
  - Targets 50% of project's open area as green area and provides greeneries wherever possible such as green wall for carpark section of the building

# CSR AFTER - PROCESS

## Educational Support

In every society, education is paramount to success. As such, Raimon Land sees this scholarship endowment as a meaningful way to express its role to develop stronger and better communities.

Since 2014, Raimon Land has annually awarded students from Thailand's top educational institutions who exhibited exceptional academic merit and require financial assistance. In 2016, the scholarship program awarded 10 scholarships to qualified students. The deserving scholarship winners were presented with THB 50,000 each for their further learning and personal growth. The Recipients include two engineering students from Chulalongkorn University, four engineering students from King Mongkut's Institute of Technology Ladkrabang and four architecture students from Silpakorn University.

*"Through the Raimon Land Scholarships, our company is able to make a lasting contribution to the fields of engineering and architecture, by ensuring that praiseworthy students in these fields are recognized and continue to progress."*

Lee Chye Cheng Adrian  
Director & CEO

*"Education lays the foundation for long - term success and meaningful contributions to society. We want to shine the spotlight on talented, determined young people by awarding these scholarships. Raimon Land is very happy to be able to contribute, albeit in a small way."*

Tan Chin Kwang Johnson  
Director



# GROUP VISION OF RAIMON LAND

The Group Vision is a commitment to both ourselves and to our customers and community. By committing ourselves to the Group Vision, we will able to identify our mission and focus on what is really important to all stakeholders. Our core values are our spirit towards achieving our mission and represent the value that all members of Raimon Land should uphold.

## VISION

Building Better Lives

## MISSION

### DEVELOPMENT

Provide homeowners satisfaction with award - winning quality development in terms of design and function

### PORTFOLIO ASSETS

Provide tenants with top - notch space under the company’s portfolio of investment assets

### AFTER - SALES

Provide smooth homeownership and tenancy experience by delivering excellent property management and after - sales services

## CORE VALUES

### COMMITMENT TO COMMUNITY

- Strive to become an exemplary member of the community and look to improve quality of life and education of local community
- Emphasize on environment sustainability

### COMMITMENT TO STAFF

- Provide staff with sustainable working environment
- Provide staff with equal opportunity to grow within and support every initiative that would create loyalty toward organization

### COMMITMENT TO CUSTOMERS

- Always strive for projects that truly meet and exceed customers’ expectation
- Continuously look to improve the quality of construction, project planning, and property management
- Reasonable product pricing while maintaining maximum returns to stakeholders

### COMMITMENT TO SHAREHOLDERS

- Manage the business with utmost fairness, transparency and honesty to all stakeholders
- Maintain and improve financial strength of the Company with an aim to enlarge market share and subsequent profits in order to maximize shareholders’ values

# CORPORATE GOVERNANCE

## Corporate Governance Policy

Board of Directors of Raimon Land Plc. has set out policies for corporate governance that adhere to the ‘Principles of Good Corporate Governance for Listed Companies’ promoted by the Stock Exchange of Thailand. The Company ensures transparency, integrity and accountability in line with international standards by setting up an Audit Committee comprised of 3 qualified independent directors. These independent directors are tasked to independently audit and monitor performance of the Board of Directors. To further ensure good corporate governance and better supervision, the Company has appointed an internal auditor since the end of 2003. Structurally, the Audit Committee and internal auditor are completely independent from the Company’s Executive Committee. The Board has committed itself to compliance with the ‘Code of Best Practice for Directors of Listed Companies’ and the 5 principles of ‘Good Corporate Governance, 2012’ as follows:

### 1. Rights of shareholders:

- The Board of Directors acknowledges that good corporate governance is vital for the benefits of the Company and shareholders. Thus, the Board of Directors has set up policies and procedures to ensure transparency in accordance to relevant laws and business ethics, with the aim to maximize shareholders’ benefits and to prevent any conflicts of interest. In addition, good corporate governance, along with internal control systems executed by independent directors and Audit Committee, is essential to sufficient risk management, and having proper internal control systems in place as well as having internal audit system reviewed by Independent Directors/Audit Committee Members.
- The Company shall disclose up-to-date information to the public via its corporate profile, corporate website and company newsletter, all of which in English and Thai.
- Shareholders are notified at least 7 days in advance (14 days under the case of special agendas) of each shareholder’ meeting in a written letter that specifies the date, time and venue of the meeting. The letter shall also provide detailed agendas, each of which shall be accompanied by the Board of Directors’ opinion on such matter. Such practice is to ensure that all shareholders shall receive adequate time and information for decision making process.

- The Company is fully aware of the right of shareholders to access information. The Company welcomes shareholders’ comments and ideas. The Company has arranged for representatives of the Executive Committee, management, Audit Committee and auditors to attend every meeting. Complete and accurate minutes are taken at each meeting and shall be submitted to the Stock Exchange of Thailand within 14 days following such meeting. Every meeting minute shall be presented to shareholders in subsequent meeting for shareholders’ acceptance.

### 2. Equitable Treatment of Shareholders

- All shareholders have equal rights to attend and vote at meetings as specified in the Articles of Association. Should a shareholder be unable to attend a meeting, the shareholder is encouraged to appoint a proxy to attend the meeting or assign an independent director to vote for his stead. All shareholders shall be treated equally with respect to their rights.
- The shareholders shall have an opportunity to propose additional agendas and questions concerning the Company prior to the shareholders’ meeting date in advance through SET’s website. The Company shall published the criteria for shareholders to propose additional agenda on the company’s website.
- The shareholders’ meeting shall be convened in accordance with the agendas set out in the meeting notice. The Company will not add extra agendas without prior notice to shareholders to assure that shareholders an opportunity to study all necessary information before making decision.
- Chairman of the shareholders’ meeting shall provide shareholders an opportunity to express opinions and ask questions related to the agenda or related to the Company in general.
- The Board of Directors provides an opportunity for shareholders to elect directors on an individual basis.
- The Board of Directors uses voting cards for important agenda items such as election of directors, related party transactions, acquisitions or disposals of core assets, etc.



3. Role of stakeholders

3.1 Protection of stakeholders' rights

- The Company values the rights of stakeholders including shareholders, customers, employees, suppliers, competitors, official authorities, society and environment. The Company has published Code of Conduct to provide ethical guidelines for the Company's directors, management, and employees. The Company expects every person in the organization to strictly adhere to such Code of Conduct.
- The Board of Directors has established clear policies on fair treatment to each group of stakeholders for implementation and measurement of policy effectiveness in order to prevent infringement of stakeholder right and to redress violations of stakeholders' legal rights.

3.2 Policy and practice toward Competitors

- The Company sets a policy toward its business competitors in a way consistent with international practice and the legal framework for business competition with good business ethics, professionalism and transparency. It will not spy on or fraudulently obtain of its competitors' trade secrets. The Company practices are as following:
  - The Company will compete with professional integrity and shall treat competitors with fairness under the applicable rules and regulations of the competition.
  - Company shall not damage competitors' reputation by abusive accusation.
  - The Company shall not take any actions to create competitive disadvantage to its competitors such as abuse or wrongfully obtain competitor's confidential information and etc.

3.3 Policy and practice toward Trading Partners

- The Company believes in doing business with integrity, transparency, equality and fairness. Having great Trading Partner will help both parties to drive for sustainable growth. The Company has a policy and practice toward Trading Partners as one of the Company's stakeholders as detailed below:
  - Company shall operate in line with the terms and conditions of agreement. If not, Company shall inform the Trading Partners in advance to solving the problem together and try to prevent any damages that might happen.
  - Company shall not demand or receive or pay any improper benefits to its Trading Partners.
- The Company has a screening and selection of Trading Partners Policy with an emphasis on pricing, quality, service, delivery, expertise and experiences. The Company also considers about business ethics of the Trading Partner, reliability, financial status, past record

and the Trading Partner must not have conflict/joint of interest with other Trading Partner/bidders which could obstruct the fairly price competition.

3.4 Policy and practice toward Creditors

- The Company always aware that honesty is the fundamental of good relationship with creditors. The Company set policies and practices in order to reassure its Creditors as following:
  - Creditors should be treated with responsibility, honesty and fairness on the basis of the fair return to both parties.
  - Company shall strictly comply with all the terms and conditions agreed upon in an agreement especially the terms of guarantee and managing cash flow to be able to pay to the creditors according to the terms and conditions in the agreement.
  - The Company shall disclose any necessary and important information, conditions and restrictions or facts to its creditors in accordance with the legal framework of Consumer Protection Law and other relevant laws.
  - In the event that any particular condition cannot be met, the company shall notify the creditors in advance and seek a mutually acceptable solution.

3.5 Policy on Non-Infringement of Intellectual Property

- The Company emphasizes the importance of legally and proper use of intellectual properties and information technology. The Company has a policy to abide by intellectual property laws (copyright, trademark, patent and etc.). The usage of computer and information technology must be complied with the Computer-Related Crime Act and relevant laws. The company does not support any actions of its directors, managements and employees that violates intellectual property of others without authorization.
- The Company provided guideline for its directors, managements and employees on those policies above through the Company's site. In case of any complaints or the company finds out of any violation, the company will follow the rules set out in Code of Conduct Policy and other relevant regulations.

4. Disclosure and transparency

- The Company recognizes the importance of accurate, complete, transparent and timely disclosure of financial, general and other information that may affect the price of the Company's securities. Further, the Company has set up Investors Relation Department in order to handle communication with investors and analysts with an emphasis on complete, transparent and timely disclosures. Contact Information of Investor Relation is as follows:  
Telephone: +66 (0) 2029 1889  
Fax: +66 (0) 2029 1891  
E-mail: ir@raimonland.com
- The Company's Board of Directors is responsible for the accuracy of the Company's and its subsidiaries' consolidated financial statements and related information as shown in the annual reports, which are prepared in accordance with generally accepted Thai accounting principles. Conservative judgments and best estimates have been used to prepare the financial statements to ensure adequate and proper disclosure in the notes to the financial statements.
- The Company's Board of Directors has arranged for an efficient internal control system to ensure that financial information is recorded accurately, completely and adequately in order to safeguard the Company's assets; and to help identify any loopholes in order to establish preventive measures in relation to any significant fraud or operation irregularities.
- The Company has provided a transparent and appropriate guideline to determine directors' remuneration. Such guideline is required to be in accordance with market practices. Directors' remuneration is approved by shareholders at the general meeting, while management remuneration is approved by the Board of Directors or the Executive Committee. Executive remuneration shall take into account the Company's operating results as well as the performance of relevant executives.
- Directors and the first four Executives according to the definition in the Notifications of the Capital Market Supervisory No. TorJor. 23/2551, including the spouses and underage children of the Directors and Executives of the Company, are obliged to submit securities holding report to Securities and Exchange Commission (SEC) within 30 days after they have been appointed directors or executives and report of change in securities holding must also be filed within 3 business days from the date of purchase, sale, transfer or acceptance of transfer of securities and a copy of such report must be delivered to the Company on the same day as sending to the Securities and Stock Exchange Commission, in compliance with the Securities and Exchange Act B.E. 2535 (1992) and relevant regulations from SEC.

5. Responsibilities of the Board of Directors

5.1 Structure of the Board of Directors

- The Board of Directors of the Company consists of 9 directors as follows:

Independent Directors	3 persons
Directors	6 persons
- Independent Directors shall constitute at least one third of the Board of Directors. Independent Directors is comprised of (1) Chairman of the Board of Directors/ Audit Committee member and (2) two Audit Committee members. The Independent Directors/Audit Committee are encouraged to express their views and maintain their independence when performing operation and transaction audit as well as evaluating internal control systems.

• Separation of roles, duties and responsibilities

The Company has made a clear outline defining the authority and responsibility of the Board of Directors, Executive Committee, Audit Committee, Nomination and Remuneration Committee, Enterprise Risk Management Committee and Chairman of the Board. In addition, Chairman of the Board of Directors shall act as an independent director and possess no relationship with management. Chairman of the Board of Directors shall not be representative of major shareholders, nor shall be the same person with Chief Executive Officer.

5.2 Director Authorisation and Restriction

- Any 2 of the following 5 Directors - Mr. Lee Chye Tek Lionel, Mr. Tan Chin Kwang Johnson, Mr. Lee Chye Cheng Adrian, Ms. Nuch Kalyawongsa, and Mr. Sataporn Amonvorapak - signing together with the affixing of the official company seal.

5.3 Scope of Authority of the Company's Board of Directors

- The Company's directors are required to perform their duties in compliance with all relevant laws and regulations; the Company's objectives and articles of association; and the resolutions by shareholders in good faith. The Company's directors are prohibited from carrying out any business of the same nature as and in competition with the Company's business and from being partners or shareholders or directors of other juristic persons carrying out a similar and competitive business, unless the shareholders are informed of such in a shareholders meeting prior to his/her appointment. If a director has direct or indirect interests in any agreements to be entered into with the Company or increases or decreases his/her shareholding or debenture holding in the Company and its affiliates or debenture, the director must inform the Company without delay.



- The Company's directors shall act for the best interests of the Company, stakeholders, and shareholders as per followings:
  - a) Review, consider and approve key business matters such as the Company's visions and missions, strategy, annual budget, financial targets, risks and company business plan.
  - b) Monitor that management execution is performed in an efficient and effective manner.
  - c) Establish and approve corporate governance policy and ensure consistency through policy revision, expected to perform at least annually.
  - d) Ensure that internal control system, including financial control, is consistent with the Company's policy as well as reviewing internal control system at least annually.

#### 5.4 Role and Responsibilities of the Chairman of the Board

- Summon the Board meetings and control submission of the invitation to the meetings including any related documents to provide adequate information in a timely basis to the directors.
- Preside over the meetings of the Board of Directors, manage the meetings in line with the agenda, Articles of Association and relevant laws as well as manage time appropriately and promote expression of opinions in an independent and transparent manner at meetings.
- Give the casting vote in the event the votes are tied at Board of Directors meetings.
- Preside over the shareholders' meeting, manage the meetings in line with the agenda, Articles of Association and relevant laws as well as manage time appropriately
- Supervise to ensure proper and efficient communication between the directors and shareholders during shareholders' meeting and provide the opportunity for shareholders to express opinions equally.
- Support and encourage the Board of Directors working at full capacity, duties and responsibilities in line with the principles of corporate governance.

#### 5.5 Board Meeting and Relevant Notification

- The Board of Directors shall convene at least 4 times annually, scheduling the meeting in advance at the beginning of every year. Directors are required to attend extraordinary meeting as required. Unless there is an emergency, letter of invitation shall be distributed to the board members 7 days prior to the meeting in order to provide directors sufficient time to digest the information. In addition, letter of invitation is expected to contain information concerning date, time, agendas and place of meeting. The Company is expected to produce meeting minutes within 14 days of the board meeting, and all directors are entitled to access the meeting minutes. The Company shall file all approved meeting minutes.

At the beginning of 2016, the company set 6 meeting schedules in advance and had 1 extraordinary meeting during the year.

#### 5.6 Meeting Quorum and Voting

- Meeting quorum requires at least half of the directors to be present. In the case the Chairman of the Board is absent, the Vice-chairman shall automatically be elected as chairman of the meeting. In the case the Company does not have Vice-chairman, one of the directors present at the meeting shall be elected as chairman.
- Decision shall be based upon majority rule.
- Each of the directors has 1 vote. Those having conflict of interests shall be abstained from voting. In the case there is a tie, the chairman is entitled to cast an additional vote.

#### 5.7 Appointment of Directors and Executives

To ensure the effectiveness professionalism and versatility of the company, the selection and nomination of directors will be considered based on the Board Diversity as well as knowledge, ability, expertise, relevant experience and others qualifications as required by law. The selection and nomination of directors will be carried out by Nomination and Remuneration Committee and the Board of Directors.

For the criteria and procedure of nomination, the Nomination and Remuneration Committee will screen and select the qualified person from a variety of professions who has the necessary skills to enhance the strengths and effectiveness of the Board of Directors. The qualified person must have leadership, visions, morality and ethics with no limitation to gender who also have a transparent working history, not have prohibited traits as defined in the Public Companies Act and notifications of the Securities and Exchange Commission and able to express opinions freely. The qualified person will be nominated to the Board of Directors for consideration. Once approved, the nominated person will be proposed to the shareholder for approval at the general shareholders' meeting.

##### 1. Appointment of Directors

An appointment of directors must be approved by the shareholders at the general shareholders' meeting, except for the case where vacancy was caused by a reason beyond term expiration. Under such case, the Board of Directors shall be entitled to appoint a person to fill such vacancy. The appointed person shall serve the remaining period of the term.

In practice, the nomination of directors can be carried out by the Nomination and Remuneration Committee and the Board of Directors. In addition, shareholders

may nominate a candidate for consideration during shareholders' meeting. The person, regardless of how he or she is nominated, has to be qualified, knowledgeable, capable, and experienced in relevant fields. In addition, the person shall not have prohibited traits as defined in the Public Companies Act and notifications of the Securities and Exchange Commission. The requirements and procedures for selection of company directors are given below.

According to Section 4 of the Company's Articles of Association, the Board of Directors comprises of at least 5 directors and at least half of the directors must reside in Thailand.

The appointment of directors must be carried out at the shareholders' meeting in accordance with the following requirements and procedures:

- 1.1 Each shareholder has one vote to one share.
- 1.2 In appointing directors, each shareholder may vote for candidate(s) individually or as a group, as long as voting requirement in item no. 1 applies. However, the votes are indivisible (the voting for appointment of directors shall be non-cumulative voting).
- 1.3 The directors will be selected based on the total number of votes; in the case of a tie, the Chairman will cast the deciding vote.
- 1.4 At every annual general shareholders' Meeting, one-third of the directors - or the number nearest to one-third - must retire from the board. The retiring directors may be re-elected.
- 1.5 There must be drawing by lots to determine the directors retiring by rotation on the first and second years following a conversion into a public company. In each subsequent year, the directors who have been directors for the longest period must retire. In addition to the retirement by rotation, director vacates from the post upon:
  - a. Passing away
  - b. Resignation
  - c. Disqualifications or possessing prohibited traits according to the Public Companies Act.
  - d. Removal by a resolution of the shareholders at the general shareholders' meeting.
  - e. Dismissal by a court order
- 1.6 Any director wishing to resign is required to submit a resignation letter to the Company. The resignation is effective immediately upon the letter being received by Company. The director may notify the registrar of the resignation.

#### 2. Selection of Independent Directors

The Company realizes the importance of having independent directors. Independent directors are in

charge with auditing and supervising the Executive Committee in order to ensure transparency; to comply with relevant internal control systems, laws and regulations; as well as improving the Company's operational efficiency. An independent director must be knowledgeable, competent and experienced. Independent directors are selected according to the criteria set by the Company. The Nomination and Remuneration Committee will screen and select the qualified person and submit a short-list of nominated person to the Board of Directors for consideration. Once approved, the nomination is proposed to the shareholders for approval at a shareholders' meeting, as outlined in the Company's Articles of Association. To qualify as an independent director, an individual must meet the following criteria:

- 2.1 Holding less than 1% of the Company's total voting shares;
- 2.2 Having no involvement in the management of the Company; not being an employee or a consultant; not having power to exert control in the Company, its affiliates, associated companies or connected person; not possessing a potential conflict of interest for at least 2 years prior to appointment; not having any juristic relationship with the legal consultant or external auditor of the Company or its affiliates.
- 2.3 Having no involvement in any business relationship in terms of finance and/or management of the Company, affiliates, joint venture or connected person of the amount equal to or more than 3 percent total net tangible assets; not having a relationship as a customer, a supplier, a trade creditor/debtor, or a financial creditor/debtor; receiving no benefits from the Company; and
- 2.4 Not having familial relationship with management, major shareholders of the Company or its affiliates and associated companies, nor someone that may create a conflict of interest; and shall not be appointed to represent interests of particular directors or major shareholders.

#### 5.8 Director Orientation

The Company has established policy in relation to director orientation with the aim to acclimatize the newly appointed director(s). The newly appointed director(s) will have an opportunity to discuss with Chairman of the Board and Executive Committee. The discussion shall cover expectation, roles, and responsibilities in relation to directorship as well as the Company's policies in relation to good corporate governance. In addition, the newly appointed director(s) shall have an opportunity to understand the Company's business and process via having site visits at applicable business units.



5.9 Policy to Promote Continuous Development of the Directors and Executives

The Board of Directors has a policy that promotes continuous development of directors, executives, and company secretary in order to improve productivity. The Board of Directors encourages every person to attend seminars and courses with relevant institutions, such as Thai Institute of Directors, the Stock Exchange of Thailand, among others, as deemed appropriate. In 2016, the following directors attended the following seminars:

NAME	Position	Courses/Seminar Title
1. Mr. Kitti Gajanandana	Independent Director	Director Certification Program (DCP) No. 215/2016
2. Ms. Nuch Kalyawongsa	Director	CG Forum 2/2016

5.10 Performance Assessment of the Board of Directors

The company set the policy for the board of directors to conduct its annual performance evaluation by using board self-assessment method to assess their performance once a year. The result of such evaluation will be used for enhancement of efficiency of board or directors. Currently, the evaluation of the Board of Directors' performance is done in 3 category:

- 1. Self-Assessment for the board of directors as a group
- 2. Self-Assessment of committee as a group
- 3. Self-Assessment of the board of directors on an individual basis

The criteria for assessment as followings:			
CRITERIA	Board as a group	Committee as a group	Board on individual basis
1. Board structure and qualifications	/	/	/
2. Roles, duties and responsibilities of the board	/	/	/
3. The board meeting	/	/	/
4. Duties of directors	/	X	X
5. Relationship with management	/	X	X
6. Director and Management Self-improvement	/	X	X

At the end of the year, the company secretary will give the evaluation form, both collectively and individually, to all members of Board of Directors to evaluate their performance during the past year. After the self-assessment was completed, the Board of Directors will send the form back to the company secretary to collect and analyze the performance assessment of the Board of Directors. The company secretary shall later report the result to the Board of Directors to acknowledge and consider in line with company's yearly objectives.

The score will be calculated as percentage in each criteria. Scores 85 or higher are considered "Excellent", 75-84 "Good", 65-74 "Moderately Good", 50-64 "Average" and "Needs Improvements" for scores below 50.

Sub-committee

(as of 31 December 2016)

The Company consists of the Board of Directors along with four sub-committees as following:

Board of Directors			
Executive Committee	Audit Committee	Nomination & Remuneration Committee	Risk Management Committee

Executive Committee Members of the Executive Committee

- |                               |                                 |
|-------------------------------|---------------------------------|
| 1. Mr. Lee Chye Tek Lionel    | Chairman of Executive Committee |
| 2. Mr. Tan Chin Kwang Johnson | Executive Committee Member      |
| 3. Mr. Lee Chye Cheng Adrian  | Executive Committee Member      |
| 4. Mr. Sataporn Amornvorapak  | Executive Committee Member      |
| 5. Ms. Shanya Sae-tia         | Chief Operating Officer         |

Scope of Authority, Duties and Responsibilities of the Executive Committee

- 1. To manage the Company in all respects on a day-to-day basis.
- 2. To provide company policies, business plans, budget and administrative structure.
- 3. To provide operational guidelines in response to change in economic conditions to the Board of Directors for consideration.
- 4. To review the Company's operating results and ensure that operations undertaken are in accordance with policy.

The Executive Committee has no authority to approve a transaction that may create a conflict of interest; that would benefit a member of the Executive Committee or connected person; that would conflict with the Company or its subsidiaries as per regulations by Stock Exchange of Thailand. Such transaction must be submitted to the Board of Directors and/or shareholders meeting for approval, as required by the Company's Articles of Association and relevant laws.

Audit Committee

The Audit Committee is comprised of three independent directors. Each of the independent director has sufficient knowledge, experience, and qualification as per rules and regulations stipulated by The Stock Exchange of Thailand and The Securities and Exchange Commission. The term of an Audit Committee member is 4 years and could be re-elected by the Board of Directors. In the event that a vacancy occurs for any reason other than the expiration of the term, the Board of Directors will appoint another person who is qualified under SET regulations and requirements, as a replacement member of the Audit Committee. The replacement member will only serve for the remaining period of the term.

The Audit Committee is comprised of three independent directors. The Audit Committee meetings are normally held at least on a quarterly basis. In 2016 there were seven meetings and reported to the Board of Directors regularly. Members of the Audit Committee are as followings:

NAME	Position Title	Number of Attendance / Number of Meetings
Mr. Kitti Gajanandan	Chairman of Audit Committee	7/7
Mr. Pradit Phataraprasi	Audit Committee Member	7/7
Dr. Siri Ganjarerndee	Audit Committee Member	7/7

Secretary to Audit Committee

Mr. Jakkalin Kornkul	Assistant Vice President - Internal Audit
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Mr. Kitti Gajanandana is an Audit Committee member qualified for auditing the Company's financial statement and acting as Chairman of Audit Committee.

Scope of Authority, Duties and Responsibilities of the Audit Committee

- 1. To review the Company's financial statements to ensure that financial reports are fairly presented in all material respects.
- 2. To ensure that the Company's internal control system is adequate and efficient, encompassing all relevant operational, financial reporting, and other matters.

- 3. To evaluate that there are adequate budget, human resource, and independence of internal auditors for an efficient internal audit system; to recommend any appointment, transfer, termination of head and any staff within internal audit department or any relevant units.
- 4. To review the Company's compliance with all laws pertaining to its business and the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.
- 5. To propose, appoint, and terminate external auditors; to propose audit fee; and to attend meeting with external auditors, without management presence, at least annually.
- 6. To disclose adequately and accurately all information pertaining to connected transactions or transactions that may have conflict of interest as required by rules and regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.
- 7. To ensure that the Company has an adequate system of risk management.
- 8. To establish whistle-blowing process for the purpose of receiving lead to potential corruption and/or any financial irregularities as well as provide identity protection to whistle-blower.
- 9. To prepare the Audit Committee Report, signed by the Chairman of Audit Committee, and published in the Company's annual report. The report shall consist of followings:
  - Opinion on the credibility of financial reporting.
  - Opinion on the adequacy of internal control system, risk management, and anti-corruption measures.
  - Opinion on compliance with rules and regulations as stipulated by the Securities and Exchange Commission, the Stock Exchange of Thailand and any applicable business laws.
  - Opinion on the appropriateness of external auditor(s)
  - Opinion on connected transaction and conflict of interests.
  - Number of meetings and meeting attendances of the Audit Committee.
  - Overall opinion or observation by the Audit Committee formed during performance of duty as per charter.
  - Other matters deemed necessary for shareholders to acknowledge while in accordance with duties and responsibilities assigned by the Board of Directors.
- 10. To report to the Board of Directors the work carried out by the Audit Committee at least once per quarter.
- 11. To have an authority to summon directors, management, department heads, and any employees to discuss and/or answer to the Audit Committees' inquiry.
- 12. Under the performance of duty, should the Audit Committee has found or suspected that any transaction or action may cause material impact to the Company's financial position and/or operation, the Audit Committee is required to report to the Board of Directors for a timely rectification. Transaction and action may include:

- Any transaction that may create conflict of interests.
  - Any corruption and/or irregularities in relation to internal control system.
  - Violation of any rules and regulations as stipulated by the Securities Exchange and Commission, the Stock Exchange of Thailand and any relevant business laws.
13. To perform any other tasks as assigned by the Board of Directors and agreed by the Audit Committee.

Risk Management Committee

Resolution was passed during Board of Directors’ Meeting No. 10/2015 to establish Risk Management Committee. The purpose of the Risk Management Committee is to perform centralized oversight and policy setting of risk management activities and to provide communication to the Board of Directors regarding important risks and related risk management activities. Members of the Risk Management Committee are as followings:

NAME	Position Title	Number of Attendance / Number of Meetings
1. Dr. Siri Gajarerndee	Chairman of Risk Management Committee (Independent Director)	3/3
2. Mr. Roland Pang Tze Vui	Risk Management Committee Member	3/3
3. Mr. Lee Chye Tek Lionel	Risk Management Committee Member	2/3
4. Mr. Lee Chye Cheng Adrian*	Risk Management Committee Member	3/3
5. Mr. Sataporn Amornvorapak**	Member and Secretary of Risk Management Committee	3/3

Remarks

\* Mr. Lee Chye Cheng Adrian was appointed as Acting Chief Executive Officer from 18<sup>th</sup> June 2016

\*\* Mr. Sataporn Amornvorapak was appointed as member and secretary of Risk Management Committee from 11<sup>th</sup> May 2016

Mr. Sataporn Amornvorapak, Chief Finance Officer, is the secretary of Risk Management Committee.

Scope of Authority, Duties and Responsibilities of the Risk Management Committee

- To review the risk management processes and mitigation measures and to review the Group’s business and compliance risk assessment plans adopted by the Management and propose to the Board by the Chairman of the RMC.

- To carry out such other duties as may be delegated to it by the Board.

The term of the members of the RMC, including the Chairman, shall be 3 (three) years which will coincide with their terms on the Board. Any retiring RMC member shall be eligible for reappointment. In the event of the members of the RMC including the Chairman resigning/retiring before the expiry of their term, the vacancy will be filled at the discretion of the RMC and their successor will hold office for the remainder of the unexpired term of their predecessor on the RMC.

Nomination and Remuneration Committee

Resolution was passed during Board of Directors’ Meeting No. 10/2015 to dissolve the Remuneration Committee and establish the Nomination and Remuneration Committee. The Nomination and Remuneration Committee shall have additional tasks in relation to selecting as well as evaluating the board of directors and examining skills and characteristics required in board and key management candidates.

The Nomination and Remuneration Committee is comprised of three directors. Members of the Nomination and Remuneration Committee are as followings:

NAME	Position Title	Number of Attendance / Number of Meetings
1. Mr. Pradit Phataraprasit	Chairman of Nomination and Remuneration Committee (Independent Director)	5/5
2. Mr. Kitti Gajanandana	Nomination and Remuneration Committee Member (Independent Director)	5/5
3. Mr. Lee Chye Tek Lionel	Nomination and Remuneration Committee Member	5/5

Scope of Authority, Duties and Responsibilities of the Nomination and Remuneration Committee

- Provide guidelines for the remuneration of Directors in order to propose to the Board of Directors, which must be ultimately approved by the shareholders.
- Provide guidelines for the remuneration of the Chief Executive Officer in order to propose to and for approval by the Board of Directors.
- The Nomination and Remuneration Committee has the authority to summon executives or related persons to a meeting in order to provide additional explanation and information.

- The Nomination and Remuneration Committee may seek advice from experts at the expense of the Company in order to perform their duties in accordance with the Charter.
- The Nomination and Remuneration committee's duties are assigned by the Board of Directors.

Each term of Nomination and Remuneration Committee member shall be 3 years. The Nomination and Remuneration Committee members who complete the term may be reappointed. In case of vacancy due to the reason other than the expiration of the term, the Board of Directors shall appoint a director who is qualified according to the requirement by the Stock Exchange of Thailand. The appointed director shall serve the remaining period of the term.

Appointment of Nomination and Remuneration Committee Member

The Board of Directors takes into consideration personal qualification and appropriate member composition for the committee during nomination process. Nevertheless, in the case there is no qualified person, the Board of Directors may institute a special committee, comprised of the Company’s directors and/or external advisors, to nominate Nomination and Remuneration Committee member(s).

Other Policies in relation to Good Corporate Governance

Risk Management Policy

Execution and management of the Company’s business shall take into account risk management policy implemented by the Risk Management Committee. Risk management policy shall cover risks in relation to business strategy, credit, financial liquidity, laws and regulations, corruption, execution, policies, and external factors. The policy is set so that a systematic risk management can be achieved within the Company’s policy framework while minimizing any potential risks.

Policy on Conflict of Interests

The Company emphasizes on the prevention of conflict of interests. The Company has put in place a policy that forbids every person in the organization to abuse insider information for the benefits of his or her own. In addition, all business dealing shall be done in accordance with customers’ and shareholders’ best interests. None of the Company’s directors, executives and employee is allowed to use personal or familial matters to influence his or her decision away from the principal as previously described. In the case of conflict of interests, any conflicted person shall be prohibited from making decisions on such matters.

Additionally, the Company has a policy to prevent any person, including directors, executives and employee, to directly or indirectly engage in a business that is in competition with the Group’s businesses as per relevant rules, regulations, and Public Company Act (No. 4) (B.E. 2551).

Moreover, directors and an executives shall file with the company a report on his interest or a related person’s interest in relation to management of the company or the subsidiary. The directors and executives are required to submit the Form for Reporting on Interest of his interest or a related person’s interest to the Company Secretary. The Board of Directors shall consider such transaction(s), especially one that may involve in the conflict of interest / connected transaction(s), to ensure the Company’s utmost benefits.

Other non-compliance matters with Good Corporate Governance

The company recognizes the importance of good corporate governance principles and implemented those principles as the good practice of the Company which will apply to shareholders, investors and all stakeholders. However, the non-compliance matters with the good corporate governance principles as follows:

Non-Compliance matters	Reason
• The Company has a policy to require a minimum quorum of at least 2/3 for board decisions.	• According to the Company's Articles of Association, no less than one half of the total number of directors present shall form a quorum. However, there are at least two-thirds of the directors presented at the meeting every time the resolution was made.
• The Company has a compliance unit	• The Audit Committee will review the Company's compliance with all laws pertaining to its business and the regulations of the Securities Exchange Commission and the Stock Exchange of Thailand.

Supervision on Insider Information

The Company emphasizes on the confidentiality of sensitive information. It has established policies and procedures to prevent directors and management from abusing insider information for their own benefits. The Company shall take legal action against any individual, who misuses insider information to the extent of criminal prosecution. In addition, the Company limits the access to such information by management and officers to the extent possible. The Company ensures that relevant officers adhere to the restrictions on trading of Company’s shares using insider information; and/or forbids any inappropriate use



of information in case the Company enters into a transaction which may have impact on security price. The management and officers are fully aware that they must not trade the Company's securities or cause others to trade on non-public information. Such information must not be disclosed to any other party prior to notification to the Stock Exchange of Thailand.

The company has the policy to prevent directors, executives and related employees from wrongfully taking advantage of inside information. Company's directors, managements and related employees (including their spouses and children who are minors) are all prohibited from trading company's securities for the period of one month before the company announces its

financial statements or other information that might affect the price of its securities to the public. The company secretary will inform about the blackout period from trading company's securities by sending a notification e-mail to all relevant parties.

In addition, the Company also requires management to report any changes in their holdings in the Company's securities to the Securities and Exchange Commission, as outlined in Section 59 of Securities and Exchange Act B.E. 2535. An executive is required to provide a copy of the report to the Company on the date that the executive reports it to the Securities Exchange Commission of Thailand.

Report of Shareholding by Directors and Management of the Company, as of 31 December 2016

LIST OF DIRECTORS AND EXECUTIVES	Number of Ordinary Shares (RML)		
	Beginning of Year	End of Year	Difference
1. Mr. Pradit Phataraprasit	-	-	-
Spouse and underage children	-	-	-
2. Mr. Lee Chye Tek Lionel	893,000,000	893,000,000	0
Spouse and underage children	-	-	-
3. Mr. Tan Chin Kwang Johnson	19,282,900	19,282,900	0
Spouse and underage children	-	-	-
4. Mr. Lee Chye Cheng Adrian	-	-	-
Spouse and underage children	-	-	-
5. Ms. Nuch Kalyawongsa	-	-	-
Spouse and underage children	-	-	-
6. Mr. Roland Pang Tze Vui	-	-	-
Spouse and underage children	-	-	-
7. Mr. Kitti Gajanandana	-	-	-
Spouse and underage children	-	-	-
8. Mr. Sataporn Amornvorapak	-	-	-
Spouse and underage children	-	-	-
9. Dr. Siri Ganjarerndee	-	-	-
Spouse and underage children	-	-	-
10. Ms. Shanya Sae-Tia	-	-	-
Spouse and underage children	-	-	-
11. Ms. Neerja Sachdev	-	-	-
Spouse and underage children	-	-	-
12. Ms. Walapa Poolsap	-	-	-
Spouse and underage children	-	-	-
13. Mr. Gerard Conor Healy	96	96	0
Spouse and underage children	-	-	-

Auditor Fee for 2016

COMPANY BEING AUDITED	Auditor Fee
1. Raimon Land Plc.	1,580,000
2. Taksin Properties Co., Ltd.	420,000
3. Raimon Land Unixx Co., Ltd.	350,000
4. Raimon Land Development Co., Ltd.	300,000
5. Raimon Land Ekkamai Co., Ltd.	245,000
6. Raimon Land Services Co., Ltd.	100,000
7. The River Co., Ltd.	52,000
8. Contemporary Property Co., Ltd.	52,000
9. Raimon Land Park View Development Co., Ltd.	52,000
10. Raimon Land Resorts Co., Ltd.	52,000
11. Raimon Land Planner Co., Ltd.	52,000
12. Raimon Land Residences Co., Ltd.	52,000
13. Raimon Land Estate Co., Ltd.	50,000
14. Raimon Land Silom Co., Ltd.	30,000
TOTAL	3,387,000

# ANTI-CORRUPTION POLICY

The Company has entered into a “Declaration of Intent” as part of the participation in “Thailand’s Private Sector Collective Action Coalition against Corruption” (CAC) according to the resolution of the Board of Directors, Meeting No.1/2015, dated 2 March 2015. The CAC requires the signatory companies to enroll in a certification process. Consequently, the Board of Directors have approved the Company to obtain the certification to be a “Certified Company” by December 2016. In order to carry out the task successfully, the Company had prepared a plan and established a written Anti-Corruption policy including an Anti-Corruption program which suitable for the corruption risks of the Company under the guidance of “Self-Evaluation Tool for Countering Bribery”. Besides, during July to December 2016, KPMG Phoomchai Advisory Limited had reviewed the accuracy of the Company’s self-evaluation tool and Chairman of the Board of Directors of the Company signed the completed self-evaluation tool on 13 December 2016 as required by the CAC. Eventually, the Company submit the required documents to the CAC on 15 December 2016 and Raimon Land has been certified as a member of Thailand’s Private Sector Collective Action Coalition against Corruption - CAC at the CAC Committee’s meeting 4/2016, held on March 9, 2017. The certificate will be valid for 3 years from the date of the resolution.

With the recommendation of the Audit Committee and approval of the Board of Directors, the Company had revised the Anti-corruption Policy and announced it on 11 May 2016 with following key points:

1. Management and employee at all levels and departments, including consultants, whether permanent, fixed-term or temporary, must not corrupt or accept corruption of all forms in any circumstances, covering the business of the Company in every country and in every relevant government agency, public enterprise agency and private organization.
2. The following course of action may be considered as corruption, whether direct or indirect, or may incur risks of corruption act. Hence, the “employees” of the Company shall pay utmost attention to and / or refrain from the following actions:
  - a. Giving and accepting gifts and hospitality
  - b. Giving and accepting cash or cash equivalent
  - c. Offering bribery to a government official
  - d. Giving and accepting bribery in any course of business
  - e. Fraudulent action with any private organization
  - f. Any charitable donation or contribution shall be made with the condition of being transparent and compliant with the laws

3. All employees shall notify any act of corruption as defined in the policy to their supervisor, management of the Company, or an internal audit department.
4. Any employee who commits the corruption and violates the terms of this policy will be subject to disciplinary action. In case such as violates the law, the conviction must be applied
5. The Company complies with the anti-corruption laws in Thailand

## Practices according to the regulation and controls to prevent and detect risk From fraud and corruption

Risk Management department of the Company had addressed the corruption risks which related to the Company’s businesses as follows:

- Facilitation payments offering to the government officials
- Bidder Collusion of contractors in bidding for contract
- Unreasonably narrow contract specifications
- Improper gifts giving to the government officials

However, those risks are under controlling and pursuing of Risk Management Department of the Company. The Company implements a proper internal control which help decreasing those risks to lower-level exposure.

## Whistle-blowing policy

1. The Company shall establish whistle-blowing channels outside traditional mean so that whistle-blowing reports can be submitted by the employees, suppliers, or the public through this channel.
2. The Company shall establish whistleblower channels through Mr. Kitti Gajanandana, Chairman of the Audit Committee (Email: kitti.gaja@gmail.com or 293/1 Soi Mitr-anan, Nakornchaisri Road Subdistrict, Dusit District, Bangkok 10300) or Dr. Siri Ganjarerndee, member of the Audit Committee, (Email: siripusa@gmail.com or 44/2 Moo 6 Bangpai Subdistrict, Bangkae District, Bangkok 10160). The Company shall keep the identity of the whistleblower confidential and shall provide comprehensive protection to the whistleblower.
3. The Company shall disclose information only as needed in order to preserve whistleblower’s safety against discrimination or retaliation.

# INTERNAL CONTROL AND RISK MANAGEMENT

Raimon Land PLC. (“The Company”) is fully cognizant that internal control is vital for an organization. Effective internal control systems will help ensure greater corporate accuracy, efficiency, transparency and accountability, as well as the prevention, or at least minimization, of any potential damages that the Company may endure. As such, the Company has continuously improved a system of internal control that is both effective and efficient, as well as has established an Internal Audit Department responsible for assessing the sufficiency and effectiveness of such system.

The Internal Audit Department is a unit fully independent from management. The department is charged with the responsibility to review and audit activities of all business departments within the Company and its Subsidiary Companies, with the aim to ensure that all business departments comply with established internal control procedures. The Internal Audit Department focuses on preventive measures through implementing various internal control procedures that are effective and appropriate for the Company’s business operations; and also gives useful recommendations or relevant information to support those undertaking the business activities with the aim to improve efficiency and productivity while ensuring full compliance. Any business activities are expected to have full transparency and accountability in accordance with the principles of good corporate governance. AVP - Internal Audit is required to report quarterly findings to the Audit Committee, following which the Audit Committee shall then brief the Board of Directors on a quarterly basis.

The Internal Audit Department assessed the sufficiency of the existing internal control system of the Company’s processes and procedures and provided proper opinions regularly. Both of these assessments were performed in accordance with the framework established by SEC under the guidelines of COSO (The Committee of Sponsoring Organizations of the Treadway Commission), revised in May 2013. Such guideline consists of the following key elements: Control Environment; Risks Assessment; Control Activities; Information and Communications Systems; and Monitoring Activities.

In 2016, the Internal Audit Department had conducted the internal audit works in many processes and procedures as follows:

- New project development (The Lofts Asoke)
- Sales and Marketing processes of the Lofts Asoke
- Internal controls of Financial and Accounting system
- Tendering of the Lofts Asoke

- Construction progress of the Lofts Ekkamai (Prior to issuing the Certificate of Practical Completion: CPC)
- Internal controls of Fixed Assets system

Additionally, the Internal audit department has also provided the recommendation to develop the internal control to prevent corruption and support the Company to enroll the certification process of “Thailand’s Private Sector Collective Action Coalition against Corruption” or CAC. The Company submitted the documents to CAC on 15 December 2016 and Raimon Land has been certified as a member of Thailand’s Private Sector Collective Action Coalition against Corruption - CAC at the CAC Committee’s meeting 4/2016, held on March 9, 2017. The certificate will be valid for 3 years from the date of the resolution.

Having in place a good internal control system will help prevent and manage risks along with any damages potentially inflicted upon the Company and its Stakeholders. Based on its review and assessment, the Audit Committee is confident that there is an effective and adequate internal control system in place. This will ensure that operations and business activities of the Company are in accordance with the established objectives, goals, relevant legal requirements and regulations. In addition, the system shall be able to protect the Company’s assets from any unlawful actions and resultant damages. Furthermore, the Audit Committee considers that the accounting records are fairly presented and creditable.

In order to ensure that an effective internal control system and procedures are implemented; and to ensure that various business departments are in compliance, the Company has appointed Mr. Jakkalin Kornkul as AVP - Internal Audit, and concurrently as the Secretary of the Audit Committee during the meeting no. 01 / 2014 dated 28 February 2014. Mr. Jakkalin shall have the responsibility of ensuring that operations of the Company and its Subsidiary Companies conform to established internal control procedures. The Audit Committee considers that Mr. Jakkalin Kornkul is academically well - qualified; has sufficient relevant experience in relations to the duties as an Internal Auditor; and has regularly received training and knowhow enhancement in such profession on an ongoing basis. Therefore, the Audit Committee endorses appointment of Mr. Jakkalin Kornkul to this position.

Finally, any appointment, discharge, or transfer of AVP - Internal Audit and Secretary of the Audit Committee (Head of Internal Audit Department) is required to have the formal concurrence and endorsement of the Audit Committee.



# CONNECTED TRANSACTIONS

## Details of Connected Transactions

For the financial year ended 31 December 2016, apart from those transactions already disclosed in section 6 of the Note to the Financial Statements, the Company and Subsidiary Companies did not undertake any transactions with any parties who may have a possible conflict of interests; namely: the majority Shareholder, Directors, and those related or connected to these parties.

## Necessity and Reasonableness of Transactions

In undertaking such connected transaction, the Company takes into consideration the necessity and reasonableness of such transactions as well as whether they are in line with normal business practices, in order to achieve maximum benefit and be in the best interests for the Company; whereby other key considerations taken into account include: the appropriateness of the fees charged and compensation relative to current fair market process and conditions that are comparable to the normal transactions undertaken by the Company with other non-related parties or businesses, and the associated general terms and conditions.

As such, undertaking such connected transactions should not unfairly transfer of any benefits from the Company to another party who may have a conflict of interests or vested interests in regards to the proposed transaction. During 2016, the Audit Committee has acknowledged and given its concurrence to all proposed connected transactions as well as decisions and actions by the Board of Directors/the Management in such matters, taking into account the appropriateness of proceeding with such connected transactions.

## Procedures for the approval of ‘Connected Transactions’

Approval for undertaking any such connected transactions by the Company has been fully in accordance with the Securities and Exchange Act as well as any notifications, rules and regulations of the SET; whereby those Directors or persons involve and with a vested interest in the proposed connected transaction will not participate in the consideration and approval of such transactions, unless it is considered as being a valid exception and waiver according to the Securities and Exchange Act as well as any notifications, rules and regulations of the SET regarding ‘Disclosures of Information and Other Acts of Listed Companies in regards Connected Transactions B.E. 2546’.

## Policies and Potential for undertaking future ‘Connected Transactions’

For the future, the Company may undertake further connected transactions if it is considered to be of maximum benefits for and best interests of the Company; whereby the Company has established associated policies for undertaking such connected transactions that are in line with normal business practices, at fair market prices and comparable to those transactions undertaken by the Company with non-related parties. The Company is determined to full comply with the Securities and Exchange Act as well as any notifications, rules and regulations of the SET, together with any requirements on the disclosures of information on connected transactions or any acquisition or disposal of any assets of the Company and its Subsidiary Companies. Additionally, the Audit Committee will participate with the Board of Directors in meetings to consider and approve any proposed connected transactions, so as to gives its opinion as to the appropriateness of the transaction price and the reasonableness in undertaking such transactions.

# RISK FACTORS

## Business Risks

### 1. Risks relating to land acquisition

Raimon Land’s strategy for property development is to acquire land plots with high development potential. Key attributes of such plots include a strongly desirable location, proximity to lifestyle amenities and/or offices, and convenient access to transportation whether in the form of major roads, expressways or public transportation. Land plots that meet these criteria are highly sought after and therefore command an increasingly high price. Raimon Land reduces the risk of not being able to acquire such plots through maintaining strong relationships with landowners in prime areas as well as various key members of the property community including brokers, consultants and lawyers. In addition, the Company allows potential sellers to submit land plots for consideration via the Company’s website. Top management also leverages its own personal and professional network to bring in any land acquisition opportunity. Finally, the Company is a leader in terms of producing in-house market research that keeps its business development team and top management supplied with up-to-date industry landscape. This helps mitigate the risks of acquiring an inappropriate land plot for development.

### 2. Risks relating to project development

Prices of construction materials may fluctuate significantly which in turns affect cost of project development. Raimon Land minimizes such risks through employing single contractor per development under a ‘Lump Sum Construction Contract.’ Such arrangement allows the Company to effectively control costs. Furthermore, the Company at time directly sources construction materials from manufacturers and suppliers, as well as agreeing in advance to a fixed delivery price. This helps reduce potential price fluctuations that may have an impact on the project’s profitability. Additionally, in undertaking each development project, the Company employs external advisors who are knowledgeable and experienced. Selection of these third-party advisors is based on their know-how, capabilities, reputation and track record. Latest technology, applications or special equipment are used to enhance the quality of their work and to control costs within the Company’s budget. Latest technology and applications are also used for the purpose of improving efficiency and productivity of the construction processes and procedures.

The Company has expanded its property development business into provincial markets over the past 10 years, focusing on major destination such as Pattaya. Nevertheless, in expanding to these markets, there are inherent risks, including different housing requirements in relation to local characteristics. Furthermore, the Company’s brand may not be as well recognized by the locals as compared to those in Bangkok. Finally, local rules and regulations in the provinces are different from that of Bangkok. Therefore, in order to minimize such risks, the Company undertakes detailed research and market surveys in each location in order to ensure a deep understanding of different local consumer groups and property markets in each province. Despite the preceding risks, undertaking new projects in various provinces is also a mean to mitigate risks in terms of over concentration in a single area. Furthermore, developing projects in different locales will also help spread brand recognition to a wider audience and client base.

Regarding the inconsistent launch of new project, it may result to volatile operating and financial performances. The Company minimized the risk by planning to diversify investment portfolio such as low rise residential projects as well as the mixed use building project which provide strong cash generation and allow the Company to better manage its cash flows as well as better plan its construction timeframe to match its sales actions than high-rise condominium projects.

### 3. Risks relating to sales and payment collection

Deploying a ‘pre-sales’ strategy both reduces marketing risks and allows the Company to be more flexible in terms of adjusting strategy to changing market landscape. It also allows the Company to make use of down payments as working capital. However, such pre-sales strategy introduces risks relating to cost control since selling prices are fixed prior to commencement of construction. This can result in a disappointing profitability margin due to higher-than-expected cost. In order to minimize such risks, the Company executes Lump Sum Construction Contracts with contractors and purchases selected construction materials in advance directly from the suppliers/manufacturers. Thus, such risks are somewhat mitigated. Additionally, the Company can always deploy a phased presales strategy in order to reflect cost fluctuations during each phase of the sales activities.

Raimon Land minimizes the risks relating to collection of sales revenues by requiring a relatively high down payment from customers of approximately 25-40% of the selling price of the unit. Industry averages are less than 25%. This decreases the likelihood that customers may decline to transfer ownership, as they risk losing a substantial amount of money. Additionally, the Company implements various measures to ensure that payments are systematically followed-up. The Client Relations Management group establishes a close connection with and looks after each client rigorously. The Client Relations Management group is also required to report to senior management in a timely manner in the event that a payment issue arises.

The Company also offers buyers to pay with credit card for the booking fee, contract payment, monthly installments for the Lofts Asoke project and will try to implement to all future projects which will allow the Company to receive the payments on time.

Raimon Land is well-known in the market as a leading premium residential property developer. Many of its projects are well received by both Thai and international communities. This is a direct result of the Company's track record in delivering projects with good value for money and consistency in exceeding consumers' expectation. As a result, Raimon Land commands a large 'repeated customer' base. Currently, the Company places great importance on its clients, whether from regional markets or within Thailand. Catering to various customer groups mitigates consumer concentration risks and allows the Company to be experimental with new design and concepts to cater for each customer group. This in effect mitigates risks that the Company will have outdated products. Finally, expanding into international markets also allows the Company to mitigate any risks in relation to local macro economic factors.

4. Risks relating to changes in the relevant legal and regulatory requirements

There are risks relating to ongoing changes in relevant rules and regulations, especially those governing construction of large and/or tall buildings. Changes can arise from various government acts (City & Town Planning Acts, Building Acts), regulations (Open Space Ratio, Floor Area Ratio) and codes (BMA Code, the Treasury Department Code, the Land Department Code, and regulations on the required environmental permits). The Company has continually minimized these risks by closely monitoring any amendments in legal and regulatory framework along with establishing close contacts with relevant government agencies in order to efficiently receive regulatory updates. In addition, the Company undertakes

detailed feasibility assessments for each project within the framework of all applicable laws, rules and regulations. As such, the Company is confident that its projects are rigorously reviewed and complied with any stipulated rules and regulations.

Financial and Other Potential Risks

1. Risks relating to interest rates fluctuations

Substantial part of the Company's borrowings carries either a floating interest rate or MLR, which is based on ever-changing financial market conditions. Thus, fluctuations in interest rate may impact the Company's operations and cash flows. However, to minimize such risk, the Company establishes close relationships with banks and various lending institutions, and is always seeking out the most appropriate source of borrowing at the best rates.

2. Risks relating to warrants issued - both RML -W4 and RML-WB

As at 31 December 2016, the Company has issued RML-W4 and RML-WB totaling 893,853,790 and 89,000,000 units respectively. As such, in the event that some of the warrant holders, who are non-existing Shareholders, exercise their rights, there will be an Earnings Per Share dilution as well as a Control dilution (of not more than 22%), which is based on the amount of 4,558,337,397 shares.

3. Risks relating to shortage of qualified and capable human resources

The Company is part of the property development business sector, which requires a capable management team and staff who are highly knowledgeable, capable, and well-experienced. Given the Company recognizes the value and importance of human resources; it has always recruited well-qualified individuals. Given a highly competitive landscape, the Company's senior management is consistently approached to work for other companies. This can potentially create risk of vacuum in high-level management position. In order to ensure continuity in management, the Company has put in places appropriate incentive schemes whether in the form of monetary remuneration or career path opportunity. The Company highly believes that it will be able to retain key persons and staff in order to ensure continuity in management.

4. Risks relating to the economic slowdown in Thailand

During the past year, there has been a significant decline in consumer demand and private consumption in Thailand, resulting from the increasing level of household debt, a slowdown in government investments, specifically for transportation megaprojects, and lackluster export as a result of global recession. Such negative situations had a direct, adverse affect on the overall economy of Thailand.

Furthermore, financial institutions have started to tighten their lending policies toward real estate developers. Simultaneously, individuals seeking home mortgages are required to place high deposit rate as well as facing higher home loan rejection rate. These factors have negatively impacted the real estate industry, particularly to housing demand for low to middle segment.

With regards to deposit policy, the Company continues to require a deposit rate of 25-40 percent of unit value. This, as a result, works as an effective tool to filter away speculators from the Company's projects. In addition, majority of the Company's customers are those with high purchasing power and typically do not require home financing to affect a transfer (less than 20 percent of customers apply for home financing). As such, the Company is still able to maintain a less than one percent transfer failure rate.

Risks relating to intense 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 in relation to confidence from investors and financial institutions.

Currently, the competition among super-luxury residential real estate companies is still more competitive. The average of sale price per square meters of high-end condominiums starts at 350,000 baht, and it tends to rise.

Due to demand of the high purchasing power, it encourages the real estate developers consider more closely about the factors such as locations, design, quality of materials and construction process. With the realization in this risk, the Company has put focus on research and development to enhance the competitiveness. Detailed study of target customer is emphasized, as well as surveys of market demands. The Company places emphasis on locations, project layout and architectural design.



# BOARD OF DIRECTOR'S RESPONSIBILITY FOR FINANCIAL REPORT

Financial statements of Raimon Land Public Company Limited and its Subsidiaries  
For the Fiscal Year ending 31 December 2016

Auditor:  
Chonlaros Suntiasvaraporn,  
EY Office Limited  
The Company has carefully reviewed separated and consolidated financial statements (the “Financial Statements”) and hereby certifies that:

1. The Financial Statements are fairly presented, in all material respects including statements of financial positions, comprehensive income, and cash flow of the Company and its subsidiaries
2. The Company has established an adequate system for information disclosure to ensure that the Company has disclosed all material information in relation to the Company and its subsidiaries. The Company ensures that such system is being implemented
3. The Company has established an adequate internal control system, which is strictly implemented. In addition, the Company has disclosed evaluation reports on internal control system, dated 31 December 2016, to external auditors and Audit Committee. The reports provide detailed analysis of loopholes; significant changes of internal control system; and any potential dishonesty that may occur during the preparation of financial statements of the Company and its subsidiaries.

Name	Position	Signature
Mr. Lee Chye Cheng Adrian	Director	
Mr. Sataporn Amornvorapak	Director	

**Note**  
Clause No. 89/20 of Securities and Exchange Act (B.E 2535), revised by Securities and Exchange Act (No.4) (B.E. 2551) has stipulated that directors and management of the Company are responsible for any damages that may occur to shareholders arising from misrepresentation or omission of material information. Such information includes financial statements, statements of profit and loss, balance sheet, and any other relevant reports required for disclosure as per Clause No. 56 or Clause No. 199. Such responsibility is not limited to directors who have signed such documents. However, directors or management who can testify his or her innocence, according to his or her roles and responsibilities, shall not be made at fault as per Clause No. 89/20

# INDEPENDENT AUDITOR'S REPORT

To the Shareholders of Raimon Land Public Company Limited

## Opinion

I have audited the accompanying consolidated financial statements of Raimon Land Public Company Limited and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at 31 December 2016, and the related consolidated statements of comprehensive income, changes in shareholders' equity and cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of significant accounting policies, and have also audited the separate financial statements of Raimon Land Public Company Limited for the same period.

In my opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Raimon Land Public Company Limited and its subsidiaries and of Raimon Land Public Company Limited as at 31 December 2016, their financial performance and cash flows for the year then ended in accordance with Thai Financial Reporting Standards.

## Basis for Opinion

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

## Key Audit Matters

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

I have fulfilled the responsibilities described in the Auditor's Responsibilities for the Audit of the Financial Statements

section of my report, including in relation to these matters. Accordingly, my audit included the performance of procedures designed to respond to my assessment of the risks of material misstatement of the financial statements. The results of my audit procedures, including the procedures performed to address the matters below, provide the basis for my audit opinion on the accompanying financial statements as a whole.

Key audit matters and how audit procedures respond for each matter are described below.

**1. Revenue from sales of real estate recognition**  
During the year 2016, the Company and its subsidiaries recognised sales of real estate amounting to Baht 5,074 million in the consolidated statements of comprehensive income and the Company recognised sales of real estate amounting to Baht 1,195 million in the separate statement of comprehensive income. As the amounts of revenue recorded directly affect the Group's profit or loss for the year. I paid particular attention to the correctness of the revenue recognition from sales of real estate in accordance with the Group's policy as stated in Note 4.1 to the financial statements.

I assessed and tested the effectiveness of internal controls put in place by the Group with respect to the revenue cycle for real estate sales by making enquiry of responsible executives, gaining an understanding of the controls and selecting representative samples to test the operation of the designed controls. On a sampling basis, I checked sales transactions occurring during the year and near the period-end against corresponding sale and purchase agreements, documents supporting the sales transactions and documents supporting the transfers of ownership to examine whether the revenue recognition was consistent with the information stipulated in the relevant agreements, and whether it was in compliance with the Group's policy. I also examined the accounting entries of revenue made through journal vouchers to detect possible irregularities in revenue transactions.

**2. Impairment of investments in subsidiaries**  
As disclosed in the Note 11 to the financial statements, the Company recorded impairment loss on investments in subsidiaries totaling Baht 103 million for the year 2016 in the separate financial statements, with management having noted indicators of impairment since the book value of the net assets

of the subsidiaries was lower than the carrying amount of the investments in subsidiaries. In determining the impairment loss on investments in subsidiaries, management had to exercise judgement with respect to its projections of future operating performance and future plan and determination of appropriate key assumptions. There is thus a risk with respect to the amount of the impairment loss recorded.

I gained an understanding of and assessed the appropriateness of the assumptions applied in preparing plans and cash flow projections of subsidiaries, based on the understanding I gained of the process by which the figures were arrived at; comparison of the assumptions with external and internal sources of information, a review of the past cash flow projections in comparison to actual operating results in order to estimate the reliability of the cash flow projections, and a review of the assumptions and approaches used by the independent valuer in calculating the fair value of assets, in order to assess the impairment of investments in subsidiaries.

3. Provision for diminution in value of project development costs

Estimating the net realisable value of project development costs, as disclosed in the Note 5 to the financial statements, is an area of significant management judgement. This requires detailed analysis of the competitive environment, demand and supply in the real estate market, economic circumstances and the situation within the industry. There is thus a risk with respect to the amount of provision set aside for diminution in the value of project development costs.

I gained an understanding of and assessed the methods and assumptions applied by the management in determining the provision for diminution in value of project development costs and reviewed the consistency of the application of that basis. I also compared the movements of capital assets of development projects to identify the asset groups with indicators of lower than normal turnover or without sales transaction during the period. In addition, I performed an analytical review on the details of sales transactions occurring after the date of the financial statements and the development costs of for each project.

Other Information

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

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

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

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

Responsibilities of Management and Those Charged with Governance for the Financial Statements

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

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

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

Auditor's Responsibilities for the Audit of the Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. I am responsible for the direction, supervision and performance of the group audit. I remain solely responsible for my audit opinion.

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

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

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

The engagement partner on the audit resulting in this independent auditor's report is Ms.Chonlaros Suntiasvaraporn.

C. สุนทียา

Chonlaros Suntiasvaraporn  
Certified Public Accountant (Thailand) No. 4523

EY Office Limited  
Bangkok: 24 February 2017



# STATEMENT OF FINANCIAL POSITION

Raimon Land Public Company Limited and its subsidiaries

As at 31 December 2016

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
<b>Assets</b>					
<b>Current assets</b>					
Cash and cash equivalents	7	1,133,733,821	486,187,244	422,371,900	132,415,817
Current investments	8	1,072,969	19,013,725	1,072,969	-
Trade and other receivables	9	10,491,676	7,970,054	338,676,151	356,727,413
Short-term loans to related parties and interest receivables	6	-	-	2,116,696,523	2,412,362,891
Project development cost	10	6,265,030,847	7,694,622,005	608,180,527	1,165,587,489
Advance payment to contractors		72,817,452	111,005,202	4,752,272	5,596,627
Withholding tax deducted at source		-	29,090,860	-	-
Other current assets		89,767,360	80,809,522	12,199,874	8,500,666
<b>Total current assets</b>		<b>7,572,914,125</b>	<b>8,428,698,612</b>	<b>3,503,950,216</b>	<b>4,081,190,903</b>
<b>Non-current assets</b>					
Restricted bank deposits	7	3,800,000	3,800,000	3,800,000	3,800,000
Investments in subsidiaries	11	-	-	3,734,569,203	3,835,494,304
Land awaiting development	15	506,741,515	14,670,181	13,715,589	13,715,589
Investment properties	12	129,480,815	137,019,088	38,928,490	42,472,672
Property, plant and equipment	13	835,899,443	873,149,093	26,988,358	33,735,638
Deferred tax assets	25	164,967,194	312,249,430	6,932,199	45,555,026
Deposit for leasehold right	29	300,000,000	-	300,000,000	-
Leasehold right	14	68,080,378	69,944,775	-	-
Withholding tax deducted at source		99,536,040	93,268,826	-	7,275,071
Other non-current assets		18,712,489	14,175,589	11,382,762	8,664,110
<b>Total non-current assets</b>		<b>2,127,217,874</b>	<b>1,518,276,982</b>	<b>4,136,316,601</b>	<b>3,990,712,410</b>
<b>Total assets</b>		<b>9,700,131,999</b>	<b>9,946,975,594</b>	<b>7,640,266,817</b>	<b>8,071,903,313</b>

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

# STATEMENT OF FINANCIAL POSITION (CONT.)

Raimon Land Public Company Limited and its subsidiaries

As at 31 December 2016

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
<b>Liabilities and shareholders' equity</b>					
<b>Current liabilities</b>					
Short-term loans from financial institutions	15	467,481,500	100,000,000	200,000,000	100,000,000
Trade and other payables	16	222,979,326	208,667,302	55,030,332	61,130,831
Retention payables		178,534,108	214,329,427	50,526,855	51,199,736
Deposits and advance received from customers		1,102,028,930	2,046,028,206	41,980,630	447,959,648
Current portion of long-term loans from financial institutions	17	466,340,668	1,371,518,683	-	1,049,996,163
Short-term loans from related parties and accrued interest	6	-	-	160,564,785	157,593,605
Accrued income tax		25,613,246	52,915,044	15,045,016	52,354,259
Other current liabilities		50,494,995	41,994,068	40,233,163	29,269,789
<b>Total current liabilities</b>		<b>2,513,472,773</b>	<b>4,035,452,730</b>	<b>563,380,781</b>	<b>1,949,504,031</b>
<b>Non-current liabilities</b>					
Long-term loans from financial institutions, net of current portion	17	510,000,000	914,366,246	-	-
Debentures	18	1,493,743,676	497,706,096	1,493,743,676	497,706,096
Deferred tax liabilities	25	22,965,541	29,268,598	-	-
Provision for long-term employee benefits	19	18,118,390	13,649,834	17,488,903	13,293,461
Other non-current liabilities		33,938,730	5,547,026	3,748,104	5,377,595
<b>Total non-current liabilities</b>		<b>2,078,766,337</b>	<b>1,460,537,800</b>	<b>1,514,980,683</b>	<b>516,377,152</b>
<b>Total liabilities</b>		<b>4,592,239,110</b>	<b>5,495,990,530</b>	<b>2,078,361,464</b>	<b>2,465,881,183</b>

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

# STATEMENT OF FINANCIAL POSITION (CONT.)

Raimon Land Public Company Limited and its subsidiaries

As at 31 December 2016

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
<b>Shareholders' equity</b>					
Share capital					
Registered	20				
4,558,354,509 ordinary shares of Baht 1 each					
(31 December 2015: 5,809,676,871 ordinary shares of Baht 1 each)		4,558,354,509	5,809,676,871	4,558,354,509	5,809,676,871
Issued and fully paid-up					
3,575,483,607 ordinary shares of Baht 1 each		3,575,483,607	3,575,483,607	3,575,483,607	3,575,483,607
Share premium		104,094	104,094	104,094	104,094
Excess of investment in subsidiary arising as a result of additional purchase of investment in the subsidiary at a price higher than the net book value of the subsidiary at the acquisition date					
		(564,048,205)	(564,048,205)	-	-
Capital reserve for share-based payment transactions	22	27,720,892	24,796,124	27,720,892	24,796,124
Retained earnings					
Appropriated - statutory reserve	23	109,000,000	101,000,000	109,000,000	101,000,000
Unappropriated		1,957,360,313	1,311,353,068	1,849,596,760	1,904,638,305
Other components of shareholders' equity		(239,888)	(268,347)	-	-
Equity attributable to owners of the Company		5,105,380,813	4,448,420,341	5,561,905,353	5,606,022,130
Non-controlling interests of the subsidiaries		2,512,076	2,564,723	-	-
<b>Total shareholders' equity</b>		<b>5,107,892,889</b>	<b>4,450,985,064</b>	<b>5,561,905,353</b>	<b>5,606,022,130</b>
<b>Total liabilities and shareholders' equity</b>		<b>9,700,131,999</b>	<b>9,946,975,594</b>	<b>7,640,266,817</b>	<b>8,071,903,313</b>

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

# STATEMENT OF COMPREHENSIVE INCOME

Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)					
		Consolidated financial statements		Separate financial statements	
	Note	2016	2015	2016	2015
<b>Profit or loss:</b>					
<b>Revenues</b>					
Sales of residential condominium units		5,073,582,505	5,042,338,803	1,194,577,013	2,794,929,094
Rental and service income		53,503,775	38,972,375	8,761,895	9,144,546
Other income					
Project management fee income	6	17,796,401	18,635,038	14,511,871	48,868,215
Marketing commission income	6	19,802,593	24,765,032	66,320,049	73,497,234
Guarantee fee income	6	-	-	20,059,625	15,774,533
Interest income	6	4,325,511	1,710,730	88,052,750	123,854,337
Others		37,419,467	19,064,711	3,186,775	3,750,490
<b>Total revenues</b>		<b>5,206,430,252</b>	<b>5,145,486,689</b>	<b>1,395,469,978</b>	<b>3,069,818,449</b>
<b>Expenses</b>					
Cost of residential condominium units sold		3,181,416,995	3,016,127,792	570,374,390	1,490,210,851
Selling expenses		291,147,982	326,406,395	61,034,719	145,236,939
Administrative expenses		564,483,430	503,615,166	367,244,060	333,697,542
Loss on diminution in value of investment in subsidiaries		-	-	102,924,501	-
<b>Total expenses</b>		<b>4,037,048,407</b>	<b>3,846,149,353</b>	<b>1,101,577,670</b>	<b>1,969,145,332</b>
<b>Profit before finance cost and income tax expenses</b>		<b>1,169,381,845</b>	<b>1,299,337,336</b>	<b>293,892,308</b>	<b>1,100,673,117</b>
Finance cost		(94,166,611)	(153,134,835)	(66,952,420)	(104,619,861)
<b>Profit before income tax expenses</b>		<b>1,075,215,234</b>	<b>1,146,202,501</b>	<b>226,939,888</b>	<b>996,053,256</b>
Income tax expenses	25	(224,615,547)	(245,747,219)	(77,335,744)	(219,743,340)
<b>Profit for the year</b>		<b>850,599,687</b>	<b>900,455,282</b>	<b>149,604,144</b>	<b>776,309,916</b>

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



## Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

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

Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

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

## STATEMENT OF CHANGES IN SHAREHOLDER' EQUITY (CONT.)

Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

Separate financial statements							(Unit: Baht)
	Note	Issued and paid-up share capital	Share premium	Capital reserve for share-based transactions	Retained earnings		Total
					Appropriated	Unappropriated	
<b>Balance as at 1 January 2015</b>		3,575,424,125	-	19,845,174	62,000,000	1,166,214,839	4,823,484,138
Profit for the year		-	-	-	-	776,309,916	776,309,916
Other comprehensive income for the year		-	-	-	-	1,113,550	1,113,550
Total comprehensive income for the year		-	-	-	-	777,423,466	777,423,466
Increase in share capital from exercise of warrants		59,482	104,094	-	-	-	163,576
Capital reserve for share-based payment transactions	22	-	-	4,950,950	-	-	4,950,950
Statutory reserve	23	-	-	-	39,000,000	(39,000,000)	-
<b>Balance as at 31 December 2015</b>		3,575,483,607	104,094	24,796,124	101,000,000	1,904,638,305	5,606,022,130
<b>Balance as at 1 January 2016</b>		3,575,483,607	104,094	24,796,124	101,000,000	1,904,638,305	5,606,022,130
Total comprehensive income for the year		-	-	-	-	149,604,144	149,604,144
Capital reserve for share-based payment transactions	22	-	-	2,924,768	-	-	2,924,768
Statutory reserve	23	-	-	-	8,000,000	(8,000,000)	-
Dividend paid	28	-	-	-	(196,645,689)	(196,645,689)	(196,645,689)
<b>Balance as at 31 December 2016</b>		3,575,483,607	104,094	27,720,892	109,000,000	1,849,596,760	5,561,905,353

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

## CASH FLOW STATEMENT

Raimon Land Public Company Limited  
and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from operating activities</b>				
Profit before tax	1,075,215,234	1,146,202,501	226,939,888	996,053,256
Adjustments to reconcile profit before tax to net cash provided by (paid from) operating activities:				
Depreciation and amortisation	64,507,482	65,689,882	17,649,130	19,842,218
Allowance for doubtful accounts	1,393,228	-	-	-
Allowance for doubtful account in short-term loan to and interest receivable from subsidiaries	-	-	35,533,780	-
Loss on disposal/written-off of equipment	3,945,654	2,591,245	180,163	2,548,184
Unrealised loss on exchange rate	-	-	202,175	-
Expenses from provision for long-term employee benefits	4,468,556	4,574,623	4,195,442	4,218,250
Write-off of withholding tax deducted at source	862,766	425	-	-
Allowance for doubtful account in refundable withholding tax deducted at source	21,594,707	-	-	-
Reduce project development cost to net realisable value	12,708,634	-	-	-
Loss on diminution in value of investment in subsidiaries	-	-	102,924,501	-
Profit on liquidation of investment in subsidiaries	-	-	-	(1,033,123)
Decrease in non-controlling interests from liquidation of subsidiaries	-	(225)	-	-
Realised gain on current investments	(273,194)	-	(62,280)	-
Unrealised gain on current investments	(10,689)	(13,725)	(10,689)	-
Share-base payment transactions	2,924,768	4,950,950	2,924,768	4,950,950
Interest income	(4,325,511)	(1,710,730)	(88,052,750)	(123,854,337)
Interest expenses	85,892,970	142,677,668	62,001,232	99,540,710
Amortisation of debenture issuing cost	1,387,580	381,096	1,387,580	381,096
Profit from operating activities before changes in operating assets and liabilities	1,270,292,185	1,365,343,710	365,812,940	1,002,647,204
Operating assets decrease (increase)				
Trade and other receivables	(3,891,404)	13,540,514	18,051,262	173,831,788
Project development cost	1,445,186,354	781,791,345	557,406,962	1,363,203,213
Advance payment to contractors	38,164,304	275,240,119	844,355	14,986,452
Other current assets	(8,607,797)	5,456,489	(3,312,168)	1,921,730
Other non-current assets	(1,532,353)	4,202,172	211,063	(1,848,886)
Operating liabilities increase (decrease)				
Trade and other payables	13,469,841	(227,588,691)	(7,098,240)	(57,226,676)
Retention payables	(35,795,319)	(4,512,563)	(672,881)	(31,669,964)
Deposits and advance received from customers	(943,999,276)	(1,219,281,915)	(405,979,018)	(1,044,781,799)
Provision for long-term employee benefits	-	(1,384,843)	-	(1,384,843)
Other current liabilities	8,500,927	(10,091,020)	10,963,374	(7,448,833)
Other non-current liabilities	30,510,481	471,244	423,028	319,011
Cash flows from operating activities	1,812,297,943	983,186,561	536,650,677	1,412,548,397
Cash received from interest income	4,362,509	1,673,692	118,357,851	154,320,435
Cash paid for interest expenses	(113,741,658)	(158,944,325)	(57,514,204)	(86,706,986)
Cash refund from withholding tax deducted at source	13,483,525	-	7,275,071	-
Cash paid for corporate income tax	(124,055,518)	(168,165,283)	(76,022,159)	(138,684,134)
<b>Net cash flows from operating activities</b>	1,592,346,801	657,750,645	528,747,236	1,341,477,712

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



CASH FLOW STATEMENT (CONT.)

Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

(Unit: Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Cash flows from investing activities</b>				
Decrease in restricted bank deposits	-	25,100,000	-	25,100,000
Cash paid for current investments	(74,000,000)	(19,000,000)	(49,000,000)	-
Cash received from sales of current investments	92,224,640	-	48,000,000	-
Decrease (increase) in short-term loans to related parties	-	-	229,625,312	(691,027,146)
Cash paid for acquisition of investment properties	-	(86,177)	-	(86,177)
Cash paid for acquisition of equipment	(17,147,274)	(15,894,744)	(4,306,471)	(5,323,894)
Cash received from disposal of equipment	734,944	85,808	610,290	38,845
Acquisition of computer software	(4,476,783)	-	(4,209,284)	-
Cash paid for deposit for leasehold right	(300,000,000)	-	(300,000,000)	-
Cash paid for leasehold right	(1,100,000)	-	-	-
Cash paid for purchase of investments in subsidiaries	-	-	(1,999,400)	(869,999,700)
Purchases of land awaiting for development	(492,071,334)	-	-	-
Cash received from liquidation of subsidiaries	-	-	-	2,901,395
<b>Net cash flows used in investing activities</b>	<b>(795,835,807)</b>	<b>(9,795,113)</b>	<b>(81,279,553)</b>	<b>(1,538,396,677)</b>
<b>Cash flows from financing activities</b>				
Increase (decrease) in short-term loans from financial institutions	367,481,500	(410,000,000)	100,000,000	(410,000,000)
Increase (decrease) in short-term loans from related party	-	-	(905,147)	39,000,000
Increase (decrease) in long-term loans from financial institutions	(1,309,544,261)	(742,228,757)	(1,049,996,163)	71,258,601
Cash received from issuance of debentures	1,000,000,000	500,000,000	1,000,000,000	500,000,000
Cash paid for debenture issuing cost	(5,350,000)	(2,675,000)	(5,350,000)	(2,675,000)
Cash paid for liabilities under finance lease agreements	(4,935,026)	(4,894,436)	(4,614,601)	(4,422,557)
Cash received from non-controlling interests of the subsidiary from capital increase in the subsidiary	600	300	-	-
Dividend payment	(196,645,689)	-	(196,645,689)	-
Cash received from exercise of warrants	-	163,576	-	163,576
<b>Net cash flows from (used in) financing activities</b>	<b>(148,992,876)</b>	<b>(659,634,317)</b>	<b>(157,511,600)</b>	<b>193,324,620</b>
<b>Increase in translation adjustment</b>	<b>28,459</b>	<b>127,448</b>	<b>-</b>	<b>-</b>
<b>Net increase (decrease) in cash and cash equivalents</b>	<b>647,546,577</b>	<b>(11,551,337)</b>	<b>289,956,083</b>	<b>(3,594,345)</b>
Cash and cash equivalents at beginning of the year	486,187,244	497,738,581	132,415,817	136,010,162
<b>Cash and cash equivalents at end of the year</b>	<b>1,133,733,821</b>	<b>486,187,244</b>	<b>422,371,900</b>	<b>132,415,817</b>
<b>Supplemental disclosure of cash flows information</b>				
Non-cash transactions:				
Increase in equipment under finance lease agreements	2,816,250	932,215	2,562,082	932,215

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

NOTES TO CONSOLIDATED FINANCIAL STATEMENT

Raimon Land Public Company Limited and its subsidiaries

For the year ended 31 December 2016

1. General information

Raimon Land Public Company Limited (“the Company”) is a public company incorporated and domiciled in Thailand. Its major shareholder is JS Asset Management Pte. Ltd., a company existing under Singapore laws. The Company is principally engaged in the property development. The registered office of the Company is at 62 The Millennia Tower, 22nd Floor, Unit 2201-3, Langsuan Road, Lumpini, Pathumwan, Bangkok.

2. Basis of preparation

2.1 The financial statements have been prepared in accordance with Thai Financial Reporting Standards enunciated under the Accounting Profession Act B.E. 2547, and their presentation has been made in compliance with the stipulations of the Notification of the Department of Business Development dated 28 September 2011, issued under the Accounting Act B.E. 2543.

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

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

2.2 Basis of consolidation

a) The consolidated financial statements include the financial statements of Raimon Land Public Company Limited (“the Company”) and the following subsidiary companies (“the subsidiaries”):

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
			Percent	Percent
Contemporary Property Company Limited	Ceased operations	Thailand	98.59	98.59
Raimon Land Planner Company Limited	Ceased operations	Thailand	95.00	95.00
The River Company Limited (Held by the Company 89.0% and indirect held by Contemporary Property Company Limited 11.0%)	Ceased operations	Thailand	100.00	100.00
Taksin Properties Company Limited (Held by the Company 68.8% and indirect held by The River Company Limited 31.2%)	Property development	Thailand	100.00	100.00
Raimon Land Park View Development Company Limited	Ceased operations	Thailand	99.99	99.99
Raimon Land Resorts Company Limited	Investment and service	Thailand	99.99	99.99

Company's name	Nature of business	Country of incorporation	Percentage of shareholding	
			2016	2015
			Percent	Percent
Raimon Land Residences Company Limited	Ceased operations	Thailand	99.99	99.99
Raimon Land Unixx Company Limited (Held by the Company 99.8% and indirect held by Raimon Land Residences Company Limited 0.2%)	Property development	Thailand	99.99	99.99
Raimon Land Development Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Services Company Limited	Services	Thailand	99.96	99.96
Raimon Land Ekkamai Company Limited	Property development	Thailand	99.99	99.99
Raimon Land Silom Company Limited (Formerly known as “Praram 4 Properties Company Limited”)	Property development	Thailand	99.99	99.99
Raimon Land Estate Company Limited	Property development	Thailand	99.97	-
Asangha Realty Company Limited	Agent for property resale or leasing	Thailand	99.97	-
Raimon Land Development (Singapore) Pte. Ltd.	Property development and Investment	Singapore	100.00	100.00
Raimon Land Properties (Singapore) Pte. Ltd.	Property development	Singapore	100.00	100.00

In May 2016, the Company incorporated Raimon Land Estate Company Limited and holds 99.97 percent of the registered share capital of this subsidiary.

In August 2016, the Company incorporated Asangha Realty Company Limited and holds 99.97 percent of the registered share capital of this subsidiary.

- b) The Company is deemed to have control over an investee or subsidiaries if it has rights, or is exposed, to variable returns from its involvement with the investee, and it has the ability to direct the activities that affect the amount of its returns.
- c) Subsidiaries are fully consolidated, being the date on which the Company obtains control, and continue to be consolidated until the date when such control ceases.
- d) The financial statements of the subsidiaries are prepared using the same significant accounting policies as the Company.
- e) The assets and liabilities in the financial statements of overseas subsidiary companies are translated to Baht using the exchange rate prevailing on the end of reporting period, and revenues and expenses translated using monthly average exchange rates. The resulting differences are shown under the caption of “Exchange differences on translation of financial statements in foreign currency” in the statements of changes in shareholders' equity.
- f) Material balances and transactions between the Company and its subsidiary companies have been eliminated from the consolidated financial statements.
- g) Non-controlling interests represent the portion of profit or loss and net assets of the subsidiaries that are not held by the Company and are presented separately in the consolidated profit or loss and within equity in the consolidated statement of financial position.

2.3 The separate financial statements present investments in subsidiaries under the cost method.

### 3. New financial reporting standards

#### a. Financial reporting standards that became effective in the current year

During the year, the Company and subsidiaries have adopted the revised (revised 2015) and new financial reporting standards and accounting treatment guidance issued by the Federation of Accounting Professions which become effective for fiscal years beginning on or after 1 January 2016. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards, with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards. The adoption of these financial reporting standards does not have any significant impact on the Company and its subsidiaries' financial statements.

#### b. Financial reporting standard that will become effective in the future

During the current year, the Federation of Accounting Professions issued a number of the revised financial reporting standards and interpretations (revised 2016) and new accounting treatment guidance which is effective for fiscal years beginning on or after 1 January 2017. These financial reporting standards were aimed at alignment with the corresponding International Financial Reporting Standards with most of the changes directed towards revision of wording and terminology, and provision of interpretations and accounting guidance to users of standards.

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

#### TAS 27 (revised 2016) Separate Financial Statements

This revised standard stipulates an additional option to account for investments in subsidiaries, joint ventures and associates in separate financial statements under the equity method, as described in TAS 28 (revised 2016) Investments in Associates and Joint Ventures. However, the entity is to apply the same accounting treatment for each category of investment. If an entity elects to account for such investments using the equity method in the separate financial statements, it has to adjust the transaction retrospectively.

This standard will not have any significant impact on the Company and its subsidiaries' financial statements because the management has decided to continue accounting for such investments under the cost method in the separate financial statements.

### 4. Significant accounting policies

#### 4.1 Revenue recognition

##### *Sales of residential condominium units*

Revenues from sales of residential condominium units are recognised as revenues when significant risks and rewards are transferred to the buyer.

##### *Rental and related service income*

Rental and related service income of units in office buildings, residential condominium and community mall are recognised on a time proportion basis.

##### *Interest income*

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

#### 4.2 Cost of residential condominium units sold

In determining the cost of residential condominium units sold, the total development costs are attributed to units sold on the basis of the sale value.

#### 4.3 Cash and cash equivalents

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



4.4 Trade accounts receivable and allowance for doubtful accounts

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

4.5 Project development cost

Project development cost is valued at the lower of cost and net realisable value. The details of cost calculation are as follows:

- Land
- The Company and its subsidiaries record cost of land separately for each project.
- Construction in progress
- Construction in progress consists of the cost of design, cost of construction, public utility costs and interest capitalised to cost of projects. The Company and its subsidiaries record cost of design, construction and public utilities based on the actual cost incurred.

4.6 Borrowing costs

Borrowing costs directly attributable to the acquisition, construction of the projects that necessarily takes a substantial period of time to get ready for its intended sale are capitalised as part of the cost of the respective projects and will be ceased when the projects are completed or when the construction is suspended until active development resumes. All other borrowing costs are expensed in the period they are incurred. Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds.

4.7 Investments

- a) Investments in securities held for trading are stated at fair value. Changes in the fair value of these securities are recorded in profit or loss.
- b) Investments in subsidiaries are accounted for in the separate financial statements using the cost method. The fair value of money market funds are determined from their net asset value on last business day of the year. The weighted average method is used for computation of the cost of investments. On disposal of an investment, the difference between net disposal proceeds and the carrying amount of the investment is recognised in profit or loss.

4.8 Investment properties and depreciation

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and allowance for loss on impairment (if any).

Depreciation of investment properties is calculated by reference to their costs on the straight-line basis over the following estimated useful lives and the leasehold remaining period:

Office building for rent	20	years
Community mall	27	years

Depreciation of the investment properties is included in determining operating income.

No depreciation is provided on land.

4.9 Property, plant and equipment and depreciation

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

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

Land improvement	5	years
Buildings and building improvement	20	years
Residential condominium units for services	30	years
Furniture, fixtures and office equipment	2-10	years
Motor vehicles	5	years

Depreciation is included in determining operating income.

No depreciation is provided on land.

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

4.10 Land awaiting development

Land awaiting development is valued at the lower of cost and net realisable value. Cost included all costs to acquire land.

4.11 Leasehold right and amortisation

Leasehold right is stated at cost less accumulated amortisation. Amortisation of leasehold right is calculated by reference to its cost on a straight-line basis over the leasehold period.

4.12 Related party transactions

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

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

4.13 Long-term leases

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

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

4.14 Foreign currencies

The consolidated and separate financial statements are presented in Baht, which is also the Company's functional currency. Items of each entity included in the consolidated financial statements are measured using the functional currency of that entity.

Transactions in foreign currencies are translated into Baht at the exchange rate ruling at the date of the transaction. Monetary assets and liabilities denominated in foreign currencies are translated into Baht at the exchange rate ruling at the end of reporting period. Gains and losses on exchange rate are included in determining operating income.

4.15 Impairment of assets

At the end of each reporting period, the Company and its subsidiaries perform impairment reviews in respect of the property, plant and equipment and other assets whenever events or changes in circumstances indicate that an asset may be impaired. An impairment loss is recognised when the recoverable amount of an asset, which is the higher of the asset's fair value less costs to sell and its value in use, is less than the carrying amount. In determining value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market

assessments of the time value of money and the risks specific to the asset. In determining fair value less costs to sell, an appropriate valuation model is used. These calculations are corroborated by a valuation model that, based on information available, reflects the amount that the Company and its subsidiaries could obtain from the disposal of the asset in an arm's length transaction between knowledgeable, willing parties, after deducting the costs of disposal.

An impairment loss is recognised in profit or loss.

4.16 Employee benefits

Short-term employee benefits

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

Post-employment benefits

Defined contribution plans

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

Defined benefit plans

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

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

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

4.17 Equity-settled share-based payment transactions

The Company recognises the share-based payment transactions at the date on which the options are granted, based on the fair value of the share options. They are recorded as expenses over the expected life of the share options, and a capital reserve for share-based payment transactions is presented in shareholders' equity.

4.18 Income tax

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

Current tax

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

Deferred tax

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

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

At each reporting date, the Company and its subsidiaries review and reduce the carrying amount of deferred tax assets to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

The Company and its subsidiaries record deferred tax directly to shareholders' equity if the tax relates to items that are recorded directly to shareholders' equity.

4.19 Fair value measurement

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

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

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

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

5. Significant accounting judgements and estimates

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

Project development costs estimation

In recognising revenue from real estate sales, the Company and its subsidiaries need to estimate all project development costs, including land costs, land improvement costs, design costs, construction costs, and borrowing costs for construction. The management estimates these costs based on their business experience and revisit the estimation on a periodical basis or when the actual costs incurred significantly vary from the estimation.

Provision for diminution in value of project development cost

The determination of allowances for diminution in the value of project development cost, requires management to make judgements and estimates. The allowance for diminution in value of project development cost is estimated based on the selling price expected in the ordinary course of business less the estimated costs to complete the sales. This requires detailed analysis of the competitive environment, demand and supply in the real estate market, economic circumstances and the situation within the industry.

Provision for impairment on investments

The Company treats investment in subsidiaries as impaired when there has been a significant or prolonged decline in the fair value below their cost or where other objective evidence of impairment exists. The determination of what is "significant" or "prolonged" requires judgment of the management.

Classification of long-term loans

In classifying the current portion of long-term loans from banks, the management of the Company and its subsidiaries has used judgement to estimate collateral redemptions and loan settlement in accordance with the terms and conditions stipulated in the loan agreements.

Deferred tax assets

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



## Litigation

The Company and its subsidiaries have contingent liabilities as a result of litigation. The management has used judgement to assess of the results of the litigation and believes that no significant loss will incur. Therefore, no contingent liabilities are recorded as at the end of reporting period.

## 6. Related party transactions

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

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements		Transfer pricing policy
	2016	2015	2016	2015	
<u>Transactions with subsidiaries</u>					
(Eliminated from the consolidated financial statements)					
Project management fee income	-	-	15	49	As stipulated in agreements
Marketing commission income	-	-	47	49	At prices charged to the third parties
Guarantee fee income	-	-	20	16	At 1.5% per annum of average outstanding guarantee
Interest income	-	-	85	123	Interest rate of 5.0 - 5.5% per annum and average MLR-1.75 to -1.875% per annum (2015: Interest rate of 5.5% per annum and average MLR-1.75 to -1.875% per annum)
Interest expenses	-	-	4	4	Interest rates of 3.0 - 5.0% per annum (2015: Interest rates of 3.0% per annum)
Service fee expenses	-	-	1	5	As stipulated in agreements
Purchase of condominium units	-	-	2	5	At prices charged to the third parties
<u>Transactions with related parties</u>					
(Related by directors)					
Service fee expenses	-	1	-	-	Similar to market price

As at 31 December 2016 and 2015, the balances of the accounts between the Company, its subsidiaries and those related parties are as follows:

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Amounts due from related parties (Note 9)</b>				
Subsidiaries				
- Taksin Properties Company Limited	-	-	296,580	291,095
- Raimon Land Development Company Limited	-	-	1,091	459
- Raimon Land Unixx Company Limited	-	-	8,696	48,385
- Raimon Land Ekkamai Company Limited	-	-	29,169	16,383
- Raimon Land Resorts Company Limited	-	-	50	-
- Raimon Land Services Company Limited	-	-	257	-
- Asangha Realty Company Limited	-	-	9	-
- Raimon Land Estate Company Limited	-	-	2,402	-
- Raimon Land Silom Company Limited (Formerly known as "Praram 4 Properties Company Limited")	-	-	-	5
Major shareholders				
- JS Asset Management Pte. Ltd.	1,654	230	-	-
Related parties (related by directors)	277	488	17	-
	1,931	718	338,271	356,327
<b>Amounts due to related parties (Note 16)</b>				
Subsidiaries				
- Taksin Properties Company Limited	-	-	112	20
- Raimon Land Development (Singapore) Pte. Ltd.	-	-	465	1,128
Major shareholders				
- JS Asset Management Pte. Ltd.	-	2	-	-
Related parties (related by directors)	479	1,240	-	515
	479	1,242	577	1,663
<b>Deposits and advance received from customers - related parties</b>				
- Directors and employees	4,268	4,146	-	-
- Related parties (related by directors)	9,332	13,012	9,332	9,332
	13,600	17,158	9,332	9,332

Loans to related parties and loans from related parties

As at 31 December 2016 and 2015, the balance of loans to and related interest receivable, and loans from and related accrued interest between the Company and those related parties and the movement are as follows:

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at 31 December 2015	Increase during the year	Decrease during the year	Unrealised losses on exchange rate	Balance as at 31 December 2016
<b>Short-term loans to related parties and interest receivables</b>					
<u>Subsidiaries</u>					
- Raimon Land Park View Development Company Limited					
Loans	15,591	2,869	-	-	18,460
Interest receivable	4,423	861	-	-	5,284
- Raimon Land Resorts Company Limited					
Loans	537	-	-	-	537
Interest receivable	46	28	-	-	74
- Raimon Land Development Company Limited					
Loans	417,148	-	(417,148)	-	-
Interest receivable	2,099	7,133	(9,232)	-	-
- Taksin Properties Company Limited					
Loans	50,000	247,500	(146,000)	-	151,500
Interest receivable	422	5,086	(4,866)	-	642
- Raimon Land Unixx Company Limited					
Loans	1,529,023	485,000	(1,583,509)	-	430,514
Interest receivable	65,261	44,927	(100,310)	-	9,878
- Raimon Land Residences Company Limited					
Loans	-	12,223	-	-	12,223
Interest receivable	1,106	12,607	(1,106)	-	12,607
- Raimon Land Ekkamai Company Limited					
Loans	275,060	310,439	(169,000)	-	416,499
Interest receivable	51,647	16,741	-	-	68,388
- Raimon Land Estate Company Limited					
Loans	-	231,120	-	-	231,120
Interest receivable	-	6,062	-	-	6,062
- Raimon Land Silom Company Limited (Formerly known as “Praram 4 Properties Company Limited”)					
Loans	-	827,113	(33,000)	-	794,113
Interest receivable	-	3,432	-	-	3,432

(Unit: Thousand Baht)

	Separate financial statements				
	Balance as at 31 December 2015	Increase during the year	Decrease during the year	Unrealised losses on exchange rate	Balance as at 31 December 2016
- Raimon Land Development (Singapore) Pte. Ltd.					
Loans	-	234,451	(231,683)	(162)	2,606
Interest receivable	-	1,374	-	(40)	1,334
Total	2,412,363	2,448,966	(2,695,854)	(202)	2,165,273
Less: Allowance for doubtful debts	-	(48,576)	-	-	(48,576)
Net	2,412,363	2,400,390	(2,695,854)	(202)	2,116,697

(Unit: Thousand Baht)

	Separate financial statements			
	Balance as at 31 December 2015	Increase during the year	Decrease during the year	Balance as at 31 December 2016
<b>Short-term loans from related parties and accrued interest</b>				
<u>Subsidiaries</u>				
- Contemporary Property Company Limited				
Loans	129,623	-	(905)	128,718
Accrued interest	27,971	3,876	-	31,847
- Raimon Land Silom Company Limited (Formerly known as “Praram 4 Properties Company Limited”)				
Loans	-	25,000	(25,000)	-
Accrued interest	-	51	(51)	-
	157,594	28,927	(25,956)	160,565



#### Short-term loans to subsidiaries

Loans to subsidiaries are unsecured loans and due at call, carrying interest at rates of 5.0 percent per annum and MLR-1.75 percent per annum (2015: interest at rates 5.5 percent per annum and MLR-1.75 to -1.875 percent per annum).

During the current year, the Company entered into short-term loan agreements with subsidiaries as follows:

##### Raimon Land Estate Company Limited

On 1 June 2016, the Company entered into a loan agreement to provide a loan facility of Baht 200 million to Raimon Land Estate Company Limited. On 2 December 2016, the Company entered into an addendum agreement to alter the loan facility from Baht 200 million to Baht 400 million. The loan carries interest at the rate of 5 percent per annum.

##### Taksin Properties Company Limited

On 20 June 2016, the Company entered into a revolving loan agreement to provide a loan facility of Baht 150 million to Taksin Properties Company Limited. The loan carries interest at the rate of 5 percent per annum.

##### Raimon Land Development (Singapore) Pte. Ltd.

On 1 August 2016, the Company entered into a loan agreement to provide a loan facility of Baht 300 million to Raimon Land Development (Singapore) Pte. Ltd. On 29 September 2016, the Company entered into the amendment agreement to alter the loan facility from Baht 300 million to be SGD 11.5 million. The loan carries interest at a rate of 5 percent per annum.

##### Raimon Land Silom Company Limited (Formerly known as "Praram 4 Properties Company Limited")

On 30 November 2016, the Company entered into a loan agreement to provide a loan facility of Baht 1,000 million to Raimon Land Silom Company Limited. The loan carries interest at a rate of 5 percent per annum.

##### Allowance for doubtful debts

During the current year, the Company has recorded allowance for doubtful accounts for the short-term loans to and interest receivable from Raimon Land Park View Development Company Limited and Raimon Land Residences Company Limited in full amount of Baht 49 million.

#### Short-term loans from subsidiaries

Loans from subsidiaries is unsecured loan carrying interest at a rate of 3 - 5 percent per annum (2015: Interest at rate 3 percent per annum) and due at call.

During the current year, the Company entered into a short-term loan agreement with a subsidiary as follows:

##### Raimon Land Silom Company Limited

On 8 August 2016, the Company entered into a loan agreement with Raimon Land Silom Company Limited, granting the loan facility of Baht 25 million. The loan carries interest at a rate of 5 percent per annum. During the current year, the Company repaid the whole outstanding amount.

#### Directors and management's benefits

During the years ended 31 December 2016 and 2015, the Company and its subsidiaries had employee benefit expense payable to their directors and management as below.

(Unit: Million Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Short-term employee benefits	79	76	79	76
Post-employment benefits	4	4	4	4
Share-based payment transactions (Note 22)	3	5	3	5
Total	86	85	86	85

#### Guarantee obligations with related parties

The Company has outstanding guarantee obligations with its subsidiaries, as described in note 29.5 to the consolidated financial statements.

## 7. Cash and cash equivalents

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cash	444	433	98	123
Bank deposits	1,133,290	485,754	422,274	132,293
Total	1,133,734	486,187	422,372	132,416

As at 31 December 2016, bank deposits in saving accounts and fixed deposits carried interests between 0.125 and 1.40 percent per annum (2015: between 0.125 and 2.25 percent per annum).

Restricted bank deposits represent saving accounts pledged with banks to secure letters of guarantee by bank amounting to Baht 3.8 million. The interest rate of these deposits is 0.3 percent per annum (2015: 0.3 percent per annum).

## 8. Current investments

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Investments in money market fund	1,062	19,000	1,062	-
Add: unrealised gains on change in value of investments	11	14	11	-
Total current investments (fair value)	1,073	19,014	1,073	-

## 9. Trade and other receivables

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade accounts receivable - unrelated parties	8,880	7,105	512	505
Other receivables - related parties (Note 6)	1,931	718	338,271	356,327
Other receivables - unrelated parties	7,284	5,774	156	158
Total	18,095	13,597	338,939	356,990
Less: Allowance for doubtful debts	(7,603)	(5,627)	(263)	(263)
Trade and other receivables, net	10,492	7,970	338,676	356,727

## 10. Project development cost

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land and construction under development	2,264,671	2,221,600	-	-
Developed land and construction	4,160,348	5,620,302	620,330	1,177,736
Total	6,425,019	7,841,902	620,330	1,177,736
Reduce cost to net realisable value	(159,988)	(147,280)	(12,149)	(12,149)
Net	6,265,031	7,694,622	608,181	1,165,587
Capitalised borrowing costs during the year	28,544	25,363	-	-
Capitalisation rate (Percent per annum)	4	5	-	-
Mortgaged as collateral for credit facilities and guarantees	3,679,900	5,637,847	549,397	1,113,563

During the current year, a subsidiary reduced cost of commercial units by Baht 13 million to reflect the net realisable value. This was included in cost of sales.

## 11. Investments in subsidiaries

Details of investments in subsidiaries as presented in separate financial statements are as follows:

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2016	2015	2016	2015	2016	2015
			(%)	(%)		
Contemporary Property Company Limited	200,000	200,000	98.59	98.59	196,126	196,126
Raimon Land Planner Company Limited	2,000	2,000	95.00	95.00	1,900	1,900
Raimon Land Park View Development Company Limited	100,000	100,000	99.99	99.99	100,000	100,000
The River Company Limited (Held by the Company 89.0% and indirect held by Contemporary Property Company Limited 11.0%)	1,232,030	1,232,030	100.00	100.00	1,121,994	1,121,994
Taksin Properties Company Limited (Held by the Company 68.8% and indirect held by The River Company Limited 31.2%)	1,200,000	1,200,000	100.00	100.00	825,000	825,000
Raimon Land Resorts Company Limited	7,000	7,000	99.99	99.99	7,000	7,000
Raimon Land Residences Company Limited	10,000	10,000	99.99	99.99	5,100	5,100
Raimon Land Unixx Company Limited (Held by the Company 99.8% and indirect held by Raimon Land Residences Company Limited 0.2%)	1,737,500	1,737,500	99.99	99.99	1,727,500	1,727,500

(Unit: Thousand Baht)

Company's name	Paid-up capital		Shareholding percentage		Cost	
	2016	2015	2016	2015	2016	2015
			(%)	(%)		
Raimon Land Development Company Limited	500,000	500,000	99.99	99.99	390,694	390,694
Raimon Land Services Company Limited	500	500	99.96	99.96	500	500
Raimon Land Ekkamai Company Limited	5,000	5,000	99.99	99.99	5,000	5,000
Raimon Land Silom Company Limited (Formerly known as "Praram 4 Properties Company Limited")	45,000	45,000	99.99	99.99	45,000	45,000
Raimon Land Estate Company Limited	1,000	-	99.97	-	1,000	-
Asangha Realty Company Limited	1,000	-	99.97	-	1,000	-
Raimon Land Development (Singapore) Pte. Ltd.	-	-	100.00	100.00	-	-
Raimon Land Properties (Singapore) Pte. Ltd.	-	-	100.00	100.00	-	-
Total					4,427,814	4,425,814
Less: Allowance for impairment loss on investments in subsidiaries					(693,245)	(590,320)
Investments in subsidiaries, net					3,734,569	3,835,494

No dividend was received from the above subsidiaries during the years ended 31 December 2016 and 2015.

For the year ended 31 December 2016, the Company recorded allowance for impairment loss on investments in The River Company Limited of approximately Bath 102 million and in Raimon Land Planner Company Limited of approximately Baht 1 million.

### Raimon Land Estate Company Limited (the subsidiary)

On 16 May 2016, the Company incorporated Raimon Land Estate Company Limited, with a registered capital of Baht 1 million, comprising 10,000 ordinary shares with a par value of Baht 100 each. The Company invested 9,997 ordinary shares, which represents 99.97 percent shareholding of the registered share capital, and paid total amount of Baht 1 million.

### Asangha Realty Company Limited (the subsidiary)

On 19 August 2016, the Company incorporated Asangha Realty Company Limited, with a registered capital of Baht 1 million, comprising 10,000 ordinary shares with a par value of Baht 100 each. The Company invested 9,997 ordinary shares, which represents 99.97 percent shareholding of the registered share capital, and paid total amount of Baht 1 million.



## 12. Investment properties

The net book value of investment properties as at 31 December 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements			Separate financial statements	
	Land and office building for rent	Community mall	Total	Land and office building for rent	Total
As at 31 December 2016					
Cost	67,675	233,175	300,850	67,675	67,675
<u>Less</u> Accumulated depreciation	(28,747)	(21,778)	(50,525)	(28,747)	(28,747)
<u>Less</u> Allowance for diminution in value	-	(120,844)	(120,844)	-	-
Net book value	38,928	90,553	129,481	38,928	38,928
As at 31 December 2015					
Cost	67,675	233,175	300,850	67,675	67,675
<u>Less</u> Accumulated depreciation	(25,202)	(17,785)	(42,987)	(25,202)	(25,202)
<u>Less</u> Allowance for diminution in value	-	(120,844)	(120,844)	-	-
Net book value	42,473	94,546	137,019	42,473	42,473

A reconciliation of the net book value of investment properties for the years 2016 and 2015 is presented below.

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Net book value at beginning of year	137,019	144,450	42,473	45,920
Acquisition of assets	-	86	-	86
Depreciation charge	(7,538)	(7,517)	(3,545)	(3,533)
Net book value at end of year	129,481	137,019	38,928	42,473

The fair value of the investment properties as at 31 December 2016 and 2015 stated below:

(Unit: Million Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Land and office building for rent	74	81	74	81
Community mall (included leasehold right)	159	177	-	-

The fair value of the above investment properties has been determined based on valuation performed by the accredited independent valuer, using income approach. The key assumptions used in the valuation of the land and office building for rent and the community mall include yield rate, inflation rate, long-term vacancy rate and long-term growth in real rental rates.

The Company has pledged investment properties amounting to approximately Baht 39 million (2015: Baht 41 million) as collateral against credit facilities received from a financial institution.

## 13. Property, plant and equipment

(Unit: Thousand Baht)

	Consolidated financial statements						
	Land and land improve-ment	Building and building improve-ment	Residential condo-minium units for services	Furniture and fixtures	Office equipment	Motor vehicles	Total
<b>Cost:</b>							
1 January 2015	13,388	16,967	867,052	111,478	45,785	38,250	1,092,920
Additions	77	713	7,740	2,792	5,505	-	16,827
Disposals / written-off	-	-	-	(4,311)	(7,762)	-	(12,073)
31 December 2015	13,465	17,680	874,792	109,959	43,528	38,250	1,097,674
Additions	-	582	-	10,228	5,713	3,440	19,963
Disposals / written-off	-	-	-	(17,032)	(1,018)	(2,750)	(20,800)
31 December 2016	13,465	18,262	874,792	103,155	48,223	38,940	1,096,837
<b>Accumulated depreciation:</b>							
1 January 2015	-	12,060	28,902	76,518	29,140	15,197	161,817
Depreciation for the year	7	15	29,141	12,276	6,798	5,672	53,909
Depreciation on disposals / written-off	-	-	-	(1,972)	(7,424)	-	(9,396)
31 December 2015	7	12,075	58,043	86,822	28,514	20,869	206,330
Depreciation for the year	15	138	29,230	10,146	6,988	6,015	52,532
Depreciation on disposals / written-off	-	-	-	(12,478)	(891)	(2,750)	(16,119)
31 December 2016	22	12,213	87,273	84,490	34,611	24,134	242,743
<b>Allowance for impairment loss:</b>							
31 December 2015	13,288	4,907	-	-	-	-	18,195
31 December 2016	13,288	4,907	-	-	-	-	18,195
<b>Net book value:</b>							
31 December 2015	170	698	816,749	23,137	15,014	17,381	873,149
31 December 2016	155	1,142	787,519	18,665	13,612	14,806	835,899
<b>Depreciation for the year:</b>							
2015 (all included in administrative expenses)							53,909
2016 (all included in administrative expenses)							52,532

(Unit: Thousand Baht)

Separate financial statements						
	Land and land improve- ment	Building and building improvement	Furniture and fixtures	Office equipment	Motor vehicles	Total
<b>Cost:</b>						
1 January 2015	13,388	16,967	64,668	27,142	33,937	156,102
Additions	77	713	973	4,493	-	6,256
Disposals / written-off	-	-	(3,870)	(6,169)	-	(10,039)
31 December 2015	13,465	17,680	61,771	25,466	33,937	152,319
Additions	-	582	1,197	1,775	3,314	6,868
Disposals / written-off	-	-	(2,964)	(594)	(2,750)	(6,308)
31 December 2016	13,465	18,262	60,004	26,647	34,501	152,879
<b>Accumulated depreciation:</b>						
1 January 2015	-	12,060	49,644	19,472	11,496	92,672
Depreciation for the year	8	15	5,511	4,275	5,359	15,168
Depreciation on disposals / written-off	-	-	(1,621)	(5,831)	-	(7,452)
31 December 2015	8	12,075	53,534	17,916	16,855	100,388
Depreciation for the year	15	138	2,860	4,024	5,788	12,825
Depreciation on disposals / written-off	-	-	(2,175)	(592)	(2,750)	(5,517)
31 December 2016	23	12,213	54,219	21,348	19,893	107,696
<b>Allowance for impairment loss:</b>						
31 December 2015	13,288	4,907	-	-	-	18,195
31 December 2016	13,288	4,907	-	-	-	18,195
<b>Net book value:</b>						
31 December 2015	169	698	8,237	7,550	17,082	33,736
31 December 2016	154	1,142	5,785	5,299	14,608	26,988
<b>Depreciation for the year:</b>						
2015 (all included in administrative expenses)						15,168
2016 (all included in administrative expenses)						12,825

As at 31 December 2016, the Company and its subsidiaries had equipment and motor vehicles with net book value of Baht 12 million (2015: Baht 16 million) which were acquired under finance lease agreements (the Company only: Baht 12 million, 2015: Baht 15 million).

As at 31 December 2016, certain items of equipment and motor vehicles of the Company and its subsidiaries were fully depreciated but are still in use. The gross carrying amount before deducting accumulated depreciation of those assets amounted to approximately Baht 106 Million (2015: Baht 97 million) (the Company only: Baht 78 million, 2015: Baht 70 million).

As at 31 December 2015, a subsidiary pledged its property, plant and equipment amounting to approximately Baht 817 million as collateral against credit facilities received from financial institutions. However, during 2016, the subsidiary already redeemed those assets from financial institutions.

#### 14. Leasehold right

(Unit: Thousand Baht)

Consolidated financial statements		
	2016	2015
Leasehold right	101,100	100,000
Less: Accumulated amortisation	(33,020)	(30,055)
Leasehold right - net	68,080	69,945
Amortisation charges included in administrative expenses	2,965	2,944

A reconciliation of the net book value of leasehold right for the years 2016 and 2015 is presented below.

(Unit: Thousand Baht)

Consolidated financial statements		
	2016	2015
Net book value at beginning of year	69,945	72,889
Addition	1,100	-
Amortisation charge	(2,965)	(2,944)
Net book value at end of year	68,080	69,945

#### 15. Short-term loans from financial institutions

As at 31 December 2016, short-term loans from financial institutions consist of the Company's bill of exchange of Baht 200 million (2015: Baht 100 million) and a subsidiary's promissory note of Baht 267 million with financial institutions, which carry interest at rates similar to market rate. These loans are due between February to June 2017.

The promissory note of the subsidiary from the financial institution is secured by the mortgage of the subsidiary's land awaiting development of Baht 492 million and guarantee provided by the Company.

On 1 April 2016, the Company entered into a credit facility agreement with a local bank, granting the short-term facility of Baht 1,000 million. The credit facility is to be used for the acquisition of land of the Company and its subsidiaries. As at 31 December 2016, the Company has not yet drawn down this credit facility.



## 16. Trade and other payables

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Trade payables - unrelated parties	62,612	92,602	3,367	2,700
Other payables - related parties (Note 6)	479	1,242	577	1,663
Other payables - unrelated parties	50,412	47,584	5,541	7,129
Accrued expenses	109,476	67,239	45,545	49,639
Total trade and other payables	222,979	208,667	55,030	61,131

## 17. Long-term loans from financial institutions

(Unit: Thousand Baht)

	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Long-term loans	976,341	2,285,885	-	1,049,996
Less: Current portion	(466,341)	(1,371,519)	-	(1,049,996)
Long-term loans, net of current portion	510,000	914,366	-	-

The Company and its subsidiaries have credit facilities from banks totaling Baht 4,364 million (2015: Baht 6,127 million) (the Company only: Baht 1,154 million, 2015: Baht 4,087 million) under numerous agreements, carrying interest rates reference to MLR. Loan repayments are due when condominium units are transferred to customers, as specified in the loan agreements, and full settlement due within dates between April 2017 to December 2020 (2015: May 2016 to September 2024) (the Company only 2015: June 2016 to June 2019).

These loans are secured by the mortgage of the condominium units of the projects, the land and construction thereon of the projects, the transfer of beneficiary rights under purchase and sale agreements for the project's condominium units, the transfer of beneficiary rights under insurance policies for the projects, the transfer of the beneficiary rights under the performance bonds of construction agreements with the major project contractors, the transfer of rights in bank accounts, and guarantee provided by the Company.

The loan agreements of the Company and its subsidiaries contain covenants as specified in the agreements that, among other things, require the Company and its subsidiaries to maintain certain interest-bearing debt to equity and debt to equity ratios according to the agreements.

As at 31 December 2016, the long-term credit facilities of the Company and its subsidiaries which have not yet been drawn down amounted to Baht 1,873 million (2015: Baht 2,704 million) (the Company only: Baht 883 million, 2015: Baht 2,351 million).

### Raimon Land Public Company Limited

On 7 June 2016, the Company entered into an amendment credit facility agreement with a local bank to allow Raimon Land Estate Company Limited, a subsidiary, to jointly utilise the credit facility. The loan which has been drawn down by the subsidiary are guaranteed by the Company.

On 28 June 2016, the Company entered into an amendment credit facility agreement with a local bank, to extend the payment period of loans to September 2016. During the current year, the Company repaid the whole outstanding amount.

### Taksin Properties Company Limited (the subsidiary)

On 1 April 2016, Taksin Properties Company Limited, a subsidiary, entered into an amendment long-term loan agreement with two local banks to extend the payment period of loans to April 2017.

### Raimon Land Unixx Company Limited (the subsidiary)

On 19 December 2016, Raimon Land Unixx Company Limited, a subsidiary entered into a long-term loan agreement with a local bank, granting the loan facilities of Baht 1,370 million for development of its project. This loan carries interest at rate reference to MLR. During the current year, the loan has been drawn down amounted to Baht 510 million.

## 18. Debentures

(Unit : Thousand Baht)

Issued date	Matured date	Quantity (Unit)	Par value (Baht per unit)	Interest rate (Percent per annum)	Consolidated financial statements / Separated financial statements	
					2016	2015
29 July 2015	29 July 2018	500,000	1,000	4.8	500,000	500,000
21 September 2016	21 September 2019	1,000,000	1,000	4.7	1,000,000	-
Total					1,500,000	500,000
Less: Unamortised costs relating to the issuance of the debentures					(6,256)	(2,294)
Debentures-net					1,493,744	497,706

The above debentures are unsecured and their interests are paid on quarterly basis.

The debenture agreements contain covenants as specified in the agreement and restrictions on the Company, related to such matters as the maintenance of interest-bearing debt to equity ratio.

## 19. Provision for long-term employee benefits

Provision for long-term employee benefits, which represents compensation payable to employees after they retire, was as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Provision for long-term employee benefits at beginning of year	13,650	11,852	13,293	11,852
Included in profit or loss:				
Current service cost	4,111	3,350	3,847	3,000
Interest cost	357	455	349	448
Past service costs and losses on settlement	-	770	-	770
Included in other comprehensive income:				
Actuarial (gain) loss arising from				
Demographic assumptions changes	-	(1,725)	-	(1,725)
Financial assumptions changes	-	1,659	-	1,659
Experience adjustments	-	(1,326)	-	(1,326)
Benefit paid during the year	-	(1,385)	-	(1,385)
Provision for long-term employee benefits at end of year	18,118	13,650	17,489	13,293

Line items in profit or loss which long-term employee benefit expenses are recognised are as follows:

(Unit: Thousand Baht)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Administrative expenses	4,468	4,575	4,196	4,218
Total expenses recognised in profit or loss	4,468	4,575	4,196	4,218

The Company and its subsidiaries expect that no long-term employee benefits will be paid during the next year.

As at 31 December 2016, the weighted average duration of the liabilities for long-term employee benefit is 24 years (the Company only: 24 years) (2015: 25 years, the Company only: 25 years).

Significant actuarial assumptions are summarised below:

(Unit: Percent per annum)				
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Discount rate	2.57 - 2.62	2.57 - 2.62	2.62	2.62
Salary increase rate	3	3	3	3
Turnover rate	0 - 34	0 - 34	0 - 34	0 - 34

The result of sensitivity analysis for significant assumptions that affect the present value of the long-term employee benefit obligation as at 31 December 2016 and 2015 are summarised below:

(Unit: Thousand Baht)				
As at 31 December 2016				
	Consolidated financial statements		Separate financial statements	
	Increase 1 %	Decrease 1 %	Increase 1 %	Decrease 1 %
Discount rate	(1,199)	1,678	(1,149)	1,622
Salary increase rate	1,777	(1,576)	1,175	(1,520)
Turnover rate	(1,566)	466	(1,512)	453

(Unit: Thousand Baht)				
As at 31 December 2015				
	Consolidated financial statements		Separate financial statements	
	Increase 1 %	Decrease 1 %	Increase 1 %	Decrease 1 %
Discount rate	(1,177)	1,346	(1,149)	1,314
Salary increase rate	1,276	(1,138)	1,244	(1,109)
Turnover rate	(1,254)	370	(1,224)	363

## 20. Share capital

On 25 April 2016, the Annual General Meeting of the Company's shareholders for the year 2016 passed the resolution for the Company to decrease the Company's registered share capital from Baht 5,809,676,871 to Baht 4,558,354,509 by cancelling 1,251,322,362 unissued ordinary shares, since the Company has not proceeded with the private placement offering of 357,541,529 shares and 893,780,833 RML-W3 warrants were expired.

The Company registered the decrease in its registered share capital with the Ministry of Commerce on 12 May 2016.



## 21. Warrants to purchase new ordinary shares of the Company issued to the Company's shareholders

On 15 June 2015, the Company issued 893,853,790 warrants (RML-W4). Each warrant can be exercised to purchase 1 new ordinary share at an exercise price of Baht 1.97 each. These warrants can be exercised for 3 years from the issued date, on the last business day of each March, June, September and December. The initial exercise date was on 30 September 2015 and the last exercise date will be on 14 June 2018.

As at 31 December 2016, there was not exercised for these warrants (RML-W4).

## 22. Warrants to purchase new ordinary shares of the Company issued to the executive directors and/or employees of the Company

On 1 November 2013, the Extraordinary General Meeting of the Company's shareholders No. 1/2013 passed the approval for the Company to issue and offer 89 million units of warrants to purchase the Company's ordinary shares ("ESOP-Warrants") at the rate of Baht 0 per unit and at the exercise ratio of 1 unit per 1 ordinary share and at the exercise price of Baht 1.67 per share to two executive directors of the Company, 44.5 million units each.

The date of issue warrants (RML-WB) was on 15 November 2013. The holders of the warrants are able to exercise their rights to purchase the Company's ordinary shares on the last business day of each month at the agreed option for a term of 5 years from the issued date.

As at 31 December 2016, there was not exercised for these warrants (RML-WB).

The expenses recognised from share-based payment transactions for the year ended 31 December 2016 of the Company were Baht 3 million (2015: Baht 5 million).

The fair value of the warrants (RML-WB) was measured based on Binomial option pricing model as presented below.

	RML-WB
Fair value of warrants at grant date	0.22 - 0.48 Baht per share
Share price at grant date	1.32 Baht per share
Exercise price	1.67 Baht per share
Expected dividend yield	0 %
Expected stock volatility*	45.51 %
Risk-free interest rate	2.83 %

\* The expected volatility of the share options is based on historical data of the Company's stock price during the period 16 November 2011 to 15 November 2013.

## 23. Statutory reserve

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

## 24. Expenses by nature

Significant expenses by nature are as follow:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Cost of residential condominium units sold	3,168,708	3,016,128	570,374	1,490,211
Salary and other employee benefits	223,099	224,253	204,219	205,828
Management fee	14,141	12,528	-	-
Depreciation and amortisation charges	64,507	65,690	17,649	19,842
Special business tax and transfer fees	190,223	210,433	44,750	115,381
Other selling expenses	100,925	115,973	16,285	29,856
Loss on diminution in value of investment in subsidiaries	-	-	102,925	-
Reduce project development cost to net realisable value	12,709	-	-	-

## 25. Income tax

Income tax expenses for the years ended 31 December 2016 and 2015 are made up as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Current income tax:</b>				
Current income tax charge	83,661	113,515	38,713	112,585
Adjustment in respect income tax of previous year	(24)	-	-	-
<b>Deferred tax:</b>				
Relating to origination and reversal of temporary differences	140,979	132,232	38,623	107,158
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>224,616</b>	<b>245,747</b>	<b>77,336</b>	<b>219,743</b>

The amounts of income tax relating to each component of other comprehensive income for the years ended 31 December 2016 and 2015 are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Deferred tax relating to actuarial gains	-	278	-	278

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

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
Accounting profit before tax	1,075,215	1,146,203	226,940	996,053
Applicable tax rate	20 %	20 %	20 %	20 %
Accounting profit before tax multiply by income tax rate	215,043	229,241	45,388	199,211
Adjustment in respect of income tax of previous year	(24)	-	-	-
Difference in tax rates of subsidiaries	-	(463)	-	-
Effects of:				
Utilisation of unrecognised deferred tax assets in the previous year	(30,239)	(7,887)	-	(1,562)
Write-off deferred tax assets				
- Allowance for doubtful accounts	-	1,000	-	-
- Allowance for impairment loss on investments	-	20,000	-	20,000
- Tax losses of subsidiaries	24,600	-	-	-
Deferred tax assets which were not recognised during the year				
- Tax losses of subsidiaries	7,159	1,522	-	-
- Allowance for impairment loss on investments	-	-	20,585	-
- Allowance for doubtful accounts	4,640	-	9,715	-
- Others	52	71	-	-
Additional expenses deduction allowed	(805)	-	(303)	-
Non-deductible expenses	4,190	2,263	1,951	2,094
<b>Total</b>	<b>9,597</b>	<b>16,969</b>	<b>31,948</b>	<b>20,532</b>
<b>Income tax expenses reported in the statement of comprehensive income</b>	<b>224,616</b>	<b>245,747</b>	<b>77,336</b>	<b>219,743</b>

As at 31 December 2016 and 2015, the components of deferred tax assets and deferred tax liabilities are as follows:

	(Unit: Thousand Baht)			
	Consolidated financial statements		Separate financial statements	
	2016	2015	2016	2015
<b>Deferred tax assets</b>				
Unused tax loss	19,083	72,523	-	-
Allowance for diminution in value of project development cost	25,283	22,741	2,430	2,430
Allowance for impairment loss on investment properties	21,351	22,292	-	-
Provision for long-term employee benefits	3,498	2,658	3,498	2,659
Cash received from customers and project development cost from the difference between tax and accounting of revenue recognition	93,545	191,617	1,004	40,466
Others	2,207	418	-	-
<b>Total deferred tax assets</b>	<b>164,967</b>	<b>312,249</b>	<b>6,932</b>	<b>45,555</b>
<b>Deferred tax liabilities</b>				
Surplus of project development cost	22,966	29,269	-	-
<b>Total deferred tax liabilities</b>	<b>22,966</b>	<b>29,269</b>	<b>-</b>	<b>-</b>

As at 31 December 2016, the Company and its subsidiaries have deductible temporary differences and unused tax losses totaling Baht 892 million (2015: Baht 717 million) (the Company only: Baht 693 million, 2015: Baht 590 million). Deferred tax assets have not been recognised on these amount as the Company and its subsidiaries believe future taxable profits may not be sufficient to allow utilisation of the temporary differences and unused tax losses.

The unused tax losses which was not recognised as deferred tax assets amounting to Baht 199 million (2015: Baht 126 million) will expire by 2017 - 2021.

## 26. Earnings per share

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

Diluted earnings per share is calculated by dividing profit for the year attributable to equity holders of the Company (excluding other comprehensive income) by the weighted average number of ordinary shares in issue during the year plus the weighted average number of ordinary shares which would need to be issued to convert all dilutive potential ordinary shares into ordinary shares. The calculation assumes that the conversion took place either at the beginning of the year or on the date the potential ordinary shares were issued. However, warrants was not included in calculation of diluted earnings per share for the year 2016 and 2015 since the exercise price plus the balance of fair value of each warrants is higher than the average market price for the year.



Consolidated financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	850,653	900,898	3,575,484	3,575,484	0.24	0.25
<b>Effect of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares of the Company (ESOP-RML-WB / RML-W4)	-	-	-	-		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	850,653	900,898	3,575,484	3,575,484	0.24	0.25

Separate financial statements						
	Profit for the year		Weighted average number of ordinary shares		Earnings per share	
	2016	2015	2016	2015	2016	2015
	(Thousand Baht)	(Thousand Baht)	(Thousand shares)	(Thousand shares)	(Baht)	(Baht)
<b>Basic earnings per share</b>						
Profit attributable to equity holders of the Company	149,604	776,310	3,575,484	3,575,484	0.04	0.22
<b>Effect of dilutive potential ordinary shares</b>						
Warrants to purchase ordinary shares of the Company (ESOP-RML-WB / RML-W4)	-	-	-	-		
<b>Diluted earnings per share</b>						
Profit of ordinary shareholders assuming the conversion of warrants to ordinary shares	149,604	776,310	3,575,484	3,575,484	0.04	0.22

## 27. Provident fund

The Company and its employees have jointly established a provident fund in accordance with the Provident Fund Act B.E. 2530. The fund is monthly contributed to by employees, at the rate of 3 percent or 5 percent of their basic salaries, and by the Company at the rate of 5 percent of employees' basic salaries. The fund, which is managed by Kasikorn Asset Management Company Limited will be paid to employees upon termination in accordance with the fund rules. The contributions for the year 2016 amounting to approximately Baht 5 million (2015: Baht 5 million) were recognised as expenses.

## 28. Dividends

Dividends	Approved by	Total dividends	Dividends per share
		(Thousand Baht)	(Baht)
Final dividends for 2015	Annual General Meeting of the Company's shareholders on 25 April 2016	196,646	0.055

## 29. Commitments and contingent liabilities

### 29.1 Capital commitments

As at 31 December 2016, the Company and its subsidiaries had capital commitments of approximately Baht 719 million (2015: Baht 750 million) (the Company only, 2015: Baht 26 million) relating to design and construction contracts of their projects.

### 29.2 Long-term land lease commitments

On 28 December 2016, the Company entered into a land lease agreement with a company, to lease land for construction of office and retail space for rent. The land lease agreement grants a 30-year operating lease period.

As at 31 December 2016, the Company paid a deposit for the leasehold rights of Baht 300 million. The land lease agreement specifies that the Company has commitments as follows:

- To transfer the ownership of a condominium unit of its project, within 1 month from the date of the agreement or any date thereafter mutually agreed by lessor and the lessee,
- To make advance payment for the long-term lease of Baht 1,148 million on the land delivery date in April 2018.
- The Company has to pay annual rental over the lease period of 30 years totaling Baht 1,804 million. Rental payment will commence on 1 April 2022 when is 4 years after land delivery date.

In addition, the Company has to pay a fund annually during 2036 - 2040 with a total amount of Baht 100 million. The fund will be used for building improvement or decommissioning cost after the expiry date of land lease agreement.

### 29.3 Operating lease commitments

The Company and its subsidiary have entered into several service agreements and lease agreements in respect of land and office building space. The terms of the agreements are generally between 2 to 3 years.

As at 31 December 2016, the Company and its subsidiary had future minimum lease payments required under these non-cancellable operating leases contracts as follows.

(Unit: Million Baht)		
	Consolidated financial statements	Separate financial statements
	2016	2015
<b>Payable</b>		
Up to 1 year	9	8
Over 1 and up to 3 years	24	23

29.4 Long-term service commitments

The Company and its subsidiaries had commitment in respect of agency fees of the projects to pay under the “Agency Agreement” at the rate of 1 to 7 percent of project units' sale price.

29.5 Guarantee

- 29.5.1 As at 31 December 2016, the Company has guaranteed bank credit facilities of its subsidiaries amounting to Baht 2,108 million (2015: Baht 2,030 million).
- 29.5.2 As at 31 December 2016, the Company and its subsidiary had outstanding bank guarantees issued by banks on behalf of the Company and its subsidiary of approximately Baht 4 million (2015: Baht 7 million) (the Company only: Baht 4 million, 2015: Baht 4 million) to guarantee electricity use.

29.6 Tax assessment

During the year 2012, a subsidiary received letters of corporate income tax and special business tax assessments from the Revenue Department, whereby tax was assessed on the basis that the subsidiary must top up the mortgage value on the value of land sales of the subsidiary. The subsidiary then submitted a letter appealing the assessment to the Tax Appeal Committee of the Revenue Department. In March 2016, the Tax Appeal Committee rejected the subsidiary's appeal to revoke this assessment by the Revenue Department, and ordered the subsidiary to pay tax and surcharges approximately Baht 600 million to the Revenue Department. However, the Company disagreed with this assessment. The subsidiary, therefore filed the case to the Central Tax Court to revoke this tax assessment on 7 September 2016. This filing is currently under the consideration of the Central Tax Court. Based on tax advice received from a professional firm, the Company's management believes that the subsidiary has done it correctly and the subsidiary will be able to oppose this assessment and that there will be no significant effect to the consolidated statements of financial position and consolidated statement of comprehensive income. Therefore, no provision has been set up into the account.

As at 31 December 2016, this subsidiary's share capital has been fully paid up and it has ceased the operation since 2010. In addition, there is no guarantee issued by this subsidiary to any third party including no guarantee issued by the Company as the parent company of this subsidiary. Therefore, if the subsidiary loses the case, there will have no negative impact to the consolidated financial statements.

29.7 Litigations

As at 31 December 2016, the Company and its subsidiaries have pending litigation cases, relating to allegations of breaches of agreements to purchase and to sell from some customers and torts amounting to Baht 34 million. However, the Company and its subsidiaries are defending the lawsuits, and since the Company's lawyers and management believe that the Company and its subsidiaries will not have a material effect from the litigation, no provision have been recorded in respect of these cases.

30. Segment information

Operating segment information is reported in a manner consistent with the internal reports that are regularly reviewed by the chief operating decision maker in order to make decisions about the allocation of resources to the segment and assess its performance. For management purposes, the Company and its subsidiaries are organised into business units based on their project property development.

The Company and its subsidiaries have aggregated all operating segments and presented them as the reportable segment which is property development. The aggregated operating segments have similar economic characteristics and are similar in the other respects required by the financial reporting standard. The operation of the Company and its subsidiaries is carried out from the single geographic location, Thailand. As a result, all of the revenues, operating profits and assets as reflected in these consolidated financial statements pertain to the aforementioned reportable operating segment and geographical area.

31. Fair value hierarchy

As at 31 December 2016 and 2015, the Company and its subsidiaries had the assets that were measured at fair value using different levels of inputs as follows:

(Unit: Million Baht)

Consolidated financial statements				
31 December 2016				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current Investment	1	-	-	1
Assets for which fair value are disclosed				
Investment properties	-	-	233	233

(Unit: Million Baht)

Consolidated financial statements				
31 December 2015				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current Investment	19	-	-	19
Assets for which fair value are disclosed				
Investment properties	-	-	258	258

(Unit: Million Baht)

Separate financial statements				
31 December 2016				
	Level 1	Level 2	Level 3	Total
Assets measured at fair value				
Current Investment	1	-	-	1
Assets for which fair value are disclosed				
Investment properties	-	-	74	74

(Unit: Million Baht)

Separate financial statements				
31 December 2015				
	Level 1	Level 2	Level 3	Total
Assets for which fair value are disclosed				
Investment properties	-	-	81	81



## 32. Financial instruments

### 32.1 Financial risk management

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

#### Credit risk

The Company and its subsidiaries are exposed to credit risk primarily with respect to trade and other receivables and loans to related parties. The Company's and its subsidiaries' management manage the risk by adopting appropriate credit control policies and procedures and therefore do not expect to incur material financial losses. The maximum exposure to credit risk is limited to the carrying amounts of trade and other receivables and loan to related parties as stated in the statements of financial position.

#### Interest rate risk

The Company's and the subsidiaries' exposure to interest rate risk relates primarily to their cash at banks, loans to, short-term loans, long-term loans and debentures. Most of the financial assets and liabilities bear floating interest rates or fixed interest rates which are close to the market rate.

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

(Unit: Million Baht)

	Consolidated financial statement					
	As at 31 December 2016					
	Fixed interest rates		Floating	Non-interest		Effective
	within 1 year	1-5 years	interest rate	bearing	Total	interest rate
	(% p.a.)					
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	1,133	1	1,134	0.125 - 1.40
Current investments	-	-	-	1	1	-
Restricted bank deposits	-	-	4	-	4	0.30
Trade and other receivables	-	-	-	10	10	-
	-	-	1,137	12	1,149	
<b>Financial Liabilities</b>						
Short-term loans from financial institutions	467	-	-	-	467	3.3 - 4.0
Trade and other payables	-	-	-	223	223	-
						Reference
Long-term loans from financial institutions	-	-	976	-	976	to MLR
Debentures	-	1,494	-	-	1,494	4.7 - 4.8
	467	1,494	976	223	3,160	

(Unit: Million Baht)

	Consolidated financial statement					
	As at 31 December 2015					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	within 1 year	1-5 years				
	(% p.a.)					
<b>Financial Assets</b>						
Cash and cash equivalents	25	-	455	6	486	0.125 - 2.25
Current investments	-	-	-	19	19	-
Restricted bank deposits	-	-	4	-	4	0.30
Trade and other receivables	-	-	-	8	8	-
	25	-	459	33	517	
<b>Financial Liabilities</b>						
Short-term loans from financial institutions	100	-	-	-	100	3.40
Trade and other payables	-	-	-	209	209	-
						Reference
Long-term loans from financial institutions	-	-	2,286	-	2,286	to MLR
Debentures	-	498	-	-	498	4.80
	100	498	2,286	209	3,093	

(Unit: Million Baht)

	Separate financial statement					
	As at 31 December 2016					
	Fixed interest rates		Floating	Non-interest		Effective
	within 1 year	1-5 years	interest rate	bearing	Total	interest rate
	(% p.a.)					
<b>Financial Assets</b>						
Cash and cash equivalents	-	-	422	-	422	0.125 - 1.40
Current investments	-	-	-	1	1	-
Restricted bank deposits	-	-	4	-	4	0.30
Trade and other receivables	-	-	-	339	339	-
Short-term loans to related parties and interest receivable	1,675	-	352	90	2,117	5.0 and MLR-1.75
	1,675	-	778	430	2,883	
<b>Financial Liabilities</b>						
Short-term loans from financial institutions	200	-	-	-	200	3.30
Trade and other payables	-	-	-	55	55	-
Short-term loan from related party and accrued interest	129	-	-	32	161	3.00
Debentures	-	1,494	-	-	1,494	4.7 - 4.8
	329	1,494	-	87	1,910	

(Unit: Million Baht)

	Separate financial statement					
	As at 31 December 2015					
	Fixed interest rates		Floating interest rate	Non-interest bearing	Total	Effective interest rate
	within 1 year	1-5 years				
	(% p.a.)					
<b>Financial Assets</b>						
Cash and cash equivalent	-	-	132	-	132	0.30 - 0.625
Restricted bank deposits	-	-	4	-	4	0.30
Trade and other receivables	-	-	-	357	357	-
Short-term loans to related parties and interest receivable	837	-	1,450	125	2,412	5.5and MLR-1.75 to -1.875
	837	-	1,586	482	2,905	
<b>Financial Liabilities</b>						
Short-term loans from financial institutions	100	-	-	-	100	3.40
Trade and other payables	-	-	-	61	61	-
Short-term loan from related party and accrued interest	130	-	-	28	158	3.00
Long-term loans from financial institutions	-	-	1,050	-	1,050	Reference to MLR
Debentures	-	498	-	-	498	4.80
	230	498	1,050	89	1,867	

**Foreign currency risk**

Foreign currency risk is the risk that the value of a financial instrument will fluctuate because of changes in foreign exchange rates.

The Company and its subsidiaries consider themselves not to be exposed to foreign currency risk because the majority of financial transactions are in Baht currency.

**32.2 Fair values of financial instruments**

Since the majority of the Company's and its subsidiaries' financial instruments are short-term in nature or carrying interest at rates closed to the market interest rates, their fair value is not expected to be materially different from the amounts presented in the statements of financial position.

**33. Capital management**

The primary objective of the Company's and its subsidiaries' capital management is to ensure that it has an appropriate capital structure in order to support its business and maximise shareholder value. As at 31 December 2016, the Group's interest-bearing debt to equity ratio was 0.58:1 (2015: 0.65:1) and the Company's was 0.33:1 (2015: 0.32:1).

**34. Events after the reporting period**

On 24 February 2017, the Board of Directors' Meeting of the Company passed the following resolutions:

- To approve the payment of dividend from profit of the year ended 31 December 2016 to the shareholders at Baht 0.07 each or a total dividend of Baht 250 million.
- To approve the issuance and offering of warrants to the directors, management, and/or employees of the Company, under the ESOP totaling 146 million units.

However, above resolutions are subject to be approved by shareholders in the Annual General Meeting of the Company's shareholders for the year 2017.

**35. Approval of financial statements**

These financial statements were authorised for issue by the Company's Board of Directors on 24 February 2017.



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Further information could be found in the Company's Form  
56-1 uploaded at [www.sec.or.th](http://www.sec.or.th) or the Company's website :  
[www.raimonland.com](http://www.raimonland.com)



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